

ORIGINAL

IN THE UNITED STATES BANKRUPTCY COURT

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FOR THE DISTRICT OF DELAWARE

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 In re: : Chapter 11
 :
 BIRCH TELECOM, INC., : Case No. 05-12237 (PJW)
 et al., :
 : Jointly Administered
 Debtors. :
 :
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COMMISSION CLERK

**NOTICE OF COMMENCEMENT OF CHAPTER 11 BANKRUPTCY CASES,
 MEETING OF CREDITORS AND FIXING OF CERTAIN DATES**

On August 12, 2005, the above-captioned debtors and debtors-in-possession in the above-captioned cases (collectively, the "Debtors") filed voluntary petitions for relief under chapter 11 of title 11 of the United States Code, 11 U.S.C. §§ 101 through 1330 (the "Bankruptcy Code"). The Debtors, and their respective addresses, case numbers and federal tax identification numbers are as follows:

DEBTOR (Other names, if any, used by the Debtor in the last 6 years appear in brackets)	ADDRESS	CASE NO.	EID #
Birch Telecom, Inc. (Ionex Telecommunications, Inc.; Compass Telecommunications, Inc.)	2300 Main Street Suite 600 Kansas City, MO 64108	05-12237 (PJW)	84-1510894
Birch Telecom 1996, Inc. (Birch Telecom, Inc.)	2300 Main Street Suite 600 Kansas City, MO 64108	05-12238 (PJW)	43-1766929
Ionex Communications, Inc. (Ionex; Ionex Telecom; Feist Long Distance Services, Inc.; Advanced Communications Group; Long Distance Management; Switchboard of Oklahoma City, Inc.)	2300 Main Street Suite 600 Kansas City, MO 64108	05-12239 (PJW)	48-1109643
Ionex Communications North, Inc. (Ionex; Ionex Telecom; FirsTel, Inc.)	2300 Main Street Suite 600 Kansas City, MO 64108	05-12240 (PJW)	46-0427192
Ionex Communications South, Inc. (Ionex; Ionex Telecom; Valu-Line of Longview, Inc.)	2300 Main Street Suite 600 Kansas City, MO 64108	05-12241 (PJW)	75-1855826
Ionex Telecommunications Leasing Inc.	2300 Main Street Suite 600 Kansas City, MO 64108	05-12242 (PJW)	75-2936844
Telecom Resources, Inc. (TRINetwork, Inc.; Telecom Resources International, Inc.; ACG Acquisition Corp.; Direct Effect Communications, Inc.)	2300 Main Street Suite 600 Kansas City, MO 64108	05-12243 (PJW)	75-2624201

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Birch Equipment, Inc.	2300 Main Street Suite 600 Kansas City, MO 64108	05-12244 (PJW)	43-1848981
Birch Internet Services, Inc.	2300 Main Street Suite 600 Kansas City, MO 64108	05-12245 (PJW)	43-1848982
Birch Kansas Holdings, Inc. (Birch Telecom of Kansas, Inc.)	2300 Main Street Suite 600 Kansas City, MO 64108	05-12246 (PJW)	43-1826820
Birch Management Corporation (Valu-Line Management Corporation; Value-Line Management Corporation)	2300 Main Street Suite 600 Kansas City, MO 64108	05-12247 (PJW)	48-1195597
Birch Telecom Finance, Inc.	2300 Main Street Suite 600 Kansas City, MO 64108	05-12248 (PJW)	43-1870550
Birch Telecom of Arkansas, Inc.	2300 Main Street Suite 600 Kansas City, MO 64108	05-12249 (PJW)	43-1861378
Birch Telecom of Kansas, Inc. (Valu-Line of Kansas, Inc.; Valu-Line Companies, Inc.)	2300 Main Street Suite 600 Kansas City, MO 64108	05-12250 (PJW)	48-1120075
Birch Telecom of Missouri, Inc.	2300 Main Street Suite 600 Kansas City, MO 64108	05-12251 (PJW)	43-1795329
Birch Telecom of Nebraska, Inc.	2300 Main Street Suite 600 Kansas City, MO 64108	05-12252 (PJW)	43-1826822
Birch Telecom of Oklahoma, Inc.	2300 Main Street Suite 600 Kansas City, MO 64108	05-12253 (PJW)	43-1823260
Birch Texas Holdings, Inc. (Birch Telecom of Texas, Inc.)	2300 Main Street Suite 600 Kansas City, MO 64108	05-12254 (PJW)	43-1822636
Birch Telecom of the Great Lakes, Inc. (Birch Telecom of Ohio, Inc.; Birch Telecom of Illinois, Inc.; Birch Telecom of Indiana, Inc.; Birch Telecom of Michigan, Inc.; Birch Telecom of Wisconsin, Inc.)	2300 Main Street Suite 600 Kansas City, MO 64108	05-12255 (PJW)	43-1887314
Birch Telecom of the South, Inc.	2300 Main Street Suite 600 Kansas City, MO 64108	05-12256 (PJW)	43-1877678
Birch Telecom of the West, Inc. (Birch Telecom of Arizona, Inc.)	2300 Main Street Suite 600 Kansas City, MO 64108	05-12257 (PJW)	43-1826817

Capital Communications Corporation	2300 Main Street Suite 600 Kansas City, MO 64108	05-12258 (PJW)	43-1200137
Dunn & Associates, Inc. (Boulevard Phone Co.; Business Communications Services, Inc.)	2300 Main Street Suite 600 Kansas City, MO 64108	05-12259 (PJW)	48-1159966
I.S. Advertising, Inc.	2300 Main Street Suite 600 Kansas City, MO 64108	05-12260 (PJW)	48-1136999
Telesource Communications, Inc.	2300 Main Street Suite 600 Kansas City, MO 64108	05-12261 (PJW)	48-1004150
American Local Telecommunications L.L.C. (ALT)	2300 Main Street Suite 600 Kansas City, MO 64108	05-12262 (PJW)	75-2756267
Birch Telecom of Texas Ltd., L.L.P.	2300 Main Street Suite 600 Kansas City, MO 64108	05-12263 (PJW)	75-2778531
G.B.S. Communications, Inc.	2300 Main Street Suite 600 Kansas City, MO 64108	05-12264 (PJW)	43-1202589
M.B.S. Leasing, Inc.	2300 Main Street Suite 600 Kansas City, MO 64108	05-12265 (PJW)	43-1261920

DATE, TIME AND LOCATION OF MEETING OF CREDITORS. September 15, 2005 at 10:00 a.m. Eastern time, J. Caleb Boggs Federal Building, 844 King Street, Room 5207, Wilmington, DE 19801.

DEADLINE TO FILE A PROOF OF CLAIM. Notice of a deadline will be sent at a later time.

NAME, ADDRESS AND TELEPHONE NUMBER OF TRUSTEE. None appointed to date.

COUNSEL FOR THE DEBTORS.

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COMMENCEMENT OF CASES. Petitions for reorganization under chapter 11 of the Bankruptcy Code have been filed in this Court by the Debtors listed above, and orders for relief have been entered. You will not receive notice of all documents filed in these cases. All documents filed with the Court are available for inspection at the Office of the Clerk of the Bankruptcy Court. In addition, such documents may be available at www.deb.uscourts.gov.

PURPOSE OF CHAPTER 11 FILING. Chapter 11 of the U.S. Bankruptcy Code enables a debtor to reorganize pursuant to a plan. A plan is not effective unless approved by the court at a confirmation hearing. Creditors will be

given notice concerning any plan, or in the event any of these cases is dismissed or converted to another chapter of the Bankruptcy Code. The Debtors will remain in possession of their property and will continue to operate any business unless a trustee is appointed.

CREDITORS MAY NOT TAKE CERTAIN ACTIONS. A creditor is anyone to whom a debtor owes money or property. Under the Bankruptcy Code, a debtor is granted certain protection against creditors. Common examples of prohibited actions by creditors are contacting a debtor to demand repayment, taking action against a debtor to collect money owed to creditors or to take property of a debtor, and starting or continuing foreclosure actions or repossessions. If unauthorized actions are taken by a creditor against a debtor, the Court may penalize that creditor. A creditor who is considering taking action against a debtor or the property of a debtor should review § 362 of the Bankruptcy Code and may wish to seek legal advice. The staff of the Clerk of the Bankruptcy Court are not permitted to give legal advice.

MEETING OF CREDITORS. The Debtors' representative, as specified in Rule 9001(5) of the Federal Rules of Bankruptcy Procedure (the "Bankruptcy Rules"), is required to appear at the meeting of creditors on the date and at the place set forth above for the purpose of being examined under oath. Attendance by creditors at the meeting is welcomed, but not required. At the meeting, the creditors may examine the Debtors and transact such other business as may properly come before the meeting. The meeting may be continued or adjourned from time to time by notice at the meeting, without further written notice to the creditors.

CLAIMS. Schedules of creditors will be filed pursuant to Bankruptcy Rule 1007. Any creditor holding a scheduled claim which is not listed as disputed, contingent, or unliquidated as to amount may, but is not required to, file a proof of claim in these cases. Creditors whose claims are not scheduled or whose claims are listed as disputed, contingent, or unliquidated as to amount and who desire to participate in the cases or share in any distribution must file their proofs of claim. A creditor who desires to rely on the schedule of creditors has the responsibility for determining that the claim is listed accurately. **Separate notice of the deadlines to file proofs of claim and proof of claim forms will be provided to the Debtor(s)' known creditors.** Proof of claim forms also are available in the clerk's office of any bankruptcy court. Proof of Claim forms also are available from the Court's web site at www.deb.uscourts.gov. Bankruptcy Services, LLC ("BSI") is the claims agent in these cases and can provide a proof of claim form if you cannot obtain one from your local bankruptcy court. BSI can be reached as follows:

Bankruptcy Services, LLC
757 Third Avenue, Third Floor
New York, New York 10017
Telephone: (646) 282-2500

DISCHARGE OF DEBTS. Confirmation of a chapter 11 plan may result in a discharge of debts, which may include all or part of your debt. See Bankruptcy Code § 1141(d). A discharge means that you may never try to collect the debt from the debtor, except as provided in the plan.

For the Court: /s/ David D. Bird
Clerk of the U.S. Bankruptcy Court

Dated: August 25, 2005