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July 5, 2006

The Honorable Pat Miller, Director
Tennessee Regulatory Authority
460 James Robertson Parkway
Nashville, Tennessee 37243-0505

Re: **Joint Filing of AT&T Inc. and BellSouth Corporation together with its Certified Tennessee Subsidiaries regarding Change of Control of the Operating Authority of BellSouth Corporation's Tennessee Subsidiaries Docket No. 06-00093**

Dear Director Miller:

This is in response to your letter of July 3, 2006, in which you asked (a) what AT&T's policy is with respect to the privacy of its customers' phone records, (b) what AT&T requires in order to release such records, and (c) how does this differ, if at all, from BellSouth's policy? AT&T's policy is very clear – it protects the privacy of its customers' records and only releases such information in accordance with law, including in response to valid subpoenas, court orders or other lawful requests or authorizations, or with its customers' consent.

AT&T's policy with respect to the privacy of its customers' phone records.

AT&T's policy is contained in its Code of Business Conduct and Privacy Policy. AT&T's Code of Business Conduct defines for its employees what their obligations are with respect to protecting the privacy of its customers' phone records. AT&T's Privacy Policy informs its customers of how the company protects the privacy of their phone records, among other information.

AT&T's Code of Business Conduct contains two sections relevant to your question. First, the section entitled "Complying with the Law - Legal Requirements" clearly sets forth that "[e]very law, rule, regulation, court and commission order that applies to our business must be followed at all times." Second, the section entitled "Privacy – Privacy of Customer Records" also makes perfectly clear that "[w]e must ensure that customer records remain secure and private." Included in this section is a discussion of customer proprietary network information, or

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"CPNI," which includes customers' phone records. The full text of these sections of the Code of Business Conduct is contained in Attachment 1.

AT&T's Privacy Policy likewise contains two sections relevant to your question. First, the section entitled "Our Commitment: Respecting and Protecting Your Privacy" clearly sets forth that it is AT&T's policy to protect the privacy of its customers, including "every customer's telephone calling and other account information." Second, the section entitled "Customer Proprietary Network Information" also makes perfectly clear that protecting its customers' CPNI is the company's "duty under federal law." The full text of these sections of the Privacy Policy is contained in Attachment 2; AT&T's Privacy Policy can be found in its entirety at <http://att.sbc.com/gen/privacy-policy?pid=7666#3>.

Attachment 3 sets forth the requirements of Section 222 of the Communications Act of 1934, as amended, which defines AT&T's obligations under federal law to protect the privacy of CPNI.

What AT&T requires in order to release phone records.

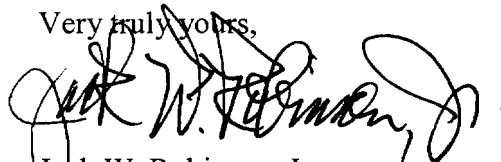
AT&T will release phone records only in accordance with lawful processes – for example, to comply with court orders, subpoenas, or other lawful requests or authorizations or regulatory requirements such as the exceptions provided for in Section 222(d) – or with the customer's approval.

How AT&T's policy differs, if at all, from BellSouth's policy.

AT&T understands, based on publicly available information, that BellSouth's policy with respect to the privacy of its customers' phone records is the same as AT&T's – to protect the privacy of those records and to release them only in accordance with lawful processes or customer consent.

Should you need any further information, please do not hesitate to contact me.

Very truly yours,

A handwritten signature in black ink, appearing to read "Jack W. Robinson, Jr.", with a stylized flourish at the end.

Jack W. Robinson, Jr.
Attorney for AT&T

Attachments (3)

cc: Timothy C. Phillips, Esq.

CERTIFICATE OF SERVICE

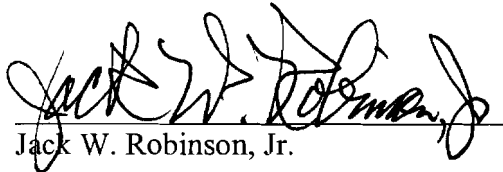
I hereby certify that a copy of the foregoing document and the attachments thereto were served via email and first class United States Mail, postage prepaid, on the following persons on this 5th day of July, 2006:

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Jack W. Robinson, Jr.

AT&T Code of Business Conduct

Complying with the Law

Legal Requirements

Every law, rule, regulation, court and commission order that applies to our business must be followed at all times.

Many laws, rules and regulations govern SBC and its subsidiaries. In addition, SBC and its subsidiaries may be subject from time to time to a wide variety of court and/or regulatory commission orders. As an employee, you are responsible for understanding and applying all applicable legal obligations on your job. Ignorance is no excuse for violating the law.

Employees who are responsible for submitting statements, affidavits, data or documents in connection with legal or regulatory proceedings must ensure that all such submissions are accurate and complete in every respect.

If you have questions about how any legal obligation affects your work, ask your supervisor, SBC's Legal Department, or SBC's Ethics and EEO Line.

Privacy

Privacy of Customer Records

We must ensure that customer records remain secure and private.

The Telecommunications Act of 1996 includes specific provisions covering the privacy of customer information. FCC rules define how we may use such information, including both carrier information and customer proprietary network information.

Carrier information is proprietary information received from another carrier for the purpose of providing telecommunications services. This information may be used only for that purpose and may not be used by SBC or any of its subsidiaries for their own marketing efforts.

Customer proprietary network information ("CPNI") includes information such as the customer's number and type of access lines, technical characteristics or class of service, and records of usage or calling patterns. The customer is entitled to control the use of this information and may authorize or refuse to authorize its disclosure or use for purposes other than providing the services requested by that customer. Employees, including but not limited to employees who have access to CPNI in the daily course of their activities, must carefully follow all laws, rules, and company practices relating to the use of CPNI both during and after employment at SBC.

Access to classified national security information is further restricted to those with proper government security clearance and a "need to know." Unauthorized disclosure of private customer information, proprietary network information, or national security information violates the law.

Keeping customer records secure and private means:

- No employee will access, use or disclose customer records or reports, customer proprietary information or any other proprietary information without a valid business reason.
- Employees shall not gain access to their own records or those of family and friends without a valid business reason and prior approval from their supervisor.
- No employee shall disclose any information about customer communications, transmissions, or information processing arrangements unless required to do so by law or for the safety or protection of our customers, employees or property. Refer all requests for such information to the Legal Department.

Any questions concerning the privacy of customers records should be discussed with Legal or Asset Protection.

Questions about SBC safeguards for protecting proprietary and classified national security information should be discussed with Asset Protection.

Any compromise or suspected compromise of such information should be immediately reported to Asset Protection.

AT&T Privacy Policy

OUR COMMITMENT: RESPECTING AND PROTECTING YOUR PRIVACY

The AT&T family of companies ("AT&T") recognizes that the trust of our customers and Web visitors requires vigilant, responsible privacy protections.

- We respect and protect the privacy of our customers. As a provider of telecommunications and related services and products we recognize that we must maintain the confidentiality of every customer's telephone calling and other account information.
- We also respect and protect the privacy of our Web visitors. The expansion of online services and changing technologies continues to create unique privacy concerns and we recognize the need to maintain the confidentiality of information that Web visitors reasonably expect to remain private.
- We have a long history of vigorously protecting customer and web visitor privacy. Our customers and web visitors expect, deserve and receive nothing less than our fullest commitment to their privacy. We also have an obligation to assist law enforcement and other government agencies responsible for protecting the public welfare, whether it be an individual or the security interests of the entire nation. If and when we are asked to help, we do so strictly within the law and under the most stringent conditions.

Customer Proprietary Network Information

- In the normal course of providing telecommunications services to our customers, we collect and maintain certain customer proprietary network information, also known as "CPNI". Your CPNI includes the types of telecommunications services you currently purchase, how you use them and related billing information for those services. Your telephone number, name and address are not CPNI.
- Protecting the confidentiality of your CPNI is your right and our duty under federal law. We do not sell, trade or share your CPNI - including your calling records - with anyone outside of the AT&T family of companies or with anyone not authorized to represent us to offer our products or services, or to perform functions on our behalf except as may be required by law or authorized by you.
- As a general rule, we are permitted to use CPNI in our provision of telecommunications services you purchase, including billing and collections for those services. We are permitted to use or disclose CPNI to offer telecommunications services of the same type that you already purchase from us. We may also use or disclose your CPNI for legal or regulatory reasons such as a court order, to investigate fraud or to protect against the unlawful use of our telecommunications network and services and to protect other users.
- Click [here for more information](#) on the use of CPNI.

If one clicks "[more information](#)" on AT&T's Privacy Policy website, the following additional information regarding CPNI is displayed:

What is CPNI?

Customer Proprietary Network Information (CPNI) is information that AT&T telecommunications carriers obtain when we provide telecommunications services to you, including services provided through your AT&T local telephone company and its affiliates. CPNI includes the types of telecommunications services you currently purchase, how you use them, and the related billing information for those services. CPNI also typically includes the type of information found on your AT&T bill, such as call details and the types of local, long distance and wireless telecommunications services that you have purchased. AT&T uses technology and security features and strict policy guidelines to safeguard the privacy of CPNI and protect it from unauthorized access or improper use.

CPNI does not include your telephone number, name and address.

Use of CPNI

In the normal course of providing telecommunications services to our customers, we collect and maintain CPNI. CPNI information allows us to make more meaningful suggestions to you when discussing products and services, packages, and promotions that best suit your communications needs. AT&T customer service representatives, or our authorized AT&T agents, are able to make you aware of targeted discounts or special offers that may help you save time and money. For example, with your permission, we may use your CPNI to tell you about products, services and packages from the AT&T family of companies, including high-speed DSL Internet access, Cingular Wireless, and AT&T local and long distance services.

We value our relationship with our customers and are committed to respecting and protecting your privacy. We recognize that we have a unique relationship with our customers and understand how important it is to hold in confidence CPNI. *AT&T does not sell CPNI to unaffiliated third parties and abides by federal and state CPNI rules that apply to telecommunications carriers.*

Disclosure of CPNI to third parties

We provide CPNI to our authorized agents for the sole purpose of allowing these agents to act on our behalf, such as selling, marketing or helping us provide you with AT&T products and services. AT&T does not provide CPNI to unaffiliated third parties for these third parties to use for their own marketing purposes. These authorized agents are bound by non-disclosure agreements, meaning that they are prohibited from disclosing or selling your CPNI to anyone else.

AT&T is required to provide directories and directory information (name, address and phone number) to authorized third parties, for example, directory publishers. It is the same information that is available in public telephone directories. You can restrict the publication of personal information in phone books, online directories and directory assistance, through services such as

“non-published” and “non-listed” numbers. Contact your customer service representative to discuss options available to you.

Restricting our use of your CPNI

If you choose to restrict access to your CPNI for our own marketing purposes, you can contact a customer service representative at the customer service number located on your AT&T telephone bill. Restricting our use of your CPNI will not affect the provision of any AT&T products or services to which you subscribe, nor will it eliminate all types of AT&T marketing contacts.

Section 222 of the Communications Act

The privacy of customer phone records is governed by Section 222 of the Communications Act of 1934, *et seq.* (“the Act”) (47 U.S.C. § 222), and the rules of the Federal Communications Commission (47 C.F.R. § 64.2001, *et seq.*).

Section 222(a) of the Act imposes an obligation on every telecommunications carrier to protect the privacy of customer records as follows:

Every telecommunications carrier has a duty to protect the confidentiality of proprietary information of, and relating to, other telecommunication carriers, equipment manufacturers, and customers, including telecommunication carriers reselling telecommunications services provided by a telecommunications carrier.

Section 222(c)(1) of the Act provides, in part, as follows:

Except as required by law or with the approval of the customer, a telecommunications carrier that receives or obtains customer proprietary network information by virtue of its provision of a telecommunications service shall only use, disclose, or permit access to individually identifiable customer proprietary network information in its provision of (A) the telecommunications service from which such information is derived, or (B) services necessary to, or used in, the provision of such telecommunications service, including the publishing of directories.

Section 222(h)(1) defines the term “customer proprietary network information,” or “CPNI” as:

- (A) information that relates to the quantity, technical configuration, type, destination, location, and amount of use of a telecommunications service subscribed to by any customer of a telecommunications carrier, and that is made available to the carrier by the customer solely by virtue of the carrier-customer relationship; and
- (B) information contained in the bills pertaining to telephone exchange service or telephone toll service received by a customer of a carrier;

“except that such term does not include subscriber list information.”

Section 222(d) provides certain “exceptions” to the general prohibition on disclosure of CPNI as follows:

Nothing in this section prohibits a telecommunications carrier from using, disclosing, or permitting access to customer proprietary network information obtained from its customers, either directly or indirectly through its agents—

- (1) to initiate, render, bill, and collect for telecommunications services;
- (2) to protect the rights or property of the carrier, or to protect users of those services and other carriers from fraudulent, abusive, or unlawful use of, or subscription to, such services;
- (3) to provide any inbound telemarketing, referral, or administrative services to the customer for the duration of the call, if such call was initiated by the customer and the customer approves of the use of such information to provide such service; and
- (4) to provide call location information concerning the user of a commercial mobile service (as such term is defined in section 332 (d) of this title)—
 - (A) to a public safety answering point, emergency medical service provider or emergency dispatch provider, public safety, fire service, or law enforcement official, or hospital emergency or trauma care facility, in order to respond to the user's call for emergency services;
 - (B) to inform the user's legal guardian or members of the user's immediate family of the user's location in an emergency situation that involves the risk of death or serious physical harm; or
 - (C) to providers of information or database management services solely for purposes of assisting in the delivery of emergency services in response to an emergency.

In addition, the FCC rules implementing Section 222 (47 C.F.R. § 64.2001, *et seq.*) contain various requirements for the use of CPNI with and without the customer's consent, for obtaining customer consent to use CPNI, and safeguards for the use of CPNI.