

UNITED STATES BANKRUPTCY COURT
SOUTHERN DISTRICT OF NEW YORK

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

**NOTICE OF HEARING ON MOTION FOR AN ORDER
(I) APPROVING THE DISCLOSURE STATEMENT; (II) ESTABLISHING
A RECORD DATE; (III) APPROVING SOLICITATION PACKAGES AND
PROCEDURES FOR DISTRIBUTION THEREOF; (IV) APPROVING FORMS OF
BALLOTS AND ESTABLISHING PROCEDURES FOR VOTING ON THE PLAN; AND (V)
ESTABLISHING NOTICE AND OBJECTION PROCEDURES FOR CONFIRMATION OF THE PLAN**

TO ALL CREDITORS, EQUITY INTEREST HOLDERS AND
OTHER PARTIES IN INTEREST OF THE DEBTORS:

PLEASE TAKE NOTICE OF THE FOLLOWING:

1. The above-captioned debtors and debtors in possession (collectively, the “Debtors”) intend to file a proposed Joint Plan of Reorganization of the Debtors under Chapter 11 of the Bankruptcy Code (as it may be amended, the “Plan”), and a related proposed Disclosure Statement (as it may be amended, the “Disclosure Statement”) on or before March 18, 2004.¹
2. Copies of the Plan and the Disclosure Statement will be available for review (a) at the Office of the Clerk, United States Bankruptcy Court for the Southern District of New York, One Bowling Green, New York, New York 10004-1408 and (b) on the website of Bankruptcy Management Corporation, the Debtors’ notice and claims agent, at www.bmccorp.net/allegiance. Copies of the Plan and Disclosure Statement may also be obtained upon written request from Allegiance Telecom, Inc., c/o Bankruptcy Management Corporation, P.O. Box 909, El Segundo, California 90245-0909, Attn: Document Request Department.
3. A hearing to approve the Disclosure Statement (the “Disclosure Statement Hearing”) will be held before the Honorable Robert D. Drain, United States Bankruptcy Judge, in Room 610 of the United States Bankruptcy Court for the Southern District of New York (the “Bankruptcy Court”), Alexander Hamilton Custom House, One Bowling Green, New York, New York, 10004-1408, on April 16, 2004, at 10:00 a.m. (prevailing Eastern Time), or as soon thereafter as the Debtors maybe heard.
4. The Disclosure Statement Hearing may be continued from time to time without further notice, including by announcement of the adjournment date(s) at the Disclosure Statement Hearing or any continued hearing. Notwithstanding the foregoing, notice of any such adjournments will be set forth on the website of Bankruptcy Management Corporation, the Debtors’ notice and claims agent, at www.bmccorp.net/allegiance.

¹ To the extent the Debtors file the Plan after March 18, 2004, the Disclosure Statement Hearing (as defined below) will be adjourned (unless the Bankruptcy Court orders otherwise) and the date of such adjournment will be set forth on the website of Bankruptcy Management Corporation, the Debtors’ notice and claims agent, at www.bmccorp.net/allegiance.

5. Objections, if any, to the approval of the Disclosure Statement must be in writing, shall conform to the Federal Rules of Bankruptcy Procedure and the Local Bankruptcy Rules for the Southern District of New York, shall set forth the name of the objectant, the nature and amount of claims or interests held or asserted by the objectant against the Debtors' estates or property, the basis for the objection, and the specific grounds therefor, and shall be filed with the Bankruptcy Court electronically in accordance with General Order M-242 (which can be found at www.nysb.uscourts.gov) by registered users of the Bankruptcy Court's case filing system and, by all other parties in interest, on a 3.5 inch disk, preferably in Portable Document Format (PDF), WordPerfect, or any other Windows-based word processing format (with a hard copy delivered directly to Chambers) and served in accordance with General Order M-242, and shall further be served upon (a) Kirkland & Ellis LLP, Citigroup Center, 153 East 53rd Street, New York, New York 10022 (Attn. Jonathan S. Henes, Esq.); (b) the Office of the United States Trustee, 33 Whitehall Street, 21st Floor, New York, New York 10004 (Attn. Pamela J. Lustrin, Esq.); (c) Paul, Hastings, Janofsky & Walker LLP, 600 Peachtree Street, N.E., 24th Floor, Atlanta, Georgia 30308 (Attn. Jesse Austin, III, Esq.); and (d) Akin Gump Strauss Hauer Feld LLP, 590 Madison Avenue, New York, New York 10022 (Attn. Ira S. Dizengoff, Esq.), so as to be actually received no later than April 13, 2004, at 4:00 p.m. (prevailing Eastern Time).

6. Only objections that are timely filed and received in accordance with paragraph 5 above will be considered by the Bankruptcy Court.

7. **THIS NOTICE IS NOT A SOLICITATION OF VOTES TO ACCEPT OR REJECT THE PLAN. VOTES ON THE PLAN MAY NOT BE SOLICITED UNLESS AND UNTIL THE PROPOSED DISCLOSURE STATEMENT IS APPROVED BY AN ORDER OF THE COURT.**

Dated: New York, New York
March 16, 2004

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