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U.S. DEPARTMENT OF COMMERCE
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TM-1492



To the Honorable Commissic

the attached original documents or copy thereof.

102513012
7-28-03

1. Name of conveying party(ies):

Viatel, Inc.

- Individual(s) Association
- General Partnership Limited Partnership
- Corporation-State
- Other _____

Additional name(s) of conveying party(ies) attached? Yes No

3. Nature of conveyance:

- Assignment Merger
- Security Agreement Change of Name
- Other **Reorganization per Bankruptcy Court Order**

Execution Date: June 7, 2002

2. Name and address of receiving party(ies):

Name: VTL, Inc.

Internal Address: _____

Street Address: 350 Bedford St., Suite 406-A,

Stamford, CT 06901

- Individual(s) citizenship _____
- Association _____
- General Partnership _____
- Limited Partnership _____
- Corporation Delaware
- Other _____

If assignee is not domiciled in the United States, a domestic representative designation is attached:
 Yes No

(Designations must be a separate document from assignment)
Additional name(s) & address(es) attached? Yes No

4. Application number(s) or registration number(s):

A. Trademark Application No.(s)

I hereby certify that this correspondence is being deposited with the United States Postal Services as First Class Mail in an envelope addressed to: Mail Stop Assignment Recordation Services, Director of the U.S. Patent and Trademark Office, P.O. Box 1450, Alexandria, VA 22313-1450 on July 24, 2003

Dated: 7/24/03

Thomas M. Furth
Thomas M. Furth

B. Trademark Registration No.(s)

1,785,855

FINANCE SECTION

Additional numbers attached? Yes No

5. Name and address of party to whom correspondence concerning document should be mailed:

Name: Thomas M. Furth, Esq.

Internal Address: Jordan and Hamburg LLP

Chanin Building

Suite 4000

Street Address: 122 East 42nd Street

City: New York State: New York Zip: 10168

6. Total number of applications and trademark/registrations involved:

1

7. Total fee (37 CFR 3.41):.....\$40.00

Enclosed

Authorized to be charged to deposit account

8. Deposit account number: 10-1250

DO NOT USE THIS SPACE

9. Statement and signature.

To the best of my knowledge and belief, the foregoing information is true and correct and any attached copy is a true copy of the original document.

Thomas M. Furth
Name of Person Signing

Thomas M. Furth
Signature

July 24, 2003
Date

Total number of pages including cover sheet, attachments, and document:

43

OMB No. 0651-011 (exp. 4/94)

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IN THE UNITED STATES BANKRUPTCY COURT
FOR THE DISTRICT OF DELAWARE

-----x
In re : Chapter 11
VIATEL, INC., et al., : Case No. 01-1599 (RSB)
Debtors. : Jointly Administered
-----x

FINDINGS OF FACT, CONCLUSIONS OF LAW AND ORDER
UNDER 11 U.S.C. § 1129(a) AND (b) CONFIRMING
FIRST AMENDED JOINT CHAPTER 11 PLAN OF REORGANIZATION
OF VIATEL, INC. AND CERTAIN OF ITS SUBSIDIARIES

WHEREAS, on February 28, 2002, Viatel, Inc. and certain of its subsidiaries, debtors and debtors-in-possession in the above-captioned case (collectively, the "Debtors"),¹ filed their Joint Chapter 11 Plan of Reorganization of Viatel, Inc. and Certain of its Subsidiaries, dated February 28, 2002; and

WHEREAS, on April 2, 2002, the Debtors filed their First Amended Joint Chapter 11 Plan of Reorganization of Viatel, Inc. and Certain of its Subsidiaries dated April 2, 2002, together with a related disclosure statement; and

¹ All capitalized terms not defined herein shall have the meanings ascribed to them in the Plan (as defined below).

WHEREAS, the Debtors also filed on April 2, 2002 their Amended Disclosure Statement with Respect to First Amended Joint Chapter 11 Plan of Reorganization of Viatel, Inc. and Certain of its Subsidiaries, dated April 2, 2002 (the "Disclosure Statement"); and

WHEREAS, on April 2, 2002, the Court entered orders which, among other things, (i) approved solicitation, voting and tabulation procedures, notice of the hearing on confirmation of the Plan (the "Confirmation Hearing Notice"), and certain deadlines (the "Solicitation Procedures Order"); and (ii) approved the adequacy of the Disclosure Statement pursuant to section 1125 of the Bankruptcy Code (the "Disclosure Statement Order"); and

WHEREAS, the Confirmation Hearing Notice, the Disclosure Statement, the Plan, certain notices of non-voting status (the "Non-Voting Notices"), and/or the appropriate Ballots (collectively, the "Solicitation Package") were transmitted to all holders of Claims and Interests and other parties in interest in accordance with Bankruptcy Rule 3017(d) and the Solicitation Procedures Order, as set forth in the affidavits of Kathleen Logan of Logan and Company, Inc., the Debtors' voting

agent, sworn to on April 15, 2002 and filed with the Court on May 10, 2002 (the "Solicitation Affidavit"); and

WHEREAS, the Confirmation Hearing Notice was published on April 15, 2002 in the national edition of the New York Times, as set forth in the affidavit of publication filed on May 16, 2002 (the "Publication Affidavit"); and

WHEREAS, on May 20, 2002, the Debtors filed an affidavit of Kathleen Logan of Logan and Company, Inc., the Debtors' voting agent, sworn to on May 17, 2002 (the "Tabulation Affidavit"), certifying the results of the ballot and master ballot tabulation for the class of claims voting to accept or reject the Plan; and

WHEREAS, pursuant to section 1128(a) of the Bankruptcy Code, the Court held a hearing commencing on May 21, 2002 (the "Confirmation Hearing") at 3:30 p.m. to consider confirmation of the Plan and any objections thereto (collectively, the "Objections").

NOW, THEREFORE, based upon the Court's review and consideration of (i) the affidavits and submissions previously filed with the Court, including the Solicitation Affidavit, the Tabulation Affidavit, and the Publi-

cation Affidavit; (ii) the record of the Confirmation Hearing (including all of the evidence proffered or adduced at such hearing, the pleadings, briefs, memoranda and other submissions filed in connection therewith, and the arguments of counsel made at such hearing); and (iii) the entire record of these Chapter 11 Cases; and after due deliberation thereon, and good cause appearing therefor, the Court makes the following findings of fact and conclusions of law²:

1. Exclusive Jurisdiction; Venue; Core Proceeding (28 U.S.C. §§ 157(b)(2) and 1334(a)). This Court has jurisdiction over the Chapter 11 Cases pursuant to 28 U.S.C. §§ 157 and 1334. Venue is proper pursuant to 28 U.S.C. §§ 1408 and 1409. Confirmation of the Plan is a core proceeding under 28 U.S.C. § 157(b)(2), and this Court has exclusive jurisdiction to determine whether the Plan complies with the applicable provisions of the Bankruptcy Code and should be confirmed.

2. Judicial Notice. Judicial notice is hereby taken of the docket of the Chapter 11 Cases main-

² Findings of fact shall be construed as conclusions of law and conclusions of law shall be construed as findings of fact when appropriate. See Fed. R. Bankr. P. 7052.

tained by the Clerk of the Court and/or its duly-appointed agent, including, without limitation, all pleadings and other documents filed, all orders entered, and the transcripts of, and all evidence and arguments made, proffered, or adduced at, the hearings held before the Court during the pendency of the Chapter 11 Cases.

3. Transmittal and Mailing of Materials;

Notice. Due, adequate, and sufficient notice of the Disclosure Statement, the Plan, and the Confirmation Hearing, along with all deadlines for voting on or filing objections to the Plan, has been given to all known holders of Claims and/or Interests in accordance with the Bankruptcy Rules and the procedures set forth in the Solicitation Procedures Order and further orders of the Court. The Disclosure Statement, Plan, Ballots, Non-Voting Notices and Confirmation Hearing Notice were transmitted and served in substantial compliance with the Bankruptcy Rules, the Solicitation Procedures Order, and any other applicable orders of the Court, and such transmittal and service were adequate and sufficient. Adequate and sufficient notice of the Confirmation Hearing and the other bar dates and hearings described in the Solicitation Procedures Order and any other applicable

orders of the Court was given in compliance with the Bankruptcy Rules, the Solicitation Procedures Order, and other applicable orders of the Court, and no other or further notice is or shall be required.

4. Distribution. All procedures used to distribute the solicitation materials to the applicable holders of Claims and to tabulate the Ballots were fair and conducted in accordance with the Solicitation Procedures Order, the Bankruptcy Code, the Bankruptcy Rules, the local rules of the Bankruptcy Court, and any other applicable rules, laws, and regulations.

5. Impaired Classes That Have Voted to Accept the Plan. As evidenced by the Tabulation Affidavit, which certified the results of the voting on the Plan Class 4, the only Class entitled to vote, has accepted or is deemed to have accepted the Plan pursuant to the Solicitation Procedures Order and the requirements of sections 1124 and 1126 of the Bankruptcy Code. Thus, at least one impaired class of Claims has voted to accept the Plan, determined without including any acceptance of the Plan by an insider.

6. Classes Deemed to Have Accepted the Plan. Classes 1, 2, 3.01 and 3.02 are not impaired and are

deemed to have accepted the Plan pursuant to section 1126(f) of the Bankruptcy Code.

7. Classes Deemed to Have Rejected the Plan.

Classes 5 and 6 will receive no distribution under the Plan and are deemed to have rejected the Plan pursuant to section 1126(g) of the Bankruptcy Code.

8. Burden of Proof. The Debtors, as proponents of the Plan, have met their burden of proving, by a preponderance of the evidence, the elements of sections 1129(a) and (b) of the Bankruptcy Code. The Court also finds that the Debtors have satisfied the elements of sections 1129(a) and (b) of the Bankruptcy Code under the clear and convincing standard of proof.

9. Modifications to Plan. The modifications to the Plan set forth on the record of the Confirmation Hearing and made by this Confirmation Order do not materially and adversely affect or change the treatment of any creditor who has not accepted such modifications. Accordingly, pursuant to Fed. R. Bankr. P. 3019, these modifications neither require additional disclosure under section 1125 of the Bankruptcy Code nor re-solicitation of acceptances or rejections under section 1126 of the Bankruptcy Code, nor do they require that holders of

Claims be afforded an opportunity to change previously cast acceptances or rejections of the Plan. Disclosure of the modifications on the record of the Confirmation Hearing constitutes due and sufficient notice thereof under the circumstances of the Chapter 11 Cases. Accordingly, pursuant to section 1127 of the Bankruptcy Code, and Bankruptcy Rule 3019, all holders of Claims that have accepted or are conclusively deemed to have accepted the Plan are deemed to have accepted such modifications to the Plan.

10. Plan Compliance with Bankruptcy Code (11 U.S.C. § 1129(a)(1)). The Plan complies with the applicable provisions of the Bankruptcy Code and the Bankruptcy Rules, thereby satisfying 11 U.S.C. § 1129(a)(1).

11. Proper Classification (11 U.S.C. §§ 1122, 1123(a)(1)). The Plan designates six (6) Classes of Claims and Interests. The Claims and Interests placed in each Class are substantially similar to other Claims or Interests, as the case may be, in each such Class, and such classification is therefore consistent with section 1122 of the Bankruptcy Code. Equity Interests are placed in Class 6, and are classified separately from all Claims against the Debtors, which are placed in Classes 1

through 5. Secured Claims (Classes 3.01 and 3.02) are separately classified from unsecured Claims (Classes 1, 2, 4, and 5) and each secured Claim is given a separate subclass within Class 3. Unsecured Claims are first subdivided into priority Claims (Class 1) and non-priority Claims (Classes 2, 4, and 5). Non-priority unsecured Claims are then divided further into Convenience Claims (Class 2), General Unsecured Claims (Class 4) and Intercompany Claims (Class 5). In sum, the Plan's classification scheme recognizes the differing legal and equitable rights of creditors versus Interest holders, secured versus unsecured Claims, and priority versus non-priority Claims. Accordingly, the Plan satisfies section 1123(a)(1) of the Bankruptcy Code.

12. Specified Treatment of Unimpaired Classes 11 U.S.C. § 1123(a)(2). Article III.B of the Plan specifies that Classes 1, 2, 3.01 and 3.02 are not impaired under the Plan, thereby satisfying section 1123(a)(2) of the Bankruptcy Code.

13. Specified Treatment of Impaired Classes (11 U.S.C. § 1123(a)(3)). Article III.C of the Plan specifies the treatment of the impaired Classes of Claims (Classes 4 and 5) and Interests (Class 6), thereby satis-

ying section 1123(a)(3) of the Bankruptcy Code.

14. No Discrimination (11 U.S.C. § 1123(a)(4)). The Plan provides the same treatment for each Claim or Interest within each respective Class unless the holder of a particular Claim or Interest has agreed to other treatment of such Claim or Interest, thereby satisfying section 1123(a)(4) of the Bankruptcy Code.

15. Implementation of the Plan (11 U.S.C. § 1123(a)(5)). Article IV of the Plan provides adequate and proper means for implementation of the Plan, thereby satisfying 1123(a)(5) of the Bankruptcy Code. Among other things, Article IV provides for (i) the dissolution of the Debtors for all purposes, (ii) the cancellation of all Equity Securities issued and outstanding or held in treasury, the Debt Securities and any other note, bond, indenture or other instrument or document evidencing or creating any indebtedness or obligation of the Debtors, (iii) the transfer of specified equity interests, (iv) the vesting of the property of the Debtors and the Estates in VTL, Inc., to the extent not otherwise disposed of pursuant to the Plan, and (v) the substantive consolidation of the Debtors' Estates.

Other articles of the Plan provide means for implementation of the Plan as well. For example, Article VI describes the securities and instruments to be issued in connection with the Plan; Article VII includes provisions regarding distributions under the Plan; Article VIII provides for the treatment of executory contracts and unexpired leases; Article IX establishes procedures for resolving disputed, contingent, and unliquidated Claims; and Article XII provides for the continuing jurisdiction over matters arising out of or related to these Chapter 11 Cases and the Plan.

16. Nonvoting Equity Securities (11 U.S.C. § 1123(a)(6)). Pursuant to Article IV.B of the Plan, the Debtors are to be dissolved as soon as reasonably practicable after the Effective Date of the Plan. The Debtors will thus cease to exist soon after the Effective Date of the Plan. On or before the Effective Date, the memorandum of association of Viatel Bermuda will be amended to contain appropriate provisions consistent with section 1123(a)(6), thereby satisfying that subsection of the Bankruptcy Code.

17. Selection of Officers and Directors (11 U.S.C. §1123(a)(7)). The provisions of the Plan

regarding the manner of selection of the board of directors of Viatel Bermuda are consistent with the interests of creditors and Interest holders and with public policy, thereby satisfying 1123(a)(7) of the Bankruptcy Code. Specifically, Article IV.C of the Plan provides that the initial board of directors of Viatel Bermuda shall consist of at least five (5) members, which shall include the chief executive officer of Viatel Bermuda (Michael J. Mahoney) and four (4) members which shall be selected by the Creditors' Committee, two of whom will qualify as independent outside directors. The Creditors' Committee has designated Alok Sama, Dennis Belcher, Thomas Doster and Leslie Goodman as the initial board members.

18. Impairment of Classes (11 U.S.C. § 1123(b)(1)). In accordance with section 1123(b)(1) of the Bankruptcy Code, Article III of the Plan impairs or leaves unimpaired, as the case may be, each class of Claims and Interests under the Plan.

19. Treatment of Executory Contracts and Unexpired Leases (11 U.S.C. § 1123(b)(2)). The Plan constitutes a motion by the Debtors to reject all executory contracts and unexpired leases in effect on the

Confirmation Date, except those contracts and leases identified as executory contracts to be assumed by the Debtors under the Plan. The Debtors' decision regarding the assumption or rejection of the executory contracts is based on and is within the sound business judgment of the Debtors, and is in the best interests of the Debtors, their Estates, and their creditors and Interest holders. In accordance with the Plan, any Claim resulting from the rejection of an executory contract or unexpired lease which is not already the subject of a timely filed proof of claim must be filed with the Clerk of the Bankruptcy Court and served upon counsel for the Debtors within thirty days after service of notice of entry of the Confirmation Order. Any Claim not filed by the deadline will be unenforceable and forever barred. Accordingly, the Plan complies with section 1123(b)(2) of the Bankruptcy Code.

20. Retention, Enforcement, and Settlement of Claims Held by the Debtors (11 U.S.C. § 1123(b)(3)). In accordance with Article IV.G of the Plan, VTL, as successor to the Debtors, will be authorized to enforce, prosecute, settle or compromise all Litigation Rights, including but not limited to those

set forth on Exhibit C to the Plan. Accordingly, the Plan complies with section 1123(b)(3) of the Bankruptcy Code.

21. Rights of Holders of Claims (11 U.S.C. § 1123(b)(5)). The Plan does not propose to modify the rights of holders of Claims. Accordingly, section 1123(b)(5) of the Bankruptcy Code is inapplicable.

22. Other Provisions Not Inconsistent with Title 11 (U.S.C. § 1123(b)(6)). In accordance with section 1123(b)(6) of the Bankruptcy Code, the Plan includes appropriate provisions that are not inconsistent with the applicable provisions of the Bankruptcy Code.

23. Cure of Defaults (11 U.S.C. § 1123(d)). Any monetary amounts by which any executory contract and unexpired lease to be assumed under the Plan is in default shall be satisfied, under section 365(b)(1) of the Bankruptcy Code, at the option of the Debtor party to the contract or lease or its assignee, by cure. The amount necessary to cure shall be determined in accordance with the underlying agreement and applicable nonbankruptcy law and such amounts are set forth on Exhibit E to the Plan. Accordingly, section 1123(d) of

the Bankruptcy Code is satisfied.

24. The Debtors' Compliance with the Bankruptcy Code (11 U.S.C. § 1129(a)(2)). The Debtors have complied with the applicable provisions of the Bankruptcy Code, thereby satisfying section 1129(a)(2) of the Bankruptcy Code.

25. Plan Proposed in Good Faith (11 U.S.C. § 1129(a)(3)). The Debtors have proposed the Plan in good faith and not by any means forbidden by law, thereby satisfying section 1129(a)(3) of the Bankruptcy Code. This Court has examined the totality of the circumstances surrounding the formulation of the Plan. Based upon the evidence presented at the Confirmation Hearing, the Court finds and concludes that the Plan has been proposed with the legitimate and honest purpose of restructuring the Debtors' debts, making distributions pursuant to the Plan and in accordance with the priorities set forth in the Bankruptcy Code and successfully emerging from Chapter 11. The Plan is the product of extensive arm's-length negotiations among the Debtors, the Creditors' Committee, and other parties-in-interest, which itself provides independent evidence of the good faith of the Debtors in proposing the Plan.

26. Payment for Services or Costs and Expenses (11 U.S.C. § 1129(a)(4)). Any payments made or to be made by the Debtors or VTL for services or for costs and expenses accruing prior to confirmation in or in connection with the Chapter 11 Cases, or in connection with the Plan and incident to the Chapter 11 Cases, have been approved by, or are subject to the approval of, the Court as reasonable, thereby satisfying section 1129(a)(4) of the Bankruptcy Code. Specifically, (i) all fees and expenses incurred by Professionals will be subject to the Court's final approval following the filing of final fee applications under section 330 of the Bankruptcy Code and (ii) in the event of a dispute, the reasonable postpetition fees and expenses of the indenture trustees, including fees and expenses for distribution services rendered pursuant to the Plan, will be subject to the Court's approval.

27. Identification of Directors, Officers, and Insiders (11 U.S.C. § 1129(a)(5)). The Debtors have complied with section 1129(a)(5) of the Bankruptcy Code by disclosing at or prior to the Confirmation Hearing as required by the Plan (i) the identity and affiliations of any individual proposed to serve, after confirmation

of the Plan, as a member of the initial board of directors of Viatel Bermuda, which board shall appoint the officers of Viatel Bermuda on the Effective Date; and (ii) the identity and nature of compensation of any insider who will be employed or retained by the Debtors or VTL after confirmation of the Plan. The appointment to such position of such individual(s) is consistent with the interests of the creditors and Interest holders and with public policy.

28. No Rate Changes (11 U.S.C. §1129(a)(6)). No governmental regulatory commission has jurisdiction over rates of the Debtors after confirmation of the Plan. Thus, section 1129(a)(6) of the Bankruptcy Code is not applicable in these Chapter 11 Cases.

29. Best Interest of Creditors Test (11 U.S.C. § 1129(a)(7)). The Plan satisfies section 1129(a)(7) of the Bankruptcy Code. Specifically:

- a. The Liquidation Analysis contained in the Disclosure Statement and other evidence regarding the subject thereof that has been proffered or adduced at or prior to the Confirmation Hearing have not been controverted by other evidence. The methodology used and assumptions made in connection with the Liquidation Analysis, as supplemented by other evidence at the Confirmation Hearing, are reasonable.

- b. Each holder of a Claim or holder of an Interest in each Impaired Class either has accepted the Plan or will receive or retain under the Plan on account of such Claim or Interest property of a value, as of the Effective Date of the Plan, that is not less than the amount that such holder would receive or retain if the Debtors were liquidated under Chapter 7 of the Bankruptcy Code on such date. No Class has made an election under section 1111(b)(2) of the Bankruptcy Code.

30. Acceptance by Certain Classes (11 U.S.C. § 1129(a)(8)). Except for the Classes deemed to reject the Plan, (described in paragraph 7 above), each Class of Claims has accepted the Plan, or is not impaired under the Plan and therefore is conclusively presumed to have accepted the Plan without the need for solicitation of acceptances or rejections with respect to such Class. Because not all Impaired Classes of Claims and Interests have accepted the Plan or are deemed to have accepted the Plan, the requirements of section 1129(a)(8) have not been met, thus requiring application of section 1129(b) of the Bankruptcy Code.

31. Treatment of Administrative, Other Priority Claims and Priority Tax Claims (11 U.S.C. § 1129(a)(9)). The treatment of Administrative Claims under Article III.A.1 of the Plan satisfies the require-

ments of section 1129(a)(9)(A) of the Bankruptcy Code; the treatment of Other Priority Claims under Article III.B.1 of the Plan satisfies the requirements of section 1129(a)(9)(B) of the Bankruptcy Code; and the treatment of Priority Tax Claims under Article III.A.2 of the Plan satisfies the requirements of section 1129(a)(9)(C) of the Bankruptcy Code.

32. Acceptance by Impaired Classes (11 U.S.C. § 1129(a)(10)). At least one Class of Claims that is impaired under the Plan has accepted the Plan, determined without including any acceptance of the Plan by any insider of the Debtors holding a Claim in such Class, thereby satisfying section 1129(a)(10) of the Bankruptcy Code.

33. Feasibility (11 U.S.C. § 1129(a)(10)). The projections set forth in the Disclosure Statement and other evidence proffered or adduced by the Debtors at the Confirmation Hearing with respect to feasibility (a) is persuasive and credible, (b) has not been controverted by other evidence or challenged in any of the Objections, and (c) establishes that confirmation of the Plan is not likely to be followed by the liquidation, or the need for further financial reorganization, of the

Viatel Group, thus satisfying the requirements of Bankruptcy Code section 1129(a)(11).

34. Payment of Fees (11 U.S.C. § 1129(a)(12)). All fees payable under 28 U.S.C. § 1930, as determined by the Court at the Confirmation Hearing, will be paid on or before the Effective Date of the Plan pursuant to Article XV.D of the Plan, thereby satisfying section 1129(a)(12) of the Bankruptcy Code.

35. Continuation of Retiree Benefits (11 U.S.C. § 1129(a)(13)). Section 1129(a)(13) of the Bankruptcy Code requires the continuation of retiree benefits at levels established pursuant to section 1114 of the Bankruptcy Code for the duration of the period that the debtor has obligated itself to provide such benefits. Article VIII.D of the Plan provides that all employee compensation contracts and Benefit Plans not previously assumed shall be treated as executory contracts under the Plan and shall, as of the Confirmation Date, be automatically rejected only to the extent such rejection does not violate sections 1114 and 1129(a)(13) of the Bankruptcy Code, thereby satisfying section 1129(a)(13) of the Bankruptcy Code.

36. Identification of Plan Proponent
(Fed. R. Bankr. P. 3016(a)). The Plan satisfies Bankruptcy Rule 3016(a) by identifying the date of the Plan and the proponents of the Plan.

37. Fair and Equitable; No Unfair Discrimination (11 U.S.C. § 1129(b)). Class 4 General Unsecured Claims and Class 5 Intercompany Claims are Impaired Classes of Claims under the Plan. Class 4 has voted to accept the Plan. Class 5 is deemed to have rejected the Plan pursuant to Bankruptcy Code section 1126(g). Pursuant to section 1129(b) of the Bankruptcy Code, the Court finds that the Plan does not discriminate unfairly, and is fair and equitable, with respect to Class 5 Intercompany Claims. There is no Claim or Interest that is junior to Class 5 Intercompany Claims that has received or is retaining any property under the Plan on account of a junior Claim or Interest, and no Class of Claims senior to Class 5 Intercompany Claims is receiving more than full payment on account of the Claims in such Class. Class 6 is an Impaired Class of Interests that is deemed to have rejected the Plan pursuant to Bankruptcy Code section 1126(g) because the holders of such Interests will not receive or retain any

property under the Plan on account of such Interests. The Plan does not discriminate unfairly, is fair and equitable with respect to Class 6, as required by Bankruptcy Code section 1129(b)(1), and no class of Interests junior to such class is receiving or retaining any property under the Plan. Thus, the Plan may be confirmed notwithstanding the Debtors' failure to satisfy Bankruptcy Code section 1129(a)(8) and the Plan satisfies section 1129(b) as to each of the Classes described above.

38. Principal Purpose of Plan (11 U.S.C. § 1129(d)). The principal purpose of the Plan is not the avoidance of taxes or the avoidance of the application of Section 5 of the Securities Act of 1933 (15 U.S.C. § 77e), and no governmental unit has objected to confirmation of the Plan on such bases, thereby satisfying section 1129(d) of the Bankruptcy Code.

39. Objections. All Objections to Confirmation filed with the Court have been withdrawn, settled, or overruled.

40. Plan Settlements. There are no proposed settlements set forth in the Plan.

41. Exemption from Securities Laws (11 U.S.C. § 1145(a)). The offer, sale, issuance and distribution of the New Shares in connection with consummation of the Plan and in exchange for Claims against the Debtors, other than the Shares underlying the New Stock Options, shall be exempt from registration under the Securities Act of 1933, as amended, pursuant to section 1145 of the Bankruptcy Code, except to the extent that holders of the New Shares are "issuers" or "underwriters," as those terms are defined in section 1145 of the Bankruptcy Code.

42. Good Faith Solicitation; Good Faith Sale of Securities (11 U.S.C. § 1125(e)). The Debtors, their respective officers, directors, employees, agents, accountants, business consultants, representatives, attorneys, and advisors, through their participation in the negotiation and preparation of the Plan and the Disclosure Statement and their efforts to confirm the Plan, have solicited acceptances and rejections of the Plan in good faith. The Debtors and their respective officers, directors, employees, agents, accountants, business consultants, representatives, attorneys, and advisors, have participated in the Chapter 11 Cases in

compliance with the applicable provisions of the Bankruptcy Code, and each was a "participant" acting in good faith and in compliance with the applicable provisions of the Bankruptcy Code, "in the offer, issuance, sale, or purchase of a security, offered or sold under the plan, of the debtor, of an affiliate participating in a joint plan with the debtor, or of a newly organized successor to the debtor under the plan" pursuant to section 1125(e) of the Bankruptcy Code, and each is hereby entitled to the full protections of 11 U.S.C. § 1125(e).

43. Exculpation, Limitation of Liability, Indemnification and Release. The exculpation and limitation of liability, indemnification and release provisions set forth in Articles XIII.C through XIII.F of the Plan are hereby approved.

Section 105(a) of the Bankruptcy Code permits the approval of the exculpation and limitation of liability, indemnification and release provisions set forth in Article XIII of the Plan, especially where, as here, such provisions are essential to the formulation and implementation of the Plan as provided in section 1123(a)(5) of the Bankruptcy Code, confer material bene-

fits on the Debtors' estate, and are in the best interests of the Debtors, the Debtors' Estates and their creditors. Failure to effect the exculpation and limitation of liability, indemnification and release provisions of the Plan would impair the Debtors' ability to confirm the Plan.

On the basis of the written record of these Chapter 11 Cases and the evidence presented at the Confirmation Hearing, this Court finds and concludes that it has jurisdiction to approve the exculpation and limitation of liability, indemnification and release provisions set forth in Article XIII of the Plan and that such provisions of the Plan are consistent with sections 105, 524, 1123, and 1129 of the Bankruptcy Code.

44. No Liquidation. Because the Plan does not provide for the liquidation of all or substantially all of the property of the Debtors' Estates and the Viatel Group will engage in business following consummation of the Plan, section 1141(d)(3) of the Bankruptcy Code is not applicable.

45. Conditions to Confirmation. Each of the conditions to confirmation set forth in Article X.A has been either satisfied or waived.

46. Jurisdiction. The Court will retain jurisdiction over all matters arising out of or relating to these Chapter 11 cases and the Plan to the fullest extent provided by law, including those matters set forth in Article XII of the Plan.

DECREES

NOW, THEREFORE, IT IS HEREBY ORDERED, ADJUDGED, AND DECREED AS FOLLOWS:

A. Modification. The Plan, as modified by any modification presented to the Court at or prior to the Confirmation Hearing, is the Plan before the Court. The modifications set forth in the Plan do not adversely change the treatment of any Claim of any creditor or the Interest of any equity holder and, therefore, no further solicitation of votes is required. The Plan as modified is deemed accepted by all creditors and equity holders who have previously accepted the Plan prior to its modification and no further disclosure regarding the Plan is required.

B. Confirmation. The Plan, a copy of which is attached hereto as Exhibit A, is hereby confirmed, and all acceptances and rejections previously cast for or against the Plan are hereby deemed to constitute

acceptances or rejections of the Plan as modified, and all parties in interest are authorized and empowered, or enjoined, as the case may be, to act in accordance with its terms.

C. Objections. Each of the Objections to confirmation of the Plan, which has not been withdrawn, waived, or settled, and all reservations of rights included therein, are overruled. To the extent that pleadings or letters filed by individuals or entities constitute Objections to confirmation of the Plan and have not been withdrawn, waived, or settled, they are overruled.

D. Substantive Consolidation. The Plan is deemed to be a motion for entry of an order substantively consolidating the Estates and the Chapter 11 Cases. Such request for substantive consolidation is appropriate in these Chapter 11 Cases and the Debtors' Estates are substantively consolidated for the purposes of determining the right to distributions under the Plan.

E. Authorization of VTL, Inc. to Dissolve the Debtors. The officers of VTL, Inc. ("VTL") are appointed as the authorized signatories to execute on

behalf of each Debtor any and all documents, including, but not limited to, all corporate resolutions, statements, notices, tax returns, certificates of dissolution and other documents necessary to accomplish the dissolution of the Debtors.

F. Disbursing Agent. From and after the Effective Date, VTL, or any other party designated by VTL, shall serve as Disbursing Agent to make all distributions required under the Plan.

G. Preservation of Rights of Action. Except as otherwise set forth in the Plan, in this Confirmation Order or in any other agreement entered into in connection with the Plan, VTL shall retain the Litigation Rights and VTL may enforce, sue on, settle or compromise (or decline to do any of the foregoing) the Litigation Rights, in accordance with section 1123(b) of the Bankruptcy Code and Article IV.G of the Plan.

H. Issuance of New Shares. The issuance of the New Shares, including the New Stock Options, in accordance with Articles IV and VI of the Plan, is hereby authorized.

I. Executory Contracts. In accordance with Article VIII.A of the Plan, all executory contracts and

unexpired leases in effect on the Confirmation Date, except those executory contracts and unexpired leases, if any, identified as executory contracts or unexpired leases to be assumed by the Debtors under the Plan, are hereby rejected.

Any Claim resulting from the rejection of an executory contract or unexpired lease which is not already the subject of a timely filed proof of claim must be filed with the Clerk of the Bankruptcy Court and the Claims Agent and served upon counsel for the Debtors within thirty (30) days after service of a notice of entry of the Confirmation Order. Any Claim not filed and served by such deadline shall be deemed waived and forever barred.

All executory contracts and unexpired leases identified on Exhibit E to the Plan (as amended) are hereby assumed and the cure amounts listed thereon are hereby approved. Notice of such assumption and cure and notice of the opportunity to object thereto was sufficient.

J. Setoff. As set forth in Article VII.I of the Plan, the Debtors or the Disbursing Agent may, but shall not be required to, set off against any Claim and

the payments or other distributions to be made under the Plan on account of the Claim, claims of any nature whatsoever that the Debtors had or may have against the holder thereof or that the Disbursing Agent received from any Debtor against the holder thereof.

K. Binding Effect. Effective as of the Confirmation Date, but subject to the occurrence of the Effective Date, in accordance with section 1141(a) of the Bankruptcy Code, the Plan, its provisions, and this Order shall be binding upon: (i) the Debtors, (ii) any entity acquiring or receiving property or a distribution under the Plan, (iii) all present and former holders of Claims and Interests whether or not such Claims or Interests are impaired under the Plan and regardless of whether such holders have accepted the Plan, and (iv) their respective successors and assigns.

L. No Revesting of Assets. The property of the Debtors' Estates shall not revert in the Debtors on or after the Effective Date but shall, to the extent not specifically disposed of pursuant to the Plan, vest in VTL. Thereafter, VTL may operate its businesses and may use, acquire and dispose of property free of any restrictions of the Bankruptcy Code, the

Bankruptcy Rules and the Court.

M. Approval of Initial Managing Board. In accordance with Article IV.C.2 of the Plan, and pursuant to section 1129(a)(5)(A)(ii) of the Bankruptcy Code, the Court approves, as consistent with the interests of holders of Claims and Interests and with public policy, the selection of Michael J. Mahoney, the chief executive officer of Viatel Bermuda, Alok Sama and Leslie Goodman who qualify as independent outside directors, and Thomas Doster and Dennis Belcher to serve as the initial board of directors of Viatel Bermuda.

N. Distribution Date. The Distribution Date, for purposes of making distributions under the Plan on account of Claims that are Allowed Claims as of the Effective Date, means the date occurring as soon as practicable after the Effective Date provided that the Distribution Date shall not occur later than twenty (20) Business Days after the Effective Date.

O. Cancellation of Existing Securities and Agreements. On the Effective Date, except as otherwise provided for in the Plan, (i) the Debt Securities and any other note, bond, indenture or other instrument or document evidencing or creating any indebtedness or

obligation of the Debtors will be deemed canceled and of no further force and effect and (ii) all Equity Securities issued and outstanding or held in treasury shall be canceled and retired and no consideration will be paid or delivered with respect thereto.

P. Exemption from Certain Transfer Taxes. In accordance with section 1146(c) of the Bankruptcy Code and Article IV.I of the Plan, the issuance, transfer, exchange of a security or delivery of an instrument of transfer under the Plan shall not be taxed under any law imposing a document recording tax, stamp tax, conveyance fee, intangibles or similar tax, mortgage tax, stamp act, real estate transfer tax, mortgage recording tax, or other similar tax or governmental assessment. All state or local government officials and agents are directed to forego the assessment and collection of any such tax or governmental assessment and to accept for filing and recordation any of the foregoing instruments or other documents without the payment of any such tax or governmental assessment.

Q. Injunction. Except as otherwise expressly provided in the Plan, this Confirmation Order, or a separate order of this Court, all injunctions set forth

in the Plan are approved.

R. Exculpation. Except as otherwise expressly provided in the Plan, this Confirmation Order or a separate order of this Court, the exculpation and limitation of liability provisions set forth in Article XIII.F of the Plan are approved.

S. Indemnification. Except as otherwise expressly provided in the Plan, this Confirmation Order or a separate order of this Court, the indemnification provisions set forth in Article XIII.E of the Plan are approved.

T. Releases. Pursuant to Bankruptcy Code section 1123(b)(3), the releases, discharges, exculpations, and injunctions set forth in the Plan, including, but not limited to, the releases set forth in Articles XIII.C and D of the Plan and implemented by this Confirmation Order shall be, and hereby are, approved as fair, equitable, reasonable and in the best interests of the Debtors, their Estates, Creditors and Equity Interest Holders and the Viatel Group. The releases of and by non-Debtors under the Plan are fair to holders of Claims and Interests and are necessary to the proposed reorganization, and set forth the proper standard of liabil-

ity, thereby satisfying the requirements of PWS Holding Corp., 228 F.3d 224, 246 (3d Cir. 2000), In re Continental Airlines, Inc., 203 F.3d 203, 214 (3d Cir. 2000), and In re Zenith Electronics Corp., 241 B.R. 92, 110-11 (Bankr. D. Del. 1999). In addition, the releases of and by non-Debtors who voted for the Plan are voluntary and reasonable given the scope of the releases. See Zenith, 241 B.R. at 110-11.

U. Plan Classification Controlling. The classification of Claims and Interests for purposes of the distributions to be made under the Plan is governed solely by the terms of the Plan. The classifications set forth on the Ballots tendered to or returned by the holders of Claims and Interests in connection with voting on the Plan (a) were set forth thereon solely for purposes of voting on the acceptance or rejection of the Plan and tabulation of such votes, (b) do not necessarily represent and in no event shall be deemed to modify or otherwise affect the actual classification of such Claims and Interests under the terms of the Plan for distribution purposes, and (c) may not be relied upon by any creditor or equity holder as actually representing the actual classification of such Claims and Interests

under the terms of the Plan for distribution purposes.

V. Payment of Administrative Claims. Except as otherwise provided in the Plan, the Administrative Claims Bar Date for the filing of Administrative Claims, other than Professional Fee Claims, shall be sixty (60) days after the Effective Date and the Debtors shall have sixty (60) Business Days after receipt of a request for payment of an Administrative Claim to object to such request.

Holders of asserted Administrative Claims not paid prior to the Confirmation Date must file a request for payment of such Administrative Claim on or before the Administrative Claims Bar Date or forever be barred from doing so. The notice of Confirmation to be delivered pursuant to Fed. R. Bankr. P. 3020(c) and 2002(f) will set forth such date and shall constitute notice of the Administrative Claims Bar Date.

W. Payment of Professional Fees. All final requests for compensation or reimbursement of Professional Fees shall be filed and served on the Debtors, VTL and their counsel no later than sixty (60) days after the Effective Date of the Plan, unless otherwise extended by the Court. Any objection to an application

of such Professional or other entity for compensation or reimbursement of expenses shall be filed and served on the Disbursing Agent, its Counsel, and the requesting Professional or other entity no later than sixty (60) days after the date on which such application was served, unless otherwise extended by the Court.

X. Payment of Fees Arising Under 28 U.S.C. § 1930. All fees payable under 28 U.S.C. § 1930, as determined by the Court at the Confirmation Hearing, shall be paid on or before the Effective Date. All such fees arising after the Effective Date but before the closing, dismissal or conversion of the Chapter 11 Cases shall be paid from funds otherwise available for distribution under the Plan.

Y. Retention of Jurisdiction. The Court shall retain jurisdiction in accordance with the terms of Article XII of the Plan, the other provisions of this Confirmation Order, and sections 1142 and 105 of the Bankruptcy Code. Until these Chapter 11 Cases are closed, any party in interest may commence a proceeding in the Court in respect of any matter as to which jurisdiction has been retained.

Z. Post-Confirmation Modifications to Plan.

Provided that notice is served in accordance with the Bankruptcy Rules or order of the Court, the Debtors may modify the Plan after the Confirmation Date to the fullest extent permitted under section 1127 of the Bankruptcy Code.

AA. Reference to Plan. Any document related to the Plan that refers to a chapter 11 plan of the Debtors other than the Plan confirmed by this Confirmation Order shall be, and hereby is, deemed to be modified such that such reference to a chapter 11 plan of the Debtors in such document shall mean the Plan confirmed by this Confirmation Order, if appropriate.

BB. Inconsistency. In the event of an inconsistency between the Plan and any other agreement, instrument, or document intended to implement the provisions of the Plan, the Plan shall govern unless otherwise expressly provided in such agreements, instruments, or documents. In the event of any inconsistency between the Plan and any agreement, instrument, or document intended to implement the Plan and this Confirmation Order, the provisions of this Confirmation Order shall govern. This Confirmation Order shall supersede any

orders of the Court issued prior to the Effective Date that may be inconsistent herewith.

CC. Notice of Entry of Confirmation Order.

In accordance with Bankruptcy Rules 2002 and 3020(c), on or before ten Business Days after the Confirmation Date, the Debtors (or their agents) shall give notice of the entry of this Confirmation Order, in substantially the form of Exhibit B annexed hereto (the "Notice of Confirmation"), by United States first class mail postage prepaid, by hand, or by overnight courier service to:

(i) the United States Trustee; (ii) counsel for the Creditors' Committee; (iii) the Securities and Exchange Commission; (iv) the District Director of Internal Revenue (Wilmington); (v) the United States Attorney for the District of Delaware; (vi) each department, agency, or instrumentality of the United States that asserts a non-tax claim against the Debtors; (vii) the entities who objected to the confirmation of the Plan; (viii) entities who requested notices under Bankruptcy Rule 2002; (ix) the Indenture Trustees; (x) all creditors who have filed proofs of Claim in these Chapter 11 Cases or who are scheduled in the Debtors' Schedules, or any amendment or modification thereto; and (xi) all holders of

Interests as of March 25, 2002; provided however, that the giving of notice of the entry of this Confirmation Order to the holders of Claims (including beneficial holders) based on the Debt Securities of the Debtors shall be sufficient if the Notice of Confirmation is sent to holders of record, as of March 25, 2002, of such Debt Securities and to the Indenture Trustees.

DD. Returned Mail. Notwithstanding anything to the contrary contained herein, no notice or service of any kind will be required to be mailed or made upon any person to whom the Debtors mailed a notice of the last date for filing proofs of claim in these Chapter 11 Cases, the notice of the Disclosure Statement Hearing, or the various solicitation packages containing, among other things, notice of the Confirmation Hearing, but received any of such notices returned marked "undeliverable as addressed," "moved - left no forwarding address," or "forwarding order expired," or similar reason, unless the Debtors have been informed in writing by such person of that person's new address.

EE. Publication Notice. VTL shall publish the Notice of Confirmation within fifteen Business Days after the Confirmation Date in the national edition of

The New York Times.

FF. Sufficiency of Notice of Confirmation.

Mailing and publication of the Notice of Confirmation in the time and manner set forth in the preceding paragraphs are adequate and satisfy the requirements of Bankruptcy Rules 2002 and 3020(c), and no further notice is necessary.

GG. Authorization to Close. The Court hereby authorizes the Debtors to consummate the Plan immediately after entry of this Confirmation Order subject to the occurrence or waiver of the conditions precedent to the Plan's consummation set forth in Article X.B of the Plan.

HH. Waiver of Fed. R. Bankr. P. 3020(e).

Pursuant to Fed. R. Bankr. P. 3020(e) and Fed. R. Civ. P. 62(a), the ten-day stay of this Confirmation Order imposed thereby is waived. The Debtors are authorized to consummate the Plan and the transactions contemplated thereby immediately upon, or concurrently with, satisfaction of the conditions set forth in the Plan.

II. Efficacy of Plan. The failure to specifically include any particular provision of the Plan in this Confirmation Order shall not diminish or impair the

efficacy of such provision, it being understood that the intent of this Court is that the Plan be confirmed and approved in its entirety.

JJ. Implementation of Plan. The Debtors, Viatel Bermuda and VTL are hereby authorized and directed to (i) take all actions and (ii) enter into all contracts, instruments, agreements or documents, in each case necessary or appropriate to implement the Plan.

KK. Nonseverability of Confirmation Order. The provisions of the Confirmation Order including the findings of fact and conclusions of law are nonseverable and mutually dependent.

LL. Sonus Networks, Inc. Having previously rejected their license of proprietary software of Sonus Networks, Inc. ("Sonus") that was used to operate certain switching equipment (the "Sonus Software") under that certain Purchase and License Agreement, the Debtors do not contemplate the continued use of Sonus Software pursuant to the Plan. Hereafter, neither the Debtors nor the Viatel Group will use the Sonus Software unless subject to an appropriate license agreement.

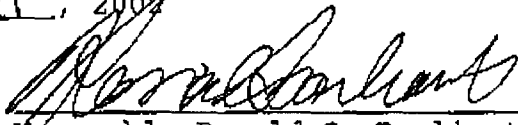
MM. Within thirty (30) days after entry of a final, non-appealable Confirmation Order, the Debtors

shall pay Cure amounts in the amount of \$87,851.33 due and owing to MCI Worldcom, Inc. under the circuits assumed pursuant to the Plan and identified on Exhibit E thereto (as modified).

NN. Unless the Debtors object to Claim 23 of the Tennessee Department of Revenue in the total asserted amount of \$12,763.18 on or before 45 days after the Effective Date, such Claim shall be Allowed in the requested amount. The Debtors shall pay the Allowed amount of such Claim, if any, no later than ten days after Court approval of such Allowed amount.

OO. Unless the Debtors object to the Claim of the County of Brazos, City of College Station in the total asserted amount of \$186,018.39 on or before 45 days after the Effective Date, such Claim shall be Allowed in the requested amount. The Debtors shall pay the Allowed amount of such Claim, if any, no later than thirty days after Court approval of such Allowed amount.

Dated: Wilmington, Delaware
May 21, 2002


Honorable Ronald S. Barliant
United States Bankruptcy Judge