

UNITED STATES BANKRUPTCY COURT
SOUTHERN DISTRICT OF NEW YORK

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

**ORDER PURSUANT TO SECTION 365(a)
OF THE BANKRUPTCY CODE AUTHORIZING THE DEBTORS TO REJECT
CERTAIN UNEXPIRED LEASES OF NONRESIDENTIAL REAL PROPERTY**

Upon the motion (the “Motion”), dated June 6, 2003, of Allegiance Telecom, Inc. and its direct and indirect subsidiaries, as debtors and debtors in possession (collectively, the “Debtors”), seeking entry of an order, pursuant to section 365 of the Bankruptcy Code,¹ authorizing the Debtors to reject the Rejected Leases, as more fully set forth in the Motion; and a limited objection (the “Limited Objection”) to the Motion having been filed by B.P. Commerce, LLC (“BP Commerce”); and the Limited Objection having been resolved by the Debtors and BP Commerce; and the hearing on the Motion having been held on July 15, 2003; and it appearing that this Court has jurisdiction to consider and determine the Motion as a core proceeding pursuant to 28 U.S.C. §§ 157 and 1334; and it appearing that the relief requested in the Motion is in the best interests of the Debtors’ estates and creditors; and due and proper notice of the Motion having been given; and good and sufficient cause appearing therefor; it is

ORDERED that the Motion is granted; and it is further

ORDERED that the Rejected Leases shall be deemed rejected effective as of the date on which the Debtors surrender the respective location to the appropriate lessor as set forth on Exhibit “A” to this Order; and it is further

¹ Unless otherwise defined herein, capitalized terms shall have the meaning ascribed to them in the Motion.

ORDERED that the Debtors do not waive any claims that they may have against any of the lessors under the Rejected Leases, whether or not such claims are directly related to the Rejected Leases; and it is further

ORDERED that the Debtors are authorized to take all actions necessary to effectuate the relief granted pursuant to this Order in accordance with the Motion; and it is further

ORDERED that this Court shall retain jurisdiction to hear and determine all matters arising from or related to the implementation of this Order.

Dated: New York, New York
July 16, 2003

/s/Robert D. Drain
UNITED STATES BANKRUPTCY JUDGE

Exhibit A

List of Rejected Leases

<u>Name of Debtor Tenant</u>	<u>Property Address</u>	<u>Landlord's Name and Address</u>	<u>Estimated Monthly Payments under Lease</u>	<u>Lease Expiration Date</u>	<u>Effective Date of Rejection</u>
Shared Technologies Allegiance, Inc.	3251 Corte Malpaso Suite 507 Camarillo, CA 93012	Gary A. Jones, Trustee of the Jones Family Trust 3251 Corte Malpaso Suite 510 Camarillo, CA 93012	\$1,605.00	08/14/05	June 21, 2003
Allegiance Telecom Company Worldwide	3 Bethesda Metro Center Suites 300 & 450 Bethesda, MD 20814	BRE/Metrocenter, LLC 345 Park Avenue New York, NY 10154 BRE/Metrocenter, LLC c/o Realty Management Company 3 Bethesda Metro Center Suite 600 Bethesda, MD 20814	\$62,505.86	04/30/08	July 1, 2003
ALGX Business Internet, Inc.	7601 Ora Glen Drive Greenbelt, MD 20770	BP Commerce, LLC c/o Matan Asset Management 4600 Wedgewood Boulevard Suite A Frederick, MD 21703	\$137,240.56	11/30/10	June 18, 2003
Allegiance Telecom, Inc.	201 Route 17 North Suite 102 Rutherford, NJ 07070	CIN Meadows, LLC c/o Linque Management Company, Inc. 301 Route 17 North 9th Floor Rutherford, NJ 07070	\$27,217.73	05/31/06	June 30, 2003
Allegiance Telecom, Inc.	1415 Louisiana Suite 3900 Houston, TX 77002	1415 Louisiana K/LTD c/o Wedge International Tower 1415 Louisiana Houston, Texas 77002	\$22,690.76	12/31/05	June 15, 2003
TOTALS			\$251,259.91		