

Hearing Date: June 7, 2004 at 10:00 a.m.
Objection Deadline: June 2, 2004 at 5:00 p.m.

ZEICHNER ELLMAN & KRAUSE LLP
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UNITED STATES BANKRUPTCY COURT
SOUTHERN DISTRICT OF NEW YORK

In re:

ALLEGIANCE TELECOM, INC., ET. AL.,

Debtors,

Index No.: 03-13057 (RDD)

**LIMITED OBJECTION TO DEBTORS' INTENT TO ASSUME,
ASSUME AND ASSIGN, OR ASSIGN CERTAIN
EXECUTORY CONTRACTS AND UNEXPIRED LEASES**

The entities described by the Debtors as: "AIG/Columbia, Columbia, Maryland;" "AIG/International Plaza, Philadelphia, PA;" "AIG/National Union Buyer Ins., Seattle, WA;" "AIG/National Union Fire, Philadelphia, PA;" "AIG/National Union Fire, Pittsburgh, PA;" "AIG/National Union Fire, Washington, D.C.;" "AIG/New York City, New York, NY;" "AIG/Sandy Springs, Sandy Springs, GA," and "AIG/Seattle, Seattle, WA," together, with all other entities that are member companies of American International Group, Inc, which received a "Notice of Debtors' Intent" as defined below (together, the "Objecting AIG Companies"), by their undersigned counsel, hereby object to the NOTICE OF DEBTORS' INTENT TO ASSUME, ASSUME AND ASSIGN, OR

ASSIGN CERTAIN EXECUTORY CONTRACTS AND UNEXPIRED LEASES

("Notice of Debtors' Intent") and state as follows:

1. The Objecting AIG Companies received Notice of Debtors' Intent, but based on a review of such notices, there is inadequate information provided to determine which contracts the Debtors propose to assume and/or assign.

2. Copies of the "Exhibit A" to several such Notices of Debtors' Intent are annexed hereto.

3. The Objecting AIG Companies request copies of each contract that the Debtors undertake to assume and/or assign.

4. The Objecting AIG Companies reserve the right to require the Debtors to satisfy all the requirements of Section 365 of the Bankruptcy Code.

5. Because the Notices of Debtors' Intent provide inadequate information from which to discern which contracts the Debtors' intend to assume and/or assign, Objecting AIG Companies cannot determine whether such contracts have arrears or defaults that must be cured.

6. In particular, Objecting AIG Companies are concerned that the Debtors or an assuming party may improperly claim in the future that no amounts are due because of the entry of an order finding "no cure obligation." This is particularly disconcerting where the Objecting AIG Companies were not provided with adequate information from which to determine such obligations.

7. The Objecting AIG Companies request that the Court allow such discovery as may be appropriate after the Debtors provide copies of the contracts at issue.

WHEREFORE, the Objecting AIG Companies request that Debtors provide copies of the contracts to be assumed, show that they will provide adequate assurance of future performance, allow discovery concerning cure amounts under the contracts to be assumed and/or assigned and any disputed issue of fact, and for such further relief this Court deems just.

Dated: New York, New York
June 2, 2004

ZEICHNER ELLMAN & KRAUSE LLP

By: /s/ Michael S. Davis
Michael S. Davis
Attorneys for
Objecting AIG Companies
575 Lexington Avenue
New York, New York 10022
(212) 223-0400
mdavis@zeklaw.com

EXHIBIT A

Party Name and Address

AIG/COLUMBIA
DAN BECK x7627
9881 BROKENLAND PARKWAY
COLUMBIA , MD 21046

Account Nbr

.WASHI.W723532

Cure Amount

\$0.00

EXHIBIT A

Party Name and Address

AIG/INTERNATIONAL PLAZA
MELODY FRALICK
INTERNATIONAL PLAZA 1
PHILADELPHIA , PA 19113

Account Nbr

.PHILA.5030005

Cure Amount

\$0.00

EXHIBIT A

Party Name and Address

Account Nbr

Cure Amount

AIG/NATIONAL UNION BUYER INS
HARRISON, DANA
520 PIKE TOWER 27TH FLOOR
SEATTLE , WA 98101

.SEATT.6000034

\$0.00

EXHIBIT A

Party Name and Address

AIG/NATIONAL UNION FIRE
CONTE, SANDRA
1700 MARKET STREET
PHILADELPHIA , PA 19113

Account Nbr

.PHILA.5030002

Cure Amount

\$0.00

EXHIBIT A

| <u>Party Name and Address</u> | <u>Account Nbr</u> | <u>Cure Amount</u> |
|---|--------------------|--------------------|
| AIG/NATIONAL UNION FIRE WHITE, MARYANN 625 LIBERTY AVE, 1700 CNG TWR PITTSBURGH , PA 15222 | .PITTS.2030001 | \$0.00 |

EXHIBIT A

Party Name and Address

Account Nbr

Cure Amount

AIG/NATIONAL UNION FIRE
LINDA SMITH
1801 K STREET, NW - 4TH FLR
WASHINGTON , DC 20006

.WASHI.2020445

\$0.00

EXHIBIT A

Party Name and Address

AIG/NEW YORK CITY
JOANNE WARD X6403
110 WILLIAM ST.
NEW YORK , NY 10038

Account Nbr

.NEWYO.W780247

Cure Amount

\$0.00

EXHIBIT A

Party Name and Address

AIG/SANDY SPRINGS
GOLDSMITH,SHIRLEY
5 CONCOURSE PKWY, STE 1100
SANDY SPRINGS , GA 30328

Account Nbr

.ATLAN.W992427

Cure Amount

\$0.00

EXHIBIT A

Party Name and Address

Account Nbr

Cure Amount

AIG/SEATTLE
DAN HARRISON
520 PIKE TOWER
SEATTLE , WA 98101

.SEATT.6030016

\$0.00