

**UNITED STATES BANKRUPTCY COURT
FOR THE DISTRICT OF DELAWARE**

PROOF OF CLAIM



s2063

In re
Allegiance Telecom Service Corporation

Case Number
03-13103

YOUR CLAIM IS SCHEDULED AS

\$9,860.10 UNSECURED DISPUTED
FILED

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.

Check box if you are aware that anyone else has filed a proof of claim relating to your claim. Attach copy of statement giving particulars.

Check box if you have never received any notices from the bankruptcy court in this case.

Check box if this address differs from the address on the envelope sent to you by the court.

U.S. BANKRUPTCY COURT SOUTHERN DISTRICT OF NEW YORK
ALLEGIANTELECOM, INC
03-13057 (RRD)
738

Name of Creditor and Address

03805888024550

DSET CORPORATION
PO BOX 191628
ATLANTA GA 31119

The amounts reflected above constitute your claim as scheduled by the Debtor. If you agree with the amounts set forth herein and have no other claim against the Debtor, you do not need to file this proof of claim EXCEPT as stated below.

If the amounts shown above are listed as Contingent Unliquidated or Disputed, a proof of claim must be filed. If you have already filed a proof of claim with the Bankruptcy Court or BMC, you do not need to file again.

Creditor Telephone Number () **770-453 9190 x275**

CREDITOR TAX ID # **61-1430262**

ACCOUNT OR OTHER NUMBER BY WHICH CREDITOR IDENTIFIES DEBTOR

Check here replaces or amends a previously filed claim dated _____ if this claim

1 BASIS FOR CLAIM

- Goods sold
 - Services performed
 - Money loaned
 - Personal injury/wrongful death
 - Taxes
 - Other (describe briefly)
 - Retiree benefits as defined in 11 U.S.C. § 1114(a)
 - Wages, salaries, and compensation (Fill out below)
- Your social security number _____
Unpaid compensation for services performed from _____ to _____ (date) (date)

2 DATE DEBT WAS INCURRED

3 IF COURT JUDGMENT, DATE OBTAINED

4 TOTAL AMOUNT OF CLAIM AS OF PETITION DATE \$ 9,860.10 (unsecured) \$ _____ (secured) \$ _____ (unsecured priority) \$ _____ (total)

If all or part of your claim is secured or entitled to priority, also complete Item 5 or 6 below.

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.

5 SECURED CLAIM

Check this box if your claim is secured by collateral (including a right of setoff).

Brief description of collateral

- Real Estate
- Motor Vehicle
- Other _____

Value of collateral \$ _____

Amount of arrearage and other charges at time case filed included in secured claim above, if any \$ _____

6 UNSECURED PRIORITY CLAIM

Check this box if you have an unsecured priority claim.

Specify the priority of the claim

- 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)
- Contributions to an employee benefit plan. 11 U.S.C. § 507(a)(4)
- 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)
- Alimony, maintenance, or support owed to a spouse, former spouse, or child. 11 U.S.C. § 507(a)(7)
- Taxes or penalties owed to governmental units. 11 U.S.C. § 507(a)(8)
- Other. Specify applicable paragraph of 11 U.S.C. § 507(a) _____

Amounts are subject to adjustment on 4/1/01 and every 3 years thereafter with respect to cases commenced on or after the date of adjustment.

REC'D OCT 17 2003

7 CREDITS The amount of all payments on this claim has been credited and deducted for the purpose of making this proof of claim.

8 SUPPORTING DOCUMENTS 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.

9 DATE-STAMPED COPY To receive an acknowledgment of your claim, please enclose a self-addressed stamped envelope and an additional copy of this proof of claim.

The original of this completed proof of claim form must be sent by mail or hand delivered (FAXES NOT ACCEPTED) so that it is received on or before 4:00 p.m., October 1, 2003, Eastern Daylight Time.

BY MAIL TO: United States Bankruptcy Court
re Allegiance Telecom Inc et al
P O Box 95 Bowling Green Station
New York NY 10274

BY HAND OR OVERNIGHT DELIVERY TO

Clerk of the United States Bankruptcy Court
re Allegiance Telecom Inc et al
One Bowling Green, 6th Floor
New York NY 10004-11408

DATE SIGNED

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)

10-10-03

V. J. [Signature]

THIS SPACE FOR COURT USE ONLY

RECEIVED
OCT. 14 2003
CLAIMS PROCESSING CENTER
U.S. BANKRUPTCY COURT
Allegiance Claim



00770

Penalty for presenting fraudulent claim is a fine of up to \$500,000 or imprisonment for up to 5 years, or both. 18 U.S.C. §§ 152 AND 3571

See Other Side For Instructions

**NE Technologies Acquisition Co**5085 AVALON RIDGE PARKWAY
SUITE# 100
NORCROSS GA
30071

Number	IN000000063
Page	1
Date	6/6/2003

Sold To ALLEGIANCE TELECOM INC
9101 NORTH CENTRAL EXPRESSWAY,
2A
DALLAS TX
75231 USA

Ship To ALLEGIANCE TELECOM INC
9201 N CENTRAL EXPRESSWAY
DALLAS TX
75231 USA

Reference - P O #	Customer No	Salesperson	Ship Via	Terms Code
5/31/03 AGREEMENT	ALLEGI	DNAIK		NET30

Item No	Description/Comments	Quantity	U/M	Unit Price	Amount
GW MAINT SVC	GATEWAY MAINTENANCE STANDARD 12 x 5 MAINTENANCE PLAN COVERAGE FROM 05/01/03 TO 05/15/03	1 00000	EACH	9 860 09000	9 860 09

Remit To NE Technologies Acquisition Co ,DSET Corporation
PO BOX 191628, Atlanta GA 31119

Wire Transfer Information Bank Name The Bankers Bank, ABA# 061003415
Credit To Georgia Banking Company, Account# 061019975
For Further Credit to NE Technologies Acquisition Corporation d/b/a
DSET Corporation
Account# 0230000800

Subtotal before taxes	9 860 09
Total taxes	0 00
Total amount	9 860 09
Payment received	0 00
Amount due	9 860 09



CUSTOMIZED SOFTWARE DEVELOPMENT AGREEMENT

NUMBER D308058

BETWEEN

DSET CORPORATION

1011 ROUTE 22 WEST

BRIDGEWATER, NEW JERSEY 08807

-AND-

ALLEGIANCE TELECOM, INC.

1950 STEMMONS FREEWAY

SUITE 3026

DALLAS, TX 75207

ca
11/4/98

DEVELOPMENT AGREEMENT

Number D308058

This Agreement is made as of this 4th day of November, 1998, (hereinafter referred to as "Effective Date") by and between DSET Corporation (hereinafter referred to as "DSET"), having an address at 1011 Route 22 West, Bridgewater, New Jersey 08807 and Allegiance Telecom Inc (hereinafter referred to as "Company"), having an address at 1950 Stemmons Freeway, Suite 3026, Dallas, TX 75207

1 BACKGROUND AND PURPOSE

- 1.1 Company desires to utilize DSET's technical skills and personnel to develop Customized Software as more fully defined in various Statements of Work (each an "SOW"),
- 1.2 Company desires to have use of the Customized Software, pursuant to a license, as set forth herein,
- 1.3 DSET is desirous of providing Company with the services necessary to develop the Customized Software pursuant to the following terms and conditions, and
- 1.4 DSET desires to provide use of the Customized Software pursuant to a grant of license, subject to the terms and conditions set forth below

2 DEVELOPMENT OF CUSTOMIZED SOFTWARE

- 2.1 **Development of Statements of Work** DSET shall, with Company's full cooperation, gather the necessary data and develop detailed design specifications, which shall be encompassed in a SOW for each project hereunder. The SOW shall reference this Agreement, and shall include a detailed implementation schedule (the "Implementation Schedule") which shall identify the target date for project completion and of the milestones for the project, and a detailed description of feature and performance requirements (the "Specifications"). The SOW shall also include, among other matters, mutually agreed upon acceptance tests (the "Acceptance Tests") designed to objectively verify that the Customized Software complies with the Specifications, and that performance of the Customized Software is within acceptable limits.
- 2.2 **Acceptance of Statements of Work.** The SOW for any project shall be delivered to Company in electronic or document form. Company may accept, at any time after receipt of a SOW from DSET, any or all pending SOWs. Acceptance of a SOW shall be indicated in a writing signed by an officer of Company. Execution of this Agreement with an attached SOW shall be considered acceptance of such attached SOW. Once Company has accepted a SOW, DSET shall commence development of the Customized Software, as set forth in the applicable SOW. Company shall not be obligated to accept any SOW, and Company's failure to accept a SOW in accordance with this Section shall be deemed a rejection of that SOW.

- 2.3 **Effect of SOW** Each SOW accepted in accordance with the terms of this Agreement shall become a separate agreement between DSET and Company (each a "Work Agreement") which Work Agreement shall by reference to this Agreement incorporate all the terms of this Agreement as if set forth in full in the applicable SOW. In the event of conflict between the terms of this Agreement and the terms set forth in a SOW, the terms of the SOW shall govern but only with respect to such SOW.
- 2.4 **Costs for Preparation of SOW** In the event that Company has requested that DSET prepare a SOW, and during the development of the SOW, Company materially changes its requirements from those set forth in such request, then Company agrees to pay DSET for any reasonable costs, expenses and fees incurred, on a time and materials basis, related to the preparation of the SOW in accordance with such changed requirements.
- 2.5 **DSET's Obligation to Perform** Upon Company's acceptance of a SOW, DSET shall use best efforts to develop the Customized Software described in such SOW, pursuant to the Specifications set forth in the SOW, as may be amended by the mutual written agreement of the parties from time to time.
- 2.6 **Multiple Projects** The parties hereby acknowledge and agree that the terms of this Agreement shall apply to all future projects for the development of additional Customized Software for which there is a SOW signed by both parties. In such event, the parties agree that such document shall be and is expressly incorporated into this Agreement upon its execution by both parties.
- 2.7 **Cooperation in Development** The parties agree to cooperate with each other in gathering and providing to the other respective party any and all necessary data, documents and other materials necessary to complete the development of the Customized Software in accordance with the specifications as set forth in the SOW. In addition, Company agrees to supply all required support services reasonably requested by DSET including, but not limited to, appropriate office space, administrative support, necessary access to the facilities, and any other items set forth in the SOW.

3 MAINTENANCE

- 3.1 **Provision of DSET Maintenance Services** For a period of thirty (30) days from the date of Acceptance of the Customized Software under the terms and conditions of each Work Agreement, maintenance services as set forth in the Maintenance Services Document attached hereto as Schedule A (the "Maintenance Services Document"), for the Customized Software developed under such Work Agreement, shall be free of charge. Thereafter, upon mutual agreement, DSET shall provide maintenance services for such Customized Software as set forth in the Maintenance Services Document, pursuant to the maintenance option chosen by Company. The Maintenance Services Document shall apply collectively to all Customized Software developed under this Agreement unless otherwise specified in the applicable Work Agreement.
- 3.2 **Effect of Third Party Maintenance Services** If Company does not elect to contract with DSET for maintenance services pursuant to the Maintenance Services Document, or if Company or DSET terminates any existing Agreement in accordance with its terms (other than for default), then the parties will negotiate in good faith for providing the

integration of any future improvements to DSET proprietary materials or products into the Customized Software developed pursuant to this Agreement

4 OWNERSHIP, GRANT OF LICENSE, AND ACKNOWLEDGMENT OF RIGHTS

- 4.1 **Ownership** It is expressly understood that no title to or ownership of the Customized Software or DSET's Confidential Information, or any part thereof, is hereby transferred to Company. Company disclaims any ownership interest in any portion of Customized Software. In no event may Customized Software or any portion or derivative thereof provided by DSET be used in whole or in part within Company or its subsidiaries, or affiliates, or by its customers, in any other product or for any other purposes than as provided in this Agreement. DSET's proprietary rights as delineated in this section do not extend to the software programs of outside vendors (Third-Party Software) that Company may integrate into the Customized Software. Notwithstanding anything to the contrary in the foregoing, however, Company shall own Company Enhancements to the extent that such enhancements do not include any Customized Software.
- 4.2 **Transfer of License** Company is expressly prohibited from the transfer, sale, lease, license, or sublicense of the Customized Software without the prior written consent of DSET, which consent shall not be unreasonably withheld, provided, however, that Company may transfer, sell, lease, license or sublicense the Customized Software or any portion thereof to an affiliate that is owned or controlled, directly or indirectly, by Company, or to any successor in interest of Company by merger, sale of assets, or reorganization.
- 4.3 **Confidential Information** All aspects of the Customized Software and any other DSET Confidential Information, including without limitation, DSET products, programs and methods of processing, shall remain the sole and exclusive property of DSET and shall not be sold, revealed, disclosed or otherwise communicated, directly or indirectly, by Company to any person, company or institution whatsoever other than as set forth in this Section 4.
- 4.4 **License** DSET grants to Company and affiliates that are owned or controlled, directly or indirectly by Company, and Company hereby accepts from DSET the following perpetual, nontransferable (except as provided in Section 4.2) fully paid-up upon payment of the final payment specified in Section 8.1, irrevocable, worldwide and non-exclusive licenses and rights:
- 4.4.1 to use, reproduce and distribute, the Customized Software as necessary or desirable solely for the Company's own internal business purposes (which internal business purposes in the case of the Customized Software described in the SOW attached hereto as Schedule B shall include, without limitation, use of the Customized Software as an LSR Gateway application that provides access by Company to third party carrier gateways),
- 4.4.2 to modify, enhance and prepare derivative works based upon, or have a third party modify, enhance and prepare derivative works based upon, the Customized Software (including integrating the Customized Software with other software) (which modifications, enhancements, and derivative works when

separated from the Customized Software shall be the “Company Enhancements”),

4 4.3 to have, upon the consent of DSET which consent shall not be unreasonably withheld, a third party outsourcing service provider use and reproduce the Customized Software as necessary or desirable solely for Company’s own internal business purposes, provided, however, that such outsourcing service provider shall have delivered to DSET a confidentiality agreement in form and substance acceptable to DSET, and

4 4.4 to prepare backup and archival copies of the Customized Software

4 5 **No Restriction on Future Development** Nothing herein shall be construed as to restrict in any way the right of DSET to develop, create, produce, support, or to have developed, created, produced or supported any similar software for DSET or any of its customers, subject to the confidentiality and non-disclosure provisions herein, provided, however, that the royalty obligation set forth in Section 9 of this Agreement shall apply to any software made commercially available by DSET that is substantially similar in functionality, or is derived from, Customized Software

4 6 **No Violation of DSET’s Proprietary Rights** Company agrees that it will not use the Customized Software or any part or portion thereof, or any other DSET Confidential Information, in any way that would violate DSET’s proprietary rights in and to the Customized Software or any part or portion thereof, or any other Confidential Information

4 7 **Authorized Use Only** Company agrees that it will not use, and it will not permit authorized third parties to use, the Customized Software in violation of this Agreement

5 CONFIDENTIAL INFORMATION

5 1 **Definition** Confidential Information means any and all information disclosed to, or otherwise acquired or observed by the parties, including all information regarding DSET or Company’s works of authorship, know-how, designs, drawings, specifications, technical information, concepts, knowledge, data, reports, methods, processes, techniques, operations, devices, apparatus, products, equipment, machinery, business operations, marketing information and the like, and any other knowledge or information developed or owned by either of the parties. All written disclosures of such Confidential Information shall be marked with “CONFIDENTIAL” or “PROPRIETARY.” In the event such disclosure is initially oral or visual and not reduced to writing, it shall be conformed in a written document, with the mark “CONFIDENTIAL” or “PROPRIETARY,” within 10 days following such disclosure. Such information may relate to or constitute the source or the binary code of DSET proprietary materials or products, as well as matters related thereto, including unpublished features of DSET’s products and/or unpublished business plans and strategies

5 2 **Non-Disclosure of Confidential Information** For a period of ten (10) years from the Effective Date, the parties and/or their employees, agents, and contractors shall maintain in confidence all Confidential Information and shall not use or copy any Confidential Information or disclose Confidential Information to any person or entity without the other party’s prior written consent. The party receiving the Confidential Information will

not use, or permit others to use, Confidential Information for any purpose other than the performance of its obligations or exercise of its rights and licenses hereunder. The party receiving the Confidential Information shall exercise reasonable care to prevent the disclosure, dissemination or unauthorized use of the Confidential Information, except as expressly permitted herein, including at a minimum those measures it takes to protect its own confidential or proprietary information of a similar nature.

5.3 Exceptions The provisions of Section 5.1 will not apply to any Confidential Information that

- was publicly available at the time it was supplied or generated, or has subsequently become publicly available through no fault of the Receiving Party,
- was rightfully in the possession of the Receiving Party prior to the time it was supplied or generated hereunder, and was not then subject to any applicable restriction as to disclosure or use,
- becomes rightfully known to the Receiving Party without restriction as to disclosure or use, from a source other than the Disclosing Party, or can be shown by documentation to have been independently developed by the Receiving Party without reference to any Confidential Information.

5.4 Ownership of Confidential Information All Confidential Information will remain the exclusive property of the party disclosing such information, and the party receiving the Confidential Information will have no rights, by license or otherwise, to use the Confidential Information, except as expressly provided herein. No patent, copyright, trademark or other proprietary right is licensed, granted or otherwise conveyed by this Agreement with respect to each party's separate Confidential or other information. No warranties of any kind are given by either party with respect to the information provided to the other.

5.5 Return of Confidential Information The Receiving Party will promptly return or destroy, and verify in writing its destruction of, all tangible material embodying Confidential Information (in any form and including, without limitation, all summaries, copies and excerpts of Confidential Information) upon the earlier of the termination of this Agreement or the Disclosing Party's written request.

5.6 Injunctive Relief The Receiving Party acknowledges that disclosure or use of Confidential Information in violation of this Agreement could cause irreparable harm to the Disclosing Party for which monetary damages may be difficult to ascertain or be an inadequate remedy. The Receiving Party therefore agrees that the Disclosing Party will have the right, in addition to its other rights and remedies, to seek and obtain injunctive relief for any violation of this Section 5.

5.7 Duration of Obligation Each party agrees that its obligation of nondisclosure under this Section 5 shall survive the termination of this Agreement. The parties shall not construe the foregoing to limit or alter in any way the terms of any Non-Disclosure Agreement executed at any time.

6 NON-SOLICITATION OF EMPLOYEES

Neither DSET nor Company will solicit for employment the employees of the other party during the term of this Agreement or for a period of twelve (12) months after the term of this Agreement. Such solicitation will be deemed a breach of this Agreement, entitling the aggrieved party to immediately terminate this Agreement.

7 DELIVERY, ACCEPTANCE AND TESTING

7.1 Delivery DSET will use its best efforts to (i) develop the Customized Software in accordance with the Specifications, (ii) meet each of the milestones in accordance with the Implementation Schedule, (iii) deliver the Customized Software pursuant to the Implementation Schedule, and (iv) provide installation support and training pursuant to the applicable SOW in accordance with the Implementation Schedule.

7.2 Acceptance Testing Upon delivery of the Customized Software pursuant to Section 7.1, and for 60 calendar days thereafter (the "Acceptance Period"), Company shall conduct the Acceptance Tests specified in the applicable SOW. Within the Acceptance Period, all deficiencies shall be reported in writing, describing with particularity all specific elements, as set forth in the applicable SOW, that form the basis for rejection of the Customized Software. Failure to notify DSET in writing of any deficiencies within the Acceptance Period shall constitute an acceptance of the Customized Software and deficiencies, if any, must be handled through normal maintenance and warranty provisions.

7.3 Rejection Within the Acceptance Period, as may be extended pursuant to Section 7.4, Company shall inform DSET if Company elects to reject the Customized Software. Company may reject the Customized Software if it fails to conform to the applicable Specifications or if it fails to pass the applicable Acceptance Tests. Company may reject the Customized Software at any time during the Acceptance Period, as may be extended pursuant to Section 7.4. Deficiencies in Company Software are not grounds for rejection of the Customized Software.

7.4 Repair Following Notice of Deficiency If Company has provided a notice of deficiency but has not rejected Customized Software, DSET shall use its best efforts to remedy any reported deficiencies in Customized Software and return such repaired Customized Software to Company within thirty (30) days. Upon Company's notification of deficiencies in the Customized Software, the Acceptance Period shall be extended through the later of (i) 10 business days after DSET delivers such repaired Customized Software to Company, or (ii) the date on which the Acceptance Period would end in the absence of this Section 7.4.

8 FEES AND TAXES

8.1 Fees Upon DSET's completion and delivery of the work corresponding to the applicable payment, as set forth in the SOW and the table below, Company shall pay to DSET all accrued fees, cost, and expenses.

Project Start	40%	6/1/98	\$228,000
Phase I Delivery	40%	8/24/98	\$228,000
Phase-II Delivery	20%	11/6/98	\$114,000
Total			\$570,000

Payments shall be paid within thirty (30) days after delivery of any deliverable as set forth above. Any and all amounts which are not paid when due shall bear interest at the rate of one percent (1%) per month or at the highest rate permitted by law, whichever is lower. Payments to DSET shall be made in United States currency made payable to DSET at the address specified in Section 13.7

8.2 Taxes Company shall pay all taxes that may be imposed upon the charges specified in the SOW unless an exemption certificate is furnished by Company to DSET. Such taxes shall be billed to Company as separate items. If DSET becomes aware of any question concerning an exemption certificate furnished by Company, DSET shall promptly advise Company thereof. DSET shall cooperate with Company to ensure that any such taxes are minimized.

8.3 Expenses Company shall be responsible to pay or reimburse DSET for all reasonable and actual travel, meals and lodging, and incidental expenses that are incurred by DSET in connection with DSET's performance of services or duties under this Agreement.

9 ROYALTIES

DSET shall pay, as a royalty to Company, ten percent (10%) of the gross revenues, less marketing costs, commissions and returns, received from the license of each LSR Order Gateway Product, up to and until such time as Company receives an amount equal to the final amount paid by Company to DSET pursuant to this Agreement, provided, however, that the aggregate royalty from all licenses of the LSR Order Gateway Product to a single licensee shall not be less than \$20,000. DSET will forward such royalties on a quarterly basis. For purposes of this Section 9, the LSR Order Gateway Product shall include any future enhancement, release, revision, modification or derivative work based upon the LSR Order Gateway Product developed by DSET. Allegiance and DSET agree that one year from the effective date of this Agreement, the foregoing 10% royalty shall be renegotiated in good faith taking into consideration the then prevailing market conditions and prices for the LSR Order Gateway Product or similar products offered by third parties.

10 WARRANTY, LIMIT OF LIABILITY, AND INDEMNIFICATION

10.1 Warranty Subject to the provisions of this Article, DSET makes the following warranties:

10.1.1 DSET warrants to Company that upon Acceptance of the Customized Software, and for thirty (30) days thereafter, the Customized Software shall materially conform to the Specifications as set forth in the applicable SOW, and furthermore Company's sole and exclusive remedy for breach of this warranty

shall be, at its option, either repair or replacement of such non-conforming portion of the Customized Software at no cost to Company, or replacement of such non-conforming portion of the Customized Software with a conforming product,

10 1 2 DSET warrants that it will not knowingly use any methods, techniques or other materials that are proprietary to a third party, nor knowingly infringe the rights of a third party,

10 1 3 DSET warrants to Company that DSET has the right to grant the rights and licenses granted pursuant to this Agreement, and

10 1 4 DSET warrants that the Customized Software, when used in accordance with its associated documentation, will be capable upon installation of correctly processing, providing and/or receiving data into and between the twentieth and twenty-first centuries, provided that all other products (for example, hardware, software and firmware) used in combination with such Customized Software properly exchange data with it Notwithstanding anything to the contrary in this Agreement, this warranty shall survive through March 31, 2000

10 2 Limitations on Warranties

10 2 1 Defects or non-conformities in the Customized Software which are not material or which do not substantially limit the use of the Customized Software as it was designed to be used by COMPANY shall not constitute a breach of warranty set forth in Section 10 1(a)

10 2 2 DSET assumes no liability for any data lost or otherwise rendered unusable whether as a result of improper use of Customized Software, the failure of hardware on which the program resides or other failures beyond the control of DSET

10 2 3 The foregoing limited warranties are expressly conditioned upon (i) Company providing DSET with prompt written notice of any claim thereunder prior to the expiration thereof, which notice must identify with particularity the non-conformity, (ii) Company's full cooperation with DSET in all reasonable respects relating thereto, including, in the case of modified software, assisting DSET to locate and reproduce the non-conformity, (iii) the addition of hardware, programming and any other services or goods not having resulted in the non-conformity of the Customized Software, and (iv) the absence of any accidents, disaster, neglect or misuse which directly or indirectly caused the non-conformity DSET shall have no liability or obligation regarding any of the circumstances described in clauses (i) - (iv) above or otherwise, related to any software or other materials provided to DSET by Company or any third party software or other materials

10 3 Disclaimer of Additional Warranties

THE ABOVE WARRANTIES ARE IN LIEU OF ALL OTHER REPRESENTATIONS AND WARRANTIES, AND DSET HEREBY DISCLAIMS ALL OTHER REPRESENTATIONS AND WARRANTIES WHETHER EXPRESS OR IMPLIED, INCLUDING WITHOUT LIMITATION, IMPLIED WARRANTIES OF MERCHANTABILITY AND/OR FITNESS FOR USE AND/OR PARTICULAR PURPOSE

10 4 Indemnification by Company Except as expressly provided for herein, Company agrees to indemnify and hold DSET, its agents, employees, successors and assigns, harmless against any and all, claims, suits and/or expenses, including legal expenses of whatsoever kind and nature imposed upon, incurred by, or asserted against DSET, its agents, employees, successors and/or assigns relating to or arising out of the development or use of the Customized Software, to the extent that such claims, suits and/or expenses are based on the information or technical specifications for the Customized Software provided by COMPANY to DSET. Company warrants that it shall not knowingly provide to DSET (through Company's technical specifications or otherwise) any design, feature or function which would violate the intellectual property rights, including patent, copyrights, trademark or trade secret of any third party if incorporated in the Customized Software.

10 5 Indemnification by DSET DSET agrees to indemnify and hold Company, its agents, employees, successors and assigns, harmless against any and all claims, suits and/or expenses, including legal expenses of whatsoever kind and nature, imposed upon, incurred by or asserted against Company, its agents, employees, successors and/or assigns by a third party, to the extent that such claims, suits or expenses are based on a claim that the Customized Software, as delivered to Company by DSET or as modified or used in accordance with instructions provided by DSET, infringes on or misappropriates the intellectual property rights of a third party, provided, however, that the foregoing indemnification shall not apply to the extent that such claim, suit, and/or expenses is based on information or technical specifications provided by Company to DSET.

10 6 EXCLUSION OF DAMAGES IN NO EVENT SHALL EITHER PARTY TO THIS AGREEMENT BE LIABLE UNDER ANY CIRCUMSTANCES FOR SPECIAL, INDIRECT, PUNITIVE OR CONSEQUENTIAL DAMAGES OF ANY NATURE WHATSOEVER (WHETHER ARISING OUT OF CONTRACT, TORT, WARRANTY, STRICT LIABILITY OR OTHERWISE), INCLUDING WITHOUT LIMITATION ANY LOST REVENUES OR PROFITS OF ANY NATURE WHATSOEVER. NOTWITHSTANDING THE FOREGOING, HOWEVER, THIS EXCLUSION OF DAMAGES SHALL NOT APPLY TO ANY DAMAGES OR OTHER LIABILITY RESULTING FROM A CLAIM OR SUIT WITHIN THE SCOPE OF THE INDEMNITIES SET FORTH IN SECTION 10 4 AND 10 5.

10 7 LIMITATION OF LIABILITY IN NO EVENT SHALL EITHER PARTY BE LIABLE FOR DAMAGES WHICH EXCEED, IN THE AGGREGATE, THE AMOUNT PAID BY COMPANY TO DSET UNDER THIS AGREEMENT, WITHOUT REGARD TO WHETHER SUCH DAMAGES ARISE FROM ACTIONS IN CONTRACT, TORT, WARRANTY, STRICT LIABILITY, OR OTHERWISE. THE PARTIES HAVE AGREED THAT THE LIMITATIONS AND EXCLUSIONS SPECIFIED IN SECTIONS 10 2 AND 10 6 WILL SURVIVE AND APPLY EVEN IF ANY LIMITED REMEDY SPECIFIED IN THIS AGREEMENT IS FOUND TO HAVE FAILED OF ITS ESSENTIAL PURPOSE. NOTWITHSTANDING THE FOREGOING, HOWEVER, THIS LIMITATION OF LIABILITY, SHALL NOT APPLY TO ANY DAMAGES OR OTHER LIABILITY RESULTING FROM A CLAIM OR SUIT WITHIN THE SCOPE OF THE INDEMNITIES SET FORTH IN SECTION 10 4 AND 10 5.

- 11 1 **Perpetual Term** This Agreement shall become effective on and as of the Effective Date and shall continue in perpetuity until terminated in accordance with the terms of this Agreement
- 11 2 **Termination** If either party fails to fulfill one or more of its material obligations under this Agreement, the other party may, upon its election and in addition to any other remedies that it may have, at any time terminate this Agreement by not less than two (2) months written notice to the breaching party specifying any such breach, unless within the period of such notice all breaches specified therein shall have been remedied. If either party fails to fulfill one or more of its material obligations under a Work Agreement, the other party may, upon its election and in addition to any other remedies that it may have, at any time terminate such Work Agreement by not less than two (2) months written notice to the breaching party specifying any such breach, unless within the period of such notice all breaches specified therein shall have been remedied. Unless otherwise agreed, termination of a Work Agreement under this paragraph shall not terminate or affect this Agreement or other Work Agreements entered into by the parties
- 11 3 **Bankruptcy or Insolvency** Should DSET commence proceedings for bankruptcy under Chapter 11 of the U S Code, 11 U S C , and should DSET's bankruptcy trustee reject the license agreement pertaining to the DSET Licensed Software (pursuant to 11 U S C Section 365(n)(1)), then Company, as licensee of the Software, may elect to retain its rights to use the Software under this contract as they existed before the bankruptcy case commenced, pursuant to 11 U S C Section 365(n)(1)(B), for the duration of this license agreement
- 11 4 **Termination and Fees Due** In the event of termination, Company shall be responsible for payment in full of all undisputed fees, costs, and expenses accruing on or before the effective date of such termination
- 11 5 **Survival** Sections 4, 5, 6, 9, 10 3, 10 4, 10 5, 10 6 and 10 7 shall survive the termination of this Agreement or any Work Agreement

12 DEFINITIONS

The following definitions when used in this Agreement or in a SOW with capital letters shall have the meanings ascribed herein

- 12 1 "Acceptance" means, with respect to Customized Software, that Company has accepted such Customized Software as described in Section 7
- 12 2 "Company Enhancements" shall have the meaning ascribed in Section 4 2 2
- 12 3 "Computer Program" means any instruction or instructions, in source-code or object-code format, for controlling the operation of a CPU
- 12 4 "Customized Software" means the Computer Program developed by DSET pursuant to this Agreement and the applicable SOW, in both source and object code form

- 12 5 "Implementation Schedule" shall have the meaning set forth in Section 2 1 with respect to a SOW
- 12 6 "SOW" shall mean a statement of work that satisfies the requirements of Section 2 1
- 12 7 "Specifications" shall have the meaning set forth in Section 2 1 with respect to a SOW

13 MISCELLANEOUS PROVISIONS

- 13 1 **Entire Agreement** This Agreement, and its Schedules set forth the entire agreement and understanding between the parties as to the subject matter hereof and merge all prior discussions between them, and neither of the parties shall be bound by any conditions, definitions, warranties, understandings or representations with respect to such subject matter other than as expressly provided herein or as duly set forth on or subsequent to the date of acceptance hereof in writing and signed by a proper and duly authorized representative of the party to be bound thereby No provision appearing on any form originated by either party shall be applicable unless such provision is expressly accepted in writing by an authorized representative of the other party
- 13 2 **Severability** If any portion of this Agreement is found to be unenforceable or illegal, such provision will be enforced to the extent permissible and all other terms of this Agreement will remain in full force
- 13 3 **Trademarks** No right is granted herein to use any identifying mark (such as, but not limited to, trade names, trademarks, trade devices, service marks or symbols, abbreviations, contractions or simulations thereof) owned by, or used to identify any product or service of, a party to this Agreement or its corporate affiliates thereof either party agrees that it will not, without the prior written permission of the other party
- a) use any such identifying mark of either party in advertising, publicity, packing, labeling or in any other manner to identify any of its products or services, or
 - b) represent, directly or indirectly, that any product or service of either party is a product or service of the other party or such an affiliate or is made in accordance with or utilizes any information or documentation of either party or such an affiliate
- 13 4 **Press Releases** Either party to this Agreement is authorized to issue a press release concerning the existence of this Agreement or the subject matter thereof The parties shall prepare the content of any press release in good faith and shall take reasonable care not to disclose any Confidential Information of the other party The issuing party shall provide the other party with written notice and prior copy of such press release no less than 5 days in advance of the issuance of same
- 13 5 **Assignment** This Agreement shall be assignable or transferable by either party only with the other party's prior written consent, which shall not be unreasonably withheld For the purpose of this section, merger, consolidation, or sale of all or substantially all of

the assets of a party shall be considered an assignment, but shall require notice only and not consent. Transfer or assignment of rights and licenses granted under Section 4 of this Agreement shall be governed exclusively by the terms of Section 4.2, and this Section shall have no effect on such transfer or assignment.

13.6 Export The parties shall obtain any and all export licenses and/or governmental approvals that may be required to export the licensed materials under this Agreement. DSET shall bear any expense associated with such licenses and/or approvals to the extent necessary for the performance of DSET's obligations under this Agreement or an SOW, and Company shall bear all expense associated with its use and export of the Customized Software.

13.7 Notices

Payments to DSET under this Agreement shall be made payable and sent to

DSET Corporation
1011 Route 22 West
Suite 100
Bridgewater, New Jersey 08807
Attn: Accounts Receivable

Correspondence relating to this Agreement shall be sent to

DSET Corporation
1011 Route 22 West
Suite 100
Bridgewater, New Jersey 08807
Attn: Legal Affairs Manager

or

Allegiance Telecom, Inc
1950 Stemmons Freeway
Suite 3026
Dallas, TX 75207
Attn: Steve Taff

With a courtesy copy to

Kirkland & Ellis

Attn Gregg Kirchoefffer

200 East Randolph Drive

Chicago, Illinois 60601

- 13 8 Effective Date of Notices** Any statement, notice, request or other communication shall be deemed to be sufficiently given to the addressee and any delivery hereunder deemed made when sent by certified mail addressed to Company at its office specified in this Agreement or to DSET at the appropriate address specified in this section. Each party to this Agreement may change an address relating to it by written notice to the other party.
- 13 9 Choice of Law** This Agreement shall be governed by and construed in accordance with the laws of the State of New Jersey.
- 13 10 No Waiver** No failure on the part of DSET and Company to exercise, and no delay in exercising, any right or remedy hereunder shall operate as a waiver thereof, nor shall any single or partial exercise of any right or remedy hereunder preclude any other or a future exercise thereof or the exercise of any other right or remedy granted hereby or by any related document or by law.
- 13 11 Excuse** A party is not liable for non-performance of this Agreement, if the non-performance is caused by events or conditions beyond that party's control and the party gives prompt notice and makes all reasonable efforts to perform. In no event will this provision relieve Company of its obligation to make payments then owing under this Agreement. A delay caused by a subcontractor engaged by DSET will not be considered an excusable delay for DSET, unless such delay is an excusable delay that affects such contractor, in which case such delay will be deemed an excusable delay of DSET. Without limiting the generality of the foregoing, Company acknowledges that Company's failure or delay in furnishing necessary information, equipment, or access to facilities, delays or failure by Company in completing tasks required of Company or in otherwise performing Company's obligations hereunder or under a SOW and any assumption contained in a SOW which is incorrect will be considered an excusable delay on the part of DSET or excusable failure to perform hereunder and may impede or delay completion of the project. Company further acknowledges that such delays or failures may result in additional charges for completion of the project.

IN WITNESS WHEREOF, the parties have executed this Agreement intending to be bound thereby
Accepted by

DSET Corporation

By 

WANJI BARRINGTON
(Print or Type Name)

Mngr. Legal Affairs
(Title)

11/4/98
(Date)

Allegiance Telecom, Inc

By 

STEPHEN N. HOLLAND
(Print or Type Name)

SR. VICE PRESIDENT + CIO
(Title)

11-3-98
(Date)



October 10, 2003

Clerk of the US Bankruptcy Court
Re Allegiance Telecom, Inc et al
One Bowling Green, 6th Floor
New York, NY 10004-11408

Re Case Numbers 03-13103, 03-13057
Proof of Claim by DSET Corp
Invoice # 61 \$280,170 00 Invoice # 63 \$9 860 09

Dear Clerk of Court

Enclosed, please find our Proof of Claim forms and supporting documentation for the above referenced invoices. Our claim is for continued support maintenance provided to the Debtor as a result of an agreement which was signed by them in November of 1998 and of which DSET has provided continued service since that time.

We received the notification on October 7th as the mailing address was incorrect. Our correct address is listed on this letterhead.

We ask the Clerk of Court to accept our claim for processing in the bankruptcy hearing process and to keep us updated as to the progress of our claim submission.

Sincerely,

Reggie Oglesby
Asst to Vish Emani, President

encls