ADMINISTRATIVE AGREEMENT

This Administrative Agreement (hereinafter the "Agreement") is entered into this 7th day of January 2004 (the "Effective Date") between WorldCom, Inc. (unless otherwise specified, referred to as "WorldCom" or "the Company") and the General Services Administration ("GSA"). As used herein, WorldCom includes any and all operating sectors, groups, divisions, units and wholly owned subsidiaries, and WorldCom's successors and assigns. This Agreement consists of fourteen (14) pages.

I. PREAMBLE

1. WorldCom is in the business of selling, installing, and providing a variety of telecommunication services, including voice and data products and other telecommunication services. WorldCom's customers include a number of United States government agencies and instrumentalities as well as various local and state government agencies.

2. On June 25, 2002, WorldCom disclosed that a group of former WorldCom employees altered accounting records to conceal losses and inflate earnings. On June 26, 2002, the Securities and Exchange Commission ("SEC") filed a civil action against WorldCom alleging violations of security laws. See Securities and Exch. Comm'n v. WorldCom, Inc., No. 02-CV-4963 (JSR) (S.D. N.Y. June 26, 2002). On July 3, 2002 WorldCom consented to the appointment of Richard C. Breeden, former SEC Chairman, as Corporate Monitor (the "Corporate Monitor"). WorldCom and the SEC have since entered a detailed Consent and Undertaking (the "Consent Agreement") to resolve the SEC action. On July 7, 2003, the United States District Court approved WorldCom's settlement with the SEC of this matter. As part of the settlement, WorldCom agreed to pay a civil penalty of $500 million and contribute $250 million in stock for the benefit of its shareholders in accordance with the Fair Funds Provision of the Sarbanes-Oxley Act.

3. The United States District Court, on December 17, 2003, then entered an Order amending paragraph 8 of the Consent Agreement. Under the terms of this Order, the SEC agreed that Deloitte & Touche and WorldCom's management would each submit a report on WorldCom's remediation of the deficiencies and other control weaknesses KPMG LLP identified in its June 3, 2003 letter ("KPMG Letter") to WorldCom's audit committee. The Court observed that these reports would satisfy paragraph 8 of the Consent Agreement. Deloitte & Touche and WorldCom each submitted the required reports on December 23, 2003.

4. On July 21, 2002, WorldCom filed for protection under Chapter 11 of the Bankruptcy Code on behalf of itself and its subsidiaries. On October 31, 2003, the Bankruptcy Court confirmed WorldCom's Plan of Reorganization. The Company expects to emerge from bankruptcy in early 2004. The Company continues to operate under the supervision of the Corporate Monitor, Richard C. Breeden, and will do so after emergence from bankruptcy.

5. Since announcing its accounting irregularities, WorldCom's past conduct has been the subject of several investigations. Richard Thornburgh, the Bankruptcy Examiner, submitted reports on November 4, 2002 and June 9, 2003. Each reports on the Examiner's investigations into the "allegations of fraud, dishonesty, [and] incompetence" at WorldCom. William McLucas submitted a report on March 31, 2003 on behalf of the Special Committee of WorldCom's Board of Directors as to the cause of WorldCom's accounting fraud. In August 2003, Richard Breeden, WorldCom's Corporate Monitor, submitted a report entitled "Restoring Trust" recommending a series of changes in WorldCom's corporate governance. WorldCom has furnished each of these reports to GSA.

6. On July 31, 2003, GSA issued a Notice of Proposed Debarment (the "Notice"). GSA also placed WorldCom on the "List of Parties Excluded from Federal Procurement and Nonprocurement Programs." GSA's Notice informed WorldCom that it found "unrepaired weaknesses" in WorldCom's ethics program and company accounting controls. The Notice identified seven specific items for WorldCom to remedy to restore its status as a responsible contractor. The Notice listed two areas of "unrepaired weaknesses": GSA cited the Company's accounting controls, in particular the unresolved material deficiencies reported by KPMG LLP ("KPMG"), the Company's independent auditors, in the KPMG Letter and the state of its general ledger and failure to identify all material weaknesses. GSA also cited weaknesses in the Company's ethics program, specifically the composition, experience and reporting structure of WorldCom's Ethics Office and the state of ethics training.

7. WorldCom submitted documentation relating to its present responsibility and remediation of GSA's seven items on September 16, October 22, November 3, December 24, 2003, and January 5, 2004, and met with GSA on September 16, October 28, November 4 and December 30, 2003 to present additional information pertaining to its present responsibility.

8. Based on its review of the Thornburgh and McLucas Reports cited in paragraph 5 above, as well as its own investigation, WorldCom represents that none of its current officers or directors was involved in or knowledgeable of the wrongdoing addressed in this Agreement.

9. WorldCom has taken the following actions pertinent to the Mitigation Criteria of the Federal Acquisition Regulation ("FAR") 9.406-1(a):

(1) *Whether the contractor had effective standards of conduct and internal control systems in place at the time of the activity which constitutes cause for debarment or had adopted such procedures prior to any government investigation of the activity cited as a cause for debarment.*

In June 2002, WorldCom's Internal Audit Department uncovered the improper accounting. The Company quickly commenced an investigation and addressed the issue. By that time, WorldCom already had replaced its outside auditors, Arthur Andersen, with KPMG. In response to the discovery, WorldCom's Board of Directors: (a) determined to restate the Company's financial statements for 2001 and the first quarter of 2002; (b) requested KPMG to undertake a full audit of the Company's financial statements; and (c) directed that Company representatives immediately notify the SEC, Department of Justice ("DOJ"), and other government representatives of the situation. They did so the same day.

(2) *Whether the contractor brought the activity cited as a cause for debarment to the attention of the appropriate government agency in a timely manner.*

Soon after the Board of Directors learned of the accounting irregularities, WorldCom representatives met with the SEC to disclose the matter and notify them of the need to restate WorldCom's financial statements. WorldCom made the same disclosure to the U.S. Attorney for the Southern District of New York, the Federal Communications Commission, and members of the U.S. House of Representatives and the U.S. Senate. WorldCom issued a press release regarding the matter later that evening. WorldCom contacted GSA's Federal Technology Service, the Defense Information Systems Agency, Federal Aviation Administration and more than twenty other Federal agencies shortly thereafter, describing mitigation actions it had already taken and pledging full cooperation with the Government and its corporate commitment to continuing performance under existing contracts.

(3) *Whether the contractor has fully investigated the circumstances surrounding the cause for debarment and, if so, made the result of the investigation available to the debarring official.*

WorldCom's past misconduct has been the subject of three major administrative investigations, the results of which WorldCom has shared fully with GSA.

(a) The McLucas Investigation. WorldCom's Audit Committee retained William McLucas of Wilmer Cutler & Pickering, a former Director of Enforcement for the SEC, to conduct an independent investigation of the events and conditions giving rise to the accounting problems. Mr. McLucas and recently appointed Board members not affiliated with WorldCom during the time in question formed the Special Investigative Committee of the Board. The committee conducted a thorough investigation. On March 31, 2003, the Committee completed its final Report of Investigation (the "McLucas Report"), concluding WorldCom had taken vigorous action to reconstitute itself since the discovery of the accounting improprieties. WorldCom has provided GSA with a copy of the McLucas Report.

(b) The Thornburgh Investigations. Following the Company's bankruptcy filing on July 21, 2002, the United States Bankruptcy Court for the Southern District of New York appointed the Hon. Richard Thornburgh, former Attorney General of the United States and Governor of Pennsylvania, as Examiner, to launch a separate investigation into WorldCom's accounting scandal. Mr. Thornburgh issued two Reports regarding his investigation into the circumstances surrounding WorldCom's accounting irregularities. WorldCom has provided GSA with copies of these Reports. One further Report is expected in early 2004.

(c) The Breeden Investigation. In August 2003, WorldCom's Court-appointed Corporate Monitor, Richard C. Breeden, former Chairman of the SEC, published a report recommending changes in WorldCom's corporate governance, which WorldCom's Board unanimously adopted. WorldCom has provided GSA with a copy of this report.

(4) Whether the contractor cooperated fully with government agencies during the investigation and any court or administrative action.

WorldCom has been the subject of numerous government investigations and legal proceedings since its self-disclosure of the accounting misstatements. WorldCom maintains that it has, at all times, cooperated with these investigative bodies, providing documents freely and readily making witnesses available. Furthermore, WorldCom pledged to cooperate with all government agencies promptly following its disclosure, and the Company has done so. The SEC confirmed to the Bankruptcy Court that WorldCom's cooperation with investigators has been "extensive and meaningful." See Submission of the Securities and Exchange Commission Addressing the Issues Identified in the Court's May 19, 2003 Order Concerning the Proposed Settlement of the Commission's Monetary Claims Against WorldCom ("SEC Submission"), p. 14.

Additionally, WorldCom indicates it has worked with the Federal Bureau of Investigation to seize electronic and "hard copy" evidence maintained by its former Chief Financial Officer and others who worked with him. The Company collaborated with law enforcement officials to design and implement targeted e-mail searches to quickly recover potentially relevant electronic documents. WorldCom has produced hundreds of thousands of documents and electronic files to investigatory agencies and has made available all of its employees for interviews. Hundreds of current and former WorldCom employees have been interviewed since June 2002. See id; Memorandum of Defendant WorldCom, Inc. in Support of the Proposed Settlement, pp. 6-7.

(5) Whether the contractor has paid or has agreed to pay all criminal, civil, and administrative liability for the improper activity, including any investigative or administrative costs

incurred by the government, and has made or agreed to make full restitution.

On May 19, 2003, the SEC and the Company announced an agreement on a settlement and penalty subject to Court approval. After further negotiation, WorldCom agreed to increase the amount of the settlement by $250 million and the Bankruptcy Court approved the final settlement on July 7, 2003. This penalty will be distributed to WorldCom shareholders and bondholders pursuant to the Fair Funds provision in Section 308(a) of the Sarbanes-Oxley Act of 2002. See SEC v. WorldCom, Inc., 2003 U.S. Dist. LEXIS 11394; the Revised Proposed Settlement SEC filed on July 2, 3003; SEC Submission.

(6) Whether the contractor has taken appropriate disciplinary action against the individuals responsible for the activity which constitutes cause for debarment.

Under the Company's "zero tolerance" policy, WorldCom has taken steps to eliminate from the Company any individuals who were involved in, knew of, or should have known of the accounting misconduct. Any employee who knew of the accounting or management irregularity and who did not report it, even if not otherwise guilty of wrongdoing, has been separated from the Company. In total, more than forty employees have been released or asked to resign since June 2002 pursuant to the zero tolerance policy.

(7) Whether the contractor has implemented or agreed to implement remedial measures, including any identified by the government.

Subsequent to the release of the KPMG Letter, WorldCom, with Deloitte & Touche, undertook a Controls Project to review the Company's internal controls and implement new corporate controls. The Controls Project comprised thousands of hours of review and implementation. A summary of the Controls Project has been provided to GSA. WorldCom also has completely reorganized its Ethics Office, appointed a new Executive Vice President, Ethics and Business Conduct (Chief Ethics Officer) with an extensive corporate ethics background, and implemented company-wide ethics training. Finally, WorldCom has adopted all of the corporate governance recommendations of the Corporate Monitor.

(8) Whether the contractor has instituted or agreed to institute new or revised review and control procedures and ethics training programs.

As noted in the previous section, WorldCom has undergone a transformation through its Controls Project. In addition to the implementation of these new controls, WorldCom has rebuilt its corporate finance organization, with a new team dedicated to reconstructing WorldCom's financial results for 2000 through 2002 and maintaining proper accounting controls going forward.

Furthermore, WorldCom completely revamped its Ethics Program and Ethics Office. The new Chief Ethics Officer, who reports directly to the Chief Executive Officer ("CEO"), is charged with heightening awareness of the importance of ethics throughout the Company. Ethics has become an integral part of WorldCom employment. All employees have agreed to an ethics pledge and employees' annual reviews are based in part on ethical behavior. Every employee has undertaken ethics training and ethical conduct is a condition of employment. The top 100 executives in the Company have committed to an Ethics Pledge. CEO Michael Capellas' compensation and continued employment is conditioned upon his maintaining a good ethics record. See Supplement to Debtor's Motion Pursuant to Sections 363 and 105 of the Bankruptcy Code for an Order Authorizing the Employment of Michael D. Capellas as President, CEO and Chairman of the Board of Directors of the Debtors, Exhibit A, pp. 2-3; MCI Code of Ethics and Business Conduct, p. 4.

(9) Whether the contractor has had adequate time to eliminate the circumstances within the contractor's organization that led to the cause for debarment.

In the eighteen months since WorldCom reported the accounting irregularities to the SEC and other government agencies, the Company has worked extensively to remedy past actions and eliminate their causes. WorldCom's Controls Project involved more than 650 WorldCom and outside audit personnel, and thousands of hours of review and implementation. The Controls Project was underway when GSA issued its Notice of Proposed Debarment to WorldCom.

(10) Whether the contractor's management recognizes and understands the seriousness of the misconduct giving rise to the cause for debarment and has implemented programs to prevent recurrence.

WorldCom has a new CEO and an entirely new Board of Directors, as well as a new General Counsel, Chief Finance Officer, Chief Operating Officer, and Chief Ethics Officer. WorldCom has replaced nearly its entire finance organization. The new management and finance organization are fully aware of the seriousness of the misconduct of those who failed to account properly for WorldCom's finances. The District Court acknowledged WorldCom's recognition of the seriousness of the past misdeeds when it found, "The Court is aware of no large company accused of fraud that has so rapidly and so completely divorced itself from the misdeeds of the immediate past and undertaken such extraordinary steps to prevent such misdeeds in the future." SEC v. WorldCom, Inc., 2003 U.S. Dist. LEXIS 11394 at p. 2.

10. Based upon information currently made available and known to GSA, GSA has determined that, due to WorldCom's internal reorganization and management changes, WorldCom's remediation of the issues raised in the GSA Notice, and the corrective actions reflected in the terms and conditions of this Agreement, there is

adequate assurance that WorldCom will conduct its future dealings with the Government with the high degree of honesty and integrity required of a Government contractor and that debarment is not necessary, at this time, to protect the Government's interests. The parties, therefore, agree to the following terms and conditions.

II. ARTICLES

1. Term. The period of this Agreement shall be three (3) years from its Effective Date.

2. SEC Consent Agreement. WorldCom has entered into a Consent Agreement with the Securities and Exchange Commission, a copy of which is attached as Exhibit 1 hereto. See Consent Agreement of Defendant WorldCom, Inc. WorldCom agrees to comply with the terms of the Consent Agreement as a material term of this Agreement.

3. Bankruptcy Status. WorldCom agrees to promptly report to the GSA any significant developments and material changes related to its emergence from bankruptcy protection.

4. Ethics and Business Conduct Program. WorldCom has implemented and agrees to maintain its Company-wide Ethics and Business Conduct Program (the "Program"). WorldCom shall maintain the Program so as to underscore WorldCom's commitment that each of its officers and employees maintain the honesty and integrity required of a Government contractor and that WorldCom's performance of each Government contract complies with all applicable laws, regulations, and the terms of the contract. WorldCom agrees that its Chief Ethics Officer will continue to manage and be responsible for all aspects of the Program. The Chief Ethics Officer will report directly to the WorldCom CEO and the Board of Directors.

5. Board of Directors. WorldCom's Board of Directors shall take whatever actions are appropriate and necessary to assure that WorldCom conducts activities in compliance with the requirements of the law and sound business ethics. The Chief Ethics Officer will report to the Board of Directors in person and in writing at least annually concerning WorldCom's Program and compliance with this Agreement.

(a) Code of Ethics And Business Conduct.

(1) WorldCom will continue its practice of distributing its Code of Ethics and Business Conduct to all employees, and requiring that its employees certify that he or she: (i) has received a copy of the Code, (ii) has been advised that compliance with the Code is a condition of continued WorldCom employment (to the extent permitted by the laws of the local country). WorldCom will also continue its practice of including compliance with the Code as an

element of the WorldCom annual employee performance review. A copy of the Code is included as Exhibit 2 to this Agreement.

(2) WorldCom will provide its Code, require the certification described above, and conduct employee ethics awareness training for all newly hired employees within thirty (30) days of the commencement of their employment with WorldCom.

(b) Ethics Awareness Program.

WorldCom will conduct annual ethics awareness training for all employees covering matters related to ethical conduct and business practices. Ethics awareness training will also emphasize the standards of business conduct that WorldCom management expects employees to follow and the consequences both to the employee and to the Company that will arise from any violation of such standards. WorldCom will provide its written materials and training related to the Program in English and in those other languages necessary to assure that each employee understands all elements of any written or oral presentation.

(c) Reporting And Information Resources.

(1) WorldCom will continue to maintain a toll-free, dedicated telephone number for confidential calls and an anonymous e-mail address for reporting suspected misconduct and for asking questions related to business ethics or business conduct. WorldCom will publicize the toll-free number and e-mail address. WorldCom will maintain and advise employees of its practice of non-retaliation for those who report matters to WorldCom's Ethics Office.

(2) WorldCom's Ethics Office shall maintain a record that identifies all contacts made to the Ethics Line, and all instances of misconduct reported to the Ethics Office. The record shall include, at a minimum, the nature of the reported conduct, the results of the internal investigation, and any corrective action taken by WorldCom.

(d) Compliance Education.

WorldCom has implemented an information and education program designed to assure that all employees are aware of applicable laws, regulations, and standards of business conduct that they are expected to follow in performance of their jobs for WorldCom. Training consists of targeted compliance training for affected employees in areas of risk identified by WorldCom.

6. WorldCom Executive Management. The principal members of WorldCom executive and its Government Markets management teams on the Effective Date are:

Michael D. Capellas, Chief Executive Officer and Chairman
Robert T. Blakely, Executive Vice President and Chief Financial Officer
Jonathan Crane, Executive Vice President and Chief Strategy Officer
Daniel Casaccia, Executive Vice President, Human Resources
Jerry Edgerton, Senior Vice President, Government Markets
Anastasia Kelly, Executive Vice President and General Counsel
Nancy McCready Higgins, Executive Vice President, Ethics and Business Conduct (Chief Ethics Officer)
Richard Roscitt, Executive Vice President and Chief Operating Officer
Jonathan L. Spear, Director, Law and Public Policy
Grace Trent, Senior Vice President, Chief of Staff

WorldCom agrees to notify GSA within five (5) business days if any principal leaves his/her current positions and to provide the name(s) of his/her successors to GSA promptly following appointment.

7. WorldCom Board of Directors. The members of WorldCom's Board of Directors as of the Effective Date are:

Michael D. Capellas, Chairman
Dennis Beresford
W. Grant Gregory
Nicholas Katzenbach
Judith Haberkorn
Laurence E. Harris
Eric Holder
David Matlin
C.B. Rogers, Jr.

WorldCom agrees to notify GSA within five (5) business days of any changes in Board membership and to provide the name(s) of new directors promptly following appointment.

8. Corporate Monitor. WorldCom will notify GSA within five (5) business days in the event of any material change regarding the oversight responsibility of its Corporate Monitor, Richard Breeden, whether as a result of court order or otherwise.

9. Reporting.

(a) Unless otherwise directed by the GSA Suspension and Debarment Official, WorldCom shall report to GSA pursuant to the schedule set forth below. In each report, MCI shall describe the measures it has taken to comply with this Agreement. The reporting dates set forth below, or the next business day in the event GSA Headquarters is closed, are deadlines for receipt of the reports at GSA Headquarters. WorldCom's failure to meet these requirements on or before the dates agreed to shall constitute a breach of this Agreement.

April 12, 2004
July 12, 2004
October 11, 2004
January 10, 2005
July 11, 2005
January 10, 2006
July 10, 2006
January 10, 2007

(b) Each report shall include:

(i) Ethics awareness training conducted and the number of persons who attended;

(ii) Informal notifications or initiatives related to the Program;

(iii) Any significant changes in the directives, instructions, or procedures implemented in furtherance of WorldCom's Business Ethics and Conduct Program;

(iv) The status of any federal or state investigation of WorldCom's own conduct or that of its principals, or legal proceedings related to such investigation resulting in search warrants, subpoenas, criminal charges, or civil agreements but exclusive of legal process requesting call detail of WorldCom's customers, or the like;

(v) Hotline activity, in the form of a report that provides a summary of the record set forth in paragraph II.5(c)(2). The report shall summarize all contacts made to the Ethics Line, and all instances of misconduct reported to the Ethics Office. The report shall include, at a minimum, the nature of the reported conduct, the results of the internal investigation, and any corrective action taken by the Company. Subject to the attorney-client privilege and reporting party confidentiality, details on each case shall be made available to the GSA upon request;

(vi) Continuing progress in addressing internal controls issues; and

(vii) Any other information required by this Agreement.

10. Sarbanes-Oxley Act. WorldCom agrees to comply with the provisions of the Sarbanes-Oxley Act and to report to the GSA that it has filed required Company reports in compliance with the Sarbanes-Oxley Act.

11. Audit Report. Provide GSA a copy of the KPMG Audit Report for 2003 within five (5) business days after completion.

12. Controls Report. Provide GSA a report on the status and effectiveness of the Company's accounting controls and ongoing controls program on the reporting schedule included at paragraph II.9(a) above.

13. Pending Investigations. WorldCom represents to GSA that, to the best of WorldCom's knowledge, WorldCom is not now under criminal or civil investigation by any Governmental entity, except with respect to the following:

(a) The Federal Communications Commission and separately the U.S. Attorney for the Southern District of New York are investigating certain of WorldCom's "call routing practices." No charges have been filed in this matter. WorldCom decided to discontinue its least cost routing practices on August 15, 2003 and ceased the practice within the United States on or about October 26, 2003.

(b) The GSA Inspector General and the Department of Justice are investigating WorldCom's assessment of Presubscribed Interexchange Carrier Charges under its FTS2001 Contract. WorldCom, the GSA Inspector General and DOJ are negotiating in good faith to resolve this matter on mutually satisfactory terms.

(c) The State of Oklahoma has charged WorldCom, Inc. with violation of certain state securities laws in criminal action No. CF 2003 4689. These charges pertain to the accounting practices underlying WorldCom's June 25, 2003 accounting disclosures. WorldCom has pleaded not guilty to these charges. No trial date has been set.

(d) The U.S. Attorney for the Southern District of New York has investigated WorldCom's conduct relative to the accounting practices underlying WorldCom's June 25, 2002 disclosures. No decision has yet been made as to whether or not criminal charges will be filed.

In addition to the periodic written reports required under paragraph II.9, WorldCom shall notify GSA within five (5) business days of the time WorldCom learns of (a) the initiation of any criminal or civil investigation into WorldCom's conduct by any Governmental entity, (b) service of subpoenas of which WorldCom is the subject, or (c) service of search warrants and/or searches of which WorldCom is the subject.

14. Employment of Excluded Parties. WorldCom will develop an internal policy that the Company shall not knowingly hire an individual who is suspended or debarred or otherwise declared ineligible for Federal Programs. In order to carry out the policy, WorldCom shall review the Excluded Parties Listing System, a GSA web site (http://www.epls.gov).

15. Release. WorldCom hereby releases the GSA, its agents and employees in their official and personal capacities, of any and all liability or claims arising out of or related to the investigations, criminal prosecution, or civil settlement at issue here, or the discussions leading to this Agreement.

16. Unallowable Costs. All costs defined in FAR part 31.205-47 by or on behalf of WorldCom in performance of this Agreement, and all costs incurred by WorldCom in negotiating, implementing and abiding by the terms of this Agreement, shall be deemed unallowable costs, whether direct or indirect, for government contract purposes. WorldCom agrees to account for these unallowable amounts separately by identifying any such costs incurred through (i) accounting records to the extent possible; (ii) memoranda, including diaries and logs, regardless of whether such records are part of official Company documentation where accounting records are not available and (iii) through good faith itemized estimates where no other accounting basis is available.

17. Successors and Assigns. This Agreement shall inure to the benefit of and be binding upon the parties and their respective successors and assigns. To the extent otherwise permitted by law, WorldCom shall notify GSA ten (10) days prior to consummation of any transaction, in the event that WorldCom sells or in any way transfers ownership of any part of the business entities that are bound by this Agreement.

18. Implementation by WorldCom. WorldCom shall implement all provisions of this Agreement including its Ethics and Business Conduct Program with respect to any business that WorldCom acquires or establishes after the Effective Date of this Agreement, within sixty (60) calendar days following completion of such acquisition or establishment.

19. Cooperation by WorldCom. When requested, WorldCom shall cooperate fully with any investigation of suspected irregularities involving WorldCom's operations or activities and shall encourage present and past employees of WorldCom to make a full and candid disclosure of their personal knowledge of the facts and circumstances of any such suspected irregularities.

20. Representations. WorldCom represents that all written materials and other information supplied to GSA by its authorized representatives during the course of discussions with GSA preceding this Agreement are true and accurate to the best information and belief of the WorldCom signatory to this Agreement. WorldCom understands that this Agreement is executed on behalf of GSA in reliance upon the truth and accuracy of all such representations.

21. No Waiver. Nothing in this Agreement limits GSA or any other Federal agency from initiating administrative actions, including suspension or debarment, should information indicating the propriety of such action come to the attention of the GSA Suspension and Debarment Official or any other Federal agency.

22. Default. GSA's Suspension and Debarment Official ("ASDO") will provide written notice to WorldCom of any failure to meet its obligations under the terms of this Agreement. Failure of WorldCom to submit to the ASDO an acceptable plan for corrective action within thirty (30) calendar days of receipt of such notice, or as otherwise permitted by the ASDO, shall constitute a cause for debarment under the FAR.

23. Entire Agreement. This Agreement applies only to those causes for debarment set forth in the GSA July 31, 2003 Notice of Proposed Debarment. This Agreement constitutes the entire agreement between the parties and supersedes all prior agreements and understandings, whether oral or written, relating to the subject matter hereof. This Agreement shall be binding upon and inure to the benefit of and be enforceable by the parties hereto and their respective successors and assigns.

24. Authority of United States. The provisions of this Agreement in no way alter or diminish the rights and responsibilities of the United States to carry out its lawful functions in any proper manner.

25. Authorized Signatories. The signatory of each party is fully authorized to execute this Agreement and represents that he has the authority to bind the GSA or WorldCom, as the case may be.

26. Severability. In the event that any one or more of the provisions contained in this Agreement shall for any reason be held to be invalid, illegal, or unenforceable in any respect, such invalidity, illegality or unenforceability shall not affect other provisions of this Agreement.

27. Notices. Any notices or information required hereunder shall be in writing and delivered by facsimile with receipt or mailed by registered or certified mail, postage prepaid as follows:

If to WorldCom, to: Anastasia Kelly, General Counsel
22001 Loudon County Pkwy
Ashburn, VA 20147
Phone: 703-886-5977
Facsimile: 703-886-0860

If to GSA, to: Joseph A. Neurauter, Suspension & Debarment Official
General Services Administration
1800 F. St, Room 4040
Washington, DC 20405
Phone: 202-501-1045
Facsimile: 202-501-1986

or such other address as any party shall have designated by notice in writing to the other party.

28. Public Document. This Agreement, including all attachments, is a public document.

29. Headings. Section and paragraph headings are intended for the convenience of the parties and are not to be used to interpret this Agreement.

30. Amendment. This Agreement may be amended or modified only by a written document signed by both parties.

WorldCom, Inc.	General Services Administration
By:	By:
Name: Michael D. Capellas	Name: Joseph A. Neurauter
Title: CEO and Chairman	Title: Suspension and Debarment Official
Date: JANUARY 7, 2004	Date: January 7, 2004