

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 SHORTENING NOTICE, PURSUANT TO RULES 2002(a)
AND 9006(c) OF THE FEDERAL RULES OF BANKRUPTCY
PROCEDURE, WITH RESPECT TO A HEARING ON MOTION OF
THE DEBTORS FOR AN ORDER (A) PURSUANT TO RULE 9019
OF THE FEDERAL RULES OF BANKRUPTCY PROCEDURE,
APPROVING THAT CERTAIN SETTLEMENT AGREEMENT,
DATED AS OF DECEMBER 10, 2003, WITH AT&T CORPORATION,
AND (B) PURSUANT TO SECTION 365 OF THE BANKRUPTCY
CODE, APPROVING AND AUTHORIZING THE ASSUMPTION OF
EXECUTORY CONTRACTS, AS AMENDED, WITH AT&T CORPORATION**

Upon the motion, dated December 12, 2003 (the “Motion”), of Allegiance Telecom, Inc. and its direct and indirect subsidiaries, as debtors and debtors in possession (collectively, the “Debtors”), for an order, pursuant to Bankruptcy Rules¹ 2002(a)(3) and 9006(c)(1), shortening notice for the hearing on the motion, dated December 12, 2003, for an order (a) pursuant to rule 9019 of the Federal Rules of Bankruptcy Procedure, approving that certain Settlement Agreement, dated as of December 10, 2003, with AT&T Corporation, and (b) pursuant to section 365 of the Bankruptcy Code, approving and authorizing the assumption of certain executory contracts, as amended, with AT&T Corporation (the “Settlement and Assumption Motion”), as more fully set forth in the Motion; and upon the Affidavit of Jonathan S. Henes, Esq. in support of the Motion; and it appearing that the Court has jurisdiction over this matter; and due and proper notice of the Motion has been given, and no other or further notice is required; and it further appearing that the relief requested in the Motion is in the best interests of

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

the Debtors, their estates and their creditors; and after due deliberation and sufficient cause appearing therefor; it is

ORDERED that the Motion is granted as provided herein; and it is further

ORDERED that the twenty-day notice period, otherwise applicable to a hearing for approval of the Settlement and Assumption Motion, is shortened to six (6) days pursuant to Bankruptcy Rules 2002(a)(3) and 9006(c)(1); and it is further

ORDERED that (a) notice of the Settlement and Assumption Motion and the hearing thereon by overnight mail or, where appropriate, by hand delivery, shall be provided by the Debtors on December 12, 2003 to (i) the U.S. Trustee, (ii) attorneys for the Creditors Committee, (iii) attorneys for the Prepetition Lenders, (iv) attorneys for AT&T and (v) each person or entity on the Master Service List maintained in these chapter 11 cases; and (b) such notice shall constitute sufficient notice of the Settlement and Assumption Motion; and it is further

ORDERED that the hearing to consider the Settlement and Assumption Motion shall be held on December 18, 2003, at 10:00 a.m., or as soon thereafter as the Debtors are heard, before the Hon. Robert D. Drain, United States Bankruptcy Judge, in Room 610 of the United States Bankruptcy Court for the Southern District of New York, One Bowling Green, New York, New York 10004-1408; and it is further

ORDERED that the deadline for the service and filing of objections to the Settlement and Assumption Motion, with a copy to chambers, shall be 9:00 a.m., prevailing Eastern Time, on December 18, 2003.

Dated: New York, New York
December 12, 2003

/s/Robert D. Drain
UNITED STATES BANKRUPTCY JUDGE