

UNITED STATES BANKRUPTCY COURT
SOUTHERN DISTRICT OF
NEW YORK
NEW YORK DIVISION

REC'D SEP 15 2004

In re ALLEGIANCE TELECOM SERVICE CORPORATION
Taxpayer number 1-75-2736777-9

Case number 03-13103-RDD
FILED
U S B C SOUTHERN DISTRICT OF NEW YORK
ALLEGIANCE TELECOM, INC
03-13057 (RRD)

FIRST AMENDED
Priority Proof Of Claim

2920

Name of Creditor Texas Comptroller of Public Accounts on behalf of the
State of Texas, Texas Municipalities, Texas Counties,
Special Purpose Districts and/or Texas Metropolitan or
Regional Transportation Authorities

Send notices to Office of the Attorney General
Bankruptcy - Collections Division
P O Box 12548
Austin, TX 78711-2548

- 1 BASIS FOR CLAIM Taxes, Penalties and Interest
- 2 DATE DEBT WAS INCURRED 10/01/1999 to 03/31/2003
- 3 IF COURT JUDGEMENT, DATE OBTAINED
- 4 CLASSIFICATION OF CLAIM Unsecured priority claim {11 U S C sec 507(A) (8)}
- 5 TOTAL AMOUNT OF CLAIM AT TIME CASE FILED \$ 5,940,748 44

SALES AND USE TAX CH 151, (321,322,323)

	TAX	PENALTY	INTEREST
State Liability	3,770,716 70	364,581 63	365,412 68
City Liability	1,206,470 08	116,650 72	116,916 63

- 6 CREDITS The amount of all payments on this claim has been credited and deducted for the purpose of making this proof of claim Creditor reserves all setoff rights under Texas law, including those arising from audits, credits, refunds, or payments due for goods and services provided to the State of Texas

- 7 SUPPORTING DOCUMENTS Attached, if any

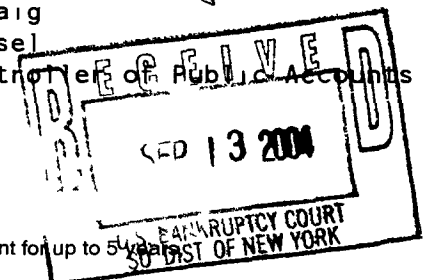
Date 09/08/2004

Richard Craig

Richard Craig
Legal Counsel
Texas Comptroller of Public Accounts



Mail payments to Revenue Accounting Division
Bankruptcy Section
P O Box 13528
Austin TX 78711 3528



Penalty for presenting fraudulent claim fine of up to \$5 000 or imprisonment for up to 5 years or both 18 U S C secs 152 and 3571

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Form ID No 0200

1 From Date 9/14/04

Sender Name BSEC SDNY Phone 310 321-5545

Company ALLEGIANCE TELECOM # 7100 1, Inc

Address 1330 E FRANKLIN AVE Dept/Floor/Suite/Room

City City State ZIP 90245

2 Your Internal Billing Reference ALLEGIANCE TELECO. # 30

3 To Recipient Name LISAPANNIER Phone 321-5545

Company BMC Corp

Address 1330 Franklin Ave We cannot deliver P.O. boxes or P.O. ZIP codes

Address City State ZIP 90245

City State ZIP 90245



4a Express Package Service
FedEx Priority Overnight
FedEx Standard Overnight
FedEx First Overnight
FedEx 2Day
FedEx Express Saver

4b Express Freight Service
FedEx 1Day Freight
FedEx 2Day Freight
FedEx 3Day Freight

5 Packaging
FedEx Envelope
FedEx Pak
Other

6 Special Handling
SATURDAY Delivery
HOLD Weekday at FedEx Location
HOLD Saturday at FedEx Location
Does this shipment contain dangerous goods?
No
Yes
Dry Ice
Cargo Aircraft

7 Payment Bill to
Sender
Recipient
Third Party
Credit Card

Total Packages 1
Total Weight
Total Declared Value \$ 00

8 Release Signature Sign to authorize delivery without obtaining signature

By signing you authorize us to deliver this shipment without obtaining a signature and agree to indemnify and hold us harmless from any resulting claims
Questions? Visit our Web site at fedex.com
or call 1 800 Go FedEx 800 463 3339
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**UNITED STATES BANKRUPTCY COURT
SOUTHERN DISTRICT OF NEW YORK**

**In re Allegiance Telecom, Inc , et al
Case No 03-13057-(RDD)-11**

DOCUMENTS APPENDED TO CLAIM

On September 23, 2005, document(s) were appended to Claim Number **2986** for the following reason(s)

- Stipulation/Order
- New Supporting Documents
- Change of Address
- Stipulation and Order
- Other Docket Number 2281 EOD 9/23/05

UNITED STATES BANKRUPTCY COURT
SOUTHERN DISTRICT OF NEW YORK

_____ X
In re

Allegiance Telecom, Inc , et al., Chapter 11 Case No
03-13057 (RDD)
Debtors Jointly Administered
_____ X

**STIPULATION AND AGREED ORDER RESOLVING
CLAIMS OF THE TEXAS COMPTROLLER**

This STIPULATION AND AGREED ORDER is by and between the Allegiance Telecom Liquidating Trust (the “ATLT”), as successor to the Debtors (as defined below), and the Texas Comptroller (“Claimant”) The parties hereby stipulate and agree as follows

WHEREAS, on May 14, 2003, Allegiance Telecom, Inc (“ATI”) and its direct and indirect subsidiaries (collectively, the “Debtors”) commenced voluntary cases (the “Chapter 11 Cases”) under Chapter 11 of title 11 of the United States Code (the “Bankruptcy Code”) in the Bankruptcy Court for the Southern District of New York, Case No 03-13057 (RDD) (the “Bankruptcy Court”), and

WHEREAS, the Chapter 11 Cases were consolidated for procedural purposes only and were jointly administered pursuant to Rule 1015(b) of the Federal Rules of Bankruptcy Procedure, and

WHEREAS, Claimant filed a proof of claim numbered 2986 (the “Amended Proof of Claim”) for Claims (as such term is defined in the Plan) against Allegiance Telecom Service Corporation in the amount of \$5,940,000 00 (the “Claim”) for certain sales and use, property, and other taxes for the

period between October 1, 1999 through March 31, 2003, which amended and replaced a previously filed proof of claim (the “Initial Proof of Claim”) (collectively with the Amended Proof of Claim, the “Proofs of Claim”), and

WHEREAS, the Debtors filed their Third Amended Joint Plan of Reorganization dated June 8, 2004 (the “Plan”) with the Bankruptcy Court and the Court entered its Findings of Fact, Conclusions of Law, and Order Confirming Debtors’ Third Amended Joint Plan of Reorganization on June 10, 2004 (the “Confirmation Order”), and

WHEREAS, in accordance with the terms of the Plan, on the Initial Effective Date, the ATLT was created, and

WHEREAS, pursuant to the Plan, Eugene I Davis was appointed as the plan administrator (the “Plan Administrator”) for the ATLT, and

WHEREAS, among other things, the purpose of the ATLT is to (i) wind-down the Debtors’ affairs, including making distributions as contemplated in the Plan, (ii) investigate, enforce and prosecute avoidance and other causes of action, (iii) object to, settle, compromise, dispute and/or prosecute disputed claims, and (iv) administer the Plan and take such actions as are necessary to effectuate the terms of the Plan, and

WHEREAS, the ATLT, as the successor to the rights of the Debtors, and the Plan Administrator has the authority to, *inter alia*, perform the duties, exercise the powers, and assert the rights of a trustee under Sections 704 and 1106 of the Bankruptcy Code, and

WHEREAS, the ATLT disputes the amounts sought by Claimant in the Proofs of

Claim, and

WHEREAS, on or about October 25, 2004, the ATLT filed its Fourteenth Omnibus Objection to Certain Proofs of Claim of Taxing Authorities which included an objection to the Amended Proof of Claim, and

WHEREAS, on or about November 30, 2004, Claimant filed its Response to the Texas Comptroller to the Allegiance Telecom Liquidating Trust's Fourteenth Omnibus Objection to Certain Proofs of Claims of Taxing Authorities, and

WHEREAS, the ATLT and Claimant have negotiated in good faith at arm's length and have reached a consensual resolution, as set forth below, with respect to the Proofs of Claim to avoid incurring significant additional litigation expenses that would necessarily be incurred in litigating this matter to an uncertain conclusion

ACCORDINGLY, IT IS HEREBY STIPULATED AND AGREED AS FOLLOWS

1 For the purposes of this Stipulation and Agreed Order, the term "Final Order" shall mean an order approving this Stipulation and Agreed Order that has not been stayed, reversed or amended and the time, as computed under the Bankruptcy Rules, to appeal or seek review or rehearing of such order (or any revision, modification or amendment thereof) has expired and no appeal or petition for review or rehearing of such order was filed, or if filed, remains pending

2 Upon entry of a Final Order, the ATLT shall grant Claimant an Allowed Priority Tax Claim (as defined in the Plan) of \$2,620,094.63, and an Allowed ATCW Unsecured Claim of

\$219,417.92 in full and complete satisfaction of the remainder of all Claims (as defined in the Plan) held by Claimant with respect to the Debtors, the Debtors' estates and/or the ATLT

3 Upon the entry of a Final Order, the ATLT is hereby authorized and directed to expunge from the ATLT's claims register all proofs of claims, including the Proofs of Claim, filed by Claimant and/or related to the Claim. Upon the entry of a Final Order, all outstanding motions and other pleadings pertaining to the Claim shall be deemed resolved.

4 Upon entry of a Final Order, Claimant hereby irrevocably, unconditionally and without reservation of any kind waives, releases and forever discharges the ATLT, Debtors, and the Debtors' estates, and their respective parent firms and affiliates, and their officers, directors, employees, attorneys, professionals, and agents from and against any and all past, present and future actions, causes of action, Claims, liabilities, suits, debts, judgments, and damages, of any kind whatsoever, whether matured or unmatured, at law or in equity, known or unknown, liquidated or unliquidated, foreseen or unforeseen, discoverable or undiscoverable, contingent or non-contingent, which Claimant has, had, or may have in the future against the ATLT, the Debtors, and the Debtors' estates arising prior to the date hereof, including, but not limited to, the Claim, provided, however, that nothing set forth herein shall alter or impair the Claimant's rights as set forth in the Plan and Confirmation Order. Payment of all priority amounts due Claimant shall be made within 20 days of entry of this Stipulation and Agreed Order. Payment hereunder shall be made directly to the Office of the Attorney General of Texas, Attn: Jay Hurst, 300 W. 15th Street, Austin, TX 78701.

5 This Stipulation and Agreed Order shall be governed by New York law, excluding its conflicts of laws principles, and this Court shall retain jurisdiction to resolve any disputes between the parties arising with respect to this Stipulation and Agreed Order

6 The undersigned on behalf of the ATLT and Claimant each represents and warrants that he or she has been duly authorized and empowered to execute and deliver this Stipulation and Agreed Order on behalf of such party Claimant represents and warrants to the ATLT that, as of the date hereof, it is the sole holder of all Claims against the Debtors, the Debtors' estates and the ATLT related to the Texas Comptroller Claims and Claimant has not assigned, sold, or otherwise transferred any Claims against the Debtors, the Debtors' estates or the ATLT Claimant represents and warrants that it has had an opportunity to consult with its own attorney and fully understands the meaning of the provisions in this Stipulation and Agreed Order, including, but not limited to, the releases included herein

7 This Stipulation and Agreed Order is subject to approval by the Bankruptcy Court and the entry of a Final Order by the Bankruptcy Court, provided, however, that the parties shall support such Bankruptcy Court approval and comply with this Stipulation and Agreed Order pending the Bankruptcy Court's entry of a Final Order approving or disapproving this Stipulation and Agreed Order

8 Nothing in this Stipulation and Agreed Order or any negotiations or proceedings in connection herewith shall constitute or be deemed to be evidence of an admission by any party of any liability or wrongdoing whatsoever, or the truth or untruth, or merit or lack of merit, of any claim or

defense of any party. Neither this Stipulation and Agreed Order nor any negotiations or proceedings in connection herewith may be used in any proceeding against any party for any purpose whatsoever except with respect to effectuation and enforcement of this Stipulation and Agreed Order.

9 This Stipulation and Agreed Order contains the entire agreement of the parties with respect to its subject matter and supersedes any prior or contemporaneous oral or written agreements. The parties acknowledge that no promise, inducement, or agreement not stated herein has been made to them in connection with this Stipulation and Agreed Order. The parties understand and agree that this Stipulation and Agreed Order may not be altered, amended, modified, or otherwise changed in any respect whatsoever except by a writing duly executed by both parties. The parties agree and acknowledge that they will make no claim at any time or place that this Stipulation and Agreed Order has been orally altered or modified or otherwise changed by oral communication of any kind or character.

10 This Stipulation and Agreed Order may be executed simultaneously or in one or more counterparts, each of which shall be an original, but all of which together shall constitute one and the same instrument. A facsimile copy of a signature page is the equivalent of an original signature page.

11 This Stipulation and Agreed Order shall be binding upon (i) the ATLT, as successor to the Debtors, (ii) Claimant and (iii) their respective predecessors, successors, heirs, subsidiaries, affiliates, assignees, agents, directors, officers, employees, the Plan Administrator, and any trustee appointed under Chapter 7 of the Bankruptcy Code.

Dated New York, New York
September 20, 2005

ALLEGIANCE TELECOM LIQUIDATING TRUST **TEXAS COMPTROLLER**

By /s/Eugene Davis
Eugene Davis
Lois Mannon
Allegiance Telecom Liquidating Trust
1405 S Beltline Road, Suite 100
Coppell, Texas 75019

By /s/ Jay Hurst
Jay Hurst
Assistant Attorney General
Bankruptcy & Collections Division
P O Box 12548
Austin, TX 78711-2548

and

**AKIN GUMP STRAUSS HAUER & FELD
LLP**

By /s/ Kenneth A Davis
Ira S Dizengoff, Esq (ID-9980)
Phil C Dublin, Esq (PD-4919)
Kenneth A Davis, Esq (KD-9070)
Jeffrey M Anapolsky, Esq (JA-8867)
590 Madison Avenue
New York, New York 10022
Telephone (212) 872-1000

Counsel to the Allegiance Telecom
Liquidating Trust

SO ORDERED, this 23rd day of September 2005

/s/Robert D. Drain

UNITED STATES BANKRUPTCY JUDGE

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

**In re Allegiance Telecom, Inc , et al
Case No 03-13057-(RDD)-11**

DOCUMENTS APPENDED TO CLAIM

On October 26, 2005 document(s) were appended to Claim Number **2986** for the following reason(s)

- Stipulation and Agreed Order
- New Supporting Documents
- Change of Address
- Notice of Withdrawal
- Other Docket Number ###

UNITED STATES BANKRUPTCY COURT
SOUTHERN DISTRICT OF NEW YORK

_____ X
In re

Allegiance Telecom, Inc , et al ,

Debtors
_____ X

Chapter 11 Case No
03-13057 (RDD)

Jointly Administered

**STIPULATION AND AGREED ORDER RESOLVING
CLAIMS OF THE TEXAS COMPTROLLER**

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8 Nothing in this Stipulation and Agreed Order or any negotiations or proceedings in connection herewith shall constitute or be deemed to be evidence of an admission by any party of any liability or wrongdoing whatsoever, or the truth or untruth, or merit or lack of merit, of any claim or defense of any party Neither this Stipulation and Agreed Order nor any negotiations or proceedings in connection herewith may be used in any proceeding against any party for any purpose whatsoever except with respect to effectuation and enforcement of this Stipulation and Agreed Order

9 This Stipulation and Agreed Order contains the entire agreement of the parties with respect to its subject matter and supersedes any prior or contemporaneous oral or written agreements. The parties acknowledge that no promise, inducement, or agreement not stated herein has been made to them in connection with this Stipulation and Agreed Order. The parties understand and agree that this Stipulation and Agreed Order may not be altered, amended, modified, or otherwise changed in any respect whatsoever except by a writing duly executed by both parties. The parties agree and acknowledge that they will make no claim at any time or place that this Stipulation and Agreed Order has been orally altered or modified or otherwise changed by oral communication of any kind or character.

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Dated New York, New York
September ____, 2005

**ALLEGIANCE TELECOM
LIQUIDATING TRUST**

By /s/ _____
Eugene Davis
Lois Mannon
Allegiance Telecom Liquidating Trust
1405 S Beltline Road, Suite 100
Coppell, Texas 75019

TEXAS COMPTROLLER

By /s/ Jay Hurst _____
Jay Hurst
Assistant Attorney General
Bankruptcy & Collections Division
P O Box 12548
Austin, TX 78711-2548

and

**AKIN GUMP STRAUSS HAUER & FELD
LLP**

By /s/ Kenneth A Davis _____
Ira S Dizengoff, Esq (ID-9980)
Phil C Dublin, Esq (PD-4919)
Kenneth A Davis, Esq (KD-9070)
Jeffrey M Anapolsky, Esq (JA-8867)
590 Madison Avenue
New York, New York 10022
Telephone (212) 872-1000

Counsel to the Allegiance Telecom
Liquidating Trust

SO ORDERED, this ____ day of September 2005

UNITED STATES BANKRUPTCY JUDGE