



EX PARTE OR LATE FILED

James E. Graf II  
President

Telephone (202) 639 8222  
Facsimile (202) 434 8867

June 11, 1999

RECEIVED

JUN 11 1999

FEDERAL COMMUNICATIONS COMMISSION  
OFFICE OF THE SECRETARY

VIA MESSENGER

Ms. Magalie Roman Salas  
Secretary  
Federal Communications Commission  
The Portals  
445 12<sup>th</sup> Street, SW  
Washington, D.C. 20554

Re: Ex Parte  
**AT&T Corporation, VLT Co. LLC, Violet License Co. LLC and  
TNV [Bahamas] Limited Seek FCC Consent for Grant of Section  
214 Authority, Modification of Authorizations and Assignment of  
Licenses in Connection With Proposed Joint Venture Between  
AT&T Corporation and British Telecommunications plc,  
IB Docket No. 98-212**

Dear Ms. Salas:

In response to the request of the International Bureau, this is to clarify BT's obligations in respect of customer proprietary information under UK regulation and practice.

Under Conditions 38 and 38A of BT's UK Licence, which conditions are proposed to be consolidated in one Condition 78 in the revised licence for BT to be issued by the UK Department of Trade and Industry, BT is obliged to produce and observe a Code of Practice on the disclosure of customer information by its employees engaged in its Systems (Network) Business and its Supplemental Services (Value-Added and Data) Business. The Code, which is agreed to by the Office of Telecommunications (OFTEL), the UK regulator, prohibits BT from using such information to obtain an unfair advantage. The Code states that any information a customer provides to the Systems Business or to the Supplemental Services Business must not be disclosed outside that Business without the customer's consent.

With particular reference to carrier customer information, BT enters into confidentiality agreements with any licensed operators with whom BT discusses the terms and conditions of interconnection. The interconnection agreements that BT executes with

BT North America Inc.  
North Building, Suite 725  
601 Pennsylvania Avenue, N.W.  
Washington, D.C. 20004

No. of Copies rec'd 0  
List A B C D E

Ms. Magalie Roman Salas

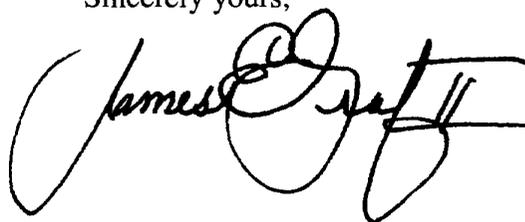
June 11, 1999

Page 2

other licensed operators contain the same confidentiality requirements, including provisions on the use of confidential information, the standard of care in protecting information, and a requirement to use confidential information solely for the purposes for which it was provided. The effect of these provisions has been to erect "fire walls" between BT's wholesale and retail businesses, such that information obtained by BT to facilitate interconnection with other licensed operators cannot be used by other divisions of BT for other purposes.

Except in the course of duty, intentional disclosure of the contents of any BT customer's statement of account specifying the telecommunications services received is a criminal offense under Section 45 of the Telecommunications Act 1984. This prohibition (forbidding disclosure of information such as size of bill, calling numbers, called numbers, call duration, services used, etc.) applies to both carrier and consumer proprietary information.

Sincerely yours,

A handwritten signature in black ink, appearing to read "James E. Craft II". The signature is fluid and cursive, with a large initial "J" and a distinct "II" at the end.

Cc: Rod Porter  
Rebecca Arbogast  
Sherille Ismail