

CONFIDENTIAL

BellSouth Telecommunications, Inc.
FPSC Docket Nos. 020119-TP & 020578-TP
Staff's 5th Set of Interrogatories
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Item No. 30
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ATTACHMENT
INTERROGATORY NO. (30)
PROPRIETARY

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This notice of intent was filed in a docketed matter by or on behalf of a "telco" for Confidential DN 11220-02. The confidential material is in locked storage pending staff advice on handling.

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FPSC-COMMISSION CLERK

Lesson 1

Welcome

Welcome to the training session for Customer Proprietary Network Information (CPNI) and Wholesale Information, Fair Competition and Social Engineering.

If you are a BellSouth employee, it is highly recommended that you take this training online as Course CN181B-02 where your completion would be automatically submitted to TEDS. This document is essentially a paper copy of that course but you will have to contact your supervisor or training coordinator to arrange to document your completion.

Contractors, consultants and/or other non-BellSouth personnel taking this course cannot register completion for this course on TEDS. However, the last page of this training provides the process for these situations.

This is a self-paced training session consisting of seven lessons. It should take approximately 60 minutes to complete, but you may take as long as you need. Study each page and feel free to go back and review previous pages as needed.

There will be some practice exercises and a mastery test for you to complete.

Objectives

- Understand the implications of the FCC rules about usage of CPNI and Wholesale Information.
- Identify services within each telecommunications service category as defined by the FCC.
- Explain the types of approvals that can be obtained when working directly with customers.
- Identify situations where the use of CPNI without approval after notice is permitted and where it is not permitted.
- Understand BellSouth policies about access to and use of IT systems that contain CPNI and/or Wholesale Information.
- Understand BellSouth disciplinary policies relating to proper usage of CPNI and Wholesale Information.
- Understand BellSouth's policy relating to fair competition and non-disparagement.
- Understand what Social Engineering is and BellSouth's policy relating to Social Engineering.

Lesson 1

Why is this important?

In accordance with FCC rules located at 47 CFR 64.2001-2009, BellSouth must comply with certain requirements before an employee can access CPNI and Wholesale Information.

One of those requirements is that all employees be trained on the appropriate uses of the information. A second requirement is to obtain customer approval to use certain information about their account prior to offering certain services or products. Yet another requirement of the rules is that BellSouth cannot use Wholesale Information to retain or reacquire end-user customers.

As a BellSouth employee or agent, contact with our customers and access to information about their service may be one of the core components of your daily activities. As a result, it is important that you are sensitive to the rights of our customers, both end-user customers and carrier customers, and aware of the appropriate ways you can utilize certain information.

BellSouth has a longstanding policy of protecting the confidential nature of customer, company and employee information. Every action we take reflects the highest ethical standards. We interact with our customers and our employees with honesty and integrity.

Lesson 2

CPNI Defined

The 1996 Telecommunications Act defines CPNI as:

Information relating to:

- Quantity,
- Technical configuration,
- Type,
- Destination, and
- Amount of use

of a telecommunications service subscribed to by any customer of a telecommunications carrier, which is made available to the carrier by the customer solely by virtue of the customer/carrier relationship; and information contained in all of the bills pertaining to telephone exchange service or telephone toll service received by the customer of a carrier.

The term CPNI does NOT include:

- Subscriber list information,
- Information that is related to services other than a telecommunications service,
- Information obtained from independent third parties, or
- customer-provided information.

Subscriber List Information Defined

Subscriber List Information is the following information about a customer:

- Name
- Address
- City
- State
- Zip Code
- Phone Numbers (published or unpublished)

Lesson 2

Telecommunications Service Categories

The FCC separated the various products and services provided by a telecommunications carrier into three basic telecommunications service categories and one non-telecommunications service category. The telecommunications service categories are: **Local, Wireless and Long Distance.**

TELECOMMUNICATIONS SERVICE CATEGORIES		
Information that relates to services in one of these three categories is CPNI.		
Local	Wireless	Long Distance
- Local Telephone Service - IntraLATA Toll	- Cellular Services (Analog and Digital) - PCS - Paging	- Interexchange Service - IntraLATA Toll - InterLATA Toll
NON-TELECOMMUNICATIONS SERVICE CATEGORY		
Information relating to services in this category is NOT CPNI.		
Voice Mail, Voice Storage and Forward, FAX Storage and Forward, Other Information Services, Internet Access Services, CPE, Yellow Pages, Managed Network Services, Inside Wiring, Conferencing Services, Accessories, Insurance, Equipment Maintenance Plans.		

Lesson 2

Quiz – What is considered CPNI?

From the list below, place a mark in the box next to the data elements considered CPNI as defined by the Telecommunications Act of 1996.

Customer Data Element	CPNI?
Customer name	<input type="checkbox"/>
Current bill balance	<input type="checkbox"/>
Rate plan	<input type="checkbox"/>
Date of Birth	<input type="checkbox"/>
Service start date	<input type="checkbox"/>
Phone manufacturer	<input type="checkbox"/>
Social Security Number	<input type="checkbox"/>
Voice Mail package	<input type="checkbox"/>

Lesson 2

Quiz – Answer Key: What is considered CPNI?

Customer Data Element	CPNI?	Rationale
Customer name	<input type="checkbox"/>	NO. This would not be considered CPNI. Customer names do not meet the definition of CPNI.
Current bill balance	<input checked="" type="checkbox"/>	YES. This data relates specifically to the "amount of use" obtained as a result of a customer's telecommunications service.
Rate plan	<input checked="" type="checkbox"/>	YES. This data relates specifically to the "type" of information obtained as a result of a customer's telecommunications service and may also be related to usage.
Date of Birth	<input type="checkbox"/>	NO. A date of birth does not meet the definition of CPNI.
Service start date	<input type="checkbox"/>	NO. Service Start Date does not meet the definition of CPNI.
Phone manufacturer	<input type="checkbox"/>	NO. This data would not be considered CPNI because it is part of the "Non-Telecommunications" Service Category.
Social Security Number	<input type="checkbox"/>	NO. Social Security Numbers do not meet the definition of CPNI.
Voice Mail package	<input type="checkbox"/>	NO. This data would not be considered CPNI because it is part of the "Non-Telecommunications" Service Category.

Lesson 2

Policy on Access and Use

Introduction

Here is a summary of the BellSouth policy regarding the access to and use of CPNI and Wholesale Information.

General Policy Statement

It is the policy of BellSouth Corporation and its affiliates to protect all proprietary information belonging to or in the control of BellSouth, including, without limitation, information about its customers - both carrier and end-user, and the services and products provided to those customers by BellSouth.

CPNI and Wholesale Information Policy Statement

It is the policy of BellSouth to treat all CPNI and Wholesale Information in a confidential manner. Further, it is the policy of BellSouth to limit disclosure and the use of CPNI and Wholesale Information in a manner consistent with the requirements of the FCC rules, Section 222 of the Telecommunications Act of 1996 and any applicable state or local requirement.

All employees of BellSouth who may have access to either CPNI or Wholesale Information shall receive training with respect to the proper use of and access to such information. No employee shall gain access to any CPNI or Wholesale Information unless such employee has been trained.

Access to BellSouth IT Systems

It is the policy of BellSouth that no BellSouth personnel shall access any BellSouth IT system unless that person has a legitimate and authorized business purpose for such access. Without limitation, this means that BellSouth personnel are prohibited from "system surfing" just to see what information is available.

Further, even if it is appropriate for BellSouth personnel to have access to a particular IT system for one legitimate business purpose, it is not permissible to access the system for a different purpose. For example, if a customer service representative has appropriate access to a system containing Wholesale Information so that the representative can redirect misdirected calls from former customers to their current provider, it is inappropriate for that person to access that same system for customer reacquisition or retention purposes.

Failure to Comply with CPNI, Wholesale Information and Systems Access Policies

Any employee, contractor, consultant or agent, who gains access to CPNI or Wholesale Information without having been trained on the CPNI and Wholesale Information rules, or uses CPNI or Wholesale Information in any manner, which is contrary to the rules, shall be subject to disciplinary action which may include dismissal of the employee or termination of the contractual relationship for contractor, consultant and/or agent.

Access to Customer Data Request Form RF-7049 must be prepared and approved prior to providing any customer information data from any BellSouth system to any BellSouth personnel or representative who does not have access to such data..

View Access to Customer Data Request Form RF-7049 in Appendix A

Lesson 2

Appropriate Access and Use – CPNI

What is Appropriate Access and Use?

The CPNI rules provide that no customer approval after notice is required to use CPNI to target a customer for the sale of services within the same Telecommunications Service Category. Rather, we can rely on the *inferred or implied approval* of the customer. CPNI can be used to answer customer's questions, market, sell, or study in any manner so long as it is used for services in the same category.

What is the Total Service Relationship (TSR)?

The total service relationship (TSR), for a given customer is defined by reference to the telecommunications service categories covered by existing services subscribed to by that customer.

If a customer has services only in the local service category, then local service alone defines the "total service relationship". Likewise if a customer has services in the local and wireless service categories, BellSouth's "total service relationship" with that customer covers all services in the local and wireless service categories. Further, if that customer then subscribes to a long distance service with BellSouth, the "total service relationship" extends to include all long distance category services.

The "total service relationship" *does not* extend to services in the non-telecommunications service category.

What is Inappropriate Use?

The CPNI rules indicate that it is unacceptable to use CPNI when looking to market services or products outside of the total service relationship *unless we have the customer's approval to do so after notice*.

For example, it would be inappropriate to "sweep" a database for high revenue local customers to target market Internet access services. This is because local service is in the Local TSC and Internet access service is in the Non-Telecommunications Service Category. Unless a non-telecommunications service or product is covered by a special rule (see below), it is inappropriate to use CPNI to identify a customer for a non-telecommunications service without the customers approval after notice. *We would only be able to use information for those customers who had given approval after notice in advance of that "sweep"*.

Lesson 3

Types of CPNI Customer Approval

The FCC's CPNI Rules require that BellSouth only use CPNI of a customer to provide and bill for that customer's services and to market within that customer's TSR unless BellSouth has the customer's approval.

We need approval to use CPNI to *market* or *sell* a service or product in a *different* service category than is covered by the total service relationship with that customer. This approval takes two different forms:

- Approval After Notice (Opt-in/Opt-out)
- Duration of Call/Duration of Visit Approval

Approval After Notice for CPNI

Introduction

In order to obtain a customer's approval to use CPNI to market a service or product in a service category outside of a customer's total service relationship, the customer must receive notification of CPNI rights.

The notification will explain the customer's rights regarding the use of CPNI, how BellSouth could use CPNI, the entities that could receive the information, and BellSouth's duty to protect the confidentiality of CPNI.

Opt-in Approval

With opt-in notice, the customer must affirmatively grant approval for use of CPNI. By granting approval, the customer authorizes BellSouth to use CPNI from any service category to market services in any other service category, including any non-telecommunications service. The approval will be noted in the customer's records and will remain in effect until and unless the customer asks for limitations or withdraws approval.

Opt-out Approval

With opt-out notice, BellSouth informs the customer that we may use CPNI to market services outside the TSR without further authorization unless the customer advises us differently within 30 days of notice. In other words, there is no affirmative approval from the customer.

Obtaining Approval

Both opt-in and opt-out are viable options to use. Check with your supervisor to determine which process your organization uses or contact your CPNI Coordinator for further information.

Lesson 3

Duration of Call or Visit Approvals for CPNI

Inbound Duration of Call Approval

During a customer-initiated interaction (an inbound phone call, in-store visit, or customer-initiated premises visit), an employee may ask for permission to use CPNI to market additional services or special promotions for services outside the customer's total service relationship.

If the customer grants permission, the approval is only valid for the duration of the customer interaction.

Inbound Call Examples

Here are some options that you may use to ask a customer for duration of call approval on an inbound call:

1. *"While I have access to your record today may I use it to recommend some changes or valuable options to your current service? Your answer will not affect your BellSouth services."*
2. *"Is it OK to use your record to recommend additional services? Your answer will not affect your BellSouth services."*
3. *"May I have your permission to use your record and possibly recommend some changes? Your answer will not affect your BellSouth services."*
4. *"While I have access to your record, may I use it to recommend additional services that may be of value to you? Your answer will not affect your BellSouth services."*
5. *"While I have access to your record, may I use the information to enhance your services or maybe save you money? Your answer will not affect your BellSouth services."*
6. *"While I have access to your records, may I use them to discuss some additional services, which may be beneficial to your business? Your answer will not affect your BellSouth services."*
7. *"May I have your permission to use your information to possibly enhance your services or maybe save you money? Your answer will not affect your BellSouth services."*

Other BellSouth Legal Department-approved scripts are available. No request for this approval should be made unless using a BellSouth Legal Department-approved script. You may choose the statement that you feel most comfortable with and use it with absolutely no deviation.

Lesson 3

Duration of Call or Visit Approvals for CPNI

Outbound Duration of Call Approval

Generally, duration of call approval is not permissible for outbound calls, ***except in the following circumstance:***

- If the purpose of the call is to discuss a product or service within the total service relationship but necessarily the call leads to a discussion outside of the total service relationship, you would need to ask the customer for duration of call approval using the script set forth below.

Example: In the process of selling Internet access service during an outbound call, the customer asks about the need for a second line. Under these circumstances, in order to use a customer's local service category CPNI, you would ask the customer:

"Mr/Mrs Customer, in order to identify additional services that may be beneficial to your business, I would like to use information available to us about the telecommunications services you buy from BellSouth. This information will only be used by me and only while we are on the phone today. Of course, BellSouth has an obligation to ensure your right to have this information kept confidential. Your answer will not affect your service. Is it OK to use your records?"

Other BellSouth Legal Department-approved scripts are available. No request for this approval should be made unless using a BellSouth Legal Department-approved script. Your use of this script should be with absolutely no deviation.

Supervisory Review Process

As a reminder, all sales and marketing campaigns, including outbound marketing campaigns, are subject to a Supervisory Review Process with a record kept for one year following completion (see following material on Supervisory Review Process).

Lesson 3

CPNI Inferred Customer Approval

The FCC's CPNI Rules provide that under certain circumstances, BellSouth can "infer" or "assume" that the customer has provided approval for the use of CPNI. Under these circumstances, BellSouth is not required to specifically ask for the approval of the customer.

BellSouth may use CPNI about services that are in the service categories covered by the "total service relationship", to target the customer for the sale of other services in those same categories without additional customer approval. The customer's approval can be "assumed" or "inferred."

REMEMBER

BellSouth's Total Service Relationship (TSR) with a customer is the service category or combination of the three categories (local, wireless, long distance) to which the customer subscribes.

For example, if a customer has services only in the local service category, then local service alone defines the total service relationship. Likewise, if a customer has services in both the local and the wireless categories, BellSouth's total service relationship with that customer covers all services in both local and wireless categories. Further, if that customer then subscribes to a long distance service with BellSouth, the total service relationship extends to include all long distance category services.

As a general rule, BellSouth cannot rely on the "inferred" or "assumed" approval approach to target customers for the sale of services in the Non-Telecommunications Service Category, even if the customer already subscribes to services in the Non-Telecommunications Service Category. Under the CPNI rule the "total service relationship" concept applies only to the local, wireless and long distance Telecommunications Service Categories. Total service relationship does NOT include the Non-Telecommunications Service Category.

The CPNI Rules do have exceptions to this general rule. Customer approval can be "inferred" or "assumed" for the following uses of CPNI:

- CPNI from the local service category can be used to target a customer for the sale of an inside wiring plan (a non-telecommunications service).
- Wireless companies like Cingular can use wireless category CPNI to target customers for the sale of all customer premises equipment (CPE) and all information services.
- Non-wireless carriers like BellSouth Telecommunications can use local service category CPNI to target customers for the sale of CPE necessary to use the service and for the following non-telecommunications services, but expressly excluding dial up internet access services:
 - call answering services;
 - voice mail or messaging;
 - voice storage and retrieval services
 - fax storage and retrieval services; and
 - protocol conversion services

Lesson 3

Quiz - Is prior approval after notice needed?

For each of the following questions, determine if prior customer approval is needed to use CPNI. Mark your response by clicking on the appropriate YES or NO box.

Q1: To market caller ID on an outbound basis, you target all customers who spend over \$100 per month with BellSouth on local service and don't have caller ID in a designated zip code. Are you limited only to customers who have prior approval after notice?

Yes
 No

Q2: If you target all customers with dial-up Internet access service for the sale of BellSouth's Fast Access Internet service, is prior approval after notice needed?

Yes
 No

Q3: If you offer the customer choices between combined or separate billing for BellSouth or Cingular wireless and BellSouth local services, is prior approval after notice needed?

Yes
 No

Q4: If you target all customers with more than \$100 in monthly local service spending to sell them BellSouth's voicemail service, is prior approval after notice needed?

Yes
 No

Q5: If you identify all customers with second residential lines to target them for Internet access service, is prior approval after notice needed?

Yes
 No

Q6: If a customer calls to ask the balance of their bill for the current month, is prior approval after notice needed?

Yes
 No

Lesson 3

Quiz - Answer Key: Is prior approval after notice needed?

<p>Q1:</p>	<p>Caller ID and local revenue are part of the Local Telecommunications Service Category . The zip code is part of the subscriber list information and not CPNI. Therefore, no prior approval after notice is required to target customers based on this information.</p>	<p>NO</p>
<p>Q2:</p>	<p>Both dial-up Internet access service and Fast Access Service are non-TSR services. Information about these services is not CPNI. Therefore, no prior approval after notice is required.</p>	<p>NO</p>
<p>Q3:</p>	<p>Billing is a permitted use of CPNI. Therefore, no prior approval after notice is required to offer a customer the choice of separate or combined billing for services.</p>	<p>NO</p>
<p>Q4:</p>	<p>Voice mail services are one of the exceptions to the general rule that you cannot use local service CPNI to target customers for the sale of non-Telecommunications Service Category services. Therefore, no prior approval after notice is required to reply to customer inquiry on "best" plan.</p>	<p>NO</p>
<p>Q5:</p>	<p>Residential service information is CPNI from the Local Telecommunications Service Category. CPNI cannot be used to target a customer for a Non-Telecommunications Service like Internet access, without prior approval after notice.</p>	<p>YES</p>
<p>Q6:</p>	<p>Billing is a permitted use of CPNI. Therefore, no prior approval after notice is required to respond to customer inquiry concerning bill balance.</p>	<p>NO</p>

Lesson 3

Determine Customer's Approval Status

The FCC's CPNI rules require that BellSouth institute a process by which a specific customer's approval status - inferred only or approval after notice - is determined prior to using any CPNI. BellSouth has adopted the following procedures to meet this FCC requirement.

- BellSouth assumes that a customer is an "inferred only" approval customer - the most restrictive approval status.
- This assumption applies for every customer, unless the BellSouth personnel or representative desiring to access and use the relevant CPNI has evidence (through system flags or otherwise) or personal knowledge that approval after notice has been provided by the customer and such approval after notice is still in effect.
- Absent any such documentary evidence or personal knowledge and under circumstances where appropriate to do so, a duration of call or duration of visit approval will be requested.

If a duration of call or duration of visit approval is not obtained, BellSouth personnel or representatives must act in a manner consistent with the "inferred" approval requirements. That is, they can only offer product or services within the customer's existing TSR.

Aggregate Customer Information

The CPNI rules address the proper use of aggregated CPNI where individual customer characteristics have been deleted. This information is referred to as aggregate customer information or ACI. Examples of ACI include:

- Total number of subscribers for a particular service
- Total revenue generated by a particular service
- Total number of customers for a particular service in a particular geographic area.

BellSouth can use ACI without obtaining any consent of the individual customers whose services and CPNI have been aggregated. If BellSouth, however, uses ACI in certain ways, BellSouth has an obligation to share the specific ACI with any third party that requests the information. BellSouth is not required to post notice that it has used ACI in a manner that triggers the sharing obligation, but must honor any "standing requests" for such ACI.

BellSouth has developed a process for the approval of the use of ACI that would trigger the sharing obligation. Any proposed new use of ACI by BellSouth must be approved pursuant to the company's ACI approval process.

Any BellSouth employee or representative proposing to use ACI should contact the CPNI subject matter expert for that employee's organization or the BellSouth Legal Department to ensure that the appropriate approvals are obtained.

View methods and procedures for use of ACI Form RF-7051 in Appendix B

Lesson 3

Supervisory Review Process

Introduction

As part of the CPNI rules, telecommunications carriers are required to implement a Supervisory Review Process of all outbound marketing campaigns. In addition, these carriers are required to track all sales and marketing campaigns, whether or not "outbound" in nature.

To simplify operations, BellSouth has elected to apply the following Supervisory Review Process to all sales and marketing campaigns. This review process is an additional safeguard to ensure that customer information will not be used to target customers to market services beyond the total service relationship without prior approval after notice (Opt-in/Opt-out).

A sales and marketing campaign is defined as:

Any organized program designed by a marketing, customer operations, or sales operation organization where a group of customers or potential customers are targeted for receipt of a written, oral, or electronic solicitation to subscribe to or purchase a defined set of products or services.

Sales and marketing campaigns **do not** include:

- Ad hoc sales person originated customer contacts of individual customers (e.g., Account Executive call or visit to one or more customers for sales or marketing purposes).
- Marketing Research
- Non-sales/solicitation customer contact activities (e.g., notice to customers of new FCC regulations)

Implementation of the FCC Requirement

The following approach has been established to meet the FCC requirements:

A company-wide Sales and Marketing Campaign Review "process" has been established and tailored by your organization to ensure compliance with the CPNI rules.

Designated Supervisory Review Coordinators have been trained and act as specialists in handling evaluations of our current and future sales and marketing campaigns. Records of all sales and marketing campaign requests are maintained for one year to satisfy FCC audit requirements.

Sales and marketing personnel must receive specialized training on the Supervisory Review Process from their manager.

View the Supervisory Review and Approval Checklist Form RF-7045 in Appendix C

Lesson 4

Wholesale Information Defined

Wholesale Information is information that BellSouth has in its possession because it provides services to other carriers that provide services to end user customers.

Wholesale Information includes proprietary information of carriers, carrier information and CPNI generated in the provision of telecommunications services to carrier customers.

This information is also referred to as "carrier to carrier" information and includes, but is not limited to:

- customer change or switch orders indicating a competitive loss;
- PIC orders identifying the carrier used by an end user customer;
- the fact that an end user customer has switched to another carrier that is a carrier customer of BellSouth;
- the name of the new carrier;
- information about the services provided to the end-user customer by BellSouth's carrier customer; and
- the nature of the services provided by BellSouth's carrier customer to the end-user customer, e.g., resale of BellSouth services, UNE-based service or facilities-based services.

Lesson 4

Quiz – What is considered Wholesale Information?

From the list below, place a mark in the box next to the data elements that are considered Wholesale Information under Section 222 of the Telecommunications Act of 1996.

Data Element	Wholesale Information?
New Carrier Name	<input type="checkbox"/>
Date of Disconnect	<input type="checkbox"/>
Fact that customer has disconnected service	<input type="checkbox"/>
Fact that customer has service from another carrier	<input type="checkbox"/>
Fact that carrier has viewed end-user customer record	<input type="checkbox"/>
PIC Order	<input type="checkbox"/>

Lesson 4

Quiz – Answer Key: What is considered Wholesale Information?

Data Element	Wholesale Information?	Rationale
New Carrier Name	<input checked="" type="checkbox"/>	Yes. Name of new carrier is Wholesale Information
Date of Disconnect	<input type="checkbox"/>	No. The date of service disconnection for service of a former customer is not Wholesale Information, unless it is also known that the disconnection is a competitive loss.
Fact that customer has disconnected service	<input type="checkbox"/>	No. The fact that a customer's service has been disconnected is not Wholesale Information unless it is also known that the disconnection is a competitive loss.
Fact that customer has service from another carrier	<input checked="" type="checkbox"/>	Yes. The fact that a customer is now receiving service from another carrier is Wholesale Information unless we learn that information directly from the customer.
Fact that carrier has viewed end-user customer record	<input checked="" type="checkbox"/>	Yes. Other carrier needs the consent of the end user customer to view that customer's record with BellSouth. The fact that the carrier has viewed the customer's record is Wholesale Information.
PIC Order	<input checked="" type="checkbox"/>	Yes. PIC Order identifies the carrier providing services to the end user customer. It is Wholesale Information.

NOTE: Please make sure you have a good understanding of this material prior to moving forward.

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- BELLSOUTH PROPRIETARY -

Lesson 4

Appropriate Access and Use – Wholesale Information

What is Appropriate Access and Use?

Wholesale Information cannot be accessed or used for any purpose related to the sale or promotion of any BellSouth product or service to any end-user retail customer. The only appropriate uses of Wholesale Information are:

- (1) to provide the carrier customer with the wholesale services that carrier customer requires, and
- (2) to attempt to sell that carrier customer other services within the total service relationship that exists between BellSouth and that carrier customer.

It is inappropriate to access Wholesale Information unless you have a business reason to do so that is consistent with this training. Wholesale Information cannot be used to assist BellSouth in targeting end-user customers for customer reacquisition or retention efforts. Without limiting the previous statement, it is inappropriate to use Wholesale Information to:

- (1) confirm that a customer has switched its service to a competitor;
- (2) determine what competitor a former customer is now using; or
- (3) develop a target list for customer reacquisition or retention.

Use of Wholesale Information

BellSouth is required to maintain the confidentiality of Wholesale Information and is expressly prohibited from using Wholesale Information to market or sell its own services to end-user retail customers. BellSouth's status as a provider of both retail services to end-users and wholesale services to other carriers, makes it critically important that BellSouth honor its obligations concerning the use of Wholesale Information.

BellSouth cannot use Wholesale Information it has in its possession due to the provision of telecommunications services to other carriers, even if the end-user customer provides "consent."

On the other hand, it is permissible for BellSouth to use information about a former customer's *current carrier* and services if that information is provided by the former customer and BellSouth captures and records the source of the information. Under no circumstances, however, can BellSouth personnel or representatives use information that BellSouth has in its possession as a result of the provision of wholesale or "carrier to carrier" services to other carriers.

Lesson 4

Use for Customer Retentions or Reacquisition

Customer Retention

Subject to the rules concerning total service relationship and customer approval, telecommunications carriers can use CPNI about an existing customer to target that customer for retention efforts. It is permissible to use CPNI to identify high value or "at risk" customers for purposes of making a special offer to persuade the customer to stay with BellSouth. In addition, if the customer informs BellSouth it has decided to leave BellSouth and obtain services from another carrier, BellSouth is free to target that customer for retention efforts unless the customer has already placed an order to switch.

On the other hand, carriers like BellSouth cannot use Wholesale Information, or "carrier to carrier" information to target "soon to be former customers" for such retention efforts. If BellSouth determines that a current customer has agreed to switch to another carrier and that information is obtained because BellSouth is the underlying provider of wholesale services to the new carrier, BellSouth is prohibited from using that information to identify the end-user customer for retention efforts.

Customer "Reacquisition"

BellSouth is free to use CPNI of a former customer that was generated while that customer obtained retail services from BellSouth in an effort to "reacquire" that customer. This ability is limited by the "inferred" approval, telecommunications service category approach. Old CPNI from services in one telecommunications service category can only be used to "reacquire" the customer for services in the same service category.

On the other hand, BellSouth cannot engage in "reacquisition" efforts based on Wholesale Information in its possession just because it is providing the underlying wholesale services to the retail customer's new carrier.

For example, BellSouth could develop a list of its former intraLATA toll customers with the highest average monthly bill and design a targeted "reacquisition" program to regain those customers as intraLATA toll customers. BellSouth could not, however, use PIC information or information concerning the identity of the current intraLATA toll carrier for the design or targeting of a "reacquisition" campaign.

Lesson 4

CPNI Rule

CUSTOMER PROPRIETARY NETWORK INFORMATION GENERAL RULE SUMMARY

CPNI DEFINED

- CPNI is information that BellSouth collects and maintains in the course of furnishing telecommunications service to its customers.
- CPNI relates to the quantity, technical configuration, type, billing information, destination and usage data of a telecommunications service available to BellSouth solely because of the customer-carrier relationship.
- CPNI includes service descriptions, type and class of service, service features, service revenue, average revenue, total revenue, local and wireless and long distance usage details.
- CPNI does not include subscriber list information, customer name, address and phone number, self-reported information or third party information.

Service Categories and the Inferred Approval

Local	Wireless	Long Distance
<ul style="list-style-type: none"> - Local Telephone Service - SONET & ISDN - IntraLATA Toll 	<ul style="list-style-type: none"> - Cellular Services (Analog & Digital) - Wireless Data - PCS - Paging 	<ul style="list-style-type: none"> - Interexchange Service - InterLATA Toll - IntraLATA Toll



No need for approval to use customer information from non-telecomms to telecomms



Cannot infer approval to use Customer information from telecomms to non-telecomms

Voice Mail, Voice Storage and Forward, FAX Storage and Forward Internet Access Services, CPE, Information Services, Yellow Pages, Managed Network Services, Inside Wiring, Conferencing Services, Accessories, Insurance, Equipment Maintenance Plans

1 By special rules, the FCC also permits use of CPNI to target for the sale of the following non-telecommunications services under the following circumstances: (a) use of Local Service Category CPNI to target for the sale of inside wiring; (b) use of CPNI for wireless companies to target for the sale of CPE and information services; (c) use of CPNI for all carriers to target for the sale of "adjunct to basic" services; (d) use of CPNI for non-wireless carriers to target for the sale of CPE and the following services - call answering, voice mail or messaging, voice storage and retrieval services, fax storage and retrieval services and protocol conversion services, but not dial up Internet access services

Lesson 4

CPNI Summary

TYPES OF CPNI RELEASES

- Process for Obtaining Approval = Must provide notice of CPNI rights prior to requesting approval. For "opt in" approach, one time notice to customers for written, oral or electronic communication of approval. BellSouth can make multiple requests for consent.
- Approval after Notice= Customer grant of approval for full use of customer information including use for all sales and marketing purpose outside of the existing service relationship. Can be either "opt in" or "opt out" approach. "
- Conditional Approval = Any condition placed by the customer on the approval following notice.
- Inferred Approval = Status of any account where the customer has not specifically stated their approval or condition on use of customer information.
- Duration of Call/Visit Release = Permission to fully utilize customer information during a customer contact.

DISCIPLINARY POLICY

All employees/consultants/contractors/agents with access to customer records must receive CPNI training. Cannot access CPNI without receiving CPNI training. Inappropriate access or use of CPNI is subject to disciplinary action, which may include dismissal of the employee or termination of contractual relationship for consultants, contractors and/or agents.

AGGREGATE CUSTOMER INFORMATION (ACI)

- ACI is collective CPNI where all individual customer characteristics and identities have been removed.
- No obligation to obtain customer approval to use, but LECs are required to share ACE from local services if LEC or LEC affiliate uses outside of total service approach. LEC must share information if requested by third party.

SUPERVISORY APPROVAL OF SALES AND MARKETING CAMPAIGNS

- A sales and marketing campaign is any organized program designed by a marketing or sales operation organization where a group of customers or potential customers are targeted for receipt of a written, oral or electronic solicitation to subscribe to or purchase a defined set of products or services, whether pursuant to inbound or outbound contacts.

All sales and marketing campaigns require advance supervisory approval. Supervisory approval will be given only if CPNI is used consistently with targeted customers' CPNI approval " status. Must maintain contact history from approved campaign for at least one year.

Lesson 4

CPNI Summary

DETERMINING APPROVAL STATUS

- Must determine a customer's approval status prior to use of CPNI about that customer's services.
- Assume that a customer is an "inferred only" approval customer - the most restrictive approval status.
- Assumption applies for every customer, unless reasonable or personal knowledge that approval after notice has been provided by the customer and such approval is still in effect.
- Absent evidence or personal knowledge and under circumstances where appropriate to do so, a duration of call or duration of visit approval will be requested.

If a duration of call or duration of visit approval is not obtained, must act in a manner consistent with the "inferred" approval requirements. That is, can only offer product or services within the customer's existing TSR.

Special CPNI Issues

The following pages contain special CPNI issues for certain organizations within BellSouth. You should review these pages for a better understanding of how CPNI might impact your organization.

- Finance
- IT
- Installation and Repair
- Network

Finance

1. The principal area of concern for finance is ACI. All revenue information for a given geographic area, a given service or for a given time period is ACI and not CPNI. Only customer-specific revenue information constitutes CPNI.
2. Use of ACI for financial planning and reporting is not a use that would trigger a sharing obligation on the part of BST.
3. Unless presented with a duly approved ACI Supervisory Review and Approval Checklist, finance personnel should not provide financial data to any other personnel or organization that intends to use such information in a manner that would trigger BST's sharing obligation.
4. Must determine approval status of each customer prior to use of CPNI.

Lesson 4

Special CPNI Issues

IT

1. No data extract should be provided to any other personnel unless the requesting person provides an access to customer data request ("ACDR") form reflecting approval by the relevant manager. A single ACDR may be used in connection with regular periodic reports or extracts provided to other personnel where the ACDR confirms that all reports or extracts will be used only for the purposes set forth in the ACDR.

View Access to Customer Data Request Form RF-7049 in Appendix A

2. IT personnel should not permit any direct access to any IT system containing CPNI without issuance of a User ID. No User ID should be issued to any person until that person has received CPNI training and a briefing on the CPNI restrictions applicable to the specific system.
3. IT personnel will be involved in the determination of the appropriate means for meeting BellSouth's obligation to determine approval status prior to using CPNI of a customer.

Installation and Repair

1. Repair personnel may provide repair and installation status information to BellSouth personnel, including sales and marketing personnel.
2. Must determine approval status of each customer prior to use of CPNI.
3. Unless presented with a duly approved ACI Supervisory Review and Approval Checklist, personnel should not provide customer data to any other personnel or organization that intends to use such information in a manner that would trigger BST's sharing obligation.

Network

1. Network personnel may provide repair and installation status information to BellSouth personnel, including sales and marketing personnel.
2. Must determine approval status of each customer prior to use of CPNI.
3. Unless presented with a duly approved ACI Supervisory Review and Approval Checklist, personnel should not provide customer data to any other personnel or organization that intends to use such information in a manner that would trigger BST's sharing obligation.

Lesson 5

Fair Competition

While BellSouth is committed to competing aggressively and winning in the marketplace, it is essential that we compete fairly and that we comply with all applicable laws. Here are some key points to remember.

1. Emphasize the "positives" about BellSouth.

We compete in the marketplace solely on the merits of our products and services, on the prices we charge, the packages we offer, and on the customer loyalty we earn. Our focus should be on "positive" selling of what BellSouth offers and the positive aspects of doing business with BellSouth. We should take particular care to be accurate when describing the quality, features, or availability of our products and services or our network.

2. Don't speak in a negative way about competitors.

We should *not* speak to customers or potential customers in a negative way about any competitor's quality of service, reputation, equipment or facilities. We should also not provide customers with any information or materials that contain any negative commentary about our competitors. It is all right, however, to provide approved, factually accurate comparisons between BellSouth's products and services and the products and services of our competitors, including information about prices, features, functionality and availability.

3. Don't provide information about the financial condition of competitors.

We should not provide customers or potential customers with any information of any kind about the financial condition of BellSouth's competitors or the Competitive Local Exchange Carrier (CLEC) industry in general. If asked about a competitor's financial position, you should respond that it is BellSouth's policy not to comment on the financial condition of a competitor.

4. Use and disseminate competitive information appropriately.

It is appropriate to have and use information about the telecommunications industry and its participants. This information is critical in making countless decisions. As discussed above, however, the circumstances under which we can provide information about competitors to customers and potential customers are very limited. Within the company, information about competitors should be circulated or distributed in compliance with "BellSouth's Competitive Intelligence Gathering Mandatory Guidelines," a copy of which is available from your Manager.

If we have information that we received from a customer that originated with a competitor (such as price quotes, responses to RFPs, etc.) and it is marked "proprietary and confidential," we cannot use that information. If, however, the information is not marked "proprietary" or "confidential," and we first make a reasonable inquiry with the customer and confirm that the information is not proprietary or confidential, we can use the information.

Lesson 5

Fair Competition

5. Do not limit competition through inappropriate agreements with competitors.

BellSouth should never agree with a competitor to eliminate competition between BellSouth and the competitor. The most common examples of this sort of agreement would be an agreement to eliminate price competition, such as to charge a specific price, not to lower prices or to offer discounts, or not to engage in a price war. Similarly, we must not divide markets or allocate customers with competitors. All agreements of this nature are considered as *per se illegal* under the antitrust laws. Do not enter into any agreement with a competitor that may limit competition without first seeking advice from the Legal Department.

6. Treat customers who are also competitors fairly and at "parity".

We must not discriminate between the level of service we provide our own customers and the level of service we provide to our competitors or their customers. We should never indicate or imply that a customer that purchases services from BellSouth's retail tariffs or promotions can obtain better service or faster installation than a customer that purchases the same service from a reseller of BellSouth services.

7. Do not interfere with any contract between a competitor and its customer.

We should not encourage customers to breach any contract they may have with a competitor. Any decision a customer may make to terminate a contract with a competitor should be theirs alone. Further, we should not offer to pay termination fees or suggest that any existing contract be ignored.

Lesson 6

Social Engineering

Definition

Social Engineering is generally defined as the practice of obtaining confidential information through deceptive means or practices.

In our industry, Social Engineering is described as any unauthorized person attempting to gain access to customer and/or company information by falsifying their identity and/or asking seemingly valid questions with the intent of obtaining access to proprietary information and/or records.

Social engineers use the information they obtain to commit identity theft, for the purposes of selling the information for profit.

BellSouth's Policy

It is BellSouth's policy to protect its information resources from unauthorized or improper use, theft, accidental or unauthorized modification, disclosure, transfer, or destruction. Measures for the protection of information resources must be implemented commensurate with their sensitivity, value and criticality.

It is important that employees understand how critical their role is in ensuring they are speaking with an authorized party prior to discussing or providing information. There are steps every BellSouth employee should take in order to ensure that confidential information is not disclosed. Required steps include:

- **Never give out your passwords to anyone.** BellSouth's Technical Support Center personnel will not need your password to resolve a system or user problem.
- Do not send or reply to an E-mail containing company or customer proprietary information unless you are certain of the identity of the recipient.
- **Know with whom you are communicating.** If you do not know the caller personally or suspect the caller may have falsely identified himself, insist on a callback number and before returning the call, verify the identity of the caller.
- Make sure the caller has a business need to know the information they are requesting. Never furnish proprietary information until the caller's need to know has been established.

If the caller is a vendor, contractor or supplier, it should be verified that the requested information is necessary for carrying out the terms of a contractual agreement and that the appropriate non-disclosure agreement has been signed.

Lesson 6

Social Engineering

Examples

BellSouth Security has identified some scenarios used to obtain fraudulent access to BellSouth proprietary information via the Service Centers and other business units.

The calling party:

- Identifies him/herself as the customer or a BellSouth employee
- Attempts to obtain such information as:
 - Toll numbers
 - Addresses
 - Long distance provider, and
 - Non-published numbers
- Is very convincing and persistent
- May revert to profanity when challenged

The calling party poses as:

- An employee familiar with company jargon and system names
- A new subscriber requesting service at a location with existing service - once advised of the existing service, the caller seeks information on the existing account
- The customer calling to confirm the long distance carrier in an effort to fraudulently obtain information from the carrier

Persons who become or suspect they have been the object of a social engineering attempt must report the incident to the BellSouth Security Organization. Contact information can be found on the Enterprise Information Security web site at <http://security.bls.com>

Lesson 7

Mastery Test

You are now ready to take the Mastery Test for this training.

Please answer the following questions to test your knowledge of CPNI.

1) Of the following information, what is considered Customer Proprietary Network Information (CPNI) according to the 1996 Telecommunications Act CPNI definition:

- a) Subscriber list information
- b) Information relating to quantity, technical configuration, type, destination, and amount of use
- c) Information related to services other than telecommunication services
- d) Information obtained by third parties.

2) Wholesale Information is information that Bellsouth has in its possession because it provides service to other carriers that provide services to end-user customers. Wholesale Information is also referred to as:

- a) Wholesale Proprietary and Secret Stuff
- b) UNE & Facility-based Information
- c) Other Carrier Proprietary Information (OCPI)
- d) "Carrier to Carrier" Information

3) Of the following, which falls into the NON-telecommunications Service Category:

- a) Yellow Pages
- b) Local service
- c) Wireless services
- d) Long Distance

Lesson 7

Mastery Test

4) We need permission from the RETAIL customer to use CPNI to market or sell a service or product outside the existing total service relationship category. Which of the following is NOT a form in which this permission or approval from the customer can take place?

- a) Approval after Notice (Opt-in/Opt-out)
- b) Duration of Call/Duration of Visit Approval
- c) After-The-Sale-Has-Been-Made Approval
- d) Inferred Approval

5) Under some circumstances BellSouth is not required to specifically ask for CPNI approval of the customer. What kind of approval is that called?

- a) Approval After Notice (Opt-in/Opt-out)
- b) Inferred Approval
- c) Duration of Call/Duration of Visit Approval
- d) After-The-Sale-Has-Been-Made Approval

6) A RETAIL customer has local service, but has not given express approval for use of CPNI. By special permission of the FCC, CPNI may be used to offer which of the following products?

- a) BellSouth Voice Mail
- b) FastAccess DSL
- c) Cingular Wireless
- d) BellSouth Internet

Lesson 7

Mastery Test

7) What is the BellSouth Policy regarding access and use of IT systems that contain CPNI and /or Wholesale Information?

- a) Any and all content may be used at any time in the attempt to make a sale of any product or service.
- b) Employees may "look" at the IT content at any time for any reason, but can't change it, unless the customer has approved.
- c) It is the policy of BellSouth that no Bellsouth personnel shall access any BellSouth IT system unless that person has a legitimate and authorized business purpose for such access.
- d) It is the policy of BellSouth that any employee caught looking at CPNI or Wholesale Information for any reason will be granted at least two weeks off with pay, (also referred to as VP).

8) While BellSouth is committed to competing aggressively and winning in the marketplace, it is essential that we compete fairly and comply with all applicable laws. Which of the following actions is a potential violation of BellSouth's Fair Competition guidelines?

- a) Telling a customer that a competitor has difficulty providing service as promised and that BellSouth provides better service.
- b) Telling a customer that BellSouth will provide the customer service by a certain date.
- c) Telling a potential customer about a BellSouth promotion that may save the customer money.
- d) Emphasizing the "positives" about BellSouth services.

9) Which of the following actions would be considered as per se illegal under the antitrust laws?

- a) Entering into an approved partnership
- b) An agreement to eliminate price competition.
- c) Treating customers who are also competitors fairly.
- d) Encouraging customers to purchase BellSouth services.

Mastery Test

10) Social engineering is described as any unauthorized person attempting to gain access to customer and/or company information under deceptive means or practices. In which of the following situations did the employee potentially give information to an unauthorized person?

a) Joe sent an email containing company or customer proprietary information and he made certain of the identity of the recipient.

b) Jane refused to give her password to a BellSouth Technical Support rep, because he didn't need it in order to resolve a system or user problem.

c) Suzie made sure a caller had a business need to know the information they requested prior to furnishing the information.

d) Mike didn't ask the caller why he needed the requested information; Mike figured it would be considered poor customer service NOT to give it to the caller.

Mastery Test Answers

1. b 2. d 3. a 4. c 5. b 6. a 7. c 8. a 9. b 10. d

Congratulations! This concludes the training.

It is very important that BellSouth employees request to have their supervisor or departmental training coordinator to record their completions in TEDS.
