



**VarTec Telecom, Inc.**

REC'D NOV 17 2004

**RETURN COPY**

November 5, 2004

**VIA OVERNIGHT DELIVERY**

RECEIVED & INSPECTED  
NOV 08 2004  
FCC-MAILROOM

**Marlene H. Dortch, Secretary**  
Attention: Wireline Competition Bureau  
Federal Communications Commission  
Office of the Secretary  
9300 East Hampton Drive  
Capitol Heights, MD 20743

Re: Notification of Voluntary Chapter 11 Bankruptcy Filing Pursuant to §63.03(d)

Dear Ms. Dortch:

Transmitted herewith on behalf of VarTec Telecom, Inc. ("VarTec"), please find one (1) copy of this correspondence for the Commission's review and records. This notice is made pursuant to §63.03(d) and is intended to inform the Commission that VarTec as well as its subsidiaries, Excel Telecommunications, Inc. ("Excel"), and VarTec Solutions, Inc. f/k/a eMeritus Communications, Inc. ("VarTec Solutions"), have voluntarily filed for Chapter 11 bankruptcy in the Dallas Division of the United States Bankruptcy Court for the Northern District of Texas under Case No. 04-81694-SAF-11. A copy of the bankruptcy filing is enclosed for your records.

VarTec and Excel both provide competitive local exchange services to customers throughout the United States, and VarTec, Excel and VarTec Solutions provide international long distance services to customers across the United States. This voluntary bankruptcy filing has not resulted in a change of control or ultimate ownership for the Companies. Additional information as required by §63.03(d) and §63.04(a) (1)-(4) to notify the Commission of this bankruptcy filing is provided below:

**1) Name, address and telephone number of each company**

VarTec Telecom, Inc.  
1600 Viceroy Drive  
Dallas, Texas 75235  
(214) 424-1000

Excel Telecommunications, Inc.  
1600 Viceroy Drive  
Dallas, Texas 75235  
(214) 424-1000

VarTec Solutions, Inc.  
1600 Viceroy Drive  
Dallas, Texas 75235  
(214) 424-1000

**2) The state of organization for each company**

VarTec Telecom, Inc. is organized under the laws of the state of Texas.

Excel Telecommunications, Inc. is organized under the laws of the state of Texas.

VarTec Solutions, Inc. is organized under the laws of the state of Delaware.

**3) Name, title, address and telephone number of the point of contact for this correspondence**

Melissa A. Drennan, Esq.  
Vice President - External Legal Affairs  
VarTec Telecom, Inc.  
1600 Viceroy Drive  
Dallas, Texas 75235  
(214) 424-1505

**4) Name, address, citizenship and principal business of any person or entity that directly or indirectly owns at least ten percent (10%) of equity of each company and the percentage owned by each**

for VarTec Telecom, Inc.  
Name: CommuniGroup, Inc.  
Address: 27 South 2nd Street, Bay Springs, Mississippi 39422  
Citizenship: a corporation organized in Mississippi  
Principal Business: telecommunications  
Percentage of Ownership: direct, 82%

for Excel Telecommunications, Inc.  
Name: Excelcom, Inc.  
Address: 1600 Viceroy Drive, Dallas, Texas 75235  
Citizenship: a corporation organized in Delaware  
Principal Business: holding company  
Percentage of Ownership: direct, 100%

for VarTec Solutions, Inc.  
Name: Telco Communications Group, Inc.  
Address: 1600 Viceroy Drive, Dallas, Texas 75235  
Citizenship: a corporation organized in Virginia  
Principal Business: holding company  
Percentage of Ownership: direct, 100%

VarTec appreciates the Commission's time and attention in reviewing this filing. Acknowledgment and date of receipt of this correspondence are respectfully requested. Please date-stamp the enclosed return copy of this letter and return it in the self-addressed stamped envelope. Please contact the undersigned with any questions regarding this correspondence directly at (214) 424-1505.

Respectfully submitted,

A handwritten signature in dark ink, appearing to read "Melissa A. Drennan". The signature is written in a cursive style with a large initial "M".

Melissa A. Drennan, Esq.  
Vice President - External Legal Affairs

Enclosure



# VarTec Telecom, Inc.

November 5, 2004

VIA OVERNIGHT DELIVERY

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Melissa A. Dremman, Esq.  
Vice President - External Legal Affairs  
VarTec Telecom, Inc.  
1600 Viceroy Drive  
Dallas, Texas 75235  
(214) 424-1505

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for VarTec Telecom, Inc.

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Percentage of Ownership: direct, 82%

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Address: 1600 Viceroy Drive, Dallas, Texas 75235

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Principal Business: holding company

Percentage of Ownership: direct, 100%

for VarTec Solutions, Inc.

Name: Telco Communications Group, Inc.

Address: 1600 Viceroy Drive, Dallas, Texas 75235

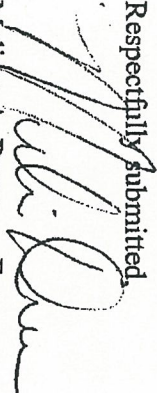
Citizenship: a corporation organized in Virginia

Principal Business: holding company

Percentage of Ownership: direct, 100%

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Respectfully submitted,

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Melissa A. Drennan, Esq.  
Vice President - External Legal Affairs

Enclosure

**FORM BI** **United States Bankruptcy Court** **Voluntary Petition**  
Northern District of Texas

Name of Debtor (if individual, enter Last, First, Middle):  
**VARTEC TELECOM, INC.** Name of Joint Debtor (Spouse) (Last, First, Middle):

All Other Names used by the Debtor in the last 6 years  
(include married, maiden, and trade names): All Other Names used by the Joint Debtor in the last 6 years  
(include married, maiden, and trade names):

Last four digits of Soc. Sec. No. / Complete EIN or other Tax I.D. No.  
(if more than one, state all): **75-2280200** Last four digits of Soc. Sec. No. / Complete EIN or other Tax I.D. No.  
(if more than one, state all):

Street Address of Debtor (No. & Street, City, State & Zip Code):  
**1600 Viceroy Drive** Street Address of Joint Debtor (No. & Street, City, State & Zip Code):  
**Dallas, TX 75235**

County of Residence or of the Principal Place of Business: **Dallas County** County of Residence or of the Principal Place of Business:

Mailing Address of Debtor (if different from street address): Mailing Address of Joint Debtor (if different from street address):

Location of Principal Assets of Business Debtor  
(if different from street address above):

**Information Regarding the Debtor (Check the Applicable Boxes)**

**Venue (Check any applicable box)**

- Debtor has been domiciled or has had a residence, principal place of business, or principal assets in this District for 180 days immediately preceding the date of this petition or for a longer part of such 180 days than in any other District.
- There is a bankruptcy case concerning debtor's affiliate, general partner, or partnership pending in this District.

**Type of Debtor (Check all boxes that apply)**

- Individual(s)
- Corporation
- Partnership
- Other
- Railroad
- Stockbroker
- Commodity Broker
- Clearing Bank

**Nature of Debts (Check one box)**

- Consumer/Non-Business
- Business

**Chapter or Section of Bankruptcy Code Under Which the Petition is Filed (Check one box)**

- Chapter 7
- Chapter 9
- Sec. 304 - Case ancillary to foreign proceeding
- Chapter 11
- Chapter 12
- Chapter 13

**Filing Fee (Check one box)**

- Full Filing Fee attached
- Filing Fee to be paid in installments (Applicable to individuals only.)

- Debtor is a small business as defined in 11 U.S.C. § 101
  - Debtor is and elects to be considered a small business under 11 U.S.C. § 1121(e) (Optional)
- Must attach signed application for the court's consideration certifying that the debtor is unable to pay fee except in installments. Rule 1006(b). See Official Form No. 3.

**Statistical/Administrative Information (Estimates only)**

- Debtor estimates that funds will be available for distribution to unsecured creditors.
- Debtor estimates that, after any exempt property is excluded and administrative expenses paid, there will be no funds available for distribution to unsecured creditors.

THIS SPACE IS FOR COURT USE ONLY

Estimated Number of Creditors: 1-15  16-49  50-99  100-199  200-999  1000-over

Estimated Assets

\$0 to \$50,000	\$50,001 to \$100,000	\$100,001 to \$500,001	\$500,001 to \$1 million	\$1,000,001 to \$10,000,001	\$10,000,001 to \$50 million	\$50,000,001 to \$100 million	More than \$100 million
<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>

Estimated Debts

\$0 to \$50,000	\$50,001 to \$100,000	\$100,001 to \$500,001	\$500,001 to \$1 million	\$1,000,001 to \$10,000,001	\$10,000,001 to \$50 million	\$50,000,001 to \$100 million	More than \$100 million
<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>

**Voluntary Petition**

*(This page must be completed and filed in every case)*

Name of Debtor(s):

**VARTEC TELECOM, INC.**

FORM BI, Page 2

Prior Bankruptcy Case Filed Within Last 6 Years (If more than one, attach additional sheet)

Case Number:

Date Filed:

Location  
Where Filed: - None -

Pending Bankruptcy Case Filed by any Spouse, Partner, or Affiliate of this Debtor (If more than one, attach additional sheet)

Case Number:

Date Filed:

Name of Debtor:  
See attached Schedule 1.

Relationship:

Judge:

District:

**Signatures**

**Signature(s) of Debtor(s) (Individual/Joint)**

I declare under penalty of perjury that the information provided in this petition is true and correct.

If petitioner is an individual whose debts are primarily consumer debts and has chosen to file under chapter 7 I am aware that I may proceed under chapter 7, 11, 12, or 13 of title 11, United States Code, understand the relief available under each such chapter, and choose to proceed under chapter 7.

I request relief in accordance with the chapter of title 11, United States Code, specified in this petition.

**Exhibit A**

(To be completed if debtor is required to file periodic reports (e.g., forms 10K and 10Q) with the Securities and Exchange Commission pursuant to Section 13 or 15(d) of the Securities Exchange Act of 1934 and is requesting relief under chapter 11)

Exhibit A is attached and made a part of this petition.

**Exhibit B**

(To be completed if debtor is an individual whose debts are primarily consumer debts)

I, the attorney for the petitioner named in the foregoing petition, declare that I have informed the petitioner that he or she may proceed under chapter 7, 11, 12, or 13 of title 11, United States Code, and have explained the relief available under each such chapter.

Signature of Attorney for Debtor(s)      Date

Telephone Number (if not represented by attorney)

Date

**Signature of Attorney**  
/s/ Daniel C. Stewart, SBT #19206500

Signature of Attorney for Debtor(s)

Daniel C. Stewart, SBT #19206500

Printed Name of Attorney for Debtor(s)

Vinson & Elkins L.L.P.

Firm Name

3700 Trammell Crow Center

2001 Ross Avenue

Dallas, TX 75201-2975

Address

(214) 220-7700 Fax: (214) 220-7716

Telephone Number

October 31, 2004

Date

**Signature of Debtor (Corporation/Partnership)**

I declare under penalty of perjury that the information provided in this petition is true and correct, and that I have been authorized to file this petition on behalf of the debtor.

The debtor requests relief in accordance with the chapter of title 11, United States Code, specified in this petition.

/s/ David G. Walsh  
Signature of Authorized Individual

Printed Name of Authorized Individual

David G. Walsh

Chief Restructuring Officer

Title of Authorized Individual

October 31, 2004

Date

**Exhibit C**

Does the debtor own or have possession of any property that poses a threat of imminent and identifiable harm to public health or safety?

Yes, and Exhibit C is attached and made a part of this petition.  
 No

**Signature of Non-Attorney Petition Preparer**

I certify that I am a bankruptcy petition preparer as defined in 11 U.S.C. § 110, that I prepared this document for compensation, and that I have provided the debtor with a copy of this document.

Printed Name of Bankruptcy Petition Preparer

Social Security Number (Required by 11 U.S.C. § 110(c))

Address

Names and Social Security numbers of all other individuals who prepared or assisted in preparing this document:

If more than one person prepared this document, attach additional sheets conforming to the appropriate official form for each person.

Signature of Bankruptcy Petition Preparer

Date

A bankruptcy petition preparer's failure to comply with the provisions of title 11 and the Federal Rules of Bankruptcy Procedure may result in fines or imprisonment or both. 11 U.S.C. § 110; 18 U.S.C. § 156.



**SCHEDULE 1  
TO  
VOLUNTARY PETITION**

The following affiliated entities (collectively, the "Debtors") will be filing, or have filed, voluntary petitions on November 1, 2004:

Name of Debtor	Case Number	Date Filed	District	Relationship to Other Debtors	Judge
VarTec Telecom, Inc.		11/1/04	Northern District of Texas	Affiliate	
Excel Communications Marketing, Inc.		11/1/04	Northern District of Texas	Affiliate	
Excel Management Service, Inc.		11/1/04	Northern District of Texas	Affiliate	
Excel Products, Inc.		11/1/04	Northern District of Texas	Affiliate	
Excel Telecommunications, Inc.		11/1/04	Northern District of Texas	Affiliate	
Excel Telecommunications of Virginia, Inc.		11/1/04	Northern District of Texas	Affiliate	
Excel Teleservices, Inc.		11/1/04	Northern District of Texas	Affiliate	
Excelcom, Inc.		11/1/04	Northern District of Texas	Affiliate	
Telco Communications Group, Inc.		11/1/04	Northern District of Texas	Affiliate	
Telco Network Services, Inc.		11/1/04	Northern District of Texas	Affiliate	
VarTec Business Trust		11/1/04	Northern District of Texas	Affiliate	
VarTec Properties, Inc.		11/1/04	Northern District of Texas	Affiliate	
VarTec Resource Services, Inc.		11/1/04	Northern District of Texas	Affiliate	
VarTec Solutions, Inc.		11/1/04	Northern District of Texas	Affiliate	
VarTec Telecom Holding Company		11/1/04	Northern District of Texas	Affiliate	
VarTec Telecom International Holding Company		11/1/04	Northern District of Texas	Affiliate	
VarTec Telecom of Virginia, Inc.		11/1/04	Northern District of Texas	Affiliate	

Daniel C. Stewart, SBT #19206500  
William L. Wallander, SBT #20780750  
Richard H. London, SBT #24032678  
**VINSON & ELKINS L.L.P.**  
3700 Trammell Crow Center  
2001 Ross Avenue  
Dallas, Texas 75201-2975  
Tel: 214-661-7299  
Fax: 214-220-7716  
[VarTec@velaw.com](mailto:VarTec@velaw.com)

PROPOSED ATTORNEYS FOR THE DEBTORS

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

IN RE:

VARTEC TELECOM, INC., et al.,

CASE NO. 04-81694-SAF-11

DEBTORS.

§  
§  
§  
§  
§  
§

(Chapter 11)  
(Joint Administration Requested)

NOTICE OF FILING OF CHAPTER 11 BANKRUPTCY CASE  
AND PROTECTIONS OF THE AUTOMATIC STAY

TO THE HONORABLE UNITED STATES BANKRUPTCY JUDGE:

1. On November 1, 2004 (the "Petition Date"), the following entities (the "Debtors") each filed a voluntary petition for relief (collectively, the "Cases") under chapter 11 of title 11 of the United States Code (the "Bankruptcy Code"):
  - VarTec Telecom, Inc.
  - Excel Communications Marketing, Inc.
  - Excel Management Service, Inc.
  - Excel Products, Inc.
  - Excel Telecommunications, Inc.
  - Excel Telecommunications of Virginia, Inc.
  - Excel Teleservices, Inc.

- Excelcom, Inc.
- Telco Communications Group, Inc.
- Telco Network Services, Inc.
- VarTec Business Trust
- VarTec Properties, Inc.
- VarTec Resource Services, Inc.
- VarTec Solutions, Inc.
- VarTec Telecom Holding Company
- VarTec Telecom International Holding Company
- VarTec Telecom of Virginia, Inc.

2. Pursuant to Bankruptcy Code § 362 and other applicable bankruptcy law, the filing of the Cases operates as an automatic stay – a fully enforceable federal law

injunction - prohibiting all entities from, among other things:

- the setoff of any debt owing to any Debtor that arose before the Petition Date;
- the attempt to terminate an executory contract with any of the Debtors;
- the commencement or continuation of a judicial, administrative or other action or proceeding against any Debtor that was or could have been commenced before the Petition Date;
- the attempt to recover on any claim against any Debtor that arose before the Petition Date;
- the enforcement, against any Debtor or against property of the estate, of any judgment obtained before the Petition Date;
- any act to obtain possession of property of the estate or to exercise control over property of the estate;
- any act to create, perfect, or enforce any lien against property of the estate; or

• any act to collect, assess or recover a claim against any Debtor that arose before the Petition date.

3. Actions taken in violation of the automatic stay are void, and a violation of the automatic stay is contempt of court. Violation of the automatic stay can result in liability for damages and, in appropriate cases, punitive damages. The Debtors will enforce the rights and protections provided to them pursuant to the automatic stay of Bankruptcy Code § 362.

Respectfully submitted,

**VINSON & ELKINS L.L.P.**  
2001 Ross Avenue  
3700 Trammell Crow Center  
Dallas, Texas 75201  
Tel: 214-661-7299  
Fax: 214-220-7716

By: /s/ Daniel C. Stewart (11/1/04)  
Daniel C. Stewart, SBT #19206500  
William L. Wallander, SBT #20780750  
Richard H. London, SBT #24032678

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