

IN THE UNITED STATES BANKRUPTCY COURT
FOR THE DISTRICT OF DELAWARE

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In re : Chapter 11
: :
Telogy, LLC., et al.,¹ : Case No. 10-10206 (MFW)
: :
Debtors. : Jointly Administered
: :
-----X Ref. Docket No.: 8

**ORDER AUTHORIZING PAYMENT OF
PREPETITION OBLIGATIONS TO COMMON CARRIERS**

Upon consideration of the motion (the "**Motion**") of the debtors and debtors in possession in the above-captioned cases (collectively, the "**Debtors**") for entry of an order, pursuant to sections 105(a), 363(b), 506(b), 1107(a) and 1108 of title 11 of the United States Code (the "**Bankruptcy Code**"), as supplemented by Rule 6003 of the Federal Rules of Bankruptcy Procedure (the "**Bankruptcy Rules**"), authorizing, but not directing, the Debtors to pay prepetition common carrier obligations; and upon the Affidavit of Gary B. Phillips, Chief Executive Officer of the Debtors, in Support of Chapter 11 Petitions and First Day Pleadings (the "**Phillips Affidavit**"); and due notice of the Motion having been given as set forth in the Motion; and it appearing that no other or further notice need be provided; and it appearing that the relief requested by this Motion is in the best interests of these estates, their creditors, and other parties in interest; and after due deliberation and sufficient cause appearing therefor, it is hereby

ORDERED, ADJUDGED, AND DECREED that:

1. The Motion is granted.

¹ The last four digits of the taxpayer identification numbers of the Debtors follow in parentheses: (i) e-Cycle, LLC (1582) and (ii) Telogy, LLC (1530). The Debtors' executive headquarters are located at 3200 Whipple Road, Union City, California 94587.

2. Capitalized terms used but not otherwise defined herein shall have the meanings ascribed to such terms in the Motion.

3. The Debtors are authorized, but not directed, in their sole discretion, to pay in the ordinary course the Carrier Claims, in an aggregate amount not to exceed \$5,000.

4. The Debtors are authorized, consistent with this Order, to issue postpetition checks, or to effect postpetition fund transfer requests in replacement of any checks or fund transfer requests, for prepetition Carrier Claims dishonored or rejected as of the commencement of these chapter 11 cases.

5. All applicable banks and other financial institutions are hereby authorized and required to receive, process, honor, and pay any and all checks and transfer requests evidencing amounts paid by the Debtors under this Order whether presented prior to or after the Petition Date, provided that sufficient funds are on deposit in the applicable accounts to cover such payments. Such banks and financial institutions are authorized to rely on the representations of the Debtors as to which checks are issued or authorized to be paid pursuant to this Order.

6. Upon the payment of any Carrier Claim, any property of the Debtors held by or within the control of a Common Carrier shall be immediately released and delivered to its destination as directed by one or more of the Debtors consistent with their customary practices in the ordinary course of business with the Debtors.

7. The authorization granted hereby to pay certain Carrier Claims shall not create any obligation on the part of the Debtors or their officers, directors, attorneys, or agents to pay the Carrier Claims, and none of the foregoing persons shall have any liability on account of any decision by the Debtors not to pay a Carrier Claim, and nothing contained in this order shall

be deemed to increase, reclassify, elevate to an administrative expense status, or otherwise affect the Carrier Claims to the extent they are not paid.

8. Upon any and all third parties' refusal to release property being held as leverage against payment of such party's prepetition claim, the Debtors shall be entitled to request an expedited hearing on not less than five (5) days' notice without the need to file a further written motion to compel the Common Carrier, or a related third party, to release such property.


9. Neither the relief granted herein nor any actions or payments made by the Debtors pursuant to this Order with respect to the Carrier Claims shall (i) constitute an approval or assumption of any agreement, contract, or lease pursuant to section 365 of the Bankruptcy Code or (ii) be deemed an admission as to the validity of the underlying obligation or a waiver of any rights the Debtors may have to subsequently dispute such obligation.

10. The relief requested in the Motion is necessary to avoid immediate and irreparable harm to the Debtors, and timely entry of this Order is not prohibited by Bankruptcy Rule 6003(b).

11. Notwithstanding Bankruptcy Rule 6004(h), this Order shall be effective and enforceable immediately upon entry hereof.

12. This Court shall retain jurisdiction over any matters arising from or related to the implementation or interpretation of this Order.

Dated: Wilmington, Delaware
January 26, 2010



Mary F. Walrath
United States Bankruptcy Judge