

UNITED STATES BANKRUPTCY COURT
SOUTHERN DISTRICT OF NEW YORK

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In re	:	
	:	Chapter 11 Case No.
Allegiance Telecom, Inc., <u>et al.</u> ,	:	03-13057 (RDD)
	:	
Debtors.	:	Jointly Administered
_____	X	

**STIPULATION AND ORDER ADJOURNING HEARING DATE ON
NOTICE OF MOTION TO VACATE AUTOMATIC STAY PURSUANT TO
SECTION 362(d) OF THE BANKRUPTCY CODE BY KOSHER KONNECTION, INC.**

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 Kosher Konnection, Inc., (“Kosher Konnection”), by and through their respective undersigned attorneys, hereby stipulate and agree, subject to Court approval, 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, on May 15, 2003, this Court entered an order pursuant to rule 1015(b) of the Federal Rules of Bankruptcy Procedure (the “Bankruptcy Rules”) directing the joint administration of these chapter 11 cases; and

WHEREAS, Kosher Konnection served the Debtors with a Notice of Motion to Vacate Automatic Stay Pursuant to Section 362(d) of the Bankruptcy Code, dated June 16, 2003

(the "Notice of Motion"), wherein Kosher Konnection stated that on July 25, 2003, they would move this Court for an order (i) vacating the automatic stay in effect in the matter entitled Kosher Konnection, Inc. v. Allegiance Telecom of New Jersey, Inc., which currently is pending in the Superior Court of New Jersey, Appellate Division, bearing Docket Number: A-2532-02T1, and (ii) vacating the automatic stay in effect in the matter entitled Kosher Konnection, Inc. v. Allegiance Telecom of New Jersey, Inc., which currently is pending before the State of New Jersey Board of Public Utilities, Office of Administrative Law, bearing BPU Docket Number TC0250311U and OAL Docket Number PUC09773-02N; and

WHEREAS, on July 29, 2003, Kosher Konnection filed the Notice of Motion and related pleadings in accordance with General Order M-242 and served the Notice of Motion and related pleadings in accordance with Bankruptcy Rule 4001(a)(1); and

WHEREAS, on August 8, 2003, the Court entered a Stipulation and Order, dated July 28, 2003, setting August 19, 2003 as the hearing date on the Notice of Motion; and

WHEREAS, on August 18, 2003, the Court entered a Stipulation and Order, dated August 15, 2003, adjourning the hearing date on the Notice of Motion until November 19, 2003; and

WHEREAS, on November 18, 2003, the Court entered a Stipulation and Order, dated November 17, 2003, further adjourning the hearing date on the Notice of Motion until February 18, 2004; and

WHEREAS, on February 2, 2004, the Court entered a Stipulation and Order, dated February 2, 2004, further adjourning the hearing date on the Notice of Motion until April 20, 2004; and

WHEREAS, on April February 2, 2004, the Court entered a Stipulation and Order, dated April 2, 2004, further adjourning the hearing date on the Notice of Motion until June 17, 2004; and

WHEREAS, on June 10, 2004, the Court entered that certain Order Confirming Debtors' Third Amended Joint Plan of Reorganization (the "Plan") Pursuant to Chapter 11 of the United States Code (the "Confirmation Order"); and

WHEREAS, the Debtors and Kosher Konnection have mutually agreed to further adjourn the hearing with respect to the Notice of Motion until July 28, 2004, at 10:00 a.m., prevailing Eastern Time.

ACCORDINGLY, IT IS HEREBY STIPULATED AND AGREED AS FOLLOWS:

1. The hearing with respect to the Notice of Motion shall be held before the Hon. Robert D, Drain, United States Bankruptcy Judge, in Room 610 of the United States Bankruptcy Court for the Southern District of New York, Alexander Hamilton Custom House, One Bowling Green, New York, New York 10004-1408, on July 28, 2004 (the "Adjourned Hearing Date"), at 10:00 a.m., prevailing Eastern Time.

2. The deadline to object to the relief requested in the Notice of Motion is extended until July 23, 2004 at 5:00 p.m., prevailing Eastern Time.

3. Any and all rights Kosher Konnection may have to assert relief under section 362(e) of the Bankruptcy Code shall commence no earlier than thirty (30) days after the Adjourned Hearing Date.

4. Notwithstanding any provision in the Plan or the Confirmation Order to the contrary, any and all rights the Debtors and Kosher Konnection may have had prior to the

confirmation of the Plan with respect to the Notice of Motion are preserved until the Adjourned Hearing Date.

5. This Court shall retain jurisdiction to resolve any disputes between the parties arising with respect to this Stipulation and Order.

6. The undersigned on behalf of the Debtors and Kosher Konnection each warrants and represents that he or she has been duly authorized and empowered to execute and deliver this Stipulation and Order on behalf of such party.

7. This Stipulation and Order shall have no force or effect and shall not be binding upon either the Debtors or Kosher Konnection and until it is approved by the Court.

Dated: New York, New York
June 15, 2004

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By: /s/ Ben D. Shiriak
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ATTORNEYS FOR THE DEBTORS AND
DEBTORS IN POSSESSION

ATTORNEYS FOR KOSHER
KONNECTION

SO ORDERED, this 16th day of June 2004

/s/Robert D. Drain
UNITED STATES BANKRUPTCY JUDGE