

**Simplified Allegiance Liquidation Analysis**  
**Based on XO and Level 3 Sales and No Substantive Consolidation**

## NOTES

A	Gross Recovery	880.2
B	Chapter 7 Admin Claims	50.1
	Funds Available For Distribution	830.1

	<b>Class</b>	<b>Claim</b>	<b>Recovery</b>	<b>%</b>
	Administrative Claims	93.1	93.1	100%
	Professional Fees	5.8	5.8	100%
	Priority Tax	3.8	3.8	100%
	Class 1	0.1	0.1	100%
	Class 2	0.3	0.3	100%
	Class 3 -- Secured	478.7	478.7	100%
C	Class 4 -- ATCW Unsec	420.3	248.3	59%
C	Class 5 -- ATI Unsec	668.7	0	0%

**Notes**

- A Gross recovery comprised of \$273.5 million in cash, \$311.2 in cash from XO, assumed XO stock value of \$311.2 million, and \$54 million from Level 3. Does not consider liquidation value of STFI assets.
- B Assumes Chapter 7 administrative expenses are 50% of the amounts in Exhibit I, in light of sale to XO and Level 3.
- C Assumes no actual or de facto substantive consolidation