

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, PURSUANT TO SECTIONS 105(a) AND 363 OF
THE BANKRUPTCY CODE, FOR AN ORDER AUTHORIZING THE PAYMENT OF
YEAR-END BONUSES TO CERTAIN OF THE DEBTORS' EMPLOYEES**

Upon the motion, dated December 23, 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)(2) and 9006(c)(1), shortening notice for the hearing on the motion, for an order, pursuant to sections 105(a) and 363(b)(1) of the Bankruptcy Code, authorizing the payment of year-end bonuses to certain of the Debtors' employees (the "Year-End Bonuses 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 it appearing that no notice of the relief requested in the Motion need be provided; and it further appearing that the relief requested in the Motion is in the best interests of the Debtors, their estates and their creditors; and after due deliberation and sufficient cause appearing therefor; it is

ORDERED that the hearing to consider the Year-End Bonuses Motion shall be held on January 9, 2004, at 10:00 a.m., prevailing Eastern Time, or as soon thereafter as the

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

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 twenty-day notice period, otherwise applicable to a hearing for approval of the Year-End Bonuses Motion, is shortened to fourteen (14) days pursuant to Bankruptcy Rules 2002(a)(2) and 9006(c)(1); and it is further

ORDERED that (a) notice of the Year-End Bonuses Motion and the hearing thereon by overnight mail or, where appropriate, by hand delivery, shall be provided by the Debtors on December 24, 2003 to (i) the United States Trustee, (ii) attorneys for the Creditors Committee, (iii) attorneys for the Prepetition Lenders and (iv) 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 Year-End Bonuses Motion; and it is further

ORDERED that the deadline for the service and filing of objections to the Year-End Bonuses Motion shall be 12:00 p.m., prevailing Eastern Time, on January 8, 2004.

Dated: New York, New York
December 23, 2003

/s/ ROBERT D. DRAIN
UNITED STATES BANKRUPTCY JUDGE