



UNITED STATES BANKRUPTCY COURT
SOUTHERN DISTRICT OF NEW YORK

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In re: : **Chapter 11**
:
FAIRPOINT COMMUNICATIONS, INC., et al., : **Case No. 09-16335 (BRL)**
:
Debtors. : **(Jointly Administered)**
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**ORDER UNDER BANKRUPTCY CODE SECTIONS 105(a) AND 1129 AND
BANKRUPTCY RULES 3019(a) AND 9014
REGARDING PLAN CONFIRMATION PROCESS**

Upon consideration of (i) the *Debtors' Modified Second Amended Joint Plan of Reorganization Under Chapter 11 of the Bankruptcy Code*, dated as of March 10, 2010, as modified on May 7, 2010, and (ii) the *Debtors' Plan Supplement*, dated April 23, 2010, and May 7, 2010, all as they may be subsequently amended or modified in accordance with their respective terms and the Bankruptcy Code ((i) and (ii) collectively, the "Plan"), proposed and filed by FairPoint Communications, Inc. ("FairPoint Communications") and its affiliated debtors, as Debtors-in-Possession¹ (collectively, "FairPoint"); and that, on May 11, 2010, the Court commenced the hearing to consider confirmation of the Plan (the "Phase I Confirmation Hearing"); and upon the arguments of counsel and the evidence proffered and adduced at the Phase I Confirmation Hearing; and the Court having found and determined that the modifications to the Plan and the Plan Supplement that were filed with the Court on May 7, 2010 and/or described on the record at the Phase I Confirmation Hearing (collectively, the "Modifications") do not adversely change the treatment of the claim of any creditor entitled to vote to accept or reject the Plan; and the Court having found and determined that the Modifications are in the best

¹ Capitalized terms used but not defined herein shall have the meanings ascribed to such terms in the Plan.

interests of FairPoint, its estates, its creditors, and all parties in interest; and due notice of the Phase I Confirmation Hearing having been provided to holders of Claims against and Equity Interests in FairPoint and other parties in interest, as established by the certificate of service and mailing filed with the Bankruptcy Court (Docket Nos. 972, 1250, 1006 and 1007), and such notice being sufficient, and no further notice being required; and based upon and after full consideration of the entire record of the Phase I Confirmation Hearing; and the Court having considered all objections to confirmation of the Plan (the “Objections”); and after due deliberation and sufficient cause appearing therefor, it is hereby ORDERED that:

1. The Modifications are approved pursuant to Bankruptcy Rule 3019(a) and the Plan with the Modifications thereto is hereby deemed accepted by all creditors who have previously accepted the Plan.

2. The record of the Phase I Confirmation Hearing is hereby closed.

3. Except to the extent set forth below or in that certain Stipulation and Agreed Order (Docket No. 824, the “Regulatory Stipulation”) among FairPoint and the Maine Public Utilities Commission, the Staff Advocates of the New Hampshire Public Utilities Commission and the Vermont Department of Public Service and/or Vermont Public Service Board, and the Maine Office of the Public Advocate (collectively the “Regulators”), all Objections to confirmation of the Plan that have not been withdrawn or resolved prior to the entry of this Order are overruled in all respects for the reasons set forth in the record of the Phase I Confirmation Hearing, which record is incorporated herein by reference, and all withdrawn objections, if any, are deemed withdrawn with prejudice.

4. No creditor or equity security holder of FairPoint shall be heard with respect to any matter related to confirmation of the Plan except as follows: (a) the Regulatory

Settlements and any and all objections of the Regulators, to the extent provided in the Regulatory Stipulation and to the extent set forth on the record at the Phase I Confirmation Hearing, are hereby reserved for consideration by the Court at a later date (except as to the Court's ruling on FairPoint's compliance with Bankruptcy Rule 3019(a) set forth in paragraph 1 above); and (b) any objections that Verizon Communications Inc. and its affiliates may have to the Litigation Trust Agreement or Section 11.4 of the Plan and any responses thereto are hereby reserved; *provided however*, that Verizon shall provide to FairPoint's counsel by e-mail a list of any section in the Litigation Trust Agreement other than 1.8 to which it objects and the basis for that objection by no later than 12:00 noon Eastern Time on May 14, 2010.

5. This Court shall retain jurisdiction to hear and determine all matters arising from or related to this Order.

Dated: May 14, 2010
New York, New York

/s/Burton R. Lifland
HONORABLE BURTON R. LIFLAND
UNITED STATES BANKRUPTCY JUDGE