

**UNITED STATES BANKRUPTCY COURT  
FOR THE SOUTHERN DISTRICT OF NEW YORK**

**PROOF OF CLAIM**




In re  
**Allegiance Telecom of Colorado, Inc**

Case Number  
**03-13070**

**YOUR CLAIM IS SCHEDULED AS**  
\$647 84 UNSECURED CONTINGENT  
DISPUTED UNLIQUIDATED  
**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(c)(2).  
**U.S.B.C. SOUTHERN DISTRICT OF NEW YORK**

**ALLEGIANCE TELECOM, INC**  
**03-13057 (RRD)**

**Name of Creditor and Address**  
 03805888086324  
SCHEIDELER & PITTMAN ESQS  
2755 S LOCUST  
DENVER CO 80222

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

**1111**  
The amounts and nature of your claim 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 properly filed a proof of claim with the Bankruptcy Court, you do not need to file again.

Creditor Telephone Number **(303) 757 5678**  
CREDITOR TAX ID #  
**13-4207443**

ACCOUNT OR OTHER NUMBER BY WHICH CREDITOR IDENTIFIES DEBTOR  
**303 757 5678**

Check here  replace or amend a previously filed claim dated **12/02**

**1 BASIS FOR CLAIM**  
 Goods sold  Personal injury/wrongful death  Retiree benefits as defined in 11 U.S.C. § 1114(a)  
 Services performed  Taxes  Wages, salaries and compensation (Fill out below)  
 Money loaned  Other (describe briefly below) **Negligent Telephone Sales Call**  
Your social security number **13-4207443**  
Unpaid compensation for services performed from **5/02** to **11/02** (date) (date)

**2 DATE DEBT WAS INCURRED** **11/02** **3 IF COURT JUDGMENT, DATE OBTAINED** **N/A**

**4 TOTAL AMOUNT OF CLAIM AT TIME CASE FILED** \$ **647 84** (unsecured) \$ (secured) \$ (unsecured priority) \$ **647 84** (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 31 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 5:00 p.m. November 26, 2003, Prevailing Eastern Time.  
**BY MAIL** United States Bankruptcy Court  
**TO** Southern District of New York  
Allegiance Claims Docketing Center  
Bowling Green Station, P.O. Box 95  
New York, NY 10074-0095  
**BY HAND OR OVERNIGHT DELIVERY TO** United States Bankruptcy Court  
Southern District of New York  
Allegiance Claims Docketing Center  
One Bowling Green, Room 534  
New York, NY 10004-1408

**THIS SPACE FOR COURT USE ONLY**

DATE SIGNED  
**10/23/03**

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).  
**Josephine, Principal**

**RECEIVED**  
**OCT 27 2003**

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**





# VOICE SERVICES/ INTEGRATED SERVICES ORDER

CUSTOMER CARE NUMBER 1 800 553-1989

## CUSTOMER PROFILE

COMPANY NAME <i>J. H. Scheideler</i>	ORDERED BY <i>W. Scheideler</i>	BILLING CONTACT
BILLING ADDRESS <i>1515 S Locust St #1102</i>	CITY <i>Denver</i>	STATE <i>CO</i> ZIP <i>81422</i>
PHONE <i>303-757-1818</i>	FAX	MULTI LOCATION (IF YES USE MULTI-LOCATION FORM) <input checked="" type="checkbox"/> NO <input type="checkbox"/> YES # of Locations
SERVICE LOCATION ADDRESS <i>Same as above</i>	CITY	STATE ZIP
SERVICE LOCATION CONTACT	E MAIL ADDRESS	
PHONE	FAX	MARKET <i>Denver</i> COLLOCATION
SALES PERSON <i>...</i>	PHONE NUMBER	PROMOTIONAL NAME/CODE
CUSTOMER ACCOUNT #	BILLING ACCOUNT #	<b>\$2500 ACCOUNT SET-UP FEE</b>
TERM (Beginning from date of installation) <input type="checkbox"/> ONE YEAR <input checked="" type="checkbox"/> TWO YEAR	MINIMUM MONTHLY REVENUE COMMITMENT (MMRC) <input type="checkbox"/> \$0 <input checked="" type="checkbox"/> \$100 <input type="checkbox"/> \$200 <input type="checkbox"/> \$500 <input type="checkbox"/> \$1000 <input type="checkbox"/> OTHER	
<input type="checkbox"/> TAX EXEMPT (TAX EXEMPT CERTIFICATE MUST BE ATTACHED OTHERWISE ORDER WILL BE REJECTED)	TAX ID NUMBER	

## VOICE SERVICE DESCRIPTION OF SERVICE

Local Service (UNE) <input type="checkbox"/> New <input type="checkbox"/> Conversion	Digital PBX Trunk (Local T 1) <input type="checkbox"/> New <input type="checkbox"/> Conversion	ISDN PRI <input type="checkbox"/> New <input type="checkbox"/> Conversion	Integrated Services <input type="checkbox"/> IA Channel Package <input type="checkbox"/> Total Communications	<input type="checkbox"/> Calling Card <input type="checkbox"/> Toll Free <input type="checkbox"/> Wire Maintenance Plan (1) <input type="checkbox"/> Voice Mail
(1) Wire Maintenance Plan Addendum				
<b>LOCAL CALLING and IntraLATA TOLL</b>		<b>LONG DISTANCE TOLL (InterLATA) and TOLL-FREE SERVICES</b>		
Allegiance Local Calling Options <input checked="" type="checkbox"/> Allegiance Telecom Local Calling Options (where available) * IntraLATA Toll Options <input type="checkbox"/> Allegiance Telecom LATA Toll <input type="checkbox"/> Allegiance Standard <input type="checkbox"/> Optional Calling Plan (where available) * <input type="checkbox"/> Current Carrier _____ Account No _____ <input type="checkbox"/> Other Carrier _____		<input checked="" type="checkbox"/> Allegiance Telecom (2) • Standard IntraState/InterLATA Toll/Instate Toll Free Service • Allegiance Telecom Across America 1+Plans (InterState plans) <input type="checkbox"/> Allegiance Telecom 99 LD \$0 00 (3) <input type="checkbox"/> Allegiance Telecom Small Business 79 LD \$50 00 (3) <input checked="" type="checkbox"/> Allegiance Telecom Business Value 69 LD (4) \$50 00 (3) <input checked="" type="checkbox"/> Allegiance Telecom Business Saver 59 LD (4) \$200 00 (3) <input type="checkbox"/> Allegiance Optional Plan (where available) * <input type="checkbox"/> Current Carrier _____ Account No _____ <input type="checkbox"/> Other Carrier _____		
* If selecting an Allegiance Telecom optional plan, you must complete the applicable addendum and attach it hereto				
<input type="checkbox"/> Central Region Addendum <input type="checkbox"/> Western Region Addendum <input type="checkbox"/> Eastern Region Addendum				
(2) Must select an Allegiance InterState plan    (3) Must choose Allegiance for the IntraLATA and InterLATA Carrier    (4) Minimum 1 year term required				

## INTEGRATED SERVICES (5)

INTEGRATED ACCESS CHANNEL PACKAGE				TOTAL COMMUNICATIONS OPTIONS (6)				
Select Channel Package	QTY	Installation Fee	Choose Speed	QTY	QTY	Installation Fee	Choose Speed	QTY
<input type="checkbox"/> 12 Voice Channels	___	X	<input type="checkbox"/> 64K	___	<input checked="" type="checkbox"/> TC Package	X	<input type="checkbox"/> 384K	___
<input type="checkbox"/> 16 Voice Channels	___	X	<input type="checkbox"/> 128K	___	• 6 Voice Lines		<input type="checkbox"/> 512K	___
<input type="checkbox"/> 20 Voice Channels	___	X	<input type="checkbox"/> 256K	___	• 256K Internet Access		<input type="checkbox"/> 768K	___
<input type="checkbox"/> 23 Voice Channels	___	X	<input type="checkbox"/> 512K	___			<input type="checkbox"/> 1 024M	___
			<input type="checkbox"/> 768K	___				
Total # of Device Matrices _____				<input type="checkbox"/> Additional Voice Lines _____				
(5) Certain fees apply if termination as set forth the reverse of this form				Total # of Device Matrices _____				

## ADD-ONS

Monthly Fee	QTY	Monthly Fee	QTY
<input type="checkbox"/> Domain Pointer (6) \$10	___	<input type="checkbox"/> Web Hosting 50MB (7) (8) \$35	___
<input type="checkbox"/> E Mail Boxes (5MB per box) \$2	___	<input type="checkbox"/> Web Disk Space 2MB \$2	___
<input type="checkbox"/> E Mail Disk Space 25MB \$10	___	<input type="checkbox"/> Dial Up (8) \$20	___
		<input type="checkbox"/> UPS \$250 each \$0	___

## COMMENTS

**EXHIBIT**

1

## CUSTOMER ACCEPTANCE

The person signing below represents and warrants that he or she is fully authorized to execute and deliver this Agreement on behalf of Customer. By signing below Customer hereby acknowledges and agrees (1) to be bound by all of the terms and conditions on the reverse side of this form and (2) that Customer has read and understands that such terms and conditions (including the limitations of liability) govern the services ordered hereunder.

CUSTOMER SIGNATURE <i>[Signature]</i>	DATE <i>4/18/02</i>
CUSTOMER NAME (PRINTED) <i>Ally Lowrey</i>	TITLE (PRINTED) <i>...</i>
ALLEGIANTELECOM REPRESENTATIVE SIGNATURE <i>[Signature]</i>	DATE
ALLEGIANTELECOM REPRESENTATIVE NAME (PRINTED) <i>Justin Reynolds</i>	TITLE (PRINTED) <i>...</i>
SALES ENGINEER SIGNATURE <i>[Signature]</i>	DATE
SALES ENGINEER NAME (PRINTED) <i>...</i>	TITLE (PRINTED)



allegiantelecom, inc.

www.allegiantelecom.com

# APPLICATION FOR OPEN ACCOUNT

CUSTOMER CARE NUMBER 1-800-553-1989

## BUSINESS INFORMATION

COMPANY NAME Schneider & Pittman ES&S

BILLING ADDRESS 2755 S. Locust St. Suite 116 LITTLE ROCK AR 72205

PHONE 503-775-5000 FAX 333-691-9292 E MAIL \_\_\_\_\_ DUNS # \_\_\_\_\_

CORPORATION STATE OF INCORPORATION \_\_\_\_\_ DATE INCORP Y

\_\_\_\_ PARTNERSHIP \_\_\_\_ PROPRIETORSHIP PROPRIETOR S SOC SEC # \_\_\_\_\_

OWNERS/PARTNERS/OFFICERS \_\_\_\_\_

ACCOUNTING CONTACT (NAME) \_\_\_\_\_ PHONE \_\_\_\_\_ FAX \_\_\_\_\_

TAX ID# X 10 373-30 YEAR BUSINESS STARTED X 10 13

TYPE OF BUSINESS \_\_\_\_\_

If any other company owns 50% or more of applicant COMPANY NAME \_\_\_\_\_

ADDRESS \_\_\_\_\_ APPLICANT'S RELATIONSHIP \_\_\_\_\_

TYPE OF SERVICE REQUESTED LEC  LD  OTHER

ESTIMATED MONTHLY BILLING \$ \_\_\_\_\_ \$ \_\_\_\_\_ \$ \_\_\_\_\_

## CREDIT INFORMATION

\_\_\_\_ PREPARED CREDIT INFO PACKAGE ATTACHED

**Current Telecommunications Carrier**

COMPANY KOCHTEL PHONE \_\_\_\_\_

ADDRESS \_\_\_\_\_ FAX \_\_\_\_\_

CITY \_\_\_\_\_ STATE \_\_\_\_\_ CONTACT \_\_\_\_\_

CITY \_\_\_\_\_ STATE \_\_\_\_\_ ZIP \_\_\_\_\_

Please attach copy of recent billing statement from carrier Attached \_\_\_\_\_

**Trade Reference**

COMPANY FUR PHONE \_\_\_\_\_

ADDRESS \_\_\_\_\_ FAX \_\_\_\_\_

CITY \_\_\_\_\_ STATE \_\_\_\_\_ CONTACT \_\_\_\_\_

CITY \_\_\_\_\_ STATE \_\_\_\_\_ ZIP \_\_\_\_\_

**Bank Reference**

COMPANY \_\_\_\_\_ PHONE \_\_\_\_\_

ADDRESS \_\_\_\_\_ FAX \_\_\_\_\_

CITY \_\_\_\_\_ STATE \_\_\_\_\_ CONTACT \_\_\_\_\_

CITY \_\_\_\_\_ STATE \_\_\_\_\_ ZIP \_\_\_\_\_

## CUSTOMER ACCEPTANCE

**In consideration of extending credit to applicant by Allegiance, Applicant agrees to the following terms**

- 1 Allegiance is authorized to contact any party identified in this application to verify credit experience and the information provided and to obtain such credit information about Applicant as is necessary for the extension of credit
- 2 Applicant agrees to pay all charges subject to Allegiance's federal and state tariffs billed by Allegiance for applicant's usage of services and if applicable minimum monthly usage billings including recurring and non recurring charges taxes and surcharges Allegiance may require a payment deposit from applicant
- 3 Applicant accepts all credit terms on account as billed by Allegiance including terms now in effect or hereafter established by Allegiance and agrees to make timely payment in compliance with such terms Current terms are payment in full within 30 days of invoice date
- 4 Applicant will pay Allegiance 1 5/8 per month (18 1/2 per annum) or lower as allowed by law on the unpaid balance of any invoice not paid within billing terms
- 5 Any claim or dispute arising from charges billed on the account must be asserted by Applicant within the time period provided for in the applicable tariff or the billing records of Allegiance will thereafter be deemed accurate and irrefutable
- 6 Applicant agrees to pay Allegiance reasonable costs including attorney and collection agency fees to the extent permitted by law incurred in the collection of any balance due on the account
- 7 Applicant will immediately notify Allegiance in writing of any change in the information on this application including but not limited to changes of company name address ownership and legal status
- 8 The person whose signature appears below is authorized to submit this application for Applicant and to bind Applicant to its terms

APPLICANT COMPANY Schneider & Pittman ES&S AUTHORIZED SIGNATURE \_\_\_\_\_

BY (Print Name) 110 Schneider TITLE \_\_\_\_\_ DATE \_\_\_\_\_



allegiance telecom, inc.

www.allegiancetele.com

# BROADBAND SERVICES CUSTOMER CHECKLIST

## CUSTOMER PROFILE

COMPANY NAME Schneider & Outdoor ESAS					
ADDRESS 2705 S Locust St			CITY Denver	STATE CO	ZIP 80222
CONTACT NAME D. Schneider		PHONE 303-751-1518	FAX		

## TECHNICAL PROFILE

TECHNICAL CONTACT Ken - AR		CELLULAR PHONE			
PHONE	FAX	E MAIL ADDRESS			
TECHNICAL CONTACT 2		CELLULAR PHONE			
PHONE 303-322	FAX	E MAIL ADDRESS			

Thank you for choosing one of Allegiance Telecom's Broadband Services (i.e., Dedicated Internet Access or Integrated Services) With Allegiance Telecom, you've selected a communications partner that can serve all your telecommunications needs, including local service, long-distance calling, Internet and high-speed data transmission. It's the new way for business to connect — the Allegiance Telecom way.

Allegiance is dedicated to providing you with the best service possible by providing the equipment and coordinating the majority of the tasks necessary to get your Dedicated Internet Access or Integrated Services products up and running.

### ALLEGIANCE WILL COORDINATE THE FOLLOWING ACTIVITIES DURING THE INSTALLATION PROCESS

The list below contains information about the Allegiance-provided equipment included with your service and the activities coordinated by Allegiance during the installation process.

- Order and test all local access facilities and Allegiance-provided equipment
- Ship and install required network equipment (router for Dedicated Internet Access or Integrated Access Device for Integrated Services)
- Establish the connection (Allegiance-provided equipment + local access facilities) into Allegiance's network
- Complete wiring extensions from the minimum point of entry in your building to the equipment room in your office suite (Not to exceed \$899.00)<sup>1</sup>
- Installation of a connection block, and completion of the cross connects from the Allegiance connection block to your connection block<sup>1</sup>
- Provide an Ethernet port on the Allegiance-provided equipment to be used as Allegiance's demarcation point for data services<sup>1</sup>
- Port existing telephone numbers onto Allegiance Telecom's voice network (if applicable)
- Send a tech out to coordinate the conversion of voice services

<sup>1</sup> See details on reverse side of this form

## CUSTOMER CHECKLIST

In order to install your service as quickly as possible, we have developed the following Customer Checklist, which will help Allegiance and you during the installation process. Please take the time to read these carefully and provide the information requested. Check the following items as applicable.

- I have a 10baseT network or PC with an Ethernet connection
- I have AC power within 4 feet of where the Allegiance-provided equipment will be mounted
- (Integrated Services products only) I will arrange for the connections from my termination block to my internal telephone network
- I will arrange for the connection from the Ethernet port on the Allegiance-provided equipment to my network hub
- I will provide Allegiance with two local contact names along with their e-mail addresses and phone numbers
- I will provide and/or obtain building and phone room access to allow for the installation of my service and all related Allegiance-provided equipment. Allegiance may start billing for the local loop if access is not allowed<sup>1</sup>

The make and model # of my PBX or Key System is \_\_\_\_\_

<sup>1</sup> See details on reverse side of this form

## CUSTOMER ACCEPTANCE

I acknowledge that I have reviewed and completed the Customer Checklist above.

\_\_\_\_\_  
Customer Signature

\_\_\_\_\_  
Date

For specific terms and conditions that govern the services provided by Allegiance Telecom please see the applicable service agreement between you and Allegiance. If you have any questions regarding your service, please contact a Broadband Service Coordinator at 866-282-1638.



allegiancetelecom, inc.

www.allegiancetele.com

LETTER OF AGENCY

CUSTOMER CARE NUMBER 1-800-553-1989

CUSTOMER PROFILE

CUSTOMER BILLING NAME <i>Block 1 &amp; 2 + 3m F525</i>				
CUSTOMER BILLING ADDRESS (include suite or floor number) <i>775 - 2nd - St. Suisun</i>		CITY <i>Liver</i>	STATE <i>CA</i>	ZIP <i>94542</i>
CUSTOMER STREET ADDRESS (include suite or floor number)		CITY	STATE	ZIP
NAME OF PERSON AUTHORIZED TO ACT FOR CUSTOMER		AUTHORIZED PERSON'S TELEPHONE NUMBER		

By signing below, I am authorizing Allegiance Telecom of Liver, Inc ("Allegiance Telecom") to become my new telephone service provider in place of Eschoon ("Current Telephone Company") for the provision of the following type(s) of service

SERVICE

Choose from the following

<input checked="" type="checkbox"/> LOCAL EXCHANGE SERVICE	<input type="checkbox"/> LOCAL TOLL (IntraLATA Toll)
<input checked="" type="checkbox"/> LONG DISTANCE (InterLATA Toll)	
Select one	Select one
<input type="checkbox"/> Allegiance	<input checked="" type="checkbox"/> Allegiance
or	or
<input type="checkbox"/> Current Carrier _____	<input type="checkbox"/> Current Carrier _____
Account No _____	Account No _____
or	or
<input type="checkbox"/> Other _____	<input type="checkbox"/> Other _____

I authorize Allegiance Telecom to act as my agent to make this change happen, and direct my Current Telephone Company to work with the new provider designated above to effect the change. I understand that for each telephone number, I may designate only one carrier for local toll and only one carrier for long distance. I understand that I may consult with the carrier(s) as to whether a fee applies to the carrier(s) change(s).

I understand that I must pay a charge of (not including any installation or account set up fee) of approximately \$ 4 OR  Charge Waived to switch providers. If I later wish to return to my Current Telephone Company, I may be required to pay a reconnection charge to that company. I also understand that Allegiance Telecom may have different rates and charges than my Current Telephone Company, and that by signing below I indicate that I understand those differences (if any) and am willing to be billed accordingly.

I authorize Allegiance Telecom to provide the services selected above to the Billing Telephone Numbers ("BTN") listed below, including any and all other telephone numbers associated with the listed BTN(s), and no others.

<i>303-757-5678</i>	<i>720 889 1045 450 Act 9393</i>	
<i>303-757-3050</i>		

Please initial here X to indicate your agreement to switch ALL telephone numbers associated with the BTN(s) listed above to Allegiance.

I further understand and agree that in the event I DO NOT want ALL telephone numbers associated with a BTN listed above switched to Allegiance, I must attach a list of EACH telephone number to be switched to Allegiance. Initial here \_\_\_\_\_ to indicate that you are attaching a list of EACH telephone number to be switched to Allegiance.

I certify that I have read and understand this Letter of Agency. I further certify that I am at least eighteen (18) years of age, and that I am authorized to change telephone companies for services to the telephone number(s) listed above.

<u><i>Joe Schindler</i></u> Customer Name (please print)	<u><i>Gen E. P...</i></u> Title
<u><i>[Signature]</i></u> Customer Signature	<u><i>4/1/2</i></u> Date

THIS LETTER OF AGENCY SHALL REMAIN IN EFFECT FOR A PERIOD OF 60 DAYS FROM THE DATE OF SIGNATURE

## II FACTUAL BACKGROUND

17 On or about the end of March, 2002, Jennifer Reynolds, a representative of Allegiance (CO), made an appointment with Law Firm to sell telecom services to Law Firm in the person of Joseph Scheideler, the then General Partner for Scheideler & Pittam, Esqs , now President of Scheideler & Associates PC Ms Reynolds returned to Law Firm numerous times extolling the attributes of Defendants' telecom services

18 During Ms Reynolds' visits to Law Firm, she informed Law Firm that Defendants were running a special "promo" for new customers which would provide comprehensive telephone and Internet T-1 line service for Law Firm Law Firm was to receive five (5) lines of telephone service, inclusive of one (1) line at no charge, and the T-1 connection Ms Reynolds represented that Law Firm would not incur an installation fee and that the transition from Law Firm's then telephone and Internet service to Defendants' telephone and Internet service would be "seamless "

19 Ms Reynolds with actual and apparent authority quoted Law Firm a flat monthly rate of \$300 00 for all telephone and T-1 lines for local billing Long distance service would be charged to Law Firm in increments of six-second billing at special rates which were represented to be at a substantial savings over Law Firm's telephone service then in effect

20 On April 18, 2002, in reliance on the representations and promises of Jennifer

Reynolds, Law Firm and Defendants entered into a contractual relationship pursuant to which Law Firm would pay a \$300 00 per month flat rate fee in exchange for a seamless transition by Defendants with a no charge installation Exhibit 1, attached and incorporated in this Complaint

21 Allegiance (CO) executed the Order, Application, Checklist, and Agency documents which did not state the relationship between Allegiance (CO) and Allegiance (TX)

22 Allegiance (CO) issued billing statements to Law Firm which bore the logo of Allegiance (TX) and a remittance address of Dallas, TX

23 Law Firm has fully performed its obligations under the contract

24 When Defendants billed Law Firm, Law Firm asked about the T-1 connection installation charge of \$899 00 Defendants, by Ms Reynolds, informed Law Firm that this was a promotional billing and installation evidenced her writing “-0- promo” on the Voice Services Integrated Service Order which amended the contract form which did not provide the promotion’s savings

25 On or about May 28, 2002, Defendants’ service technician appeared at Law Firm and indicated that the telephone number (303) 757-0773 was included in Law Firm’s assigned telephone numbers Law Firm informed the technician that it did not recognize the number and asked if it was the additional line promised by Ms Reynolds to be provided to Law Firm without charge The technician indicated that it probably was Law Firm requested the technician to assign this line in the fifth register of Law Firm’s telephone system and recount the telephone numbers for the installation to “hunt” properly from one telephone number to the next

26 The technician completed installation on the same day and represented to Law Firm that the transition from its existing service to Defendants’ service had been satisfactorily completed and that the T-1 connection service technician would come on a subsequent day to complete the Internet service installation for Law Firm

27 Incoming telephone calls to Brown began ringing on Law Firm’s telephones immediately after the telephone service transition Brown came to Law Firm and complained that his telephone would ring once and then not answer Brown stated his fax machine would no longer accept incoming nor transmit outgoing faxes Brown also complained that he had not signed a contract with Defendants, he did not agree to or want Defendants’ service, he had never been approached by Defendants, and he did not wish his telephone service to be switched, altered or terminated

28 Law Firm discovered that line two of the firm, telephone number (303) 757-3626, no longer received telephone calls and that when calls to Law Firm were made they would “hunt” from line one to line four and then to line three Existing and prospective clients who were able to contact Law Firm complained they were continually reaching Law Firm’s voice mail When

Law Firm's three remaining lines were in use, calls were transferred to voice mail. Incoming telephone calls to 303-757-3626 were never received by Law Firm.

29 Law Firm and Brown immediately complained to Defendants. Brown continued to have problems for an additional two to three days with the result that Brown's clients, prospective clients, contractors, and sub-contractors were totally unable to reach Brown and Brown was not able to reach them. The telecommunications company Qwest was finally able to "take over" Brown's telephone lines and return Brown's service.

30 Law Firm demanded that Defendants bring back the original four telephone lines needed for use by three attorneys and two legal assistants. Despite numerous hours spent on the telephone with Defendants and otherwise with their service representatives and technicians, Law Firm's four telephone lines were never properly restored by Defendants.

31 On June 28, 2002, pursuant to the contractual provision "Customer Service Guarantee," Law Firm sent a letter of cancellation of service to Defendants. The letter demanded monetary satisfaction and submitted that legal action may be forthcoming, which letter is submitted as satisfaction of Law Firm's obligation of notice pursuant to C.R.C.P. 121. Exhibit 2, attached and incorporated in this Complaint.

32 Defendants did not respond to the cancellation letter which was sent to both its principal and Denver regional offices. Law Firm subsequently received a post card from Allegiance (TX) indicating a credit to Law Firm's account of \$899.00 for installation. Exhibit 3, attached and incorporated in this Complaint.

33 Failing performance by Defendants, Law Firm entered into an independent contractual relationship on June 28, 2002, with Eschelon Telecom to take over Law Firm's telephone and Internet service to mitigate further financial loss by the actions and inaction of Defendants.

34 Various and several Eschelon and Qwest technicians repeatedly attempted to install their service to replace Defendants' service. These efforts failed due to the continued failure of Defendants to switch Law Firm's lines though demanded by Law Firm. Not until October 10, 2002, was Eschelon able to take over control of Law Firm's telephone lines and restore its four telephone lines with proper line hunting capability.

35 Defendants billed Law Firm a monthly service fee of approximately \$470.00. Law Firm complained to Defendants that Jennifer Reynolds represented that Law Firm would be charged a flat rate of \$300.00 per month as a promotion for its subscription to Defendants' services. Defendants stated that Ms. Reynolds was no longer working for it because of unspecified "problems" created by her representation.

36 Law Firm lost all service on September 23, 2002 and was without the use of



telephone number (303) 757-3626 from September 2002, to September 14, 2002

**FIRST CLAIM FOR RELIEF**

Negligence  
(Brown)

37 Plaintiff incorporates by reference the allegations contained in all preceding paragraphs as if set forth fully herein

38 Defendants had a duty to conform their conduct to a standard of care to protect others, including Brown, from unreasonable risks of harm, including termination of Brown's telephone service without first conducting a reasonable determination of property and rights belonging to Brown, including the right to be free from interference with his established business telephone line

39 Defendants breached that duty by not first determining the identity of telephone lines belonging to Brown before the transition of Law Firm's telephone lines

40 The failure by Defendants to first determine the identity of telephone lines belonging to Brown before the transition of Law Firm's telephone lines was the proximate cause of the termination of Brown's telephone service

41 Brown suffered damages as a result of Defendants' negligence

**SECOND CLAIM FOR RELIEF**

Intentional Deprivation of Telephone Service of Choice with  
Attendant Deprivation of Prospective Business Advantage  
(Brown)

42 Plaintiff incorporates by reference the allegations contained in all preceding paragraphs as if set forth fully herein

43 Defendants intentionally and without authority of Brown deprived Brown of the telephone service of his choice

44 When Defendants were notified by Brown through Law Firm of the deprivation of Brown's telephone service of choice and Defendants failed to act in accordance with demand, their acts constituted the proscribed act of "slamming" contrary to Federal and State policy

45 Defendants' deprivation of Brown's telephone service by its refusal to immediately cure was an intentional interference with Brown's prospective business advantage

46 Brown suffered damages as a result of Defendants' deprivations

**THIRD CLAIM FOR RELIEF**

Breach of Contract

(Law Firm)

47 Plaintiff incorporates by reference the allegations contained in all preceding paragraphs as if set forth fully herein

48 Defendants entered into a contractual relationship with Law Firm to provide goods and to perform and provide telephone and Internet services to Law Firm

49 Defendants breached the contract by failing to provide telephone and Internet services to Law Firm to the extent provided in the contract

50 Law Firm suffered damages as a result of Defendants' breach

**FOURTH CLAIM FOR RELIEF**

Breach of Warranty - Implied Warranty of Fitness for a Particular Purpose

(Law Firm)

51 Plaintiff incorporates by reference the allegations contained in all preceding paragraphs as if set forth fully herein

52 Defendants, at the time of contracting with Law Firm, had reason to know that the particular purpose for which the goods and services it impliedly offered to Law Firm would be relied upon as to Defendants' expertise, skill, and judgment to select and furnish suitable and appropriate-to-need goods and services

53 Law Firm relied upon Defendants' expertise, skill, and judgment to select and furnish suitable and appropriate-to-need good and services and changed its position accordingly

54 Defendants breached their warranty where provided goods and services were not fit for the intended purpose

55 Law Firm suffered damages as a result of Defendants' breach

**FIFTH CLAIM FOR RELIEF**

Breach of Warranty - Express Warranty of Fitness for a Particular Purpose

(Law Firm)

56 Plaintiff incorporates by reference the allegations contained in all preceding paragraphs as if set forth fully herein

57 Defendants, at the time of contracting with Law Firm, had reason to know that the

particular purpose for which the goods and services it expressly offered to Law Firm would be relied upon as to Defendants' expertise, skill, and judgment to select and furnish suitable and appropriate-to-need goods and services

58 Law Firm relied upon Defendants' expertise, skill, and judgment to select and furnish suitable and appropriate-to-need good and services and changed its position accordingly

59 Defendants breached their warranty where provided goods and services were not fit for the intended purpose

60 Law Firm suffered damages as a result of Defendants' breach

#### **SIXTH CLAIM FOR RELIEF**

##### **Intentional Interference with Prospective Business Advantage (Law Firm)**

61 Plaintiff incorporates by reference the allegations contained in all preceding paragraphs as if set forth fully herein

62 Law Firm and Defendants established a valid business relationship with mutual expectancy of performance

63 Subsequent to Defendants' service transition and discovery by Law Firm of installation deficiency and telephone service failure, Defendants failed to perform on Law Firm's demand

64 Subsequent to Law Firm's demand for cancellation of contract pursuant to the terms therein, Defendants intentionally refused to perform by not releasing telephone lines assigned to Law Firm over which Defendants retained control

65 Where a telecommunications firm, including Defendants, fail to properly install and service a communications line after termination of existing service, a loss of business is reasonably foreseeable

66 Defendants' intentional actions against Law Firm prevented the formation of contract between Law Firm and third persons attempting to contact and contract with Law Firm

67 Law Firm suffered damages as a result of intentional interferences by Defendants

#### **SEVENTH CLAIM FOR RELIEF**

##### **Promissory Estoppel (Law Firm)**

68 Plaintiff incorporates by reference the allegations contained in all preceding paragraphs as if set forth fully herein

69 Defendants, through their agent Jennifer Reynolds, expressly represented to Law Firm they could effect a “seamless” transition from Law Firm’s existing and functional telecommunications carrier to Defendants’ telephone and T-1 Internet service

70 Defendants should reasonably have expected that their promises and representations would induce action by Law Firm

71 Law Firm reasonably relied on Defendants’ express representations when it contracted with Defendants

72 Law Firm substantially changed its position when it allowed Defendants to terminate its then operating telephone and Internet system and transition these services to Defendants’ control

73 Law Firm suffered damages as a result of its reliance Defendants’ express representations

#### **EIGHTH CLAIM FOR RELIEF**

Fraudulent Misrepresentation  
(Law Firm)

74 Plaintiff incorporates by reference the allegations contained in all preceding paragraphs as if set forth fully herein

75 Defendants fraudulently misrepresented to Law Firm that Defendants could perform a seamless transition of Law Firm’s then existing telephone and Internet service to Defendants’ control

76 Law Firm reasonably relied on Defendants’ material representations and changed its position by permitting Defendants to control its telephone lines

77 Law Firm was justified in relying on Defendants’ material representations

78 Law Firm suffered damages as a result of its reliance Defendants’ representations

#### **NINTH CLAIM FOR RELIEF**

Fraudulent Concealment  
(Law Firm)

79 Plaintiff incorporates by reference the allegations contained in all preceding

paragraphs as if set forth fully herein

80 Defendants concealed the material fact that they could not perform a seamless transition of Law Firm's then existing telephone and Internet service to Allegiance (CO)'s control which in equity and in good conscience should have been disclosed to Law Firm

81 Defendants concealed the material fact that their representative, Jennifer Reynolds, had a history of misrepresentation to potential clients of Defendants which in equity and in good conscience should have been disclosed to Law Firm prior to its entering into a contractual relationship with Law Firm Defendants revealed this material fact only after Law Firm's complaints and demands for performance

82 Law Firm was without prior knowledge that Defendants could not perform a seamless transition of Law Firm's then existing telephone and Internet service to Defendants' control

83 Law Firm was without prior knowledge that Defendants' representative, Jennifer Reynolds, had a history of misrepresentation to potential clients of Defendants

84 Defendants intended that Law Firm accept the representations of Jennifer Reynolds as an inducement to Law Firm to enter into a contractual relationship with Defendants

85 Law Firm changed its position and entered into a contractual relationship with Defendants

86 Law Firm suffered damages as a result of Defendants' concealed knowledge