

INTERNATIONAL PACKET SWITCHING SERVICE

TITLE PAGE

This Rate Schedule applies to International Packet Switching Service from points in Hawaii and Guam to international points as indicated herein.

Services provided under this Rate Schedule are furnished by wire, radio, satellite, fiber optics or any suitable technology or combination of technologies.

INTERNATIONAL PACKET SWITCHING SERVICE**CHECK SHEET**

All pages inclusive of this Rate Schedule are effective as of the date shown at the bottom of the respective pages. Original and revised pages, as named below, comprise all changes from the original Rate Schedule and are currently in effect as of the date on the bottom of this page.

| <u>Page</u> | <u>Revision</u> |
|-------------|-----------------|
| Title | Original |
| 1 | 5th Revised* |
| 2 | Original |
| 3 | Original |
| 4 | Original |
| 5 | 5th Revised* |
| 6 | Original |
| 7 | Original |

* New or Revised Page

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INTERNATIONAL PACKET SWITCHING SERVICE (Continued)

EXPLANATION OF SYMBOLS

- (C) To signify a changed regulation
- (D) To signify a discontinued rate or regulation
- (I) To signify an increase in rate or charge
- (M) To signify matter relocated without change
- (N) To signify new rate or regulation
- (R) To signify reduction
- (S) To signify reissued matter
- (T) To signify a change in text but no change in rate or regulation
- (Z) To signify a correction

INTERNATIONAL PACKET SWITCHING SERVICE (Continued)**I. DESCRIPTION OF SERVICE**

International Packet Switching Service (IPSS) combines packet switching technology and digital transmission facilities to provide a switched data transport service. IPSS is designed to provide economical usage sensitive data transport for a variety of interactive data applications.

With packet switching technology, data streams are divided into packets and moved through the network to their destination. The packet network examines routes and transports packets without maintaining a dedicated physical path between bursts of data. In this way, data may be transported through shared network transmission facilities and individual data packets can be sent on alternate routes as the need arises resulting in better system performance and higher network availability. The reduction in network facilities results in an efficient form of data transport for interactive applications.

IPSS is an internetworking service furnished for the switching and transmission of data packets at transmission speeds up to 9.6 Kbps between packet switches in Hawaii and Guam.

A. Undertaking of Carrier

IPSS permits the switching and transmission of communications between packet switches in Hawaii and Guam.

Carrier does not create messages, however, the service it furnishes may be used to transmit messages.

B. Transmission Medium

Carrier selects the channels and equipment used to provide IPSS. Any suitable technology or combination of technologies may be used to provide service. Carrier reserves the right to modify or change the channels and equipment at any time following reasonable notice to Customer.

C. Scope

1. IPSS uses analog and digital channels for the transmission of information between customer locations subject to the regulations and rate schedules established in this Rate Schedule.
2. Access to the network is attained either through dedicated access or public dial access facility.
3. The furnishing of service under this Tariff requires certain physical arrangements of Carrier's facilities and is, therefore, subject to the availability of facilities.
4. Customer is responsible for obtaining X.25 access.

INTERNATIONAL PACKET SWITCHING SERVICE (Continued)

II. General Excise Tax

When utility or telecommunications assessments, franchise fees, or privilege, license, occupational, excise, or other similar taxes or fees, based on international receipts or other bases are imposed by certain taxing jurisdictions upon Carrier, the amounts of such taxes or fees will be billed to subscribers. The amount of charge is determined by the international telecommunications services provided to and billed to a subscriber account, with the aggregate of such charges equal to the amount of the tax or fee imposed upon or passed on to Carrier. The taxing jurisdictions in which the charges will be applicable are:

| <u>Jurisdiction</u> | <u>Tax Factor</u> |
|---------------------|-------------------|
| State of Hawaii | 1.99% |

The following central offices are designated as packet switching offices:

| <u>Location</u> | <u>Packet Switching Office</u> |
|-----------------|--------------------------------|
| Oahu | Alakea |
| Hawaii | Hilo |
| Maui | Wailuku |
| Kauai | Lihue |
| Guam | Agana |

III. Miscellaneous Rates and Charges

Carrier may adjust its rates and charges or impose additional rates and charges on its Customers in order to recover amounts it is required by governmental or quasi-governmental authorities to collect from or pay to others in support of statutory or regulatory programs. An example of such a program includes, but is not limited to, the Federal Universal Service Fund.

1. Federal Universal Service Fund Fee

Services provided pursuant to this Rate Schedule are subject to an undiscountable Federal Universal Service Fund fee, which is a recurring monthly charge equal to 9.2% of Customer's total net international charges, after application of all applicable discounts and credits. (R)

Carrier will waive the Federal Universal Service Fund fee with respect to specifically identified Carrier charges to the extent that Customer demonstrates to Carriers' reasonable satisfaction that it is acquiring Carrier's services for resale, i.e., not for its own internal use, and that it has qualified as an entity not subject to these charges by virtue of its having submitted information required by the Federal Communications Commission and its appointed Universal Service Administrator.

INTERNATIONAL PACKET SWITCHING SERVICE (Continued)**IV. RATES**

There are two types of charges applicable for IPSS.

A. Data Transport Charges

These charges apply to customer-generated data transmitted or received at a port through which a call is originated or at the terminating port when reverse charging applies. IPSS transported data is billed either as kilopackets or kilosegments, depending on the agreement with the foreign terminating administration. Rates are specific to each overseas company or foreign administration.

The minimum service period for usage per kilopacket or kilosegment is one kilopacket or kilosegment.

B. Call Duration Charges

These charges apply to each call from the time the customer-generated call request packet is originated until the termination of the call, or the denial of the call by the called station. Chargeable time is accumulated for each call on a per minute basis of usage for each 60 seconds or fraction thereof, and rounded up to the next whole minute.

A minimum period of one minute applies to all customer-generated call request packets attempted, unless the call does not complete because of a failure of a Company packet switching service component, or the portion of IPSS which is provided by the overseas company or foreign administration.

The charges per call are calculated by multiplying the fractional hour(s) of usage (i.e., the number of minutes of chargeable time per call divided by 60) by the per hour rate.

INTERNATIONAL PACKET SWITCHING SERVICE (Continued)

IV. RATES (Continued)

C. Rate Tables

1. Calls Between Hawaii and International Points

| International Points | Data Transport Charge | | Call Duration Charge Per Hour |
|--|--------------------------|----------------|-------------------------------------|
| | Per Kilosegment | Per Kilopacket | |
| American Samoa, Government of | \$6.00 | - | \$4.00 |
| Guam | 6.00 | - | 4.00 |
| Northern Mariana Islands, Commonwealth of the | 6.00 | - | 4.00 |