UNITED STATES DISTRICT COURT FOR THE DISTRICT OF COLUMBIA

UNITED STATES OF AMERICA, Plaintiff, v. MCI COMMUNICATIONS CORPORATION and BT FORTY-EIGHT COMPANY ("NewCo"),

Defendants.

Civil Action No.

Filed:

STIPULATION

It is stipulated and agreed by and between the undersigned parties, by their respective attorneys, that:

1. The Court has jurisdiction over the subject matter of this action and over each of the parties hereto and venue of this action is proper in the District of Columbia. Defendants are hereby estopped from contesting the entry or enforceability of the Final Judgment on the ground that the Court lacks venue or jurisdiction over the subject matter of the action or over any defendant. For purposes of this stipulation defendant BT Forty-Eight Company, known as "NewCo," and any reference to NewCo herein, shall be understood to have the same meaning as the term "NewCo" in the attached proposed Final Judgment.

2. The parties consent that a Final Judgment in the form hereto attached may be filed and entered by the Court, upon the

motion of any party or upon the Court's own motion, at any time after compliance with the requirements of the Antitrust Procedures and Penalties Act (15 U.S.C. § 16), and without further notice to any party or other proceedings, provided that plaintiff has not withdrawn its consent. Plaintiff may withdraw its consent to entry of the Final Judgment at any time before it is entered, by serving notice on the defendants and by filing that notice with the Court.

3. Pending entry of the Final Judgment, defendants shall abide by and comply with the provisions of the Final Judgment following consummation of the Amended and Restated Investment Agreement dated January 31, 1994 (and related agreements) or any similar arrangement between any defendant and British Telecommunications plc ("BT"). This obligation shall not be affected by the timing of execution of any agreements between defendants and BT requiring BT to provide to MCI and NewCo information needed for compliance with the requirements of Sections II.A.1-6. Such agreements, which shall be executed prior to the entry of the Final Judgment, shall be consistent with Sections II.B-D of the Final Judgment and shall be provided to the Department of Justice upon execution.

4. The agreements governing disclosure to United States corporations, referred to in Section IV.E of the Final Judgment, will provide that: (1) non-public information received from the Department of Justice is intended for use to complain or provide information to any government authorities in the United States or

the United Kingdom, and to identify and evaluate internally any conduct that may be made the subject of such a complaint or provision of information, but may not be used for the sale or marketing of the corporation's services; (2) such information may not be disclosed to persons other than officers, directors, employees, agents, or contractors of the corporation and to government authorities in the United States or the United Kingdom (including, but not limited to, the Federal Communications Commission and OFTEL); (3) all persons to whom the information is disclosed will be advised of the limitations on use and disclosure of the information; and (4) if unauthorized use or disclosure occurs, the Department of Justice can revoke or otherwise limit the corporation's further access to such information, unless the Department decides, in its sole discretion, that revocation of access is inappropriate. Plaintiff, in its discretion, may add further conditions to such agreements. Any actions taken by the Department to redress unauthorized use or disclosure will not diminish or create any ability in NewCo or MCI to pursue separately against persons receiving such information from the Department any legal remedies for unauthorized use or disclosure.

5. Plaintiff and defendants are presently aware that the entities listed in Attachment A to this Stipulation are, or based upon the best available information appear to be, qualified United States international telecommunications providers as defined in Section II.E of the Final Judgment. Any other persons

(including corporations or other legal entities) that make known to the Department of Justice before the entry of the Final Judgment that they meet the standards for qualification under Section II.E of the Final Judgment shall be added to Attachment A of this Stipulation if the Department concludes that such persons are qualified United States international telecommunications providers within the meaning of Section II.E. The Department shall publish the names of such persons in its response to public comments under the Antitrust Procedures and Penalties Act.

6. Six months prior to the expiration of the Final Judgment, defendants shall inform the Department of Justice in writing whether they will continue or discontinue the operation of NewCo beyond the term of the Final Judgment.

7. In the event plaintiff withdraws its consent to entry of the proposed Final Judgment or if the proposed Final Judgment is not entered pursuant to this Stipulation, this Stipulation shall be of no effect whatsoever and its making shall be without prejudice to any party in this or any other proceeding, except that if the Court decides not to enter the Final Judgment, and the defendants and British Telecommunications plc have consummated pursuant to paragraph 3 of this Stipulation, defendants shall abide by and comply with the terms of the Final Judgment until the conclusion of this action, unless the parties otherwise agree or the Court otherwise orders.

8. The Stipulation and the Final Judgment to which it relates are for settlement purposes only and do not constitute an

admission by defendants in this or any other proceedings that Section 7 of the Clayton Act, 15 U.S.C. § 18, as amended, or any other provision of law, has been violated.

Dated: June 10, 1994

FOR PLAINTIFF UNITED STATES OF AMERICA:

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STIPULATION APPROVED FOR FILING

Done this day of , 1994.

UNITED STATES DISTRICT JUDGE

DISCLOSURE PURSUANT TO RULE 108(k)

Pursuant to Rule 108(k) of the Local Rules of this Court, the following is a

list of all individuals entitled to be notified of the entry of the foregoing

Stipulation and of the entry of the proposed Final Judgment:

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Counsel for Plaintiff the United States

ATTACHMENT A

List of entities pursuant to Paragraph 5 of this Stipulation:

ACC Global Corp., including ACC Long Distance UK Ltd.

Ameritel Communications Inc., including Amera Tela Communications (UK) Ltd.

AT&T Corporation, including AT&T (UK) Ltd.

City of London Telecommunications Ltd. (COLT)

IDB Communications Group, Inc., including WorldCom International, Inc.

MFS Communications Co., Inc., including MFS Communications Ltd.

Sprint Corporation, including Sprint Holdings (UK) Ltd.