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IDAHO PUBLIC  
UTILITIES COMMISSION

ENR-T-0039

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Ms. Jean D. Jewel, Secretary  
Idaho Public Utilities Commission  
427 West Washington  
Statehouse  
Boise, ID 83720-0074

RE: Cancellation of Authority to Provide Interexchange and Local Telecommunications Services and Withdrawal of Idaho PUC Tariff  
**Trinsic Communications, Inc.**

Dear Ms. Jewell:

The purpose of this letter (original) is to advise the Commission that Trinsic Communications, Inc. ("Trinsic") is hereby requesting the immediate cancellation of its authority to provide interexchange and local telecommunications services in the State of Idaho and withdrawal of its Idaho Tariffs.

The Company filed bankruptcy in 2007 with the Bankruptcy Court in Alabama. Matrix Telecom, Inc. purchased the assets of Trinsic, and the right to utilize the Trinsic name, from the court on June 8, 2007. Because of this transfer there is no customer notice needed for this withdraw as there are currently no customers being billed by Trinsic. A copy of the bankruptcy decision is enclosed.

Please acknowledge receipt of this filing by date-stamping the extra copy of this cover letter and returning it to me in the self-addressed, stamped envelope provided for that purpose.

Any questions you may have regarding this letter, please contact me at (407) 740-3001 or by e-mail at [tforte@tminc.com](mailto:tforte@tminc.com).

Thank you for your assistance in this matter.

Sincerely,

Thomas M. Forte  
Consultant to Trinsic Communications, Inc.

TMF/rg

cc: M. Reibling - Trinsic Bankruptcy Trustee  
file: Trinsic - ID  
tms: IDx0801

UNITED STATES BANKRUPTCY COURT  
SOUTHERN DISTRICT OF ALABAMA

In re

TRINSIC, INC.;  
TRINSIC COMMUNICATIONS, INC.;  
TOUCH 1 COMMUNICATIONS, INC.;  
Z-TEL NETWORK SERVICES, INC; and  
Z-TEL CONSUMER SERVICES, LLC,

CASE NO. 07-10324-MAM-7

(Jointly Administered)

Debtors.

**ORDER APPOINTING TRUSTEE**

Based on the Recommendation of Travis M. Bedsole, Jr. Bankruptcy Administrator,  
Michel C. Reibling is appointed as interim trustee in the above cases, pursuant 11 USC Sec 701 and  
his bond is fixed at \$5,000,000.00.

Dated: April 25, 2007

  
MARGARET A. MAHONEY  
U.S. BANKRUPTCY JUDGE

IN THE UNITED STATES BANKRUPTCY COURT  
FOR THE SOUTHERN DISTRICT OF ALABAMA  
MOBILE DIVISION

IN RE:	)	CASES NO. 07-10324
	)	
TRINSIC, INC.,	)	(Jointly Administered)
TRINSIC COMMUNICATIONS, INC.,	)	
TOUCH 1 COMMUNICATIONS, INC.,	)	
Z-TEL NETWORK SERVICES, INC., and	)	CHAPTER 11
Z-TEL CONSUMER SERVICES, LLC	)	
	)	
Debtors.	)	JUDGE MAHONEY

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**ORDER GRANTING MOTION TO CONVERT CASE  
TO PROCEEDING UNDER CHAPTER 7 OF THE BANKRUPTCY CODE**

Upon consideration of that certain Motion to Convert Case to Proceeding Under Chapter 7 of the Bankruptcy Code and Request for Expedited Hearing Thereupon (the "Motion"), filed by Trinsic, Inc., Trinsic Communications, Inc., Touch 1 Communications, Inc., Z-Tel Network Services, Inc. and Z-Tel Consumer Services, LLC (collectively, the "Debtors") in the above-captioned jointly administered cases (each a "Bankruptcy Case" and collectively, the "Bankruptcy Cases"); and after conducting a hearing in the matter on due and adequate notice to all parties entitled to such notice; and after due deliberation and sufficient cause appearing therefore, it is hereby

ORDERED, that the Motion is GRANTED IN ITS ENTIRETY; and it is further

ORDERED that, pursuant to 11 U.S.C. § 1112(a), each of the above-captioned Bankruptcy Cases is hereby converted to a proceeding under Chapter 7 of the Bankruptcy Code, 11 U.S.C. §§ 101, et seq., (hereinafter, the "Bankruptcy Code");

ORDERED, that in accordance with paragraph 24 of the Sale Order, each of the ensuing Chapter 7 estates, and any interim or permanent Chapter 7 Trustee appointed therein (each, a "Chapter 7 Trustee"), shall be and hereby are both authorized and directed to comply with and fully perform each and every remaining obligation of the

Debtors under the Transaction Documents,<sup>1</sup> including payment of liabilities that are or come due under the Transaction Documents, performance of duties related to the assumption and assignment of executory contracts and administration of employees and each of the related, prior orders of this Court, each of which shall be fully binding upon such Chapter 7 estate and Chapter 7 Trustee, to the same extent that such agreements and orders are currently binding upon the Debtors, as debtors-in-possession; and it is further

ORDERED that, solely for purposes of any applicable non-bankruptcy regulatory approval of the various transactions which are contemplated by the Sale Order and the Transaction Documents, the conversion of the Bankruptcy Cases from Chapter 11 to Chapter 7 shall not operate to extinguish each Debtor's ownership interest in customer lines, executory contracts and other licenses that are to be sold to the Purchaser pending regulatory approval pursuant to the Sale Order, and the sale of each Debtor's interest in those assets to the Purchaser remains binding upon administrative agencies and commissions, governmental units, secretaries of state, federal, state and local officials, including, without limitation, any such administrative or governmental authorities maintaining any authority relating to telecommunications or other licensing, or environmental, health, or safety laws, and their respective successors or assigns, to the same extent provided for in paragraph 24 of the Sale Order; and it is further

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<sup>1</sup> Capitalized terms used herein and not otherwise defined shall have the meanings ascribed to such term within the Motion.

ORDERED, that, notwithstanding anything to the contrary within that certain Administrative Order Establishing Procedures For Interim Compensation and Reimbursement of Professionals as entered by the Court on February 8, 2007 (the "Interim Compensation Procedures Order"): (a) each Chapter 11 professional heretofore retained in and approved by the Court in the Bankruptcy Cases pursuant to Bankruptcy Code Section 327 shall be permitted and required, on or before May 20, 2007, to file with the Court and serve upon each of the Notice Parties (as defined in the Interim Compensation Procedures Order) and counsel to each of Verizon, Qwest, Sprint, and AT&T (as respectively defined in the Sale Order), a final application for allowance of compensation and reimbursement of expenses for the period beginning February 8, 2007 and ending on the date of this Order's entry (each, a "Final Fee Application, and together, the "Final Fee Applications"); (b) any member of the Creditors Committee seeking reimbursement of expenses pursuant to Bankruptcy Code Section 503(b)(3)(F) shall, on or before the deadline prescribed by Federal Rule of Bankruptcy Procedure 3002(c), file with the Court and serve upon each of the Notice Parties (as defined in the Interim Compensation Procedures Order) and counsel to each of Verizon, Qwest, Sprint, and AT&T (as respectively defined in the Sale Order), a final request with respect to any such claimed entitlement to reimbursement of expenses for the period beginning February 8, 2007 and ending on the date of this Order's entry (each, a "Committee Member Reimbursement Request," and together, the "Committee Member Reimbursement Requests"); (c) any such Final Fee Application or Committee Member Reimbursement Request may include a request for the immediate payment of the allowed amount thereof, upon the entry of an order of this Court approving such Final Fee Application or

Committee Member Reimbursement Request; and (d) the provisions of the Interim Compensation Procedures Order are hereby otherwise suspended in light of the Bankruptcy Cases' conversion, subject to the foregoing provisions of this Order; and it is further

ORDERED, that, notwithstanding anything within this Order or the Sale Order to the contrary, the first Chapter 7 Trustee appointed in these Bankruptcy Cases shall have until fifteen (15) days following the entry of an order of the Court approving his or her appointment, within which such Chapter 7 Trustee may investigate and commence any 1818 Challenge (as defined in the Sale Order); and it is further

ORDERED that Debtors shall file new schedules of assets and liabilities and a statement of financial affairs and matrix within 15 days of the date of this order; and it is further

ORDERED that the Debtors shall file with the court the reports as required by Bankruptcy Rule 1019(6) within 15 days from the date of this order; and it is further

ORDERED that the Debtors and/or the Chapter 7 Trustee shall pay to the Clerk of Court \$15.00 within 15 days from the date of this order or the case will be dismissed without further notice and the Debtor shall be enjoined from filing another case for 180 days from the date of this order; and it is further

ORDERED that, notwithstanding the entry of this Order, the Debtors and/or the Chapter 7 Trustee are hereby authorized and directed, within 5 days of the entry hereof, to remit any and all quarterly fees that are or may become due in connection with their Chapter 11 cases; and it is further

ORDERED, that this Court shall retain jurisdiction with respect to all matters arising from or related to the implementation of this Order.

Dated: April 24, 2007

  
MARGARET A. MAHONEY  
U.S. BANKRUPTCY JUDGE