

RECEIVED-FPSC

11 JUL 11 AM 11:03

COMMISSION
In RE: ERK

110000-07
FEDERAL CENTER
11 JUL 11 AM 7:21
UNITED STATES BANKRUPTCY COURT
MIDDLE DISTRICT OF LOUISIANA

Case No. 10-11054

EVERYCALL COMMUNICATIONS, INC.
Debtor

Chapter 11

DISCLOSURE STATEMENT IN SUPPORT OF THE
PLAN OF REORGANIZATION PROPOSED BY
EVERYCALL COMMUNICATIONS, INC.
DATED JULY 1, 2011

STEWART ROBBINS & BROWN, LLC

247 Florida Street

Baton Rouge, Louisiana 70801

(225) 231-9998 Phone

(225) 709-9467 Fax

BRANDON A. BROWN (La. #25592)

BROOKE W. ALTAZAN (La. #32796)

*COUNSEL FOR EVERYCALL COMMUNICATIONS,
INC.*

DOCUMENT NUMBER-DATE

1 | Page

04744 JUL 11 =

FPSC-COMMISSION CLERK

IMPORTANT

This Disclosure Statement in Support of the Plan of Reorganization (the "*Disclosure Statement*") has been prepared by EveryCall Communications, Inc. (referred to herein as the "*Company*" or "*Debtor*" or "*EveryCall*") and describes the terms and provisions of the Plan of Reorganization (the "*Plan*"), including any Supplements thereto. The Debtor's Chapter 11 Case is pending in the United States Bankruptcy Court for the Middle District of Louisiana ("*Bankruptcy Court*") under Chapter 11 of Title 11, United States Code (the "*Code*").

A copy of the Plan is attached hereto as **Exhibit "A"** and should be reviewed carefully.

The Debtor urges you to vote in favor of the Plan.

/s/ Kyle Coats
President, EveryCall Communications, Inc.

SUMMARY INFORMATION ON CHAPTER 11

Debtor submits this Disclosure Statement in connection with its solicitation of acceptances of the Plan. A term used in this Disclosure Statement and not defined herein has the meaning assigned to that term in the Plan.

This Disclosure Statement is being provided in order to disclose important and necessary information to allow a reasonably informed decision by creditors exercising their right to vote on, or otherwise participate in, confirming the Plan. The purpose of this Summary is to answer questions which are most often asked by a party receiving a disclosure statement. Unless otherwise stated, the information contained herein is as of May 31, 2011, or as of any date as indicated within the exhibits to this Disclosure Statement.

1. **WHO IS THE DEBTOR?**

The Debtor is a Louisiana corporation engaged in the provision of communications services in two segments: (i) the prepaid, home telephone resale segment operated under the name "All American Home Phone" (the "*AAHP Segment*") marketed primarily to low-income consumers, and (ii) the "Local USA" division which provides communications services, generally bundled, to business and residential customers on a post-paid basis (the "*LUSA Segment*"). The Debtor was formed in 2003 and is based in Baton Rouge, Louisiana.

2. **HOW LONG HAS THE DEBTOR BEEN IN CHAPTER 11?**

On July 12, 2010, the Debtor commenced a voluntary bankruptcy case under Chapter 11 of the Code by filing a voluntary petition for relief with the Bankruptcy Court.

3. **HAS A TRUSTEE BEEN APPOINTED IN THIS CHAPTER 11 CASE?**

No. Since the filing of the bankruptcy case, the Debtor has remained in possession of its property and has continued to operate its business as debtor-in-possession under the Code.

4. **HAS A COMMITTEE OF UNSECURED CREDITORS BEEN APPOINTED IN THIS CHAPTER 11 CASE?**

No. No committee has been appointed by the Office of the United States Trustee pursuant to 11 U.S.C. § 1102(a).

5. **WHAT IS THE DEBTOR ATTEMPTING TO DO IN CHAPTER 11?**

Chapter 11 is the principal reorganization chapter of the Code. Under Chapter 11, a debtor is reorganizing its business for the benefit of the debtor and the creditors of the debtor. Formulation and confirmation of a plan of reorganization, providing for such reorganization, is the principal purpose of the Chapter 11 process. The plan of reorganization is the legal document which sets forth the means by which holders of Claims and equity interests against a debtor will be treated.

6. **HAS THE DEBTOR PROPOSED A PLAN OF REORGANIZATION?**

Yes. Attached to this Disclosure Statement as **Exhibit "A"** is a copy of the Plan proposed by the Debtor.

7. IF THE PLAN OF REORGANIZATION IS THE DOCUMENT WHICH GOVERNS HOW A CLAIM WILL BE TREATED, WHY AM I RECEIVING THIS DISCLOSURE STATEMENT?

In order to confirm a plan of reorganization, the Code requires that proponents solicit acceptances of a proposed plan of reorganization. But before proponents can solicit such acceptances, the Court must approve the information to be sent to the creditors along with the plan of reorganization, disclosing information to allow you to make informed judgments about the plan of reorganization. The purpose of this Disclosure Statement is to provide that information required by the Code.

8. HAS THIS DISCLOSURE STATEMENT BEEN APPROVED BY THE BANKRUPTCY COURT?

The Court approved this Disclosure Statement as containing information of a kind, and in sufficient detail, adequate to enable a hypothetical, reasonable investor typical of each class of creditors whose acceptance is being solicited to make an informed judgment whether to vote to accept or reject a plan. Attached hereto as **Exhibit "B"** is a copy of the Order approving the Disclosure Statement and authorizing the Debtor to solicit votes in favor of the Plan. **THIS DISCLOSURE STATEMENT, TOGETHER WITH THE PLAN WHICH IS ATTACHED HERETO, SHOULD BE READ IN ITS ENTIRETY. FOR THE CONVENIENCE OF CREDITORS, THE TERMS OF THE PLAN ARE SUMMARIZED IN THIS DISCLOSURE STATEMENT, BUT THIS SUMMARY IS QUALIFIED IN ITS ENTIRETY BY THE PLAN ITSELF, WHICH IS CONTROLLING IN THE EVENT OF ANY INCONSISTENCY.**

9. HOW DO I DETERMINE WHICH CLASS I AM IN?

To determine the class of your Claim, you must first determine the nature of the Claim against the Debtor (i.e., unsecured, secured). You will find in the Plan a reference to the discussion of the classes of creditors and the treatment provided to such class. Article V of the Disclosure Statement explains, among other things, who is in what class, what is the estimated size of the class, what distributions the members of the classes will receive if the Plan is confirmed, and how the distributions under the Plan will be made if the Plan confirmed. If you are unsure as to the class in which your Claim falls, you may need to consult an attorney.

10. WHY IS CONFIRMATION OF A PLAN OF REORGANIZATION IMPORTANT?

Confirmation of a plan of reorganization is necessary for a debtor in Chapter 11 to provide the court-approved treatment to its creditors under its plan.

11. WHAT IS NECESSARY TO CONFIRM A PLAN OF REORGANIZATION?

Confirmation of a plan can be premised upon, among other things, the vote in favor of the plan of two-thirds in total dollar amount and a majority in number of Claims actually voting in each voting class. (If the vote is insufficient, the Court can still confirm the plan, but only upon being provided additional proof regarding the ultimate fairness of the plan to the creditors in accordance with the Bankruptcy Code). Confirmation can only be effected by a Court order.

12. AM I ENTITLED TO VOTE ON THE PLAN?

Any Creditor of the Debtor whose Claim is **IMPAIRED** under a plan is entitled to vote, if either (a) the Claim has been scheduled by the Debtor and such Claim is not scheduled as disputed, contingent

or unliquidated, or (b) the Creditor has filed a Proof of Claim on or before the last date set by the Court for such filings, subject to the provisions of the Plan and any Order of the Court. Any Claim to which an objection has been filed (provided such objection is still pending) is not entitled to vote unless the Court temporarily allows the Creditor to vote upon motion by the Creditor. Such motion must be heard and determined by the Court prior to the date established by the Court to confirm a plan.

13. HOW DO I DETERMINE WHETHER I AM IN AN IMPAIRED CLASS?

In the Plan, the Debtor has identified the classes of Creditors whose Claims are impaired under the Plan. In the event there are questions regarding whether a Creditor is in an impaired class, the Creditor should assume that his or her Claim is impaired and vote. If the Claim is determined to be impaired, the vote will be considered by the Court.

14. WHEN IS THE DEADLINE BY WHICH I NEED TO RETURN MY BALLOT?

Exhibit "B," the Order approving this Disclosure Statement, also contains a deadline by which ballots must be returned for such ballots to be tallied and counted for purposes of accepting or rejecting the Plan. Please refer to Exhibit "B" for such deadline. After completion of the ballot, Creditors should return the executed ballot in the self-addressed envelope to:

STEWART ROBBINS & BROWN, LLC
247 Florida Street
Baton Rouge, LA 70801
Attn: *EveryCall Claims Balloting*

15. VOTING INFORMATION AND INSTRUCTIONS FOR COMPLETING THE BALLOT

FOR YOUR VOTE TO BE COUNTED, YOU MUST COMPLETE THE BALLOT, INDICATE ACCEPTANCE OR REJECTION OF THE PLAN IN THE BOXES INDICATED ON THE BALLOT, MAKE THE APPROPRIATE ELECTIONS (IF APPLICABLE) AND SIGN AND RETURN THE BALLOT TO THE ADDRESS SET FORTH ON THE PRE-ADDRESSED ENVELOPE. IF A BALLOT IS RECEIVED AFTER THE VOTING DEADLINE, IT WILL NOT BE COUNTED.

If you hold Claims in more than one class under the Plan, you must return two (or more) completed ballots, *i.e.*, one for each Claim. You must vote the entirety of your Claim within a single class under the Plan to either accept or reject the Plan. Accordingly, a ballot (or multiple ballots with respect to multiple Claims within a single class) that partially rejects and partially accepts the Plan will not be counted.

The ballot is for voting purposes only and does not constitute and shall not be deemed a proof of Claim or interest or an assertion of a Claim or interest.

I. INTRODUCTION

Debtor submits this Disclosure Statement under 11 U.S.C. § 1125 in connection with the solicitation of acceptances of the Plan. The Disclosure Statement, which references the Plan as Exhibit "A," will be transmitted to all holders of Claims against the Debtor. However, the Debtor is seeking votes only from creditors in impaired classes.

Capitalized terms used herein, if not separately defined, have the meanings assigned to them in the Plan. All persons receiving the Disclosure Statement and Plan are urged to review fully the provisions of the Plan and all attached appendices and exhibits, in addition to reviewing this Disclosure Statement.

This Disclosure Statement is not intended to replace careful review and analysis of the Plan. Rather, it is submitted as an aid and supplement in your review of the Plan and an effort to explain the terms and implications of the Plan on file with the Court. Every effort has been made to explain fully the various aspects of the Plan as it may affect all creditors and holders of equity interests. If you have any questions, the Debtor urges you to contact Debtor's legal counsel and every effort will be made to assist you.

After notice and a hearing, the Court entered an order approving the Disclosure Statement as containing information of a kind and in sufficient detail, adequate to enable creditors whose votes on the Plan are being solicited to make an informed judgment whether to accept or reject the Plan. The Order attached as Exhibit "B" further fixes the time and date of the hearing on confirmation of the Plan (the "*Confirmation Hearing*"), which will be held at the United States Bankruptcy Court, 707 Florida St., Baton Rouge, Louisiana. The Confirmation Hearing may be adjourned from time to time without further notice.

ANY ANNOUNCEMENT OF ADJOURNMENT OF THE DATE AND TIME MADE IN COURT AT THE CONFIRMATION HEARING WILL BE THE ONLY NOTICE SO PROVIDED.

Creditors should read this Disclosure Statement in its entirety prior to voting on the Plan. No solicitation of votes on the Plan may be made, except pursuant to this Disclosure Statement and Code § 1125. No other party has been authorized to utilize any information concerning the Debtors or its businesses, other than the information contained in this Disclosure Statement, to solicit votes on the Plan. Creditors and holders of equity interests should not rely on any information relating to the Debtors or its businesses other than that contained in this Disclosure Statement and the Exhibits attached hereto.

EXCEPT AS SET FORTH IN THIS DISCLOSURE STATEMENT AND THE EXHIBITS, NO REPRESENTATIONS CONCERNING THE DEBTOR, THE ASSETS, THE PAST OR FUTURE OPERATIONS OF THE DEBTOR, OR THE PLAN ARE AUTHORIZED, NOR ARE ANY SUCH REPRESENTATIONS TO BE RELIED UPON IN ARRIVING AT A DECISION WITH RESPECT TO THE PLAN. ANY REPRESENTATIONS MADE TO SECURE ACCEPTANCE OR REJECTION OF THE PLAN OTHER THAN AS CONTAINED IN THIS DISCLOSURE STATEMENT SHOULD BE REPORTED TO COUNSEL FOR THE DEBTOR.

EXCEPT AS SPECIFICALLY NOTED, THERE HAS BEEN NO INDEPENDENT AUDIT OF THE FINANCIAL INFORMATION CONTAINED IN THIS DISCLOSURE STATEMENT. THE DEBTOR IS NOT ABLE TO WARRANT OR REPRESENT THAT THE INFORMATION CONTAINED HEREIN IS WITHOUT ANY INACCURACY. THE FACTUAL INFORMATION REGARDING THE DEBTOR, INCLUDING THE ASSETS AND LIABILITIES OF THE DEBTOR HAVE BEEN DERIVED FROM NUMEROUS SOURCES, INCLUDING, BUT NOT LIMITED TO DEBTOR'S BOOKS AND RECORDS, SCHEDULES, AND DOCUMENTS SPECIFICALLY IDENTIFIED HEREIN.

THE DEBTOR ALSO COMPILED THE INFORMATION CONTAINED IN THIS DISCLOSURE STATEMENT FROM RECORDS AVAILABLE TO IT, INCLUDING, BUT NOT LIMITED TO, PLEADINGS AND REPORTS ON FILE WITH THE COURT, LOAN AGREEMENTS, AND BUSINESS RECORDS.

THE APPROVAL BY THE COURT OF THE DISCLOSURE STATEMENT DOES NOT CONSTITUTE AN ENDORSEMENT BY THE COURT OF THE PLAN OR A GUARANTY OF THE ACCURACY AND COMPLETENESS OF THE INFORMATION CONTAINED HEREIN.

THE SECURITIES AND EXCHANGE COMMISSION HAS NEITHER APPROVED NOR DISAPPROVED THE INFORMATION CONTAINED IN THE DISCLOSURE STATEMENT. THE COMMISSION HAS ALSO NOT PASSED UPON THE ACCURACY OR ADEQUACY OF THE STATEMENTS CONTAINED HEREIN.

NEITHER THE DEBTOR NOR COUNSEL FOR THE DEBTOR CAN WARRANT OR REPRESENT THAT THE INFORMATION CONTAINED IN THIS DISCLOSURE STATEMENT IS WITHOUT INACCURACY. NEITHER THE DEBTOR NOR THEIR COUNSEL HAVE VERIFIED THE INFORMATION CONTAINED IN THIS DISCLOSURE STATEMENT, ALTHOUGH THEY DO NOT HAVE ACTUAL KNOWLEDGE OF ANY INACCURACIES.

THIS DISCLOSURE STATEMENT MAY NOT BE RELIED UPON BY ANY PERSON OR ENTITY FOR ANY PURPOSE OTHER THAN BY HOLDERS OF CLAIMS AND EQUITY INTERESTS ENTITLED TO VOTE ON THE PLAN IN DETERMINING WHETHER TO VOTE TO ACCEPT OR REJECT THE PLAN. NOTHING CONTAINED HEREIN WILL CONSTITUTE AN ADMISSION OF ANY FACT OR LIABILITY BY ANY PARTY, OR BE ADMISSIBLE IN ANY PROCEEDING INVOLVING ANY OF THE DEBTORS OR ANY OTHER PARTY.

CERTAIN OF THE STATEMENTS CONTAINED IN THIS DISCLOSURE STATEMENT ARE FORWARD LOOKING PROJECTIONS AND FORECASTS BASED UPON CERTAIN ESTIMATES AND ASSUMPTIONS. THERE CAN BE NO ASSURANCE THAT SUCH STATEMENTS WILL BE REFLECTIVE OF ACTUAL OUTCOMES. NOTHING CONTAINED IN THIS DISCLOSURE STATEMENT, EXPRESS OR IMPLIED, IS INTENDED TO GIVE RISE TO ANY COMMITMENT OR OBLIGATION OF THE DEBTOR, OR WILL CONFER UPON ANY PERSON ANY RIGHTS, BENEFITS, OR REMEDIES OF ANY NATURE WHATSOEVER.

EXCEPT AS OTHERWISE NOTED HEREIN, THE INFORMATION CONTAINED HEREIN IS GENERALLY INTENDED TO DESCRIBE FACTS AND CIRCUMSTANCES ONLY AS OF THE DATE OF THIS DISCLOSURE STATEMENT, AND NEITHER THE DELIVERY OF THIS DISCLOSURE STATEMENT NOR THE CONFIRMATION OF THE PLAN WILL CREATE ANY IMPLICATION, UNDER ANY CIRCUMSTANCES, THAT THE INFORMATION CONTAINED IN THIS DISCLOSURE STATEMENT IS CORRECT AT ANY TIME AFTER THE DATE OF THIS DISCLOSURE STATEMENT, OR THAT THE DEBTOR WILL BE UNDER ANY OBLIGATION TO UPDATE SUCH INFORMATION IN THE FUTURE.

II. VOTING PROCEDURES AND REQUIREMENTS

A. Creditors Solicited to Vote

Any creditor of the Debtor whose Claim is impaired under the Plan is being solicited to vote, if either (i) its Claim has been scheduled by any of the Debtor and such Claim is not scheduled as disputed, contingent, or unliquidated, or (ii) it has filed a *Proof of Claim or Interest* pursuant to Section 501 of the Code on or before the last date set by the Court for such filings. Any Claim as to which an objection has been filed, if such objection is still pending on the voting date, is not entitled to have its vote counted, unless the Court temporarily allows the Claim upon motion by such creditor whose Claim has been objected to, in an amount which the Court deems proper for the purpose of accepting or rejecting the Plan. Such motion must be heard and determined by the Court prior to the date and time established by the

Court to confirm the Plan. In addition, a creditor's vote may be disregarded if the Court determines that the creditor's acceptance or rejection was not solicited or procured in good faith or in accordance with the provisions of the Code.

B. Definition of Impairment

Under Section 1124 of the Code, a class of Claims or equity interests is impaired under a plan of reorganization unless, with respect to each Claim or equity interest of such class, the plan:

1. leaves unaltered the legal, equitable, and contractual rights to which such Claim or interest entitles the holder of such Claim or interest; or

2. notwithstanding any contractual provision or applicable law that entitles the holder of such Claim or interest to demand or receive accelerated payment of such Claim or interest after the occurrence of a default --

a. cures any such default that occurred before or after the commencement of the case under this title, other than a default of a kind specified in Section 365(b)(2) of this title;

b. reinstates the maturity of such Claim or interest as such maturity existed before such default;

c. compensates the holder of such Claim or interest for any damages incurred as a result of any reasonable reliance by such holder on such contractual provision or such applicable law; and

d. does not otherwise alter the legal, equitable, or contractual rights to which such Claim or interest entitles the holder of such Claim or interest.

C. Classes Impaired Under the Plan

Claims and interests in Class 2 is IMPAIRED under the Plan and is being solicited to accept or reject the Plan.

Debtors, however, specifically reserve the right to contest (1) the impaired or unimpaired status of any class under the Plan; and (2) whether any ballots cast by such class should be Allowed to be counted for purposes of confirmation of the Plan.

D. Vote Required for Class Acceptance

The Code defines acceptance of a plan by a class of creditors as acceptance by holders of two-thirds in dollar amount and a majority in number of the Claims of that class which actually cast ballots for acceptance or rejection of the plan. In other words, acceptance takes place only if two-thirds in amount and majority in number of the creditors in a given class who vote cast their ballots in favor of acceptance.

E. Distributions Only to Holders of Allowed Claims

A Claim will receive a distribution under the Plan only if it is an Allowed Claim. "Allowed" under the Plan shall mean, with respect to any Claim or Equity Interest, a Claim or Equity Interest (i) that has been listed by Debtor in its Schedules, as the same may from time to time be amended in accordance with Bankruptcy Rule 1009, other than Claims scheduled as contingent, unliquidated or disputed, or has been timely filed with the Bankruptcy Court on or prior to the Bar Date and that is not a Disputed Claim,

(ii) as to which a Final Order has been entered allowing such Claim or any portion thereof or (iii) that is deemed Allowed under the Plan (including, without limitation, Section 2.1 thereof). Any Claim or Equity Interest Allowed solely for the purpose of voting to accept or reject the Plan pursuant to an Order of the Bankruptcy Court shall not be considered an Allowed Claim thereunder. Unless otherwise specified within the Plan or by Final Order of the Bankruptcy Court, an Allowed Claim shall not, for purposes of computation of distributions under the Plan, include interest on such Claim from and after the Petition Date.

III. CONFIRMATION OF THE PLAN

A. Requirements for Confirmation of the Plan

At the Confirmation Hearing, the Bankruptcy Court will confirm the Plan only if all of the requirements of Section 1129 of the Bankruptcy Code are met. Among the requirements for confirmation are that the Plan (a) is feasible, (b) is in the “best interests” of holders of Claims and Equity Interests impaired under the Plan, and (c) is accepted by all impaired Classes of Claims and Equity Interests or, if rejected by an impaired Class, that the Plan “does not discriminate unfairly” and is “fair and equitable” as to such Class.

1. Feasibility

The Bankruptcy Code requires that confirmation of a Chapter 11 plan is not likely to be followed by the liquidation or the need for further financial reorganization of a debtor. For purposes of determining whether the Plan meets this requirement, the Debtor analyzed its ability to meet its obligations under the Plan and prepared projections and schedules that provide much information concerning post-confirmation operations and the value to be realized by the operations of the Reorganized Debtor. This information is discussed, and the Exhibits containing the underlying information are described and referred to, *infra*. Debtor believes that it will have sufficient assets to satisfy its obligations under the Plan and that confirmation of the Plan is not likely to be followed by liquidation or the need for further financial reorganization.

2. “Best Interests” Test

At the Confirmation Hearing, the Court must, among other things, determine whether creditors would receive at least as much under the Plan as they would receive in a liquidation under chapter 7. The Liquidation Analysis is discussed in Article XII, *infra*.

3. Fair and Equitable Test (“Cramdown”)

If a sufficient number of creditors and amounts of Claims in the impaired classes vote to accept the Plan, the Debtor believes that the Court will approve confirmation, and that the Plan will satisfy all of the applicable statutory requirements of Code §1129(a). The Debtor may seek to confirm the Plan notwithstanding the non-acceptance of the Plan by any impaired Class of Claims or Equity Interests entitled to vote on the Plan. To obtain such confirmation, it must be demonstrated to the Bankruptcy Court that the Plan “does not discriminate unfairly” and is “fair and equitable” with respect to each dissenting impaired Class. A plan does not discriminate unfairly if the legal rights of a dissenting impaired class are treated in a manner consistent with the treatment of other classes whose legal rights are substantially similar to those of the dissenting impaired class and if no class receives more than it is entitled to for its Claims or equity interests. The Debtor believes the Plan satisfies this requirement.

The Bankruptcy Code establishes different “fair and equitable” tests for Secured Claims, Unsecured Claims, and holders of equity interests.

a. **Secured Claims.** With respect to a Secured Claim, “fair and equitable” means either (i) the impaired secured creditor retains its liens to the extent of its Allowed Claim and receives deferred cash payments at least equal to the Allowed amount of its Claims with a present value as of the effective date of the plan at least equal to the value of such creditor’s interest in the property securing its liens, (ii) property subject to the lien of the impaired secured creditor is sold free and clear of that lien, with that lien attaching to the proceeds of sale, and such lien proceeds are treated in accordance with clauses (i) and (iii) hereof, or (iii) the impaired secured creditor realizes the “indubitable equivalent” of its Claim under the plan.

b. **Unsecured Claims.** With respect to an Unsecured Claim, “fair and equitable” means either, (i) each impaired unsecured creditor receives or retains property of a value equal to the amount of its Allowed Claim, or (ii) the holders of Claims and interests that are junior to the Claims of the dissenting class will not receive any property under the plan.

c. **Equity Interests.** With respect to an equity interest, either (i) each equity interest holder will receive or retain under the Plan property of a value equal to the greatest of the Allowed amount of any fixed liquidation preference or redemption price, if any, of such equity interest or the value of the equity interest, or (ii) the holders of equity interests that are junior to the dissenting class of equity interests will not receive or retain any property under the Plan on account of such junior interest.

The Debtor believes the Plan may be confirmed on a non-consensual basis if the holders of any Class of Claims or Equity Interests entitled to vote on the Plan votes to reject the Plan (provided at least one impaired Class of Claims votes to accept the Plan). If appropriate, the Debtor will demonstrate at the Confirmation Hearing the Plan satisfies the requirements of Section 1129(b) of the Bankruptcy Code as to any non-accepting Class.

IV. GENERAL INFORMATION

A. Overview of the Companies, Corporate Structure as of the Petition Date

1. Owners

Presently, the Debtor is owned by three individuals, John Brydels, Jr. (60%), Jon Seger (20%) and Kyle Coats (20%). Each of these individuals also serves as a director of the Company. In addition, Mr. Seger acts as Chief Executive Officer of the Company and Mr. Coats acts as President of the Company. Prior to the formation of the Company, each of these individuals were either owners or managers of TelAmerica Long Distance. Combined, these individuals have over 60 years of telecommunications business experience.

2. Overview of the Business, Pre-Petition Operations

EVERYCALL was formed in 2003 as a Competitive Local Exchange Carrier (“*CLEC*”). From 2003 to 2007, EVERYCALL operated as a single division, the LUSA Division, providing post-paid local, long distance, and internet service to commercial and residential accounts. In 2007, the Debtor developed a second division, the AAHP Division providing pre-paid home telephone service to the credit challenged customer. At the time of filing, the Debtor offered telephone service in eleven states throughout the southeastern United States.

The difference between the two divisions bears some mention. With the LUSA division, the customer base is fairly stable with little turnover of accounts. Once a customer orders service from the Debtor, the lifespan of such customer account usually extends for a lengthy period of time. In contrast, the AAHP Division targets low income, credit challenged consumers. The AAHP division customer generally exhibits two important characteristics: (i) they are price discriminatory, meaning that the dollar amount and time value at issue required for a customer to switch to a different service is quite small; and (ii) they, as a group, tend to require intensive customer service to keep such customer a customer. The AAHP Division faces competition from a number of other CLEC entities. Many of these entities offer a "first month free" promotion, which has become fairly standard for the industry in order to attract customers. With the abundance of competitors offering a free month for switching, the lifespan of a typical AAHP Division customer is much less than that of a typical LUSA customer. AAHP Division customers, being low-income, exhibit very price discriminatory behavior, and the savings offered by switching generally outweighs the value of time involved in the process. Therefore, the AAHP Division relies to a large extent on high volume of new customers to replace terminating customers and to fuel continued growth. Volume requires advertising for either maintenance of the base or growth of the base.

In accordance with the Telecommunications Act of 1996 (the "*Act*"), AT&T Corp. ("*AT&T*"), being what is designated as an Incumbent Local Exchange Carrier ("*ILEC*") must allow a CLEC, such as the Debtor, to obtain access and to sell telecommunications services through AT&T's telecommunications network. As an ILEC, AT&T is required by the Act to offer CLEC's access to its telecommunications infrastructure at wholesale rates for services. Further, AT&T, to the extent it provides a promotion to its resale customers, must pass that promotion on to the CLEC's it does business with as well. The Debtor obtains from AT&T access to AT&T's telecommunications infrastructure pursuant to four contracts or Interconnection Agreements (singularly, each being an "*ICA*"). Two ICA's deal with wholesale purchase by EveryCall of unbundled network platform ("*UNE-P*") services: one within the former BellSouth states, and one for other regions, including Texas (collectively, these are referred to as the "*UNE-P ICA's*"). The other two ICA's (referred to as the "*Resale ICA's*") involve the purchase of telecommunications services which the Debtor then sells to low-income consumers on a pre-paid basis through the Debtor's All American Home Phone trade name/division. Again, one Resale ICA deals with services within the former BellSouth regions and one deals with other regions, including Texas.

The profit forces behind the AAHP Division are driven by subsidies provided by the federal government under the Lifeline program and the Link-Up program. Essentially, if a customer qualifies for one of these programs, the program will subsidize a portion of the cost of providing service to such customers. With the subsidies and with the promotions that AT&T offers, it can become profitable to offer home phone service to this low income consumer group that the AAHP Division targets.

Prior to the filing of the Chapter 11 Petition, the Debtor was a going concern, paying all debt obligations timely, with the exception of the disputed amounts with AT&T referenced throughout this document. As of June 2010, the latest complete month prior to filing for bankruptcy, the Debtor serviced approximately 38,000 customer accounts through its AAHP Division, which generated, on average, approximately \$650,000 in monthly revenues for the Debtor. Through its LUSA Division, the Debtor serviced 1,800 lines generating approximately \$72,000 per month in revenue. At the time of filing, the Debtor was expending substantial funds on advertising and customer service expenses necessary to service and replace the high volume of AAHP Division customers. Additionally, the Debtor was contemplating entering into the marketplace within other states and ramping up staffing in anticipation of such. As well, the Debtor had entered into a lease for physical space in Ohio for a branch office. As discussed in more detail, *infra*, the Debtor has significantly reduced costs. Attached hereto as **Exhibit "C"** is a copy of the June 30, 2010 Balance Sheet and Income Statement.

C. Current Financial Structure and Situation

1. Operational Overview

Currently, EVERYCALL is maintaining operations primarily on a cash-on-hand basis. Due to the filing of the bankruptcy, and certain procedural agreements reached with AT&T during the course of the case, the Debtor has stopped taking new customers during the pendency of the bankruptcy case. In a sense, the Debtor has stopped what was a significant growth curve prior to bankruptcy, and effectively downsized until such time as it could present its reorganization plan. Notwithstanding these conditions, the Debtor has operated at a profit throughout the pendency of the bankruptcy proceedings.

Attached hereto as **Exhibit "D"** is a copy of the Debtor's most recent balance sheet and income statement for post-petition period. The monthly operating reports filed with the Bankruptcy Court indicate that the Debtor has generated \$5,078,906 in aggregate revenue from the date of filing through May 31, 2011. Total profit during this period is \$912,686, and the company has aggregated over \$900,000 in positive cash flow during this period. Additionally, the Debtor has increased its cash on hand during this reorganization process and, as Exhibit "D" shows, possesses approximately \$547,000 in cash in its operating account. Further, Debtor provided to AT&T, post-bankruptcy, a \$350,000 security deposit as a substantial use of its positive cash flow.

The Income Statement shows declining gross revenues during the post-petition period. This decrease has been expected and is intentional, to some degree. As part of the bankruptcy process, the Debtor was required to post a deposit with AT&T. The deposit requested by AT&T was substantial and well beyond the ability of the Debtor to immediately pay. The Debtor and AT&T negotiated a deposit structure based upon the premise that the Debtor would not connect new customers while in bankruptcy (subject to revision at a later date). From the Debtor's perspective, its customer base entering bankruptcy was approximately 40,000 accounts. Deposit requirements which likely would have been imposed upon it under 11 U.S.C. § 366 would have exceeded the Company's ability to pay. Therefore, the Company made a strategic decision to reduce customer count, especially within the high maintenance AAHP Division. The Debtor and AT&T reached a deposit agreement, and the Debtor subsequently posted the \$350,000 deposit. The Debtor has complied with the provisions of its deposit agreement with AT&T and has not signed up new customers. As a result, attrition has brought the Debtor's customer count down to approximately 7,000.

Again, the decision to reduce customer count, and thus revenue, was intentional. After reviewing the marketplace for landline based telephone services in the low income pre-paid target group, the Company determined to focus on provision of wireless communications to this segment.

To this end, the Debtor has been approved to offer wireless telecommunications service through at least two wholesale vendors. Debtor continues to evaluate these alternatives and will submit to the Court proposed terms upon selecting a single vendor. Additionally, the Debtor obtained approval from the Louisiana Public Service Commission ("**PSC**") as a wireless ETC (eligible telecommunications carrier). ETC status is important as it allows the Debtor to obtain the Lifeline and Link-Up subsidies provided by the Universal Service Administration Corporation ("**USAC**"). USAC is the designated vehicle of distribution of the federal Universal Service Fund ("**USF**") by the Federal Communications Commission ("**FCC**"). Lifeline is a USF program which provides a subsidy payment directly to phone companies on behalf of low-income residents having trouble affording basic telephone service. Its companion program, Link-Up, provides subsidies for installation services. Link-up subsidies can offset one-time activation expenses incurred by the Debtor. Further, through the Lifeline program, if a customer is eligible, the USAC pays a fixed subsidy (\$10.00 per first 100 minutes) to the wireless service provider. This subsidy will offset the cost of purchasing such minutes at the wholesale rate, and further offsets the initial

activation cost. The Debtor believes that the economics of the wireless segment, specifically the fixed cost of goods sold rate under a wireless-centric platform, will be extremely beneficial to the company.

The Debtor is certified as an ETC in Louisiana and six other states for landline telecommunications services. The Debtor has received notification from the Louisiana PSC that it is eligible as a wireless ETC for both the Lifeline and Link-Up programs. A copy of notification letters from the Louisiana PSC are attached hereto, in globo, as **Exhibit "E."** The Debtor has filed a tariff with the Louisiana PSC establishing its rates and terms of service to be provided. As of the date of the filing of this Disclosure Statement, it is anticipated that the Debtor will be marketing and providing wireless telecommunications services to consumers in the State of Louisiana.

The Debtor has also targeted several other states in which to market wireless services. However, approval to act as an ETC in such states will require PSC approval from each. The Debtor is in the process of obtaining approval from the regulatory authorities in Arkansas, Michigan and Maryland, with plans to pursue approval from other states at a later date. Indeed, the Debtor has filed for approval as a wireless ETC with the Arkansas Public Service Commission

Looking forward, EVERYCALL anticipates an increase in revenue largely due to two factors: (i) plan confirmation is projected to result in assumption of the ICA agreements with AT&T and the Debtor will again be marketing its services to business and residential customers through the LUSA Division; and (ii) the Debtor will make its entry into the wireless market, growing revenues which were lost by virtue of attrition in the AAHP Division during the bankruptcy case. The prepaid landline business was the source of the billing disputes with AT&T. By contrast, the wireless market does not have the government regulated ILEC to CLEC promotions that led to the AT&T dispute. Thus, the Debtor intends to eliminate from its business plan the source of controversy that necessitated the original bankruptcy filing.

Significantly, the Debtor has complied with the pay-upon-invoice requirements of the Utilities order post-petition and has paid AT&T over \$2 million during the course of this case for services obtained from AT&T. Going forward, the Debtor does believe that it can profitably continue to service its existing customer base

The Debtor believes that wireless communications service will drive future growth. The Debtor believes that landline residential telecommunications are being overtaken by the prevalence and acceptance of wireless service. Especially in this low income market segment, if pre-paid wireless communications cost the same as residential landline telephone communications, consumers will want to obtain the freedom of mobility. From a long term perspective, the Debtor simply sees wireless as a much larger and growing market segment within which to do business than residential home phone service. Finally, the Debtor believes it can model out its cost of goods sold with greater accuracy and thus maintain greater control over its profitability and strategic decision making. In sum, the Debtor believes that wireless telecommunications is a much better market in which to do business, now and in the future, than the landline home telephone segment.

2. Overview of Assets

a. Tangible Assets

The Debtor attaches a copy of its "Schedule A" and "Schedule B" and associated documents which were filed into the record of the case as **Exhibit "F."** The Debtor also again references Exhibit "D," specifically, its most recent balance sheet for further information. As to tangible assets, the Debtor owns certain office furniture and equipment. The Debtor believes the aggregate value of the office

furniture and equipment to total approximately \$52,228.57 net of depreciation (including the recent purchase of the Debtor's switching facility that was approved by this Court). Additionally, the Debtor has placed a deposit in the amount of \$250,000 with the State of Georgia to cover any potential claims which may be asserted by the Georgia Public Service Commission. The Debtor further possesses two certificates of deposit in the amounts of \$20,000 and \$50,000 from Regions Bank. However, these certificates have been pledged as security against Letters of Credit in favor of the States of Tennessee and Louisiana to cover any claims the respective regulatory bodies may have or assess against the Debtor. The Debtor also placed a \$350,000 deposit with AT&T as part of an agreement early in the bankruptcy case, which serves as security for any default in post-petition obligations of the Debtor to AT&T. The Debtor has successfully maintained its profitability throughout the bankruptcy case and possesses cash on hand of approximately \$547,000.¹

b. Intangible Assets

The Debtor's main intangible asset stems from unpaid promotional credits and discounts which have been applied for and which AT&T has not paid or which the Debtor believes AT&T has improperly denied. It is EVERYCALL's belief that the total amount which is due it by AT&T is \$8.1 million (approximately) presently. The Debtor also maintains that it holds valuable contracts with AT&T pursuant to four ICA's executed between the parties.

Attached hereto as **Exhibit "G"** is a list of transfers to creditors occurring within 90 days prior to the petition. As well, Exhibit "G" also contains a list of transfers to insiders within one year of the date of the filing of the petition. EVERYCALL does not anticipate bringing any preference or fraudulent transfer actions against any parties. Transfers to creditors were transfers that the Debtor believes are in the ordinary course of business, and further would be brought against its own vendor base with whom it needs to continue to do business in all likelihood post-confirmation. Furthermore, insider transaction were for services rendered and the Debtor believes such insiders were paid reasonable amounts for the services provided. Also, some payments were for rent or the payments were payments on account of then secured loans. Moreover, actions against any party would require further expenditures by EVERYCALL to fund prosecution of such claims, and EVERYCALL believes that such expenditures are better used in the ongoing business of EVERYCALL to allow EVERYCALL to profitably operate and generate funds necessary to make the payments called for under the Plan. EVERYCALL reserves the right to bring other preference or fraudulent transfer actions in the event that information is discovered which would satisfy the statutory requirements of maintenance of such actions. Furthermore, EVERYCALL reserves the right to assert the existence of any transfer listed as a defense to allowance of any claim under 11 U.S.C. § 502(d).

D. The Debtor's Significant Debt Obligations

1. Secured Claims

The Debtor scheduled two secured claims -- both owed to Regions Bank. The claims arise from letters of credit issued by Regions Bank in favor of two regulatory commissions, the Louisiana and Tennessee PSC's. If the Debtor were found to owe either of these commissions moneys as a result of the Debtor's business activities in these states, such commissions could draw on the Regions Bank letter of credit issued to it in payment of any such obligations. In turn, Regions Bank would have claims against

¹ The Debtor also provided undersigned counsel with a retainer pre-petition to serve as security for payment of future fees. While counsel has applied for and received approval on a number of occasions for fees and expenses incurred, the Debtor has paid such fees from cash on hand and thus, \$23,000, approximately, remains as funds in trust for payment of future fees which will be incurred.

the Debtor to repay any moneys drawn on the letter[s] of credit. Regions Bank required the Debtor to post two certificates of deposit (one in the amount of \$20,000 and one in the amount of \$50,000) to secure these contingent obligations. The plan will not affect Regions Bank's legal or equitable rights with regard to these contingent secured claims.

In addition, two creditors have filed proofs of claim asserting secured claims against the Debtor – BellSouth Telecommunications, Inc. (AT&T), and The Southern New England Telephone Co. d/b/a/ AT&T Connecticut. The Debtor is puzzled by the AT&T Connecticut claim (in the amount of \$23,815.34) as it has never done business with such entity and does not recognize any accounts on documentation accompanying the claim. The Debtor intends to object to this claim and does not intend to classify or treat this claim. The AT&T main claim, in the amount \$5,875,528.50 apparently arises as a result of promotion and discount disputes the Debtor has filed with AT&T over the course of a three-plus year relationship with AT&T. The genesis of this claim arises from the ICA contractual relationship between the Debtor and AT&T governing the AAHP Division. A portion of this claim is not disputed by the Debtor, specifically, the sum of \$52,550.90 which relates to sums due under the Former BellSouth Regions UNE-P ICA. The remainder of the claim is disputed by the Debtor. However, the Debtor believes that this claim will be mooted by the Debtor's determination to assume the relevant ICA's with AT&T and to fix the cure amount of such assumption at \$0.00. The Debtor intends to object to this claim. But due to assumption provided for at confirmation, the Debtor does not intend to classify or treat this claim.

2. Unsecured Priority Claims

The Bankruptcy Code provides a priority in payment over general unsecured creditors to certain kinds of Claims as delineated within 11 U.S.C. § 507. The Debtors is liable to collect and transmit payments for sales taxes and other telecommunications taxes to a number of tax authorities. During the course of the case, the Debtor applied for and obtained authority to pay a large number of de minimus tax claims. However, a body of tax claims are still extant. These claims arise because the filing of the bankruptcy interrupted the ordinary payment cycle to these creditors. The total amount of filed and scheduled priority claims is \$110,955.49. Under the plan, these creditors will be classified, but shall receive the treatment outlined in 11 U.S.C. § 1129(a)(9)(C), and thus shall not be impaired. Please note, Claims of the kind identified in 11 U.S.C. § 507(a)(2), generally referred to as "administrative expense" Claims, will be accorded treatment separate from other Priority Unsecured Claims, and under the Plan will be paid in full on the Effective Date.

3. Unsecured Claims

EVERYCALL had a small amount of ordinary vendor debt incurred in the ordinary monthly business cycle when it filed its bankruptcy case. However, after the filing, the Debtor rejected its advertising contract with Valassis since it could no longer accept new customers due to the Debtor's initial agreement with AT&T on the 11 U.S.C. § 366 deposit. As a result of the rejection, Valassis has filed a \$500,000 unsecured claim, most of which, it asserts arises from rejection of the contract due to certain revenue guarantees. The Debtor intends to object to this claim as it disagrees with the calculations provided by Valassis.

Additionally, AT&T has filed a proof of claim in the amount of \$382,100.43. EVERYCALL believes this claim is based upon promotional credit provided by AT&T to the Debtor which AT&T now believes should not have been granted. The Debtor does not believe that the relevant ICA's allow for clawback claims such as is asserted by AT&T. The Debtor intends to dispute this claim.

AT&T has also filed several minor claims for accounts which do not pertain to the Debtor. The Debtor intends to object to these AT&T claims as well.

Eliminating the AT&T claims, which the Debtor asserts will be extinguished via assumption of the ICA's, but accounting for the full amount of the Valassis claim, the Debtor has approximately \$690,000 in filed and scheduled unsecured claims. The Debtor anticipates that this number will be reduced further through objections to claims, but for informational purposes, this is the extent of the allowable claims base.

The Debtor reserves the right upon further review to object to any claim not mentioned above.

E. Events Leading to Bankruptcy Filing

In June, 2010, AT&T, through its operating subsidiaries made demand upon the Debtor for immediate tender of a deposit in the aggregate amount of approximately \$1.9 million. Contemporaneous with the deposit demand, AT&T demanded immediate payment of approximately \$5.5 million allegedly due under the ICA's, without regard to any setoff or recoupment claims of the Debtor. Unless paid, AT&T determined to suspend and disconnect the Debtor's customers. To avoid immediate cessation of its business, EVERYCALL filed the instant Bankruptcy Case on July 12, 2010.

V. THE PLAN

A COPY OF THE PLAN IS ATTACHED HERETO AS EXHIBIT "A." THE TERMS OF THE PLAN ARE INCORPORATED HEREIN BY REFERENCE. CREDITORS ARE ENCOURAGED TO THOROUGHLY REVIEW THE TERMS OF THE PLAN AND TO SEEK INDEPENDENT LEGAL OR FINANCIAL ADVICE REGARDING THE TERMS OR TREATMENT CONTAINED THEREIN. A BRIEF SUMMARY FOLLOWS:

A. Administrative Expense Claims

EVERYCALL will, if possible, pay all Allowed Administrative Expense Claims in full on or before the Effective Date of the Plan, unless administrative claimants choose to accept different treatment. Concerning legal and professional fees of the Company. The Debtor has paid all approved fees to date. The Debtor projects that its counsel and accounting fees will continue to accrue through confirmation in the amount of \$50,000.00. This figure is an estimate only and may vary up or down depending on the needs of the case.

Any fee applications of EVERYCALL's counsel and accountant will be subject to approval of the Court and the right of creditors to appear and object.

The projections assume that Administrative Expenses will be paid through cash-on-hand, unless the affected professional agrees to different treatment, and do not depend upon financing or factoring.

B. Secured Claims

The Secured Claims of Regions Bank will be left unaffected by confirmation of the Plan. Regions Bank shall retain its collateral and the rights under any collateral documents to enforce its contingent secured claims post-confirmation in the order, extent, and priority as existed pre-petition. These claims are unimpaired.

C. Priority Unsecured Claims

All allowed priority unsecured claims will be paid in full, with interest at the applicable statutory rates in equal quarterly installments over a period of five years after the Petition Date, with the first payment being due on the first day of the first calendar quarter after the occurrence of the Effective Date.

D. General Unsecured Claims

All Holders of Allowed General Unsecured Claims shall have the election of receiving one of two treatments: (i) A Holder may elect to receive a one-time, lump sum cash distribution on the Effective Date equal to 25% of its Allowed Unsecured Claim, or (ii) such Holder may elect to receive payment of the full amount of the Allowed Unsecured Claim in equal quarterly payments over a term of seven (7) years, with simple interest at the rate of 3.25% per annum. The first payment under election (ii) shall be due on the first day of the first calendar quarter after the occurrence of the Effective Date and further payments shall be made on the first day of each succeeding quarter for twenty-seven (27) additional quarters. This class is impaired.

E. Equity Interests Post-Confirmation

Holders of Equity Interests in the Debtor shall retain their equity interests in the Debtor post-confirmation in the amount and extent as existed pre-petition. The holders of equity interests in the Debtor are John Brydels, Jr., Jon Seger, and Kyle Coats. Each principal will exercise management functions of the Debtor post-confirmation. Post-confirmation, the principals of the Debtor will be entitled to a salary of \$6,000 per month each for management services to be performed for and on behalf of the Debtor. Such salary is in line with (if not appreciably lower than) comparably experienced telecommunications executives.

F. Discharge of Debtor.

The rights afforded under the Plan and the treatment of all Claims and Equity Interests under the Plan shall be in exchange for and in complete satisfaction, discharge, and release of Claims and Equity Interests of any nature whatsoever, including any interest accrued on such Claims from and after the Petition Date, against the Debtor and the Debtor in Possession, or any of its assets of properties. If a claim is not specifically classified or treated herein, it shall be forever barred.

G. Executory Contracts

Confirmation of the Plan shall effectuate an assumption by the Debtor of all four AT&T ICA's. With regard to the UNE-P ICA for the former BellSouth Regions, cure shall be fixed at \$52,550.90. Cure for the UNE-P ICA for the Other Regions shall be fixed at \$0.00. Cure for the Resale ICA's, both for the former BellSouth Regions and for the Other Regions shall be fixed at \$0.00. The assumption of the ICA's (with the exception of the cure amount fixed for the former BellSouth Regions UNE-P ICA) shall result in the elimination of Proof of Claim # 16 in the amount of \$5,875,528.49, Proof of Claim # 6 in the amount of \$636.64, Proof of Claim # 15 in the amount of 8,757.50, and Proof of Claim # 21 in the amount of \$382,100.43 by virtue of the doctrine of recoupment by virtue of the Debtor's right to recover approximately \$8.1 million in improperly rejected or denied promotional and dispute credits. The Debtor shall maintain its right to pursue credits for the amounts in excess of the AT&T proofs of claim.²

² AT&T filed proof of claim # 16 as a secured claim secured by the right of set-off. The debtor believes recoupment to be more appropriate. Via the assumption, the Debtor will recoup its claims against AT&T's claims, while reserving the right to pursue the overage or difference between the two. Recall the Debtor believes it has valid claims for promotional and discount credits for approximately \$8.1 million. After recouping against the AT&T

Throughout the bankruptcy case, the Debtor has assumed and rejected various contracts. All contracts not assumed or rejected as of the date of confirmation shall be deemed rejected.

VI. FEASIBILITY OF THE PLAN AND THE REALIZATION OF VALUE OBTAINABLE UNDER THE PLAN

Attached to the Disclosure Statement as Exhibit “H” are two models of cash flows that form the basis for EVERYCALL’s forward-looking projections. The first model assumes that All Holders of Allowed General Unsecured Claims elect the first option as provided in paragraph D of Part V of this Disclosure Statement (lump sum payment of 25%). The second model assumes that All Holders of Allowed General Unsecured Claims elect the second option as provided in paragraph D of Part V of this Disclosure Statement (100% payment over seven years). As a whole, these projections provide the Debtors’ estimate of its financial condition through the plan term. Debtor’s management is the source of the financial projections attached hereto.

As is shown by Exhibit “H,” EVERYCALL intends to fund most plan obligations through normal operations. On the whole, the projections show that the Debtor projects that its revenue is sufficient to fund operations and plan payments going forward. For purposes of feasibility, EVERYCALL has included the projected wireless revenues from operations in the State of Louisiana initially.

EVERYCALL believes that the plan as proposed herewith is feasible. The projections are conservative and are within historical models of operational activity. From these projections it is apparent that, while challenging, EVERYCALL can implement the Plan, and that the Plan presents the best possible chance for creditors to receive payment on their Allowed Claims.

These projections do not constitute an admission or acknowledgment on the part of EVERYCALL that either an Allowed Claim will exist, or that an Allowed Claim will exist in the amount shown. The projections are based on what EVERYCALL perceives to be a “worst-case” scenario in terms of Allowed Claims, given the schedules and proofs of claim on file. The amount of Claims may vary at confirmation, as EVERYCALL intend to prosecute several objections which may cause the amounts contained within the projections to decrease.

VII. LIQUIDATION ANALYSIS

A. Liquidation Under Chapter 7.

1. Generally

The Local Rules of the Court require that this Disclosure Statement contain an analysis of the projected effect of liquidation of EVERYCALL under Chapter 7 of the bankruptcy code so that creditors can analyze the Plan treatment against recovery that might occur upon liquidation. In a Chapter 7 case, a trustee would be elected or appointed to liquidate EVERYCALL’s assets. The proceeds of the liquidation, augmented by EVERYCALL’s cash and any recoveries from third parties, would be distributed to the respective holders of Claims in accordance with the priorities established by the Bankruptcy Code. The Trustee also would be entitled to compensation representing a statutorily fixed portion of the distributions made to Creditors. As discussed above and in the following paragraphs, EVERYCALL believes that the proceeds received by the estate pursuant to bankruptcy liquidation sale of EVERYCALL’s assets will

asserted claims, the Debtor believes it should have approximately \$1.6 million in legitimate promotions and credits against AT&T, which it will continue to pursue under the terms of the ICA dispute resolution procedures.

result in considerably less of a return to Creditors than the consideration to be received by Creditors pursuant to the Plan (which provides an option for a 100% payment of Allowed Claims over time).

The amount of liquidation value available to holders of Unsecured Claims would be reduced first by the Secured Claims, to the extent of the value of the collateral securing such Claim, and then by the costs and expenses of liquidation, as well as by other administrative expenses and costs of both the Chapter 7 cases and the Chapter 11 cases. Costs of liquidation under Chapter 7 of the Code would include: (i) the compensation of a trustee, as well as of counsel and other professionals retained by the trustee; (ii) asset disposition expenses; (iii) all unpaid expenses incurred by the Companies in the Chapter 11 cases that are allowed in the Chapter 7 cases (such as compensation of attorneys and accountants); (iv) litigation costs; and (v) Claims arising from the operations of the Companies during the pendency of the Chapter 11 cases. The liquidation itself could trigger certain additional Priority Claims and would accelerate other priority payments that otherwise would be due in the ordinary course of business. Any additional Priority Claims also would be paid in full out of the liquidation proceeds before the balance would be made available to pay General Unsecured Claims.

Furthermore, the main asset of the Debtor is a claim against AT&T for promotions and disputes which the Debtor believes it is entitled to under the Act and various interpretations of same by the courts and regulatory authorities. Nonetheless, to pursue these claims would require a chapter 7 trustee to invest significant time and effort at the outset understanding the claims and how they arise. Furthermore, the chapter 7 trustee likely would require assistance from specialized legal counsel and perhaps accounting professionals. And finally, the cost of actually litigating these claims likely would be quite high.

In sum, EVERYCALL believes that liquidation under Chapter 7 would result in substantial diminution of the value of the estate. Diminution would result from additional administrative expenses involved in the appointment of a trustee and attorneys, accountants, and other professionals to assist such trustee; additional expenses and Claims, some of which would be entitled to priority, that would arise by reason of the liquidation; and failure to realize the greater going concern value of the Companies' assets.

2. Liquidation Analysis

EVERYCALL has considered liquidation in the context of a Chapter 7. As of May 31, 2011, EVERYCALL has the following assets (with possible sale/liquidation value) listed in terms of book value and in terms of liquidation value:

Assets	Book Value	Liquidation Value
• Cash	\$547,026.77	\$547,026.77
• Accounts Receivable	\$24,871.71	\$9,948.55 ³
• Equip/Office Furniture, (cost)	\$107,770.83	\$53,885.42 ⁴
• Deposits	\$681,247.73 ⁵	\$0.00 ⁶

³ The Debtor estimates that if it were to cease operations, a trustee would successfully collect approximately 40% of the outstanding accounts receivable. Many of the accounts are de minimus in amount and thus a trustee would likely be unable to use judicial process to force collection. The Debtor believes a 40% recovery ratio under such circumstances would be optimistic.

⁴ The Debtor estimates that a bankruptcy liquidation of the office equipment would result, best case, in a recovery of approximately 50% of the book value of the equipment. Much of the equipment is likely unsaleable or of little resale value.

TOTAL

\$1,360,917.04

\$610,860.74

Additionally, as discussed above, the Debtor believes it possesses a claim against AT&T in the approximate amount of \$8.1 million. The Debtor has not included this claim within the liquidation value above. This is not because the claims are invalid. To the contrary, the Debtor believes that the claims are indeed valid. However, the realities of the litigating the claims would require extensive analysis by attorneys hired by the trustee. It is unlikely that the specialized attorneys required to pursue these claims would perform work on a contingency basis, and thus, the chapter 7 trustee would need to expend funds on hand to fund the litigation. Moreover, the litigation itself will be time consuming. But, as with all litigation based assets, the ultimate value of such assets is inherently speculative and not fully capable of being estimated with specificity.

The analysis represents the estimated liquidation value of EVERYCALL's assets assuming the Plan is not confirmed, and there is a liquidation of the Debtor including a disposition of its properties and interests under Chapter 7 of the Code. All sales of tangible property, i.e., office equipment and real estate, have been discounted to account for a liquidation sale and other costs, such as realtor commissions, closing costs, etc.

In a chapter 7, administrative claims of the chapter 7 and of the chapter 11 would need to be paid in priority to unsecured creditors of the debtor. It is anticipated that unpaid administrative claims of the chapter 11 case will approximate \$30,000.00. Moreover, a chapter 7 trustee would be entitled to statutory compensation for his services. Based on the liquidation value above, a trustee would be entitled to approximately \$34,000 in compensation. Furthermore, it is anticipated that a chapter 7 trustee likely would hire counsel and accounting professionals to assist him with his duties in objecting to claims, pursuing preference claims, liquidating property, and the like. The Debtor anticipates that such fees likely would approximate \$100,000.00. Subtracting these administrative expenses from the liquidation value would leave approximately \$446,000. Certain creditors, such as taxing authorities, would receive a priority in payment above other creditors, requiring payment in full of those Claims prior to payment distribution of the remaining proceeds to the general unsecured creditors. Presently on file and on the Debtors schedules are approximately \$110,000 in Priority Unsecured Claims. Payment of these claims would leave approximately \$336,000 for distribution to unsecured creditors. At present, the filed and scheduled claims against the Debtor equate, roughly, to \$6.979 million. The Debtor includes in this figure the filed claims of AT&T because conversion would likely result in rejection of the ICA's and would require the need to object to the claim[s]. As with all claims to which an objection may be filed, this analysis does not take into account the probability of success on any such objection. Thus, for purposes of liquidation, the Debtor projects that general unsecured creditors would receive a return of approximately \$0.0481 per dollar of Allowed Claim amount. This compares to the present plan which allows for creditors to elect to receive \$1.00 per dollar of Allowed Claim amount.

VIII. MATERIAL UNCERTAINTIES

⁵ The deposit category consists of deposits with AT&T in the amount of \$350,000 and three CD's securing letters of credit issued to state regulatory agencies (\$250,000 to the Georgia Public Service Commission and \$20,000 to the Louisiana Public Service Commission and \$50,000 to the Tennessee Public Service Commission).

⁶ The Debtor estimates that if it ceased operations, AT&T would immediately apply the deposit to its purported claims. A chapter 7 trustee would have to seek return of the deposit or a portion thereof. Likewise, it is likely that the public services commissions would retain rights under the letters of credit for a period of time after conversion. Thus, the certificates of deposit would not be immediately available for liquidation to creditors.

HOLDERS OF CLAIMS AGAINST AND EQUITY INTERESTS IN THE DEBTORS SHOULD READ AND CONSIDER CAREFULLY THE FACTORS SET FORTH BELOW, AS WELL AS OTHER INFORMATION SET FORTH IN THIS DISCLOSURE STATEMENT AND THE DOCUMENTS DELIVERED TOGETHER HERewith AND/OR INCORPORATED BY REFERENCE HEREIN, PRIOR TO VOTING TO ACCEPT OR REJECT THE PLAN.

A. Variances from Projections

A fundamental premise of the Plan is the implementation and realization of Reorganized Debtor's proposed business plan, as reflected in the Projections and schedules attached hereto as Exhibits "T" and "F," respectively, and the assumptions underlying such Projections and schedules. The Projections and schedules reflect numerous assumptions concerning the anticipated future performance of the Reorganized Debtor and, with respect to prevailing market and economic conditions, that are beyond the control of Reorganized Debtor and that may not materialize. The Projections include, among other items, assumptions concerning the revenues, ability to avoid rising costs of goods sold, and the addition of a wireless revenue segment. EVERYCALL believes the assumptions underlying the Projections are reasonable. Unanticipated events and circumstances occurring subsequent to the preparation of the Projections could affect the actual financial results of the Reorganized Debtor, possibly materially and adversely. Therefore, the actual results achieved throughout the periods covered by the Projections necessarily may vary from the projected results, which variations may be material and adverse.

B. Competitive Industry

The CLEC industry has many competitors. As discussed above, the Debtor believes it to be disadvantaged in the landline CLEC industry due to variances between the Debtor's ICA's and competitors' ICA's with AT&T. Nevertheless, the Debtor believes that the wireless telecommunications segment does not have the same disadvantages as the landline segment. However, within that wireless segment, the Debtor will face competition from a growing number of CLEC businesses seeking to service this market.

C. Uncertainty Regarding Amount of Certain Claims and Objections To Claims

The Plan provides that objections to Claims must be filed with the Bankruptcy Court as least six months after the Effective Date. Although objections to Claims will be filed prior to such time, it is possible that a Claimant may not know how its Claim will be resolved until after the Effective Date. Likewise, until all Claim objections have been definitively resolved, the exact amount of Claims that will ultimately receive distributions under the Plan will be uncertain.

D. Changes to Reimbursement Rates by Federal Entities

The Plan relies upon the Universal Service Fund continuing to make reimbursements to telephone companies serving low income customers according to its current policies and amounts. Universal Service Fund reimbursement policies are subject to periodic review. The Debtor can offer no assurance that the Universal Service Fund policies on reimbursement will not materially change.

IX. SECURITIES LAW MATTERS

EVERYCALL believes that based on the exemption from the registration requirements of the Securities Act afforded by Section 1145 of the Bankruptcy Code, the issuance of Notes as provided in the Plan will be exempt from the registration requirements of the Securities Act and equivalent state

securities laws. Section 1145(a) of the Bankruptcy Code generally exempts from such registration the offer or sale of a debtor's securities if such securities are offered or sold in exchange for a Claim against, or interest in, or an administrative expense Claim against, such debtor.

EVERYCALL believes the exchange of Reorganized Company's Notes for Claims under the circumstances provided in the Plan will satisfy the requirements of Section 1145(a) of the Bankruptcy Code. EVERYCALL believes, therefore, that any Reorganized Company's Notes issued pursuant to the Plan on the Effective Date would be deemed to have been issued in a public offering under Section 1145(c) of the Bankruptcy Code, and, as a result, could be resold by the holder thereof without registration under the Securities Act, unless the holder is an "underwriter," as that term is defined in Section 1145(b) of the Code, with respect to such securities. However, recipients of securities issued under the Plan are advised to consult with their own counsel as to the availability of any such exemption from registration in any given instance and as to any applicable requirements or conditions to the availability thereof.

Section 1145(b) of the Bankruptcy Code defines "underwriter" for purposes of the Securities Act as one who, except with respect to "ordinary trading transactions" of an entity that is not an "issuer," (a) purchases a Claim against, interest in, or Claim for an administrative expense in the case concerning, the debtor, if such purchase is with a view to distribution of any security received or to be received in exchange for such a Claim or interest, (b) offers to sell securities offered or sold under the plan for the holders of such securities, (c) offers to buy securities offered or sold under the plan from the holders of such securities, if such offer to buy is with a view to distribution of such securities and under an agreement made in connection with the plan, with the consummation of the plan or with the offer or sale of securities under the plan or (d) is an "issuer," as such term is used in section 2(11) of the Securities Act, with respect to such securities.

The term "issuer" is defined in section 2(11) of the Securities Act to include all persons who, directly or indirectly, through one or more intermediaries, control, are controlled by or are under common control with, an issuer of securities. "Control" (as defined in Rule 405 promulgated under the Securities Act) means the possession, direct or indirect, of the power to direct or cause the direction of the policies of a person, whether through the ownership of voting securities, by contract or otherwise. Accordingly, an officer or director of a reorganized debtor or its successor, under a plan of reorganization (e.g., Reorganized Debtors) could be deemed to be a "control person" of such debtor or successor, particularly if the management position or directorship is coupled with ownership of a significant percentage of the reorganized debtor's or its successor's voting securities. Moreover, the legislative history of section 1145 of the Bankruptcy Code suggests that a person that owns at least ten percent (10%) of the voting securities of a reorganized debtor is a presumptive "control person" of such debtor.

If a person who receives Reorganized Company's Notes, pursuant to the Plan is deemed to be a control person, and thus, an underwriter for purposes of Section 1145 of the Bankruptcy Code, resales by such person would not be exempted by Section 1145 of the Bankruptcy Code from registration under the Securities Act or other applicable law. However, entities deemed to be underwriters for purposes of Section 1145 of the Bankruptcy Code may be able to sell securities without registration pursuant to the resale provisions of rule 144 promulgated under the Securities Act.

Rule 144 permits the resale of securities subject to certain requirements, including applicable holding period requirements, volume limitations, notice and manner of sale requirements, availability of current information about the issuer and certain other conditions. Generally, rule 144 provides that if such conditions are met, specified persons who resell "restricted securities" or who resell securities that are not restricted but who are "affiliates" of the issuer of the securities sought to be resold, will not be deemed to be "underwriters" as defined in section 2(11) of the Securities Act. Under rule 144(k), a person who is

not deemed to have been an affiliate of the issuer at any time during the 90 days preceding a sale, and who has beneficially owned the securities proposed to be sold for at least two years, is entitled to sell such securities without having to comply with the manner of sale, public information, volume limitation or notice filing provisions of rule 144. It should be noted, however, that, prior to such time, the conditions for use of rule 144 may include the availability to the public of current information about the Reorganized Companies. Such information is not now available and the Companies have no plans to make such information available.

Whether or not any particular person would be deemed to be an “underwriter” of the Reorganized Companies Notes to be issued pursuant to the Plan, or an “affiliate” of the Reorganized Companies, would depend upon various facts and circumstances applicable to that person. Accordingly, the Companies express no view as to whether any person would be such an “underwriter” or an “affiliate”.

IN VIEW OF THE COMPLEX, SUBJECTIVE NATURE OF THE QUESTION OF WHETHER A PARTICULAR PERSON MAY BE AN UNDERWRITER OR AN AFFILIATE OF THE REORGANIZED COMPANY, EVERYCALL MAKES NO REPRESENTATIONS OR AGREEMENTS CONCERNING THE RIGHT OF ANY PERSON TO TRADE IN REORGANIZED COMPANY’S NOTES TO BE DISTRIBUTED PURSUANT TO THE PLAN. ACCORDINGLY, EVERYCALL RECOMMENDS THAT POTENTIAL RECIPIENTS OF SECURITIES CONSULT THEIR OWN COUNSEL CONCERNING WHETHER THEY MAY FREELY TRADE SUCH SECURITIES.

EACH RECIPIENT OF REORGANIZED COMPANY’S NOTES SHOULD SATISFY ITSELF, THROUGH CONSULTATION WITH ITS OWN LEGAL ADVISORS, AS TO WHETHER OR NOT ANY REALES OR OTHER TRANSACTIONS IN SUCH RECIPIENT’S REORGANIZED COMPANY’S NOTES ARE LAWFUL UNDER FEDERAL AND STATE SECURITIES LAWS.

THIS DISCLOSURE STATEMENT HAS NOT BEEN APPROVED BY THE SECURITIES AND EXCHANGE COMMISSION (THE “SEC”) OR ANY STATE SECURITIES COMMISSION, NOR HAS ANY SUCH COMMISSION PASSED UPON THE ACCURACY OR ADEQUACY OF THE STATEMENTS CONTAINED HEREIN. THE DEBTOR HAS NOT REQUESTED A “NO-ACTION” LETTER FROM THE SEC OR ANY STATE SECURITIES COMMISSION WITH RESPECT TO ANY MATTER DISCUSSED HEREIN.

X. CERTAIN FEDERAL INCOME TAX CONSEQUENCES OF THE PLAN

A. Introduction

THE FOLLOWING DISCUSSION IS A SUMMARY OF CERTAIN OF THE SIGNIFICANT FEDERAL INCOME TAX CONSEQUENCES OF THE PLAN TO THE DEBTOR AND TO HOLDERS OF CLAIMS AND EQUITY INTERESTS AND IS BASED ON THE INTERNAL REVENUE CODE OF 1986 (TITLE 26, UNITED STATES CODE), AS AMENDED TO THE DATE HEREOF (THE “TAX CODE”), TREASURY REGULATIONS PROMULGATED AND PROPOSED THEREUNDER, JUDICIAL DECISIONS AND PUBLISHED ADMINISTRATIVE RULES AND PRONOUNCEMENTS OF THE IRS AS IN EFFECT ON THE DATE HEREOF. CHANGES IN SUCH RULES OR NEW INTERPRETATIONS THEREOF COULD SIGNIFICANTLY AFFECT THE TAX CONSEQUENCES DESCRIBED BELOW. NO RULINGS HAVE BEEN REQUESTED FROM THE IRS. MOREOVER, NO LEGAL OPINIONS HAVE BEEN REQUESTED FROM COUNSEL WITH RESPECT TO ANY OF THE TAX ASPECTS OF THE PLAN.

THE FEDERAL, STATE, LOCAL AND OTHER TAX CONSEQUENCES OF THE PLAN TO THE HOLDERS OF CLAIMS AND EQUITY INTERESTS MAY VARY BASED UPON THE INDIVIDUAL CIRCUMSTANCES OF EACH HOLDER. IN ADDITION, THIS DISCUSSION DOES NOT COVER ALL ASPECTS OF FEDERAL INCOME TAXATION THAT MAY BE RELEVANT TO THE DEBTORS OR THE HOLDERS OF ALLOWED CLAIMS OR EQUITY INTERESTS (SUCH AS HOLDERS WHO DO NOT ACQUIRE THEIR CLAIM ON ORIGINAL ISSUE), NOR DOES THE DISCUSSION DEAL WITH TAX ISSUES PECULIAR TO CERTAIN TYPES OF TAXPAYERS (SUCH AS DEALERS IN SECURITIES, S CORPORATIONS, LIFE INSURANCE COMPANIES, FINANCIAL INSTITUTIONS, TAX-EXEMPT ORGANIZATIONS AND FOREIGN TAXPAYERS). NO ASPECT OF FOREIGN, STATE, LOCAL OR ESTATE AND GIFT TAXATION IS ADDRESSED.

THE FOLLOWING SUMMARY IS, THEREFORE, NOT A SUBSTITUTE FOR CAREFUL TAX PLANNING AND ADVICE BASED UPON THE INDIVIDUAL CIRCUMSTANCES OF EACH HOLDER OF A CLAIM OR EQUITY INTEREST. HOLDERS OF CLAIMS OR EQUITY INTERESTS ARE URGED TO CONSULT THEIR OWN TAX ADVISORS FOR THE FEDERAL, STATE, LOCAL AND OTHER TAX CONSEQUENCES PECULIAR TO THEM UNDER THE PLAN. THE DEBTORS ASSUME NO RESPONSIBILITY FOR THE TAX EFFECT THAT CONFIRMATION AND RECEIPT OF ANY DISTRIBUTION UNDER THE PLAN MAY HAVE ON ANY GIVEN CREDITOR OR OTHER PARTY IN INTEREST.

B. Consequences to Holders of Claims

1. Realization and Recognition of Gain or Loss in General

The federal income tax consequences of the implementation of the Plan to a holder of a Claim will depend, among other things, upon the origin of the holder's Claim, when the holder's Claim becomes an Allowed Claim, when the holder receives payment in respect of such Claim, whether the holder reports income using the accrual or cash method of accounting, whether the holder has taken a bad debt deduction or worthless security deduction with respect to such Claim, and whether the holder's Claim constitutes a "security" for federal income tax purposes.

Generally, a holder of an Allowed Claim will realize gain or loss on the exchange under the Plan of its Allowed Claim for stock and other property (such as Cash and new debt instruments), in an amount equal to the difference between (i) the sum of the amount of any Cash and the issue price of any debt instrument, (other than any consideration attributable to a Claim for accrued but unpaid interest), and (ii) the adjusted basis of the Allowed Claim exchanged therefor (other than basis attributable to accrued but unpaid interest previously included in the holder's taxable income). The treatment of accrued but unpaid interest and amounts allocable thereto varies depending on the nature of the holder's Claim and is discussed below.

Whether or not such realized gain or loss will be recognized (i.e., taken into account) for federal income tax purposes will depend in part upon whether such exchange qualifies as a recapitalization or other "reorganization" as defined in the Tax Code, which may in turn depend upon whether the Claim exchanged is classified as a "security" for federal income tax purposes. The term "security" is not defined in the Tax Code or in the Treasury Regulations. One of the most significant factors considered in determining whether a particular debt instrument is a security is the original term thereof. In general, the longer the term of an instrument, the greater the likelihood that it will be considered a security. As a general rule, a debt instrument having an original term of 10 years or more will be classified as a security, and a debt instrument having an original term of fewer than five years will not. Debt instruments having a term of at least five years but less than 10 years are likely to be treated as securities, but may not be, depending upon their resemblance to ordinary promissory notes, whether they are publicly traded,

whether the instruments are secured, the financial condition of the debtor at the time the debt instruments are issued, and other factors. Each holder of an Allowed Claim should consult his or her own tax advisor to determine whether his or her Allowed Claim constitutes a security for federal income tax purposes.

2. Withholding

All distributions to holders of Claims under the Plan are subject to any applicable withholding. Under federal income tax law, interest, dividends, and other reportable payments may, under certain circumstances, be subject to “backup withholding” at a 31% rate. Backup withholding generally applies if the holder (a) fails to furnish its social security number or other taxpayer identification number (“TIN”), (b) furnishes an incorrect TIN, (c) fails properly to report interest or dividends, or (d) under certain circumstances, fails to provide a certified statement, signed under penalty of perjury, that the TIN provided is its correct number and that it is not subject to backup withholding. Backup withholding is not an additional tax but merely an advance payment, which may be refunded to the extent it results in an overpayment of tax. Certain persons are exempt from backup withholding, including, in certain circumstances, corporations and financial institutions.

C. Consequences to Debtor

1. Discharge-of-Indebtedness Income Generally

In general, the discharge of a debt obligation by a debtor for an amount less than the adjusted issue price (generally, the amount received upon incurring the obligation plus the amount of any previously amortized original issue discount and less the amount of any previously amortized bond issue premium) gives rise to cancellation-of-indebtedness (“*COD*”) income which must be included in a debtor’s income for federal income tax purposes, unless, in accordance with Section 108(e)(2) of the Tax Code, payment of the liability would have given rise to a deduction. A corporate debtor that issues its own stock or its own debt in satisfaction of its debt is treated as realizing *COD* income to the extent the fair market value of the stock or the issue price of new debt issued is less than the adjusted issue price of the old debt. *COD* income is not recognized by a taxpayer that is a debtor in a title 11 (bankruptcy) case if a discharge is granted by the court or pursuant to a plan approved by the court (the “bankruptcy exclusion rules”). EVERYCALL has not determined if any *COD* income will be realized pursuant to the Plan, but believes that the *COD* income, if any, would not be material. Such *COD* income will not be recognized by the Debtor due to the bankruptcy exclusion rules. However, the Company, as a result of the exception, is subject to a reduction of certain of their “tax attributes” to the extent that *COD* income is not recognized under the bankruptcy exclusion rules. Thus, while the Debtor will not recognize taxable income from discharge of indebtedness, it will experience reductions in (i) any net operating losses (“*NOLs*”) that it has, (ii) the tax basis of its property, and (iii) other tax attributes, as set forth in Section 108(b)(2) of the Tax Code. The Debtor does not believe it possesses *NOLs*, and thus, does not believe the Plan will have a material affect on its tax liabilities.

XI. CONCLUSION

EVERYCALL urges creditors and equity holders solicited by this Disclosure Statement to vote to accept the Plan and to evidence such acceptance by returning the ballot so that it is received by the deadline fixed by the Court in the Order approving the Disclosure Statement.

Respectfully Submitted:

EVERYCALL COMMUNICATIONS, INC.

By: /s/ Kyle Coats
Kyle Coats, President

STEWART ROBBINS & BROWN, LLC
247 Florida Street
Baton Rouge, Louisiana 70801
(225) 231-9998 Phone
(225) 709-9467 Fax

By: /s/ Brandon A. Brown
BRANDON A. BROWN (#25592)
BROOKE W. ALTAZAN (#32796)

Counsel for EveryCall Communications, Inc.

**UNITED STATES BANKRUPTCY COURT
MIDDLE DISTRICT OF LOUISIANA**

In Re:

Case No. 10-11054

**EVERYCALL COMMUNICATIONS, INC.
Debtor**

Chapter 11

**PLAN OF REORGANIZATION PROPOSED BY
EVERYCALL COMMUNICATIONS, INC. AS OF JULY 1, 2011**

STEWART ROBBINS & BROWN, LLC

247 Florida Street

Baton Rouge, Louisiana 70896-6498

(225) 231-9998 Phone

(225) 709-9467 Fax

BRANDON A. BROWN (La. #25592)

BROOKE W. ALTAZAN (La. #32796)

*COUNSEL FOR EVERYCALL COMMUNICATIONS,
INC.*

COMES NOW, EveryCall Communications, Inc. ("*EveryCall*" or the "*Company*" or the "*Debtor*") which proposes the following plan of reorganization under Section 1121(a) of title 11 of the United States Code:

ARTICLE I

DEFINED TERMS, RULES OF INTERPRETATION AND COMPUTATION OF TIME

Section 1.1 Defined Terms. The following terms, when used in the Plan, shall, unless otherwise indicated or the context otherwise requires, have the following meanings:

"*AAHP*" shall mean the All American Home Phone division of the Debtor.

"*Administrative Expense Claim*" shall mean a Claim constituting a cost or expense of administration of this Chapter 11 Case under Sections 503(b) and 507(a)(2) of the Bankruptcy Code and incurred prior to the Effective Date, including, without limitation (i) actual and necessary costs and expenses of preserving the Estate or operating the Debtor's business, (ii) indebtedness or obligations incurred or assumed by the Debtor during this Chapter 11 Case in connection with the conduct of its business, including, without limitation, all compensation and reimbursement of expenses to the extent allowed by Final Orders under Section 330 or 503(b) of the Bankruptcy Code and (iii) fees or charges assessed against the Estate under Section 1930, chapter 123, title 28, United States Code.

"*Allowed*" shall mean, with respect to any Claim or Equity Interest, a Claim or Equity Interest (i) that has been listed by Debtor in its Schedules, as the same may from time to time be amended in accordance with Bankruptcy Rule 1009, other than Claims scheduled as contingent, unliquidated or disputed, or has been timely filed with the Bankruptcy Court on or prior to the Bar Date and that is not a Disputed Claim, (ii) as to which a Final Order has been entered allowing such Claim or any portion thereof or (iii) that is deemed Allowed under this Plan. Any Claim or Equity Interest allowed solely for the purpose of voting to accept or reject the Plan pursuant to an Order of the Bankruptcy Court shall not be considered Allowed hereunder. Unless otherwise specified herein or by Final Order of the Bankruptcy Court, an Allowed Claim shall not, for purposes of computation of distributions under the Plan, include interest on such Claim from and after the Petition Date.

"*Ballot*" shall mean the ballot for voting to accept or reject the Plan to be distributed by the Debtor to all holders of impaired Claims entitled to vote on the Plan.

"*Bankruptcy Code*" shall mean the Bankruptcy Reform Act of 1978 as contained in Title 11 U.S.C. Section 101 et seq. and amendments thereto.

"*Bankruptcy Rules*" shall mean the Federal Rules of Bankruptcy Procedure as promulgated by the United States Supreme Court under Section 2075 of title 28 of the United States Code, and all Local Rules of the Court applicable to this Chapter 11 Case.

“Bar Date” shall mean the deadline established by the Bankruptcy Court, after which any proof of Claim filed would have no effect on the Plan and will not entitle its holder to participate with other Claims under the Plan, except for Claims arising from the rejection of executory contracts and Administrative Expense Claims. The Bankruptcy Court has established August 31, 2010 as the deadline for the filing of claims by all creditors and equity interest holders.

“Benefit Plans” shall mean all benefit plans, policies and programs, including all savings plans, retirement pension plans and medical benefit plans, sponsored by the Debtor.

“Business Day” shall mean any day other than a Saturday, Sunday or any other day on which commercial banks in the state of Louisiana, are required or authorized to close by law or executive order.

“Causes of Action” shall mean any and all rights, claims, and causes of action of the Debtor which exist or may exist as of the Effective Date, including without limitation, any rights, claims, causes of action, avoiding powers, suits, and proceedings of, or brought by or on behalf of, the Debtor and/or the Estate, including without limitation any and all claims which the Debtor may have as debtor in possession (exercising the rights and powers of a trustee pursuant to § 1107(a) of the Bankruptcy Code) under Section 510 and Sections 541 through 554 (inclusive) of the Bankruptcy Code.

“Chapter 11 Case” shall mean the above-captioned bankruptcy case commenced under Chapter 11 of the Bankruptcy Code by the Debtor and now pending in the Bankruptcy Court.

“Claim” shall have the meaning provided in Section 101(5) of the Bankruptcy Code.

“Class” shall mean a category of Claims or Equity Interests as set forth in Article III hereof.

“Confirmation Date” shall mean the date on which the Confirmation Order is entered, unless the effect of the Confirmation Order is stayed pursuant to an order of a court of competent jurisdiction, in which case the confirmation date shall mean the date on which the order staying the Confirmation Order ceases to be effective.

“Confirmation Hearing” shall mean the hearing held by the Court to consider confirmation of the Plan under Section 1129 of the Bankruptcy Code, as such hearing may be adjourned or continued from time to time.

“Confirmation Order” means the order of the Bankruptcy Court confirming the Plan under Section 1129 of the Bankruptcy Code.

“Court” or **“Bankruptcy Court”** shall mean the United States Bankruptcy Court for the Middle District of Louisiana, presiding over the Chapter 11 case, or, if necessary, the United States District Court for the Middle District of Louisiana having original jurisdiction over the Chapter 11 Case.

“Creditors” shall mean all creditors of the Debtor holding Claims for debts, liabilities, demands or Claims of any character whatsoever, as defined in Section 101(5) of the Bankruptcy Code.

“Debtor” or **“Debtor in Possession”** or the **“Company”** shall mean EveryCall Communications, Inc., debtor in this Chapter 11 Case, and shall include and extend to incorporate all rights, powers, and status as provided to Debtors in Possession by the Bankruptcy Code.

“Disclosure Statement” shall mean the Disclosure Statement relating to the Plan, including all exhibits and schedules thereto, and as it may be amended and supplemented, as approved by the Court pursuant to Section 1125 of the Bankruptcy Code.

“Disputed Claim” shall mean, with respect to any Claim or Equity Interest, the portion, if any, of such Claim or interest that is listed as a Disputed Claim within Article IX herein, or is subject to an objection, but as to which there is no Final Order determining the allowance or disallowance thereof.

“Effective Date” shall mean the fifteenth day after the date of entry of the Confirmation Order.

“Estate” shall mean the estate created by the commencement of this Chapter 11 Case.

“Exchange Act” shall mean the United States Securities Exchange Act of 1934, as amended.

“Fee Claim” means a Claim under Section 330 of the Bankruptcy Code for allowance of compensation and reimbursement of expenses in this Chapter 11 Case.

“Final Order” shall mean an Order of the Bankruptcy Court which, not having been stayed by order of a Court of competent jurisdiction, has become conclusive of all matters adjudicated thereby and is in full force and effect.

“ICA” shall mean, Interconnection Agreement with BellSouth Telecommunications, Inc. and/or AT&T Corp.

“Lien” shall mean any such mortgage, pledge, judgment lien, security interest or other charge or encumbrance on property as is effective under applicable law as of the date of the commencement of the Chapter 11 Case, including, without limitation, under the definition of “lien” set forth in Section 101(37) of the Bankruptcy Code.

“Local USA” or **“LUSA”** shall mean the Local USA division of the Debtor.

“Ownership Interests” shall mean, collectively, the common stock interests in the Company as a corporation as they existed on the Petition Date.

“Person” shall mean any individual, corporation, partnership, firm, joint venture, association, joint-stock company, trust, unincorporated organization, governmental or regulatory body or other entity.

“Petition Date” shall mean July 12, 2010.

“Plan” shall mean this Plan of Reorganization of the Debtor in its present form or as it may be amended, modified, or supplemented.

“Plan Documents” shall have the meaning set forth in Section 10.1(d) hereof.

“Priority Claim” shall mean any Claim entitled to priority in payment pursuant to Section 507(a) of the Bankruptcy Code

“Pro Rata Share” shall mean, with respect to an Allowed Claim, the ratio of (i) the amount of such Allowed Claim to (ii) the aggregate amount of all Allowed Claims in such class.

“Resale ICA” shall mean an ICA between the Debtor and BellSouth Telecommunications, Inc. and/or AT&T Corp. providing for the wholesale purchase by the Debtor of telecommunications services for resale by the Debtor’s AAHP division to low-income consumers on a pre-paid basis.

“Schedules” shall mean the Schedules of assets and liabilities, the list of holders of Equity Interests and the statements of financial affairs filed by Debtor under Section 521 of the Bankruptcy Code and Bankruptcy Rule 1007, and all amendments and modifications thereto through the Confirmation Date.

“Secured Claim” shall mean (a) a Claim that is secured by a Lien on property in which the Estate has an interest, which Lien is valid, perfected, and enforceable under applicable law or by reason of a Final Order and is not subject to avoidance under the Bankruptcy Code or other applicable non-bankruptcy law, to the extent of the value of the Claim holder’s interest in the Estate’s interest in such property as determined pursuant to Section 506(a) of the Bankruptcy Code; or (b) a Claim that is subject to setoff under Section 553 of the Bankruptcy Code to the extent of the amount subject to setoff as determined pursuant to Section 506(a) of the Bankruptcy Code; or (c) a Claim Allowed under this Plan as a Secured Claim.

“Secured Claimants” shall mean all creditors holding Allowed Secured Claims.

“UNE-P” shall mean Unbundled Network Elements Platform.

“UNE-P ICA” shall mean an ICA between the Debtor and BellSouth Telecommunications, Inc. and/or AT&T Corp. providing for the wholesale purchase by the Debtor of UNE-P telecommunications services for resale by the Debtor’s Local USA division.

“Unsecured Claim” shall mean the pre-petition Claim of any Creditor of the Debtor other than a Secured Claim or Priority Claim and shall include without limitation Claims for goods sold and delivered or services rendered, Claims arising from the rejection of any executory contracts or unexpired leases, deficiencies on Secured Claims, and the non-priority portion of any Claims of employees or governmental entities.

“Unsecured Claimants” shall mean all Creditors holding Allowed Claims for which such claims are not secured by a lien in, to, or upon property of the Debtor.

“Voting Deadline” shall mean the deadline set by the Court by which the Ballot used to accept or reject the Plan must be returned to counsel for the Debtor.

Section 1.2 Rules of Interpretation and Computation of Time.

(a) Rules of Interpretation. For purposes of the Plan:

(i) whenever from the context it is appropriate, each term, whether stated in the singular or the plural, shall include both the singular and the plural, and pronouns stated in the masculine, feminine or neuter gender shall include the masculine, feminine and the neuter gender;

(ii) any reference in the Plan to a contract, instrument, release, indenture or other agreement or document being in a particular form or on particular terms and conditions means that such document shall be substantially in such form or substantially on such terms and conditions;

(iii) any reference in the Plan to an existing document or exhibit filed, or to be filed, shall mean such document or exhibit, as it may have been or may be amended, modified or supplemented;

(iv) unless otherwise specified, all references in the Plan to Articles and Exhibits are references to Articles and Exhibits of or to the Plan;

(v) the words “herein” and “hereto” refer to the Plan in its entirety rather than to a particular portion of the Plan;

(vi) captions and headings to Articles and Sections of the Plan are inserted for convenience of reference only and are not intended to be a part of or to affect the interpretation of the Plan;

(vii) the rules of construction set forth in Section 102 of the Bankruptcy Code shall apply; and

(viii) any term used in capitalized form in the Plan that is not defined herein but that is used in the Bankruptcy Code or the Bankruptcy Rules shall have the meaning assigned to such term in the Bankruptcy Code or the Bankruptcy Rules, as the case may be.

(b) Computation of Time. In computing any period of time prescribed or allowed by the Plan, the provisions of Bankruptcy Rule 9006(a) shall apply as though the Plan is an Order of the Court.

ARTICLE II

ADMINISTRATIVE EXPENSE CLAIMS

Section 2.1 Time for Filing Administrative Expense Claims. The holder of an Administrative Expense Claim, other than (i) the fees payable to the U.S. Trustee under 28 U.S.C. Section 1930, (ii) an Administrative Expense Claim which is Allowed by Final Order prior to the Confirmation Date, or (iii) post-petition obligations incurred by the Debtor in the ordinary course of its business, must file with the Bankruptcy Court within twenty (20) days after the entry of the Confirmation Order and serve on the Debtor's counsel and all parties on the limited mailing matrix approved by order of the Court, a request for payment of such Administrative Expense Claim. Such request must (1) be set and noticed for hearing in accordance with the Bankruptcy Rules and the Local Rules of the Bankruptcy Court, and (2) set forth at a minimum (i) the name of the holder of the Claim, (ii) the amount of the Claim, (iii) the basis of the Claim, and (iv) the basis for its allowance as an Administrative Expense Claim. This requirement shall not supersede any applicable Local Rule of the Court regarding the required content of motions seeking approval of Administrative Expense Claims as may be subject to this Article of the Plan. Failure to file this request timely and properly shall result in the Administrative Expense Claim being forever barred and discharged.

Section 2.2 Allowance of Administrative Expense Claims. An Administrative Expense Claim with respect to which a request for payment has been properly filed pursuant to Section 2.1 of the Plan shall become an Allowed Administrative Expense Claim only to the extent allowed by Final Order.

Section 2.3 Payment of Allowed Administrative Expense Claims. Administrative Expense Claims shall be paid at the time said claims are approved or allowed by the court and ordered paid, except as may be agreed differently between the Debtor and the Administrative Expense Claimant, and shall be paid prior to any payment on claims to creditors in any other class. All fees payable to the Office of the United States Trustee under 28 U.S.C. § 1930 shall be paid in full on or prior to the Effective Date. The reorganized Debtor shall remain responsible for the timely and full payment of any further fees payable to the Office of the United States Trustee under 28 U.S.C. § 1930 until the case is closed, dismissed, or a final decree is granted.

ARTICLE III

CLASSIFICATION OF CLAIMS AND INTERESTS

Section 3.1 General. The following is a designation of the Classes of Claims and interests under this Plan. A Claim or interest is classified in a particular Class only to the extent the Claim or interest qualifies within the description of that Class and is classified in a different Class to the extent that any remainder of the Claim or interest qualifies within the description of such different Class. A Claim is in a particular Class only to the extent that the Claim is an Allowed Claim in that Class and has not been paid, released, or otherwise satisfied before the Effective Date.

Section 3.2 Designation of Claims and Interests. Claims and interests shall be classified as follows. For all purposes under the Plan, including, without limitation, for purposes of voting, confirmation and distribution pursuant to the Plan:

<u>Class</u>		<u>Status</u>
Class 1:	Secured Claims of Regions Bank	Unimpaired
Class 2:	Other Secured Claims	Unimpaired
Class 3:	Unsecured Priority Claims	Unimpaired
Class 4:	General Unsecured Claims	Impaired
Class 5:	Equity Interests	Unimpaired

ARTICLE IV

TREATMENT OF CLAIMS AND INTERESTS

Section 4.1 Class 1 Secured Claims of Regions Bank

Class 1 consists of the Allowed Secured Claims against the Debtor held by Regions Bank (“*Regions*”). The amount of the Regions Allowed Secured Claim will be fixed as of the Confirmation Date at \$70,000.00. Regions shall maintain its rights to apply collateral securing the Allowed Claims in the event that the letters of credit issued by Regions are called upon by the public utility authorities in either Tennessee or Louisiana under the same terms and conditions as existed pre-petition. The rights of Regions in, to, and upon the collateral shall not be impaired or infringed by confirmation of the plan. Class 1 is unimpaired.

Section 4.2 Class 2 Other Secured Claims

Class 2 consists of the Allowed Secured Claims, if any, against the Debtor held by BellSouth Telecommunications, Inc. (“*BellSouth*”) and/or The Southern New England Telephone Company (“*SNETC*”). To the extent that either BellSouth or SNETC possess an Allowed Secured Claim secured by rights of setoff against amounts owed by such entities to the Debtor, such entities shall be entitled to exercise such setoff rights in full against claims possessed by the Debtor. To the extent that exercise of such setoff rights are insufficient to render the Allowed Claim as paid in full, any deficiency shall be treated as a General Unsecured Claim and entitled to the treatment prescribed in Section 4.4, *infra*. Class 2 is unimpaired.

Section 4.3 Class 3 – Priority Unsecured Claims

Class 3 consists of the Allowed Priority Unsecured Claims, if any, against the Debtor that are not Administrative Expense Claims. All Allowed Class 3 Claims will be paid in full in equal quarterly installments over a period not to exceed five (5) years from the Petition Date (i.e., the term shall extend no longer than July 12, 2015), unless paid in full prior to the end of the scheduled term. Such Allowed Claims shall bear interest at the rate of 2.5% or, if applicable to a particular Class 4 Claim, the statutory rate prescribed by law, with the first payment being due on the first day of the first calendar quarter after the occurrence of the Effective Date. Class 3 is unimpaired.

Section 4.4 Class 4 – General Unsecured Claims

Class 4 consists of the Allowed General Unsecured Claims, if any, against the Debtor. All Holders of Allowed Class 4 Claims shall have the election of receiving one of two treatments: (i) A Holder may elect to receive a one-time, lump sum cash distribution on the Effective Date equal to 25% of its Allowed Class 4 Claim, or (ii) such Holder may elect to receive receive payment of the full amount of the Allowed Class 4 Claim in equal quarterly payments over a term of seven (7) years, with simple interest at the rate of 3.25% per annum. If a Holder fails to elect either treatment, such Holder shall be presumed to have elected treatment (i). The first payment under election (ii) shall be due on the first day of the first calendar quarter after the occurrence of the Effective Date and further payments shall be made on the first day of each succeeding quarter for twenty-seven (27) additional quarters. If a Holder of an Allowed Class 4 Claim elects treatment (ii), such Holder may request that the Debtor issue a Note comporting with the treatment described in this section to such Holder in the amount of the Allowed Class 4 Claim. This class is impaired and shall be entitled to vote on the Plan.

Section 4.5 Equity Interests

Holders of Equity Interests in the Debtor shall retain their equity interests in the Debtor post-confirmation in the same extent and proportion as existed pre-petition. So long as payments under the plan are current, the Debtor may pay dividends to Holders of equity interests.

ARTICLE V

ACCEPTANCE OR REJECTION OF THE PLAN

Section 5.1 Unimpaired Claims. Administrative Expense Claims, and Classes 1 through 3, are deemed unimpaired under the Plan and thus presumed to have accepted the Plan. Holders of such claims shall not be entitled to vote for or against the Plan.

Section 5.2 Impaired Claims. Claims in Class 4 are impaired. All impaired classes shall be entitled to vote to accept or reject the Plan.

Section 5.3 Confirmation Requirements. The confirmation requirements of Section 1129 of the Bankruptcy Code must be satisfied with respect to the Debtor and the Plan. If the Court

determines that any provisions of the Plan are prohibited by the Bankruptcy Code or render the Plan un-confirmable under Section 1129, the Debtor reserves the right, in its sole discretion, to modify the Plan or to sever such provisions from the Plan and to require that the Plan, as so modified, be confirmed.

Section 5.4 Confirmation Under Section 1129(b) of the Bankruptcy Code. If any impaired Class rejects the Plan, including those deemed to reject the Plan, the Debtor requests confirmation of the Plan pursuant to Bankruptcy Code Section 1129(b).

ARTICLE VI

IMPLEMENTATION OF THE PLAN

Section 6.1 Cash on Hand and Operating Cash Flow

The payments under the Plan shall be funded from cash on hand and operating cash flow.

Section 6.2 Effectiveness of Instruments and Agreements. On and as of the Effective Date, all documents and all other agreements entered into, and all documents, instruments and certificates issued, filed, executed and/or delivered, pursuant to the Plan shall simultaneously become effective and binding, in accordance with their respective terms and conditions, upon the parties thereto.

Section 6.3 Corporate Action.

(a) Ownership and Officers of the Debtor. On the Effective Date, the ownership interests in the Debtor shall remain the same as existed prior to the Petition Date and in the same number and proportion as previously existed. John Brydels, Jr. shall continue to own 60% of the common stock of the Debtor, Jon Seger shall continue to own 20% of the common stock of the Debtor, and Kyle Coats shall continue to own 20% of the common stock of the Debtor. Each of these principals shall perform officer and director duties of the Debtor, and shall be entitled to receive \$6,000.00 per month in compensation for such services rendered. So long as the payments required under the Plan are current and have not been declared to be in default, the Debtor may declare dividends to its common stock holders as determined to be prudent by the Board of Directors. The Board of Directors shall continue to be composed of John Brydels, Jr., Jon Seger, and Kyle Coats, subject to election or replacement of directors at future dates as provided within the Debtor's by-laws.

(b) Existence of EveryCall Communicatins, Inc. On and after the Effective Date, EveryCall Communications, Inc. shall continue its corporate existence as a Louisiana corporation. To the extent deemed necessary by the Court or required by the Bankruptcy Code, EveryCall shall amend its articles of organization and/or by-laws to prohibit the issuance of non-voting equity securities or other actions required by the Court or applicable statute.

(c) Corporate Approvals. On the Effective Date, all matters provided for under the Plan that would otherwise require approval of the Debtor, officers, or board shall be deemed to have

occurred and shall be in effect from and after the Effective Date without any requirement of further action by the Debtor, its board or officers.

Section 6.4 Approval of Plan Documents. The solicitation of votes on the Plan shall be deemed a solicitation for the approval of the Plan Documents and all transactions contemplated by the Plan. Entry of the Conformation Order shall constitute approval of the Plan Documents and such transactions.

ARTICLE VII

PROVISIONS GOVERNING DISTRIBUTIONS

Section 7.1 Date of Distributions. If any payment or act under the Plan is required to be made or performed on a date that is not a Business Day, then the making of such payment or the performance of such act may be completed on the next succeeding Business Day, but shall be deemed to have been completed as of the required date. If any payment or act under the Plan is required to be made or performed on a date that is not the first (1st) Business Day after the Effective Date, such act shall be performed on the date required in the Plan, or if that date is not a Business Day, then the making of such payment or performance of such act may be completed on the next succeeding Business Day, but shall be deemed to have occurred on the date as provided in the Plan.

Section 7.2 Manner of Payment Under the Plan. At the option of the Debtor, unless otherwise agreed by the Debtor and a requesting Allowed Claim Holder, any cash payment to be made under this Plan may be made by a check or wire transfer or as otherwise required or provided in applicable agreements.

Section 7.3 Distributions After Effective Date. Distributions made after the Effective Date to holders of Disputed Claims that are not Allowed Claims as of the Effective Date but which later become Allowed Claims shall be deemed to have been made on the Effective Date.

Section 7.4 Unclaimed Distributions. Any distributions under the Plan that are unclaimed for six months after the Effective Date shall revert to the Debtor, and the claim of any Holder of any Claim to such distributions shall be extinguished and forever barred.

ARTICLE VIII

TREATMENT OF EXECUTORY CONTRACTS AND UNEXPIRED LEASES

Section 8.1 Assumption of Contracts.

(a) Assumed Contracts and Leases. Confirmation of the Plan will act as an Order authorizing the assumption of the contracts or leases listed below, if any. The list below also sets forth the proposed "cure" amount for each such assumed contract or lease. Confirmation of the Plan shall also constitute a final determination of the "cure" due such contract or lease

counterparty. Contract or lease counterparties who dispute the amount of “cure” shown on below may file an Objection to Proposed Cure on or before the date fixed for filing objections to the Plan. Unless an agreement between the Debtor and such party is reached prior to confirmation, the amount of “cure” shall be determined at the Confirmation Hearing. Failure to file a timely Objection to Proposed Cure shall constitute consent and acquiescence of the proposed “cure” amount. The Debtor shall pay the “cure” amount shown below in equal monthly payments over a period of twelve months from the Effective Date. Confirmation shall also constitute a finding of adequate assurance of future performance by the Debtor under such assumed contract.

<u>Contracts and Leases to be Assumed:</u>	<u>Cure Amount:</u>
Former BellSouth States Resale ICA	\$0.00
Other Regions Resale ICA	\$0.00
Other Regions UNE-P ICA	\$0.00
Former BellSouth Region UNE-P ICA	\$52,550.90
Office Lease with Brydels Properties, LLC	\$0.00

Section 8.2 Rejection of Executory Contracts and Unexpired Leases

(a) Rejected Contracts. The Debtor has determined to reject all contracts and leases listed below, if any. Confirmation of the Plan shall constitute a rejection of all contracts and leases listed below pursuant to the provisions of 11 U.S.C. § 365.

Executory Contracts and Leases to be Rejected:

Any other Executory Contract or Unexpired Lease not specified as Assumed in Section 8.1, or which has not been authorized to be assumed by the Debtor by separate order prior to confirmation. Any contract for which the Bankruptcy Court has previously authorized assumed by the Debtor shall not be affected by confirmation of the Plan.

(b) Filing of Claims Under Rejected Contracts. All Claims arising from the rejection of executory contracts or leases must be evidenced by properly filed proofs of claim filed no later than twenty (20) days after the date of the entry of the Confirmation Order, unless an earlier deadline is applicable. Any Claims not filed within such time shall be forever barred from assertion against the Debtor, its Estate, and its property. Unless otherwise ordered by the Bankruptcy Court, all Allowed Claims arising from rejection of executory contracts and unexpired leases shall be treated as Claims in Class 4 under the Plan, and shall be entitled to make an election as provided thereunder by notification in writing by such Holder of an Allowed Claim arising from rejection of an executory contract or lease to the Debtor within ten (10) days of the date such claim became an Allowed Claim.

ARTICLE IX

PROCEDURES FOR RESOLVING DISPUTED CLAIMS

Section 9.1 Prosecution of Objections to Claims. Any such Claim[s] to which the Debtor objects shall be considered a Disputed Claim. The Debtor shall litigate to judgment, settle or withdraw objections to contested Claims. The Debtor shall file all objections to claims within one hundred twenty (120) days of the Effective Date.

Section 9.2 No Distributions Until Claim is an Allowed Claim. Notwithstanding any other provision of the Plan, if any portion of a Claim is a Disputed Claim, no payment or distribution provided by the Plan shall be made on account of such Claim unless and until such Disputed Claim becomes an Allowed Claim. Nevertheless, Debtor shall reserve such amount as necessary to satisfy the payment due on the Disputed Claim until such time as the Disputed Claim is Allowed or disallowed.

Section 9.3 Distributions After Allowance. If a Disputed Claim ultimately becomes an Allowed Claim, a distribution shall be made to the holder of such Allowed Claim in accordance with the provisions of the Plan.

Section 9.4 Voting Rights. If a claim is a Disputed Claim prior to the Confirmation Date, such Disputed Claim shall not be entitled to vote with respect to the Plan unless such Claim is estimated, for voting purposes, by order of the Court.

ARTICLE X

EFFECTIVENESS OF THE PLAN

Section 10.1 Conditions Precedent to Effective Date. The Effective Date shall not occur until the following conditions have been satisfied or waived pursuant to Section 10.3 hereof:

- (a) the Confirmation Order shall have been entered by the Bankruptcy Court, shall not have been stayed, and shall otherwise be in full force and effect;
- (b) all actions, documents and agreements necessary to implement the Plan shall have been effected or executed; and
- (c) each of the following (collectively, the "Plan Documents") shall have been effected or executed (including, without limitation, the filing of such documents with any applicable regulatory agency to cause such documents to become effective): all documents and instruments as may be reasonably necessary in order to effectuate the transactions contemplated by the Plan, including but not limited to the new notes to be issued hereunder.

Section 10.2 Effect of Failure of Conditions. In the event that one or more of the conditions specified in Section 10.1 of the Plan have not occurred on or before the date two (2) months after the Confirmation Date, and upon notification submitted by the Debtor to the Bankruptcy Court,

(a) the Confirmation Order shall be vacated, (b) no distributions under the Plan shall be made, (c) the Debtor and all holders of Claims and Equity Interests shall be restored to the *status quo ante* as of the day immediately preceding the Confirmation Date as though the Confirmation Date never occurred and (d) the Debtor's obligations with respect to the Claims and Equity Interests shall remain unchanged and nothing contained herein shall constitute or be deemed a waiver or release of any Claims or Equity Interests by or against the Debtor or any other person or to prejudice in any manner the rights of the debtor or any person in any further proceedings involving the Debtor.

Section 10.3 Waiver of Conditions. The conditions precedent to the Effective Date contained in Section 10.1 hereof, except 10.1(d), may be waived or modified by the Debtor, pursuant to a writing signed by an authorized representative of the Debtor and filed with the Court.

ARTICLE XI

EFFECT OF CONFIRMATION

Section 11.1 Vesting of Assets.

(a) On the Effective Date, all property of the Debtor shall vest in the reorganized Debtor, and the bankruptcy estate shall cease to exist.

(b) As of the Effective Date, all property of the Debtor shall be free and clear of all Liens, Claims and interests of holders of Claims and Equity Interests, except as provided in the Plan, and except that property abandoned pursuant to the terms of the Plan or by Order of the Court.

Section 11.2 Causes of Action.

The Debtor shall not pursue any causes of action arising under Chapter 5 of the Bankruptcy Code, and any such Causes of Action, if they exist, shall be deemed abandoned by the Debtor.

Section 11.3 Successors and Assigns. The rights, benefits and obligations of any Person or entity named or referred to in the Plan shall be binding upon and inure to the benefit of the Debtor and the Holders of Claims and Equity Interests, and each of their respective heirs, executors, administrators, successors and assigns.

Section 11.4 Discharge. Confirmation of the Plan shall bind the Debtor and all creditors holding Claims against the Debtor, and shall discharge the Debtor from all debts arising prior to Confirmation of the Plan in accordance with and to the full extent of the 11 U.S.C. §§ 524 and 1141(d), except as may be otherwise specifically and explicitly stated herein.

ARTICLE XII

RETENTION OF JURISDICTION

Section 12.1 Jurisdiction Reserved. Notwithstanding entry of the Confirmation Order, the Effective Date having occurred, the Chapter 11 case having been closed, or a final decree having been entered, the Court shall have and retain jurisdiction of all matters arising out of and related to the Chapter 11 Case and the Plan to insure that the provisions of this Plan are consummated pursuant to, and for the purpose of, the Bankruptcy Code and the Bankruptcy Rules to the fullest extent provided by law.

ARTICLE XIII

MISCELLANEOUS PROVISIONS

Section 13.1 Payment of Statutory Fees. All fees payable under Section 1930, Chapter 123, Title 28, United States Code, as determined by the Bankruptcy Court at the Confirmation Hearing, shall be paid by the Effective Date. Any such fees accrued after the Effective Date shall constitute an Allowed Administrative Expense Claim and be paid on a quarterly basis until the case is closed.

Section 13.2 Effectuating Documents and Further Transactions. The Debtor shall be authorized to execute, deliver, file or record such contracts, instruments, releases and other agreements or documents and take such actions as may be necessary or appropriate to effectuate and further evidence the terms and conditions of the Plan.

Section 13.3 Exemption From Transfer Taxes. Pursuant to Section 1146(c) of the Bankruptcy Code, the issuance, transfer or exchange of notes or equity securities under the Plan, the creation of any mortgage, deed of trust or other security interest, the making or assignment of any lease or sublease, or the making or delivery of any deed or other instrument of transfer under, in furtherance of or in connection with the Plan, including, without limitation, any merger agreements or agreements of consolidation, deeds, bills of sale or assignments executed in connection with any of the transactions contemplated under the Plan, will not be subject to any stamp, real estate transfer, mortgage recording or other similar tax.

Section 13.4 Retiree Benefits. On the basis of Section 1129(a)(13) of the Bankruptcy Code, the Company represents that there are no retiree benefits (within the meaning of Section 1114 of the Bankruptcy Code), that will or have become due.

Section 13.5 Binding Effect. Except as otherwise provided in Section 1141(d)(3) of the Bankruptcy Code, on and after the Confirmation Date, the provisions of the Plan will bind any holder of a Claim against, or Ownership Interest in, the Debtor and such holder's respective successors and assigns, whether or not the Claim or Ownership Interest of such Holder is impaired under the Plan and whether or not such holder has accepted the Plan.

Section 13.6 Severability of Plan Provisions. If, prior to the Confirmation Date, any term or provision of the Plan is held by the Court to be invalid, void or unenforceable, the Court will have the power to alter and interpret such term or provision to make it valid or enforceable to the maximum extent practicable, consistent with the original purpose of the term or provision held to be invalid, void or unenforceable, and such term or provision will then be applicable as altered or interpreted. Notwithstanding any such holding, alteration or interpretation, the remainder of the terms and provisions of the Plan will remain in full force and effect and will in no way be affected, impaired or invalidated by such holding, alteration or interpretation. The Confirmation Order will constitute a judicial determination and will provide that each term and provision of the Plan, as it may have been altered or interpreted in accordance with the foregoing, is valid and enforceable in accordance with its terms.

Section 13.7 Governing Law. Except to the extent that the Bankruptcy Code or the Bankruptcy Rules are applicable, and subject to the provisions of any contract, instrument, release, indenture or other agreement or document entered into in connection with the Plan, the rights and obligations arising under the Plan shall be governed by, and construed and enforced in accordance with, the laws of the State of Louisiana, without giving effect to the principles of conflict of laws thereof.

Section 13.8 Default, Cure Period, Force Majeure. The Debtor shall have a period of fifteen (15) days from the date of receipt of written notice of default to cure such default. However, such period shall be tolled during the pendency of an event of force majeure or during the period of time during which the Parish of East Baton Rouge or the State of Louisiana is declared to be a disaster area by an appropriate governmental authority.

Section 13.9 Right To Revoke Plan. The Debtor reserves the right to revoke or withdraw the Plan prior to the Confirmation Date. If the Plan is revoked or withdrawn prior to the Confirmation Date, or if confirmation does not occur for any other reason, then the Plan shall be deemed null and void, all the Debtor's respective obligations shall remain unchanged, and nothing contained herein or in the Disclosure Statement shall be deemed an admission or statement against interest or constitute a waiver or release of any claims by or against the Debtor or any other Person, or prejudice in any manner the rights of the Debtor or any Person in any further proceedings involving the Debtor or Person.

Section 13.10 Right of Set Off and Recoupment. The Debtor may, but shall not be required to, set off or recoup from any Claim and the payments to be made pursuant to the Plan in respect of such Claim, any claims of any nature whatsoever that the Debtor may have against the claimant, but neither the failure to effect such a setoff or recoupment nor the allowance of any Claim against the Debtor shall constitute a waiver or release by the Debtor of any such claim it may have against such claimant.

Section 13.11 Reserved.

Section 13.12 Headings. Headings are used in the Plan for convenience of reference only, and shall not constitute a part of the Plan for any other purpose.

Section 13.13 Exhibits. All Exhibits to the Plan, including the Plan Documents, are incorporated in the Plan as if set forth in full herein.

Section 13.14 Service of Documents. Any pleading, notice, or other document required by the Plan to be served on or delivered to the Debtor shall be sent by first class mail, postage prepaid to: EveryCall Communications, Inc., C/O Kyle Coats, 4315 Bluebonnet Blvd, Suite A, Baton Rouge, LA 70809, and to Brandon A Brown, Esq., Stewart Robbins & Brown, LLC, 247 Florida St., Baton Rouge, LA 70801.

Section 13.15 Post-Confirmation Reporting. Debtor shall file into the record and serve on the United States Trustee a report disclosing distributions made during the quarterly reporting period post-confirmation. Such reports shall continue until the plan payments are completed or the case is closed, whichever occurs first.

ARTICLE XIV

MODIFICATION OF THE PLAN

Section 14.1 Modification of the Plan. This Plan may be modified pursuant to Section 1127 of the Bankruptcy Code and as herein provided. The Plan may be modified, before or after confirmation, without notice or hearing, or on such notice and hearing as the Court deems appropriate, if the Court finds that the modification materially and adversely affects the rights of any parties in interest which have not had notice and an opportunity to be heard with regard thereto. In the event of any modification on or before confirmation, any votes in favor of the Plan shall be deemed to be votes in favor of the Plan as modified, unless the Court finds that the modification materially and adversely affects the rights of parties in interest which have cast said votes.

Respectfully Submitted:

EveryCall Communications, Inc.

By: /s/ Kyle Coats
Kyle Coats, President

STEWART ROBBINS & BROWN, LLC
247 Florida Street
Baton Rouge, Louisiana 70896-6498
(225) 231-9998 Phone
(225) 709-9467 Fax

By: /s/ Brandon A. Brown
Brandon A. Brown (La. #25592)
Brooke W. Altazan (La. #32796)

Counsel for EveryCall Communications, Inc.

RECEIVED-FPSC

UNITED STATES BANKRUPTCY COURT
MIDDLE DISTRICT OF LOUISIANA

11 JUL 11 AM 11:03

IN RE: EVERYCALL COMMUNICATIONS, INC.
d/b/a ALL AMERICAN HOME PHONE
d/b/a LOCAL USA

COMMISSION
CLERK

CASE NO.: 10-11054

DEBTOR

ORDER SETTING HEARING ON DISCLOSURE STATEMENT
AND DEADLINE FOR FILING OBJECTIONS TO
APPROVAL OF DISCLOSURE STATEMENT

Considering that the plan proponent filed a disclosure statement pursuant to 11 U.S.C. § 1125 and Fed. R. Bankr.P., 3016 on July 1, 2011,

IT IS ORDERED that a hearing will be held at the United States Bankruptcy Court, 707 Florida Street, Room 222, Baton Rouge, Louisiana on August 11, 2011, at 11:00 a.m. to:

- (1) consider the adequacy of the information contained in the disclosure statement,
- (2) fix a deadline for the holders of claims and interests to accept or reject the plan,
- (3) fix a date for the hearing on confirmation of the plan.

IT IS FURTHER ORDERED that objections to the disclosure statement be filed and delivered to the plan proponent no later than eight (8) days before the hearing. Objections not timely filed and delivered may be deemed waived.

IT IS FURTHER ORDERED that the plan proponent serve a copy of this order on all creditors and other parties in interest no later than two (2) days after its entry.

The disclosure statement and plan may be reviewed at the office of the Clerk of the Bankruptcy Court, 707 Florida Street, Room 119, Baton Rouge, Louisiana.

The hearing may be continued court order at the scheduled hearing without further notice.

Baton Rouge, Louisiana, July 6, 2011.

S/ Douglas D. Dodd
DOUGLAS D. DODD
UNITED STATES BANKRUPTCY JUDGE

1:54 PM
06/27/11
Accrual Basis

EveryCall Communications, Inc.
Balance Sheet
As of June 30, 2010

RECEIVED-FPSC

11 JUL 11 AM 11:03

COMMISSION
CLERK

Jun 30, 10

ASSETS

Current Assets

Checking/Savings

Regions Checking-Operating Acct	-14,807.87
All American - Checking	56,150.18
All American - Refund Checking	1,585.96
Regions Bank-Georgia Escrow	250,038.75
Regions Bank - CD-LPSC	51,901.55
Regions Bank - CD-TN	21,769.61
Regions Bank - Petty Cash	380.24
Scottrade - Savings Account	4,145.79
Total Checking/Savings	<u>371,164.21</u>

Accounts Receivable

Accounts Receivable	12,980.00
Total Accounts Receivable	<u>12,980.00</u>

Other Current Assets

Due to/from Brydels Communicati	11,688.53
Due to/from Brydels Marketing	5,120.00
Due to/from Brydels Properties	5,044.40
Due to/from Netsavers	97.50
Due to/from Small World Comm	1,000.00
Total Other Current Assets	<u>22,930.43</u>

Total Current Assets 407,074.64

Fixed Assets

Accumulated Depreciation	-55,542.26
Furniture and Fixtures	5,167.03
Machinery & Equipment	48,073.14
Software	14,531.88
Total Fixed Assets	<u>12,229.79</u>

TOTAL ASSETS 419,304.43

LIABILITIES & EQUITY

Liabilities

Current Liabilities

Other Current Liabilities

Accts Payable - Disputed Amount	551,000.00
Payroll Liabilities	-19,426.36
Sales and Excise Tax Payable	66,527.55
Total Other Current Liabilities	<u>598,101.19</u>

Total Current Liabilities 598,101.19

Long Term Liabilities

Loan O/S Payable to JHB	23,830.19
Total Long Term Liabilities	<u>23,830.19</u>

1:54 PM
06/27/11
Accrual Basis

EveryCall Communications, Inc.
Balance Sheet
As of June 30, 2010

	<u>Jun 30, 10</u>
Total Liabilities	621,931.38
Equity	
Capital Stock	3,000.00
Retained Earnings	-911,218.90
Shareholder Equity	559,196.49
Net Income	<u>146,395.46</u>
Total Equity	<u>-202,626.95</u>
TOTAL LIABILITIES & EQUITY	<u><u>419,304.43</u></u>

1:53 PM
06/27/11
Accrual Basis

EveryCall Communications, Inc.
Profit & Loss
January through June 2010

	<u>Jan - Jun 10</u>
Ordinary Income/Expense	
Income	
Sales - AAHP	0.00
Sales - AAHP - Credit Card	2,455,978.32
Sales - AAHP - GD Money Pak	97,925.78
Sales - AAHP - Money Gram	532,973.75
Sales - AAHP - Money Orders/Cks	987,574.97
Sales - AAHP Agents	449.51
Sales - CABS	24,545.54
Sales - Local USA	<u>432,950.32</u>
Total Income	4,532,398.19
Cost of Goods Sold	
Cost of Goods Sold	
COGS - Billing Expenses	375,426.59
COGS - CGM/Audit	28,385.94
COGS - Services	597,813.46
COGS - Tax Compliance Services	26,010.71
COGS - Taxes	353,514.88
COGS - Third Party Verification	<u>38,411.10</u>
Total Cost of Goods Sold	<u>1,419,562.68</u>
Total COGS	<u>1,419,562.68</u>
Gross Profit	3,112,835.51
Expense	
Advertising and Promotion	1,274,920.05
Agent Commission - AAHP	320.00
Agent Commission - Local USA	432.16
Bank Service Charges	<u>17,982.21</u>
Charitable Contributions	2,100.00
Collection Fees	70.81
Computer and Internet Expenses	<u>24,895.64</u>
Continuing Education	1,733.00
Contract Labor	3,000.00
Credit Card Fees	94,205.40
Credit Reports	155.00
Dues and Subscriptions	4,775.26
Fees	3,146.18
Indep Contract Labor-Hispanic	360,654.00
Insurance Expense	
Dental	3,077.02
Life & Std. Premium	-7,678.40
Medical	
STATE CONTINUATION Subsidy	-1,999.60
Medical - Other	<u>65,498.84</u>
Total Medical	<u>63,499.24</u>
Total Insurance Expense	58,897.86

1:53 PM
06/27/11
Accrual Basis

EveryCall Communications, Inc.
Profit & Loss
January through June 2010

Jan - Jun 10

Interest Expense	24,033.08
Leased Equip - Postage Meter	1,797.12
Loss on Disposal of Assets	7,104.00
Miscellaneous Expense	6,555.23
Office Expense	20,563.61
Office Supplies	13,070.94
Payroll Expenses	835,115.66
Penalties	149.55
Pest Control	230.00
Postage and Delivery	29,337.58
Printing and Reproduction	89.40
Professional Fees	
Accounting	3,200.00
Legal Fees	36,848.74
Total Professional Fees	40,048.74

Provisioning	782.20
Rent Expense	64,059.24
Repairs and Maintenance	
Building	690.95
Total Repairs and Maintenance	690.95

Security	192.00
Taxes	
Federal	-3,000.00
State	3,112.00
Total Taxes	112.00

Telemarketing	210.00
Telephone Expense	45,299.32
Temporary Employment Services	544.18
Travel & Ent	
Entertainment	-605.81

Lodging	8,236.04
Travel	17,097.23
Total Travel & Ent	24,727.46

TV Promotion Winners	1,250.00
Utilities	
Gas & Electric	3,566.99
Water	370.50
Total Utilities	3,937.49

Total Expense	2,967,187.32
---------------	--------------

Net Ordinary Income	145,848.19
---------------------	------------

Other Income/Expense
Other Income

1:53 PM
06/27/11
Accrual Basis

EveryCall Communications, Inc.
Profit & Loss
January through June 2010

	<u>Jan - Jun 10</u>
Interest Income	<u>747.27</u>
Total Other Income	<u>747.27</u>
Net Other Income	<u>747.27</u>
Net Income	<u><u>146,395.46</u></u>

CASE NAME: EveryCall Communications, Inc.

CASE NUMBER: 10-11054

COMPARATIVE BALANCE SHEET

ASSETS:	Filing Date	Month	Month	Month	Month	Month	Month
CURRENT ASSETS:	07/12/10	07/31/10	08/31/10	09/30/10	10/31/10		
Cash	50,732.03	6,509.54	251,302.69	192,944.78	241,628.37		
Accounts Receivable, Net	25,426.03	25,426.03	4,640.00	4,640.00	4,640.00		
Inventory, at lower of cost or market	0.00	0.00	0.00	0.00	0.00		
Prepaid expenses & deposits	26,560.31	26,560.31	327,016.41	371,159.78	366,708.04		
Other - Restricted CD's & escrow acct	323,716.28	323,723.47	323,945.02	324,008.45	324,023.60		
TOTAL CURRENT ASSETS	426,434.65	382,219.35	906,904.12	892,752.99	937,000.01	0.00	0.00
PROPERTY, PLANT & EQUIPMENT	67,772.05	67,772.05	67,772.05	67,772.05	67,772.05		
Less accumulated depreciation	-55,542.26	-55,542.26	-55,542.26	-55,542.26	-55,542.26		
NET PROPERTY, PLANT & EQUIPMENT	12,229.79	12,229.79	12,229.79	12,229.79	12,229.79	0.00	0.00
OTHER ASSETS							
Disputed claim for pre-petition credits from AT&T			8,244,000.00	7,898,513.80	7,898,513.80		
TOTAL OTHER ASSETS	0.00	0.00	8,244,000.00	7,898,513.80	7,898,513.80	0.00	0.00
TOTAL ASSETS	438,664.44	394,449.14	9,163,133.91	8,803,496.58	8,847,743.60	0.00	0.00

If assets are carried at historical cost on debtor's accounting records and debtor elects to show them as such on the monthly reports, note the change above and include remarks on FORM 2-F (Narrative). All subsequent reports must then carry these assets at that value. Do not use historical cost one month and fair market value the next.

CASE NAME: EveryCall Communications, Inc.

CASE NUMBER: 10-11054

COMPARATIVE BALANCE SHEET

LIABILITIES

POST-PETITION LIABILITIES

Taxes payable (Form 2-E, pg. 1 of 3)
 Accounts payable (Form 2-E, pg. 1 of 3)
 Other: _____

TOTAL POST-PETITION LIABILITIES

PRE-PETITION LIABILITIES:

Notes payable – secured
 Priority debt
 Unsecured debt
 Other: _____

TOTAL LIABILITIES

EQUITY (DEFICIT)

PREFERRED STOCK

COMMON STOCK & APIC

RETAINED EARNINGS:

Through filing date
 Post filing date

TOTAL EQUITY (NET WORTH)

TOTAL LIABILITIES & EQUITY

Filing Date	Month	Month	Month	Month	Month	Month
07/12/10	07/31/10	08/31/10	09/30/10	10/31/10		
0.00	2,666.30	2,233.43	642.23	593.35		
0.00	24,485.10	340,908.13	52,632.86	20,215.19		
0.00	27,151.40	343,141.56	53,275.09	20,808.54	0.00	0.00
0.00	0.00	0.00	0.00	0.00		
66,527.55	66,527.55	92,339.91	91,573.54	91,573.54		
575,704.60	575,704.60	5,682,376.18	5,588,023.88	5,563,750.02		
642,232.15	669,383.55	6,117,857.65	5,732,872.51	5,676,132.10	0.00	0.00
0.00	0.00	0.00	0.00	0.00		
562,196.49	562,196.49	562,196.49	562,196.49	562,196.49		
-765,764.20	-765,764.20	2,349,451.86	2,056,594.65	2,056,594.65		
0.00	-71,366.70	133,627.91	451,832.93	552,820.36		
-203,567.71	-274,934.41	3,045,276.26	3,070,624.07	3,171,611.50	0.00	0.00
438,664.44	394,449.14	9,163,133.91	8,803,496.58	8,847,743.60	0.00	0.00

CASE NAME: EveryCall Communications, Inc.

CASE NUMER: 10-11054

ASSETS:

CURRENT ASSETS:

Cash
 Accounts Receivable, Net
 Inventory, at lower of cost or market
 Prepaid expenses & deposits
 Other - Restricted CD's & escrow acct

	Month	Month	Month	Month	Month	Month	Month
	11/30/10	12/31/10	01/31/11	02/28/11	03/31/11	04/30/11	05/31/11
Cash	348,212.59	446,291.92	446,906.95	510,740.31	533,623.29	575,128.02	547,026.77
Accounts Receivable, Net	4,640.00	4,640.00	4,640.00	5,646.83	19,046.83	19,226.83	24,871.71
Inventory, at lower of cost or market	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Prepaid expenses & deposits	362,703.88	358,665.92	356,814.00	356,814.00	357,014.00	356,814.00	356,814.00
Other - Restricted CD's & escrow acct	324,115.65	324,182.67	324,182.67	324,182.67	324,201.17	324,344.37	324,433.73
TOTAL CURRENT ASSETS	1,039,672.12	1,133,780.51	1,132,543.62	1,197,383.81	1,233,885.29	1,275,513.22	1,253,146.21
PROPERTY, PLANT & EQUIPMENT	67,772.05	67,772.05	67,772.05	67,772.05	67,772.05	67,772.05	107,770.83
Less accumulated depreciation	-55,542.26	-55,542.26	-55,542.26	-55,542.26	-55,542.26	-55,542.26	-55,542.26
NET PROPERTY, PLANT & EQUIPMENT	12,229.79	12,229.79	12,229.79	12,229.79	12,229.79	12,229.79	52,228.57
OTHER ASSETS							
Disputed claim for pre-petition credits from AT&T	7,898,513.80	7,898,513.80	7,898,513.80	7,898,513.80	7,898,513.80	7,898,513.80	7,898,513.80
TOTAL OTHER ASSETS	7,898,513.80	7,898,513.80	7,898,513.80	7,898,513.80	7,898,513.80	7,898,513.80	7,898,513.80
TOTAL ASSETS	8,950,415.71	9,044,524.10	9,043,287.21	9,108,127.40	9,144,628.88	9,186,256.81	9,203,888.58

If assets are carried at historical cost on debtor's accounting records and debtor elects to show them as such on the monthly reports, note the change above and include remarks on FORM 2-F (Narrative). All subsequent reports must then carry these assets at that value. Do not use historical cost one month and fair market value the next.

CASE NAME: EveryCall Communications, Inc.

CASE NUMBER: 10-11054

LIABILITIES

	Month	Month	Month	Month	Month	Month	
	11/30/10	12/31/10	01/31/11	02/28/11	03/31/11	04/30/11	05/31/11
POST-PETITION LIABILITIES							
Taxes payable (Form 2-E, pg. 1 of 3)	593.28	598.78	4,076.45	4,454.25	4,802.76	617.59	3,155.80
Accounts payable (Form 2-E, pg. 1 of 3)	11,795.76	25,283.84	9,982.29	20,846.15	30,342.87	54,672.24	59,809.00
Other:							
TOTAL POST-PETITION LIABILITIES	12,389.04	25,882.62	14,058.74	25,300.40	35,145.63	55,289.83	62,964.80
PRE-PETITION LIABILITIES:							
Notes payable – secured	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Priority debt	91,573.54	91,573.54	91,573.54	96,878.54	96,878.54	96,878.54	96,878.54
Unsecured debt	5,560,750.02	5,557,750.02	5,544,995.32	5,536,628.77	5,512,567.98	5,512,567.98	5,512,567.98
Other:							
TOTAL LIABILITIES	5,664,712.60	5,675,206.18	5,650,627.60	5,658,807.71	5,644,592.15	5,664,736.35	5,672,411.32
EQUITY (DEFICIT)							
PREFERRED STOCK	0.00	0.00	0.00	0.00			
COMMON STOCK & APIC	562,196.49	562,196.49	562,196.49	562,196.49	562,196.49	562,196.49	562,196.49
RETAINED EARNINGS:							
Through filing date	2,056,594.65	2,056,594.65	2,056,594.65	2,056,594.65	2,056,594.65	2,056,594.65	2,056,594.65
Post filing date	666,911.97	750,526.78	773,868.47	830,528.55	881,245.59	902,729.32	912,686.12
TOTAL EQUITY (NET WORTH)	3,285,703.11	3,369,317.92	3,392,659.61	3,449,319.69	3,500,036.73	3,521,520.46	3,531,477.26
TOTAL LIABILITIES & EQUITY	8,950,415.71	9,044,524.10	9,043,287.21	9,108,127.40	9,144,628.88	9,186,256.81	9,203,888.58

CASE NAME: EveryCall Communications, Inc.

CASE NUMER: 10-11054

PROFIT AND LOSS STATEMENT

	Month	Month	Month	Month	Month	Month
	7/13 - 7/31/10	8/1 - 8/31/10	9/1-9/30/10	10/1-10/31/10		
NET REVENUE	478,663.45	911,528.64	726,869.60	504,316.24		
<u>COST OF GOODS SOLD:</u>						
Material						
Labor - Direct						
Manufacturing Overhead						
TOTAL COST OF GOODS SOLD	422,638.84	612,906.52	242,404.28	304,219.13	0.00	0.00
GROSS PROFIT	56,024.61	298,622.12	484,465.32	200,097.11	0.00	0.00
<u>OPERATING EXPENSES:</u>						
Selling and Marketing	25,938.00	43,447.50	32,021.79	20,307.00		
General and Administrative (rents, utilities, salaries, etc.)	101,460.50	50,401.59	134,301.94	78,817.83		
Other _____						
TOTAL OPERATING EXPENSES	127,398.50	93,849.09	166,323.73	99,124.83	0.00	0.00
<u>INTEREST EXPENSE (INCOME)</u>	-7.19	-221.58	-63.43	-15.15		
INCOME BEFORE DEPRECIATION OR TAXES	-71,366.70	204,994.61	318,205.02	100,987.43	0.00	0.00
<u>DEPRECIATION OR AMORTIZATION</u>						
<u>EXTRAORDINARY EXPENSES *</u>						
<u>INCOME TAX EXPENSE (BENEFIT)</u>						
NET INCOME (LOSS)	-71,366.70	204,994.61	318,205.02	100,987.43	0.00	0.00

* Requires explanation in NARRATIVE (Form 2-F)

CASE NAME: EveryCall Communications, Inc.

CASE NUMBER: 10-11054

	Month	Month	Month	Month	Month	Month	Month
	11/1 - 11/30/10	12/1 - 12/31/10	1/1 - 1/31/11	2/1 - 2/28/11	3/1 - 3/31/11	4/1 - 4/30/11	5/1 - 5/31/11
NET REVENUE	467,459.65	414,787.38	354,072.61	332,034.66	324,221.52	300,081.95	264,871.15
<u>COST OF GOODS SOLD:</u>							
Material							
Labor - Direct							
Manufacturing Overhead							
TOTAL COST OF GOODS SOLD	274,149.63	236,517.24	246,293.34	209,538.57	193,242.52	197,484.58	181,737.23
GROSS PROFIT	193,310.02	178,270.14	107,779.27	122,496.09	130,979.00	102,597.37	83,133.92
<u>OPERATING EXPENSES:</u>							
Selling and Marketing	20,826.00	15,720.00	15,462.00	11,473.50	10,842.00	5,553.00	7,260.00
General and Administrative (rents, utilities, salaries, etc.)	58,484.46	79,002.35	68,975.58	54,362.51	69,438.46	75,703.84	66,006.48
Other _____							
TOTAL OPERATING EXPENSES	79,310.46	94,722.35	84,437.58	65,836.01	80,280.46	81,256.84	73,266.48
<u>INTEREST EXPENSE (INCOME)</u>	-92.05	-67.02			-18.50	-143.20	-89.36
INCOME BEFORE DEPRECIATION OR TAXES	114,091.61	83,614.81	23,341.69	56,660.08	50,717.04	21,483.73	9,956.80
<u>DEPRECIATION OR AMORTIZATION</u>							
<u>EXTRAORDINARY EXPENSES *</u>							
<u>INCOME TAX EXPENSE (BENEFIT)</u>							
NET INCOME (LOSS)	114,091.61	83,614.81	23,341.69	56,660.08	50,717.04	21,483.73	9,956.80

* Requires explanation in NARRATIVE (Form 2-F)

FORM 2-C
1/08



Louisiana Public Service Commission

POST OFFICE BOX 91154
BATON ROUGE, LOUISIANA 70821-9154

COMMISSIONERS

Jimmy Field, Chairman
District II
Clyde C. Holloway, Vice Chairman
District IV
Foster L. Campbell
District V
Lambert C. Boissiere, III
District III
Eric F. Skmetta
District I

Telephone: 225-342-9888

EVE KAHAO GONZALEZ
Executive Secretary

DENNIS WEBER Executive
Counsel

JOHNNY E. SNELLGROVE, JR.
Deputy Undersecretary

February 22, 2011

Lauren Walker, Esq.
Kean Miller Hawthorne
II City Plaza
400 Convention Street, Suite 700
Baton Rouge, Louisiana 700820

*Re: LPSC Order No. S-30891, Everycall Communication's Prior
Designation as a Non-Rural Eligible Telecommunications Carrier
within the State of Louisiana*

Dear Ms. Walker:

This letter is in response to correspondence received by the Commission, wherein Everycall notified the Louisiana Public Service Commission (the "LPSC") that would begin provisioning wireless telecommunications services in its non-rural eligible telecommunications carrier ("ETC") designated service area and requested that the LPSC confirm that no further action is necessary with this Commission to obtain federal USF low-income (Lifeline and Linkup) support as an ETC for Everycall's qualifying wireless customers.

The Commission Staff has reviewed your correspondence, along with Commission Order No. S-30891, and finds that no further action is required on the part of Everycall. Order No. S-30891, issued September 30, 2009, ordered the following: "Everycall Communications, Inc. is hereby designated as an ETC for the purpose of receiving low-income federal universal service support". Staff does note, however, that the Commission recognized Everycall's status at that time as a CLEC only. Thus, the Commission made its determination that Everycall was eligible for lifeline and link-up funding on the basis of its CLEC status. As Everycall has previously been certified as an ETC by the LPSC, in the area for which it will be provisioning wireless

service, Staff believes this notification is sufficient for Evercall's wireless customers to be eligible for low-income lifeline USF support pursuant to Commission Order No. S-30891. This correspondence, however, does not provide that Everycall is eligible to receive linkup funding for its wireless customers until such time as it provides this Commission with information supporting the eligibility for that service.

A copy of this correspondence will be provided to the FCC and USAC. Should you have need for anything further, please do not hesitate to contact me.

Sincerely,



Eve K. Gonzalez
Executive Secretary

EKG/bmf

cc: Karen Majcher, USAC, Vice President, High Cost and Low Income Division
Joanne Kim, USAC, Assistant Program Manager of High Cost & Low Income



Louisiana Public Service Commission

POST OFFICE BOX 91154
BATON ROUGE, LOUISIANA 70821-9154

COMMISSIONERS

Jimmy Field, Chairman
District II
Clyde C. Holloway, Vice Chairman
District IV
Foster L. Campbell
District V
Lambert C. Boissiere, III
District III
Eric F. Skrmetta
District I

Telephone: 225-342-9888

EVE KAHAO GONZALEZ
Executive Secretary

DENNIS WEBER
Executive Counsel

JOHNNY E. SNELLGROVE, JR.
Deputy Undersecretary

May 25, 2011

Katherine King, Esq.
Kean, Miller
II City Plaza
400 Convention Street Suite 700
Baton Rouge, LA 70821

*Re: LPSC Order No. S-30891, EveryCall Communications' Prior
Designation as a Non-Rural Eligible Telecommunications
Carrier within the State of Louisiana*

Dear Ms. King

This letter is in response to your correspondence dated April 7, 2011, submitted in response to a prior Louisiana Public Service Commission ("LPSC") letter dated February 22, 2011. In the original correspondence, the LPSC confirmed that no further action was required before the LPSC in order for EveryCall Communications, Inc., d/b/a All American Wireless to expand its previously designated landline non-rural eligible telecommunications carrier ("ETC") designation to EveryCall's qualifying wireless customers for the purpose of receiving federal USF low-income support. The LPSC's prior correspondence, however, restricted the expansion to Lifeline support only "until such time as it (the company) provides this Commission with information supporting the eligibility for that service (Link-Up)."

Attached to your responsive correspondence is an informational tariff issued April 7, 2011 by All American Wireless. As outlined in that tariff, the company charges a "Service Activation Fee" that is charged to all new customers, a portion of which will be defrayed from Link-Up support. Staff has reviewed your response, as well as applicable portions of the informational tariff filed and, based on the review of this additional information, Staff believes

that the expanded designation should be allowed to also cover Link-Up support for qualifying wireless customers.

A copy of this correspondence will be provided to the FCC and USAC. Should you have need for anything further, please do not hesitate to contact me.

Sincerely,

A handwritten signature in black ink, appearing to read 'EKG', with a long, sweeping horizontal stroke extending to the right.

Eve K. Gonzalez
Executive Secretary

EKG/bmf

cc: Karen Majcher, USAC, Vice President, High Cost and Low Income Division
Joanne Kim, USAC, Assistant Program Manager of High Cost & Low Income

In re EveryCall Communications, Inc.

Case No. 10-11054

Debtor

SCHEDULE A - REAL PROPERTY

Except as directed below, list all real property in which the debtor has any legal, equitable, or future interest, including all property owned as a cotenant, community property, or in which the debtor has a life estate. Include any property in which the debtor holds rights and powers exercisable for the debtor's own benefit. If the debtor is married, state whether husband, wife, both, or the marital community own the property by placing an "H," "W," "J," or "C" in the column labeled "Husband, Wife, Joint, or Community." If the debtor holds no interest in real property, write "None" under "Description and Location of Property."

Do not include interests in executory contracts and unexpired leases on this schedule. List them in Schedule G - Executory Contracts and Unexpired Leases.

If an entity claims to have a lien or hold a secured interest in any property, state the amount of the secured claim. See Schedule D. If no entity claims to hold a secured interest in the property, write "None" in the column labeled "Amount of Secured Claim." If the debtor is an individual or if a joint petition is filed, state the amount of any exemption claimed in the property only in Schedule C - Property Claimed as Exempt.

Description and Location of Property	Nature of Debtor's Interest in Property	Husband, Wife, Joint, or Community	Current Value of Debtor's Interest in Property, without Deducting any Secured Claim or Exemption	Amount of Secured Claim
--------------------------------------	---	------------------------------------	--	-------------------------

None

Sub-Total > **0.00** (Total of this page)

Total > **0.00**

(Report also on Summary of Schedules)

0 continuation sheets attached to the Schedule of Real Property

In re EveryCall Communications, Inc.Case No. 10-11054

Debtor

SCHEDULE B - PERSONAL PROPERTY

Except as directed below, list all personal property of the debtor of whatever kind. If the debtor has no property in one or more of the categories, place an "x" in the appropriate position in the column labeled "None." If additional space is needed in any category, attach a separate sheet properly identified with the case name, case number, and the number of the category. If the debtor is married, state whether husband, wife, both, or the marital community own the property by placing an "H," "W," "J," or "C" in the column labeled "Husband, Wife, Joint, or Community." If the debtor is an individual or a joint petition is filed, state the amount of any exemptions claimed only in Schedule C - Property Claimed as Exempt.

Do not list interests in executory contracts and unexpired leases on this schedule. List them in Schedule G - Executory Contracts and Unexpired Leases.

If the property is being held for the debtor by someone else, state that person's name and address under "Description and Location of Property." If the property is being held for a minor child, simply state the child's initials and the name and address of the child's parent or guardian, such as "A.B., a minor child, by John Doe, guardian." Do not disclose the child's name. See, 11 U.S.C. §112 and Fed. R. Bankr. P. 1007(m).

Type of Property	N O N E	Description and Location of Property	Husband, Wife, Joint, or Community	Current Value of Debtor's Interest in Property, without Deducting any Secured Claim or Exemption
1. Cash on hand	X			
2. Checking, savings or other financial accounts, certificates of deposit, or shares in banks, savings and loan, thrift, building and loan, and homestead associations, or credit unions, brokerage houses, or cooperatives.		Regions Bank Account *****3287 EveryCall Communications, Inc. - Operating Account	-	0.00
		Regions Bank Account *****3344 All American Home Phone - A Division of EveryCall Communications	-	56,150.18
		Regions Bank Account *****0526 All American Home Phone - A Division of EveryCall Communications, Inc. Refund Account	-	1,585.96
		Regions Bank Account *****2836 EveryCall Communications, Inc. Petty Cash Account	-	380.24
		Regions Bank as Escrow Agent for EveryCall Communications, Inc. Customer Reserve Account - Georgia Restricted for any potential claims asserted by the Georgia Public Service Commission Account # *****3198	-	250,038.75
		Regions Bank Account *****7504 EveryCall Communications, Inc. Certificate of Deposit Serves as Security for Letter of Credit in favor of Tennessee Regulatory Authority	-	21,769.61
		Regions Bank Account *****5633 EveryCall Communications, Inc. Certificate of Deposit Serves as Security for letter of Credit in favor of Louisiana Public Service Commission	-	51,901.55
			Sub-Total >	381,826.29
			(Total of this page)	

3 continuation sheets attached to the Schedule of Personal Property

In re EveryCall Communications, Inc.

Case No. 10-11054

Debtor

SCHEDULE B - PERSONAL PROPERTY
(Continuation Sheet)

Type of Property	N O N E	Description and Location of Property	Husband, Wife, Joint, or Community	Current Value of Debtor's Interest in Property, without Deducting any Secured Claim or Exemption
		Scottrade Account ****1381 9618 Jefferson Hwy., Ste. B Baton Rouge, LA 70809 Attn: Gloria Hoggatt	-	4,145.79
3. Security deposits with public utilities, telephone companies, landlords, and others.	X			
4. Household goods and furnishings, including audio, video, and computer equipment.	X			
5. Books, pictures and other art objects, antiques, stamp, coin, record, tape, compact disc, and other collections or collectibles.	X			
6. Wearing apparel.	X			
7. Furs and jewelry.	X			
8. Firearms and sports, photographic, and other hobby equipment.	X			
9. Interests in insurance policies. Name insurance company of each policy and itemize surrender or refund value of each.	X			
10. Annuities. Itemize and name each issuer.	X			
11. Interests in an education IRA as defined in 26 U.S.C. § 530(b)(1) or under a qualified State tuition plan as defined in 26 U.S.C. § 529(b)(1). Give particulars. (File separately the record(s) of any such interest(s). 11 U.S.C. § 521(c).)	X			
12. Interests in IRA, ERISA, Keogh, or other pension or profit sharing plans. Give particulars.	X			
13. Stock and interests in incorporated and unincorporated businesses. Itemize.	X			
Sub-Total >				4,145.79
(Total of this page)				

Sheet 1 of 3 continuation sheets attached to the Schedule of Personal Property

In re EveryCall Communications, Inc.Case No. 10-11054

Debtor

SCHEDULE B - PERSONAL PROPERTY
(Continuation Sheet)

Type of Property	N O N E	Description and Location of Property	Husband, Wife, Joint, or Community	Current Value of Debtor's Interest in Property, without Deducting any Secured Claim or Exemption
14. Interests in partnerships or joint ventures. Itemize.	X			
15. Government and corporate bonds and other negotiable and nonnegotiable instruments.	X			
16. Accounts receivable.		Estimated Accounts Receivable	-	4,640.00
		Long Distance Charges Billed in Arrears		
17. Alimony, maintenance, support, and property settlements to which the debtor is or may be entitled. Give particulars.	X			
18. Other liquidated debts owed to debtor including tax refunds. Give particulars.		IRS - 2009 Income Tax Refund applied to 2010	-	3,000.00
		Florida 2009 Income Tax Refund	-	700.00
19. Equitable or future interests, life estates, and rights or powers exercisable for the benefit of the debtor other than those listed in Schedule A - Real Property.	X			
20. Contingent and noncontingent interests in estate of a decedent, death benefit plan, life insurance policy, or trust.	X			
21. Other contingent and unliquidated claims of every nature, including tax refunds, counterclaims of the debtor, and rights to setoff claims. Give estimated value of each.		Debtor has requested credits for various promotions and billing disputes from AT&T	-	8,500,000.00
		Estimated amount		
		IRS Overpayment of payroll tax obligations	-	Unknown
22. Patents, copyrights, and other intellectual property. Give particulars.		Trade name - EVERYCALL	-	0.00
		Internal use software developed specifically for EveryCall	-	30,031.88
		(Book value without depreciation)		
23. Licenses, franchises, and other general intangibles. Give particulars.	X			

Sub-Total > **8,538,371.88**
(Total of this page)

Sheet 2 of 3 continuation sheets attached
to the Schedule of Personal Property

In re **EveryCall Communications, Inc.**

Case No. **10-11054**

Debtor

SCHEDULE B - PERSONAL PROPERTY
(Continuation Sheet)

Type of Property	N O N E	Description and Location of Property	Husband, Wife, Joint, or Community	Current Value of Debtor's Interest in Property, without Deducting any Secured Claim or Exemption
24. Customer lists or other compilations containing personally identifiable information (as defined in 11 U.S.C. § 101(41A)) provided to the debtor by individuals in connection with obtaining a product or service from the debtor primarily for personal, family, or household purposes.		Access to this information is restricted by FCC	-	0.00
25. Automobiles, trucks, trailers, and other vehicles and accessories.	X			
26. Boats, motors, and accessories.	X			
27. Aircraft and accessories.	X			
28. Office equipment, furnishings, and supplies.		Office furniture and fixtures Accumulated depreciation value	-	42,268.00
29. Machinery, fixtures, equipment, and supplies used in business.	X			
30. Inventory.	X			
31. Animals.	X			
32. Crops - growing or harvested. Give particulars.	X			
33. Farming equipment and implements.	X			
34. Farm supplies, chemicals, and feed.	X			
35. Other personal property of any kind not already listed. Itemize.	X			

Sub-Total >	42,268.00
(Total of this page)	
Total >	8,966,611.96

Sheet 3 of 3 continuation sheets attached to the Schedule of Personal Property

(Report also on Summary of Schedules)

SCHEDULE 3 (b) - PAGE 1

VERYPALL COMMUNICATIONS, INC. - CASE #10-11054

Register: Regions Checking-Operating Acct
 from 04/14/2010 through 07/12/2010

<u>Date</u>	<u>Number</u>	<u>Payee</u>	<u>Address</u>	<u>Payment</u>	<u>Amount Still Owing</u>
6/7/2010	13961	Verbatim TPV	P.O. Box 1602 Bonita, CA 91908-1602	8,333.70	
7/6/2010	14120	Verbatim TPV	P.O. Box 1602 Bonita, CA 91908-1602	8,137.85	
5/4/2010	13791	Verbatim TPV	P.O. Box 1602 Bonita, CA 91908-1602	7,082.65	
3/2/2010	13953	Telecom Professionals, Inc.	5909 Northwest Expressway, Suite 101 Oklahoma City, OK 73132	8,123.28	
1/12/2010	wire	Stewart, Robbins & Brown	247 Florida Street, P.O. Box 66498, Baton Rouge, LA 70896	30,000.00	
1/14/2010	13981	Southwest Computer Bureau, Inc.	104-B E. Cornerview Street Gonzales, LA 70737	37,891.70	
1/17/2010	13851	Southwest Computer Bureau, Inc.	104-B E. Cornerview Street Gonzales, LA 70737	35,442.92	
6/8/2010	13969	Reunion Communications	106 West Calendar Ave., Suite 190, LaGrange, IL 60525	22,000.00	
5/4/2010	13771	Reunion Communications	106 West Calendar Ave., Suite 190, LaGrange, IL 60525	20,000.00	
1/16/2010	eft	Regions Bank (federal tax deposit)	400 Convention Street, Suite 100, Baton Rouge, LA 70802	36,194.93	
3/2/2010	eft	Regions Bank (federal tax deposit)	400 Convention Street, Suite 100, Baton Rouge, LA 70802	19,109.34	
1/15/2010	EFTPS	Regions Bank (federal tax deposit)	400 Convention Street, Suite 100, Baton Rouge, LA 70802	12,868.34	
1/30/2010	EFT	Regions Bank (federal tax deposit)	400 Convention Street, Suite 100, Baton Rouge, LA 70802	12,185.74	
1/14/2010	EFTPS	Regions Bank (federal tax deposit)	400 Convention Street, Suite 100, Baton Rouge, LA 70802	12,047.80	
1/12/2010	Tranfer	Kean Miller	18th Floor, One American Place, Baton Rouge, LA 70825	20,000.00	
7/12/2010	14091	Kean Miller	18th Floor, One American Place, Baton Rouge, LA 70825	12,500.00	
6/7/2010	13959	Joseph T. Regard, Ltd. (PLC)	P.O. Drawer 429 Madisonville, LA 70447-0429	6,297.50	
1/27/2010	13923	John Brydels, Jr.	549 Kenilworth Parkway, Baton Rouge, LA 70808	19,600.00	
7/7/2010	eft	Hispanic Market Consultants	1419 Timber Ridge Allen, TX 75002	32,979.00	
1/10/2010	eft	Hispanic Market Consultants	1419 Timber Ridge Allen, TX 75002	32,601.00	
1/24/2010	eft	Hispanic Market Consultants	1419 Timber Ridge Allen, TX 75002	32,074.50	
1/25/2010	eft	Hispanic Market Consultants	1419 Timber Ridge Allen, TX 75002	30,490.50	
1/13/2010	eft	Hispanic Market Consultants	1419 Timber Ridge Allen, TX 75002	28,499.50	
5/3/2010	eft	Hispanic Market Consultants	1419 Timber Ridge Allen, TX 75002	28,146.00	
1/15/2010	13706	Everycall Tax Escrow Account	5909 Northwest Expressway, Suite 101 Oklahoma City, OK 73132	75,957.57	
1/17/2010	13848	Everycall Tax Escrow Account	5909 Northwest Expressway, Suite 101 Oklahoma City, OK 73132	51,385.82	
1/14/2010	13982	Everycall Tax Escrow Account	5909 Northwest Expressway, Suite 101 Oklahoma City, OK 73132	48,159.07	
1/19/2010	13720	Blue Cross Blue Shield of Louisiana	P.O. Box 261798 Baton Rouge, LA 70826-1798	11,378.44	
1/24/2010	13885	Blue Cross Blue Shield of Louisiana	P.O. Box 261798 Baton Rouge, LA 70826-1798	10,799.85	

EVERYCALL COMMUNICATIONS, INC. - CASE #10-11054

Register: Regions Checking-Operating Acct
From 04/14/2010 through 07/12/2010

<u>Date</u>	<u>Number</u>	<u>Payee</u>	<u>Address</u>	<u>Payment</u>	<u>Amount Still Owing</u>
6/21/2010	14040	Blue Cross Blue Shield of Louisiana	P.O. Box 261798 Baton Rouge, LA 70826-1798	10,799.85	
5/16/2010	draft	Bequick Software, Inc.	4280 Professional Center Dr., Ste. 200, Palm Beach Gardens, FL 33410	29,300.92	
4/16/2010	draft	Bequick Software, Inc.	4280 Professional Center Dr., Ste. 200, Palm Beach Gardens, FL 33410	27,917.10	
6/16/2010	draft	Bequick Software, Inc.	4280 Professional Center Dr., Ste. 200, Palm Beach Gardens, FL 33410	27,671.14	
4/22/2010	13724	AT&T - Box 105373	P.O. Box 105373 Atlanta, GA 30348-5373	29,278.47	
5/24/2010	13884	AT&T - Box 105373	P.O. Box 105373 Atlanta, GA 30348-5373	28,479.23	
4/22/2010	13723	AT&T - Box 105373	P.O. Box 105373 Atlanta, GA 30348-5373	7,294.74	
5/25/2010	13892	AT&T - Box 105373	P.O. Box 105373 Atlanta, GA 30348-5373	7,054.01	
6/7/2010	eft	Amex - #3727-132208-33006	P.O. Box 650448 Dallas, TX 75265-0448	158,131.61	
5/6/2010	13807	Amex - #3727-132208-33006	P.O. Box 650448 Dallas, TX 75265-0448	90,000.00	
7/9/2010	eft	Amex - #3727-132208-33006	P.O. Box 650448 Dallas, TX 75265-0448	50,000.00	
6/28/2010	14056	Amex - #3727-132208-33006	P.O. Box 650448 Dallas, TX 75265-0448	45,000.00	
7/1/2010	eft	Amex - #3727-132208-33006	P.O. Box 650448 Dallas, TX 75265-0448	45,000.00	
7/9/2010	14127	Amex - #3727-132208-33006	P.O. Box 650448 Dallas, TX 75265-0448	41,217.77	
5/17/2010	eft	Amex - #3727-132208-33006	P.O. Box 650448 Dallas, TX 75265-0448	40,000.00	
5/20/2010	13868	Amex - #3727-132208-33006	P.O. Box 650448 Dallas, TX 75265-0448	40,000.00	
6/21/2010	14026	Amex - #3727-132208-33006	P.O. Box 650448 Dallas, TX 75265-0448	40,000.00	
7/6/2010	eft	Amex - #3727-132208-33006	P.O. Box 650448 Dallas, TX 75265-0448	40,000.00	
5/4/2010	13792	Amex - #3727-132208-33006	P.O. Box 650448 Dallas, TX 75265-0448	35,000.00	
6/1/2010	13948	Amex - #3727-132208-33006	P.O. Box 650448 Dallas, TX 75265-0448	35,000.00	
5/10/2010	eft	Amex - #3727-132208-33006	P.O. Box 650448 Dallas, TX 75265-0448	25,000.00	
4/22/2010	13721	Amex - #3727-132208-33006	P.O. Box 650448 Dallas, TX 75265-0448	20,000.00	
6/29/2010	eft	Amex - #3725-346689-33003	P.O. Box 650448 Dallas, TX 75265-0448	28,118.79	
5/3/2010	13769	Amex - #3725-346689-33003	P.O. Box 650448 Dallas, TX 75265-0448	20,000.00	
5/10/2010	eft	Amex - #3725-346689-33003	P.O. Box 650448 Dallas, TX 75265-0448	20,000.00	
6/7/2010	13956	Amex - #3725-346689-33003	P.O. Box 650448 Dallas, TX 75265-0448	20,000.00	
5/3/2010	13768	Amex - #3725-346689-33003	P.O. Box 650448 Dallas, TX 75265-0448	18,300.12	
6/1/2010	eft	Amex - #3725-346689-33003	P.O. Box 650448 Dallas, TX 75265-0448	16,284.08	
5/17/2010	eft	Amex - #3725-346689-33003	P.O. Box 650448 Dallas, TX 75265-0448	10,000.00	

EVERYCALL COMMUNICATIONS, INC. - CASE #10-11054

	<u>Type</u>	<u>Date</u>	<u>Num</u>	<u>Amount</u>	<u>Description</u>
Benjamin Bucu	Check	09/08/2009	12445	-3,000.00	Services
Brydels Communications, LLC	Check	12/03/2009	12970	-1,000.00	Services
	Check	03/08/2010	13499	-8,000.00	Services
Brydels Financial Services, LLC	Check	12/03/2009	12969	-1,000.00	Services
Brydels Marketing, LLC	Check	12/03/2009	12971	-1,000.00	Services
Brydels Properties, LLC	Check	07/21/2009	12195	-4,000.00	Rent
	Check	08/19/2009	12361	-4,000.00	Rent
	Check	09/28/2009	12536	-4,000.00	Rent
	Check	10/09/2009	12616	-4,000.00	Rent
	Check	11/03/2009	12760	-4,000.00	Rent
	Check	12/03/2009	12961	-4,000.00	Rent
	Check	01/04/2010	13133	-4,000.00	Rent
	Check	02/01/2010	13311	-4,000.00	Rent
	Check	03/15/2010	13555	-4,000.00	Rent
	Check	03/25/2010	13586	-4,000.00	Rent
	Check	04/29/2010	13761	-4,000.00	Rent
	Check	05/24/2010	13889	-4,000.00	Rent
	Check	07/06/2010	14093	-4,000.00	Rent
John Brydels, Jr.	Check	07/30/2009	12252	-34,300.00	Principal/Interest
	Check	08/31/2009	12369	-34,300.00	Principal/Interest
	Check	09/29/2009	12538	-4,900.00	Principal/Interest
	Check	10/29/2009	12755	-49,000.00	Principal/Interest
	Check	11/23/2009	12895	-200.00	Principal/Interest
	Check	11/30/2009	12940	-49,000.00	Principal/Interest
	Check	12/03/2009	12975	-4.00	Principal/Interest
	Check	12/31/2009	13114	-25,591.98	Principal/Interest
	Check	01/04/2010	13112	-107,800.00	Principal/Interest
	Check	01/05/2010	13137	-40.00	Principal/Interest
	Check	02/23/2010	13401	-58,800.00	Principal/Interest
	Check	03/30/2010	13628	-73,500.00	Principal/Interest
	Check	05/27/2010	13923	-19,600.00	Principal/Interest

EVERYCALL COMMUNICATIONS, INC. - CASE #10-11054

Payroll Detail

<u>Date</u>	<u>Source Name</u>	<u>Address</u>	<u>Relationship</u>	<u>Amount</u>
07/15/2009	Brydels, Jr., John H	549 Kenilworth Parkway, Baton Rouge, LA 70808	Owner/Officer	4,500.00
07/30/2009	Brydels, Jr., John H	549 Kenilworth Parkway, Baton Rouge, LA 70808	Owner/Officer	4,500.00
08/13/2009	Brydels, Jr., John H	549 Kenilworth Parkway, Baton Rouge, LA 70808	Owner/Officer	4,500.00
08/31/2009	Brydels, Jr., John H	549 Kenilworth Parkway, Baton Rouge, LA 70808	Owner/Officer	4,500.00
09/15/2009	Brydels, Jr., John H	549 Kenilworth Parkway, Baton Rouge, LA 70808	Owner/Officer	4,500.00
09/29/2009	Brydels, Jr., John H	549 Kenilworth Parkway, Baton Rouge, LA 70808	Owner/Officer	4,500.00
10/15/2009	Brydels, Jr., John H	549 Kenilworth Parkway, Baton Rouge, LA 70808	Owner/Officer	4,500.00
10/29/2009	Brydels, Jr., John H	549 Kenilworth Parkway, Baton Rouge, LA 70808	Owner/Officer	4,500.00
11/12/2009	Brydels, Jr., John H	549 Kenilworth Parkway, Baton Rouge, LA 70808	Owner/Officer	4,500.00
11/30/2009	Brydels, Jr., John H	549 Kenilworth Parkway, Baton Rouge, LA 70808	Owner/Officer	4,500.00
12/15/2009	Brydels, Jr., John H	549 Kenilworth Parkway, Baton Rouge, LA 70808	Owner/Officer	4,500.00
12/31/2009	Brydels, Jr., John H	549 Kenilworth Parkway, Baton Rouge, LA 70808	Owner/Officer	4,500.00
01/14/2010	Brydels, Jr., John H	549 Kenilworth Parkway, Baton Rouge, LA 70808	Owner/Officer	7,500.00
01/28/2010	Brydels, Jr., John H	549 Kenilworth Parkway, Baton Rouge, LA 70808	Owner/Officer	11,900.00
02/15/2010	Brydels, Jr., John H	549 Kenilworth Parkway, Baton Rouge, LA 70808	Owner/Officer	7,500.00
02/25/2010	Brydels, Jr., John H	549 Kenilworth Parkway, Baton Rouge, LA 70808	Owner/Officer	7,500.00
03/15/2010	Brydels, Jr., John H	549 Kenilworth Parkway, Baton Rouge, LA 70808	Owner/Officer	7,500.00
03/31/2010	Brydels, Jr., John H	549 Kenilworth Parkway, Baton Rouge, LA 70808	Owner/Officer	7,500.00
04/15/2010	Brydels, Jr., John H	549 Kenilworth Parkway, Baton Rouge, LA 70808	Owner/Officer	7,500.00
04/29/2010	Brydels, Jr., John H	549 Kenilworth Parkway, Baton Rouge, LA 70808	Owner/Officer	7,500.00
05/13/2010	Brydels, Jr., John H	549 Kenilworth Parkway, Baton Rouge, LA 70808	Owner/Officer	7,500.00
05/27/2010	Brydels, Jr., John H	549 Kenilworth Parkway, Baton Rouge, LA 70808	Owner/Officer	7,500.00
06/15/2010	Brydels, Jr., John H	549 Kenilworth Parkway, Baton Rouge, LA 70808	Owner/Officer	7,500.00
	John H. Brydels, Jr. - Total			104,900.00

SCHEDULE 3(c) page 3

<u>Date</u>	<u>Source Name</u>	<u>Address</u>	<u>Relationship</u>	<u>Amount</u>
09/15/2009	Buco, Benjamin L.	16240 Philip Hickey Drive, Baton Rouge, LA 70810	Relative of Owner	2,000.00
09/29/2009	Buco, Benjamin L.	16240 Philip Hickey Drive, Baton Rouge, LA 70810	Relative of Owner	2,000.00
10/15/2009	Buco, Benjamin L.	16240 Philip Hickey Drive, Baton Rouge, LA 70810	Relative of Owner	2,000.00
10/29/2009	Buco, Benjamin L.	16240 Philip Hickey Drive, Baton Rouge, LA 70810	Relative of Owner	2,000.00
11/12/2009	Buco, Benjamin L.	16240 Philip Hickey Drive, Baton Rouge, LA 70810	Relative of Owner	2,000.00
11/30/2009	Buco, Benjamin L.	16240 Philip Hickey Drive, Baton Rouge, LA 70810	Relative of Owner	2,000.00
12/15/2009	Buco, Benjamin L.	16240 Philip Hickey Drive, Baton Rouge, LA 70810	Relative of Owner	2,000.00
12/31/2009	Buco, Benjamin L.	16240 Philip Hickey Drive, Baton Rouge, LA 70810	Relative of Owner	2,000.00
01/14/2010	Buco, Benjamin L.	16240 Philip Hickey Drive, Baton Rouge, LA 70810	Relative of Owner	3,000.00
01/28/2010	Buco, Benjamin L.	16240 Philip Hickey Drive, Baton Rouge, LA 70810	Relative of Owner	3,000.00
02/15/2010	Buco, Benjamin L.	16240 Philip Hickey Drive, Baton Rouge, LA 70810	Relative of Owner	3,000.00
02/25/2010	Buco, Benjamin L.	16240 Philip Hickey Drive, Baton Rouge, LA 70810	Relative of Owner	3,000.00
03/15/2010	Buco, Benjamin L.	16240 Philip Hickey Drive, Baton Rouge, LA 70810	Relative of Owner	3,000.00
03/31/2010	Buco, Benjamin L.	16240 Philip Hickey Drive, Baton Rouge, LA 70810	Relative of Owner	3,000.00
04/15/2010	Buco, Benjamin L.	16240 Philip Hickey Drive, Baton Rouge, LA 70810	Relative of Owner	3,000.00
04/29/2010	Buco, Benjamin L.	16240 Philip Hickey Drive, Baton Rouge, LA 70810	Relative of Owner	3,000.00
05/13/2010	Buco, Benjamin L.	16240 Philip Hickey Drive, Baton Rouge, LA 70810	Relative of Owner	3,000.00
05/27/2010	Buco, Benjamin L.	16240 Philip Hickey Drive, Baton Rouge, LA 70810	Relative of Owner	3,000.00
06/15/2010	Buco, Benjamin L.	16240 Philip Hickey Drive, Baton Rouge, LA 70810	Relative of Owner	3,000.00
06/29/2010	Buco, Benjamin L.	16240 Philip Hickey Drive, Baton Rouge, LA 70810	Relative of Owner	<u>3,000.00</u>
	Benjamin L. Buco, - Total			52,000.00

SCHEDULE 3 (C) page 4

<u>Date</u>	<u>Source Name</u>	<u>Address</u>	<u>Relationship</u>	<u>Amount</u>
07/15/2009	Coats, Kyle B	5614 Stones River Avenue, Baton Rouge, LA 70817	Owner/Officer	4,500.00
07/30/2009	Coats, Kyle B	5614 Stones River Avenue, Baton Rouge, LA 70817	Owner/Officer	19,200.00
08/13/2009	Coats, Kyle B	5614 Stones River Avenue, Baton Rouge, LA 70817	Owner/Officer	4,500.00
08/31/2009	Coats, Kyle B	5614 Stones River Avenue, Baton Rouge, LA 70817	Owner/Officer	19,200.00
09/15/2009	Coats, Kyle B	5614 Stones River Avenue, Baton Rouge, LA 70817	Owner/Officer	4,500.00
09/29/2009	Coats, Kyle B	5614 Stones River Avenue, Baton Rouge, LA 70817	Owner/Officer	6,600.00
10/15/2009	Coats, Kyle B	5614 Stones River Avenue, Baton Rouge, LA 70817	Owner/Officer	4,500.00
10/29/2009	Coats, Kyle B	5614 Stones River Avenue, Baton Rouge, LA 70817	Owner/Officer	25,500.00
11/12/2009	Coats, Kyle B	5614 Stones River Avenue, Baton Rouge, LA 70817	Owner/Officer	4,500.00
11/30/2009	Coats, Kyle B	5614 Stones River Avenue, Baton Rouge, LA 70817	Owner/Officer	21,000.00
11/30/2009	Coats, Kyle B	5614 Stones River Avenue, Baton Rouge, LA 70817	Owner/Officer	4,500.00
12/15/2009	Coats, Kyle B	5614 Stones River Avenue, Baton Rouge, LA 70817	Owner/Officer	4,500.00
12/31/2009	Coats, Kyle B	5614 Stones River Avenue, Baton Rouge, LA 70817	Owner/Officer	50,700.00
01/14/2010	Coats, Kyle B	5614 Stones River Avenue, Baton Rouge, LA 70817	Owner/Officer	7,500.00
01/28/2010	Coats, Kyle B	5614 Stones River Avenue, Baton Rouge, LA 70817	Owner/Officer	20,100.00
02/15/2010	Coats, Kyle B	5614 Stones River Avenue, Baton Rouge, LA 70817	Owner/Officer	7,500.00
02/25/2010	Coats, Kyle B	5614 Stones River Avenue, Baton Rouge, LA 70817	Owner/Officer	32,700.00
03/15/2010	Coats, Kyle B	5614 Stones River Avenue, Baton Rouge, LA 70817	Owner/Officer	7,500.00
03/31/2010	Coats, Kyle B	5614 Stones River Avenue, Baton Rouge, LA 70817	Owner/Officer	39,000.00
04/15/2010	Coats, Kyle B	5614 Stones River Avenue, Baton Rouge, LA 70817	Owner/Officer	7,500.00
04/29/2010	Coats, Kyle B	5614 Stones River Avenue, Baton Rouge, LA 70817	Owner/Officer	7,500.00
05/13/2010	Coats, Kyle B	5614 Stones River Avenue, Baton Rouge, LA 70817	Owner/Officer	7,500.00
05/27/2010	Coats, Kyle B	5614 Stones River Avenue, Baton Rouge, LA 70817	Owner/Officer	15,900.00
06/15/2010	Coats, Kyle B	5614 Stones River Avenue, Baton Rouge, LA 70817	Owner/Officer	<u>7,500.00</u>
		Kyle B. Coats - Total		333,900.00

SCHEDULE 3(c) - page 5

<u>Date</u>	<u>Source Name</u>	<u>Address</u>	<u>Relationship</u>	<u>Amount</u>
07/15/2009	Seger, Jon C	756 Myrtle View Drive, Baton Rouge, LA 70810	Owner/Officer	4,500.00
07/30/2009	Seger, Jon C	756 Myrtle View Drive, Baton Rouge, LA 70810	Owner/Officer	25,500.00
08/13/2009	Seger, Jon C	756 Myrtle View Drive, Baton Rouge, LA 70810	Owner/Officer	4,500.00
08/31/2009	Seger, Jon C	756 Myrtle View Drive, Baton Rouge, LA 70810	Owner/Officer	25,500.00
09/15/2009	Seger, Jon C	756 Myrtle View Drive, Baton Rouge, LA 70810	Owner/Officer	4,500.00
09/29/2009	Seger, Jon C	756 Myrtle View Drive, Baton Rouge, LA 70810	Owner/Officer	7,500.00
10/15/2009	Seger, Jon C	756 Myrtle View Drive, Baton Rouge, LA 70810	Owner/Officer	4,500.00
10/29/2009	Seger, Jon C	756 Myrtle View Drive, Baton Rouge, LA 70810	Owner/Officer	34,500.00
11/12/2009	Seger, Jon C	756 Myrtle View Drive, Baton Rouge, LA 70810	Owner/Officer	4,500.00
11/30/2009	Seger, Jon C	756 Myrtle View Drive, Baton Rouge, LA 70810	Owner/Officer	30,000.00
11/30/2009	Seger, Jon C	756 Myrtle View Drive, Baton Rouge, LA 70810	Owner/Officer	4,500.00
12/15/2009	Seger, Jon C	756 Myrtle View Drive, Baton Rouge, LA 70810	Owner/Officer	4,500.00
12/31/2009	Seger, Jon C	756 Myrtle View Drive, Baton Rouge, LA 70810	Owner/Officer	70,500.00
01/14/2010	Seger, Jon C	756 Myrtle View Drive, Baton Rouge, LA 70810	Owner/Officer	7,500.00
01/28/2010	Seger, Jon C	756 Myrtle View Drive, Baton Rouge, LA 70810	Owner/Officer	25,500.00
02/15/2010	Seger, Jon C	756 Myrtle View Drive, Baton Rouge, LA 70810	Owner/Officer	7,500.00
02/25/2010	Seger, Jon C	756 Myrtle View Drive, Baton Rouge, LA 70810	Owner/Officer	43,500.00
03/15/2010	Seger, Jon C	756 Myrtle View Drive, Baton Rouge, LA 70810	Owner/Officer	7,500.00
03/31/2010	Seger, Jon C	756 Myrtle View Drive, Baton Rouge, LA 70810	Owner/Officer	52,500.00
04/15/2010	Seger, Jon C	756 Myrtle View Drive, Baton Rouge, LA 70810	Owner/Officer	7,500.00
04/29/2010	Seger, Jon C	756 Myrtle View Drive, Baton Rouge, LA 70810	Owner/Officer	7,500.00
05/13/2010	Seger, Jon C	756 Myrtle View Drive, Baton Rouge, LA 70810	Owner/Officer	7,500.00
05/27/2010	Seger, Jon C	756 Myrtle View Drive, Baton Rouge, LA 70810	Owner/Officer	19,500.00
06/15/2010	Seger, Jon C	756 Myrtle View Drive, Baton Rouge, LA 70810	Owner/Officer	<u>7,500.00</u>
	Jon C. Seger - Total			418,500.00

Envestra Communications, Inc.
Projected Balance Sheet of Operations
Assuming General Creditors Are Paid 75% Within Six Months

Financial statement table with columns for months from Jan-11 to May-18 and rows for Revenue, Total Revenue, Cost of Sales, Gross Profit, Expenses, Operating Income, Div of Income, Net Income, and Total Assets.

Envestra Communications, Inc.
Projected Balance Sheet
Assuming General Creditors Are Paid Over 2 Years

Financial statement table with columns for months from Jan-11 to May-18 and rows for Cash, Total Current Assets, Total Assets, Accounts Payable, Accounts Receivable, Prepaid Expenses, Total Liabilities, and Total Liabilities & Stockholders' Equity.