

UNITED STATES BANKRUPTCY COURT
SOUTHERN DISTRICT OF NEW YORK

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In re:

Chapter 11

ALLEGIANCE TELECOM, INC.,
et al.,

Case No. 03-13057 (RDD)

Debtors.

(Jointly Administered)
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**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, and the Supplemental Declaration of Scott L. Baena, dated December 17, 2003 (collectively, the "Baena Declarations"); 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 Declarations, 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 in all respects; 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 special conflicts 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, provided, however, that Bilzin Sumberg will work with the Committee to avoid unnecessary duplication of effort between itself and any of the Committee's other retained professionals; and it is further

ORDERED that upon the Application and the Baena Declarations, 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: December 18, 2003
New York, New York

/s/Robert D. Drain
ROBERT D. DRAIN
UNITED STATES BANKRUPTCY JUDGE

