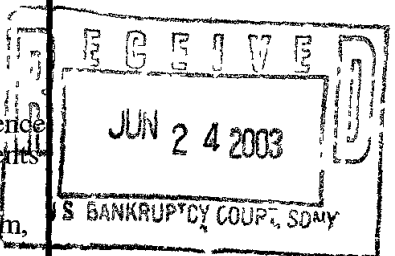


UNITED STATES BANKRUPTCY COURT _____ DISTRICT OF _____		<b>PROOF OF CLAIM</b>
Name of Debtor <i>Allegiance Telecom, Inc</i>		Case Number <i>FILED U.S. B.C. SOUTHERN DISTRICT OF NEW YORK ALLEGIANTELECOM, INC 03-13057 (RRD) 119</i>
NOTE: This form should not be used to make a claim for an administrative expense arising after the commencement of the case. A request for payment of an administrative expense may be filed pursuant to 11 U.S.C. § 503.		
Name of Creditor (The person or other entity to whom the debtor owes money or property) <i>Foothills Sentry Newspaper</i>		<input type="checkbox"/> Check box if you are aware that anyone else has filed a claim relating to your claim. Attach copy of statement giving particulars. <input type="checkbox"/> Check box if you have never received any notices from the bankruptcy court in this case. <input type="checkbox"/> Check box if the address differs from the address on the envelope sent to you by the court.
Name and address where notices should be sent <i>Anita Bennyhoff 10642 Morada Orange, CA 92667-1528</i> Telephone number _____		
Account or other number by which creditor identifies debtor <i>Allegiance Telecom, Inc</i>		Check here <input type="checkbox"/> replaces a previously filed claim dated _____ <input type="checkbox"/> amends
<b>1 Basis for Claim</b> <input type="checkbox"/> Goods sold <input checked="" type="checkbox"/> Services performed <input type="checkbox"/> Money loaned <input type="checkbox"/> Personal injury/wrongful death <input type="checkbox"/> Taxes <input checked="" type="checkbox"/> Other <i>trademark advertising against phone service</i> <input type="checkbox"/> Retiree benefits as defined in 11 U.S.C. § 1114(a) <input type="checkbox"/> Wages, salaries, and compensation (fill out below) Your SS # _____ Unpaid compensation for services performed from _____ (date) to _____ (date)		
<b>2 Date debt was incurred.</b> <i>June, July, August 2002</i>		<b>3 If court judgment, date obtained</b> _____
<b>4 Total Amount of Claim at Time Case Filed</b> \$ <i>893.03</i> <i>not credit for us to use as phone svc</i> <input type="checkbox"/> Check this box if claim includes interest or other charges in addition to the principal amount of the claim. Attach itemized statement of all interest or additional charges.		
<b>5. Secured Claim</b> <input type="checkbox"/> Check this box if your claim is secured by collateral (including a right of setoff) Brief Description of Collateral <input type="checkbox"/> Real Estate <input type="checkbox"/> Motor Vehicle <input type="checkbox"/> Other _____ Value of Collateral \$ _____ Amount of arrearage and other charges at time case filed included in secured claim, if any \$ _____		<b>6 Unsecured Priority Claim</b> <input type="checkbox"/> Check this box if you have an unsecured priority claim Amount entitled to priority \$ _____ Specify the priority of the claim <input type="checkbox"/> Wages, salaries, or commissions (up to \$4,650) earned within 90 days before filing of the bankruptcy petition or cessation of the debtor's business, whichever is earlier. 11 U.S.C. § 507(a)(3) <input type="checkbox"/> Contributions to an employee benefit plan. 11 U.S.C. § 507(a)(4) <input type="checkbox"/> Up to \$2,100* of deposits toward purchase, lease, or rental of property or services for personal, family, or household use. 11 U.S.C. § 507(a)(6) <input type="checkbox"/> Alimony, maintenance, or support owed to a spouse, former spouse, or child. 11 U.S.C. § 507(a)(7) <input type="checkbox"/> Taxes or penalties owed to governmental units. 11 U.S.C. § 507(a)(8) <input type="checkbox"/> Other. Specify applicable paragraph of 11 U.S.C. § 507(a)(____) <small>*Amounts are subject to adjustment on 4/1/04 and every 3 years thereafter with respect to cases commenced on or after the date of adjustment.</small>
<b>7 Credits</b> The amount of all payments on this claim has been credited and deducted for the purpose of making this proof of claim.		THIS SPACE IS FOR COURT USE ONLY
<b>8 Supporting Documents</b> Attach copies of supporting documents, such as promissory notes, purchase orders, invoices, itemized statements of running accounts, contracts, court judgments, mortgages, security agreements, and evidence of perfection of lien. DO NOT SEND ORIGINAL DOCUMENTS. If the documents are not available, explain. If the documents are voluminous, attach a summary.		
<b>9 Date-Stamped Copy</b> To receive an acknowledgment of the filing of your claim, enclose a stamped, self-addressed envelope and copy of this proof of claim.		
Date <i>6/20/03</i>	Sign and print the name and title, if any, of the creditor or other person authorized to file this claim (attach copy of power of attorney if any) <i>Anita Bennyhoff Editor</i>	

2/6

AA# 0134



allegiance telecom, inc

Advertising Agreement - Service for Service

This Advertising Agreement between the Media Provider identified below and Allegiance Telecom Company Worldwide (a wholly owned subsidiary of Allegiance Telecom, Inc) ("Allegiance Telecom") is a service-for-service trade (the "Agreement"). Allegiance Telecom or its local state subsidiaries will provide the Media Provider with the specific telecommunication services listed in the applicable service agreement entered into by Media Provider and Allegiance Telecom (Exhibit B attached hereto) in exchange for the specific media advertising set forth in the Media Provider's advertising agreement (Exhibit C attached hereto). This Agreement shall be incorporated by reference into the applicable service and advertising agreements between the Media Provider and Allegiance Telecom. The Media Provider agrees to provide advertising services in exchange for the telecommunication services provided by Allegiance Telecom or its local state subsidiaries. The parties may arrange for the exchange of checks, or other form of payment, in order to account for these services.

Allegiance Telecom and the Media Provider contractually agree to the stated advertising commitment and cost, and recognize this as a binding agreement. If one party fails to provide the services, the other party may terminate the service or this Agreement immediately. Should either party fail to complete this Agreement, the prevailing party may collect all costs, including reasonable attorneys' fees, in the collection of the contracted price. Failure to complete the stated advertising commitment will result in a rate adjustment, based on the number of ads actually broadcast or published at the time of cancellation and the rate earned under the attached rate card or applicable termination fees. All money and short-terms adjustments are due upon cancellation or termination of the Agreement or services.

This Agreement shall terminate twelve (12) months from the Effective Date. This Agreement is only available if Media Provider enters into a service agreement with Allegiance for a minimum one (1) year term. Unless otherwise mutually agreed upon by the parties, Allegiance shall issue the Media Provider a lump-sum credit at the beginning of the term of the applicable service agreement. The lump-sum credit will be reduced each month by the current charges set forth on Allegiance invoices submitted to Media Provider for services rendered. If prior to the end of the one (1) year term of the service agreement the credit is depleted, Media Provider will be responsible for all charges incurred thereafter over and above the lump-sum credit. Any lump-sum credit remaining at the end of the one (1) year term will expire. The lump-sum credit has no cash value and no cash payments or reimbursements will be made to the Media Provider for unused or expired credits. If the Media Provider terminates the service agreement prior to the end of the term, the Media Provider is still obligated provide advertising to Allegiance Telecom for the full amount of the commitment as set forth in Exhibit A hereto. If Allegiance Telecom terminates the advertising agreement prior to the end of the term, Allegiance Telecom is still obligated provide service to the Media Provider for the full amount of the commitment as set forth in Exhibit A hereto.

Each of the parties hereto has caused this Agreement to be executed on its behalf by its duly authorized representative as of the 27th day of November, 2001 (the "Effective Date").

Foothills Sentry  
10642 Morada Drive  
Orange, CA 92869 714-532-4406

Allegiance Telecom Company Worldwide  
9201 N. Central Expressway  
Dallas, Texas 75231

By: [Signature]  
Printed Name: Anita Berryhoff

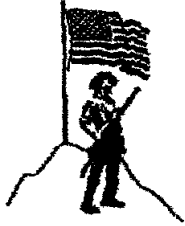
By: [Signature]  
Printed Name: Michael R. Caputo  
469/259-2625

Title: Pres

Title: Vice President  
Public Relations

Date: 2-5-02

Date: Nov. 27, 2001



**Foothills Sentry**  
 10642 Morada Dr., Orange, CA 92869  
 (714) 532-4406 Fax (714) 532-6755

*mailed 7/12/02*

Invoice # 00009615  
 Date 7/10/02

**Allegiance Telecom, Inc.**  
 attn. Autumn Davidson  
 9201 North Central Expressway  
 Dallas, TX 75231-5916

Description	Amount
we provided service according to the signed barter agreement dated 2/5/02. (account 2453562377)	
Display ad - July 2002 issue - 4 col x 10 3/4 inches	\$602.00
charge for color ad	\$150.00

*do not pay - barter!*

**This invoice is due upon receipt.**

Total Amount: \$752.00  
 Amount Applied: \$752.00  
 Balance Due: \$0.00



**Foothills Sentry**  
 10642 Morada Dr., Orange, CA 92869  
 (714) 532-4406 Fax (714) 532-6755

*mailed 8/19/02*

Invoice #. 00009719  
 Date: 8/14/02

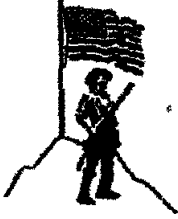
**Allegiance Telecom, Inc.**  
 attn. Autumn Davidson  
 9201 North Central Expressway  
 Dallas, TX 75231-5916

Description	Amount
we provided service according to the signed barter agreement dated 2/5/02. (account 2453562377)	
Display ad - August 2002 issue - 5 col x 13 3/4 inches	\$962.50
charge for color ad	\$150.00

*do not pay - barter!*

**This invoice is due upon receipt.**

Total Amount: \$1,112.50  
 Amount Applied: \$0.00  
 Balance Due: \$1,112.50



**Foothills Sentry**  
10642 Morada Dr, Orange, CA 92669  
(714) 532-4406 Fax (714) 532-6755

*mailed 6/24/02*

Invoice #: 00009522

Date: 6/5/02

**Allegiance Telecom, Inc.**  
**P.O. Box 844870**  
**Dallas, TX 75284-4870**

*attn. Autumn Davidson*

Description	Amount
we provided service according to the signed barter agreement dated 2/5/02: ( <i>account 2453562377</i> )	
Display ad - June 2002 issue - 4 col x 10 3/4 inches	\$602.00
charge for color ad	\$150.00

*do not pay - barter!*

**This invoice is due upon receipt.**

Total Amount: \$752.00  
Amount Applied: \$0.00  
Balance Due: \$752.00