

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

RECEIVED
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DIVISION OF
ADMINISTRATIVE & IT
SERVICES

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

DEBTORS.

CHAPTER 11

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

6500 RIVER PL. BLVD., BLDG. 2, # 200
AUSTIN, TEXAS 78730

JOINTLY ADMINISTERED UNDER
CASE NO. 13-10570

APPLICATION TO APPROVE EMPLOYMENT OF Q ADVISORS LLC
AS FINANCIAL ADVISORS TO THE DEBTORS

TO THE HONORABLE UNITED STATES BANKRUPTCY JUDGE:

THIS PLEADING REQUESTS RELIEF THAT MAY BE ADVERSE TO
YOUR INTERESTS.

IF NO TIMELY RESPONSE IS FILED WITHIN TWENTY-ONE (21)
DAYS FROM THE DATE OF SERVICE, THE RELIEF REQUESTED
HEREIN MAY BE GRANTED WITHOUT A HEARING BEING HELD.

A TIMELY FILED RESPONSE IS NECESSARY FOR A HEARING TO
BE HELD.

COMES NOW UPH Holdings, Inc., ("UPH"), Pac-West Telecom, Inc., ("Pac-West"),

Tex-Link Communications, Inc. ("Tex-Link"), UniPoint Holdings, Inc. ("UniPoint Holdings"),

UniPoint Enhanced Services, Inc. ("UniPoint Enhanced"), UniPoint Services, Inc., ("UniPoint"),

COM _____
 AFD _____
 APA _____
 ECO _____
 ENG _____
 GCL _____
 IDM _____
 TEL _____
 CLK NG

DOCUMENT NUMBER-DATE
02043 APR 18 2013
FPSC-COMMISSION CLERK

nWire, LLC (“nWire”), and Peering Partners Communications, LLC (“Peering Partners”) (collectively the “Debtors”), by and through their proposed, undersigned counsel, and file this Application to Approve Employment of Q Advisors LLC as Financial Advisor to the Debtors, and pursuant to §§ 327(a) and 328(a) of the Bankruptcy Code (“Code”), Bankruptcy Rule 2014, and the Local Bankruptcy Rules of the Western District of Texas, hereby move this court for the entry of an order, substantially in the form attached hereto as Exhibit “C”, authorizing the retention and employment of Q Advisors LLC (“Q Advisors”) as financial advisor to the Debtors in this chapter 11 reorganization case. In further support of this Application, the Debtors submit an declaration (“Declaration”), attached hereto as Exhibit “A,” signed by Michael S. Quinn (“Mr. Quinn”), a partner of Q Advisors LLC, and incorporated herein by reference, and respectfully represents as follows:

I. JURISDICTION AND VENUE

1. This Court has jurisdiction over this matter pursuant to 28 U.S.C. §§ 157 and 1334. This is a core proceeding pursuant to 28 U.S.C. §§ 157(b)(2)(A) and (O). Venue of the Debtors’ Chapter 11 case is proper in this district pursuant to 28 U.S.C. §§ 1408 and 1409. The relief requested in this Motion is sought pursuant to 11 U.S.C. §§ 105, 327(a), 328(a), 503, 507 and 1107(a).

II. BACKGROUND

2. On March 25, 2013 (the “Petition Date”), the Debtors filed voluntary petitions for relief under chapter 11 of title 11 of the United States Code (the “Bankruptcy Code”). The Debtors continue in possession of their property and management of their business as debtors-in-possession pursuant to Bankruptcy Code §§ 1107 and 1108. No trustee, examiner, or committee has yet been appointed in these cases.

3. The Debtors are a group of affiliated entities that provide telecommunication services in a variety of contexts including voice over Internet protocol (“VoIP”), local exchange and enhanced telecommunications, and data services.

4. The Debtors filed voluntary petitions under Chapter 11 of the Bankruptcy Code to enable them to reorganize and streamline their operations.

III. Q ADVISOR’S QUALIFICATIONS

5. Q Advisors is a national investment banking firm that specializes in corporate restructurings, analytics, and valuations in the media and telecommunications space. Q Advisor’s office is located at 1899 Wynkoop Street, Suite 200, Denver, CO 80202. Michael Quinn has over 20 years of experience in capital raising and mergers and acquisitions, bringing a reputation as an effective problem solver and significant experience advising media and telecommunications companies inside and outside of the bankruptcy process. Mr. Quinn has led mergers and acquisitions and debt and equity financings in a variety of sectors including the hosted VOIP, competitive wireline telecom, wireless, digital media, social networking, mobile content, satellite and mobile infrastructure and solutions sectors for Q Advisors clients. Mr. Quinn’s resume is attached to the Quinn Declaration as Exhibit “A-1.”

IV. RELIEF REQUESTED

6. The Debtors wish to employ Q Advisors, subject to the approval of this Court. The Debtors have selected Q Advisors because Q Advisors has extensive experience in investment banking in the telecommunications arena, and hosted VOIP sector in particular, and is well-qualified to advise the Debtors in maximizing value for the Debtors’ reorganization efforts, and has the staff and resources to enable it to do so efficiently.

A. Scope of Services

7. The Debtors propose that Q Advisors be employed as their investment banker, *nunc pro tunc* to the Petition Date. Q Advisors will perform a broad range of services on the Debtors' behalf, including but not limited to:

- a. Prepare an Offering presentation or other suitable offering materials for use in informing prospective purchasers about the Debtors;
- b. Advise and assist the Debtors in preparation of a presentation which will be given by management to selected qualified prospective purchasers;
- c. Develop a plan for marketing the Debtors' businesses including the identification of and communication with potential qualified purchasers;
- d. Assist in the negotiation of any transaction for the Debtors' business;
- e. Advise the Debtors and their major creditor constituencies as requested regarding the financial aspects of any proposed transaction; Maintain at Debtors' cost a controlled access data room provisioned with due diligence material provided by the Debtors;
- f. Communicate at least weekly the status of its sales efforts including but not limited to a list of all interested parties and the status of discussions with each;
- g. Work with Debtors' counsel as appropriate on any letter of intent or definitive agreement until each and any transaction is completed;
- h. Attend Bankruptcy Court hearings and board of directors meetings as and when required.
- i. Evaluation of strategic alternatives as needed to maximize the value of the Debtors;

8. A copy of the proposed engagement letter between the Debtors and Q Advisors is attached hereto as Exhibit "B" and incorporated herein by references. The terms of the engagement and the fees sought to be paid are well within the industry standard. Subject to the Court's approval, the Debtors propose to compensate Q Advisors according to the terms set forth in Exhibit "B". As more fully described Exhibit "B", Q Advisors will be paid as follows:

- (a) a monthly fee of \$20,000 for the first three months of the engagement;
- (b) such fee to reduce to \$15,000 per month thereafter;

- (c) a transaction fee in the amount equal to 2.75% of a sale/value of up to \$12 million dollars; and
- (d) 5.5% of the sale/value of greater than \$12 million dollars.

In the event that the Telecom Sale transaction is consummated, 100% of the monthly fees paid will be credited against the transaction fees. In addition, Q Advisors is entitled to a minimum cumulative Sales Fee of \$375,000.

8. The proposed compensation is sought to be approved under section 328(a) of the Bankruptcy Code, which authorizes compensation of a professional person on a “fixed or percentage fee basis” 11 U.S.C. § 328(a). The terms of the engagement with Q Advisors were negotiated over several weeks, on an arm’s length basis with the Debtors’ executive team.

9. In light of the transactional nature of Q Advisors’ engagement, the Debtors submit that the recording and submission of detailed time entries is unnecessary in this instance. Because investment advisors are not ordinarily compensated on the basis of hours spent but rather results obtained, the Debtors request that the requirements of Bankruptcy Rule 2016 and Local Rule 2016 requiring the submission of detailed time entries be waived.

10. Further, it is appropriate for Q Advisors to be compensated pursuant to the terms of Exhibit “B” without being required to file interim fee applications as set forth in sections 330 and 331 of the Bankruptcy Code. Q Advisors will, however, file final fee applications including summaries of all fees earned and expenses reimbursed in this Case.

B. Q Advisors is Disinterested

11. Q Advisors is disinterested within the meaning of 11 U.S.C. §101(14). The statement regarding Q Advisors’ compensation and disinterestedness required by Bankruptcy Rule 2014(a) is attached hereto as Exhibit “A” and is incorporated herein for all purposes.

WHEREFORE, PREMISES CONSIDERED, the Debtors respectfully request that the Court enter an order (1) approving the Application and authorizing the Debtors to employ Q Advisors LLC as financial advisors in this case *nunc pro tunc* to the Petition Date; and (2) granting the Debtors any other relief that is just and proper.

Dated: April 11, 2013.

/s/ Mike Holloway
Mike Holloway, President

CERTIFICATE OF SERVICE

I hereby certify that on the 11th day of April 2013, a true and correct copy of the foregoing was served via the Court's CM/ECF electronic notification system on all parties requesting same, and via US first class mail, post prepaid to the parties listed below, and on the attached service list.

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

Valerie Wenger
US Trustee's Office
903 San Jacinto, Room 230
Austin, TX 78701

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

/s/ Patricia B. Tomasco
Patricia B. Tomasco

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

IN RE:	§	
UPH HOLDINGS, INC.	§	CASE NO. 13-10570
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	§	
	§	
DEBTORS.	§	CHAPTER 11
	§	
EIN: 45-1144038; 68-0383568; 74- 2729541; 20-3399903; 74-3023729; 38- 3659257; 37-1441383; 27-2200110; 27- 4254637	§	
	§	
6500 RIVER PL. BLVD., BLDG. 2, # 200 AUSTIN, TEXAS 78730	§	JOINTLY ADMINISTERED UNDER CASE NO. 13-10570

**DECLARATION OF MICHAEL S. QUINN IN SUPPORT OF
APPLICATION TO APPROVE EMPLOYMENT OF Q ADVISORS, LLC
AS FINANCIAL ADVISORS TO THE DEBTORS**

1. My name is Michael S. Quinn, and I am a partner of Q Advisors LLC (“Q Advisors”). I am over 21 years of age, and I am competent to make this declaration.

2. Q Advisors is a national investment banking firm that specializes in telecommunications industry mergers and acquisitions and financial restructurings. Q Advisors office is located at 1899 Wynkoop Street, Suite 200, Denver, CO 80202.

3. I have over twenty (20) years of experience in capital raising and mergers and acquisitions, and significant experience advising media and telecommunications companies inside and outside of the bankruptcy process. I have led mergers and acquisitions and debt and equity financings in a variety of sectors including the hosted VOIP space, competitive wireline

telecom, wireless, digital media, social networking, mobile content, satellite and mobile infrastructure and solutions sectors for Q Advisors clients. I also lead our media and telecom practice and have assisted on over two dozen telecommunications transactions in the past three years. I am duly authorized to make this Declaration on behalf of Q Advisors and submit this Declaration in connection with the application (the "Application") of the captioned debtors and debtors-in-possession (the "Debtors") for an order pursuant to § 327 of the Bankruptcy Code authorizing the Debtors to retain and employ Q Advisors to provide investment banking services to the Debtors.

4. Unless otherwise stated in this Declaration, I have personal knowledge of the facts set forth herein and, if called as a witness, I would testify thereto. Capitalized terms and phrases not otherwise defined herein shall have the meanings ascribed to such terms in the Application.

5. Q Advisors and its professionals are well qualified to serve as the Debtors' financial advisor in this Chapter 11 case. Q Advisors has extensive experience working with and for distressed companies in complex restructurings and acquisitions both out-of-court and in Chapter 11 proceedings throughout the United States. A Summary of Q Advisors Qualifications and my resume are attached as composite Exhibit "A-1" to this Declaration.

6. As a result of the proposed engagement of Q Advisors by the Debtors, Q Advisors have become familiar with the Debtors' business operations, capital structure, financing documents and other material information, and is able to assist the Debtors in its reorganization effort. I believe that Q Advisors and the professionals it employs are uniquely qualified to advise the Debtors in the matters for which Q Advisors is to be employed.

7. Q Advisors will perform a broad range of services on the Debtors' behalf, including but not limited to:

- a. Prepare an Offering presentation or other suitable offering materials for use in informing prospective purchasers about the Debtors;
- b. Advise and assist the Debtors in preparation of a presentation which will be given by management to selected qualified prospective purchasers;
- c. Develop a plan for marketing the Debtors' businesses including the identification of and communication with potential qualified purchasers;
- d. Assist in the negotiation of any transaction for the Debtors' business;
- e. Advise the Debtors and their major creditor constituencies as requested regarding the financial aspects of any proposed transaction; Maintain at Debtors' cost a controlled access data room provisioned with due diligence material provided by the Debtors;
- f. Communicate at least weekly the status of its sales efforts including but not limited to a list of all interested parties and the status of discussions with each;
- g. Work with Debtors' counsel as appropriate on any letter of intent or definitive agreement until each and any transaction is completed;
- h. Attend Bankruptcy Court hearings and board of directors meetings as and when required.
- i. Evaluation of strategic alternatives as needed to maximize the value of the Debtors.

8. To check and clear potential conflicts of interest in this case, Q Advisors has researched its client database to determine whether Q Advisors has or had any connection with, among others, the following entities (the "Potential Parties in Interest"):

- a) The Debtors, its principals and affiliates;
- b) The Debtors' officers and directors;
- c) The Debtors secured creditors;
- d) The Debtors' largest unsecured creditors, and any other parties in interest Q Advisors could readily identify as clients of the firm; and
- e) The Debtors' professionals.

As part of this inquiry, Q Advisors then entered the names of Potential Parties in Interest into a computer database maintained by Q Advisors containing the names of all clients and conflict information concerning the clients of Q Advisors. This inquiry revealed that no Potential Parties

in Interest were current or former Q Advisors clients, other than Grande Communications Networks, which is a former client.

9. Neither Q Advisors, nor to the best of my knowledge, any employee of Q Advisors is or was a creditor or equity holder of the Debtors.

10. Neither Q Advisors nor to the best of my knowledge, any employee of Q Advisors is or was an investment banker for any outstanding security of the Debtors.

11. Neither Q Advisors, nor to the best of my knowledge, any employee of Q Advisors, is or was, within three years before the commencement of this case, an investment banker for the Debtors, in connection with the offer, sale or issuance of a security of the Debtors.

12. Neither Q Advisors, nor to the best of my knowledge, any employee of Q Advisors, is or was within two (2) years before the commencement of this case, a director, officer or employee of the Debtors.

13. Except as may be otherwise set forth herein, to the best of my knowledge, Q Advisors, its principals and professionals (i) do not have any connection with the Debtors or its affiliates, creditors, or any other party in interest, their respective attorneys and accountants, the United States Trustee or any person employed in the office of the United States Trustee, (ii) are "disinterested persons" under section 101(14) of the Bankruptcy Code, and (iii) do not hold or represent any interest adverse to the Debtors and its estate. Q Advisors does not and has not represented any person or entity, other than the Debtors, in matters related to this chapter 11 case.

14. The Debtors have numerous creditors and relationships with various individuals and entities that may be parties in interest in this case. Consequently, although every reasonable effort has been made to discover and eliminate the possibility of any conflict, including the efforts outlined above, Q Advisors is unable to state with certainty whether one of its clients or

an affiliated entity holds a claim or otherwise is a party in interest in this chapter 11 case. If Q Advisors discovers any information that is contrary to or pertinent to the statements made herein, Q Advisors will disclose such information to the Court on notice to creditors and the United States Trustee promptly. Q Advisors does not advise, has not advised, and will not advise any entity, other than the Debtors, in matters related to this chapter 11 case.

15. The proposed compensation is consistent with Q Advisors' typical fee for work of this nature. The monthly rate and success fee are set at a level designed to compensate Q Advisors fairly for the work of its professionals and assistants and to cover fixed and routine overhead expenses, are well within industry standards, and are a result of good faith negotiations. It is Q Advisors' policy to charge its clients for all disbursements and expenses incurred in the rendition of services.

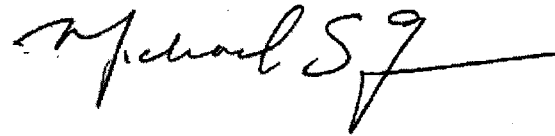
16. The proposed compensation is comparable to those generally charged by investment banking firms of similar stature to Q Advisors and for comparable engagements, both in and out of court.

17. The proposed retention is reasonable and based on the customary compensation charged by Q Advisors and comparably skilled practitioners in matters outside and other than chapter 11 cases, as well as cases under chapter 11, and has been approved and implemented in not just this jurisdiction but also in chapter 11 cases elsewhere. Indeed, the entire engagement as set forth in the Q Advisors Engagement Letter is common within the industry and reflects what is considered to be "market" both in and out of chapter 11 proceedings, in each case, in light of Q Advisors' experience in reorganizations and the scope of work to be performed pursuant to its retention.

18. Other than as set forth above, no other arrangement is proposed between the Debtors and Q Advisors for compensation to be paid in this case.

19. Q Advisors intends to apply to the Court for payment of compensation and reimbursement of expenses in accordance with §§ 330 and 331 of the Bankruptcy Code, the Bankruptcy Rules, the guidelines promulgated by the Office of the United States Trustee for the Western District of Texas (the "U.S. Trustee") and the Local Bankruptcy Rules and other orders of this Court, including but not limited to any interim compensation procedures that may be approved.

20. I declare that the foregoing is true and correct to the best of my knowledge.
Executed this 11th day of April 2013 in Denver, Colorado.

A handwritten signature in black ink, appearing to read "Michael S. Quinn", with a long horizontal line extending to the right from the end of the signature.

Michael S. Quinn
Partner, Q Advisors LLC

Michael S. Quinn, Partner
Q Advisors, LLC
1899 Wynkoop Street, Suite 200
Denver, CO 80202
Phone: 303.996.9660
Fax: 303.996.9661

Michael Quinn has over 20 years of experience in capital raising and mergers and acquisitions, bringing a reputation as an effective problem solver and a provider of strategic advice to the clients of Q Advisors. Michael has led M&A and debt and equity financings in a variety of sectors including the competitive wireline telecom, wireless, digital media, social networking, mobile content, satellite and mobile infrastructure and solutions sectors for Q Advisors clients such as Zergo Group plc, Arrival Communications, Associated Content, Atlantic Tele-Network, Inc., GlobalCom, mBlox, NuVox, Inc., WildBlue Communications and XceedID.

Previously, Michael was a founder of and Chief Corporate Development Officer for VeloCom Inc., where he was responsible for capital raising and acquisition activities. Prior to VeloCom, Michael was a partner in the Denver-based law firm Holland & Hart LLP, guiding their international corporate finance practice. Prior to joining Holland & Hart, Michael practiced with the New York-based law firm of Cleary, Gottlieb, Steen & Hamilton.

Michael is an officer and director of the Southeast Denver Cal Ripken/Babe Ruth Baseball Association and involved with a number of non-profit charities involving disadvantaged youth.

Michael received a B.A. in International Affairs from The George Washington University and a J.D. from the New York University School of Law. He is currently on the Advisory Board of The George Washington University School of Business.



ENGAGEMENT LETTER

April 5, 2013

Mr. J. Michael Holloway
President of each of the following Debtors,

UPH Holdings, Inc.
UniPoint Holdings, Inc.
UniPoint Services, Inc.
nWire LLC
UniPoint Enhanced Services, Inc.
Pac-West Telecomm, Inc.
Peering Partners Communications, LLC
Tex-Link Communications, Inc.

5600 River Place Blvd.
Building II, Suite 200
Austin, TX 78730

Dear Mike:

In connection with the Chapter 11 filings of (a) UPH Holdings, Inc., (b) UniPoint Holdings, Inc., (c) UniPoint Services Inc., (d) nWire LLC, (e) UniPoint Enhanced Services, Inc., (f) Pac-West Telecomm, Inc., (g) Peering Partners Communications, LLC, and (h) Tex-Link Communications, Inc. (*Case No. 13-10570 - 10577*) (“collectively, the “Debtors”), I am pleased to confirm the arrangements under which the Debtors will engage Q Advisors LLC (“Q Advisors”) to provide investment banking services on an exclusive basis (the “Services”), to the Debtors in connection with the sale of (X) the Debtors’ telecom businesses (the “Telecom Businesses”) , pursuant to a sale of stock or assets under section 363 of the Bankruptcy Code or pursuant to a plan of reorganization (the “Telecom Sale Transaction” and (Y) if not included in the Telecom Sale Transaction, the Debtors’ proprietary software assets and other intellectual property (the “Technology Assets”) under section 363 of the Bankruptcy Code (the “Technology Asset Transaction”) and, together with the Telecom Sale Transaction, the “Transactions”).

1. **Retention.** During the term of our engagement, Q Advisors will provide the Debtors with a range of financial advisory services in connection with the Transactions. More specifically, in connection with the proposed Transactions, Q Advisors will (a) prepare an Offering Presentation or other suitable offering materials for use in informing prospective purchasers about the Debtors, (b) advise and assist the Debtors in preparation of a presentation which will be given by management to selected qualified prospective purchasers, (c) develop a plan for marketing the Telecom Business and the Technology Assets, including the identification and contact of potential qualified purchasers, (d) assist in the negotiation of the Transactions, (e) advise the Debtors and their major creditor constituencies, if

J. Michael Holloway
April 5, 2013

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requested, of the financial aspects of any proposed Transaction, (f) maintain at Debtor's cost a controlled access data room provisioned with due diligence material provided by the Debtors at the recommendation of Q Advisors, (g) communicate at least weekly the status of its sales efforts, including but not limited to a list of all interested parties and the status of discusses with each (h) work with legal counsel, as appropriate, on any letter of intent or definitive agreement and until each Transaction is completed, and (i) attend meetings of the Board of Directors of the Debtors and the bankruptcy court when requested.

During the term of this engagement, Q Advisors will serve as the exclusive representative to the Debtors in connection with the Transactions. The Debtors and their respective officers, directors and creditors agree to refer any potential financial and strategic partners to Q Advisors.

The Debtors and the creditors shall have final determination over any information and strategies developed Q Advisors.

2. Fees and Expenses.

2.1 Monthly Fee. In consideration of the Services rendered to the Debtors under this letter agreement, for each of the first three months of this engagement, the Debtors shall, jointly and severally, pay Q Advisors a monthly fee of \$20,000 for its services in connection with the Transactions, such monthly fee to be reduced to \$15,000 after month three of this engagement ("Monthly Fee"). The Monthly Fee shall be payable monthly in advance, with the first Monthly Fee being paid the later of the during the week ending May 17, 2013 or upon entry of an Order by the Bankruptcy Court approving this letter agreement and the retention of Q Advisors on the terms set forth herein. The following month's Monthly Fee will be paid at one month intervals after the first fee. In the event that the Telecom Sale Transaction is consummated, 100% of the Monthly Fees paid shall be credited against the Sale Fee (as defined below).

2.2 Transaction Fee. On consummation of the Transactions, the Debtors shall, jointly and severally, pay Q Advisors a cash fee (the "Sale Fee") equal to the aggregate pro rata sum of:

- a) 2.75% of the cumulative Transaction Value up to \$12 million; and
- b) 5.5% of the cumulative, incremental Transaction Value greater than \$12 million.

For purposes of this letter agreement, in the context of a Transaction, the term "Transaction Value" shall mean the sum of (a) the total amount of cash paid, directly or indirectly, for the assets, business or capital stock of the relevant Debtor and any indebtedness (including assumed existing liabilities or restructured bank debt) but excluding ordinary course liabilities such as accounts payable, accrued expenses and the like of the relevant company or Debtor assumed by the purchaser; (b) any assets, securities, Corporate Earnout (defined below) or other property or rights transferred, directly or indirectly, in payment for the assets, business or stock of the relevant company or Debtor; and (c) the aggregate amount of any dividends or other distributions declared by the relevant company or Debtor with respect to its stock after the date hereof, other than normal recurring cash dividends in amounts not materially greater than currently paid, but (d) excluding the value of any credit bid entered by Hercules Technologies II, LP or its affiliates. "Corporate Earnout" shall be defined as any cash, securities, or other remuneration received by the relevant company or Debtor, its affiliates, or shareholders as a result of the future performance of the relevant company or Debtor or as a result of any non-compete or similar agreements entered into by any stockholders as a result of a Transaction, but excluding compensation resulting from reasonable employment agreements. Notwithstanding anything to the contrary herein, the value of any credit bid by Hercules Technologies II, LP. or its affiliates with respect to the Transaction shall be deducted from the Transaction Value.

J. Michael Holloway
April 5, 2013

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The Sale Fee, will become payable upon consummation of (a) each Sale Transaction or (b) the acquisition, directly or indirectly, by another person or entity, in a single transaction or series of related transactions, of (i) all or a substantial portion of the assets or business, as the case may be, or (ii) securities representing 50% or more of the total voting power of the Debtor in the election of Directors.

In no event shall the total of all Sales Fees paid be less than \$375,000. In the event that the all Sales Fees paid according to this paragraph total less than \$375,000, the Sales Fee relating to the last Transaction will be increased to reach this \$375,000 minimum cumulative Sales Fee.

2.3 Expense Reimbursement. In addition, whether or not the Transaction closes, the Debtors will reimburse Q Advisors, on a monthly basis, for reasonable out-of-pocket expenses incurred by Q Advisors in connection with this letter agreement. Typically, these expenses may include travel, lodging, telephone and outside services incurred by Q Advisors. All travel domestic travel shall be at economy or economy plus rates. Any individual expense in excess of \$1,200 requires prior approval from Debtor.

3. **Termination.** Services hereunder may be terminated with or without cause by either party at any time on 30 days' written notice and without liability or continuing obligation to the other, except for any compensation earned and expenses incurred by Q Advisors to the date of termination, and except in the case of termination by the Debtors for any reason other than the material breach of this letter agreement by Q Advisors, for Q Advisors' rights under the "tail" provisions described below in this paragraph 3. After termination of Q Advisors' engagement for any reason, Q Advisors will provide the Company with a list of parties with whom Q Advisors has been in contact on the Debtors' behalf. If, within six (6) months following the termination of Q Advisors' engagement, the Debtors close a Transaction with any party who is on the aforementioned list, Q Advisors shall be entitled to the Sale Fees as set forth in paragraph 2.2 of this letter agreement. Notwithstanding any termination of this letter agreement, the numbered paragraphs 2, 3, 5 and 6 of this letter agreement will remain operative regardless of such termination.
4. **Independent Contractor.** Q Advisors will act under this letter agreement as an independent contractor with duties solely to the Debtor, and nothing herein shall be construed as creating any other relationship between the Debtors and Q Advisors hereto including, but not limited to, partnership, agency or joint venture. The relationship between Q Advisors and the Debtors under this letter agreement shall be solely that of consultant and client. The Debtors, their agents, employees, representatives or affiliates shall under no circumstance be deemed agents or representatives of Q Advisors. None of Q Advisors or its agents, employees, representatives or affiliates shall be deemed for any purpose to be employees of the Debtors. Furthermore, it is understood that Q Advisors is being engaged hereunder solely to provide the Services to the Debtors and shall have no duties or liability to any other third party in connection with its engagement hereunder.
5. **General Indemnity.** The Debtor agree, jointly and severally, to indemnify Q Advisors and its members, directors, officers, agents and employees (each, an "Indemnified Party") of and from any losses, actions, claims, damages or liabilities (or actions in respect thereof) resulting from any claim raised by a third party relating to or arising out of the performance of the Services noted hereunder, other than the gross negligence or wilful misconduct by an Indemnified Party, and will reimburse the Indemnified Party hereunder for all expenses (including reasonable attorneys' fees and expenses) reasonably incurred by the Indemnified Party in connection with investigating, preparing or

J. Michael Holloway
April 5, 2013

Confidential

defending any such action or claim. The Debtors agree that neither Q Advisors nor any Indemnified Party shall have any liability to them for or in connection with this engagement except for any such liability for losses, actions, claims, damages, liabilities or expenses incurred by the Debtors that result primarily from Q Advisors' gross negligence or wilful misconduct. In the event that an indemnifiable claim arises hereunder, the Indemnified Party shall give prompt written notice of the claim to the Debtors and the Debtors shall have the right to assume the defense of such claim provided that there is no conflict of interest between them, on the one hand, and the Indemnified Party on the other hand. The Debtors will not settle any action by a third party against any Indemnified Party relating to this engagement without securing appropriate releases or other protection for such Indemnified Party. No Indemnified Party will settle any action without the consent of the Debtors, which consent shall not be unreasonably withheld.

If the indemnification provided for in the preceding paragraph shall for any reason be unavailable to an otherwise Indemnified Party, then the Debtors shall, in lieu of indemnifying such Indemnified Party, contribute to the amount paid or payable by such Indemnified Party (i) in such proportion as shall be appropriate to reflect the relative benefits received by the Debtors on the one hand and Q Advisors on the other from the engagement or (ii) if the allocation provided by clause (i) is not permitted by applicable law, in such proportion as is appropriate to reflect not only the relative benefits referred to in clause (i) but also the relative fault of the Debtors on the one hand and Q Advisors on the other with respect to the conduct or omission which resulted in a loss, action, claim, damage or liability, or action in respect thereof, as well as any other relevant equitable considerations. The relative benefits received by the Debtors on the one hand and Q Advisors on the other with respect to the relevant Transaction shall be deemed to be in the same proportion as the aggregate consideration or value received by the Debtors in the relevant Transaction (as the same may be reduced by damages incurred as a result thereof) bears to the Sale Fee received by Q Advisors under this letter agreement. Under no circumstances shall Q Advisors or any Indemnified Party be liable for any indirect, consequential, incidental, special, punitive or exemplary damages arising from any losses, actions, claims, damages or liabilities (or actions in respect thereof) resulting from any claim raised by a third party relating to or arising out of the performance of the Services, regardless of whether Q Advisors has been apprised of the likelihood of such damages occurring.

In the event the Debtors request Q Advisors to deliver certain documents and information relating to this engagement via electronic transmissions, the Debtors acknowledge and agree that the privacy and integrity of electronic transmissions cannot be guaranteed due to the possibility that third parties could intercept, view or alter such electronic transmissions. To the extent that any documents or information relating to this engagement are transmitted electronically, the Debtors agree to release Q Advisors from any loss or liability incurred in connection with the electronic transmission of any such documents and information, including the unauthorized interception, alteration or fraudulent generation and transmission of electronic transmissions by third parties. Under no circumstances shall Q Advisors be liable for any ordinary, direct, indirect, consequential, incidental, special, punitive or exemplary damages arising out of the foregoing, regardless of whether Q Advisors has been apprised of the likelihood of such damages occurring.

6. **Reliance on Information; Confidentiality.** The Debtors understand and confirm (a) that Q Advisors will be using and relying on data, material and information about the Debtor furnished to Q Advisors by the Debtors, their employees and representatives and (b) that Q Advisors does not assume responsibility for independently verifying such information. The Debtors hereby represent and warrant to Q Advisors that the information furnished by them for the purposes contemplated by this letter agreement will not contain any untrue statement of a material fact or omit to state any material fact necessary to make statements therein not misleading.

J. Michael Holloway
April 5, 2013

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Any advice or opinions provided by Q Advisors may not be disclosed or referred to publicly or to any third party except in accordance with Q Advisors' prior written consent, which shall not be unreasonably withheld or denied, or as required by law or regulation. Q Advisors acknowledges that all information about the Debtor, their business, operations and customers that Q Advisors and its representatives learn in any way and from any source as a result of this letter agreement constitutes a trade secret, or is confidential or proprietary to the Debtors ("Confidential Information"). Q Advisors shall receive and hold such Confidential Information in confidence, shall hold the same in trust, shall not disclose or furnish the same to any third party without the Debtors' prior written consent, and shall not use the same for any purpose other than the performance of its obligations under this letter agreement or otherwise in direct connection with the operation of this letter agreement.

7. **Notices.** Notice given pursuant to any of the provisions of this letter agreement shall be in writing and shall be sent by overnight delivery by an internationally recognized delivery company or hand-delivered (i) to the Debtors c/o the address set forth above, to the attention of Mr. Mike Holloway, and (ii) to Q Advisors at 1899 Wynkoop Street, Ste. 200, Denver Colorado 80202, Attention: Mr. Michael Quinn. Parties may change the foregoing addresses by prior written notice to the other party.
8. **Construction.** This letter agreement shall be governed by and construed in accordance with the laws of the State of Texas as applied to contracts made and performed in such State, exclusive of Texas' choice of law provisions.
9. **Severability.** Any determination that any provision of this letter agreement may be, or is, unenforceable shall not affect the enforceability of the remainder of this letter agreement.
10. **Headings.** The paragraph headings in this letter agreement have been inserted as a matter of convenience of reference and are not part of this letter agreement.
11. **Counterparts.** This letter agreement may be executed in two or more counterparts, each of which shall be deemed an original, but all of which shall constitute one and the same instrument. This letter agreement may be executed by facsimile.
12. **Third Party Beneficiaries.** This letter agreement has been and is made solely for the benefit of the Debtors and Q Advisors and their respective successors and permitted assigns, and no other person shall acquire or have any right under or by virtue of this letter agreement.
13. **Modification.** This letter agreement may not be modified or amended except in writing, duly executed by the parties hereto.
14. **Announcements.** It is understood that if any Transaction is completed, Q Advisors will be entitled, at its expense, to place an announcement in such publications and mailings as Q Advisors desires, stating that Q Advisors has acted as financial advisor to the Debtors in connection with the Transactions.
15. **Effectiveness: Bankruptcy Court Approval.** This engagement letter is subject to approval by the Bankruptcy Court and shall become effective upon entry of an Order by the Bankruptcy Court approving the same. The Debtor shall file a motion for approval of this engagement letter promptly after it is executed so that it may be scheduled for the earliest hearing date possible.

If the terms of our engagement as set forth in this letter are satisfactory, kindly sign the enclosed copy of this letter agreement and return it to us. We look forward to working with the Debtor on this assignment.

J. Michael Holloway
April 5, 2013

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Very truly yours,

Q ADVISORS LLC, a Colorado limited liability company

By: Q Consulting & Advisors Inc., Manager



By: _____

Michael S. Quinn President

Accepted:

UPH HOLDINGS, INC.

By:  _____

Name: MIKE HOLLOWAY
4/8/13 CEO

UNIPOINT HOLDINGS, INC.

Title: CEO _____

Date: 4/8/13 _____

UNIPOINT SERVICES, INC.

Title: PRESIDENT _____

Date: 4/8/13 _____

nWIRE LLC

Title: PRESIDENT _____

Date: 4/8/13 _____



J. Michael Holloway
April 5, 2013

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UNIPOINT ENHANCED SERVICES, INC.

Title: President
Date: 4/8/13

PAC-WEST TELECOMM, INC.

Title: President
Date: 4/8/13

PEERING PARTNERS COMMUNICATIONS, LLC.

Title: President
Date: 4/8/13

TEX-LINK COMMUNICATIONS, INC.

Title: President
Date: 4/8/13



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

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

**ORDER GRANTING APPLICATION TO APPROVE EMPLOYMENT OF
Q ADVISORS, LLC AS FINANCIAL ADVISORS TO THE DEBTORS**

CAME ON FOR CONSIDERATION the Application to Approve Employment of Q Advisors, LLC as Financial Advisors to the Debtors (the "Application") filed by UPH Holdings, Inc., ("UPH"), Pac-West Telecom, Inc., ("Pac-West"), Tex-Link Communications, Inc. ("Tex-Link"), UniPoint Holdings, Inc. ("UniPoint Holdings"), UniPoint Enhanced Services, Inc. ("UniPoint Enhanced"), UniPoint Services, Inc., ("UniPoint"), nWire, LLC ("nWire"), and Peering Partners Communications, LLC ("Peering Partners") ("Debtors"). The Court, having reviewed (i) the Application, and (ii) the Affidavit of Michael S. Quinn, President of Q Advisors, LLC attached to the Application as Exhibit "A," and the Court finding that the Court has jurisdiction over this matter pursuant to 28 U.S.C. §§ 157 and 1334, that the Application was filed and served on April 11, 2013, and that no objection has been filed to the Application, that this is a core proceeding pursuant to 28 U.S.C. § 157(b), and good and sufficient cause appearing therefor; it is hereby

ORDERED ADJUDGED and DECREED that pursuant to § 327(a) of the Bankruptcy Code, the Debtors shall be, and are hereby, authorized to employ Q Advisors, LLC as financial advisors upon the terms and conditions set forth in the Application; it is further

ORDERED Q Advisors, LLC shall be compensated in accordance with the procedures set forth in §§ 330 and 331 of the Bankruptcy Code, the Federal Rules of Bankruptcy Procedure, the guidelines promulgated by the Office of the United States Trustee, and the local rules and orders of this Court, provided that such compensation is an authorized use of cash collateral and such further procedures as may be fixed by order of this Court.

###

Order prepared and is being submitted by:

JACKSON WALKER, L.L.P.

Patricia B. Tomasco

State Bar No. 01797600

Jennifer F. Wertz

State Bar No. 24072822

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Austin, Texas 78701

(512) 236-2000

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Falmouth, ME 04105

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Boston, MA 02241-5721

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

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

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

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

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

Cogent Communications
P.O. Box 791087
Baltimore, MD 21279-1087

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

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

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

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

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

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

Hines Reit One Wilshire, L.P.
Dept 34124
P.O. Box 390000
San Francisco, CA 94139

Bandwidth.Com, Inc.
75 Remittance Drive, Suite 6647
Chicago, IL 60675

Pac Bell
P.O. Box 166490
Atlanta, GA 30321-0649

Arent Fox LLP
1050 Connecticut Ave. N.W.
Washington, DC 20036-5339

FPL FiberNet LLC
TJ412-01-0-R
ATTN: FISCAL SERVICES
2540 Shumard Oak Boulevard
Tallahassee, FL 32399-0850

Pilot Communications
P.O. Box 77766
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P. O. Box 21126
Philadelphia, PA 19114

United States Attorney
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Austin, TX 78701

United States Attorney General
Department of Justice
950 Pennsylvania Avenue NW
Washington, DC 20530

Texas Comptroller of Public Accounts
Revenue Accounting Division –
Bankruptcy Section
P.O. Box 13528
Austin, TX 78711

Texas Workforce Commission
TEC Building – Bankruptcy
101 East 15th Street
Austin, TX 78778

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Andrew J. Schumaker
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401 Congress Avenue, Suite 2100
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UPH Holdings, Inc./Pac-West Telecomm, Inc./Tex-
Link Communications, Inc./UniPoint Holdings, Inc.
UniPoint Enhanced Services, Inc./UniPoint Services,
Inc./nWire, LLC
Peering Partners Communications, Inc.
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