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10/26/2011

IN THE UNITED STATES BANKRUPTCY COURT
FOR THE EASTERN DISTRICT OF TEXAS
SHERMAN DIVISION

IN RE: § CASE NO. 11-42464-btr-11
§
HALO WIRELESS, INC., §
§
DEBTOR. §

**ORDER GRANTING MOTION OF THE TEXAS AND
MISSOURI TELEPHONE COMPANIES TO DETERMINE AUTOMATIC STAY
INAPPLICABLE AND FOR RELIEF FROM THE AUTOMATIC STAY [DKT. NO. 31]**

Upon consideration of *The Texas and Missouri Telephone Companies' Motions to Determine Automatic Stay Inapplicable and in the Alternative, For Relief from Same* [Dkt. No. 31] (the "TMTC Motion")¹, and it appearing that proper notice of the TMTC Motion has been given to all necessary parties; and the Court, having considered the evidence and argument of counsel at the hearing on the TMTC Motion (the "Hearing"), and having made findings of fact and conclusions of law on the record of the Hearing which are incorporated herein for all purposes; it is therefore;

ORDERED that the TMTC Motion is GRANTED, but only as set forth hereinafter; and it is further

ORDERED that, pursuant to 11 U.S.C. §362(b)(4), the automatic stay imposed by 11 U.S.C. § 362 (the "Automatic Stay") is not applicable to currently pending State Commission Proceedings², except as otherwise set forth herein; and it is further

¹ The Court contemporaneously is entering separate orders granting the *Motion of the AT&T Companies to Determine Automatic Stay Inapplicable and For Relief from Automatic Stay* [Dkt. No. 13] and the *Motion to Determine the Automatic Stay is Not Applicable, or Alternatively, to Lift the Automatic Stay Without Waiver of 30-Day Hearing Requirement* [Dkt. No. 44] filed by TDS Telecommunications Corporation.

² The term "State Commission Proceeding" as used herein refers to those proceedings identified in the TMTC Motion at ¶ 5, fn. 11.

Exhibit 2

ORDERED that, any regulatory proceedings in respect of the matters described in the TMTC Motion, including the State Commission Proceedings, may be advanced to a conclusion and a decision in respect of such regulatory matters may be rendered; *provided however*, that nothing herein shall permit, as part of such proceedings:

- A. liquidation of the amount of any claim against the Debtor; or
- B. any action which affects the debtor-creditor relationship between the Debtor and any creditor or potential creditor (collectively, the “Reserved Matters”); and it is further

ORDERED that nothing in this Order precludes the TMTC Companies³ from seeking relief from the Automatic Stay in this Court to pursue the Reserved Matters once a state commission has (i) first determined that it has jurisdiction over the issues raised in the State Commission Proceedings; and (ii) then determined that the Debtor has violated applicable law over which the particular state commission has jurisdiction; and it is further

³ The TMTC Companies include Alenco Communications, Inc.; Alma Communications Company d/b/a Alma Telephone Company; Big Bend Telephone Company, Inc.; BPS Telephone Company; Brazoria Telephone Company; Chariton Valley Telecom Corporation; Chariton Valley Telephone Company; Choctaw Telephone Company; Citizens Telephone Company of Higginsville, Missouri; Craw-Kan Telephone Cooperative, Inc.; Eastex Telephone Cooperative, Inc.; Electra Telephone Company, Inc.; Ellington Telephone Company; Farber Telephone Company; Fidelity Communication Services I, Inc.; Fidelity Communication Services II, Inc.; Fidelity Telephone Company; Five Area Telephone Cooperative, Inc.; Ganado Telephone Company; Goodman Telephone Company; Granby Telephone Company; Grand River Mutual Telephone Corporation; Green Hills Area Cellular d/b/a Green Hills Telecommunications Services; Green Hills Telephone Corporation; Guadalupe Valley Telephone Cooperative, Inc.; Hill Country Telephone Cooperative, Inc.; Holway Telephone Company; Iamo Telephone Company; Industry Telephone Company; Kingdom Telephone Company; K.L.M. Telephone Company; Lake Livingston Telephone Company, Inc.; Lathrop Telephone Company; Le-Ru Telephone Company; Livingston Telephone Company; Mark Twain Communication Company; Mark Twain Rural Telephone Company; McDonald County Telephone Company; Mid-Missouri Telephone Company, a Corporate Division of Otelco, Inc.; Mid-Plains Rural Telephone Cooperative, Inc.; Miller Telephone Company; MoKan Dial, Inc.; New Florence Telephone Company; New London Telephone Company; Nortex Communications Company; Northeast Missouri Rural Telephone Company; North Texas Telephone Company; Orchard Farm Telephone Company; Ozark Telephone Company; Peace Valley Telephone Company, Inc.; Peoples Telephone Cooperative, Inc.; Riviera Telephone Company, Inc.; Rock Port Telephone Company; Seneca Telephone Company; Santa Rosa Telephone Cooperative, Inc.; Southwest Texas Telephone Company; Steelville Telephone Exchange, Inc.; Stoutland Telephone Company; Tatum Telephone Company; Totelcom Communications, LLC; Valley Telephone Cooperative, Inc. and West Plains Telecommunications, Inc.

ORDERED that the TMTC Companies, as well as the Debtor, may appear and be heard, as may be required by a state commission in order to address the issues presented in the State Commission Proceedings; and it is further

ORDERED that this Court shall retain jurisdiction to hear and determine all matters arising from the implementation and/or interpretation of this Order.

Signed on 10/26/2011

Brenda T. Rhoades SR
HONORABLE BRENDA T. RHOADES,
CHIEF UNITED STATES BANKRUPTCY JUDGE