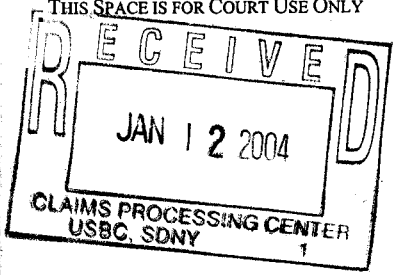
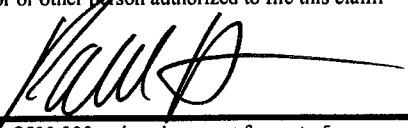


# **Exhibit A**

<b>UNITED STATES BANKRUPTCY COURT SOUTHERN DISTRICT OF NEW YORK</b>		<b>PROOF OF CLAIM</b>
Name of Debtor: <b>ALLEGIANCE TELECOM, INC., ET AL.</b>		Case Number: <b>03-13057</b>
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 (The person or other entity to whom the debtor owes money or property): <b>BellSouth Telecommunications, Inc.</b>		<input type="checkbox"/> 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. <input type="checkbox"/> Check box if you have never received any notices from the bankruptcy court in this case. <input type="checkbox"/> Check box if the address differs from the address on the envelope sent to you by the court.
Name and address where notices should be sent: <b>Paul M. Rosenblatt, Esq. Kilpatrick Stockton LLP 1100 Peachtree Street, Suite 2800 Atlanta, GA 30309</b>		
Telephone number: <b>404-815-6321</b>		
Account or other number by which creditor identified debtor:		Check here if <input type="checkbox"/> replaces <input type="checkbox"/> amends a previously filed claim, dated: _____
<b>1. Basis for Claim</b> <input type="checkbox"/> Goods sold <input checked="" type="checkbox"/> Services performed <input type="checkbox"/> Money loaned <input type="checkbox"/> Personal injury/wrongful death <input type="checkbox"/> Taxes <input checked="" type="checkbox"/> Other <u>Rejection damage claims</u>		<input type="checkbox"/> Retiree benefits as defined in U.S. C. § 1114(a) <input type="checkbox"/> Wages, salaries, and compensation (fill out below) Your SS #: _____ Unpaid compensation for services performed from _____ (date) to _____ (date)
<b>2. Date debt was incurred:</b>		<b>3. If court judgment, date obtained:</b>
<b>4. Total Amount of Claim at Time Case Filed:</b> If all or part of your claim is secured or entitled to priority, also complete Item 5 and 6 below. \$ <u>SEE ATTACHED</u> <input type="checkbox"/> 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.		
<b>5. Secured Claim.</b> <input checked="" type="checkbox"/> Check this box if your claim is secured by collateral (including a right of setoff). Brief Description of Collateral: <input type="checkbox"/> Real Estate <input type="checkbox"/> Motor Vehicle <input checked="" type="checkbox"/> Other <u>Setoff/Recoupment</u>  Value of Collateral: _____  Amount of arrearage and other charges at time case filed included in secured claim, if any: \$ _____		<b>6. Unsecured Priority Claim.</b> <input type="checkbox"/> Check this box if you have an unsecured priority claim Amount entitled to priority _____ Specify the priority of the claim: <input type="checkbox"/> 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). <input type="checkbox"/> Contributions to an employee benefit plan – 11 U.S.C. § 507(a)(4). <input type="checkbox"/> 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). <input type="checkbox"/> Alimony, maintenance, or support owed to a spouse, former spouse, or child – 11 U.S.C. § 507(a)(7). <input type="checkbox"/> Taxes or penalties owed to governmental units – 11 U.S.C. § 507(a)(8). <input type="checkbox"/> Other – Specify applicable paragraph of 11 U.S.C. § 507(a)(____) *Amounts are subject to adjustment on 4.1.04 and every 3 years thereafter with respect to cases commenced on or after the date of adjustment.
<b>7. Credits:</b> The amount of all payments has been credited and deducted for the purpose of making this proof of claim. <b>8. Support Documents:</b> Attach copies of support 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. <b>9. Date-Stamped Copy:</b> To receive an acknowledgment of the filing of your claim, enclose a stamped, self-addressed envelope and copy of this proof of claim.		THIS SPACE IS FOR COURT USE ONLY
Date	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):	
1/8/04	Paul M. Rosenblatt, Esq., Kilpatrick Stockton LLP 	
Penalty for presenting fraudulent claim: Fine of up to \$500,000 or imprisonment for up to 5 years, or both. 18 U.S.C. §§ 152 and 3571.		

## **Introduction**

BellSouth is a communications services company that provides retail and wholesale voice and data services to business and residential customers. It is one of the four remaining Regional Bell Operating Companies.

BellSouth provides an array of services to the Allegiance entities through various agreements, including contracts and tariffs. Such services include completing Allegiance customers' long distance calls (known as "access" service) and providing wholesale and retail telecommunications services to Allegiance.

## **Rejection Damages**

BellSouth and the Allegiance entities are parties to various agreements. Pursuant to these agreements, the Allegiance entities owe various obligations to BellSouth, including providing communications and related services. As a result, BellSouth has various contingent, unliquidated claims for such obligations. See "Notes and Additional Reservation of Rights" below.

In addition, to date, Allegiance has obtained Bankruptcy Court approval to reject certain individual service orders. Rejection damages for certain of these individual service orders are as follows:

- (1) 427C OC48 ATLNAMAHHC1 CHMBGAMAHHC1 -- \$31,860.00 representing 60 days term liability.
- (2) 429C OC48 ATLNAMAHHC2 ATLNATHHC1 -- \$29,160.00 representing 7 months term liability

Rather than filing separate proofs of claim for each incurrence of rejection damages, in agreement with Allegiance, BellSouth will supplement this proof of claim after Allegiance has determined what it is assuming and rejecting.

## **Offset**

The claims set forth herein are subject to BellSouth's rights of offset, including setoff and/or recoupment. The amount of such offset is undetermined at this time. See "Notes and Additional Reservation of Rights" below.

**Notes and Additional Reservation of Rights**

1. The amounts set forth in this proof of claim do not include any interest, late charges, or other fees, costs and charges as yet to be determined that may have accrued but were unpaid after the commencement of the Allegiance bankruptcy cases.
2. Due to the complex relationship between BellSouth and the Allegiance entities, BellSouth is still in the process of identifying which Allegiance entity or entities is/are liable for the claims set forth herein. As such, BellSouth has filed this claim under the jointly consolidated case number.
3. BellSouth hereby provides notice that it reserves the right to amend this proof of claim for any additional amounts that are owing or are determined or deemed to be owing by the Allegiance entities, or as such additional amounts are liquidated.
4. Due to the voluminous nature of the agreements, including contracts and applicable tariffs, between BellSouth and the Allegiance entities, and the voluminous nature of the bills and invoices issued pursuant thereto, copies of these documents are not being attached hereto. By way of example, Tariff F.C.C. No. 1 governing the provision of access services by BellSouth to the Allegiance entities is over 1,000 pages. Various other tariffs are also applicable. In addition, the Competitive Local Exchange Carrier ("CLEC") agreements between BellSouth and various of the Allegiance entities are each many hundreds of pages. The Allegiance entities have multiple CLEC agreements with BellSouth in multiple states. Certain of the monthly invoices and bills that BellSouth renders to the Allegiance entities are so voluminous that they are only effectively viewed electronically. Some of these invoices and bills are many, many thousands of pages each month. A majority of the agreements can be viewed and obtained at the following web site locations:
  - (a) <http://cpr.bst.bellsouth.com/pdf/fcc/fcc.htm>
  - (b) <http://www.bellsouth.com/tariffs/>
  - (c) <http://cpr.bellsouth.com/>
5. For additional information, or to obtain copies of the documentation discussed herein, please contact counsel for BellSouth at:

Paul M. Rosenblatt, Esq.  
Kilpatrick Stockton, LLP  
1100 Peachtree St.  
Suite 2800  
Atlanta, GA 30309-4530

404-815-6321 - direct dial  
404-541-3373 - direct fax  
[prosenblatt@kilpatrickstockton.com](mailto:prosenblatt@kilpatrickstockton.com)