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November 19, 2003

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FEDERAL COMMUNICATIONS COMMISSION
OFFICE OF THE SECRETARY

Ms Marlene H Dortch
Secretary
Federal Communications Commission
445 12th Street, S W
Washington, D C 20554

Re WorldCom, Inc and its Subsidiaries (debtors-in-possession), Transferor, and MCI, Inc., Transferee, Applications for Consent to Transfer and/or Assign Authorizations and Licenses in WC Docket No 02-215

Reply to Objection to Request for Disclosure of Documents

Dear Ms Dortch:

Counsel for Margaret F Snyder, hereby replies to the November 13, 2003, letter filed by SBC Telecommunications, Inc ("SBC"), objecting to the disclosure of documents as required, pursuant to the terms of the *Protective Order*, released November 4, 2003, DA 03-3545. Specifically, SBC objects to the disclosure of a Settlement Agreement between SBC and WorldCom, Inc ("WorldCom") Alternatively, SBC suggests that the Commission should modify its *Protective Order*, allowing undersigned counsel to view the Settlement Agreement, but prohibit the copying and/or reproduction of the Settlement Agreement

The *Protective Order* requires the disclosure of Settlement Agreements and associated documents, not only from SBC but also from BellSouth Telecommunications, Inc ("BellSouth"), Verizon and WorldCom BellSouth, Verizon and WorldCom have agreed to the terms of the *Protective Order* and the Settlement Agreements and associated documents have been delivered to undersigned counsel for review The Settlement Agreements and accompanying affidavits are multi-page documents Undersigned counsel, based on the documents he has already reviewed, is preparing a Supplement to Ms Snyder's Petition to Deny Undersigned counsel is also preparing a Motion to Disclose the information contained in the Settlements Agreements In order to

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properly prepare a Supplement to the Petition to Deny and a Motion to Disclose, counsel requires unrestricted access to SBC's Settlement Agreement To be able to merely look at the Settlement Agreement without being able to quote from it, or review it when necessary, would place an extreme and unnecessary burden on undersigned counsel [1]

SBC's November 13, 2003, letter, states that the Settlement Agreement provides for a "substantial monetary recovery on SBC's claims." This, according to SBC "may be misconstrued by other creditors of WorldCom " Thus, it appears that SBC was able to negotiate a substantially better settlement than other WorldCom creditors It is this information, the exact amount of the settlement, that SBC seeks to keep out of the public record. Yet, it is this very information that should be disclosed SBC's November 13, 2003, letter begs the question, why is it that SBC was able to negotiate a substantially better monetary settlement than other creditors? Counsel for SBC has advised counsel for Ms. Snyder that the SBC Settlement Agreement contains a provision barring SBC from filing a Petition to Deny in the above referenced proceeding, or otherwise opposing WorldCom's attempts to transfer control of its licenses and authorizations from its pre-bankruptcy entity to its post-bankruptcy entity Here again, the question is why was this provision necessary? What information is it that SBC holds that WorldCom is willing to pay a premium not to have disclosed?

Clearly, WorldCom paid SBC for its silence This explains why SBC was able to get a substantial monetary recovery that may be "misconstrued" by other creditors How much was SBC paid for its silence? While undersigned counsel does not know the exact dollar amount, there is a simple formula that can be applied. The Commission should take SBC's total claim and multiply that by the percentage that other creditors received Published reports indicate that most creditors received 36 cents on the dollar Applying this formula, if other WorldCom creditors received 36% of their total claims, SBC also should have received 36% of its claims Under that hypothesis, any amount over 36% is the amount that SBC was paid for its silence in clear and blatant violation of Section 1.935 of the Commission's Rules

WorldCom has a history of paying hush money.[2] It appears that WorldCom paid SBC an illegal premium above what other legitimate creditors could expect to receive in

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[1] While counsel for Ms Snyder believes that these documents should be made part of the public record both the Supplement to the Petition to Deny and the Motion to Disclose will be filed as confidential documents Therefore, there is no reason for SBC to worry that its Settlement Agreement or any terms thereof will be publicly disclosed without prior Commission approval

[2] See Fifth Supplement to Petition to Deny Transfer of Licenses, Authorizations and Certifications of WorldCom, Inc , filed November 6, 2003 in WC Docket 02-215

return for SBC's promise not to disclose information to the FCC, not to file a petition to deny or otherwise not to interfere in WorldCom's attempts to transfer its licenses

For the reasons stated herein, the SBC Settlement Agreement should be placed on the public record of the above referenced proceeding, or at a minimum disclosed to counsel for Ms Snyder who should be permitted to copy the agreement

Sincerely,

Arthur V Belendiuk

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