

Before the
FEDERAL COMMUNICATIONS COMMISSION
Washington, D.C. 20554

DA 96-1661

In the Matter of)	
)	
INTERNATIONAL TELCOM, LTD.)	
)	
Application for authority to)	File No. I-T-C-93-235
operate as an international)	
resale carrier.)	
)	
Application for authority to)	File No. I-T-C-95-214
resell international private)	
lines between the United States)	
and Canada, and between the United)	
States and the United Kingdom.)	
)	
ICI LONG DISTANCE, INC.)	
)	
Application for authority to)	File No. I-T-C-95-297
operate as an international)	
resale carrier.)	
)	
WPM COMMUNICATIONS, INC.)	
)	
Application for authority to)	File No. I-T-C-95-321
operate as an international)	
resale carrier.)	
)	
QAI, INC.)	
)	
Application for authority to)	File No. I-T-C-95-339
operate as an international)	
resale carrier.)	
)	
FEDERAL TRANSTEL, INC.)	
)	
Application for authority to)	File No. I-T-C-95-349
operate as an international)	
resale carrier.)	

ORDER, AUTHORIZATION AND CERTIFICATE

Adopted: September 30, 1996

Released: October 4, 1996

By the Chief, Telecommunications Division:

1. We have under consideration the above-captioned applications, filed pursuant to Section 214 of the Communications Act, as amended, requesting authority to provide resale services between the United States and various overseas points. All the applications were placed on public notice. A Petition to Deny the application of International Telcom, Ltd. (ITL), File No. I-

T-C-93-235, was filed by AT&T Corp. (AT&T) and Comments were filed by MCI Telecommunications Corporation (MCI). No pleadings were filed on any of the other applications.

2. The single issue raised in the Petition to Deny and the Comments on ITL's application was on the subject of "code calling", that is the use of non-billable calls to signal for a U.S. dial-tone from the provider. The Commission has dealt with this issue in VIA USA, Ltd., et al., 9 FCC 2288 (1994), affirmed on reconsideration, 10 FCC Rcd 9540 (1995). In that decision, the Commission decided that such "code calling" was not a violation of the Communications Act or the Commission's Rules. Consequently, AT&T's Petition to Deny is now moot.

3. Upon consideration of the applications and in view of the foregoing, IT IS HEREBY CERTIFIED that the present and future public convenience and necessity require a grant thereof.

4. Accordingly, IT IS ORDERED that application File Nos. I-T-C-93-235, I-T-C-95-214, I-T-C-95-297, I-T-C-95-321, I-T-C-95-339 and I-T-C-95-349 ARE GRANTED, and:

a. ITL, ICI Long Distance, Inc. (ICI), WPM Communications, Inc. (WPM), QAI, Inc. (QAI) and Federal TransTel, Inc. (FTT) are authorized to provide international switched services by the resale of the international switched voice services set forth in international tariffs on file with the Commission between the United States and the overseas points listed in those tariffs; and

b. ITL is authorized to resell private lines for provision of private line services interconnected with the public switched network between the United States and Canada and between the United States and the United Kingdom; and

5. IT IS FURTHER ORDERED that the applicants shall file copies of all operating arrangements and other agreements affecting IMTS or accounting rates with foreign entities, along with a summary of the principal terms and conditions of each such agreement, with the International Bureau. The applicants shall maintain and make available to the International Bureau, upon request, all third party sales agreements. All such agreements shall require the parties to comply with the conditions of this authorization. All such sales agreements shall be treated by the Commission as confidential, and shall not be disclosed to third persons except pursuant to the Freedom of Information Act (5 U.S.C. §552) and the Commission's Rules promulgated pursuant to that Act.

6. IT IS FURTHER ORDERED that the applicants shall file tariffs pursuant to Section 203 of the Communications Act of 1934, as amended, 47 U.S.C. Section 203, and Part 61 of the Commission's Rules, 47 C.F.R. Part 61, for the services authorized in this Order. Further, the applicants shall provide

international message telephone services (IMTS) on a common carrier basis pursuant to such tariffs, and will act as objective conduits of their customers' communications without influence or control determining the content or the destination of the calls.

7. IT IS FURTHER ORDERED that the applicants shall file the annual reports of overseas telecommunications traffic required by Section 43.61 of the Commission's Rules, 47 C.F.R. Section 43.61.

8. IT IS FURTHER ORDERED that if any one of the applicants intends to provide international call-back services through the use of uncompleted call signaling, its authorization to resell international switched voice and/or data services to provide these services is expressly subject to the conditions listed in VIA USA, Ltd., supra.

9. IT IS FURTHER ORDERED that our authorization of ITL to provide private line service between the United States and Canada and the United Kingdom is limited to the provision of service between the United States and Canada and the United Kingdom -- that is, non-interconnected private lines or private lines which carry switched traffic that originate in the United States and that terminate in Canada or the United Kingdom or that originate in Canada or the United Kingdom and that terminate in the United States. However, the applicant may engage in "switched hubbing" consistent with the rules adopted in the Foreign Carrier Entry Order, 11 FCC Rcd 3873, paras. 169-170. See also Cable & Wireless, et al., 11 FCC Rcd 1766 (1996), para. 36. This authorization is conditioned upon Canada and the United Kingdom continuing to afford resale opportunities equivalent to those available under U.S. law.

10. IT IS FURTHER ORDERED that ITL shall file annual circuit addition reports in accordance with the requirements set forth in Rules for Filing of International Circuit Status Reports, CC Docket No. 93-157, Report and Order, 10 FCC Rcd 8605 (1995).

11. IT IS FURTHER ORDERED that the applicants shall not restrict or block access from the domestic public switched network (PSN) to particular telephone numbers (except those telephone numbers that are part of fully private networks). Applicants shall not create or market fictitious numbers or dialing patterns, and shall not allow their customers, billing agents, service bureaus or underlying carriers to do so.

12. IT IS FURTHER ORDERED that the applicants shall not knowingly originate or terminate international message switched telephone service (IMTS) in a manner designed to avoid or distort the Commission's international accounting rates and settlement policies. Further, the applicants shall make all financial arrangements with destination entities part of the standard, nondiscriminatory and transparent settlements process.

13. IT IS FURTHER ORDERED that the applicants shall not remit, directly or indirectly, any portion of their non-carrier service revenues, or otherwise arrange for revenue sharing or rebates, with any destination entity (i.e., foreign correspondent, carrier or administration), information provider, or service bureau without the prior express approval of the International Bureau.

14. IT IS FURTHER ORDERED that the applicants shall not accept special concessions directly or indirectly from any foreign correspondent, carrier or administration with respect to traffic or revenue flows between the United States and any foreign country that they serve.

15. IT IS FURTHER ORDERED that the applicants shall pay commissions only to bona fide sales agents and employees at prevailing industry-wide rates for international message switched telephone (IMTS) services.


16. IT IS FURTHER ORDERED that, if the applicants' international tariffed rates to any foreign point exceed the benchmark, consisting of the highest outbound IMTS rate for service from the United States to that point filed by one of the three largest U.S. international telephone carriers, the Chief of the Common Carrier Bureau will suspend such rate for a period not to exceed that permitted by Section 204 of the Communications Act (47 U.S.C. §204) until applicants submit, and the Common Carrier Bureau's Competitive Pricing Division has approved, information to justify their rates on the basis of cost. For purposes of this condition, applicants shall monitor their tariffed rates only to those markets where they carry at least one percent of its total traffic.

17. IT IS FURTHER ORDERED that each applicant shall specify in its tariffs that it will not allow the use of its services, in particular, its international, 500 and 700 services for information or content services (e.g., audiotext service), and that it will discontinue providing service to customers that are providing information or content services via its non-900 and 976 services. Further, each applicant will state in its tariffs and contracts (if any) that, upon two-business-day's written notice detailing a violation, it will terminate service to every customer that utilizes its common carrier service to access information services by dialing 500 or 700 access numbers.

18. IT IS FURTHER ORDERED that the Petition to Deny the ITL application, File No. I-T-C-93-235, IS HEREBY DENIED.

19. This order is issued under Section 0.261 of the Commission's Rules and is effective upon adoption. Petitions for reconsideration under Section 1.106 or applications for review under Section 1.115 of the Commission's Rules may be filed within 30 days of the date of the public notice of this order (see Section 1.4(b)(2)).

FEDERAL COMMUNICATIONS COMMISSION



for Diane J. Cornell

Chief, Telecommunications Division
International Bureau