Exhibit A

[To be provided]

Schedule 5.6

Schedule 5.6

Bills

1. Issuance of Bills - General

1.1 Verizon and AT&T will issue all bills in accordance with the terms and conditions set forth in this Agreement. Verizon and AT&T will establish monthly billing dates ("Bill Date") for each Billing Account Number ("BAN"), which Bill Date shall be the same day month to month. Each BAN shall remain constant from month to month, unless changed as agreed to by the Parties. Each Party shall provide the other Party at least thirty (30) calendar days written notice prior to changing, adding or deleting a BAN. The Parties will provide one billing invoice associated with each BAN.

1.2 **[Intentionally deleted]**

1.3 Each Party will provide the other Party written notice of which bills are to be deemed the official bills to assist the Parties in resolving any conflicts that may arise between the official bills and other bills received via a different media which purportedly contain the same charges as are on the official bill. If either Party requests an additional copy(ies) of a bill, such Party shall pay the other Party a reasonable fee per additional bill copy, unless such copy was requested due to errors, omissions, or corrections or the failure of the transmission to comply with the specifications set forth in this Agreement.

1.4 AT&T and Verizon shall provide each other reasonable notice if a billing transmission is received and cannot be processed. Such transmission shall be corrected and resubmitted to the other Party, at the resubmitting Party's sole expense, in a form that can be processed. If the fault in the transmission is due to an error by the billing Party, the payment due date for such resubmitted transmission(s) will be thirty (30) days from the date of the corrected transmission.

2. Electronic Transmissions

2.1 Verizon and AT&T agree that each Party will transmit billing information and data in CABS:BOS format electronically via Connect:Direct to the other Party at the location specified by such Party. The Parties agree that a T1.5 or 56kb circuit for Connect: Direct is required. AT&T data centers will be responsible for originating the calls for data transmission via switched 56kb or T1.5 lines. If Verizon has an established Connect: Direct link with AT&T, that link can be used for data transmission if the location and applications are the same for the existing link. Otherwise, a new link for data transmission must be established. Verizon must provide AT&T its Connect: Direct Node ID and corresponding VTAM APPL ID before the first transmission of data via Connect:Direct. AT&T will supply to Verizon its RACF ID and password before the first transmission of data via Connect:Direct. Each Party shall provide to the other Party, in written form, all applicable dataset format information. Any changes to either Party's Connect: Direct Node ID must be sent to the other Party no later than twenty-one (21) calendar days before the changes take effect.

3. **Paper Transmissions**

3.1 In the event that electronic transmission of billing information and data via Connect:Direct is unavailable due to service outage, or as otherwise mutually agreed to by the Parties, the Parties will transmit billing information and data to each other via cartridge tape, paper or such other medium as agreed to by AT&T and Verizon for the duration of the service outage. Within a reasonable time period following service restoration, electronic transmission of billing information and data via Connect:Direct shall resume. Each Party shall notify the other Party of the correct billing address(es).

4. **Testing Requirements**

4.1 At least fifteen (15) days prior to either Party sending the other Party a mechanized bill for the first time via electronic transmission, or at least fifteen (15) days prior to changing mechanized formats, Verizon shall send to AT&T bill data in the appropriate mechanized format for testing to ensure that the bills can be processed.

4.2 During the testing period, the billing Party shall transmit to the other Party billing data and information via paper transmission.

5. Additional Requirements

5.1 The Parties agree that if the billing Party transmits data to the other Party in a mechanized format, the billing Party will also comply with the following specifications:

a. The BAN shall not contain embedded spaces or low values.

b. The Bill Date shall not contain spaces or non-numeric values.

c. Each bill must contain at least one detail record.

d. Any "From" Date should be less than the associated "Through" Date and neither date can contain spaces.

6. Bill Accuracy Certification

The Parties agree that in order to ensure the proper performance and integrity of the entire billing process, each Party will be responsible and accountable for transmitting to the other Party an accurate and current bill. The Parties may mutually agree to implement control mechanisms and procedures to render a bill that accurately reflects the Unbundled Network Element, Combination, Interconnection or Resold Service ordered and used by the other Party.

Schedule 5.6.7

SCHEDULE 5.6.7

APPLICABLE FACTORS

Traffic Factor 1 and Traffic Factor 2 may be reported at the state or LATA level.

FOR TRAFFIC ORIGINATING FROM:	AND TERMINATING TO:	LATA	Traffic Factor 1 (%)	Traffic Factor 2 (%)
Verizon	AT&T	ALL	[Determined prior to signing]	[Determined prior to signing]
AT&T	Verizon	ALL	[Determined prior to signing]	[Determined prior to signing]

CUSTOMER: AT&T

STATE: [STATE]

BILLING CONTACT NAME: _____

BILLING CONTACT NUMBER: _____

BILLING CONTACT ADDRESS: _____

AT&T ACNA to be used when ordering Interconnections Trunks: _____
AT&T CIC to be used when ordering Interconnection Trunks: _____

Schedule 11

SCHEDULE 11

ACCESS TO OPERATIONS SUPPORT SYSTEMS

1.0 Definitions

As used in this Schedule 11, the following terms shall have the meanings stated below:

1.1 "Verizon Operations Support Systems" or "Verizon OSS" means Verizon interfaces for access to pre-ordering, ordering/provisioning, maintenance and repair, and billing generally available to all CLECs.

1.2 "Verizon OSS Services" means access to Verizon Operations Support Systems functions of Pre-Ordering, Ordering/Provisioning, Maintenance and Repair, and Billing. The term "Verizon OSS Services" includes, but is not limited to: (a) Verizon's provision of Call Detail Information to AT&T pursuant to this Agreement; and, (b) "Verizon OSS Information", as defined in Section 1.3 below.

1.3 "Verizon OSS Information" means any information accessed by, or disclosed or provided to, AT&T through or as a part of Verizon OSS Services. The term "Verizon OSS Information" includes, but is not limited to: (a) any Customer Information related to a Verizon Customer or an AT&T Customer accessed by, or disclosed or provided to, AT&T through or as a part of Verizon OSS Services; and, (b) any AT&T Call Detail Information (as defined in Section 1 of the General Terms and Conditions) accessed by, or disclosed or provided to, AT&T.

2.0 **General Conditions**

2.1 This Schedule 11 sets forth the terms and conditions under which Verizon will provide electronic access to the following Verizon Operations Support Systems and Verizon OSS Services. Verizon will provide such access to AT&T through the interfaces listed below or any other generally available Verizon OSS interfaces (e.g., Web GUI) for pre-ordering, ordering, provisioning, maintenance and repair, and billing in accordance with guidelines published by Verizon and which are consistent with the Change Management Process described below.

Interface	**Function**
CORBA	Pre-order
EDI	Ordering, Provisioning
EBI	Maintenance & Repair
Connect:Direct	Billing

2.2 AT&T agrees to access the Verizon OSS and utilize Verizon OSS Services, only for the purposes of establishing and maintaining Services provided to

AT&T by Verizon. Except as may be mutually agreed to by the Parties in writing, AT&T agrees that such use will comply with the security requirements of Verizon.

2.3 By accessing customer service records pursuant to this Schedule, AT&T represents and warrants that it has obtained any customer authorization or approval (written, verbal or electronic) required by Applicable Law in order to receive such information. AT&T shall receive and retain such information in conformance with the requirements of 47 USC 222 (and implementing FCC regulations thereunder) and in accordance with Section 18.3.

2.4 Verizon will provide AT&T with access to Verizon OSS in accordance with Verizon's published availability schedule, subject to changes to such schedule made in accordance with the Change Management Process.

2.5 Each Party shall provide designated contacts for technical issues related to this Schedule. Verizon shall also publish or otherwise provide to AT&T toll-free nation-wide telephone numbers (and applicable hours of operation) which will be answered by capable staff trained to answer questions and resolve technical problems related to this Schedule or other matters associated with the provision of Verizon OSS Services.

2.6 Verizon and AT&T may, upon mutual agreement jointly establish interface contingency plans for access to Verizon OSS.

2.7 The Parties agree that the Change Management Process as established between Verizon and participating CLECs, as may be amended from time to time, will be used to manage changes to Verizon OSS interfaces. For purposes of this Schedule, "Change Management Process" means the documented process that Verizon and CLECs follow to facilitate communication about Verizon OSS changes, new interfaces and retirement of old interfaces, as well as the implementation timeframes; which includes such provisions as a developmental view, release announcements, comments and reply cycles, new entrant and new release testing processes and regularly scheduled change management meetings.

2.8 Notwithstanding any other provision of this Agreement, if any provision contained in this Schedule 11 (and/or Section 11.6 of this Agreement) conflicts with any term or condition of the Application of GTE Corporation, Transferor and Bell Atlantic Corporation, Transferee, Memorandum Opinion and Order, Appendix D, CC Docket No. 98-184, FCC 00-221 (rel. June 16, 2000)("Merger Conditions") or otherwise would require Verizon, prior to the time period contained in the Merger Conditions or in a manner inconsistent with the Merger Conditions, to implement any Verizon OSS process, interface, or business rule, including but not limited to the Change Management Process, or any Verizon OSS Services as those terms are defined in this Agreement, the term or condition contained in the Merger Conditions shall prevail. If any provision contained in this Schedule 11 (and/or Section 11.6 of this Agreement) and any provision of the agreement entered into by Verizon and others (including AT&T) on August 20, 1999 (in settlement of *MCI Worldcom, Inc. and AT&T Corp. v. Bell Atlantic Corp.*, FCC File No. EAD-99-0003), as may be amended from time to time, and any collaborative proceedings

or arbitrated decisions arising from that settlement agreement ("Settlement Agreement") cannot be reasonably construed or interpreted to avoid conflict, the terms of the Settlement Agreement shall prevail. Conflicts among this Schedule 11 (and/or Section 11.6 of this Agreement), the Settlement Agreement, and the Merger Conditions shall be resolved in accordance with the following order of precedence, where the document identified in subsection "(a)" shall have the highest precedence: (a) the Settlement Agreement; (b) the Merger Conditions; and (c) this Schedule 11 (and/or Section 11.6 of this Agreement).

2.9 In ordering Services, AT&T and Verizon will utilize standard industry order formats and data elements developed by the Alliance for Telecommunications Industry Solutions (ATIS), including without limitation the Ordering and Billing Forum (OBF); provided, however, Verizon shall not be required to implement a version of an industry standard or may modify its use of such industry standards subject to notice in accordance with the Change Management Process, as may be amended from time to time. Verizon may also modify its use of such industry standards (i) in order to be consistent with the terms of the Settlement Agreement; or (ii) consistent with any collaborative proceedings pursuant to the Merger Conditions. Furthermore, industry standards do not currently exist for the ordering of all Services. Therefore, until such standard industry order formats and data elements are developed by the OBF for a particular Service, AT&T and Verizon will use the Change Management Process to agree on a format or data elements to be used to address the specific data requirements necessary for the ordering of those Services. When an OBF standard or format is subsequently adopted, the Parties will use such standard or format in lieu of any other standard or format, unless, pursuant to the Change Management Process, there is agreement to continue to use a non-OBF standard or format. Nothing in this Section 2.9 shall require Verizon to implement an industry standard prior to the time period required by the Merger Conditions or in a manner inconsistent with the Merger Conditions. Verizon reserves the right to establish non-standard Verizon OSS interfaces if required by law, regulation or collaborative proceeding.

3.0 Access to and Use of Verizon OSS

3.1 Verizon OSS may be accessed and used by AT&T only to the extent necessary for AT&T's access to and use of Verizon OSS Services pursuant to the Agreement.

3.2 AT&T shall restrict access to and use of Verizon OSS to AT&T. This Schedule 11 does not grant to AT&T any right or license to grant sublicenses to other persons, or permission to other persons (except AT&T's employees, agents and contractors, in accordance with Section 3.6 below), to access or use Verizon OSS.

3.3 AT&T shall not (a) alter, modify or damage the Verizon OSS (including, but not limited to, Verizon software), (b) copy, remove, derive, reverse engineer, or decompile, software from the Verizon OSS, or (c) obtain access through Verizon OSS to Verizon databases, facilities, equipment, software, or systems, which are not offered for AT&T's use under this Schedule 11.

3.4 Except as may be otherwise mutually agreed to by the Parties in writing, AT&T shall comply with all practices and procedures established by Verizon for access to and use of Verizon OSS (including, but not limited to, Verizon practices and procedures with regard to security and use of access and user identification codes).

3.5 All practices and procedures for access to and use of Verizon OSS, and all access and user identification codes for Verizon OSS: (a) shall remain the property of Verizon; (b) shall be used by AT&T only in connection with AT&T's use of Verizon OSS permitted by this Schedule 11; (c) shall be treated by AT&T as Confidential Information of Verizon pursuant to subsection 28.5 of the Agreement; and, (d) shall be destroyed or returned by AT&T to Verizon upon the earlier of request by Verizon or the expiration or termination of the Agreement.

3.6 AT&T's employees, agents and contractors may access and use Verizon OSS only to the extent necessary for AT&T's access to and use of the Verizon OSS permitted by this Agreement. Any access to or use of Verizon OSS by AT&T's employees, agents, or contractors, shall be subject to the provisions of the Agreement, including, but not limited to, subsection 28.5 thereof and Section 3.5 of this Schedule 11.

4.0 Verizon OSS Information

4.1 All Verizon OSS Information shall at all times remain the property of Verizon. Except as expressly stated in this Schedule 11, AT&T shall acquire no rights in or to any Verizon OSS Information.

4.2 The provisions of this Section 4.2 shall apply to all Verizon OSS Information, except (a) AT&T Call Detail Information, (b) CPNI of AT&T, and (c) CPNI of a Verizon Customer or a AT&T Customer, to the extent the Customer has authorized AT&T to use the Customer Information.

4.2.1 AT&T's employees, agents and contractors may access, use and disclose Verizon OSS Information only to the extent necessary for AT&T's access to, and use and disclosure of, Verizon OSS Information permitted by this Schedule 11. Any access to, or use or disclosure of, Verizon OSS Information by AT&T's employees, agents or contractors, shall be subject to the provisions of this Agreement, including, but not limited to, subsection 28.5 of the Agreement.

4.2.2 Unless sooner terminated or suspended in accordance with the Agreement or this Schedule 11 (including, but not limited to, Section 22 of the Agreement and Section 5.1 following), AT&T's access to Verizon OSS Information through Verizon OSS Services shall terminate upon the expiration or termination of the Agreement. All Verizon OSS Information received by AT&T shall be destroyed or returned by AT&T to Verizon, upon expiration, suspension or termination of this Agreement.

5.0 Liabilities and Remedies

5.1 Any breach by AT&T, or AT&T's employees, agents or contractors, of the provisions of Sections 3 or 4 above shall be deemed a material breach of the Agreement. In addition, if AT&T or an employee, agent or contractor of AT&T at any time breaches a provision of Sections 3 or 4 above and such breach continues for more than ten (10) days after written notice thereof from Verizon, then, except as otherwise required by Applicable Law, Verizon shall have the right, upon notice to AT&T, to suspend access to Verizon OSS and the provision of Verizon OSS Services, in whole or in part.

5.2 AT&T agrees that Verizon may be irreparably injured by a breach of Sections 3 or 4 above by AT&T or the employees, agents or contractors of AT&T, and that Verizon shall be entitled to seek equitable relief, including injunctive relief and specific performance, in the event of any such breach. Such remedies shall not be deemed to be the exclusive remedies for any such breach, but shall be in addition to any other remedies available under this Agreement or at law or in equity.

6.0 Relation to Applicable Law

The provisions of Sections 3, 4 and 5 above shall be in addition to and not in derogation of any provisions of Applicable Law, including, but not limited to, 47 U.S.C. § 222, and are not intended to constitute a waiver by Verizon of any right with regard to protection of the confidentiality of the information of Verizon or Verizon Customers provided by Applicable Law.

7.0 Verizon Access to Information Related to AT&T Customers

7.1 Verizon shall have the right to access, use and disclose information related to AT&T Customers that is in Verizon's possession to the extent such access, use and/or disclosure has been authorized by the AT&T Customer in the manner required by Applicable Law.

7.2 Upon request by Verizon, AT&T shall negotiate in good faith and enter into a contract with Verizon, pursuant to which Verizon may obtain access to AT&T's operations support systems (including, systems for pre-ordering, ordering/provisioning, maintenance and repair, and billing) and information contained in such systems, to permit Verizon to obtain information related to AT&T Customers (as authorized by the applicable AT&T Customer), to permit Customers to transfer service from one Telecommunications Carrier to another, and for such other purposes as may be permitted by Applicable Law.

8.0 Application-to-Application Interface Testing for Ordering/Provisioning

8.1 The Parties shall conduct application-to-application interface testing prior to AT&T's initial live access to Verizon OSS. Additionally, the Parties may agree to conduct application-to-application interface testing to test new releases of Verizon OSS software. Any application-to-application interface testing shall be pursuant to Verizon CLEC Test Environment (CTE) guidelines published by Verizon consistent with the Change Management Process. Application-to-application interface testing will allow for

the testing of the systems, interfaces, and processes for the Ordering and Provisioning functions. If AT&T wishes to conduct Friendlies-type application-to-application testing, the Parties shall negotiate a separate test agreement that addresses the terms and conditions applicable to such testing.

8.2 Notwithstanding any other provision of this Agreement, AT&T shall not send any orders into production until such time that AT&T has successfully completed testing in the Verizon CTE in Virginia except as otherwise mutually agreed to by the Parties. AT&T agrees that it will only send orders into production containing features, services and/or elements for which it has successfully completed testing in Virginia in the Verizon CLEC Test Environment except as otherwise mutually agreed to by the Parties.

8.3 Prior to initial access to Verizon OSS, AT&T will complete applicable user education classes, as offered by Verizon, for Verizon-provided interfaces. Such user education classes will be available in accordance with rates published by Verizon.

8.4 AT&T agrees that personnel from other competitive Local Service Providers may be scheduled into any class. Class availability is first-come, first served.

8.5 Class dates will be in accordance with Verizon's published schedule. Special classes may be arranged as mutually agreed to by the Parties.

8.6 AT&T agrees that AT&T personnel attending classes are to utilize only training databases and training presented to them in class. Attempts to access any other Verizon system are strictly prohibited.

8.7 Nothing in this Section 8 shall require Verizon to offer non-scheduled user education classes to AT&T except as may be mutually agreed to by the Parties or as otherwise generally offered to other CLECs.

9.0 Prices/Rates

9.1 AT&T will pay Verizon for access to the Verizon OSS according to the prices set forth in Exhibit A (Pricing Schedule) of this Agreement or as otherwise determined by the Commission.

10.0 Local Account Maintenance

10.1 Where Verizon's existing PIC Change process currently supports the option of either having Verizon reject or process PIC changes requested by intraLATA toll or interLATA (or international, where applicable) carriers ("Carriers") on AT&T's Customers' accounts, AT&T may make its election regarding this option upon establishing its account with Verizon and on an as needed basis thereafter. In such case, if AT&T elects to have Verizon reject these PIC changes under this option, or where Verizon does not currently support this option, Verizon shall so notify Carriers by creating the appropriate reject transaction record pursuant to Customer Account Record Exchange (CARE) record formats approved by the Ordering and Billing Forum (OBF).

SCHEDULE 26.4

CARRIER-TO-CARRIER PERFORMANCE ASSURANCE PLAN

PERFORMANCE MEASUREMENTS AND REPORTS

Beginning with the first calendar month after the month in which this Agreement becomes effective and for each calendar month thereafter, Verizon shall perform the measurements set out in Attachment A and report the results of those measurements for the measured calendar month to AT&T.

The measurement results will be set out in a report on a Verizon Internet web site to which Verizon will allow AT&T access.

The measurement results shall be provided within twenty-five (25) days after the completion of each measured calendar month (or, if the 25th day of the month is a Saturday, Sunday or holiday observed by Verizon, the next Verizon business day).

PERFORMANCE STANDARDS

The performance standards for the measures set out in Attachment A shall be as set out in Attachment A.

For measures listed in Attachment A, where financial remedies are assessed on a "pay per occurrence" basis, whether Verizon has met the performance standard will be determined on an AT&T specific ("CLEC Specific") basis for the measured service area. For measures listed in Attachment A, where financial remedies are assessed on a "pay per measure" basis, whether Verizon has met the performance standard will be determined on a CLEC Aggregate basis for the measured service area.

A determination of whether Verizon has met the performance standard for a measure for a measured calendar month will be made only if there is measured AT&T activity for that measure for the measured calendar month. If there is no AT&T measured activity for a measure for a measured calendar month, Verizon will be deemed to have met the standard for that measure for the measured calendar month. For instance, if for a measured calendar month AT&T submitted no transactions to Verizon through the CORBA interface, no determination would be made as to whether Verizon had met the standards for Metrics PO-1 or PO-2 for the CORBA interface and Verizon will be deemed to have met the standards for those measures.

Determinations of whether Verizon has met the applicable performance standard for a measure shall be made in accordance with Attachment A.

FINANCIAL REMEDIES

Verizon shall make remedy payments to AT&T as follows:

For measures listed in Attachment A as subject to remedy payments, if Verizon fails to meet the applicable performance standard for a measure for either (a) 3 consecutive months, or (b) 6 or more months in a Plan Year (April of one year through March of the next year), Verizon will make a remedy payment to AT&T. The amount of the remedy payment will be determined in accordance with Attachment A. Payments will be made on a per occurrence or per occurrence with a cap basis for "pay per occurrence" measures, or on a per measure basis for "pay per measure" measures. The remedy payment will be calculated by applying the statistical analyses and the calculations described in Attachment A-3, the payment level for the measures set out in Attachment A-5, and the per occurrence payment and per measure payment, amounts set out in Attachment A-4. A description and examples of how remedy payments will be calculated are set out in Attachment A-7.

If Verizon fails to meet the applicable performance standard for a measure for 3 consecutive months, the remedy payment shall be calculated based on the rolling monthly average of occurrences or measurements for the 3 consecutive months, as appropriate. In other words, Verizon will make a payment in the event it fails to meet the applicable standard for three consecutive months, and another payment if the failure continues for a fourth consecutive month, and so on. In each case, the payment will be calculated according to the rolling monthly average of occurrences for the last three consecutive months where Verizon fails to meet the applicable performance standard. For example, if Verizon fails to meet the performance standard for a measurement for January, February, and March, it would make a payment based on the January-February-March monthly average; if it also fails to meet the standard for the same measure in April, it would make another payment, based on the February-March-April monthly average. A further description and examples of how remedy payments will be calculated are set out in Attachment A-7.

If Verizon fails to meet the applicable performance standard for 6 or more months in a Plan Year, the payments shall be calculated as if all such months were missed consecutively. In other words, four payments would be made in a year where a measure fails to meet the performance standard for six months (and five payments in a year where a measure fails to meet the performance standard for seven months, and so on). A further description and examples of how remedy payments will be calculated are set out in Attachment A-7.

If Verizon is obligated to make a payment to AT&T pursuant to the "3 consecutive months" rule set out in Sections 3.1.1 and 3.1.1.1 above, Verizon shall not be obligated to make a payment to AT&T pursuant to the "6 or more months in a Plan Year" rule set out in Sections 3.1.1 and 3.1.1.2 above, for the same three month period. A further description and examples of how remedy payments will be calculated are set out in Attachment A-7.

The payments provided for in Section 3.1.1 shall not exceed the cap amounts set out in Attachment A, including, but not limited to, the monthly cap amounts and Plan Year annual cap amounts, set out in Attachment A-6, and the "Per Measurement" and "Per Occurrence" cap amounts set out in Attachment A-4.

If the caps specified in Appendix D, Attachment A-6 of the Merger Order[1] are reduced as authorized in Appendix D, Attachment A, Paragraph 11 of the Merger Order, those reduced caps will also apply to Attachment A-6 of this Schedule 26.4. The reduction in the caps specified in Attachment A-6 of this Schedule 26.4 shall become effective at the same time that the reduction in the caps specified in Appendix D, Attachment A-6 of the Merger Order becomes effective.

If Verizon becomes liable for remedy payments to AT&T under this Schedule 26.4, such payments shall be made within 60 days after the performance measurement results showing the liability are reported by Verizon to AT&T. Payments will be made in the form of bill credits that will be applied by Verizon to bills issued by it to AT&T. Verizon may deduct from any amount due from Verizon to AT&T under this Schedule 26.4 any amount due from AT&T to Verizon (including, but not limited to, any amount due from AT&T to Verizon under this Agreement or under any other agreement between the Parties or under a Verizon tariff).

Verizon shall not be responsible for a failure to meet a performance standard and shall not be obligated to make an remedy payment to AT&T as a result of such a failure, to the extent such failure was the result of: (a) events or causes beyond the reasonable control of Verizon; (b) Force Majeure events (as defined below); (c) acts or omissions by AT&T or a AT&T customer that prevent Verizon from timely or accurately providing service, including, but not limited to, any failure to perform an act that AT&T is required to perform by this Agreement; or, (d) Event Driven Clustering, Location Driven Clustering, Time Driven Clustering, or CLEC Actions, as described in Attachment A-3. Force Majeure events include unusually severe weather conditions, earthquake, volcanic action, fire, explosion, flood, epidemic, war, revolution, civil disturbances, acts of public enemies, any law, order, regulation, ordinance or requirement of any governmental or legal body, strikes, labor slowdowns, picketing or boycotts, unavailability of equipment, parts or repairs thereof, and any acts of God.

If Verizon claims that it is excused under this Section 3.2 from making a remedy payment, Verizon will submit notice of this claim to AT&T at the time that it makes the applicable performance report available to AT&T and will withhold payment of any amount that Verizon claims that it is excused from paying.

For any remedy payment withheld by Verizon pursuant to this Section 3.2, if AT&T disputes Verizon's claim, either Party may seek resolution of the dispute in accordance with any applicable dispute resolution provisions of this Agreement, or, in the absence of such dispute resolution provisions, by seeking resolution of the dispute before the Commission, the FCC, or a court of competent jurisdiction.

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[1] As used herein, "Merger Order" means the FCC's Memorandum Opinion and Order in *In the Application of GTE Corporation, Transferor, and Bell Atlantic Corporation, Transferee, For Consent to Transfer Control of Domestic and International Sections 214 and 310 Authorizations and Applications to Transfer Control of a Submarine Cable Landing License*, FCC-00-221, CC Docket No. 98-184 (6/16/01).

Where both the Performance Assurance Plan implemented pursuant to this Schedule 26.4 and a General State Plan contain provisions that grant AT&T payments, bill credits or remedies against Verizon arising out of the same Verizon acts, omissions, performance, or failure or deficiency in performance, AT&T shall not have the right to invoke the provisions of both the Performance Assurance Plan implemented pursuant to this Schedule 26.4, and the General State Plan. Where both the Performance Assurance Plan implemented pursuant to this Schedule 26.4 and another section of this Agreement contain provisions that grant AT&T payments, bill credits or remedies against Verizon arising out of the same Verizon acts, omissions, performance, or failure or deficiency in performance, AT&T shall not have the right to invoke the provisions of both the Performance Assurance Plan implemented pursuant to this Schedule 26.4, and the other section of this Agreement. For purposes of this Performance Assurance Plan, the term General State Plan means a carrier-to-carrier service quality performance assurance plan applicable to Verizon that is adopted, required, approved or allowed to go into effect by the Commission or the FCC.

CONFIDENTIALITY

AT&T agrees that except to the extent that Verizon has made Verizon affiliate information contained in the performance reports publicly available, such information is confidential and proprietary to Verizon, and shall be used by AT&T solely for internal performance assessment purposes, for purposes of joint AT&T and Verizon assessments of service performance, and for reporting to the FCC, a state utility commission of competent jurisdiction, or courts of competent jurisdiction, under cover of an agreed-upon protective order, for the sole purpose of enforcing Verizon's obligations under this Schedule 26.4. AT&T shall not otherwise disclose the Verizon affiliate information contained in the performance reports to third-persons.

In providing performance reports to AT&T and otherwise performing its obligations under this Schedule 26.4, except for measurement data for Verizon affiliates that Verizon is required to provide by Attachment A, Verizon shall not be obligated, and may decline, to disclose to AT&T any individually identifiable information pertaining to a person other than AT&T, including, but not limited to, any other carrier customer of Verizon or any retail customer of Verizon.

INTERPRETATION AND MODIFICATION

The Parties acknowledge that this Schedule 26.4 has been modeled on the Carrier-to-Carrier Performance Assurance Plan set out in Appendix D, Attachment A of the Merger Order. This Schedule 26.4 shall be implemented, interpreted and construed in a manner consistent with the Merger Order and the Carrier-to-Carrier Performance Assurance Plan set out in Appendix D, Attachment A of the Merger Order.

If the FCC makes any modification to the Carrier-to-Carrier Performance Assurance Plan set out in Appendix D, Attachment A of the Merger Order (including, but not limited to, changes to, or the addition or deletion of, measures in Appendix D, Attachment A of the Merger Order) (for example, as part of the semi-annual review

described in Appendix D, Attachment A, Paragraph 4 of the Merger Order, or as a result of the Chief of the Common Carrier Bureau's acceptance of any changes to the design or calculation of the measures adopted by the New York Public Service Commission), that modification shall also apply to this Schedule 26.4. The modification to this Schedule 26.4 shall become effective at the same time that the modification to the Carrier-to-Carrier Performance Assurance Plan set out in Appendix D, Attachment A of the Merger Order, becomes effective.

RELATION TO OTHER PROVISIONS

The service quality performance measurements, reporting, and standards, applicable to Verizon and the remedies to be provided by Verizon associated with such measurements, reporting and standards, that apply to Verizon pursuant to this Agreement shall be limited to the service quality performance measurements, reporting, standards, and remedies set out in this Schedule 26.4. No other service quality performance measurements, reporting, or standards, applicable to Verizon, or remedies to be provided by Verizon associated with such measurements, reporting or standards, shall apply to Verizon pursuant to this Agreement.

Nothing in this Schedule 26.4 is intended to replace, supersede or otherwise affect the application of limitations or exclusions of liability contained in this Agreement and except for remedy payments to be made pursuant this Schedule 26.4, all such provisions shall remain in full force and effect.

The standards set forth in this Agreement bear no necessary relationship to the standard of performance that satisfies Verizon's obligations under this Agreement or Applicable Law. A failure by Verizon to meet a performance standard set out in this Schedule 26.4 shall not constitute a breach or failure in performance of this Agreement. A remedy payment by Verizon pursuant to this Schedule 26.4 shall not constitute an admission by Verizon that it has breached or failed to perform this Agreement or any other duty Verizon may have to AT&T.

APPLICATION OF THIS SCHEDULE 26.4

The provisions of this Schedule 26.4 (including Attachment A) shall apply only to the service area covered by this Agreement, the Bell Atlantic service area of Virginia (the "Covered Service Area"). Verizon and AT&T recognize, however, that this Schedule 26.4 is based upon a Performance Assurance Plan in the Merger Order that applies to multiple jurisdictions. This Schedule 26.4 therefore contains provisions applicable to service areas other than the service area covered by this Agreement. Such other provisions were included only to reduce the administrative burden on the Parties that would be associated with separating the provisions of the Merger Order Performance Assurance Plan on a jurisdiction-by-jurisdiction basis. The provisions of this Schedule 26.4 shall be of no force and effect pursuant to this Agreement to the extent they reference service areas other than the Covered Service Area. For example, since this Performance Assurance Plan is incorporated into an interconnection agreement applicable only to the Bell Atlantic service area of Virginia, only the provisions contained

herein that are either not service area specific or that reference the Bell Atlantic service area in Virginia shall apply pursuant to this Agreement. Verizon shall have no obligation under this Schedule 26.4 to provide measurement results or to make remedy payments, for any area other than the Bell Atlantic service area of Virginia. If this Schedule 26.4 is incorporated into an interconnection agreement for a service area other than the Bell Atlantic service area of Virginia (whether by agreement of the Parties, pursuant to a requirement of Applicable Law or a Commission or FCC order, or otherwise), this Schedule 26.4 automatically will be revised to adopt the annual and monthly caps, per occurrence caps, per occurrence amounts, and per measure amounts, applicable to such other service area under the Performance Assurance Plan set out in Appendix D, Attachment A of the Merger Order.

References contained in this Schedule 26.4 to Attachment A, or any subpart thereof, shall be to Attachment A as that attachment, or subpart thereof, contains provisions applicable to the Covered Service Area.

Notwithstanding any other provision of this Agreement, this Schedule 26.4 is a "state-specific performance measure" under Sections 31 and 32 of Appendix D of the Merger Order and therefore will not be available to any carrier pursuant to Section 31 or Section 32 of the Merger Order.

MISCELLANEOUS TERMS AND CONDITIONS

The Parties agree that if any obligation assumed under this Schedule 26.4 is prohibited by applicable law, the relevant Party will be excused from performing that obligation without penalty.

The terms "AT&T," "Verizon," "Bell Atlantic" ("BA"), "Party" or "Parties" as such terms are used herein and in Attachment A shall refer to the respective Parties to this Agreement. Except as otherwise shown by the context, references to "Bell Atlantic" or "BA" in Attachment A that are applicable to the Covered Service Area shall be deemed to be references to "Verizon."

EFFECTIVENESS AND TERMINATION

Notwithstanding any other provision of this Agreement, this Schedule 26.4 and the Performance Assurance Plan set out in this Schedule 26.4 shall not become effective and shall not be a part of this Agreement if prior to the effective date of this Agreement a Verizon carrier-to-carrier service quality performance assurance plan for the Covered Service Area that has been required, approved, accepted or allowed to go into effect, by either the Commission or the FCC, has become effective.

Notwithstanding any other provision of this Agreement, this Schedule 26.4 and the Performance Assurance Plan set out in this Schedule 26.4 shall automatically terminate and cease to be a part of this Agreement upon the earlier of: (a) the effective date of a carrier-to-carrier service quality performance assurance plan applicable to Verizon that has been required, approved, accepted or allowed to go into effect, by the Commission; or, (b) the effective date of a carrier-to-carrier service quality performance

assurance plan applicable to Verizon that has been required, approved, accepted or allowed to go into effect, by the FCC in conjunction with the FCC's approval of a request by Verizon or Verizon's affiliates for authority to offer InterLATA services in the Covered Service Area.

Verizon shall have no obligation to provide measurement results or make remedy payments for any month prior to the first calendar month after the month in which this Agreement becomes effective.