

IN THE UNITED STATES BANKRUPTCY COURT
FOR THE WESTERN DISTRICT OF TEXAS
AUSTIN DIVISION

130000-07

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COMMISSION
CLERK

IN RE:	§	
UPH HOLDINGS, INC.	§	CASE NO. 13-10570
PAC-WEST TELECOMM, INC.	§	CASE NO. 13-10571
TEX-LINK COMMUNICATIONS, INC.	§	CASE NO. 13-10572
UNIPOINT HOLDINGS, INC.	§	CASE NO. 13-10573
UNIPOINT ENHANCED SERVICES, INC.	§	CASE NO. 13-10574
UNIPOINT SERVICES, INC.	§	CASE NO. 13-10575
NWIRE, LLC	§	CASE NO. 13-10576
PEERING PARTNERS COMMUNICATIONS, LLC	§	CASE NO. 13-10577

DEBTORS. § CHAPTER 11

EIN: 45-1144038; 68-0383568; 74-
2729541; 20-3399903; 74-3023729; 38-
3659257; 37-1441383; 27-2200110; 27-
4254637

6500 RIVER PL. BLVD., BLDG. 2, # 200 § JOINTLY ADMINISTERED UNDER
AUSTIN, TEXAS 78730 § CASE NO. 13-10570-TMD

**NOTICE OF ENTRY OF INTERIM ORDER ON
DEBTORS' EMERGENCY MOTION PURSUANT TO 11 U.S.C. § 363 FOR
(1) AUTHORITY TO USE CASH COLLATERAL IN THE ORDINARY COURSE,
(2) PROVIDE ADEQUATE PROTECTION, AND (3) SCHEDULING FINAL HEARING**

PLEASE TAKE NOTICE that on the 2nd day of April 2013, the Court entered its interim order on the Debtors' Emergency Motion for an Order Pursuant to 11 U.S.C. § 363 for (I) Authority to Use Cash Collateral in the Ordinary Course, (II) Provide Adequate Protection, and (III) for Preliminary and Final Hearings ("Interim Cash Collateral Order"). A true and correct copy of the Interim Cash Collateral Order is attached hereto as Exhibit A.

PLEASE TAKE FURTHER NOTICE that a Final Hearing has been set for Monday, April 15, 2013 at 1:30 p.m. before the Honorable Tony Davis, 903 San Jacinto Blvd., Courtroom No. 1, Austin, Texas 78701.

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Dated: April 4, 2013.

Respectfully submitted,

JACKSON WALKER L.L.P.
100 Congress Ave., Suite 1100
Austin, Texas 78701
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By: /s/ Jennifer F. Wertz

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**PROPOSED COUNSEL FOR
DEBTORS-IN-POSSESSION**

CERTIFICATE OF SERVICE

I hereby certify that on the 4th day of April 2013, a true and correct copy of the foregoing Interim Cash Collateral Order was served via the Court's CM/ECF electronic notification system on all parties requesting same, and via US first class mail, post prepaid to the parties listed below, and on the attached service list.

UPH Holdings, Inc.
Pac-West Telecomm, Inc.
Tex-Link Communications, Inc.
UniPoint Holdings, Inc.
UniPoint Enhanced Services, Inc.
UniPoint Services, Inc.
nWire, LLC
Peering Partners Communications, Inc.
6500 River Place Blvd., Bldg. 2, Suite 200
Austin, Texas 78730

Valerie Wenger
Chapter 11 Trustee
903 San Jacinto, Room 230
Austin, TX 78701

Stuart Komrower
Ilana Volkov
COLE, SCHOTZ, MEISEL, FORMAN & LEONARD, P.A.
25 Main Street
Hackensack, New Jersey 07601

/s/ Jennifer F. Wertz
Jennifer F. Wertz



IT IS HEREBY ADJUDGED and DECREED that the below described is SO ORDERED.

Dated: April 02, 2013.

Craig A. Gargotta

**CRAIG A. GARGOTTA
UNITED STATES BANKRUPTCY JUDGE**

**IN THE UNITED STATES BANKRUPTCY COURT
FOR THE WESTERN DISTRICT OF TEXAS
AUSTIN DIVISION**

IN RE:	§	
UPH HOLDINGS, INC.	§	CASE NO. 13-10570
PAC-WEST TELECOMM, INC.	§	CASE NO. 13-10571
TEX-LINK COMMUNICATIONS, INC.	§	CASE NO. 13-10572
UNIPOINT HOLDINGS, INC.	§	CASE NO. 13-10573
UNIPOINT ENHANCED SERVICES, INC.	§	CASE NO. 13-10574
	§	
UNIPOINT SERVICES, INC.	§	CASE NO. 13-10575
NWIRE, LLC	§	CASE NO. 13-10576
PEERING PARTNERS COMMUNICATIONS, LLC	§	CASE NO. 13-10577
	§	
DEBTORS.	§	CHAPTER 11
	§	
EIN: 45-1144038; 68-0383568; 74- 2729541; 20-3399903; 74-3023729; 38- 3659257; 37-1441383; 27-2200110; 27- 4254637	§	
	§	
6500 RIVER PL. BLVD., BLDG. 2, # 200 AUSTIN, TEXAS 78730	§	JOINT ADMINISTRATION REQUESTED

INTERIM ORDER FOR USE OF CASH COLLATERAL

This matter arose upon the Motion of UPH Holdings, Inc., ("UPH"), Pac-West Telecomm Inc., ("Pac-West"), Tex-Link Communications, Inc. ("Tex-Link"), UniPoint

Holdings, Inc. (“UniPoint Holdings”), UniPoint Enhanced Services, Inc. (“UniPoint Enhanced”), UniPoint Services, Inc., (“UniPoint”), nWire, LLC (“nWire”), and Peering Partners Communications, LLC (“Peering Partners”), the debtors and debtors-in-possession herein (collectively, the “Debtors”), for an Order Pursuant to 11 U.S.C. § 363 for (I) Authority to Use Cash Collateral in the Ordinary Course, (II) Provide Adequate Protection, and (III) for Preliminary and Final Hearings (the “Cash Collateral Motion”) which was filed on March 28, 2013. An emergency hearing was held on April 1, 2013 (the “Interim Hearing”). Upon review of the Cash Collateral Motion and all relevant pleadings filed with this Court, the relief requested therein and the evidence and representations adduced at the Interim Hearing, this Court makes the following findings of fact and conclusions of law:

1. The Debtors filed petitions for relief under Chapter 11 of Title 11, United States Code (the “Bankruptcy Code”) on March 28, 2013 (the “Petition Date”), and are presently operating as debtors-in-possession pursuant to 11 U.S.C. §§ 1107 and 1108.

2. The Debtors do not have sufficient unencumbered cash or other assets with which to continue to operate their businesses in Chapter 11. The Debtors require immediate authority to use Cash Collateral (as hereinafter defined) to continue their business operations without interruption toward the objective of emerging from Chapter 11. The Debtors’ use of Cash Collateral to the extent and on the terms and conditions set forth herein is necessary to avoid immediate and irreparable harm to their estates pending a final hearing on the Motion (the “Final Hearing”).

3. The Court has jurisdiction over this matter pursuant to 28 U.S.C. §§ 157(b)(2) and (M) and 1334(a) and (b). The Debtors served notice of the Cash Collateral Motion and the entry of this order (the “Interim Order”) by electronic mail, facsimile, or overnight delivery on the

Lender and its counsel, [all other known secured creditors], the United States Trustee, each of the Debtors' twenty (20) largest unsecured creditors, and all other parties-in-interest identified on the Certificate of Service filed with the Court. Notice of the Motion, the Interim Hearing and the entry of this Interim Order were adequate and appropriate under the circumstances of these cases.

4. The Debtors and Hercules Technology II, L.P. ("Lender") entered into a Loan and Security Agreement and Term Note on April 12, 2011, pursuant to which Lender loaned the Debtors the original principal sum of \$8,000,000.00 (the "Loan Agreement"). The Loan Agreement was modified by a First Amendment effective as of August 31, 2012 (the "First Amendment") and a Second Amendment effective as of November 30, 2012 (the "Second Amendment"). The Second Amendment facilitated certain covenant changes and provided additional borrowing to enable UPH's acquisition of Pac-West and its subsidiaries. Concurrently with the Second Amendment, the Debtors borrowed an additional principal amount of \$3,594,175.68 from the Lender, repayment of which is evidenced by a Secured Term Promissory Note of even date (which, together with the Loan Agreement, the First Amendment, the Second Amendment, and all other documents and agreements executed in connection therewith and/or in contemplation thereof, are collectively referred to herein as the "Prepetition Loan Documents").

5. Concurrently with the Second Amendment, UPH entered into five Secured Subordinated Promissory Notes totaling \$600,000.00 with PacWest Acquisition Company, LLC (n/k/a Pac-West) (\$475,000), JMH Partnership, L.P. (\$30,000), Flanary Holdings, L.P. (\$30,000), SRS Partners (\$30,000), and Gary D. Egger (\$35,000), (collectively, the "Sub-Debt"). The Sub-Debt, in turn, is subject to a Subordination Agreement between the holders of

the Sub-Debt and the Lender (the "Subordination Agreement"). Pursuant to the Subordination Agreement, the Sub-Debt is prohibited from, among other things, demanding or receiving any payment or exercising any remedy. (¶ 3). In addition, the Sub-Debt holders appointed the Lender as attorney-in-fact for certain things. (¶6). Because the Sub-Debt pertains only to UPH, a non-operating holding company, the Debtors believe the Sub-Debt is not secured by assets or proceeds of assets that are "Cash Collateral."

6. The Debtors acknowledge, stipulate and agree that pursuant to Prepetition Loan Documents: (i) as of the Petition Date, the Debtors are indebted to the Lender in the aggregate principal amount of not less than \$10,531,673.68, plus accrued and unpaid interest, attorneys' fees, costs and expenses (collectively, the "Prepetition Indebtedness"), all as provided in the Prepetition Loan Documents; (ii) the Prepetition Indebtedness is due without any claim, defense, counterclaim or offset of any kind; and (iii) the Prepetition Indebtedness is secured by a valid, binding, perfected, enforceable, and non-avoidable blanket first priority security interest and lien on (the "Prepetition Liens") all of the Debtors' property and assets, including the proceeds, products, rents and profits therefrom, all as more particularly described in the Prepetition Loan Documents (collectively, the "Prepetition Collateral") subject only to any prior liens described in or otherwise permitted by the Prepetition Loan Documents.

7. In light of the foregoing and pursuant to the Bankruptcy Code, the Debtors are required to provide the Lender with adequate protection for the Debtors' use of the Prepetition Collateral and any decline in value thereof (including, without limitation, the decline resulting from such use). The adequate protection and other treatment proposed to be provided by the Debtors to the Lender as set forth in this Interim Order will minimize disputes and litigation

over collateral values, use of Cash Collateral and the need to segregate the Prepetition Collateral and the proceeds thereof from property acquired by the Debtors' estate after the Petition Date.

8. Based on the record before the Court, the terms and conditions for the Debtors' use of Cash Collateral have been negotiated in good faith and at arm's-length between the Debtors and Lender, and the terms of the adequate protection arrangements are fair and reasonable under the circumstances, reflect each of the Debtors' exercise of prudent business judgment consistent with its fiduciary duties, and are supported by reasonably equivalent value and fair consideration.

9. The proposed form of this Interim Order submitted by the Debtors complies with the Local Bankruptcy Rules for the United States Bankruptcy Court for the Western District of Texas, except as described in the Motion and the disclosures of counsel at the Interim Hearing.

10. This Court concludes that good cause has been shown for the entry of this Interim Order and that entry of this Interim Order is in the best interests of the Debtors and their respective estates and creditors.

IT IS HEREBY ORDERED that the following terms shall apply:

1. Automatic Stay and Use of Cash Collateral

A. Cash Collateral. "Cash Collateral" shall have the meaning set forth in 11 U.S.C. §363(a) and the term "Proceeds" shall have meaning set forth in UCC Section 9-306.

B. Authorization. Subject to this Order and no defaults occurring hereunder, the Debtors are hereby authorized pursuant to 11 U.S.C. § 363(c)(2) to use the Lender's Cash Collateral to meet their ordinary cash needs for the payment of actual expenses necessary to: (a) maintain and preserve their assets, and (b) continue operation of their businesses, including paying payroll and payroll taxes, rent, utilities, amounts owed to vendors and other suppliers of post-petition goods and services, and insurance, but solely in the amounts set forth and in accordance with the timeframes detailed in the Budget attached hereto as Exhibit "A" (the "Budget") and solely for the period beginning upon entry of this Interim Order and continuing until the earlier of (i) twenty (20) days and (ii) the date of the entry of a second interim order or a final order. Except as herein provided,

the automatic stay of 11 U.S.C. § 362(a) shall continue in effect and until further modified or terminated by the Court.

C. Prohibited Transactions. The Debtors shall not, without Lender's prior written consent: (a) enter into transactions for the sale out of the ordinary course of business of any property in which Lender claims a security interest or lien; (b) obtain credit under 11 U.S.C. § 364(c) or (d); (c) grant any liens or priorities on a parity with or senior to Lender's liens or priorities; or (d) enter into any settlement of receivables or claims.

D. Accounting and Information. The Debtors shall provide weekly accountings to the Lender and any official committee of unsecured creditors (the "Committee") setting forth the actual cash receipts and disbursements made by the Debtors under this Interim Order. In addition, the Debtors shall provide Lender all other reports required by the Prepetition Loan Documents and any other reports reasonably requested by Lender, as well as copies of the Debtors' monthly United States Trustee operating reports. The Debtors also shall permit Lender and any of its agents reasonable and free access to their books and records and place of business during normal business hours to verify the existence, condition and location of all Prepetition Collateral and Post-petition Collateral (as hereinafter defined) and to audit the Debtors' cash receipts and disbursements. Such access shall be provided within four (4) days of Lender's request to Debtors' counsel.

2. Cash Collections and Deposits

All collections on and proceeds of the Prepetition Collateral and Post-petition Collateral (as hereinafter defined) shall be deposited in the manner and in the accounts provided for in the Prepetition Loan Documents (the "Accounts").

3. Continued Operations

A. Budget. Receipts may not vary by more than ten percent (10%) downward from the projected receipts in the Budget and expenditures may not deviate more than ten percent (10%) upward from any single line items in the Budget without the prior written consent of Lender or prior Court order after notice and opportunity for hearing.

B. Prepetition Debt. Nothing herein permits the Debtors to pay indebtedness or transfer property to vendors, contractors, customers, or other persons (other than Lender) whose debt may have been incurred before the Petition Date. All parties reserve all rights and claims with respect to such indebtedness and property. The Debtors shall not, without prior order of the Court upon notice to Lender, enter into any agreement to permit reclamation of goods, or return any inventory to any creditors for application against Prepetition indebtedness (under Section 546 of the Bankruptcy Code or otherwise), or consent to any creditor taking any setoff or recoupment against any of its

prepetition indebtedness based upon any such return, pursuant to Section 553(b) (1) of the Bankruptcy Code or otherwise.

4. Professional Fees and Administrative Expenses

A. No Authorization. No Cash Collateral may be used by the Debtors or any other person or entity (including, without limitation, any Committee) to object to or contest in any manner, raise any defenses to, the validity, extent, perfection, priority or enforceability of the Prepetition Indebtedness or any liens or security interests with respect thereto or any other rights or interests of the Lender or to assert any claims or causes of action against the Lender.

B. Fee Applications. Nothing in this Order (i) shall excuse any person from complying with the Bankruptcy Code and Bankruptcy Rules, and the Bankruptcy Local Rules of this Court and the guidelines of the United States Trustee with respect to applications for professional compensation and reimbursement of expenses, or (ii) shall be deemed to authorize or approve the receipt or payment of any retainer, advance fee, or compensation to any professional employed by the Debtors. The Debtors shall not pay any fees or expenses to any attorney, accountant, consultant, advisor, broker, manager, or other professional governed by 11 U.S.C. §§ 328 through 331 except upon further order of this Court after notice and opportunity for hearing to Lender, the U.S. Trustee, any Committee, and other parties-in-interest as required by the Bankruptcy Code or Bankruptcy Rules.

C. Matters Reserved. This Order does not authorize the Debtors' use of funds or retention by any professional of funds which Lender may claim to be Prepetition Collateral delivered prepetition to any professional firm or deposited prepetition into any professional firm's deposit account or trust account, and the Court makes no determination of the rights to possession thereof and/or liens thereon.

5. Grant of Liens and Adequate Protection

A. Post-petition Collateral. "Post-petition Collateral" shall mean any and all of the Debtors' interest in property and assets of any kind or nature, whether real or personal, tangible or intangible, wherever located or and by whomever held, which first arises, is purchased or acquired, or exists after the Petition Date and Proceeds therefrom. For purposes of this Interim Order only, Post-petition Collateral excludes all avoidance actions enumerated in Chapter 5 of the Bankruptcy Code and Proceeds thereof.

B. Grant of Lien as Adequate Protection. As adequate protection in accordance with Section 363(e) of the Bankruptcy Code, the Lender is hereby granted a valid, binding, enforceable and properly perfected additional and replacement security interest and lien (the "Adequate Protection Liens") on all currently owned or hereafter acquired property and assets of the Debtors of any kind or nature, whether real or personal, tangible or intangible, wherever located, now owned or hereafter acquired or arising and all proceeds, products, rents and profits thereof, including, without limitation, all cash (including all Cash Collateral, wherever held), goods, leaseholds, accounts,

accounts receivable, inventory, cash-in-advance deposits, real estate, machinery, equipment, vehicles, patents, trademarks, trade names, licenses, causes of action (excluding, for purposes of this Interim Order only, the Debtors' actions for preferences, fraudulent conveyances, and other avoidance power claims and any recoveries under Sections 542, 544, 545, 547, 548, 549 (other than recoveries related to the Prepetition Collateral), 550, 552(b) and 553 of the Bankruptcy Code and the proceeds thereof), rights to payment including tax refund claims, insurance proceeds and tort claims and the proceeds, products, rents and profits of all of the foregoing (collectively, the "Adequate Protection Collateral").

C. Adequate Protection Obligations. The Adequate Protection Liens shall secure an amount of Prepetition Indebtedness equal to the aggregate diminution, if any, subsequent to the Petition Date, in the value of the Lender's interest in the Prepetition Collateral, whether by depreciation, use, sale, loss, decline in market price or otherwise including such diminution as may arise from the use of Prepetition Collateral (including Cash Collateral) in accordance with this Interim Order (the "Adequate Protection Obligations").

D. Priority of Adequate Protection Liens. Except as expressly set forth in this Order, the Adequate Protection Liens shall not be subordinated to, or made *pari passu* with, any other lien under Section 364(d) of the Bankruptcy Code or otherwise. The Adequate Protection Collateral and Adequate Protection Liens shall not be subject to any claim or charge arising out of or based on, directly or indirectly, Section 506(c) of the Bankruptcy Code (whether asserted or assessed by, through or on behalf of either of the Debtors). Notwithstanding anything to the contrary contained herein, the Lender's lien on Post-petition Collateral and the Adequate Protection Liens shall be subordinate to the Carve-Out Expenses (defined below).

E. No Cross-Collateralization. Nothing in this Order shall be deemed to grant to Lender a lien on Post-petition Collateral for the purpose of securing indebtedness to Lender which first arose before the Petition Date, except the Debtors' Adequate Protection Obligations.

F. Perfection of Security Interests. The replacement lien and security interest granted to Lender herein on the Post-petition Collateral are automatically deemed perfected upon the entry of this Order without necessity of Lender taking possession, filing financing statements or other documents, or performing any other acts of perfection under state or federal law. This Interim Order shall be deemed sufficient and conclusive evidence of the security interests and liens granted hereunder and perfection thereof.

G. No Surcharge. (a) Nothing contained in this Order shall be deemed or construed as consent by the Lender to any lien, charge, assessment or claim against the Prepetition Collateral or Post-petition Collateral under § 506(c) of the Bankruptcy Code or otherwise, and (b) no expense of administration of these cases or any superseding cases shall be charged against the Prepetition Collateral or Post-petition Collateral pursuant to § 506(c) of the Bankruptcy Code or otherwise.

H. Carve-Out Expenses. The lien on Post-Petition Collateral is subordinated to the following "carve-out expenses":

- i. Fees payable to the United States Trustee pursuant to 28 U.S.C. § 1930(a); and
- ii. Fees and out-of-pocket expenses payable to professionals retained by the bankruptcy estate pursuant to 11 U.S.C. §§ 327, 330 or 331, but capped at \$400,000 (less any pre-filing retainers held by such professionals as of the Petition Date).

I. Post-Petition Payments. In exchange for the Lender waiving payments of interest at the default rate under the Loan Documents, the Debtors shall make payments to Lender of amounts due under the Pre-Petition Loan Documents in the amounts and at the times set forth in the Budget. Nothing contained herein shall be deemed or construed as a waiver by the Lender of the right to accrue, subject to allowance under Section 506(b) of the Bankruptcy Code, any fees costs, and charges, including interest at the default rate set forth in the Loan Documents, or the Debtors' right to oppose the accrual and/or allowance of all such items interest at the default rate set forth in the Loan Documents. Lender's pre-petition ACH payment arrangement with the Debtors is authorized to continue post-petition in accordance with the Budget, and in conformity with this Order.

J. Grant of Super-Priority Administrative Claim. The Adequate Protection Obligations shall constitute a claim under Section 507(a)(2) of the Bankruptcy Code and, to the extent the Adequate Protection Liens are inadequate to repay the Adequate Protection Obligations in full, such claim shall have priority in these Chapter 11 cases and superseding Chapter 7 cases in accordance with the provisions of Section 507(b) of the Bankruptcy Code over all administrative expenses of the kind specified in Section 507(a)(2) of the Bankruptcy Code. Except as expressly set forth in this Order, no costs or administrative expenses which have been or may be incurred in the Debtors' Chapter 11 cases, in any conversion of the Debtors' Chapter 11 cases pursuant to Section 1112 of the Bankruptcy Code, or in any other proceeding related thereto, and no priority claims, including, without limitation, any other superpriority claims, are or will be prior to or on a parity with the superpriority claim granted to Lender under this Paragraph E(x).

6. Event of Default

Notwithstanding anything to the contrary herein, the following shall constitute an event of default hereunder (each, an "Event of Default"):

- A. non-compliance by the Debtors with any of the terms or provisions of this Interim Order, that is not otherwise timely cured;
- B. any, stay, reversal, vacatur, rescission or other modification of the terms of this Interim Order not consented to by the Lender in its sole and absolute discretion;

C. entry of an order by this Court or any other Court having jurisdiction over these Chapter 11 cases approving any post-petition financing senior to or on a parity with Lender's liens and security interests and not consented to by the Lender in its sole and absolute discretion;

D. entry of an order by this Court dismissing any of the Debtors' Chapter 11 cases or converting any of the Debtors' Chapter 11 cases to a case under Chapter 7 of the Bankruptcy Code, in each case, not consented to by the Lender in its sole and absolute discretion;

E. the appointment of a trustee or the appointment of an examiner with enlarged powers in any of the Debtors' Chapter 11 cases not consented to by the Lender in its sole and absolute discretion;

F. the lifting of the automatic stay to permit the exercise of secured creditor remedies with respect to any property of the Debtors having a value in excess of \$50,000 individually or in the aggregate;

G. any liens of the Lender with respect to the Prepetition Collateral, the Post-petition Collateral or Adequate Protection Collateral or pursuant to this Order shall cease to be valid, binding and perfected first priority liens and to the extent provided in this Order;

H. any claim shall be afforded a priority higher than any Adequate Protection Obligation;

I. the Court shall not have entered, within 30 days of this Interim Order, a final order pertaining to the use of Cash Collateral substantially in a form as shall be acceptable to the Lender in its sole and absolute discretion (the "Final Order");

J. if the Debtors do not reasonably cooperate in the disclosure of information reasonably requested by or on behalf of the Lender;

K. if the Debtors attempt to sell some, all or substantially all their assets for a purchase price which does not indefeasibly pay the Lenders in full in cash;

L. if the Bankruptcy Court does not enter an order within 120 days of the Petition Date confirming a chapter 11 plan or approving a sale under Section 363 of the Bankruptcy Code, each of which provides for the sale of substantially all of the Debtors' assets and the payment of the net proceeds of sale to Lender's claims; or

M. the resignation or termination of Tamarack Associates, Inc. and/or John Palmer as operational and financial advisors to the Debtors.

7. Remedies for Lender.

A. Upon three (3) business days written notice of an Event of Default, given in each instance to the United States Trustee, counsel for the Debtors and counsel for any

Committee, the Lender may terminate the authorization of the Debtors to use Cash Collateral pursuant to this Interim Order, whereupon such authorization shall cease immediately. Notwithstanding anything in this Interim Order to the contrary, all of the rights, remedies, benefits and protections provided to the Lender under this Interim Order shall survive termination of the use of cash collateral.

B. Nothing contained herein shall preclude the Lender from filing an emergency motion to terminate the use of Cash Collateral, for relief from the automatic stay or seeking any other relief the Lender deems necessary and appropriate in its sole and absolute discretion in the event Lender reasonably concludes that it is not adequately protected or that the Debtors are suffering continued losses. The Lender shall notify the Debtor of such conclusion, the U.S. Trustee and any Committee of such conclusion, and may set such motion for expedited hearing (subject to the Court's calendar) upon not less than four (4) business days notice to the Debtors, the U.S. Trustee and any Committee.

8. Injunction.

Except as provided in this Order (or, following the occurrence of an Event of Default, pursuant to any order otherwise obtained by the Debtors, after notice and a hearing), the Debtors shall be enjoined and prohibited from at any time (i) using Cash Collateral and (ii) using Adequate Protection Collateral that is cash collateral within the meaning of Section 363(a) of the Bankruptcy Code.

9. Termination.

In addition to the other instances set forth herein for termination of the use of Cash Collateral, the Debtors' right to continued use of Cash Collateral shall terminate upon the later of the effective date of any confirmed chapter 11 Plan in these cases and 120 days from the date of entry of this Interim Order.

10. Successors and Assigns.

The provisions of this Order shall be binding upon and inure to the benefit of the Debtors, Lender and their respective successors and assigns, including any trustee or representative of the estate hereafter appointed or elected in these Chapter 11 cases or in any subsequent chapter 7 cases.

11. Continuing Effect.

If all or any of the provisions of this Order are hereafter reversed, modified, vacated, or stayed by subsequent order of this Court or any other court or on appeal, such reversal, modification, vacation, or stay shall not affect (i) the validity or priority of any obligation owed to Lender by the Debtors incurred prior thereto, or (ii) the validity, enforceability, or priority of any lien or priority of Lender with respect to the Debtors' Adequate Protection Obligations. Any Adequate Protection Obligations of Debtors arising prior to the effective date of such stay, modification, or vacation, shall be governed by the original provisions of this Order.

12. Service of Pleadings.

Debtors shall serve a copy of all pleadings or reports, including monthly operating reports, heretofore or hereafter filed with the Court concurrently with the filing by Debtor, on the U.S. Trustee, any Committee, Lender, and their counsel.

13. Reservation of Rights.

Notwithstanding anything to the contrary contained in this Interim Order, any Committee and any other party in interest (other than the Debtors) shall have sixty (60) days from the entry of this Interim Order (the "Lien Challenge Deadline") to file an adversary proceeding to contest the extent, validity and priority of the Lender's Prepetition Liens. In the event such challenge is not filed with this Court on or before the Lien Challenge Deadline, (i) the acknowledgements, stipulations and admissions with respect to the Prepetition Liens, the Lender and the Prepetition Indebtedness in this Interim Order for the Debtors, including in Paragraph 6, shall automatically become final and irrevocably binding for all purposes on the Debtors' estates, any Committee, any Chapter 11 or Chapter 7 trustee, and all other parties in interest without further action by any party or the Court, and (ii) the Lender shall be deemed released from any and all rights, claims, causes of action and liabilities arising from or in connection with the Prepetition Collateral, the

Prepetition Loan Documents and/or the extension of credit or other financial accommodations thereunder or with respect thereto.

14. Continued Hearing, Service and Notice.

A. Pursuant to Bankruptcy Rule 4001, there shall be a final hearing on the Debtors' request to continue using Lender's Cash Collateral and for entry of the Final Order on April 15, 2013, at 1:30 p.m. (CDT), Courtroom No, 1, 903 San Jacinto Blvd., Austin, Texas 78701 (the "Final Hearing"). Parties shall exchange witness and exhibit lists on or before April 8, 2013.

B. Debtors' counsel shall immediately serve all parties, pursuant to Rule 4001 of the Bankruptcy Code, with a copy of this Order (including the Budget). Objections to the Motion and entry of the Final Order shall be in writing, specify with particularity the basis of the objection, and filed and served no later than two (2) days before the Final Hearing.

Steve Hubbard / RBC
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Falmouth, ME 04105

One Communications/Earthlink
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Boston, MA 02241-5721

America OnLine
P.O. Box 1450
Minneapolis, MN 55485-8702

Telesense
Cabs Department
P.O. Box 364300
Las Vegas, NV 89133-6430

Cox Communications
ATTN: COX ACCESS BILLING
P.O. Box 1053390
Atlanta, GA 30348-5339

CenturyLink
P.O. Box 2961
Phoenix, AZ 85062-2961

Frontier
P.O. Box 92713
Rochester, NY 14692-0000

Cogent Communications
P.O. Box 791087
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Genband, Inc.
P.O. Box 731188
Dallas, TX 75373-1188

Samsara
1250 S Capital of Texas Highway
Bldg 2-235
West Lake Hills, TX 78746

La Arcata Development Limited
ATTN: ACCOUNTS RECEIVABLE
c/o NAI Reco Partners
1826 N. Loop 1604 W, #250
San Antonio, TX 78248

Grande Communications Network
Dept 1204
P.O. Box 121204
Dallas, TX 75312-1204

Telus Corporation
215 Slater Street
Ottawa, Ontario, K1P 5N5
CANADA

Alpheus Communication
Attn: SVP – Contract
Administration
1301 Fannin, 20th Floor
Houston, TX 77002

Hines Reit One Wilshire, L.P.
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