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UNITED STATES BANKRUPTCY COURT  
DISTRICT OF COLORADO

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In re:

CONVERGENT COMMUNICATIONS,  
INC.

Debtors.

) Chapter 11  
) Case No. 01-15488 EEB

CONVERGENT COMMUNICATIONS  
SERVICE, INC.

Debtors.

Defendants

) Chapter 11  
) Case No. 01-15489 EEB  
) Jointly Administered Under  
) Case No. 01-15488 EEB

NOTICE PURSUANT TO LOCAL BANKRUPTCY RULE 202 OF CCI LIQUIDATING  
TRUSTEE'S MOTION TO APPROVE COMPROMISE AND SETTLEMENT  
AGREEMENT OF DIRECTOR AND OFFICER OF LITIGATIONS

TO: ALL PARTIES IN INTEREST.

NOTICE IS HEREBY GIVEN that Greg A. Dickey, in his capacity as the liquidating trustee of the CCI Liquidating Trust ("CCI Trustee") has filed a **Motion To Approve Compromise And Settlement Agreement Of Director And Officer Of Litigations** (the "Settlement Motion").

The CCI Trustee commenced litigation against certain former officers and directors (the "D&O Defendants") of Convergent Communication Services, Inc. and Convergent Communications, Inc. asserting certain claims and causes of action for breach of fiduciary duty, breach of duty of care, breach of duty of loyalty and other causes of action including claims for avoidance against certain former officers and directors (the "D&O Action"). The D&O Defendants opposed the D&O Action. In addition, the CCI Trustee also commenced several adversary proceedings against former officers and directors (the "Avoidance Actions Defendants") seeking to avoid alleged preferential payments (the "Avoidance Actions"). The Avoidance Actions have been opposed by the Avoidance Action Defendants.

The CCI Trustee proposes a global settlement of the D&O Action and the Avoidance Actions. Pursuant to the proposed Settlement Agreement, the CCI Trustee is to be paid the sum of \$7,400,000. The CCI Trustee shall dismiss with prejudice each of the Avoidance Actions and the D&O Action.

The Avoidance Action Defendants and the D&O Defendants shall release the CCI Trustee and the CCI and CCSI bankruptcy estates and liquidating trusts from **any and all claims,**

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causes of action which they may have including without limitation any proofs of claim submitted under any of the cases.

The CCI Liquidating Trustee on behalf of the CCI Liquidating Trust, the CCI estate and creditors of CCI shall release any and all claims, causes of action against certain insurance carriers, the Avoidance Action Defendants and the D&O Defendants as well as certain affiliates.

The CCSI Liquidating Trustee on behalf of the CCSI Liquidating Trust and the CCSI estate and creditors shall release any and all claims, causes of action against certain insurance carriers, the Avoidance Action Defendants, the D&O Defendants and certain of their affiliates.

Other details regarding the settlement are set forth in the Settlement Agreement. The above provisions are merely provided as an overview and do not replace, supplement, or otherwise effect the actual terms and conditions of the Settlement Agreement. The parties are urged to review the complete copy of the Settlement Agreement.

A copy of the Settlement Motion as well as the Settlement Agreement is available upon written request from the undersigned or may be obtained from the United States Bankruptcy Court located at 721 19<sup>th</sup> Street, Denver, Colorado 80202.

Pursuant to Rule 202 of the local rules of bankruptcy procedure, if you desire to object to the settlement motion, you must file a written objection and request for a hearing with the court and serve a copy thereof on the undersigned attorney on or before **February 14, 2005**. Objections and requests for hearing shall clearly specify the grounds upon which they are based, including the citation of supporting legal authority, if any. General objections will not be considered by the Court.

In the absence of timely and substantiated objection and request for hearing by initial party, the Court may approve the aforementioned settlement motion without any further notice to creditors and other parties in interest and interested parties.

Respectfully submitted this 10<sup>th</sup> day of January, 2005.

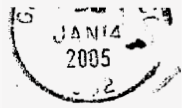
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