

December 19, 2001

## **EXCEPTION #1 DISPOSITION REPORT**

On August 14, 2001, KPMG Consulting issued Exception #1, which stated that Verizon failed to properly update its Directory Listings database according to properly ordered directory listing changes.

On November 13, 2001, KPMG Consulting performed validation on 96 directory listings for KPMG Consulting production orders. Of these listings, 89, or 92.7%, were provisioned accurately within 48 hours of the Verizon firm order confirmation date. On November 29, 2001, KPMG Consulting updated the exception to reflect the results of this validation.

Verizon's response, dated December 6, 2001, indicated that two items in KPMG Consulting's evaluation contained "DGN" in the listing name. Verizon further indicated that the NMC representatives correctly interpreted this as the qualifier for designation text and that the representatives processed these requests by taking out the "DGN" and including the text following the "DGN" in the listed name. KPMG Consulting requested and received from Verizon documentation that outlines this process and, therefore, validated these two items and classified them as being provisioned accurately.

As of December 17, 2001, KPMG Consulting performed validation on a total of 132 directory listings. Of these 125, or 94.6%, were provisioned accurately within 48 hours of the Verizon firm order confirmation. Based on this, KPMG Consulting considers this exception closed as of December 19, 2001.