

INTERNATIONAL SWITCHED DIGITAL SERVICE

TITLE PAGE

This Rate Schedule applies to International Switched Digital Service from points in Hawaii to international points as indicated herein.

INTERNATIONAL SWITCHED DIGITAL 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, and Supplement No. 1 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>
1	Original
2	1st Revised*
3	Original
4	Original
5	Original
6	Original
7	Original
8	Original
9	Original
10	Original
11	Original
12	1st Revised*
13	Original

* New or Revised Page

INTERNATIONAL SWITCHED DIGITAL SERVICE**TABLE OF CONTENTS**

	<u>Page Number</u>
Check Sheet	1
Explanation of Symbols	4
General	5
Definitions	5
Description of Service	6
Regulations	6
Table of Rates	13

INTERNATIONAL SWITCHED DIGITAL SERVICE**EXPLANATION OF SYMBOLS**

- (C) - To signify a changed regulation
- (D) - To signify a discontinued rate or regulation
- (I) - To signify increase
- (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 SWITCHED DIGITAL SERVICE**I. GENERAL**

This Rate Schedule contains regulations and rates applicable to International Switched Digital Service furnished from points in Hawaii to international points as indicated herein, by Verizon Hawaii International Inc., hereinafter referred to as Carrier.

II. DEFINITIONS

Certain items used in this Rate Schedule are defined as follows:

Central Office

Denotes a local Company switching system where telephone exchange service customer station loops are terminated for purposes of interconnection to each other and to trunks.

Channel

Denotes an electrical or photonic (in the case of fiber optic based transmission systems) communications path between two or more points of termination.

Denotes any individual, partnership, association, joint stock company, trust, corporation, or governmental entity or any other entity, which subscribes to and is responsible for the payment of the services offered under this Rate Schedule.

Customer-Provided Terminal Equipment

Devices or apparatus and their associated wiring, provided by Customer, which do not constitute a communications system and which, when connected to the communications path of the telecommunications system, are so connected either electronically, acoustically or inductively.

International Point

Points in foreign countries or locations.

Protocol

A set of rules governing the format to be followed when transmitting information between communicating devices.

Synchronous

A method of transmission in which information being transmitted over a line is controlled by a timing device.

INTERNATIONAL SWITCHED DIGITAL SERVICE**III. DESCRIPTION OF SERVICE**

International Switched Digital Service (ISDS) is a dial-up usage sensitive service for the switching and transmission of digital signals between Carrier's gateway in Honolulu, Hawaii and points in overseas countries as specified below. Service is provided on a two-point basis which allows simultaneous two-way transmission of digital signals between two customer premises.

International Switched Digital Service is designed to provide data transport for the users who do not require dedicated services. This high-speed service provides synchronous switched transport for applications such as private line disaster recovery, video conferencing and high-speed facsimile.

IV. REGULATIONS**A. Undertaking of Carrier**

ISDS permits the switching and transmission of digital communications between Hawaii and overseas countries.

Carrier does not transmit messages. However, the service it furnishes may be used for that purpose.

B. Transmission Medium

Carrier selects the channels and equipment used to provide ISDS. Any suitable technology or combination of technologies may be used to provide service. Carrier may modify or change the channels and equipment at any time. However, if such changes can be reasonably expected to materially affect the operating or transmission characteristics of ISDS or render any Customer equipment or Customer-provided communications system incompatible with ISDS, Carrier will provide adequate notice, in writing, to allow Customer an opportunity to maintain uninterrupted service.

C. Scope

1. ISDS uses digital channels subject to the regulations and rate schedules established in this Rate Schedule.
2. Access to ISDS is via digital switched access lines at designated central offices in Hawaii.

INTERNATIONAL SWITCHED DIGITAL SERVICE**IV. REGULATIONS (Continued)****D. Availability of Service**

ISDS is available 24 hours a day, seven days a week, unless restricted by the overseas company or foreign administration. Calls to or from another country are also subject to such restrictions as may be enforced from time to time by the authorities in that country.

E. Rates

The charges for ISDS consist of an initial minute rate and an additional minute rate. Calls between Hawaii and overseas countries are available during specified standard and economy rate periods.

Initial Period - The initial period is the initial first minute, or fraction thereof, of a call.

Additional Period - The additional period is the chargeable time for a call continuing beyond the initial period, and begins when the initial period ends. The additional period rate applies to each additional minute, or fraction thereof.

Standard and Economy Rate Periods - The standard and economy rate periods are specified for each overseas country and are based on the time of day at the point of origination of the call in Hawaii. A rate period specifying 12N-1A indicates that the rate period is from 12 noon to, but not including 1AM.

INTERNATIONAL SWITCHED DIGITAL SERVICE**IV. REGULATIONS (Continued)****F. Discount Calling Plan (DCP)**

1. Customer must subscribe to a three-year term commitment and have an estimated minimum annual revenue of \$12,000 in order to be eligible to participate in the DCP. Customer will be given a reduced rate in the form of a discount, which will be applied monthly to Customer's bill.

<u>Minimum Annual Revenue Commitment</u>	<u>Discount</u>
\$12,000	4%
60,000	8%
120,000	12%
180,000	15%

2. The discount will be fixed for the length of the term, regardless if the cumulative minimum annual revenue commitment (three times the minimum annual revenue commitment) is met in the first, second or third year.
3. If at the end of the three-year term of the commitment Customer fails to meet the cumulative minimum revenue commitment, Customer shall be liable for and return to Company the difference between the cumulative minimum revenue commitment and the actual usage charges.
4. Customer shall have the option of extending the term of their commitment, for a period not to exceed one year, in order to meet the cumulative minimum revenue commitment.
5. Should Customer terminate prior to the completion of the first year of commitment, Customer will be liable for 100% of the minimum annual revenue commitment for the first year of service and 10% of the annual revenue commitment for the remaining years. If Customer terminates during the second or third year of the three-year commitment, Customer will be liable for 10% of the minimum annual revenue commitment for the unexpired portion of the term.

INTERNATIONAL SWITCHED DIGITAL SERVICE**IV. REGULATIONS (Continued)****G. Liability of Carrier**

1. Carrier's liability, if any, for its willful misconduct or gross negligence is not limited by this Rate Schedule. For damages associated with installation, provision, termination, maintenance, repair or restoration of service, Carrier's liability shall not exceed an amount equal to the proportionate charge for the service provided for under this Rate Schedule for the period during which the service was affected.
2. Carrier is not liable for damages associated with service, channels or equipment which it does not furnish.
3. Carrier shall be indemnified, defended and held harmless by Customer against all claims, losses or damages arising from the use of service furnished pursuant to this Rate Schedule, involving:
 - a. Claims for libel, slander, invasion of privacy, or infringement or copyright arising from any communication;
 - b. Claims for patent infringement arising from combining or using the service furnished by Carrier in connection with facilities of equipment furnished by others; or
 - c. All other claims arising out of any act or omission of others relating to service provided pursuant to this Rate Schedule.
4. Carrier's failure to provide or maintain service under this Rate Schedule shall be excused by labor difficulties, governmental orders, civil commotions, acts of God and other circumstances beyond Carrier's reasonable control, subject to the credit allowances for interruptions provisions of this Rate Schedule.
5. No license under patents (other than the limited license to use) is granted by Carrier or shall be implied or arise by estoppel, with respect to any service, channels or equipment offered under this Rate Schedule.

INTERNATIONAL SWITCHED DIGITAL SERVICE**IV. REGULATIONS (Continued)****H. Responsibilities of Customer****1. Placement of Orders, Payment of Bills and Compliance with Regulations**

Customer is responsible for placing all orders, complying with Rate Schedule regulations and payment for service. Customer may appoint an agent to act on its behalf, as specified in b. following.

a. Information Customer Must Provide

When Customer places an order for ISDS, the following information must be provided to Carrier:

- Billing name and address,
- The locations to and from which service is desired,
- The name and telephone number of a person who will act as Customer's agent, if applicable.

b. Agency Agreement

Carrier will accept an order for service from an agent appointed by Customer. An agency appointment must be sent to Carrier in writing. If directed by Customer, the bill for service will be sent to the agent. The bill will be issued in the name of Customer, in care of the agent.

Customer retains the responsibility for compliance with Carrier regulations and any act or omission of the agent, regardless of any limitations Customer may place on the agent's authority.

c. Allocation of Usage or Charges

Carrier will not allocate the usage of ISDS or the charges for such usage and is not responsible for the way Customer allocates such usage.

INTERNATIONAL PACKET SWITCHING SERVICE**IV. REGULATIONS (Continued)****H. Responsibilities of Customer (Continued)****1. Placement of Orders, Payment of Bills and Compliance with Regulations (Continued)****d. Availability for Maintenance, Testing or Modifications**

Customer must make ISDS available for maintenance, testing, or implementation of changes it has ordered, at any reasonable, mutually agreeable time. Occasionally an impairment may only be evident at certain times (e.g., a certain hour of the day). In such cases, ISDS must be made available for testing during the same time periods if the trouble condition is to be corrected.

e. Damage to ISDS

Customer must pay Carrier for replacement or repair of ISDS when damage results from:

- Negligence or willful acts,
- Improper use of the service, or
- Any use of equipment or system provided by the customer.

After receipt of payment for the damages, Carrier will cooperate with Customer in its claim against any third party causing the damage.

I. 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%

INTERNATIONAL SWITCHED DIGITAL SERVICE**IV. REGULATIONS (Continued)****J. 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 (T)

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 7.2805% of Customer's total net international charges, after application of all applicable discounts and credits. (T)
(I)

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. (T)

INTERNATIONAL SWITCHED DIGITAL SERVICE**V. TABLE OF RATES****A. International 56/64 KBPS Switched Digital Service**

The following rates apply for all days of the week including holidays.

<u>Overseas Country</u>	<u>Standard</u>	<u>Economy</u>
Japan-		
Initial Period, 1 Minute	\$3.10	\$1.88
Additional Period, 1 Minute	2.60	1.60
	12N-1A	1A-12N