

PRESENTMENT DATE AND TIME: December 18, 2003 at 10:00 a.m. (EST)  
OBJECTION DEADLINE: December 15, 2003 at 4:00 p.m. (EST)

Ira S. Dizengoff (ID-9980)  
Philip C. Dublin (PD-4919)  
Akin Gump Strauss Hauer & Feld LLP  
590 Madison Avenue  
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(212) 872-1000 (Telephone)  
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Counsel to the Official Committee of Unsecured  
Creditors of Allegiance Telecom, Inc., et al.

Scott L. Baena (*pro hac vice* admission pending)  
Bilzin Sumberg Baena Price & Axelrod LLP  
2500 Wachovia Financial Center  
200 South Biscayne Blvd.  
Miami, Florida 33131  
(305) 374-7580 (Telephone)  
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Proposed Special Counsel to the Official Committee of Unsecured  
Creditors of Allegiance Telecom, Inc., et al.

**UNITED STATES BANKRUPTCY COURT  
SOUTHERN DISTRICT OF NEW YORK**

-----X  
In re: Chapter 11  
  
ALLEGIANCE TELECOM, INC., Case No. 03-13057 (RDD)  
*et al.*,  
  
Debtors. (Jointly Administered)  
-----X

**NOTICE OF PRESENTMENT OF APPLICATION OF THE OFFICIAL  
COMMITTEE OF UNSECURED CREDITORS OF  
ALLEGIANCE TELECOM, INC., ET. AL. TO RETAIN AND EMPLOY  
BILZIN SUMBERG BAENA PRICE & AXELROD LLP  
AS SPECIAL "CONFLICTS" COUNSEL, NUNC PRO TUNC TO OCTOBER 2, 2003**

PLEASE TAKE NOTICE that the Official Committee of Unsecured Creditors (the  
"Committee") of Allegiance Telecom., et al. (collectively, the "Debtors"), will present the  
Application to Retain Bilzin Sumberg Baena Price & Axelrod LLP as Special "Conflicts"

Counsel, *nunc pro tunc* to October 2, 2003, dated December 5, 2003 (the "Application"), to the Honorable Robert D. Drain, United States Bankruptcy Judge for signature on December 18, 2003 at 10:00 a.m. (prevailing Eastern Time).

PLEASE TAKE FURTHER NOTICE that, objections, if any, to the relief requested in the Application shall be made in a writing, comply with the Federal Rules of Bankruptcy Procedure and the Local Bankruptcy Rules, state the basis for the objection, and the specific grounds therefore and be filed with the United States Bankruptcy Court for the Southern District of New York electronically in accordance with General Order M-182 (which can be found at [www.nysb.uscourts.gov](http://www.nysb.uscourts.gov)) by registered users of the Bankruptcy Court's case filing system and, by all other parties in interest, on a 3-1/2 inch disk, preferably in Portable Document Format (PDF), Word Perfect or any other Windows-based word processing format (with a hard copy delivered directly to Chambers) and served in accordance with General Order M-182 or by first-class mail, upon each of the following: (i) proposed special "conflicts" counsel to the Committee, Bilzin Sumberg Baena Price & Axelrod LLP, 2500 Wachovia Financial Center, 200 South Biscayne Blvd., Attn.: Scott L. Baena, Esq., (ii) counsel to the Committee, Akin Gump Strauss Hauer & Feld LLP, 590 Madison Avenue, New York, New York 10022-2524, Attn.: Ira S. Dizengoff, Esq., (iii) counsel to the Debtors, Kirkland & Ellis, Citigroup Center, 153 East 53<sup>rd</sup> Street, New York, New York 10022, Attn: Jonathan S. Henes, Esq., (iv) counsel to the Agent for the Lenders, Paul, Hastings, Hanofsky & Walker LLP, 600 Peachtree Street, NE, Ste. 2400, Atlanta, GA 30308, Attn: Jessee H. Austin III, Esq., and (v) the Office of the United States Trustee, Southern District of New York, 33 Whitehall Street, 21st Floor, New York, New York 10004, Attn.: Pamela J. Lustrin, Esq., so as to be received not later than 4:00 p.m. (prevailing Eastern Time) on December 15, 2003.

PLEASE TAKE NOTICE, that if a written objection is timely filed, a hearing will be held at the United States Bankruptcy Court for the Southern District of New York, Alexander Hamilton Custom House, One Bowling Green, New York, New York 10004, on December 18, 2003 at 10:00 a.m. (prevailing Eastern Time). The moving and objecting parties are required to attend the hearing, and failure to appear may result in relief being granted or denied upon default.

Dated: Miami, Florida  
December 5, 2003

**AKIN GUMP STRAUSS HAUER & FELD LLP**

/s/ Ira S. Dizengoff

Ira S. Dizengoff (ID-9980)  
Philip C. Dublin (PD-4919)  
Colin M. Adams (CA-2913)  
590 Madison Avenue  
New York, New York 10022  
(212) 872-1000

Counsel to the Official Committee  
of Unsecured Creditors of Allegiance Telecom, Inc., et al.

and

**BILZIN SUMBERG BAENA PRICE & AXELROD LLP**

Scott L. Baena (*pro hac vice* admission pending)  
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Proposed Special Counsel to the Official Committee of  
Unsecured Creditors of Allegiance Telecom, Inc., et al.

PRESENTMENT DATE AND TIME: December 18, 2003 at 10:00 a.m. (EST)  
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Creditors of Allegiance Telecom, Inc., et al.

Scott L. Baena (*pro hac vice* admission pending)  
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Proposed Special Counsel to the Official Committee of Unsecured  
Creditors of Allegiance Telecom, Inc., et al.

**UNITED STATES BANKRUPTCY COURT  
SOUTHERN DISTRICT OF NEW YORK**

-----X  
In re:

Chapter 11

ALLEGIANCE TELECOM, INC.,  
*et al.*,

Case No. 03-13057 (RDD)

Debtors.

(Jointly Administered)

-----X

**APPLICATION OF THE OFFICIAL COMMITTEE OF  
UNSECURED CREDITORS OF ALLEGIANCE TELECOM, INC., ET AL. TO RETAIN  
AND EMPLOY BILZIN SUMBERG BAENA PRICE & AXELROD LLP AS SPECIAL  
"CONFLICTS" COUNSEL, NUNC PRO TUNC TO OCTOBER 2, 2003**

The Official Committee of Unsecured Creditors (the "Committee") of Allegiance Telecom, Inc., et al. (collectively, the "Debtors") respectfully submits this application (the "Application"), pursuant to sections 1103(a) and 328(a) of title 11 of the United States Code (the "Bankruptcy Code") and Rule 2014 of the Federal Rules of Bankruptcy Procedure (the

"Bankruptcy Rules"), for an order authorizing the Committee to retain and employ Bilzin Sumberg Baena Price & Axelrod LLP ("Bilzin Sumberg") as its special "conflicts" counsel in the Debtors' Chapter 11 cases, *nunc pro tunc* to October 2, 2003 (the date that Bilzin Sumberg commenced services on behalf of the Committee). In support of its Application, the Committee respectfully represents as follows:

### **BACKGROUND**

1. On May 14, 2003 (the "Petition Date"), each of the Debtors filed with this Court a voluntary petition for relief under chapter 11 of the Bankruptcy Code.

2. Since the Petition Date, the Debtors have continued in possession of their property and have continued to operate and manage their businesses as debtors in possession pursuant to sections 1107(a) and 1108 of the Bankruptcy Code.

3. This Court has jurisdiction over the Application pursuant to 28 U.S.C. §§ 157 and 1334. Venue is proper in this district pursuant to 28 U.S.C. §§ 1408 and 1409. This is a core proceeding pursuant to 28 U.S.C. § 157(b)(2). The statutory bases for the relief requested herein are sections 328(a) and 1103 of the Bankruptcy Code and Bankruptcy Rule 2014.

### **THE COMMITTEE'S FORMATION**

4. On May 28, 2003 (the "Committee Formation Date"), the United States Trustee appointed the Committee, pursuant to section 1102 of the Bankruptcy Code. The Committee currently consists of six members.<sup>1</sup> On the Committee Formation Date, the Committee selected Akin Gump Strauss Hauer & Feld LLP ("Akin Gump") to serve as counsel to the Committee.

5. After reviewing its conflicts search in connection with its proposed retention by the Committee in these chapter 11 cases, Akin Gump determined that it currently represents

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<sup>1</sup> The Committee is comprised of the following entities: BellSouth Telecommunications, Inc., LC Capital Master Fund, Ltd., Loeb Partners Corp., Nortel Networks Inc., Romulus Holdings, and The Bank of New York, as indenture trustee.

certain creditors or other parties in interest (in other matters wholly unrelated to the Debtors' chapter 11 cases and which were discussed in the Committee's application to retain Akin Gump), and that the Committee therefore needed to retain special counsel to investigate and/or commence any appropriate causes of action against, or otherwise represent the Committee's interests *vis-à-vis*, such entities in these chapter 11 cases. Subject to the Court's approval, the Committee has engaged Bilzin Sumberg for that purpose.

### **RETENTION OF BILZIN SUMBERG**

6. The Committee respectfully submits that it is necessary and appropriate for it to employ and retain Bilzin Sumberg to provide, among other things, the following services – but only to the extent that Akin Gump is conflicted from providing such services and Bilzin Sumberg has been directed by the Committee to provide such services:

- (a) assist and advise the Committee with respect to its rights, duties and powers in these chapter 11 cases;
- (b) assist and advise the Committee in its consultations with the Debtors relative to the administration of these chapter 11 cases;
- (c) assist and advise the Committee in analyzing the claims of the Debtors' creditors and the Debtors' capital structure and in negotiating with holders of claims and equity interests;
- (d) assist and advise the Committee in its investigation of the acts, conduct, assets, liabilities and financial condition of the Debtors and of the operation of the Debtors' businesses;
- (e) assist and advise the Committee in its analysis of, and negotiations with, the Debtors or any third party concerning matters related to, among other things, the assumption or rejection of certain leases of nonresidential real property and executory contracts, asset dispositions, financing of other transactions and the terms of one or more plans of reorganization for the Debtors and accompanying disclosure statements and related plan documents;
- (f) assist and advise the Committee as to its communications to creditors regarding significant matters in these chapter 11 cases;

- (g) represent the Committee at hearings and other proceedings;
- (h) review and analyze applications, orders, statements of operations and schedules filed with the Court and advise the Committee as to their propriety;
- (i) assist the Committee in preparing pleadings and applications as may be necessary in furtherance of the Committee's interests and objectives;
- (j) prepare, on behalf of the Committee, any pleadings, including without limitation, motions, memoranda, complaints, adversary complaints, objections or comments in connection with any of the foregoing; and
- (k) perform such other legal services as may be required or are otherwise deemed to be in the interests of the Committee in accordance with the Committee's powers and duties as set forth in the Bankruptcy Code, Bankruptcy Rules or other applicable law.

7. The Committee believes that Bilzin Sumberg possesses extensive knowledge and expertise in the areas of law relevant to these chapter 11 cases, and that Bilzin Sumberg is well qualified to represent the Committee in these chapter 11 cases. In selecting special "conflicts" counsel, the Committee sought and interviewed attorneys with considerable experience in representing unsecured creditors' committees in chapter 11 reorganization cases and other debt restructurings. Bilzin Sumberg has such experience as Bilzin Sumberg is currently representing and has represented creditors' committees in many significant cases, including the following committees:

- The Official Asbestos Property Damage Claimants Committee in *The Celotex Corporation, W.R. Grace, and US Gypsum*.
- The Official Committee of Unsecured Creditors in *USA Floral*.
- The Official Committees of Unsecured Creditors in *NAL Financial Group, Empire Toy, JumboSports, and Viasource*.
- The Ad Hoc Committee of Bondholders in *Southeast Banking Corporation*.

8. The Committee requests that all legal fees and related costs and expenses incurred by the Committee on account of services rendered by Bilzin Sumberg in these cases be paid as administrative expenses of the estates pursuant to sections 328, 330(a), 331, 503(b) and 507(a)(1) of the Bankruptcy Code. Subject to the Court's approval, Bilzin Sumberg will charge for its legal services on an hourly basis in accordance with its ordinary and customary hourly rates in effect on the date such services are rendered, subject to sections 328(a) and 330 of the Bankruptcy Code. The current hourly rates charged by Bilzin Sumberg for professionals and paraprofessionals employed in its offices are provided below:

<u>Billing Category</u>	<u>Range</u>
Partners	\$290 - \$500
Special Counsel and Counsel	\$275 - \$450
Associates	\$160 - \$290
Paraprofessionals	\$110 - \$200

These hourly rates are subject to periodic adjustments (typically in January of each year) to reflect economic and other conditions. Bilzin Sumberg will maintain detailed records of actual and necessary costs and expenses incurred in connection with the legal services described above.

9. The names, positions and current hourly rates of the Bilzin Sumberg professionals currently expected to have primary responsibility for providing services to the Committee are as follows: Scott L. Baena (Partner) - \$500/hour; Mindy A. Mora (Partner) - \$390/hour; and Nathan G. Mancuso (Associate) - \$270/hour. Also, it may be necessary, from time to time, for other Bilzin Sumberg professionals to provide services to the Committee.

10. Upon information and belief, Bilzin Sumberg does not represent and does not hold any interest adverse to the Debtors' estates or their creditors in the matters upon which Bilzin Sumberg is to be engaged, except to the extent set forth in the Declaration of Scott L. Baena attached hereto as **Exhibit A**.



11. Because of the extensive legal services that may be necessary in these chapter 11 cases, and the fact that the full nature and extent of such services are not known at this time, the Committee believes that the employment of Bilzin Sumberg to provide the services described above is appropriate and in the best interests of the Debtors' estates and their creditors.

**WAIVER OF MEMORANDUM OF LAW**

12. This Application includes citations to the applicable authorities, and does not raise any novel issues of law. Accordingly, the Committee respectfully requests that this Court waive the requirement contained in Rule 9013-1(b) of the Local Bankruptcy Rules for the Southern District of New York that a separate memorandum of law be submitted, but the Committee reserves the right to file a brief in reply to any objection to this Application.

13. No prior application for the relief requested herein has been presented to this Court or any other court.

WHEREFORE, the Committee requests that an Order be entered authorizing it to retain Bilzin Sumberg as its special counsel in these cases, *nunc pro tunc* to October 2, 2003, and providing the Committee such other and further relief as the Court may deem just and proper.

Dated: New York, New York  
December 5, 2003

THE OFFICIAL COMMITTEE OF UNSECURED  
CREDITORS OF ALLEGIANCE TELECOM,  
INC., ET AL.

By: Romulus Holdings, solely in its capacity as  
Chair of the Committee and not in its  
individual capacity,

By: s/ Gary Singer  
Name: Gary Singer  
Its: Chairperson

# **EXHIBIT A**

## **DECLARATION OF SCOTT L. BAENA**

Scott L. Baena (*pro hac vice* admission pending)  
Bilzin Sumberg Baena Price & Axelrod LLP  
2500 Wachovia Financial Center  
200 South Biscayne Blvd.  
Miami, Florida 33131  
(305) 374-7580 (Telephone)  
(305) 374-7593 (Facsimile)

Proposed Special Counsel to the Official Committee of Unsecured  
Creditors of Allegiance Telecom, Inc., et al.

**UNITED STATES BANKRUPTCY COURT  
SOUTHERN DISTRICT OF NEW YORK**

-----X  
In re: Chapter 11  
  
ALLEGIANCE TELECOM, INC., Case No. 03-13057 (RDD)  
*et al.*,  
  
Debtors. (Jointly Administered)  
-----X

**DECLARATION OF SCOTT L. BAENA**

SCOTT L. BAENA, hereby declares:

1. I am a partner in the law firm Bilzin Sumberg Baena Price & Axelrod LLP ("Bilzin Sumberg"), which firm maintains offices at 2500 Wachovia Financial Center, 200 South Biscayne Blvd., Miami, Florida 33131.

2. I am familiar with the matters set forth herein and make this declaration in support of the application of the Official Committee of Unsecured Creditors (the "Committee") of Allegiance Telecom, Inc. and certain of its subsidiaries and affiliates (collectively, the "Debtors") seeking approval to retain and employ Bilzin Sumberg, *nunc pro tunc* to October 2, 2003, as special "conflicts" counsel to the Committee.

3. On May 28, 2003 (the "Committee Formation Date"), the United States Trustee appointed the Committee, pursuant to section 1102 of the Bankruptcy Code. The Committee

currently consists of six members.<sup>2</sup> On the Committee Formation Date, the Committee selected Akin Gump to serve as counsel to the Committee pursuant to section 1103(a) of the Bankruptcy Code.

4. After reviewing its conflicts search in connection with its proposed retention by the Committee in these chapter 11 cases, Akin Gump determined that it currently represents certain creditors or other parties in interest (in other matters wholly unrelated to the Debtors' chapter 11 cases and which were discussed in the Committee's application to retain Akin Gump), and that the Committee therefore needed to retain special "conflicts" counsel to investigate and/or commence any appropriate causes of action against, or otherwise represent the Committee's interests *vis-à-vis*, such entities in these chapter 11 cases. Subject to the Court's approval, the Committee has engaged Bilzin Sumberg for that purpose.

5. Neither I nor Bilzin Sumberg are insiders of the Debtors. Except as set forth below, neither I nor Bilzin Sumberg hold directly any claim, debt or equity security of the Debtors.

6. Bilzin Sumberg is not and has not been an investment banker for any outstanding security of the Debtors.

7. Bilzin Sumberg has not been, within three years before the date of the filing of the Debtors' respective petitions, an investment banker for a security of the Debtors, or an attorney for such an investment banker in connection with the offer, sale or issuance of a security of the Debtors.

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<sup>2</sup> The Committee is comprised of the following entities: BellSouth Telecommunications, Inc., LC Capital Master Fund, Ltd., Loeb Partners Corp., Nortel Networks Inc., Romulus Holdings, and The Bank of New York, as indenture trustee.

8. No member of Bilzin Sumberg has been, within two years before the date of the filing of the Debtors' petitions, a director, officer or employee of the Debtors or of an investment banker as specified in subparagraph (B) or (C) of 11 U.S.C. § 101(14).

9. Bilzin Sumberg does not hold an interest materially adverse to the interest of the estates or of any class of creditors or equity security holders, by reason of any direct or indirect relationship to, connection with, or interest in, the Debtors or an investment banker as specified in subparagraph (B) or (C) of 11 U.S.C. § 101(14), or for any other reason.

10. Bilzin Sumberg does not currently represent the Debtors or any of their affiliates, partners or subsidiaries, and Bilzin Sumberg will not undertake the representation of the Debtors or related entities during this engagement. Moreover, except as set forth herein, Bilzin Sumberg will not undertake the representation of any party other than the Committee in connection with the Debtors' chapter 11 proceedings.

11. To the best of my knowledge and information, Bilzin Sumberg neither holds nor represents any interest adverse to the Committee, the Debtors, their creditors or other parties in interest or their respective attorneys in respect of the matters upon which Bilzin Sumberg is to be engaged in these chapter 11 cases. Based upon information available to me, I believe that Bilzin Sumberg is a "disinterested person" within the meaning of the title 11 of the United States Code (the "Bankruptcy Code"), in respect of the matters upon which Bilzin Sumberg is to be engaged in these chapter 11 cases.

12. Bilzin Sumberg believes that, as special "conflicts" counsel to the Committee, it will not address any matters other than those involving creditors or parties in interest in these bankruptcy cases who are current clients of Akin Gump (in unrelated matters, as discussed in the Committee's application to retain Akin Gump), with respect to whom Akin Gump has agreed not

to investigate or commence any direct claims or causes of action against, or take positions directly adverse to, these companies absent an appropriate waiver

13. Out of an abundance of caution and in the interests of full disclosure, however, Bilzin Sumberg has submitted to its conflicts check the following names used by Akin Gump in preparing its own Rule 2014 declaration: (i) the Debtors; (ii) current officers and directors of the Debtors; (iii) former officers and directors of the Debtors; (iv) parties to litigation; (v) top 40 unsecured creditors; (vi) creditors under lease agreements; (vii) the Debtors' prepetition lenders; (viii) the indenture trustee for the Debtors' 12 7/8% and 11 3/4% senior notes; (ix) beneficiaries of performance bonds; (x) bondholders of 12 7/8% senior notes; (xi) bondholders of 11 3/4% senior notes; (xii) certain professionals; (xiii) landlords; (xiv) insurers; (xv) major equity security holders; (xvi) beneficiaries of letters of credit; (xvii) significant vendors; (xviii) significant customers; (xix) major competitors; (xx) judgment lien creditors; and (xxi) members of the Committee and proposed professionals. A list of the parties that were subject to Bilzin Sumberg's conflict search is annexed hereto Schedule A.

14. Additionally, I caused e-mails to be circulated to all persons at Bilzin Sumberg to determine whether and to what extent Bilzin Sumberg has connections with any of the entities identified on Schedule A.

15. The conflict check system and adverse party index maintained by Bilzin Sumberg is designed to include every matter on which the firm is now or has been engaged, by which entity the firm is now or has been engaged, and, in each instance, the identity of related parties and adverse parties and the attorneys in the firm that are knowledgeable about the matter. It is the policy of Bilzin Sumberg that no new matter may be accepted or opened within the firm without completing and submitting to those charged with maintaining the conflict check system

and adverse party index the information necessary to check each such matter for conflicts, including the identity of the prospective client, the matter, and related and adverse parties. Accordingly, Bilzin Sumberg maintains and systematically updates this system in the regular course of business of the firm, and it is the regular practice of the firm to make and maintain these records.

**Representation of Parties in Interest**

16. Attached as Schedule B to this Declaration is a list of certain of those creditors and parties in interest identified on Schedule A, or certain entities that may be affiliates or subsidiaries of such entities identified on Schedule A, that Bilzin Sumberg currently represents or formerly represented in matters wholly unrelated to the Debtors' chapter 11 cases. In connection with the services to be rendered to the Committee, Bilzin Sumberg will not commence or investigate any causes of action against, or take any position directly adverse to, any entity identified on Schedule B that is a current client of Bilzin Sumberg, unless Bilzin Sumberg has received a waiver from such entity.

17. Bilzin Sumberg may have in the past represented and/or currently represent and may in the future represent (in matters wholly unrelated to the Debtors' chapter 11 cases) other entities not currently known to Bilzin Sumberg who may be creditors or parties in interest in the Debtors' chapter 11 cases. To the extent that Bilzin Sumberg discovers any such information, Bilzin Sumberg will promptly disclose such information to the Court, the Debtors and the United States Trustee by filing a supplemental declaration on the electronic docket.

18. Bilzin Sumberg has solicited information by firmwide e-mail from its partners, associates and staff to determine if any person employed by Bilzin Sumberg holds any of the Debtors' common equity or securities. To the best of my knowledge and information, based on

the responses received to the foregoing information requests, Bilzin Sumberg's partners, associates or staff currently hold none of the Debtors' common equity, preferred shares or notes. It is possible that a professionally managed retirement plan on behalf of Bilzin Sumberg employees or members or 401(k)-type plan may hold equity interests in or notes issued by the Debtors, but it is unknown to me at this time. If further information to the contrary becomes known, I will promptly supplement this declaration.

19. In respect of the matters upon which Bilzin Sumberg is to be engaged in these chapter 11 cases, none of Bilzin Sumberg's representations of creditors or other parties in interest who are involved in these chapter 11 cases comprise a material component of Bilzin Sumberg's practice, nor does Bilzin Sumberg currently represent such parties on any issue relating to these chapter 11 cases. Upon information and belief, Bilzin Sumberg's services on behalf of the entities identified on Schedule B have constituted, with respect to each such entity, less than 1% of Bilzin Sumberg's annual revenues for the 2002 fiscal year. To the best of my knowledge, the standard articulated by courts of the Second Circuit regarding the appointment of counsel by a creditors' committee has been met in these chapter 11 cases. One bankruptcy court explains that counsel to a creditors' committee, which owes a fiduciary duty both to the committee and to the individual creditors that the committee represents, may not represent any other entity having an interest adverse to the individual creditors. For the reasons stated herein, Bilzin Sumberg represents no interest adverse to the Debtors' individual creditors or the creditors' committee in respect of the matters upon which Bilzin Sumberg is to be engaged in these chapter 11 cases, and, therefore, is capable of fulfilling its fiduciary duty under that standard.

20. Bilzin Sumberg is willing to be retained by the Committee as its special "conflicts" counsel and will make appropriate application to this Court for compensation and



reimbursement of out-of-pocket expenses, all in accordance with the provisions of the Bankruptcy Code, the Bankruptcy Rules, the Local Rules for the United States Bankruptcy Court for the Southern District of New York and any orders of this Court. Bilzin Sumberg will bill at its standard hourly rates for partners, special counsel and counsel, associates, and paraprofessionals. The current hourly rates for the Bilzin Sumberg professionals with primary responsibility for this matter are:

- (a) Scott L. Baena (Partner) - \$500/hour;
- (b) Mindy A. Mora (Partner) - \$390/hour; and
- (c) Nathan G. Mancuso (Associate) - \$270/hour.

21. These hourly rates are subject to periodic increase in the normal course of Bilzin Sumberg's business. Other attorneys and paralegals will, from time to time, assist in the representation of the Committee in connection with these cases at Bilzin Sumberg's standard hourly rates in effect for those personnel. The hourly rates set forth above are Bilzin Sumberg's standard hourly rates for work of this nature. These rates are set at a level designated to fairly compensate Bilzin Sumberg for the work of its attorneys and paralegals and to cover fixed and routine overhead expenses. It is Bilzin Sumberg's policy to charge its clients in all areas of practice for all other expenses incurred in connection with a client's case. The expenses charged to clients include, among other things, telephone and facsimile charges, photocopying charges, travel expenses, expenses for "working meals" and computerized research, as well as non-ordinary overhead expenses, such as secretarial overtime.

22. No agreement exists, nor will any be made, to share any compensation received by Bilzin Sumberg for its services with any other person or firm.

I hereby declare under the penalty of perjury that the foregoing is true and correct.

Executed on December 5, 2003

s/ Scott Baena  
Scott L. Baena

**Schedule A**

**Conflict Check**

**Debtors**

Allegiance Telecom, Inc.  
Adgrafix Corporation  
ALGX Business Internet, Inc.  
Allegiance Internet, Inc.  
Allegiance Telecom Company Worldwide  
Allegiance Telecom International, Inc.  
Allegiance Telecom of Arizona, Inc.  
Allegiance Telecom of California, Inc.  
Allegiance Telecom of Colorado, Inc.  
Allegiance Telecom of Florida, Inc.  
Allegiance Telecom of Georgia, Inc.  
Allegiance Telecom of Illinois, Inc.  
Allegiance Telecom of Indiana, Inc.  
Allegiance Telecom of Maryland, Inc.  
Allegiance Telecom of Massachusetts, Inc.  
Allegiance Telecom of Michigan, Inc.  
Allegiance Telecom of Minnesota, Inc.  
Allegiance Telecom of Missouri, Inc.  
Allegiance Telecom of Nevada, Inc.  
Allegiance Telecom of New Jersey, Inc.  
Allegiance Telecom of New York, Inc.  
Allegiance Telecom of North Carolina, Inc.  
Allegiance Telecom of Ohio, Inc.  
Allegiance Telecom of Oklahoma, Inc.  
Allegiance Telecom of Oregon, Inc.  
Allegiance Telecom of Pennsylvania, Inc.  
Allegiance Telecom of Texas, Inc.  
Allegiance Telecom of The District of Columbia, Inc.  
Allegiance Telecom of Virginia, Inc.  
Allegiance Telecom of Washington, Inc.  
Allegiance Telecom of Wisconsin, Inc.  
Allegiance Telecom Purchasing Company  
Allegiance Telecom Service Corporation  
Coast to Coast Telecommunications, Inc.  
Hosting.com, Inc.  
InterAccess Telecommunications Co.  
Jump.Net, Inc.  
Shared Technologies Allegiance, Inc.  
Virtualis Systems, Inc.

**Current Officers Allegiance Telecom, Inc.**

Royce J. Holland  
C. Daniel Yost  
Thomas M. Lord  
Anthony J. Parella  
Mark B. Tresnowski  
Deborah Surette  
G. Clay Myers  
J. Timothy Naramore  
Kevin Joseph

Lawrence E. Strickling  
Richard H. Anderson  
Christine Kornegay  
Kenneth C. Close  
Sanjeev Sethi  
Annie S. Terry

**Current Directors of Allegiance Telecom, Inc.**

Royce J. Holland  
C. Daniel Yost  
Thomas M. Lord  
Anthony J. Parella  
James E. Crawford, III  
Paul J. Finnegan  
Jacob J. Goldberg  
Reed E. Hundt  
Andrew D. Lipman  
James N. Perry, Jr.

**Current Officers Allegiance Telecom  
Company Worldwide**

Royce J. Holland  
C. Daniel Yost  
Thomas M. Lord  
Anthony J. Parella  
Mark B. Tresnowski  
Deborah Surette  
G. Clay Myers  
J. Timothy Naramore  
Kevin Joseph  
Lawrence E. Strickling  
Mark A. Stachiw  
Richard H. Anderson  
Christine Kornegay  
Kenneth C. Close  
Annie S. Terry

**Current Directors of Allegiance  
Telecom Company Worldwide**

Mark B. Tresnowski  
Annie S. Terry  
G. Clay Myers

**Current Officers Allegiance Telecom  
International, Inc.**

Royce J. Holland

C. Daniel Yost  
Thomas M. Lord  
Anthony J. Parella  
Mark B. Tresnowski  
Deborah Surrette  
G. Clay Myers  
J. Timothy Naramore  
Kevin Joseph  
Lawrence E. Strickling  
Mark A. Stachiw  
Richard H. Anderson  
Christine Kornegay  
Kenneth C. Close  
Annie S. Terry

**Current Directors of Allegiance  
Telecom International, Inc.**

Mark B. Tresnowski  
Annie S. Terry  
G. Clay Myers

**Current Officers Allegiance  
Service Corporation**

Royce J. Holland  
C. Daniel Yost  
Thomas M. Lord  
Anthony J. Parella  
Mark B. Tresnowski  
Deborah Surrette  
G. Clay Myers  
J. Timothy Naramore  
Kevin Joseph  
Lawrence E. Strickling  
Mark A. Stachiw  
Richard H. Anderson  
Christine Kornegay  
Kenneth C. Close  
Annie S. Terry

**Current Directors of Allegiance  
Service Corporation**

Mark B. Tresnowski  
Annie S. Terry  
G. Clay Myers

**Current Officers of Allegiance Telecom  
Purchasing Company**

Royce J. Holland

C. Daniel Yost  
Thomas M. Lord  
Anthony J. Parella  
Mark B. Tresnowski  
Deborah Surrette  
G. Clay Myers  
J. Timothy Naramore  
Kevin Joseph  
Lawrence E. Strickling  
Mark A. Stachiw  
Richard H. Anderson  
Christine Kornegay  
Kenneth C. Close  
Annie S. Terry

**Current Directors of Allegiance Telecom  
Purchasing Company**

Mark B. Tresnowski  
Annie S. Terry  
G. Clay Myers

**Current Officers of Allegiance  
Telecom Of Arizona, Inc.**

Royce J. Holland  
C. Daniel Yost  
Thomas M. Lord  
Anthony J. Parella  
Mark B. Tresnowski  
Deborah Surrette  
G. Clay Myers  
J. Timothy Naramore  
Kevin Joseph  
Lawrence E. Strickling  
Mark A. Stachiw  
Richard H. Anderson  
Christine Kornegay  
Kenneth C. Close  
Annie S. Terry

**Current Directors of Allegiance  
Telecom Of Arizona, Inc.**

Mark B. Tresnowski  
Annie S. Terry  
G. Clay Myers

**Current Officers of Allegiance  
Telecom of California, Inc.**

Royce J. Holland

C. Daniel Yost  
Thomas M. Lord  
Anthony J. Parella  
Mark B. Tresnowski  
Deborah Surrette  
G. Clay Myers  
J. Timothy Naramore  
Kevin Joseph  
Lawrence E. Strickling  
Mark A. Stachiw  
Richard H. Anderson  
Christine Kornegay  
Kenneth C. Close  
Annie S. Terry

**Current Directors of Allegiance  
Telecom of California, Inc.**

Mark B. Tresnowski  
Annie S. Terry  
G. Clay Myers

**Current Officers of Allegiance  
Telecom of Colorado, Inc.**

Royce J. Holland  
C. Daniel Yost  
Thomas M. Lord  
Anthony J. Parella  
Mark B. Tresnowski  
Deborah Surrette  
G. Clay Myers  
J. Timothy Naramore  
Kevin Joseph  
Lawrence E. Strickling  
Mark A. Stachiw  
Richard H. Anderson  
Christine Kornegay  
Kenneth C. Close  
Annie S. Terry

**Current Directors of Allegiance  
Telecom of Colorado, Inc.**

Mark B. Tresnowski  
Annie S. Terry  
G. Clay Myers

**Current Officers of Allegiance Telecom  
Of the District of Columbia, Inc.**

Royce J. Holland  
C. Daniel Yost

Thomas M. Lord  
Anthony J. Parella  
Mark B. Tresnowski  
Deborah Surrette  
G. Clay Myers  
J. Timothy Naramore  
Kevin Joseph  
Lawrence E. Strickling  
Mark A. Stachiw  
Richard H. Anderson  
Christine Kornegay  
Kenneth C. Close  
Annie S. Terry

**Current Directors of Allegiance Telecom  
Of the District of Columbia, Inc.**

Mark B. Tresnowski  
Annie S. Terry  
G. Clay Myers

**Current Officers of Allegiance  
Telecom of Florida, Inc.**

Royce J. Holland  
C. Daniel Yost  
Thomas M. Lord  
Anthony J. Parella  
Mark B. Tresnowski  
Deborah Surrette  
G. Clay Myers  
J. Timothy Naramore  
Kevin Joseph  
Lawrence E. Strickling  
Mark A. Stachiw  
Richard H. Anderson  
Christine Kornegay  
Kenneth C. Close  
Annie S. Terry

**Current Directors of Allegiance  
Telecom of Florida, Inc.**

Mark B. Tresnowski  
Annie S. Terry  
G. Clay Myers

**Current Officers of Allegiance  
Telecom of Georgia, Inc.**

Royce J. Holland  
C. Daniel Yost

Thomas M. Lord  
Anthony J. Parella  
Mark B. Tresnowski  
Deborah Surrette  
G. Clay Myers  
J. Timothy Naramore  
Kevin Joseph  
Lawrence E. Strickling  
Mark A. Stachiw  
Richard H. Anderson  
Christine Kornegay  
Kenneth C. Close  
Annie S. Terry

**Current Directors of Allegiance  
Telecom of Georgia, Inc.**

Mark B. Tresnowski  
Annie S. Terry  
G. Clay Myers

**Current Officers of Allegiance  
Telecom of Illinois, Inc.**

Royce J. Holland  
C. Daniel Yost  
Thomas M. Lord  
Anthony J. Parella  
Mark B. Tresnowski  
Deborah Surrette  
G. Clay Myers  
J. Timothy Naramore  
Kevin Joseph  
Lawrence E. Strickling  
Mark A. Stachiw  
Richard H. Anderson  
Christine Kornegay  
Kenneth C. Close  
Annie S. Terry

**Current Directors of Allegiance  
Telecom of Illinois, Inc.**

Mark B. Tresnowski  
Annie S. Terry  
G. Clay Myers

**Current Officers of Allegiance  
Telecom of Indiana, Inc.**

Royce J. Holland  
C. Daniel Yost

Thomas M. Lord  
Anthony J. Parella  
Mark B. Tresnowski  
Deborah Surrette  
G. Clay Myers  
J. Timothy Naramore  
Kevin Joseph  
Lawrence E. Strickling  
Mark A. Stachiw  
Richard H. Anderson  
Christine Kornegay  
Kenneth C. Close  
Annie S. Terry

**Current Directors of Allegiance  
Telecom of Indiana, Inc.**

Mark B. Tresnowski  
Annie S. Terry  
G. Clay Myers

**Current Officers of Allegiance Telecom of  
Maryland, Inc.**

Royce J. Holland  
C. Daniel Yost  
Thomas M. Lord  
Anthony J. Parella  
Mark B. Tresnowski  
Deborah Surrette  
G. Clay Myers  
J. Timothy Naramore  
Kevin Joseph  
Lawrence E. Strickling  
Mark A. Stachiw  
Richard H. Anderson  
Christine Kornegay  
Kenneth C. Close  
Annie S. Terry

**Current Officers of Allegiance  
Telecom of Maryland, Inc.**

Mark B. Tresnowski  
Annie S. Terry  
G. Clay Myers

**Current Officers of Allegiance Telecom  
Of Massachusetts, Inc.**

Royce J. Holland  
C. Daniel Yost

Thomas M. Lord  
Anthony J. Parella  
Mark B. Tresnowski  
Deborah Surrette  
G. Clay Myers  
J. Timothy Naramore  
Kevin Joseph  
Lawrence E. Strickling  
Mark A. Stachiw  
Richard H. Anderson  
Christine Kornegay  
Kenneth C. Close  
Annie S. Terry

**Current Directors of Allegiance Telecom  
Of Massachusetts, Inc.**

Mark B. Tresnowski  
Annie S. Terry  
G. Clay Myers

**Current Officers of Allegiance  
Telecom of Michigan, Inc.**

Royce J. Holland  
C. Daniel Yost  
Thomas M. Lord  
Anthony J. Parella  
Mark B. Tresnowski  
Deborah Surrette  
G. Clay Myers  
J. Timothy Naramore  
Kevin Joseph  
Lawrence E. Strickling  
Mark A. Stachiw  
Richard H. Anderson  
Christine Kornegay  
Kenneth C. Close  
Annie S. Terry

**Current Directors of Allegiance  
Telecom of Michigan, Inc.**

Mark B. Tresnowski  
Annie S. Terry  
G. Clay Myers

**Current Officers of Allegiance  
Telecom of Minnesota, Inc.**

Royce J. Holland  
C. Daniel Yost

Thomas M. Lord  
Anthony J. Parella  
Mark B. Tresnowski  
Deborah Surrette  
G. Clay Myers  
J. Timothy Naramore  
Kevin Joseph  
Lawrence E. Strickling  
Mark A. Stachiw  
Richard H. Anderson  
Christine Kornegay  
Kenneth C. Close  
Annie S. Terry

**Current Directors of Allegiance  
Telecom of Minnesota, Inc.**

Mark B. Tresnowski  
Annie S. Terry  
G. Clay Myers

**Current Officers of Allegiance Telecom  
Of Missouri, Inc.**

Royce J. Holland  
C. Daniel Yost  
Thomas M. Lord  
Anthony J. Parella  
Mark B. Tresnowski  
Deborah Surrette  
G. Clay Myers  
J. Timothy Naramore  
Kevin Joseph  
Lawrence E. Strickling  
Mark A. Stachiw  
Richard H. Anderson  
Christine Kornegay  
Kenneth C. Close  
Annie S. Terry

**Current Officers of Allegiance Telecom  
Of Missouri, Inc.**

Mark B. Tresnowski  
Annie S. Terry  
G. Clay Myers

**Current Officers of Allegiance  
Telecom Of Nevada, Inc.**

Royce J. Holland  
C. Daniel Yost



Thomas M. Lord  
Anthony J. Parella  
Mark B. Tresnowski  
Deborah Surrette  
G. Clay Myers  
J. Timothy Naramore  
Kevin Joseph  
Lawrence E. Strickling  
Mark A. Stachiw  
Richard H. Anderson  
Christine Kornegay  
Kenneth C. Close  
Annie S. Terry

**Current Directors of Allegiance  
Telecom Of Nevada, Inc.**

Mark B. Tresnowski  
Annie S. Terry  
G. Clay Myers

**Current Officers of Allegiance  
Telecom of New Jersey**

Royce J. Holland  
C. Daniel Yost  
Thomas M. Lord  
Anthony J. Parella  
Mark B. Tresnowski  
Deborah Surrette  
G. Clay Myers  
J. Timothy Naramore  
Kevin Joseph  
Lawrence E. Strickling  
Mark A. Stachiw  
Richard H. Anderson  
Christine Kornegay  
Kenneth C. Close  
Annie S. Terry

**Current Directors of Allegiance  
Telecom of New Jersey**

Mark B. Tresnowski  
Annie S. Terry  
G. Clay Myers

**Current Officers of Allegiance  
Telecom of New York, Inc.**

Royce J. Holland  
C. Daniel Yost

Thomas M. Lord  
Anthony J. Parella  
Mark B. Tresnowski  
Deborah Surrette  
G. Clay Myers  
J. Timothy Naramore  
Kevin Joseph  
Lawrence E. Strickling  
Mark A. Stachiw  
Richard H. Anderson  
Christine Kornegay  
Kenneth C. Close  
Annie S. Terry

**Current Directors of Allegiance  
Telecom of New York, Inc.**

Mark B. Tresnowski  
Annie S. Terry  
G. Clay Myers

**Current Officers of Allegiance  
Telecom of North Carolina, Inc.**

Royce J. Holland  
C. Daniel Yost  
Thomas M. Lord  
Anthony J. Parella  
Mark B. Tresnowski  
Deborah Surrette  
G. Clay Myers  
J. Timothy Naramore  
Kevin Joseph  
Lawrence E. Strickling  
Mark A. Stachiw  
Richard H. Anderson  
Christine Kornegay  
Kenneth C. Close  
Annie S. Terry

**Current Directors of Allegiance  
Telecom of North Carolina, Inc.**

Mark B. Tresnowski  
Annie S. Terry  
G. Clay Myers

**Current Officers Of Allegiance  
Telecom of Ohio, Inc.**

Royce J. Holland

C. Daniel Yost  
Thomas M. Lord  
Anthony J. Parella  
Mark B. Tresnowski  
Deborah Surette  
G. Clay Myers  
J. Timothy Naramore  
Kevin Joseph  
Lawrence E. Strickling  
Mark A. Stachiw  
Richard H. Anderson  
Christine Kornegay  
Kenneth C. Close  
Annie S. Terry

**Current Directors Of Allegiance  
Telecom of Ohio, Inc.**

Mark B. Tresnowski  
Annie S. Terry  
G. Clay Myers

**Current Officers of Allegiance  
Telecom of Oklahoma, Inc.**

Royce J. Holland  
C. Daniel Yost  
Thomas M. Lord  
Anthony J. Parella  
Mark B. Tresnowski  
Deborah Surette  
G. Clay Myers  
J. Timothy Naramore  
Kevin Joseph  
Lawrence E. Strickling  
Mark A. Stachiw  
Richard H. Anderson  
Christine Kornegay  
Kenneth C. Close  
Annie S. Terry

**Current Directors of Allegiance  
Telecom of Oklahoma, Inc.**

Mark B. Tresnowski  
Annie S. Terry  
G. Clay Myers

**Current Officers of Allegiance  
Telecom of Oregon, Inc.**

Royce J. Holland

C. Daniel Yost  
Thomas M. Lord  
Anthony J. Parella  
Mark B. Tresnowski  
Deborah Surette  
G. Clay Myers  
J. Timothy Naramore  
Kevin Joseph  
Lawrence E. Strickling  
Mark A. Stachiw  
Richard H. Anderson  
Christine Kornegay  
Kenneth C. Close  
Annie S. Terry

**Current Directors of Allegiance  
Telecom of Oregon, Inc.**

Mark B. Tresnowski  
Annie S. Terry  
G. Clay Myers

**Current Officers of Allegiance  
Telecom of Pennsylvania, Inc.**

Royce J. Holland  
C. Daniel Yost  
Thomas M. Lord  
Anthony J. Parella  
Mark B. Tresnowski  
Deborah Surette  
G. Clay Myers  
J. Timothy Naramore  
Kevin Joseph  
Lawrence E. Strickling  
Mark A. Stachiw  
Richard H. Anderson  
Christine Kornegay  
Kenneth C. Close  
Annie S. Terry

**Current Directors of Allegiance  
Telecom of Pennsylvania, Inc.**

Mark B. Tresnowski  
Annie S. Terry  
G. Clay Myers

**Current Officers of Allegiance  
Telecom of Texas, Inc.**

Royce J. Holland

C. Daniel Yost  
Thomas M. Lord  
Anthony J. Parella  
Mark B. Tresnowski  
Deborah Surrette  
G. Clay Myers  
J. Timothy Naramore  
Kevin Joseph  
Lawrence E. Strickling  
Mark A. Stachiw  
Richard H. Anderson  
Christine Kornegay  
Kenneth C. Close  
Annie S. Terry

**Current Directors of Allegiance  
Telecom of Texas, Inc.**

Mark B. Tresnowski  
Annie S. Terry  
G. Clay Myers

**Current Officers of Allegiance  
Telecom of Virginia, Inc.**

Royce J. Holland  
C. Daniel Yost  
Thomas M. Lord  
Anthony J. Parella  
Mark B. Tresnowski  
Deborah Surrette  
G. Clay Myers  
J. Timothy Naramore  
Kevin Joseph  
Lawrence E. Strickling  
Mark A. Stachiw  
Richard H. Anderson  
Christine Kornegay  
Kenneth C. Close  
Annie S. Terry

**Current Directors of Allegiance  
Telecom of Virginia, Inc.**

Mark B. Tresnowski  
Annie S. Terry  
G. Clay Myers

**Current Officers of Allegiance  
Telecom of Washington, Inc.**

Royce J. Holland

C. Daniel Yost  
Thomas M. Lord  
Anthony J. Parella  
Mark B. Tresnowski  
Deborah Surrette  
G. Clay Myers  
J. Timothy Naramore  
Kevin Joseph  
Lawrence E. Strickling  
Mark A. Stachiw  
Richard H. Anderson  
Christine Kornegay  
Kenneth C. Close  
Annie S. Terry

**Current Officers of Allegiance  
Telecom of Washington, Inc.**

Mark B. Tresnowski  
Annie S. Terry  
G. Clay Myers

**Current Officers of Allegiance  
Telecom of Wisconsin, Inc.**

Royce J. Holland  
C. Daniel Yost  
Thomas M. Lord  
Anthony J. Parella  
Mark B. Tresnowski  
Deborah Surrette  
G. Clay Myers  
J. Timothy Naramore  
Kevin Joseph  
Lawrence E. Strickling  
Mark A. Stachiw  
Richard H. Anderson  
Christine Kornegay  
Kenneth C. Close  
Annie S. Terry

**Current Directors of Allegiance  
Telecom of Wisconsin, Inc.**

Mark B. Tresnowski  
Annie S. Terry  
G. Clay Myers

**Current Officers of Allegiance Internet, Inc.**

Royce J. Holland  
C. Daniel Yost

Thomas M. Lord  
Anthony J. Parella  
Mark B. Tresnowski  
Deborah Surette  
G. Clay Myers  
J. Timothy Naramore  
Kevin Joseph  
Lawrence E. Strickling  
Mark A. Stachiw  
Richard H. Anderson  
Christine Kornegay  
Kenneth C. Close  
Annie S. Terry  
Mitchell Romm  
Melanie Haratunian

**Current Officers of Allegiance Internet, Inc.**

Mark B. Tresnowski  
Annie S. Terry  
G. Clay Myers

**Current Officers of InterAccess  
Telecommunications Co.**

Royce J. Holland  
C. Daniel Yost  
Thomas M. Lord  
Anthony J. Parella  
Mark B. Tresnowski  
Deborah Surette  
G. Clay Myers  
J. Timothy Naramore  
Kevin Joseph  
Lawrence E. Strickling  
Mark A. Stachiw  
Richard H. Anderson  
Christine Kornegay  
Kenneth C. Close  
Annie S. Terry  
Kieran Athy

**Current Directors of InterAccess  
Telecommunications Co.**

Mark B. Tresnowski  
Annie S. Terry  
G. Clay Myers

**Current Officers of Virtualis Systems, Inc.**

Royce J. Holland  
C. Daniel Yost

Thomas M. Lord  
Anthony J. Parella  
Mark B. Tresnowski  
Deborah Surette  
G. Clay Myers  
J. Timothy Naramore  
Kevin Joseph  
Lawrence E. Strickling  
Mark A. Stachiw  
Richard H. Anderson  
Christine Kornegay  
Kenneth C. Close  
Annie S. Terry

**Current Directors of Virtualis Systems, Inc.**

Mark B. Tresnowski  
Annie S. Terry  
G. Clay Myers

**Current Officers of Jump.Net, Inc.**

Royce J. Holland  
C. Daniel Yost  
Thomas M. Lord  
Anthony J. Parella  
Mark B. Tresnowski  
Deborah Surette  
G. Clay Myers  
J. Timothy Naramore  
Kevin Joseph  
Lawrence E. Strickling  
Mark A. Stachiw  
Richard H. Anderson  
Christine Kornegay  
Kenneth C. Close  
Annie S. Terry

**Current Officers of Jump.Net, Inc.**

Mark B. Tresnowski  
Annie S. Terry  
G. Clay Myers

**Current Officers of Adgrafix, Inc.**

Royce J. Holland  
C. Daniel Yost  
Thomas M. Lord  
Anthony J. Parella  
Mark B. Tresnowski  
Deborah Surette

Christine Kornegay  
Kenneth C. Close  
Annie S. Terry  
John F. Wassenbergh

**Current Directors of  
Shared Technologies Allegiance, Inc.**

Mark B. Tresnowski  
Annie S. Terry  
G. Clay Myers

**Former Officers**

Melody A. Blanks Avers  
Joseph Bartlett  
Peter Ciaraldi  
Dana Crowne  
John Debus  
Jeffrey S. Feinberg  
Bill M. Francis  
John Ted Gilmore  
Thomas Ed Hays  
Robert E. Hlavacek  
James C. Hoffman  
Stephen N. Holland  
Steve Hwang  
Alan D. Hyde  
Tae Kim  
Patricia E. Koide  
Walter B. Kulikowski  
Christopher Malinowski  
Robert W. McCausland  
Christopher J. Melnick  
Richard V. Myers  
Ted H. Nichols  
Morton Posner  
Anthony Scott Savoie  
Neil Searls  
Eugene A. Shimshock  
Jerrold L. Sklar  
Vincent J. Tozzi  
Mark Washburn  
Robert E. Williams  
William J. Wilson Sr.

**Former Directors**

John Ehrenkranz  
Richard Frisbe  
Alan Goldberg  
Howard Hoffen  
Dino Vendetti

**Parties To Litigation**

Ace Cash Express  
Africfarm Market Ltd.  
Air Around The Clock  
Anne Marie's Catering  
Apple Dentists  
Ashley Layne Design  
Brelia, Inc. dba TGF Haircutters  
Brown, Stanley E.  
CampusLink  
Cappuccio  
Caribbean Resorts  
D.N.K. Management, Inc.  
Dietrich & Associates  
Dpi Teleconnect, Inc.  
G&R Check Cashing Corp.  
Girdler, Deborah  
Goldman Sachs I and II  
ICG Communications  
InteCap  
J.L.M., Inc.  
Kane, Linda  
Kosher Konnection  
Kramer, Pamela  
Law Offices of Lin & Associates  
Legal Services Associates  
Life Sciences Corp.  
Maid in the USA v/a Maid To Perfection  
Maynard, Alison dba Law Offices of Alison Maynard  
Mirage Tile & Marble Co., Inc.  
Navarro Property  
Network Dynamics Cabling  
Notre Dame Law Associates  
One Stop Realtour Place  
Payne, Robert B. and Barbara L.  
Poe, Jason  
Polyspede Electronics  
Robin Millen Collections  
Scheideler & Associates  
Shayan Enterprises, LLC  
Signature Consultants  
State Farm Insurance Company  
The Tub Factory  
Totally Wireless Choice  
Trinity National Corporation  
Tweel Home  
Uptown Transit Corporation  
Walker, Brian  
Zone International, Inc.

**Top 40 Unsecured Creditors**

Pacific Bell  
Southwestern Bell  
Verizon  
Ameritech  
Broadwing Communication Services Inc.  
Qwest  
Alcatel, Inc.  
NCX Office Developer LP  
Nortel Networks Inc.  
AT&T  
WorldCom Inc.  
Southern California Edison  
XO Communications  
System Services  
Edocs Inc.  
Adtran Inc.  
Extreme Networks  
Level 3 Communications LLC  
NEC America, Inc.  
Sunbelt Telecommunications  
Assured Industries  
Sprint  
EMC Corporation  
JP Morgan Chase  
Lucent Technologies  
DSET Corporation  
The Point Group  
Advance Telecom Res.  
Walker & Associates Inc.  
Power Conversion Products  
MCI Worldcom Communications  
Hewlett-Packard

**Creditors Under Capital Lease Agreements**

Broadwing Communications Services, Inc.  
CC II Realty, Inc.  
CitiCapital (Fidelity Leasing)  
Clarity Credit Corporation  
Communication Systems Development, Inc.  
Dell Financial Services  
Deutsche Bank  
Fiber Technologies Networks, L.L.C.  
Fidelity Leasing  
GE Capital Fleet Services  
Grande Communications Networks, Inc.  
Level 3 Communications, LLC  
LINC Receivables  
Looking Glass Networks, Inc.  
Metromedia Fiber Network Service, Inc.  
RCN Telecom Services, Inc.  
Sony Financial Services

Sprint Communications Company  
United Capital

**The Bank Group**

GE Capital Services  
ABN Amro Bank  
Absolute Rec Hedge LP  
Absolute Rec Hedge LTD  
Bank Austria  
Bank of America  
Bank of Nova Scotia  
Bayerische Hypo  
BNP Paribas  
CIT Lending Services Cor  
Cobank  
Credit Suisse First Boston  
Dresdner Bank  
Fleet  
Fortis Bank  
Goldman Sachs  
Gryphon Master Fund, LP  
IBM Credit Corporation  
ING Capital Corp.  
Langley Partners, LP  
Morgan Stanley Senior Funding  
Pauraque Partners  
R2 Investments,  
R2 Top Hat, LTD  
Toronto Dominion  
UBS AG  
Union Bank of California

**Indenture Trustee**

The Bank Of New York

**Beneficiaries of Performance Bonds**

Beebe Medical Center  
Central Washington University  
City of Billings Montana  
City of Seattle  
Fallon Clinic, Inc.  
Frederick Community College  
Holtz Hotel  
Lehigh County Gov. Center  
Pacific Bell  
Portland Community College  
Rhode Island College  
Southern Illinois University  
Southwest Preparatory

**Bondholders of 12 7/8% Senior Notes**

Acuity Mutual Insurance Company  
Allianz of America, Inc.  
American Express Financial Corp.  
Atlantic Security Bank  
Blackrock Financial Management, Inc.  
Canyon Capital  
Cardinal Investments  
Chase Manhattan Bank  
Chubb Asset Managers, Inc.  
Clarion  
Everett Investment Co. L.P.  
EWR Investments  
First National Bank of Wahoo  
Goldman Sachs Asset Management  
High View Capital Management  
HL Chapman Investments Ltd.  
Indosuez Capital  
Julius Baer Asset Management  
Kaiser-Francis Oil Company  
Kingdon Capital Management  
Manufacturers & Traders Trust Co.  
Merchant Securities  
MM&B Holdings LLC  
Nationwide Provident  
Pioneer Insurance Group  
Plains LTD  
Spectrum Advisory Services, Inc.  
Putnam Investment Management  
Ricco Family Partners  
Royce & Associates, LLC  
Sanibel L.P.  
TJK Partners Inc.

**Bondholders of 11 3/4% Senior Discount Notes**

AJM Holdings  
Alexander Capital Management  
Allian of America, Inc.  
Altantic Security Bank  
American Express Financial Management  
Bank of Butterfield Bermuda  
Bank of Montreal  
Cardinal Partners  
Chase Manhattan Bank  
CIBC Oppenheimer  
Credit Suisse Asset Management, LLC  
Conseco Capital Management, Inc.  
Delaware Investment Advisers, Inc.  
DKR Saturn Event Driven Holding Fund Ltd.  
Euroclear Main Account  
EWR Investments  
F&C Management Limited  
GLG Partners

Goldman Sachs Asset Management  
Gryphon Capital Corp., LLC  
I.G. Investment Management, Ltd.  
Invesco Funds Group  
Kaiser-Francis Oil Company  
Kingdom Capital Management Corp.  
Lap Investments  
Merchant Securities  
Merrill Lynch Investment Managers (U.K.)  
Millenium Partners  
ML CBO  
Morgan Stanley Investment Management, Inc.  
Mount Washington CBO  
New York Life Insurance Company  
Patsy R Smith Investments LP  
Phoenix Administration Services  
Romulus Holdings Inc.  
Silver Point Capital Management  
Tejas Securities Group  
Trident Trust Co.

**Professionals**

Akin, Gump, Strauss, Hauer, Feld LLP  
FTI Consulting  
Greenhill & Co.  
KPMG Peat Marwick  
Paul, Hastings, Janofsky & Walker LLP

**Landlords**

111 Chelsea LLC c/o Insignia/ESG, Inc.  
1120 Vermont Avenue Associates  
1400 Centrepark Limited  
1415 Louisiana K/LTD  
1515 Market Street Associates c/o West World  
Management, Inc.  
1818 Market VEF II, LLC c/o Albert B. Ashforth,  
LLC  
2255 Partners, L.P. c/o M. David Paul Development  
LLC  
75-101 Federal St., L.L.C. c/o Equity Office  
Properties Trust  
9706 LLC  
ADA Properties No. 2, Ltd.  
Allegheny Center Associates  
AMB Property L.P.  
ASP Valley Forge, L.P.  
Bank Building Limited Partnership  
Bank of America, N.A. c/o Trammell Crow  
Company  
BHX, LLCc/o The Bulfinch Companies, Inc.  
Boston Properties Limited Partnership

BP Commerce, LLC  
 BRE/Metrocenter LLC c/o Realty Management  
 Company  
 CalEast Industrial Investors, LLC, Herndon Spring  
 Park c/o CB Richard Ellis  
 Callowhill Management, Inc.  
 Carlyle Airport Technology Trust  
 Chippewa Enterprises, Inc.  
 CIN Meadows, LLC c/o Linque Management  
 Company, Inc.  
 Connecticut General Life Insurance c/o CarrAmerica  
 Realty Corporation  
 Conservation International Foundation  
 Comerstone Suburban Office, L.P.  
 Distribution Drive, L.P.  
 Downtown Properties LLC  
 Eastridge Properties I Corporation  
 Electronic Data Systems Corporation  
 EOP Second and Spring, L.L.C. c/o Equity Office  
 Properties Trust  
 EOP Summit Limited Partnership  
 Equity Office Properties Trust  
 Equity Office Properties  
 Exchange Center Partnership c/o John J. Roper  
 Company  
 First Industrial Development Services, L.P.  
 First Parker Realty L.L.C.  
 FRM Associates, LLC c/o Marquette Plaza  
 FSP Telecom Business Center  
 G&C Realty Company, LLC c/o Hotel Edison  
 Gaecke Holdings, Ltd.  
 Gary A. Jones, Trustee of the Jones Family Trust  
 Gateway Taft, Inc. c/o RREEF Real Estate  
 Investment Managers  
 Globe Building Company  
 Great Lakes REIT, L.P.  
 Green 90 Broad, LLC  
 Guardian Westwood LLC  
 Hitachi Electronic Devices  
 Hood Business Park LLC  
 Hudson Telegraph Associates  
 Indianapolis Spec Office Investments, L.P.  
 Insignia/ESG Sunnyvale  
 JER/BRE Austin Tech, L.P. c/o Trammell Crow  
 Central Texas, Ltd.  
 Jetstar Partners, Ltd. C/o Collinternational, Inc.  
 John D. and Catherine T. MacArthur Foundation  
 John Hancock Mutual Life Insurance Company  
 Jones Lang LaSalle Management Services I  
 KM Complex, L.P.  
 L.A.T. Investment Corporation  
 LA/GA Business Centers, Inc. c/o Ackerman &  
 Company  
 Lake Street Industrial Partners  
 Lakeview Business Center  
 Laurel Office Park Partnership III

Madison Third Building Companies, LLC c/o Cohen  
 Brothers Realty Corporation  
 Marietta Street Partners, LLC  
 Massachusetts Mutual Life Insurance Company c/o  
 Transwestern Commercial Services  
 Meadowlands Investments, L.L.C.  
 Mendota Office Holdings LLC c/o United Properties  
 Miami RPFIV Airport Corporate Center Associates  
 Midway Commerce Park Properties, L.P.  
 Multi-Employer Trust/Riggs Bank c/o Trammell  
 Crow Company  
 NCX Office Development, L.P.  
 NeXcomm Asset Acquisition I, L.P.  
 Northwestern Corporate Center Associates, L.P.  
 North Hayward Corporate Center Associates  
 Northwestern Development Company "B" c/o Blake  
 Real Estate Inc.  
 Oakcrest Development c/o Lewis Operating  
 Corporation  
 Olympia Properties, L.L.C. c/o Jones LaSalle  
 Management Services, Inc.  
 Orange County Business Center LLC  
 PERA I-373, Inc. c/o Jones Lang LaSalle  
 PhilaCompany  
 Principal Properties, L.P. c/o Denholz Management, Inc.  
 Prospect West C.L.P.  
 Pyramid Investment Corporation  
 Rockside Square One c/o The King Group  
 Rostand Associates, L.L.C.  
 Scott Properties  
 Shurgard of Melville  
 SM Brell, L.P.  
 Southfield TechnceCenter RE 1, L.L.C.  
 St. Paul Properties, Inc.  
 Stanplace Limited Partnership  
 Sterling Network Exchange, LLC  
 Teachers Insurance & Annuity Association of  
 America c/o CB Richard Ellis  
 The Irvine Company  
 The Pennsylvania Building Company  
 Thomas Properties Group LLC  
 Touchstone Partners I LLC c/o Integrated Real Estate  
 Services, L.L.C.  
 T-Pac Investments, Inc. c/o Essex Realty  
 Management  
 T-REX Technology Centers, LLC  
 Trinity National Corporation  
 Trizec Holdings, Inc.  
 Troy Place Associates c/o Nemer Property Group  
 W5 Brannan LP  
 Wachovia Bank, N.A.  
 WE'RE Associates  
 Webster Street Partners, Ltd.  
 WHVPW Real Estate Limited Partnership c/o  
 Trammell Crow Company  
 WMP IV Real Estate Limited Partnership



WXIII/FAR Yale Real Estate Limited Partnership  
Zink Family Limited Partnership

**Insurers**

Marsh USA  
Unimark Insurance Agency, Inc.

**Equity Security Holders**

Anthony Parella  
Barclays Global Investors  
California Public Employees Retirement System  
Charles Daniel Yost  
Dimensional Fund Advisors Inc.  
Frontenac Funds  
James Crawford  
JHC Capital Management, LLC  
Madison Dearborn  
Morgan Stanley Investment Management  
Olive Hill Investments  
OverHill Investment  
Palo Alto Investors  
Royce & Associates, L.L.C.  
Royce J. Holland  
State Street Global Advisors  
Thomas M. Lord  
Vanguard Group, Inc.  
West Highland Capital Inc.

**Beneficiaries of Letters of Credit**

111 Eighth Avenue LLC  
805 Third Avenue Co.  
Hartford Fire Insurance Company  
Pyramid Investment Corporation  
Rockside Square One  
Spaulder and Slye Services LP  
Touchstone Partners I LLC

**Significant Vendors**

Adtran Inc.  
Advance Telecom Res.  
Alcatel Inc.  
Ameritech  
Assured Industries  
AT&T  
Broadwing Communication Services  
Daleen Solutions Inc.  
DSET Corporation  
Edocs Inc.  
EMC Corporation

Extreme Networks  
JP Morgan Chase  
Looking Glass Networks  
Lucent Technologies Inc.  
Metromedia Fiber Network Inc.  
MFS Telecom Inc.  
NCX Office Developer LP  
NEC America, Inc.  
Nortel Networks  
Pacific Bell  
Qwest  
Southern California Edison  
Southwestern Bell  
Sprint  
Sunbelt Telecommunications  
System Services  
The Point Group  
Verizon  
Verizon (GTE-SW) - Line Coast  
Walker & Associates  
WorldCom Inc.  
XO Communications

**Significant Customers**

Genuity  
Southern Illinois University  
Verizon  
SBC  
Level 3 Communications, LLC  
Office Depot  
TJMAXX  
AT&T  
Qwest  
Worldcom  
Center For Disease Control  
New York Hospital  
Beebe Medical Center  
Cathedral Healthcare  
City of Atlanta  
New York Housing Authority  
Iron Mountain  
Phila/Police Association  
San Joaquin Valley Unified Air Pollution Control Dist.  
Digital Federal Credit Union  
Ritz Carlton  
Banner Health System  
Swiss Re Financial Services  
United States Army Reserve Center  
Palmer & Dodge, LLP  
Auburn University - Telecom Bldg.  
Kaplan Inc.  
Cozen & O'Connor  
Boston College  
Bell South  
EMC Corp.

Odyssey Rassurance Holdings- Kuhl Avenue  
Concord Communications  
Phila/Youth Study Center  
Harcourt Inc-Orlando  
Harris County Hospital District  
Arch Chemicals  
ABC Unified School District  
IDX Systems  
Trinity Medical Center  
Stop & Shop  
Concord City Hall  
Millpore Corporation  
Global Crossing  
Sprint  
Bristol Hospital/SIC Healthcare  
Queen of the Valley  
Medical Manager  
Arizona Dept. of Transportation  
Martha Stewart Living

**Major Competitors**

AT&T  
BellSouth  
LDMI/MPower  
MCI WorldCom  
McLeod  
Qwest  
SBC  
Time Warner Telecom  
Verizon

**Judgment Lien Holder**

Stephen Wrathell, CPA, PC

**Members of the Creditors' Committee**

Nortel Networks, Inc.  
Broadwing Communications Services, Inc.  
BellSouth Telecommunications, Inc.  
The Bank of New York, as Indenture Trustee  
Romulus Holdings, Inc.  
LC Capital Master Fund, Ltd.  
Loeb Partners Corp.

**Proposed Professional to the Creditors' Committee**

Houlihan Lokey Howard & Zukin  
Communications Technology Advisors

**Debtors' Professionals**

Kirkland & Ellis  
Togut, Segal & Segal  
Greenhill & Co.

**Schedule B**

**Results of Conflict Check  
Current and Former Clients**

The following companies are current and/or former clients of Bilzin Sumberg in matters wholly unrelated to the Debtors' chapter 11 cases:

<b>CREDITOR / PARTY IN INTEREST*</b>	<b>CURRENT CLIENT</b>	<b>FORMER CLIENT</b>	<b>DESCRIPTION OF REPRESENTATION</b>
Bank of Nova Scotia		X	Real Estate Transactions
State Farm Insurance Company		X	Real Estate Transactions

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\* Creditor / Party-in-Interest reflects entities disclosed in the Debtors' chapter 11 bankruptcy cases.

## Schedule C

### Results of Conflict Check Possible Affiliates of Current and Former Clients

Upon information and belief, the following are current and/or former clients of Bilzin Sumberg, in matters wholly unrelated to the Debtors' chapter 11 cases, which may be affiliates of the listed creditor and/or party in interest:

<b>CREDITOR / PARTY IN INTEREST*</b>	<b>NAME OF BILZIN SUMBERG CURRENT CLIENT</b>	<b>NAME OF BILZIN SUMBERG FORMER CLIENT</b>	<b>DESCRIPTION OF REPRESENTATION</b>
AT & T	AT & T Wireless Services, Inc.		Zoning and Land Use matters
Deutsche Bank Securities		Deutsche Bank	Loan Transactions
GE Capital Fleet Services		GE Capital Realty Group, Inc.	Loan Transactions
Genuity		Genuity Solutions, Inc.	Real Estate Transaction
Hartford Fire Insurance Company		Hartford Insurance Company	Litigation matter
Merrill Lynch Investment Managers (U.K.)	Merrill Lynch Capital		Loan Transactions
Morgan Stanly Investment Management, Inc.		Morgan Stanley Real Estate	Real Estate Transactions
Sprint		Sprint Spectrum	Litigation matters

\* Creditor / Party-in-Interest reflects entities disclosed in the Debtors' chapter 11 bankruptcy cases.

# **EXHIBIT C**

## **PROPOSED ORDER**

UNITED STATES BANKRUPTCY COURT  
SOUTHERN DISTRICT OF NEW YORK

-----X  
In re:

Chapter 11

ALLEGIANCE TELECOM, INC.,  
*et al.*,

Case No. 03-13057 (RDD)

Debtors.

(Jointly Administered)

-----X

**ORDER AUTHORIZING THE RETENTION AND EMPLOYMENT OF  
BILZIN SUMBERG BAENA PRICE & AXELROD LLP, AS SPECIAL "CONFLICTS"  
COUNSEL TO THE OFFICIAL COMMITTEE OF UNSECURED  
CREDITORS, NUNC PRO TUNC TO OCTOBER 2, 2003**

Upon the application dated December 5, 2003 (the "Application") of the Official Committee of Unsecured Creditors (the "Committee") of the above-captioned debtors and debtors in possession (the "Debtors") for an order, pursuant to sections 1103(a) and 328(a) of title 11 of the United States Code (the "Bankruptcy Code") and Rule 2014 of the Federal Rules of Bankruptcy Procedure (the "Bankruptcy Rules"), authorizing the Committee to retain and employ the law firm of Bilzin Sumberg Baena Price & Axelrod LLP ("Bilzin Sumberg"), *nunc pro tunc* to October 2, 2003, and upon the Declaration of Scott L. Baena, a member of the firm of Bilzin Sumberg, dated December 5, 2003 (the "Baena Declaration"); and it appearing that the members, counsel and associates of Bilzin Sumberg who will be engaged in these chapter 11 cases are duly qualified to practice before this Court; and the Court being satisfied, based on the representations made in the Application and the Baena Declaration, that said attorneys represent no interest adverse to the Committee and/or the Debtors' estates with respect to the matters upon which they are to be engaged, that they are "disinterested persons," as that term is defined in section 101(14) of the Bankruptcy Code, as modified by section 1107(b) of the Bankruptcy Code, that its employment is necessary and would be in the best interests of the Committee and

the Debtors' estates; and finding that adequate notice of the Application having been given; and that no objections to the Application were filed; and it appearing that no other notice need be given; and after due deliberation and sufficient cause appearing therefore, it is

ORDERED that the Application is approved; and it is further

ORDERED that, in accordance with sections 1103(a) and, with respect to Bilzin Sumberg's hourly rates, 328(a) of the Bankruptcy Code and Bankruptcy Rule 2014(a), the Committee is hereby authorized and empowered to employ and retain the firm of Bilzin Sumberg as their counsel, *nunc pro tunc* to October 2, 2003, to represent it in these cases under chapter 11 of the Bankruptcy Code and such retention is hereby approved; and it is further

ORDERED that upon the Application and the Baena Declaration, the Court finds that Bilzin Sumberg does not hold or represent any interest adverse to the estates or represent any other entity having an adverse interest in connection with these chapter 11 cases and that Bilzin Sumberg is a disinterested person; and it is further

ORDERED that Bilzin Sumberg shall be compensated in accordance with the procedures set forth in sections 330 and 331 of the Bankruptcy Code, such Bankruptcy Rules and Local Bankruptcy Rules as may then be applicable from time to time, and such procedures as may be fixed by order of this Court.

Dated: \_\_\_\_\_, 2003  
New York, New York

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ROBERT D. DRAIN  
UNITED STATES BANKRUPTCY JUDGE