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April 11, 1996

Mr. Donald W. McLeod  
Vice President  
Regulatory and Government Affairs - East  
Local Competition/Interconnection Program Office  
HQE01E63  
P.O. Box 152092  
Irving, Texas 75015-2092

Dear Mr. McLeod,

Thank you for hosting the first meeting of the GTE/AT&T Executive Negotiation Team. In order to have clarity as we proceed with our negotiations, I am confirming by this letter the agreements we reached.

First, we agreed that you represent all of GTE/Contel Telephone Operations with regard to access and interconnection agreements under Sec. 251 and Sec. 252. Second, we agreed that the date GTE received notice under Sec. 251 and 252 is March 12, 1996.

We have agreed to a negotiations structure that includes an Executive Negotiation Team, a National Level Negotiation Team, and that a structure will be developed that will handle state specific items. The Executive Negotiation Team will establish the overall negotiation structure, schedule, and seek to speed negotiations. In addition, this team will facilitate issue closure and act as the point of escalation for the negotiation work unresolved by the National and State teams. Finally, we agreed that this team will ratify agreements settled. The National Level Negotiation Team will handle national principles and operations issues. The initial requirements list provided by AT&T on April 2 is agreed to as a starting point for the National Level Negotiation Team discussions. We recognized that there will be some issues that may need to be addressed on a state specific basis, but have reserved delineation of such issues until the Executive Negotiation Team has an opportunity to see what state specific issues may develop through the discussions of the National Level Negotiation Team.

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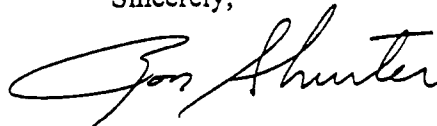
We also agreed that the National team and any State teams will not endeavor to resolve any issues regarding concerns that proposals or preliminary agreements may present problems with regard to unreasonable discrimination. The Executive Negotiation Team will handle any issues regarding unreasonable discrimination. In order to facilitate the Executive Committee's work in that area, we requested that GTE provide copies of any interconnection agreements it has reached with other carriers in the 20 states specified in our March 11, 1996 letter.

We agreed that the Executive Negotiation Team would meet approximately every two weeks with the next meeting to be held on April 18 at One Oak Way, Room 4EB101, Berkeley Heights, N.J. from 8:30 to 3:30. Prior to that session, Gary Rall, Meade Seaman and Mike Billings will develop a summary list of all the items to be negotiated as part of the total negotiation by April 18, 1996. They will also review for the Executive Negotiation Team the major operational issues with a discussion of each party's viewpoint and supporting rationale. Both parties will be prepared to discuss resolution of those issues on April 18.

AT&T provided a revised confidentiality agreement form for review. Joyce and Connie have now developed an agreed form for signature which Joyce has forwarded to Connie.

Our April 2, 1996 meeting was a good first step in our negotiations. We look forward to working together to conclude our negotiations prior to the expiration of our 135 day schedule. See you on the 18<sup>th</sup> of April.

Sincerely,



R. H. Shurter  
Southern States & National Local Access &  
Infrastructure Management Vice President

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Blind Copy to:

J. Beasley	- Basking Ridge
L. Harrington	- Pleasanton
R. R. Harrison III	- Berkeley Heights
S. Huels	- San Francisco
G. Rall	- Pleasanton
L. Tyler-Stanley	- Pleasanton

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