



ORIGINAL

NORTHERN DISTRICT OF TEXAS
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Marla C. Reynolds
United States Bankruptcy Judge

The following constitutes the order of the Court.

Signed September 7, 2005

IN THE UNITED STATES BANKRUPTCY COURT
FOR THE NORTHERN DISTRICT OF TEXAS
DALLAS DIVISION

In re:

COMM SOUTH COMPANIES, INC. ET AL

CASE NO. 03-39496-HDH-11
(Jointly Administered)

Debtor.

CMP _____
COM _____
CTR _____
ECR _____
GCL _____
OPC _____
RCA _____
SCR _____
SGA _____
SEC 1 _____
OTH Grant _____

**ORDER CONVERTING CASES TO CHAPTER 7 AND APPOINTING
MARLA C. REYNOLDS AS OPERATING TRUSTEE UNDER 11 U.S.C. § 721**

On this day came on for hearing the Motion to Convert Cases to Chapter 7 Liquidation

pursuant to 11 U.S.C. § 1129(b), and to Appoint the Trustee as an Operating Chapter 7 Trustee

pursuant to 11 U.S.C. § 721 (the "Motion") [Docket No. 648], filed by Marla C. Reynolds (the

"Trustee"), the duly-appointed Chapter 11 Trustee in the above styled jointly administered

bankruptcy cases, and the Court having reviewed the Motion and being advised that the

**ORDER CONVERTING CASES TO CHAPTER 7 AND APPOINTING
MARLA C. REYNOLDS AS OPERATING TRUSTEE UNDER 11 U.S.C. § 721- Page 1**

DOCUMENT NUMBER-DATE

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FPSO-COMMISSIONER CLERK

interested parties have been provided notice of the Motion, and the Court being of the opinion that adequate and proper notice of the Motion has been given to all necessary parties, and that the Court should grant the relief requested by entry of an Order, therefore

IT IS ORDERED that the Motion is GRANTED in all respects, and that the above jointly administered bankruptcy cases are converted to Chapter 7, and

IT IS FURTHER ORDERED that Marla C. Reynolds is hereby appointed as the Chapter 7 Trustee for the captioned jointly administered bankruptcy cases; and

IT IS FURTHER ORDERED that Marla C. Reynolds is hereby appointed as an operating trustee pursuant to 11 U.S.C. § 721 for a period of one hundred and twenty (120) days from the date of entry of this Order, and

IT IS FURTHER ORDERED that Campbell & Cobbe, P.C., Lain Faulkner & Co., Inc., and Patton Boggs, LLC, shall be retained by the Chapter 7 Trustee under the provisions previously authorized by this Court for the Chapter 11 Trustee.

##End of Order##

**UNITED STATES BANKRUPTCY COURT
DISTRICT of Northern District of Texas**

Notice of Chapter 7 Bankruptcy Case, Meeting of Creditors, & Deadlines

A bankruptcy case concerning the debtor Corporation listed below was originally filed under chapter 11 on 9/19/03 and was converted to a case under chapter 7 on 9/7/05.

You may be a creditor of the debtor. You may want to consult an attorney to protect your rights. All documents filed in the case may be inspected at the bankruptcy clerk's office at the address listed below. NOTE: The staff of the bankruptcy clerk's office cannot give legal advice.

See Reverse Side For Important Explanations.

Debtor(s) (name(s) used by the debtor(s) in the last 6 years, including married, maiden, trade, and address):

Comm South Companies, Inc.
dba Arkansas Comm South, Inc., dba Florida Comm South, dba Altair Communications, Inc., dba Alabama Comm South Corp., dba Kansas Comm South, dba South Companies of Virginia, dba Kentucky Comm South, Inc., dba Mississippi Comm South, dba Missouri Comm South, Inc., dba E-Z Tel, Inc.
8035 E. R.L. Thornton, Suite 410
Dallas, TX 75228

Case Number:
03-39496-hdh11

Taxpayer ID Nos.:
75-2587984

Attorney for Debtor(s) (name and address):
Terrance Ponsford
Sheppard Mullin Richter and Hampton, LLP
Four Embarcadero Center, Ste. 1700
San Francisco, CA 94111
Telephone number: 415-434-9100

Bankruptcy Trustee (name and address):
Marla Reynolds
400 N. St. Paul, Ste. 400
Dallas, TX 75201
Telephone number: (214) 720-1929

Meeting of Creditors:

Date: **October 6, 2005**

Time: **10:00 AM**

Location: **Office of the U.S. Trustee, 1100 Commerce St., Rm 524, Dallas, TX 75242**

Creditors May Not Take Certain Actions:

The filing of the bankruptcy case automatically stays certain collection and other actions against the debtor and the debtor's property. If you attempt to collect a debt or take other action in violation of the Bankruptcy Code, you may be penalized.

Please Do Not File a Proof of Claim Unless You Receive a Notice To Do So.

Address of the Bankruptcy Clerk's Office:
1100 Commerce Street
Room 1254
Dallas, TX 75242
Telephone number: 214-753-2000

For the Court:
Clerk of the Bankruptcy Court:
Tawana C. Marshall

Hours Open: Monday - Friday 8:30 AM - 4:30 PM

Date: 9/7/05

EXPLANATIONS

FORM B9B (9/97)

Filing of Chapter 7 Bankruptcy Case	A bankruptcy case under chapter 7 of the Bankruptcy Code (title 11, United States Code) has been filed in this court by or against the debtor(s) listed on the front side, and an order for relief has been entered.
Creditors May Not Take Certain Actions	Prohibited collection actions are listed in Bankruptcy Code §362. Common examples of prohibited actions include contacting the debtor by telephone, mail or otherwise to demand repayment; taking actions to collect money or obtain property from the debtor; repossessing the debtor's property; and starting or continuing lawsuits or foreclosures.
Meeting of Creditors	A meeting of creditors is scheduled for the date, time and location listed on the front side. <i>The debtor's representative must be present at the meeting to be questioned under oath by the trustee and by creditors.</i> Creditors are welcome to attend, but are not required to do so. The meeting may be continued and concluded at a later date without further notice.
Do Not File a Proof of Claim at This Time	There does not appear to be any property available to the trustee to pay creditors. <i>You therefore should not file a proof of claim at this time.</i> If it later appears that assets are available to pay creditors, you will be sent another notice telling you that you may file a proof of claim, and telling you the deadline for filing your proof of claim.
Bankruptcy Clerk's Office	Any paper that you file in this bankruptcy case should be filed at the bankruptcy clerk's office at the address listed on the front side. You may inspect all papers filed, including the list of the debtor's property and debts at the bankruptcy clerk's office.
Legal Advice	The staff of the bankruptcy clerk's office cannot give legal advice. You may want to consult an attorney to protect your rights.
--- Refer to Other Side for Important Deadlines and Notices ---	

UNITED STATES BANKRUPTCY COURT
NORTHERN DISTRICT OF TEXAS

In Re:
Comm South Companies, Inc.

Debtor(s)

§
§
§
§
§

Case No.: 03-39496-hdh11
Chapter No.: 7

NOTICE TO FILE CLAIM

TO THE DEBTOR, CREDITORS AND OTHER PARTIES IN INTEREST:

1. Notice was previously given that an order for the relief under the U.S. Bankruptcy Code had been entered on a petition filed by or against the above referenced debtor.
2. The original notice states that there were no apparent assets and the creditors should not file proofs of claim. However, assets have now been recovered from which it appears that payment to creditors may be possible. Accordingly, **December 6, 2005** is fixed as the last day for filing proofs of claim. Governmental units should refer to 11 USC section 502(b)(9) to determine the last day for filing a proof of claim.
3. A creditor must now file a proof of claim within the time limit in order to share in any distribution from the estate, except as provided in 11 U.S.C Section 501(c). A proof of claim must conform substantially to Official Form 10. Proof of claim forms are available in the clerk's office of any bankruptcy court. It is necessary to file a claim even if the debtor has scheduled you correctly as a creditor on the lists filed with the Court. If you have previously filed a proof of claim in this case, this notice does not require you to refile your claim. For your convenience please use the proof of claim form duplicated on the next page of this notice. To receive acknowledgement of receipt by the clerk, enclose a copy of the claim and an adequate sized self-addressed stamped envelope.
4. Claims must be filed with the:

U.S. Bankruptcy Court 1100 Commerce Street
Room 1254
Dallas, TX 75242

CLAIMS ADDRESSED OR SENT TO THE DEBTOR, TRUSTEE, OR UNITED STATES TRUSTEE WILL NOT BE FILED.

DATED: 9/7/05

FOR THE COURT:
Tawana C. Marshall, Clerk of Court

by: /s/J. Blanco, Deputy Clerk

Trustee: Marla Reynolds

UNITED STATES BANKRUPTCY COURT NORTHERN DISTRICT OF TEXAS		PROOF OF CLAIM
Name of Debtor Comm South Companies, Inc.	Case Number 3-03-39496-hdh7	
NOTE: This form should not be used to make a claim for an administrative expense arising after the commencement of the case. A "request" for payment of an administrative expense may be filed pursuant to 11 U.S.C. §503.		
Name of Creditor (The person or other entity to whom the debtor owes money or property): Division Of Administration	<input type="checkbox"/> Check box if you are aware that anyone else has filed a proof of claim relating to your claim. Attach copy of statement giving particulars.	
Name and Address where notices should be sent: Division Of Administration 2540 Shumard Oak Blvd Tallahassee, FL 32399-7019	<input type="checkbox"/> Check box if you have never received any notices from the bankruptcy court in this case. <input type="checkbox"/> Check box if the address differs from the address on the envelope sent to you by the court.	
Telephone Number:	THIS SPACE IS FOR COURT USE ONLY	
Account or other number by which creditor identifies debtor:	Check here if <input type="checkbox"/> replaces this claim <input type="checkbox"/> amends a previously filed claim, dated: _____	
1. Basis for Claim <input type="checkbox"/> Goods sold <input type="checkbox"/> Retiree benefits as defined in 11 U.S.C. §1114(a) <input type="checkbox"/> Services performed <input type="checkbox"/> Wages, salaries, and compensation (fill out below) <input type="checkbox"/> Money loaned Last four digits of SS #: _____ <input type="checkbox"/> Personal injury/wrongful death Unpaid compensation for services performed <input type="checkbox"/> Taxes from _____ to _____ <input type="checkbox"/> Other _____ (date) (date)		
2. Date debt was incurred:	3. If court judgment, date obtained:	
4. Total Amount of Claim at Time Case Filed: \$ _____ (unsecured) (secured) (priority) (Total) If all or part of your claim is secured or entitled to priority, also complete Item 5 or 7 below. <input type="checkbox"/> Check this box if claim includes interest or other charges in addition to the principal amount of the claim. Attach itemized statement of all interest or additional charges.		
5. Secured Claim. <input type="checkbox"/> Check this box if your claim is secured by collateral (including a right of setoff). Brief Description of Collateral: <input checked="" type="checkbox"/> Real Estate <input type="checkbox"/> Motor Vehicle <input type="checkbox"/> Other _____ Value of Collateral: \$ _____ Amount of arrearage and other charges at time case filed included in secured claim, if any: \$ _____	7. Unsecured Priority Claim. <input type="checkbox"/> Check this box if you have an unsecured priority claim Amount entitled to priority \$ _____ Specify the priority of the claim: <input type="checkbox"/> Wages, salaries, or commissions (up to \$10,000),* earned within 180 days before filing of the bankruptcy petition or cessation of the debtor's business, whichever is earlier - 11 U.S.C. § 507(a)(3). <input type="checkbox"/> Contributions to an employee benefit plan - 11 U.S.C. § 507(a)(4). <input type="checkbox"/> Up to \$ 2,225* of deposits toward purchase, lease, or rental of property or services for personal, family, or household use - 11 U.S.C. § 507(a)(6). <input type="checkbox"/> Alimony, maintenance, or support owed to a spouse, former spouse, or child - 11 U.S.C. § 507(a)(7). <input type="checkbox"/> Taxes or penalties owed to governmental units - 11 U.S.C. § 507(a)(8). <input type="checkbox"/> Other - Specify applicable paragraph of 11 U.S.C. § 507(a)(____). <small>*Amounts are subject to adjustment on 4/1/07 and every 3 years thereafter with respect to cases commenced on or after the date of adjustment. \$10,000 and 180-day limits apply to cases filed on or after 4/20/05. Pub. L. 109-8.</small>	
6. Unsecured Nonpriority Claim \$ _____ <input type="checkbox"/> Check this box if: a) there is no collateral or lien securing your claim, or b) your claim exceeds the value of the property securing it, or if c) none or only part of your claim is entitled to priority.		THIS SPACE IS FOR COURT USE ONLY
8. Credits: The amount of all payments on this claim has been credited and deducted for the purpose of making this proof of claim. 9. Supporting Documents: Attach copies of supporting documents, such as promissory notes, purchase orders, invoices, itemized statements of running accounts, contracts, court judgments, mortgages, security agreements, and evidence of perfection of lien. DO NOT SEND ORIGINAL DOCUMENTS. If the documents are not available, explain. If the documents are voluminous, attach a summary. 10. Date-Stamped Copy: To receive an acknowledgment of the filing of your claim, enclose a stamped, self-addressed envelope and copy of this proof of claim.		THIS SPACE IS FOR COURT USE ONLY
Date	Sign and print the name and title, if any, of the creditor or other person authorized to file this claim (attach copy of power of attorney, if any):	

INSTRUCTIONS FOR PROOF OF CLAIM FORM

The instructions and definitions below are general explanations of the law. In particular types of cases or circumstances, such as bankruptcy cases that are not filed voluntarily by a debtor, there may be exceptions to these general rules.

---- DEFINITIONS ----

Debtor

The person, corporation, or other entity that has filed a bankruptcy case is called the debtor.

Creditor

A creditor is any person, corporation, or other entity to whom the debtor owed a debt on the date that the bankruptcy case was filed.

Proof of Claim

A form telling the bankruptcy court how much the debtor owed a creditor at the time the bankruptcy case was filed (the amount of the creditor's claim). This form must be filed with the clerk of the bankruptcy court where the bankruptcy case was filed.

Secured Claim

A claim is a secured claim to the extent that the creditor has a lien on property of the debtor (collateral) that gives the creditor the right to be paid from that property before creditors who do not have liens on the property.

Examples of liens are a mortgage on real estate and a security interest in a car, truck, boat, television set, or other item of property. A lien may have been obtained through a court proceeding before the bankruptcy case began; in some states a court judgment is a lien. In addition, to the extent a creditor also owes money to the debtor (has a right of setoff), the creditor's claim may be a secured claim. (See also *Unsecured Claim*.)

Unsecured Claim

If a claim is not a secured claim it is an unsecured claim. A claim may be partly secured and partly unsecured if the property on which a creditor has a lien is not worth enough to pay the creditor in full.

Unsecured Priority Claim

Certain types of unsecured claims are given priority, so they are to be paid in bankruptcy cases before most other unsecured claims (if there is sufficient money or property available to pay these claims). The most common types of priority claims are listed on the proof of claim form. Unsecured claims that are not specifically given priority status by the bankruptcy laws are classified as *Unsecured Nonpriority Claims*.

Items to be completed in Proof of Claim form (if not already filed in)

Court, Name of Debtor, and Case Number:

Fill in the name of the federal judicial district where the bankruptcy case was filed (for example, Central District of California), the name of the debtor in the bankruptcy case, and the bankruptcy case number. If you received a notice of the case from the court, all of this information is near the top of the notice.

Information about Creditor:

Complete the section giving the name, address, and telephone number of the creditor to whom the debtor owes money or property, and the debtor's account number, if any. If anyone else has already filed a proof of claim relating to this debt, if you never received notices from the bankruptcy court about this case, if your address differs from that to which the court sent notice, or if this proof of claim replaces or changes a proof of claim that was already filed, check the appropriate box on the form.

1. Basis for Claim:

Check the type of debt for which the proof of claim is being filed. If the type of debt is not listed, check "Other" and briefly describe the type of debt. If you were an employee of the debtor, fill in the last four digits of your social security number and the dates of work for which you were not paid.

2. Date Debt Incurred:

Fill in the date when the debt first was owed by the debtor.

3. Court Judgments:

If you have a court judgment for this debt, state the date the court entered the judgment.

4. Total Amount of Claim at Time Case Filed:

Fill in the applicable amounts, including the total amount of the entire claim. If interest or other charges in addition to the principal amount of the claim are included, check the appropriate place on the form and attach an itemization of the interest and charges.

5. Secured Claim:

Check the appropriate place if the claim is a secured claim. You must state the type and value of property that is collateral for the claim, attach copies of the documentation of your lien, and state the amount past due on the claim as of the date the bankruptcy case was filed. A claim may be partly secured and partly unsecured. (See DEFINITIONS, above).

6. Unsecured Nonpriority Claim:

Check the appropriate place if you have an unsecured nonpriority claim, sometimes referred to as a "general unsecured claim". (See DEFINITIONS, above). If your claim is partly secured and partly unsecured, state here the amount that is unsecured. If part of your claim is entitled to priority, state here the amount **not** entitled to priority.

7. Unsecured Priority Claim:

Check the appropriate place if you have an unsecured priority claim, and state the amount entitled to priority. (See DEFINITIONS, above). A claim may be partly priority and partly nonpriority if, for example, the claim is for more than the amount given priority by the law. Check the appropriate place to specify the type of priority claim.

8. Credits:

By signing this proof of claim, you are stating under oath that in calculating the amount of your claim you have given the debtor credit for all payments received from the debtor.

9. Supporting Documents:

You must attach to this proof of claim form copies of documents that show the debtor owes the debt claimed or, if the documents are too lengthy, a summary of those documents. If documents are not available, you must attach an explanation of why they are not available.

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Terrance Ponsford
Four Embarcadero Center, Ste. 1700
San Francisco, CA 94111

006317 6317 2 MB 0.534 32399 04 5118-2-6356



Division Of Administration
2540 Shumard Oak Blvd
Tallahassee, FL 32399-7019