

EXHIBIT B

ALLEGIANCE TELECOM, INC.
Thirteen Week Budget (\$000s)

Consolidated

Week #	Actual	Actual	Actual	Actual	1	2	3	4	5	6	7	8	9	10	11	12	13	Weeks 1 - 13	Actual	Weeks 1-4	Weeks 5-8	Weeks 9-13	Weeks 1-13	
Week ending	5/18/2003	5/23/2003	5/30/2003	6/6/2003	6/13/2003	6/20/2003	6/27/2003	7/4/2003	7/11/2003	7/18/2003	7/25/2003	8/1/2003	8/8/2003	8/15/2003	8/22/2003	8/29/2003	9/5/2003	9/12/2003	5/18 - 6/13	6/20 - 7/13	7/18 - 8/8	8/15 - 9/12	Totals	
TOTAL RECEIPTS (A)	\$ 14,031	\$ 15,342	\$ 14,232	\$ 12,803	\$ 10,448	\$ 13,075	\$ 13,075	\$ 10,515	\$ 13,075	\$ 13,075	\$ 13,075	\$ 38,075	\$ 13,075	\$ 13,075	\$ 13,075	\$ 10,595	\$ 13,075	\$ 13,075	\$ 66,857	\$ 49,740	\$ 77,300	\$ 62,895	\$ 189,935	
DISBURSEMENTS (B)(C)	4,283	71	159	1,509	5,533	6,680	9,358	9,672	5,388	8,030	12,026	4,834	9,789	5,289	8,030	12,026	4,834	9,289	11,483	34,110	34,659	36,548	105,316	
Service & Costs	8,643	585	9,370	5,711	7,887	1,581	3,000	646	835	1,058	593	400	750	1,058	8,073	4,000	2,420	6,073	648	3,582	2,800	3,301	9,663	
Payroll & Benefits	1,281	1,329	385	3,711	2,227	2,927	2,927	4,279	3,352	4,489	2,389	4,214	1,989	4,033	2,200	2,420	3,779	4,500	27,082	19,215	19,215	19,885	58,295	
Operating Expenses	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	8,943	15,760	12,242	15,238	43,271	
Payments on Credit Facility (D)	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	2,178	2,283	2,388	2,231	7,889	
Capital lease payments	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	1,130	1,130	1,130	3,391	
Restructuring Fees (E)	339	-	-	179	-	1,130	1,915	-	-	100	1,915	-	-	-	-	-	-	-	518	1,130	2,388	1,130	5,845	
TOTAL DISBURSEMENTS	\$ 15,112	\$ 3,461	\$ 10,613	\$ 5,859	\$ 15,643	\$ 18,734	\$ 23,016	\$ 17,016	\$ 19,249	\$ 15,437	\$ 28,935	\$ 11,867	\$ 20,180	\$ 11,130	\$ 21,570	\$ 18,174	\$ 17,436	\$ 11,918	\$ 50,828	\$ 78,015	\$ 74,430	\$ 80,279	\$ 232,574	
NET CASH GENERATED/USED	\$ (1,081)	\$ 11,882	\$ 3,589	\$ 6,834	\$ (5,195)	\$ (5,659)	\$ (9,541)	\$ (6,501)	\$ (6,174)	\$ (2,362)	\$ (13,860)	\$ 1,208	\$ 17,895	\$ 1,946	\$ (8,495)	\$ (5,089)	\$ (6,841)	\$ 1,156	\$ 16,129	\$ (28,275)	\$ 2,870	\$ (17,334)	\$ (42,739)	\$ (42,739)
CASH BALANCE SUMMARY	222,823	11,882	3,589	6,834	(5,195)	(6,659)	(9,941)	(6,501)	(5,174)	(2,362)	(13,860)	1,208	17,895	1,946	(8,495)	(5,089)	(6,841)	1,156	222,823	239,470	211,188	214,151	222,823	
Net Cash Generated/Used	(1,081)	11,882	3,589	6,834	(5,195)	(6,659)	(9,941)	(6,501)	(5,174)	(2,362)	(13,860)	1,208	17,895	1,946	(8,495)	(5,089)	(6,841)	1,156	16,129	(28,275)	2,870	(17,334)	(42,739)	
10% variance on payroll	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Cumulative Cash Used	(1,081)	10,801	14,390	21,324	15,129	9,404	(1,344)	(8,087)	(14,059)	(15,489)	(31,483)	(30,158)	(13,120)	(11,240)	(20,542)	(25,631)	(32,472)	(33,327)	16,129	(30,197)	946	(18,320)	(48,589)	
Less Restructuring Fees	339	-	-	179	-	1,915	-	-	-	100	1,915	-	-	-	-	-	-	-	518	1,915	2,015	1,915	5,845	
Minimum Cash Balance	222,082	233,963	237,552	244,685	239,470	232,746	223,812	217,170	211,188	208,961	198,108	197,074	214,151	216,031	206,729	203,303	196,655	196,746	239,470	211,188	214,151	196,746	180,098	

NOTES

- (A) Receipts are based on daily bank availability of cash received from customers. Week ending 6/6/03 includes payment from Level 3 of \$25,000,000. Bank holidays in weeks 3 and 12 drive lower cash receipts.
- (B) Disbursements are scheduled based on week of release of checks and wireACH to vendors and other recipients.
- (C) Payroll and related expenses are scheduled based on actual pay dates. Note that commissions are paid on the last day of each month.
- (D) Includes interest payments for Senior Secured Credit Facility due on 19th & 25th of each month.
- (E) Restructuring fees and retainers paid to various professional firms incurred in connection with restructure.
- (F) Excuses \$20 million disputed balance