

UNITED STATES BANKRUPTCY COURT  
SOUTHERN DISTRICT OF NEW YORK

	X	
In re	:	
	:	Chapter 11 Case No.
Allegiance Telecom, Inc., <u>et al.</u> ,	:	03-_____ ( )
	:	
Debtors.	:	Jointly Administered
	X	

**ORDER PURSUANT TO SECTION 365(a)  
OF THE BANKRUPTCY CODE AUTHORIZING THE DEBTORS TO REJECT  
CERTAIN UNEXPIRED LEASES OF NONRESIDENTIAL REAL PROPERTY**

Upon consideration of the motion (the “Motion”), dated May 14, 2003, of Allegiance Telecom, Inc. and its direct and indirect subsidiaries, debtors in possession (collectively, the “Debtors”), seeking entry of an order, pursuant to section 365 of the Bankruptcy Code,<sup>1</sup> authorizing the Debtors to reject the Rejected Leases, as more fully set forth in the Motion; and it appearing that this Court has jurisdiction to consider and determine the Motion as a core proceeding pursuant to 28 U.S.C. §§ 157 and 1334; and it appearing that the relief requested in the Motion is in the best interests of the Debtors’ estates and creditors; and due and proper notice of the Motion having been given; and a hearing to consider the Motion having been held on May \_\_\_, 2003; and good and sufficient cause appearing therefor; it is

ORDERED that the Motion is granted; and it is further

ORDERED that the Unoccupied Leases shall be deemed rejected effective as of the Commencement Date; and it is further

ORDERED that the Occupied Leases shall be deemed rejected effective, with respect to each Occupied Lease, as of the date that the Debtors surrender the respective location

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<sup>1</sup> Unless otherwise defined herein, capitalized terms shall have the meaning ascribed to them in the Motion.

to the appropriate lessor, but in any event no later than the 30th day after the Commencement Date; and it is further

ORDERED that the Debtors do not waive any claims that they may have against any of the lessors under the Rejected Leases, whether or not such claims are directly related to the Rejected Leases; and it is further

ORDERED that the Debtors are authorized to take all actions necessary to effectuate the relief granted pursuant to this order in accordance with the Motion; and it is further

ORDERED that this Court shall retain jurisdiction to hear and determine all matters arising from or related to the implementation of this Order.

Dated: New York, New York  
\_\_\_\_\_, 2003

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UNITED STATES BANKRUPTCY JUDGE