

VIA OVERNIGHT DELIVERY

May 10, 2004

Clerk of Courts
United States Bankruptcy Court
RE: Allegiance Telecom, Inc, et al
One Bowling Green, 6th Fl.
New York, NY 10004-11408

Re: In re: Allegiance Telecom, Inc., et al
Case No. 03-13057

Dear Clerk:


Enclosed on a 3.5 inch disk for filing please find my Response to Debtors' First Omnibus Objection to Proof of Claim of KEI Communications (claim #1725). My claim was objected to because I failed to attach supporting documents. As requested in the objection, enclosed is a hard copy to be delivered directly to Judge Robert D. Drain's chambers. Also enclosed a copy of my original claim **and** supporting documents. My claim amount is \$27,000 in future payments of my contract and \$3,000 owing for March and April 2004. Please return a time-stamped copy to me. I have enclosed a postage paid envelope.

I have also sent by overnight mail a copy of my objection, claim and attachments to Togut, Segal & Segal, LLP, One Penn Plaza, Suite 3335 New York, NY 10119 attn: Albert Togut, Esq., and regular mail to Deirdre Martini United States Trustee, 33 Whitehall St. 21st Floor, New York, NY 10004 attn: Pamela J. Lustrin, Esq. and to Paul, Hastings, Janofsky & Walker LLP, 600 Peachtree Street N.E. 24th Atlanta, GA 30308 attn: Jesse Austin, III and to Akin Gump Strauss Hauer Felt LLP, 590 Madison Avenue, New York, NY 10022 Attn: Ira S. Dizengoff, Esq.

You may send notices or contact me at 7563 Chapel View Ct. Temperance, MI 48182, 1-419-724-5338 or kevin@keicomm.net.

Your attention to this matter is greatly appreciated.

Very truly yours,



Kevin D. Emahiser

Enclosures

UNITED STATES BANKRUPTCY COURT
FOR THE DISTRICT OF DELAWARE

PROOF OF CLAIM




CRDID: 66729

Case Name: **Allegiance Telecom**

Case Number: **03-13057**

NOTE: This form should not be used to make a claim for an administrative expense arising after the commencement of the case. A "request" for payment of an administrative expense may be filed pursuant to 11 U.S.C. § 503.

Name of Creditor and Address:

 03805890068729
 KEI COMMUNICATIONS
 7564 CHAPEL VIEW CT
 TEMPERANCE, MI 48182

- Check box if you are aware that anyone else has filed a proof of claim relating to your claim. Attach copy of statement giving particulars.
- Check box if you have never received any notices from the bankruptcy court in this case.
- Check box if this address differs from the address on the envelope sent to you by the court.

If you have already filed a proof of claim with the Bankruptcy Court or BMC, you do not need to file again.

Creditor Telephone Number ()

CREDITOR TAX I.D. #:
273 70 1509

ACCOUNT OR OTHER NUMBER BY WHICH CREDITOR IDENTIFIES DEBTOR:

Check here replaces or amends a previously filed claim dated: _____
 if this claim

1. BASIS FOR CLAIM

- Goods sold
 - Services performed
 - Money loaned
 - Personal injury/wrongful death
 - Taxes
 - Other (describe briefly)
 - Retiree benefits as defined in 11 U.S.C § 1114(a)
 - Wages, salaries, and compensation (Fill out below)
- Your social security number: **273 70 1509**
 Unpaid compensation for services performed from: _____ to _____
 (date) (date)

2. DATE DEBT WAS INCURRED:

3. IF COURT JUDGMENT, DATE OBTAINED:

4. TOTAL AMOUNT OF CLAIM AS OF PETITION DATE: \$ _____ (unsecured) \$ _____ (secured) \$ _____ (unsecured priority) \$ _____ (total)

If all or part of your claim is secured or entitled to priority, also complete item 5 or 6 below.
 Check this box if claim includes interest or other charges in addition to the principal amount of the claim. Attach itemized statement of all interest or additional charges.

5. SECURED CLAIM

Check this box if your claim is secured by collateral (including a right of setoff).
 Brief description of collateral:
 Real Estate
 Motor Vehicle
 Other _____
 Value of collateral: \$ _____
 Amount of arrearage and other charges at time case filed included in secured claim above, if any \$ _____

6. UNSECURED PRIORITY CLAIM

Check this box if you have an unsecured priority claim
 Specify the priority of the claim: **KEI Communications is AN AGENT OF Allegiance**
 Wages, salaries, or commissions (up to \$4,650*), earned within 90 days before filing of the bankruptcy petition or cessation of the Debtor's business, whichever is earlier - 11 U.S.C. § 507(a)(3) **we receive Monthly Commis**
 Contributions to an employee benefit plan - 11 U.S.C. § 507(a)(4)
 Up to \$2,100* of deposits toward purchase, lease, or rental of property or services for personal, family, or household use - 11 U.S.C. § 507(a)(6)
 Alimony maintenance or support owed to a spouse, former spouse, or child - 11 U.S.C. § 507(a)(7)
 Taxes or penalties owed to governmental units - 11 U.S.C. § 507(a)(8)
 Other - Specify applicable paragraph of 11 U.S.C. § 507(a) _____
* Amounts are subject to adjustment on 4/1/01 and every 3 years thereafter with respect to cases commenced on or after the date of adjustment.

7. CREDITS: The amount of all payments on this claim has been credited and deducted for the purpose of making this proof of claim.

8. SUPPORTING DOCUMENTS: Attach copies of supporting documents, such as promissory notes, purchase orders, invoices, itemized statements of running accounts, contracts, court judgments, mortgages, security agreements, and evidence of perfection of lien. DO NOT SEND ORIGINAL DOCUMENTS if the documents are not available, explain. If the documents are voluminous, attach a summary.

9. DATE-STAMPED COPY: To receive an acknowledgment of your claim, please enclose a self-addressed stamped envelope and an additional copy of this proof of claim.

The original of this completed proof of claim form must be sent by mail or hand delivered (FAXES NOT ACCEPTED) so that it is received on or before 4:00 p.m., October 1, 2003, Eastern Daylight Time.
 BY MAIL TO: United States Bankruptcy Court
 re: Allegiance Telecom, Inc., et al.
 P.O. Box 95 Bowling Green Station
 New York, NY 10274
 BY HAND OR OVERNIGHT DELIVERY TO: Clerk of the United States Bankruptcy Court
 re: Allegiance Telecom, Inc., et al.
 One Bowling Green, 6th Floor
 New York, NY 10004-11408

THIS SPACE FOR COURT USE ONLY

DATE SIGNED: **11/17/03**

SIGN and print the name and title, if any, of the creditor or other person authorized to file this claim (attach copy of power of attorney, if any).
KEI COMMUNICATIONS K.P. Emahiser

KEVIN EMAHISER

Penalty for presenting fraudulent claim is a fine of up to \$500,000 or imprisonment for up to 5 years, or both. 18 U.S.C. §§ 152 AND 3571

See Other Side For Instructions

KEI Communications
Subsidiary of Marantha Marketing Group
Your Single Source Solutions Provider
Focused On Simplifying



Your Communication Needs

To: *Robert*

FAX: ~~216~~ *216.503.2001*

From: Kevin Emahiser

Date: *02-23-04*

Pages (incl. cover): *16*

Sent From Fax: 419.710.7189

Phone Number: 419.724.5338

Email: kevin@keicomm.net

Remarks:

*Agent
Contract*

Data
Frame Relay
Private Line
ATM
EtherNet

Internet
Dial Up
Dedicated
DSL
VISP
Web Hosting

Conferencing
Audio
Streaming
Wireless
Video

Voice
Local
Long Distance

Wireless
Cellular
Paging

Network Solutions
Routers, Switches
System Upgrades
NT, Citrix, Novell
Cabling
Co-Location

7564 Chapel View Ct

Temperance, MI

48182

419-724-5338

kevin@keicomm.net

www.keicomm.net

YOUR SINGLE SOURCE SOLUTIONS PROVIDER

Whenever God determines to do a great thing, he sets His people to PRAY. "C.H. Spurgeon"

ALLEGIANCE TELECOM MASTER AGENT AGREEMENT

THIS ALLEGIANCE TELECOM MASTER AGENT AGREEMENT together with all exhibits attached hereto (collectively, this "Agreement") is entered into this 23 day of 02 2004 ("Effective Date"), by and between Allegiance Telecom Company Worldwide, a Delaware corporation, having its principal place of business at 9201 Central Expressway, Dallas, Texas 75231 ("Allegiance"), and KEI, a MI, having its principal place of business at 7564 Chapel View, together with its employees, agents, contractors and representatives (collectively referred to as "Agent"). To the extent that Agent and Allegiance are currently parties to an agent agreement, such agent agreement is hereby terminated and replaced in its entirety with this Agreement as of the Effective Date hereof.

7564 CHAPEL VIEW
TEMPERANCE MI 48182 RECITALS

WHEREAS, Allegiance desires to retain Agent as an independent, non-exclusive agent to secure new telecommunication customers for Allegiance on the terms and conditions herein stated; and

WHEREAS, Agent is engaged in the sale and marketing of telecommunications services and desires to act as a sales agent for Allegiance as described herein and on the terms and conditions herein stated.

NOW THEREFORE, in consideration for the mutual covenants and promises made herein, and for other good and valuable consideration the receipt and sufficiency of which are hereby acknowledged, the parties hereby agree as follows:

1. RETENTION OF AGENT

1.1 Agent agrees to perform for Allegiance, as an authorized independent, non-exclusive agent thereof, sales services in accordance with the terms and conditions set forth herein. Agent must complete the training required hereunder and must be certified according to Allegiance's standards (the "Allegiance Certification Process") in order for Agent to perform and be compensated for services hereunder. Only after an employee of Agent receives his or her certification pursuant to the Allegiance Certification Process (a "Certified" person), shall such employee be deemed an Allegiance Authorized Agent.

1.2 Agent shall be permitted to seek and obtain orders only for those Telecom Services described in Exhibit A attached hereto, and only from potential customers located in the areas described in Exhibit A (the "Authorized Areas"). Agent must obtain customer orders in accordance with the rates, terms and conditions set forth herein. In obtaining customer orders, Agent must use only the materials authorized by Allegiance in writing or supplied directly to Agent by Allegiance. Agent shall submit Allegiance orders pursuant to the procedures provided to Agent by Allegiance. Allegiance reserves the right to change order procedures without prior notice. Allegiance shall not be liable to Agent should Allegiance change its prices, amend its regulations, modify the terms of any telecommunication services, or discontinue offering or selling any telecommunication services to any customer. Allegiance, in its sole discretion, shall have the right to accept or reject any customer order submitted by Agent without any liability to Agent. Allegiance service orders submitted by Agent will not be binding until approved by Allegiance in writing. Allegiance shall have no liability to Agent with respect to any Allegiance service order submitted by Agent and not accepted by Allegiance in writing, notwithstanding that such Allegiance service order may be accepted by Allegiance from another Agent, Allegiance employee, or other agent, representative, consultant or contract.

1.3 Agent shall be responsible for obtaining all required customer information, authorized signatures, and appropriate credit information using Allegiance's approved forms. Agent assumes sole responsibility and liability for any erroneous terms offered by Agent to any customer. Allegiance may, in its sole discretion, contact existing or prospective customers with respect to whom Agent has submitted an order and take such other action, as it deems necessary, to confirm such order and the accuracy of the information submitted by Agent with respect thereto. If as a result of Agent's failure to provide accurate and validated customer information, a customer terminates its relationship with Allegiance, Agent shall, upon demand by Allegiance, reimburse to Allegiance any commissions or other fees paid by Allegiance to Agent with respect to such customer.

1.4 Allegiance retains the right to deal directly with all customers, including those secured by Agent, in all matters, including with respect to installation, maintenance, additional marketing and billing of telecommunication services.

1.5 Agent shall work with Allegiance to ensure customer satisfaction in all matters relating to the telecommunication services provided by Allegiance to customers secured by Agent, including but not limited to, the provision, installation and activation, maintenance, and additional marketing and billing of such services. Agent shall promptly report all complaints regarding Allegiance services to Allegiance's customer care department.

1.6 Allegiance retains the right to offer the same or different telecommunication services as those authorized for Agent through Allegiance employees or any other persons or entities that Allegiance may appoint at any time.

1.7 Agent has only those rights specifically granted to Agent by Allegiance in this Agreement.

1.8 In communicating with any potential customer, each Certified employee of Agent shall identify himself or herself as an "Authorized Allegiance Telecom Sales Agent".

1.9 Allegiance retains the right in its sole discretion to discontinue service to any customer for non-payment and to classify customer billings as uncollectable.

1.10 Allegiance retains the right in its sole discretion to amend or modify any and all of the Exhibits attached hereto at any time without prior notice to Agent; provided, however, that Allegiance will provide Agent with thirty (30) days prior written notice on any modifications to the Exhibits that result in reduced commission payments. Notwithstanding the foregoing, Allegiance shall provide Agent with copies of all such modifications made to the Exhibits within a reasonable time therefrom.

2. TERM AND TERMINATION

2.1 The term of this Agreement shall commence on the date first set forth above and shall continue for a period of one year, unless sooner terminated by either party as provided herein. This Agreement shall be automatically renewed for one year at the expiration of the term as set forth above, and for successive one year terms thereafter, unless one party gives the other party written notice of its desire not to so renew this Agreement at least thirty (30) days prior to the expiration of the then current term of the Agreement.

2.2 Either party may terminate this Agreement at any time without cause and without penalty, upon thirty (30) days prior written notice to the other party.

2.3 Allegiance may immediately terminate this Agreement for cause upon written notice to Agent in the event that:

- (a) Agent (i) makes (or is discovered to have made) any false representations, reports, or claims or engages in any criminal or negligent conduct in connection with this Agreement; or (ii) fails to conform to the standard of quality set forth herein or the rules, guidelines, methods, practices or procedures set forth during the Allegiance Certification Process or otherwise required by Allegiance and communicated to Agent, and in the case of this clause (ii) such failure continues uncured for more than thirty (30) days after notice thereof is given to Agent by Allegiance;
- (b) Agent becomes insolvent, liquidates or terminates its business, is adjudicated as bankrupt, makes any assignment for the benefit of creditors, invokes the provisions of any law for the benefit of debtors, or any such or similar proceeding is filed by or against Agent;
- (c) Agent is acquired by or merges with a third party unacceptable to Allegiance or Agent attempts to assign, transfer or sell this Agreement or any of Agent's rights or duties hereunder in violation of Section 12 below; or

- (d) Agent breaches any other material provision of this Agreement (including a breach of Section 7 (confidentiality obligations), Section 8 (prohibited customer and employee contracts) or Allegiance's Anti-Slamming/Cramming Policies or Customer Information Policy) and such breach continues uncured for more than thirty (30) days after notice thereof is given to Agent by Allegiance.

If Allegiance terminates this Agreement pursuant to clauses (a), (c) or (d) above, or pursuant to Section 2.4 below, or Agent terminates this Agreement pursuant to Section 2.2, Agent shall forfeit all rights to and interest in any Commissions or fees owed to or earned by Agent as of or after the termination date. If Allegiance terminates this Agreement without cause pursuant to Section 2.2 or pursuant to Section 2.3(b), such termination shall have no effect on Agent's right to receive Commissions which were owed to or earned by Agent prior to the effective date of such termination (including Residual Commissions until the earlier of (i) one year after the effective date of such termination or (ii) termination of services by customer).

2.4 All Allegiance orders not accepted by Allegiance on the date that notice of termination of this Agreement is delivered or on the date that this Agreement expires shall be deemed cancelled by Agent, unless Allegiance otherwise elects in writing to accept one or more of such orders by notice to Agent within twenty (20) days of the notice of termination, in which case, Allegiance shall pay Agent all Initial Commissions with respect to such orders (but no Residual Commissions).

3. COMPENSATION

3.1 Subject to the terms and conditions of this Agreement, Allegiance shall pay Agent a commission for services rendered hereunder (the "Commission") in accordance with Exhibit A, unless the amount owed by Allegiance to Agent is less than One Hundred Dollars (\$100.00), in which case Agent shall be paid at such time as the amount due Agent totals at least One Hundred Dollars (\$100.00). Except as provided for in Section 3.5, Agent shall not share Commissions in any manner, directly or indirectly, with any third party, including a customer or any owner or manager, or any of their respective personnel, of any building in which Allegiance provides telecommunication service or plans to provide such service; provided, however, Agent may share Commissions with its employees or its sub-agents.

3.2 Any modification to any of the exhibits attached hereto relating to Commissions will not apply to Commissions owed by Allegiance to Agent prior to such modification.

3.3 Allegiance may offset against any Commissions amounts that Agent may owe to Allegiance pursuant to this Agreement or any other Agreement between the parties. Allegiance also may offset payment of Commissions due Agent to recover amounts owed under Section 9 of this Agreement.

3.4 All expenses incurred by Agent in connection with Agreement shall be Agent's sole responsibility, and Agent shall be responsible for payment of all taxes and other fees due as a result of any payments made to Agent hereunder.

3.5 Notwithstanding any other provision of this Agreement, when more than one Agent is involved in or is responsible for the receipt by Allegiance of an Allegiance customer order, a division of Commissions shall be determined by Allegiance in its sole discretion. All determinations made by Allegiance pursuant to this Section 3.5 shall be made by Allegiance in the exercise of its absolute discretion and such determinations shall be final and binding on all parties. If any division of Commissions is made by Allegiance pursuant to this Section 3.5, Allegiance shall not be liable to Agent for any sums whatsoever, other than Agent's percentage of the Commission as determined by Allegiance.

4. CERTAIN COVENANTS OF AGENT

4.1 Agent shall use good faith efforts to diligently market Allegiance telecommunication services to potential customers by legal and ethical means. Agent may not offer any telecommunication services on behalf of Allegiance the terms of which conflict with Allegiance's tariffs, pricing or contracts. Agent agrees to use and distribute only those materials which Allegiance provides or which Allegiance has approved in advance and in

writing. Agent agrees to follow all rules, guidelines, methods, practices and procedures set forth during the Allegiance Certification Process or otherwise required by Allegiance and communicated to Agent.

4.2 Agent agrees to meet with Allegiance representatives at mutually agreed upon times to discuss sales activities. Such meetings shall include, at a minimum, the provision of present and projected customer contact information, sales forecasts, Allegiance customer orders to date and a record of all customer complaints previously reported to Agent or Allegiance pursuant to this Agreement (the "Progress Information"). Agent agrees to provide, upon Allegiance's request, documentation of such Progress Information in the form designated by Allegiance.

4.3 Agent agrees to perform its obligations hereunder in a professional and efficient manner. Agent represents and warrants that it possesses the qualifications, experience, and skills necessary to perform such obligations in a professional and efficient manner. Allegiance shall have the right, at all reasonable times, to observe the performance of Agent and to review Agent's records and books of account pertaining to this Agreement.

4.4 Agent agrees that all of its agents, representatives and employees that will perform any Agent services on behalf of Allegiance hereunder must be Certified. All of Agent's agents, representatives or employees that will be performing Agent services on behalf of Allegiance will be trained under Allegiance's Certification Process on site at Agent's facilities. As requested by Allegiance, Agent shall at its own expense, send its agents, representatives and employees for training at Allegiance's facilities.

4.5 Agent shall take all proper safeguards against loss and injury in the performance of the services to be performed by it hereunder. During the term of this Agreement, Agent shall maintain insurance with insurers of recognized responsibility, in an amount at least equal to the level of insurance that companies of comparable size and performing similar functions maintain. If any work provided for or to be performed under this Agreement is subcontracted, Agent shall require the subcontractor(s) to maintain and furnish Agent with insurance equivalent to that which is required of Agent. In any event, Agent and any subcontractor of Agent shall maintain Worker's Compensation insurance in statutorily prescribed limits.

4.6 THE REQUIRED MINIMUM COVERAGE SHOWN ABOVE, HOWEVER, WILL NOT IN ANY WAY RESTRICT OR DIMINISH AGENT'S LIABILITY UNDER THIS AGREEMENT. Upon request by Allegiance, Agent shall submit to Allegiance a standard "Accord" insurance certificate (or comparable form acceptable to Allegiance) signed by an authorized representative of such insurance company(ies), certifying that the insurance coverage(s) required hereunder are in effect for the purposes of this Agreement. Should Agent at any time neglect or refuse to provide the insurance required herein, or should such insurance not be renewed, Allegiance shall have the right to terminate this Agreement. Agent's insurance shall be considered primary and not excess or contributing with any other applicable insurance.

4.7 Agent represents and warrants that it has not and covenants that it will not infringe on any copyright, patent, trademark, trade secret or other proprietary right of any third party in connection with the performance of its responsibilities and obligations hereunder.

4.8 Agent represents and warrants that its execution and performance of this Agreement will not violate any provision of, or conflict with, any agreement or obligation to which Agent may be bound.

4.9 Agent agrees that neither Agent, nor any of its directors, officers, employees, agents, consultants or contractors shall directly or indirectly trade any securities of Allegiance or tip to any person or entity with respect to any Allegiance securities based in whole or in part on any material non-public information regarding Allegiance, its affiliates and/or its subsidiaries. Agent also agrees that Agent, its directors, officers, employees, agents, consultants and contractors shall abide by all federal and state securities laws, rules and regulations and shall not make any postings on or send messages to investment "chat boards" or other Internet sites regarding Allegiance or its securities.

4.10 Agent agrees to sign and be bound by Allegiance's Anti-Slamming/Cramming Policy, and Allegiance's Customer Information Policy, as such policies may be amended from time to time, such current policies are attached hereto as Exhibit B. Agent further agrees to abide by and comply with all applicable Federal

Communications Commissions rules including, but not limited to, those set forth in 47 C.F.R. 64.2001-2009 regarding the use of Customer Proprietary Network Information ("CPNI").

5. **NO WARRANTIES.** Allegiance makes no warranties as to Allegiance's ability to provide telecommunication services. Without limiting the generality of the foregoing, Allegiance shall not have any liability to Agent for any provisioning or activation delays or failures, or any other inability to provide service, whether caused by Allegiance, another carrier or any third party.

6. **CERTAIN COVENANTS OF ALLEGIANCE**

6.1 Allegiance shall provide to Agent, free of charge, a "Starter-Kit" containing customer contracts, order forms, promotional materials, brochures, manuals, and other sales and/or referral materials (the "Materials") which Allegiance determines are appropriate and adequate under the circumstances to support Agent's activities hereunder. Upon termination or expiration of this Agreement, Agent shall promptly return all of such materials then in its possession to Allegiance, or at Allegiance's request, destroy such materials.

6.2 The amount and nature of Agent training shall be determined by Allegiance. Training for Agent shall be provided by Allegiance free of charge, except that any expenses incurred by Agent in attending such training shall be the sole responsibility of Agent.

6.3 Allegiance shall be solely responsible for all customer billing.

7. **CONFIDENTIAL INFORMATION AND INTELLECTUAL PROPERTY**

7.1 Agent acknowledges that Agent may receive, be exposed to, and learn in the course of performance of this Agreement secret, confidential or proprietary knowledge, information, or trade secrets of Allegiance, including but not limited to information regarding business methods, finances, customers, suppliers, pricing, marketing, technologies, properties, specifications, personnel, organization, or internal affairs of Allegiance ("*Confidential Information*"), in various media, including but not limited to oral, written, and electronic form. Confidential Information shall also include confidential and proprietary information of third parties disclosed to Agent hereunder. Confidential Information shall not include any information, which is publicly available through no fault of the Agent. Both during and after Agent's engagement with Allegiance, without prior written consent by Allegiance, Agent shall not, other than as specifically authorized hereby and in the course of performing Agent services hereunder, (a) disclose or make accessible to any person or communicate in any manner to any party any Confidential Information, or (b) use any Confidential Information in any manner not authorized herein or for personal benefit or for that of a third party.

7.2 Agent shall not use Allegiance's names, trademarks, or service marks and shall not make, release or disseminate any public statements, promotions, press releases or announcements relating to Allegiance, without the prior written consent of Allegiance's General Counsel or Assistant General Counsel, except for authorized Allegiance materials provided directly by Allegiance to Agent. Upon termination of this Agreement, all Allegiance materials and all books, records and documents, whether in written or electronic form developed by Agent or provided by Allegiance to Agent shall be returned to Allegiance within ten (10) days of said termination.

7.3 Agent acknowledges and agrees that the restrictions contained in paragraphs 7.1 and 7.2 are, in view of the nature of Allegiance's business, reasonable and necessary to protect Allegiance's interests, that the rights being protected by those paragraphs are of a unique and extraordinary character giving them a particular value, and that any violation of this Agreement would result in irreparable injury to Allegiance. Agent further acknowledges and agrees that Allegiance will not have an adequate remedy at law if Agent violates the terms of those paragraphs and that Allegiance shall have the right, in addition to any other rights it may have under applicable law, to obtain from any court of competent jurisdiction preliminary and permanent injunctive relief to restrain any breach or threatened breach of or otherwise to specifically enforce any covenant or obligation of Agent under those paragraphs, as well as to obtain damages and equitable accounting of all earnings, profits, and other benefits arising from such violation, which rights shall be cumulative.

Agent: 

Allegiance: _____

8. **PROHIBITED CUSTOMER AND EMPLOYEE CONTACTS.** At all times during the term of this Agreement and for a period of one (1) year after the expiration or termination thereof, Agent shall not, whether on its own account or on behalf of any other person or entity, directly or indirectly:

- (a) contact any person or entity (including any customer) for the purpose of soliciting or inducing them to modify or terminate their business relationship with Allegiance; or
- (b) contact any person or entity that Agent knows or reasonably should know is actively engaged in communications with any other Allegiance representative for the purposes of securing Allegiance customer orders; or
- (c) contact any employees, agents, consultants, contractors or representatives of Allegiance for the purpose of encouraging or inducing any of them to terminate their employment or business relationships with Allegiance.

9. **INDEMNITY**

9.1 Agent agrees to defend, indemnify, and hold Allegiance (and its affiliates, owners, employees, and agents) harmless from and against all indemnifiable damages, to the maximum extent permitted by applicable law. "Indemnifiable damages" means all expenses, losses, costs, deficiencies, liabilities, and damages (including related attorneys', legal assistants' and expert witness' fees, court costs, including costs of appeals, and arbitration expenses) incurred or suffered by Allegiance, however caused and regardless of whether incurred or suffered in tort, contract or otherwise, (a) resulting from any breach of a representation or warranty of Agent in this Agreement, (b) resulting from any default in the performance of any of the covenants or agreements of Agent in this Agreement, (c) arising from Agent's performance of the Agent services to be performed hereunder, or (d) resulting from any injury, loss, damage to any third party (including, but not limited to, Allegiance's employees, agents, or subcontractors) or its property caused in part or in whole by the action or failure to act of the Agent or any of its employees, agents, or subcontractors.

9.2 Allegiance shall indemnify and hold harmless Agent from and against any and all claims made against Agent arising out of or relating to Allegiance's breach of any of the terms of this Agreement.

10. **LIMITATION OF LIABILITY.** Except as set forth in Section 9.2 above, Allegiance shall not be liable to Agent with respect to this Agreement, including, but not limited to, with respect to the failure or refusal to enter into a contract or agreement with or to accept any Allegiance customer order from any entity. **NOTWITHSTANDING ANY OTHER PROVISION HEREOF, ALLEGIANCE SHALL NOT BE LIABLE FOR ANY INDIRECT, INCIDENTAL, SPECIAL, CONSEQUENTIAL, EXEMPLARY OR PUNITIVE DAMAGES (INCLUDING BUT NOT LIMITED TO DAMAGES FOR LOST PROFITS, LOST REVENUES OR COSTS TO COVER), WHETHER OR NOT CAUSED BY THE ACTS OR OMISSIONS OR NEGLIGENCE OF ITS EMPLOYEES OR AGENTS, AND REGARDLESS OF WHETHER ALLEGIANCE HAS BEEN INFORMED OF THE POSSIBILITY OR LIKELIHOOD OF SUCH DAMAGES.**

11. **CONSTRUCTION AND INTERPRETATION.** This Agreement shall be governed by and construed in accordance with the laws of the State of Texas without regard to its choice or law rules. If any action is brought to enforce or interpret this Agreement, the prevailing party shall be entitled to reasonable attorney's fees in the same or separate action and any other appropriate relief. If any provision in this Agreement is held by a court of competent jurisdiction to be invalid, void, or unenforceable, the remaining provisions shall nevertheless continue in full force without being impaired or invalidated in any way.

12. **ASSIGNMENT.** Allegiance reserves the right to assign its rights and duties under this Agreement. This Agreement shall inure to the benefit of (a) Allegiance's successors (including by way of merger, consolidation and reorganization) and assigns, (b) Allegiance Telecom, Inc.'s successors (including by way of merger, consolidation and reorganization) and assigns. Agent may not assign its rights or obligations (whether by sale of stock, sale of assets, merger, consolidation, reorganization, or otherwise) under this Agreement without the advance written consent of Allegiance's General Counsel or Assistant General Counsel, which consent shall not be unreasonably

withheld. Subject to the foregoing, this Agreement shall be binding upon Agent, its heirs, executors, administrators, guardians, successors and assigns.

13. **ENTIRE AGREEMENT.** This Agreement represents the entire understanding of the parties with respect to the matters contained herein and supersedes all prior understandings, whether written or oral, between the parties with respect to the subject matter herein. The exhibits hereto are an integral part of this Agreement and are incorporated by reference herein. Except as otherwise set forth in this Agreement, this Agreement may be amended only by a writing executed by both parties hereto. Failure by Allegiance or Agent to insist upon the other party's compliance with any provision in this Agreement shall not be deemed a waiver of such provision.

14. **RELATIONSHIP.** Agent shall be an independent contractor, and not an employee or agent of Allegiance for any purpose, including but not limited to FICA, FUTA, income tax withholding, any pension plan or health benefit plan maintained by Allegiance for its own employees, unemployment insurance benefits, or worker's compensation benefits, and Allegiance shall not be responsible to Agent or Agent's employees for or with respect to any such benefits. Agent agrees to perform the Agent services in accordance with this Agreement and shall not subcontract the performance of all or any part of its obligations hereunder to any third parties without prior written consent from Allegiance's General Counsel or Assistant General Counsel.

15. **FORCE MAJEURE.** Neither party shall be liable for failure to perform its obligations hereunder due to causes beyond its control, including acts of God, laws and requirements of any government, national emergencies or labor difficulties.

16. **WAIVER.** Any waiver by either party to this Agreement of any provision of this Agreement shall not be construed as a waiver of any other provision of this Agreement, nor shall such waiver be construed as a waiver of such provision with respect to any other event or circumstance, whether past, present or future.

17. **NOTICES.** All notices required or permitted under this Agreement shall be in writing and be delivered to the other parties at their address as set forth below and shall be deemed delivered: (a) upon delivery if delivered in person; (b) five (5) business days after deposit in the United States mail, registered or certified mail, return receipt requested, postage prepaid; (c) upon transmission if sent via telecopier, with a confirmation copy sent via United States mail; (d) one (1) business day after deposit with a national overnight courier, provided that confirmation of such overnight delivery is received by the sender; and (e) upon transmission if sent via e-mail, with a confirmation copy sent via United States mail.

To Agent:

facsimile:
email:

To Allegiance: Robert H. Stewart
Director of Alternate Channels
Allegiance Telecom
9201 N. Central Expressway
Dallas, TX 75231
facsimile: (214) 261-8201
email: robert.stewart@algx.com

With a copy to (which shall not constitute notice):

Kaete Demro
Legal Department
Allegiance Telecom
9201 N. Central Expressway
Dallas, TX 75231
facsimile: (469) 259-9120

email: kaete.demro@algx.com

IN WITNESS WHEREOF, Allegiance and Agent represent that they have read and understand this Agreement and agree to be bound by all the terms and conditions stated herein.

("Agent")

By: *K. L. Gindler*

Title: *Owner*

Allegiance Telecom Company Worldwide

By: _____

Title: _____

EXHIBIT A

TELECOMMUNICATION SERVICE AND COMMISSION SCHEDULE

Agent May Procure Customers for the Following Telecommunication Services:

- Voice Services (local, long distance and custom calling features)
- Integrated Services (voice and data)
- Dedicated Internet Connectivity Services

Agent May Solicit Customers Only in the Following Geographic Areas:

_____ (fill in appropriate Geographic Area(s))

Agent Commissions:

Agent shall not be entitled to receive any Commission until the applicable telecommunication services have been accepted in writing by Allegiance (an "*Allegiance Accepted Order*"). Agent's rights to receive any Commissions hereunder are conditioned upon customer compliance with payment obligations as set forth in this Agreement.

Allegiance shall pay Agent a Commission for each customer (a "*Customer*") placing an Allegiance Accepted Order through Agent as follows:

Monthly residual based on the Monthly Billed Charges invoiced to and paid by each such Customer for each month of service from Allegiance until the termination of this Agreement, in accordance with Section 2 above, or upon expiration of the Customer's service agreement with Allegiance ("Commissions")

Master Agent Commission Schedule:

| Aggregate Customer Billing | Monthly Residual Commission |
|-----------------------------------|------------------------------------|
| Less than \$25,000.00 | 13% |
| \$25,001.00 - \$49,999.00 | 14% |
| \$50,000.00 - \$74,999.00 | 15% |
| \$75,000.00 - \$99,999.00 | 16% |
| \$100,000.00 - \$149,999.00 | 17% |
| \$150,000.00+ | 18% |

"Monthly Billed Charges" means the total current charges billed on a Customer's invoice. However, Monthly Billed Charges shall not include (and, therefore, are not included in calculating Commissions):

- Monthly FCC Access Charges
- Joint User Fees
- Number Retention Service Charges
- Taxes
- One Time and Non-recurring Charges (such as installation, set-up fees or equipment charges)
- Shortfall Payments

Agent shall submit an Allegiance commission statement for Agent's sales for that month by the end of the last working day of each month, 5:00 p.m. Dallas time. Payment for Commissions shall be mailed by Allegiance to Agent in accordance with Allegiance's normal commission payment period.

No Commissions will be paid:

unless Agent has complied with all Allegiance policies and procedures (including, but not limited to, pricing standards); or

on revenue from accounts that receive extraordinary credits (as determined by Allegiance) within the first six months of business.

Notwithstanding anything to the contrary herein, if any Customer placing an Allegiance Accepted Order through Agent terminates any telecommunication services within 6 months from the date of installation of such services or if such services are terminated by Allegiance as a result of nonpayment, Agent shall forfeit all rights and interest in any further Commissions as well as any commissions that may have been paid on billings that prove to be uncollectable. If, after the fact, Allegiance is able to collect payments from the end user, the Agent will be paid the appropriate commission amount.

Notwithstanding anything to the contrary herein, Commissions may be adjusted at any time to reflect uncorrectable Monthly Recurring Charges, credits and/or cancellation of telecommunication services.

("Agent")

By: H. J. Eric Auser

Title: Partner

Allegiance Telecom Company Worldwide

By: _____

Title: _____

EXHIBIT B

ALLEGIANCE'S ANTI-SLAMMING/CRAMMING POLICY

Section 258(a) of the Telecommunications Act of 1996 ("Act") sets forth the following:

No telecommunications carrier shall submit or execute a change in a subscriber's selection of a provider of telephone exchange service or telephone toll service except in accordance with such verification procedures as the Commission shall prescribe. Nothing in this section shall preclude any State commission from enforcing such procedures with respect to intrastate services.

This above-described practice is commonly referred to as "slamming," and it is strictly prohibited on both the federal and state level. *In plain language, slamming is the practice of changing a consumer's telecommunications carrier without the consumer's knowledge, consent, or authority.* Section 258(a) pertains to all types of telecommunications services, i.e. local, intraLATA toll, interLATA toll, and international.


Pursuant to the Act, both the Federal Communications Commission ("Commission") and State commissions have adopted rules strictly prohibiting slamming and prescribing various procedures for ensuring that carriers do not obtain customers through slamming. These commissions have also adopted fine and forfeiture policies that apply to carriers who engage in slamming and have levied substantial fines on carriers found to have "slammed" their customers. Moreover, these commissions have not recognized or accepted any offered defense to slamming, including those based on actions performed by third party agents or marketing companies, to mitigate a fine. As a result, any carrier, including Allegiance, which engages in slamming, will face a substantial fine, as well as the potential for loss of its operating authority, regardless of the circumstances.

Allegiance has a strict "no-cramming" policy. *"Cramming" is the practice of adding unauthorized charges to a customer's bill, including a carrier billing its own customer for services the customer has not authorized.* As with slamming, the issue of cramming has received increasing attention at both the federal and state commission levels. As a result, anti-cramming legislation has been enacted or is pending in numerous states throughout the country; as with slamming, such legislation contemplates the imposition of stiff fines and penalties for any carrier who engages in cramming.

Allegiance has a zero-tolerance policy against slamming, cramming and similar actions that affect a customer without his or her permission. Allegiance communicates this strict zero-tolerance slamming and cramming policy to all of its employees, including sales and marketing employees, as well as to any agents and third party marketing firms acting on its behalf, upon hiring/engaging those individuals.

Any employee or party that engages in the practice of slamming or cramming will be terminated immediately. Slamming or cramming by an individual may subject that individual to civil and/or criminal liability – Allegiance will pursue all remedies available to it.

The undersigned acknowledges that he/she has read the above anti-slamming and anti-cramming policies and agrees that he/she will follow such policies.

Date: 02-23-04
Signature: 
Printed Name: KEVIN D. EMATISER

TO: Employee or Agent

DATE: _____

RE: Allegiance's Customer Information Policy

Employee or agent shall be responsible for compliance with the following as if he/she were the "carrier" or "Allegiance" as referred to herein.

I. Customer Proprietary Network Information ("CPNI")

A. What is CPNI?

1. Statutory Definition – CPNI is (1) information that relates to the quantity, technical configuration, type, destination, and amount of use of a telecommunications service subscribed to by any customer of a telecommunications carrier, and that is made available to the carrier by the customer solely by virtue of the customer-carrier relationship; and (2) information contained in the bills pertaining to telephone exchange service or telephone toll service received by a customer of a carrier. Customer proprietary network information does not include subscriber list information.
2. Plain Language Definition – CPNI includes information regarding the services to which a customer subscribes and usage patterns such as total amount of usage, numbers called, periods of peak activity, etc.

B. Our "use" of CPNI

The restrictions on Allegiance's "use" of CPNI herein refer to our ability to use the information for marketing, to disclose the information to others, including separate Allegiance business entities, or to permit access to the information by third parties.

C. When can CPNI NEVER be used, even with the customer's approval?

1. A telecommunications carrier may not use CPNI to identify or track customers that call competing service providers.
2. A telecommunications carrier may not use CPNI to retain a customer that is in the process of switching to a different carrier when the carrier learns of the service cancellation through the provision of carrier-to-carrier service – e.g., an LSR or PIC change form. This restriction does not apply when the carrier learns of the switch independently – e.g., from the customer directly.

D. When can CPNI be used without prior express approval from the customer?

In general, CPNI can be used, without prior express approval from the customer, to market offerings related to the customer's existing service categories (local or LD). Toll services are included in either category. Thus, for example, if we are providing local service to a customer, we can use their CPNI to market intraLATA toll to that customer. Otherwise, customer approval is required to use CPNI to market services.

1. If we are providing local service to a customer, we can use their CPNI to market, for example, CPE, call answering, voice mail or voice messaging, voice storage and retrieval services, fax storage and retrieval services, protocol conversion, call waiting, caller ID, speed dialing, computer-provided directory assistance, call monitoring, call tracing, call blocking, call return, repeat dialing, call tracking, call forwarding, certain Centrex features, intraLATA toll; *BUT NOT*: LD or Internet access.

2. If we are providing long distance service to a customer, we can use their CPNI to market, for example, intraLATA toll service; *BUT NOT*: local service or Internet access.
3. If we are providing Internet access to a customer, we can use their CPNI-like information to market any other service to them. (The CPNI rules do not apply to information services.)
4. We may also use CPNI to regain customers who have switched to another carrier (i.e., for winback marketing). The winback marketing must be for the services to which the customer previously subscribed, however, not for new services outside the former carrier-customer relationship.

We can always use CPNI to market inside wiring, installation, maintenance, or repair services. We can also use CPNI to initiate, render, bill, and collect for telecommunications services, protect Allegiance's right or property, or protect customers or other carriers from fraudulent use of our services.

E. Customer Approval - What constitutes customer approval?

1. Customer approval must be express, affirmative action, such as a signature, checking a box, or oral confirmation. (Customer approval cannot be by notice and opt-out. Allegiance cannot simply notify customers of their right to restrict CPNI use and place the burden on the customer to notify Allegiance if the customer does not want its CPNI to be used.) Employees must verify that a customer has given approval to Allegiance to use its CPNI before the CPNI is used for sales or marketing purposes.
2. Customer approval can be written, oral, or electronic. This includes:
 - a) Written signature following close after the waiver paragraph in a service agreement;
 - b) bill inserts that the customer returns to Allegiance;
 - c) separate correspondence that the customer returns to Allegiance;
 - d) telephone solicitations to the customer requesting the customer's approval;
 - e) toll-free numbers that permit a customer to call Allegiance and grant its approval; or
 - f) e-mail that permits a customer to contact Allegiance and grant its approval.
3. A customer's approval remains in effect until the customer revokes or limits such approval. It is important to remember that a customer's later revocation or limitation can be written, oral, or electronic and does not have to be in the same form as the initial grant of approval.
4. Carriers bear the burden of demonstrating that notice (see below) and approval has been given, whether by written, oral, or electronic means. In other words, Allegiance must be able to verify and prove at a later date that the customer granted its approval once noticed. There are no specific verification mechanisms mandated by the FCC. Examples include:
 - a) Audiotapes of customer conversations (the customer's permission to audiotape its conversation with Allegiance representative is required before such taping may proceed);
 - b) Use of a qualified independent third party operating in a location physically separate from the carrier's telemarketing, provided the third party confirms the appropriate verification data such as the customer's date of birth or social security number. For business customers, confirmation of the customer's taxpayer identification number should be sufficient.
 - c) Records of approval must be maintained for one year.

F. Notice - Allegiance must notify customers of their right to restrict Allegiance's use of their CPNI prior to seeking customer approval. Any notification that is provided subsequent to a solicitation for customer approval is inadequate.

1. Notification may be in the same conversation or document as the solicitation for approval, as long as the customer would hear or read the notification prior to the solicitation for approval.
2. Solicitation for approval to use CPNI should be proximate to the written or oral notification, rather than at the end of a long document that the customer might sign for other purposes, or at the conclusion of a lengthy conversation with the customer. If the solicitation is written, it should not be on a document separate from the notification, even if such document is included within the same envelope or package.
3. The notification must contain sufficient information to enable the customer to make an informed decision as to whether to permit a carrier to use, disclose, or permit access to CPNI.
4. The notice must: state that the customer has the right to have its CPNI kept confidential, and that Allegiance has the duty to protect the confidentiality of the CPNI; specify the types of information that constitute CPNI; specify the entities that will receive the CPNI; describe the purposes for which the CPNI will be used; advise the customer of the precise steps the customer must take in order to grant or deny access to CPNI; clearly state that a denial of approval will not affect the provision of any services to which the customer subscribes.
5. The notification must provide the customer with the option of denying access and cannot imply that approval is necessary to ensure the continuation of services or proper serving of the customer's account.
6. If any portion of a notification is translated into a language other than English, then all portions of the notification must be translated into the same language.
7. Allegiance is NOT prohibited from stating in the notice that the customer's approval to use CPNI may enhance the carrier's ability to offer products and services tailored to the customer's needs.
8. Allegiance is NOT prohibited from informing a customer that it may direct us to only disclose CPNI to an unaffiliated third party upon submission to Allegiance of an affirmative written request; however, a carrier cannot make any statement attempting to encourage a customer to freeze third party access to CPNI.

II. Aggregate Customer Information

In general, Allegiance may use aggregate customer information to improve its customers' existing service and, when we choose to use it for purposes beyond the provision of service to existing customers, we must make it available to our competitors upon request just as our competitors must make such information available to us under those circumstances.

- A. Aggregate customer information is collective data that relates to a group or category of services or customers, from which individual customer identities and characteristics have been removed.
- B. Aggregate customer information can be used without the customer's prior approval.
 1. Allegiance may use aggregate customer information in its provision of the telecommunications service from which such information is derived or services necessary to, or used in, the provision of such telecommunications services, including the publishing of directories. For example, Allegiance may use aggregate customer data derived from the provision of local service to market additional local services to its existing local customers, without having to disclose the aggregate customer information to its competitors.
 2. Allegiance may use aggregate customer information other than for purposes of providing the telecommunications service from which the information is derived or services necessary to, or used in, the provision of such telecommunication services, ONLY if it provides such aggregate information to other carriers or persons on reasonable and nondiscriminatory terms and conditions upon reasonable request thereof. For example, it cannot use local aggregate customer information to market long distance services to customers that do not subscribe to its long distance services without disclosing the aggregate customer information to competitors upon request.

3. If customers obtain all their telecommunications services in "one-stop" from Allegiance, then use of aggregate information to provide any such services or market related services would not trigger a disclosure obligation.
- C. Allegiance may make "standing" requests for the aggregate information of other carriers, including the Bell companies. They must provide such information to us at nondiscriminatory prices.

III. Safeguards

- A. Allegiance must implement a system by which the status of a customer's CPNI approval can be clearly verified prior to the use of CPNI.
- B. Allegiance must train personnel as to when they are and are not authorized to use CPNI, and must have an express disciplinary process in place.
- C. Allegiance must maintain a record, electronically or otherwise, of its sales and marketing campaigns that use CPNI. The record must include a description of each campaign, the specific CPNI that was used in the campaign, the date and purpose of the campaign and what products or services were offered as part of the campaign. Allegiance must maintain these records for a minimum period of one year.
- D. Allegiance must establish a supervisory review process regarding compliance with the rules for outbound marketing situations and maintain records ("event" or contact histories) of Allegiance's compliance for a minimum period of one year. Specifically, sales personnel must obtain supervisory approval of any proposed outbound marketing request.
- E. Allegiance must have a corporate officer, as an agent of the carrier, sign a compliance certificate on an annual basis (submitted to the Commission) that the officer has personal knowledge that the carrier is in compliance with the CPNI rules. A statement explaining how the carrier is in compliance with the rules must accompany the certificate.
- F. Allegiance has until approximately May 3, 2000 to comply with the rules imposing the requirements detailed in subsections A. and C.

The undersigned acknowledges that he/she has read the above Customer Information Policies and agrees that he/she will follow such policies.

KEVIN D. EMATISER 02-23-04
Signature Date

KEVIN D. EMATISER
Printed Name