

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

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**In re** : **Chapter 11**  
:   
**Allegiance Telecom, Inc., et al.,** : **Case No. 03-13057 (RDD)**  
:   
**Debtors.** : **Jointly Administered**  
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**STIPULATION AND ORDER EXTENDING THE DEADLINE  
TO OBJECT TO THE DEBTORS' MOTION FOR AN ORDER, PURSUANT  
TO SECTION 365(a) OF THE BANKRUPTCY CODE, AUTHORIZING THE  
DEBTORS TO REJECT THE SETTLEMENT  
AGREEMENT WITH SPRINT COMMUNICATIONS COMPANY L.P.**

TO THE HONORABLE ROBERT D. DRAIN,  
UNITED STATES BANKRUPTCY JUDGE:

Allegiance Telecom, Inc. and its direct and indirect subsidiaries, as debtors and debtors in possession (collectively, the "Debtors"), and Sprint Communications Company L.P. ("Sprint"), a party to that certain Settlement Agreement and General Release, dated as of September 21, 2000 (the "Agreement"), by and through their respective undersigned attorneys, hereby stipulate and agree as follows:

WHEREAS, on May 14, 2003, the Debtors each commenced with this Court a voluntary case under chapter 11 of title 11 of the United States Code (the "Bankruptcy Code"); and

WHEREAS, the Debtors continue to operate their business and manage their properties as debtors in possession pursuant to sections 1107(a) and 1108 of the Bankruptcy Code; and

WHEREAS, prior to the Commencement Date, the Debtors entered into the Agreement with Sprint; and

WHEREAS, on July 1, 2003, the Debtors filed a Motion (the “Motion”) to reject the Agreement (Docket No. 203); and

WHEREAS, the Motion provided that the objection deadline with respect to the relief requested in the Motion (the “Objection Deadline”) is July 11, 2003 at 4:00 p.m., prevailing Eastern Time; and

WHEREAS, on July 16, 2003, the Debtors filed a Notice of Adjourned Hearings, which provided that the Objection Deadline for Sprint was extended to July 22, 2003 at 4:00 p.m., prevailing Eastern Time; and

WHEREAS, the Debtors and Sprint have mutually agreed to further extend the Objection Deadline to July 23, 2003 at 4:00 p.m., prevailing Eastern Time.

**ACCORDINGLY, IT IS HEREBY STIPULATED AND AGREED AS FOLLOWS:**

1. The Objection Deadline for Sprint is extended until July 23, 2003 at 4:00 p.m., prevailing Eastern Time.
2. This Court shall retain jurisdiction to resolve any disputes between the parties arising with respect to this Stipulation and Order.

3. This Stipulation and Order constitutes by or on behalf of each respective party a warranty and a representation that he or she has been duly authorized and empowered to execute and deliver this Stipulation and Order on behalf of such party.

Dated: New York, New York  
July 22, 2003

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ATTORNEYS FOR THE DEBTORS AND  
DEBTORS IN POSSESSION

SO ORDERED, this 23rd day of July, 2003

/s/Robert D. Drain  
UNITED STATES BANKRUPTCY JUDGE