

BEFORE THE
MISSOURI PUBLIC SERVICE COMMISSION
TELECOMMUNICATIONS TARIFF
FOR SERVICES PROVIDED BY
KDD AMERICA, INC.

This Tariff contains the descriptions, regulations, and rates applicable to the furnishing of service and facilities for telecommunications services within the State of Missouri by KDD America, Inc. This Tariff is on file with the Missouri Public Service Commission, and copies may also be inspected, during normal business hours, at the following location: 375 Park Avenue, 7th Floor, New York, New York 10152.

KDD America, Inc. has been classified as a "competitive" telecommunications company by the Missouri Public Service Commission.

Issued: September 28, 1999

Effective: November 12, 1999

Issued By: Hiroshi Hirai, President
KDD America, Inc.
375 Park Avenue, 7th Floor
New York, New York 10152

WAIVER OF RULES AND REGULATIONS

The following Rules and Regulations have been waived by the Missouri Public Service Commission for the purpose of offering telecommunications services as set forth herein:

Statutory Provisions

392.240(1)	-	Ratemaking
392-270	-	Valuation of Property (Ratemaking)
392-280	-	Depreciation of Accounts
392-290	-	Issuance of Securities
392-310	-	Stock and Debt Issuance
392-320	-	Stock and Dividend Payment
392-330	-	Issuance of Securities
392-340	-	Reorganization(s)

Commission Rules

4 CSR 240-10.020	-	Depreciation Fund Income
4 CSR 240-30.010(2)(C)	-	Rate Schedules
4 CSR 240-30.040	-	Uniform System of Accounts
4 CSR 240-32.030(1)(B)	-	Exchange Boundary Maps
4 CSR 240-32.030(1)(C)	-	Record Keeping
4 CSR 240-32.030(2)	-	In-State Record Keeping
4 CSR 240-32.050(3)	-	Local Office Record Keeping
4 CSR 240-32.050(4)	-	Telephone Directories
4 CSR 240-32.050(5)	-	Call Intercept
4 CSR 240-32.050(6)	-	Telephone Number Changes
4 CSR 240-32.070(4)	-	Public Coin Telephone
4 CSR 240-33.030	-	Minimum Charges Rule
4 CSR 240-33.040(5)	-	Finance Fee

Issued: September 28, 1999

Effective: November 12, 1999

Issued By: Hiroshi Hirai, President
KDD America, Inc.
375 Park Avenue, 7th Floor
New York, New York 10152

CONCURRING, CONNECTING AND OTHER PARTICIPATING CARRIERS

CONCURRING CARRIERS:

No Concurring Carriers

CONNECTING CARRIERS:

No Connecting Carriers

OTHER PARTICIPATING CARRIERS:

No Participating Carriers

Issued: September 28, 1999

Effective: November 12, 1999

Issued By: Hiroshi Hirai, President
KDD America, Inc.
375 Park Avenue, 7th Floor
New York, New York 10152

TARIFF FORMAT

Page Numbering - Page numbers appear in the upper right hand corner of the page. Pages are numbered sequentially and from time to time new pages may be added to the Tariff. When a new page is added between existing pages, a decimal is added to the preceding page number. For example, a new page added between Pages 3 and 4 would be numbered 3.1.

Paragraph Numbering Sequence - There are nine levels of paragraph coding. Each level of coding is subservient to its next higher level:

2.
2.1.
2.1.1.
2.1.1.A.
2.1.1.A.1.
2.1.1.A.1.(a).
2.1.1.A.1.(a).I.
2.1.1.A.1.(a).I.(i).
2.1.1.A.1.(a).I.(i).(1).

Issued: September 28, 1999

Effective: November 12, 1999

Issued By: Hiroshi Hirai, President
KDD America, Inc.
375 Park Avenue, 7th Floor
New York, New York 10152

APPLICABILITY

This Tariff contains the Service offerings, rates, terms and conditions applicable to the furnishing of intrastate interexchange telecommunications Services within the State of Missouri by KDD America, Inc. (hereinafter "Company"). The Missouri Public Service Commission has classified the services hereunder to be "competitive."

Issued: September 28, 1999

Effective: November 12, 1999

Issued By: Hiroshi Hirai, President
KDD America, Inc.
375 Park Avenue, 7th Floor
New York, New York 10152

EXPLANATION OF SYMBOLS

- (D) To signify discontinued material
- (I) To signify a rate or charge increase
- (M) To signify material relocated without change in text or rate
- (N) To signify new material
- (R) To signify a reduction
- (T) To signify a change in text but no change in rate or regulation

Issued: September 28, 1999

Effective: November 12, 1999

Issued By: Hiroshi Hirai, President
KDD America, Inc.
375 Park Avenue, 7th Floor
New York, New York 10152

TABLE OF CONTENTS

	<u>Page</u>
WAIVER OF RULES AND REGULATIONS	2
CONCURRING, CONNECTING AND OTHER PARTICIPATING CARRIERS	3
TARIFF FORMAT	4
APPLICABILITY	5
EXPLANATION OF SYMBOLS	6
TABLE OF CONTENTS	7
1. <u>DEFINITION OF TERMS</u>	10
2. <u>RULES AND REGULATIONS</u>	19
2.1. <u>Description and Limitations of Services</u>	19
2.2. <u>Other Terms and Conditions</u>	20
2.3. <u>Liability</u>	22
2.4. <u>Cancellation of Service by a Customer</u>	25
2.5. <u>Cancellation for Cause by the Company</u>	25
2.6. <u>Credit Allowance</u>	27
2.7. <u>Use of Service</u>	28
2.8. <u>Payment Arrangements</u>	29
2.9. <u>Assignment</u>	30
2.10. <u>Tax and Fee Adjustments</u>	30
2.11. <u>Method for Calculation of Airline Mileage</u>	32

Issued: September 28, 1999

Effective: November 12, 1999

Issued By: Hiroshi Hirai, President
KDD America, Inc.
375 Park Avenue, 7th Floor
New York, New York 10152

2.12.	<u>Time of Day Rate Periods</u>	33
2.13.	<u>Special Customer Arrangements</u>	33
2.14.	<u>Inspection</u>	33
3.	<u>DESCRIPTION OF SERVICES</u>	34
3.1.	<u>Wide Area ("WATS") and Message ("MTS") Toll Services</u>	34
3.2.	<u>Switched Dial Service</u>	34
3.3.	<u>Switched Toll-free Service</u>	34
3.4.	<u>Dedicated Outbound Service</u>	34
3.5.	<u>Dedicated Toll-free Service</u>	35
3.6.	<u>Casual Call Service</u>	35
3.7.	<u>Timing of Calls</u>	35
3.8.	<u>Minimum Call Completion Rate</u>	35
4.	<u>RATES AND CHARGES</u>	36
4.1.	<u>Usage Rates</u>	36
4.2.	<u>Switched Dial Service Usage Rates</u>	36
4.3.	<u>Switched Toll-free Service Usage Rates</u>	36
4.4.	<u>Dedicated Outbound Service Usage Rates</u>	37
4.5.	<u>Dedicated Toll-free Service Usage Rates</u>	37
4.6.	<u>Casual Call Service</u>	38
4.7.	<u>Special Promotional Offering</u>	38
4.8.	<u>Emergency Calls</u>	38

Issued: September 28, 1999

Effective: November 12, 1999

Issued By: Hiroshi Hirai, President
KDD America, Inc.
375 Park Avenue, 7th Floor
New York, New York 10152

4.9.	<u>Payphone Use Service Charge</u>	38
------	--	----

Issued: September 28, 1999

Effective: November 12, 1999

Issued By: Hiroshi Hirai, President
KDD America, Inc.
375 Park Avenue, 7th Floor
New York, New York 10152

1. DEFINITION OF TERMS

For the purpose of this Tariff, the following definitions will apply:

Access Coordination

Provides for the design, ordering, installation, coordination, pre-service testing, service turn-up and maintenance on a Company or Customer provided Local Access Channel.

Administrative Change

A change in Customer billing address or contact name.

Alternate Access

Alternate Access is a form of Local Access except that the provider of the Service is an entity, other than the Local Exchange Carrier, authorized or permitted to provide such Service. The charges for Alternate Access may be subject to private agreement rather than published or special tariff if permitted by applicable governmental rules.

Application for Service

A standard Company order form which includes all pertinent billing, technical and other descriptive information which will enable the Company to provide a communication Service as required.

ASR

ASR (Access Service Request) means an order placed with a Local Access Provider for Local Access.

Authorized User

A person, firm, corporation or other entity that either is authorized by the Customer to receive or send communications or is placed in a position by the Customer, either through acts or omissions, to send or receive communications.

Issued: September 28, 1999

Effective: November 12, 1999

Issued By: Hiroshi Hirai, President
KDD America, Inc.
375 Park Avenue, 7th Floor
New York, New York 10152

Bandwidth

The total frequency band, in hertz, allocated for a channel.

Bill Date

The date on which billing information is compiled and sent to the Customer.

Call

A completed connection between the Calling and Called Stations.

Called Station

The telephone number called.

Calling Station

The telephone number from which a Call originates.

Cancellation of Order

A Customer initiated request to discontinue processing a Service order, either in part or in its entirety, prior to its completion. Cancellation charges will be assessed for each Circuit-end or Dedicated Access line canceled from an order prior to its completion by the Company, under the following circumstances: (1) if the LEC has confirmed in writing to the Company that the Circuit-end or Dedicated Access line will be installed; or (2) if the Company has already submitted facilities orders to an interconnecting telephone company.

Channel or Circuit

A dedicated communications path between two or more points having a Bandwidth or Transmission Speed specified in this Tariff and selected by a Customer.

Issued: September 28, 1999

Effective: November 12, 1999

Issued By: Hiroshi Hirai, President
KDD America, Inc.
375 Park Avenue, 7th Floor
New York, New York 10152

Commission

Missouri Public Service Commission

Company

KDD America, Inc.

Company Recognized National Holidays

The following are Company Recognized National Holidays determined at the location of the originator of the Call. The Company observes the following federally recognized holidays: New Year's Day, Martin Luther King Day, President's Day, Memorial Day, Independence Day, Labor Day, Columbus Day, Veteran's Day, Thanksgiving Day and Christmas Day. The evening rate is used unless a lower rate would normally apply. When a Call begins in one rate period and ends in another, the rate in effect in each rate period applies to the portion of the Call occurring within that rate period. In the event that a minute is split between two rate periods, the rate in effect at the start of that minute applies.

Customer

The person, firm, corporation or governmental unit which orders Service and which is responsible for the payment of charges and for compliance with the Company's Tariff regulations. A Customer is considered to be an account for billing purposes. The term Customer also includes an entity that remains presubscribed to the Company Service after its account(s) are removed from the Company's billing system, subsequently continues to use Company's network, and is billed by a local exchange carrier for such use, or otherwise uses Service for which no other Customer is obligated to compensate Company.

Customer Premises/Customer's Premises

Locations designated by a Customer where Service is originated/terminated whether for its own communications needs or for the use of its resale customers.

Issued: September 28, 1999

Effective: November 12, 1999

Issued By: Hiroshi Hirai, President
KDD America, Inc.
375 Park Avenue, 7th Floor
New York, New York 10152

Dedicated Access/Special Access

Dedicated Local Access between the Customer's Premises or serving wire center and the Company's Point-of-Presence for origination or termination of Calls.

DS-0

DS-0 means Digital Signal Level 0 Service and is a 64 Kbps signal.

DS-1

DS-1 means Digital Signal Level 1 Service and is a 1.544 Mbps signal.

DS-0 with VF Access

DS-0 Service with VF Local Access facilities provides for the transmission of analog voice and/or data within 300 Hz to 3000 Hz frequency range.

DS-0 with DDS Access

DS-0 Service with VF Local Access facilities provides for the transmission of digital data at speeds 2.4, 4.8, 9.6 or 56 Kbps.

Due Date

The Due Date is the date on which payment is due.

Expedite

A Service order initiated at the request of the Customer that is processed in a time period shorter than the Company's standard Service interval.

FCC

Federal Communications Commission

Issued: September 28, 1999

Effective: November 12, 1999

Issued By: Hiroshi Hirai, President
KDD America, Inc.
375 Park Avenue, 7th Floor
New York, New York 10152

Individual Case Basis (ICB)

Individual Case Basis (ICB) determinations involve situations where complex Customer-specific Company arrangements are required to satisfactorily serve the Customer. The nature of such Service requirements makes it difficult or impossible to establish general tariff provisions for such circumstances. ICB provisioning is only available for Private Line Service. Rates for services offered on an ICB will be structured to recover the Company's cost of providing the services. Terms of specific ICB contracts will be made available to the Commission upon request on a proprietary basis.

Installation

The connection of a Circuit, Dedicated Access line, or port for new, changed or an additional Service.

Interexchange Service

Interexchange Service means that portion of a communications channel between a Company-designated Point-of-Presence in one exchange and a Point-of-Presence in another exchange.

Interruption

Interruption shall mean a condition whereby the Service or a portion thereof is inoperative, beginning at the time of notice by the Customer to Company that such Service is inoperative and ending at the time of restoration.

Kbps

Kilobits per second.

LATA (Local Access and Transport Area)

A geographical area established for the provision and administration of communications Service of a local exchange company.

Issued: September 28, 1999

Effective: November 12, 1999

Issued By: Hiroshi Hirai, President
KDD America, Inc.
375 Park Avenue, 7th Floor
New York, New York 10152

Local Access

Local Access means the Service between a Customer Premises and a Company designated Point-of-Presence.

Local Access Provider

Local Access Provider means an entity providing Local Access.

Local Exchange Carrier (LEC)

The local telephone utility that provides telephone exchange services.

Mbps

Megabits per second.

Multiplexing

Multiplexing is the sequential combining of lower bit rate Private Line Services onto a higher bit rate Private Line Service for more efficient facility capacity usage or vice versa.

N/A

Not available.

Nonrecurring Charges

Nonrecurring Charges are one-time charges.

Payment Method

The manner which the Customer designates as the means of billing charges for Calls using the Company's Service.

Issued: September 28, 1999

Effective: November 12, 1999

Issued By: Hiroshi Hirai, President
KDD America, Inc.
375 Park Avenue, 7th Floor
New York, New York 10152

Physical Change

The modification of an existing Circuit, Dedicated Access line or port, at the request of the Customer, requiring some Physical Change or determination.

Point-of-Presence (POP)

A Company-designated location where a facility is maintained for the purpose of providing access to its Service.

Primary Route

The route which, in the absence of Customer-designated routing or temporary re-routing, would be used by the Company in the provision of Service.

Private Line

A dedicated transmission channel furnished to a customer without intermediate switching arrangements for full-time customer use.

Private Line Service

A dedicated full-time transmission Service utilizing dedicated access arrangements.

Rate Center

A specified geographical location used for determining mileage measurements.

Requested Service Date

The Requested Service Date is the date requested by the Customer for commencement of Service and agreed to by the Company.

Issued: September 28, 1999

Effective: November 12, 1999

Issued By: Hiroshi Hirai, President
KDD America, Inc.
375 Park Avenue, 7th Floor
New York, New York 10152

Restore

To make Service operative following an interruption by repair, reassignment, re-routing, substitution of component parts, or otherwise, as determined by the carrier(s) involved.

Route Diversity

Two channels which are furnished partially or entirely over two physically separate routes.

Service

Service means any or all Service(s) provided pursuant to this Tariff.

Service Commitment Period

The term elected by the Customer and stated on the Service order during which the Company will provide the Services subscribed to by the Customer. The term can be monthly or in the case of Private Line Services for a period of up to 5 years.

Special Promotional Offerings

Special trial offerings, discounts, or modifications of its regular Service offerings which the Company may, from time to time, offer to its Customers for a particular Service. Such offerings may be limited to certain dates, times, and locations. The Company may from time to time engage in special promotional offerings designed to attract new customers or to increase existing customers awareness of a particular tariff offering. These promotions will be subject to prior notification and approval by the Commission.

Start of Service Date

The Requested Service Date or the date Service first is made available by the Company whichever is later.

Issued: September 28, 1999

Effective: November 12, 1999

Issued By: Hiroshi Hirai, President
KDD America, Inc.
375 Park Avenue, 7th Floor
New York, New York 10152

Tariff

The current Intrastate Services Tariff and effective revisions thereto filed by the Company with the Missouri Public Service Commission.

Transmission Speed

Data transmission speed or rate, in bits per seconds (bps).

Twelve O'Clock

In designated time, 12:00 a.m. refers to 12:00 Midnight and 12:00 p.m. refers to 12:00 Noon.

Two-Way Conversation

A Two-Way Conversation is a telephone conversation between or among two or more parties.

VF

VF is voice frequency or voice-grade Service designed for private-line Service. Normal transmission is in the 300 hertz to 3000 hertz frequency band.

Issued: September 28, 1999

Effective: November 12, 1999

Issued By: Hiroshi Hirai, President
KDD America, Inc.
375 Park Avenue, 7th Floor
New York, New York 10152

2. RULES AND REGULATIONS

2.1. Description and Limitations of Services

- 2.1.1. Intrastate Telecommunications Service ("Service") is the furnishing of Company communication Services contained herein between specified locations under the terms of this Tariff.
- 2.1.2. Any member of the general public (including any natural person or legally organized entity such as a corporation, partnership, or governmental body) is entitled to obtain Service under this Tariff, provided that the Company reserves the right to deny Service: (A) to any Customer that, in the Company's reasonable opinion, presents an undue risk of nonpayment and refuses to comply with the deposit requirements set forth in Section 2.8.3, (B) in circumstances in which the Company has reason to believe that the use of the Service would violate the provisions of this Tariff or any applicable law or if any applicable law restricts or prohibits provision of the Service, or (C) if insufficient facilities are available to provide the Service (in such cases Company shall make best efforts to accommodate the needs of all potential Customers by means of facility improvements or purchases of capacity, if such efforts will, in the Company's opinion, provide the Company with a reasonable return on its expenditures), but only for so long as such unavailability exists.
- 2.1.3. Company, when acting at the Customer's request and as its authorized agent, will make reasonable efforts to arrange for Service requirements, such as special routing, Diversity, Alternate Access, or circuit conditioning.
- 2.1.4. Service is offered in equal access exchanges subject to the availability of facilities and the provisions of this Tariff. Company reserves the right to refuse to provide Service to or from any location where the necessary facilities and/or equipment are not available.
- 2.1.5. Service may be discontinued after five business days written notice to the Customer if:
 - 2.1.5.A. the Customer is using the Service in violation of this Tariff; or
 - 2.1.5.B. the Customer is using the Service in violation of the law or Commission regulation.

Issued: September 28, 1999

Effective: November 12, 1999

Issued By: Hiroshi Hirai, President
KDD America, Inc.
375 Park Avenue, 7th Floor
New York, New York 10152

- 2.1.6. Service begins on the date that billing becomes effective and is provided on the basis of a minimum period of at least one month, 24 hours per day. For the purposes of computing charges in this Tariff, a month is considered to have 30 days.
- 2.1.7. Service will be provided until canceled, by the Customer on not less than thirty (30) days' verbal notice, or 30 days' from the date of postmark on a written notice of cancellation.
- 2.1.8. The Company reserves the right to discontinue furnishing Services or billing options, upon written notice, when necessitated by conditions beyond its control. Conditions beyond the Company's control include, but are not limited to, a Customer's having Call volume or a calling pattern that results, or may result, in network blockage or other Service degradation which adversely affects Service to the calling party, the Customer, or other Customers of the Company.
- 2.1.9. Except as otherwise provided in this Tariff or as specified in writing by the party entitled to receive Service, notice may be given orally or in writing to the persons whose names and business addresses appear on the executed Service order and the effective date of any notice shall be the date of delivery of such notice, not the date of mailing. By written notice, Company or Customer may change the party to receive notice and/or the address to which such notice is to be delivered. In the event no Customer or Company address is provided in the executed Service order, notice shall be given to the last known business address of Customer or, as appropriate.
- 2.2. Other Terms and Conditions
- 2.2.1. The name(s) of the Customer(s) desiring to use the Service must be stipulated in the Application for Service.
- 2.2.2. The Customer agrees to operate the Company provided equipment in accordance with instructions of the Company or the Company's agent. Failure to do so will void the Company liability for interruption of Service and may make Customer responsible for damage to equipment pursuant to Section 2.2.3 below.

Issued: September 28, 1999

Effective: November 12, 1999

Issued By: Hiroshi Hirai, President
KDD America, Inc.
375 Park Avenue, 7th Floor
New York, New York 10152

-
- 2.2.3. Customer agrees to return to the Company all Company-provided equipment delivered to Customer within five (5) days of termination of the Service in connection with which the equipment was used. Said equipment shall be in the same condition as when delivered to Customer, normal wear and tear only excepted. Customer shall reimburse the Company, upon demand, for any costs incurred by the Company due to Customer's failure to comply with this provision.
- 2.2.4. A Customer shall not use any service-mark or trademark of the Company or refer to the Company in connection with any product, equipment, promotion, or publication of the Customer without prior written approval of the Company.
- 2.2.5. The provision of Service will not create a partnership or joint venture between the Company and the Customer nor result in joint Service offerings to their respective Customers.
- 2.2.6. The rate or volume discount level applicable to a Customer for a particular Service or Services shall be the rate or volume discount level in effect at the beginning of the monthly billing period applicable to the Customer for the particular Service or Services. When a Service is subject to a minimum monthly charge, account charge, port charge or other Recurring Charge or Nonrecurring Charge for both intrastate and interstate Service, only one such charge shall apply per account and that charge shall be the interstate charge.
- 2.2.7. Business Service requested by Customer and to be provided pursuant to this Tariff shall be requested on Company Service Order forms in effect from time to time or Customer's forms accepted in writing by an authorized headquarters representative of the Company (collectively referred to as "Service Orders"). Residential Service may be requested verbally.
- 2.2.8. If an entity other than the company (e.g., another carrier or a supplier) imposes charges on the Company in connection with a Service that entity's charges will be passed through to the Customer also.

Issued: September 28, 1999

Effective: November 12, 1999

Issued By: Hiroshi Hirai, President
KDD America, Inc.
375 Park Avenue, 7th Floor
New York, New York 10152

2.2.9. The Service Commitment Period for any Service shall be established by the Service Order relevant thereto and commence on the Start of Service Date. Upon expiration, each Service Commitment Period for such Service shall automatically be extended subject to written notice of termination by either Company or Customer as of a date not less than thirty (30) days after delivery of said notice to the other. The charges for Interexchange Service during any such extension shall not exceed the then current Company month-to-month charges applicable to such Service.

2.3. Liability

2.3.1. Except as provided otherwise in this Tariff, the Company shall not be liable to Customer or any other person, firm or entity for any failure of performance hereunder if such failure is due to any cause or causes beyond the reasonable control of the Company. Such causes shall include, without limitation, acts of God, fire, explosion, vandalism, cable cut, storm or other similar occurrence, any law, order, regulation, direction, action or request of the United States government or of any other government or of any civil or military authority, national emergencies, insurrections, riots, wars, strikes, lockouts or work stoppages or other labor difficulties, supplier failures, shortages, breaches or delays, or preemption of existing Services to restore service in compliance with Part 64, Subpart D, Appendix A, of the FCC's Rules and Regulations.

2.3.2. With respect to the Services contained herein and except as otherwise provided herein, the Company's liability shall not exceed an amount equal to the charge applicable to a one minute Call to the Called Station at the time the affected Call was made. If the initial minute rate is higher than the additional minute rate, the higher rate shall apply. For those Services with monthly recurring charges, the Company's liability is limited to an amount equal to the proportionate monthly recurring charges for the period during which Service was affected.

2.3.3. The Company is not liable for any act or omission of any other company or companies (including any Company affiliate that is a participating or concurring carrier) furnishing a portion of the Service or facilities, equipment, or Services associated with such Service.

Issued: September 28, 1999

Effective: November 12, 1999

Issued By: Hiroshi Hirai, President
KDD America, Inc.
375 Park Avenue, 7th Floor
New York, New York 10152

- 2.3.4. The Customer is responsible for taking all necessary legal steps for interconnecting the Customer provided terminal equipment with the Company facilities. The Customer shall ensure that the signals emitted into the Company's network do not damage Company equipment, injure personnel or degrade Service to other Customers. The Customer is responsible for securing all licenses, permits, rights-of-way, and other arrangements necessary for such interconnection. In addition, the customer shall comply with applicable LEC signal power limitations.
- 2.3.5. The Company may rely on Local Exchange Carriers or other third parties for the performance of other Services such as Local Access. Upon Customer request and execution and delivery of appropriate authorizing documents, the Company may act as agent for Customer in obtaining such other Services. Customer's liability for charges hereunder shall not be reduced by untimely Installation or non-operation of Customer provided facilities and equipment.
- 2.3.6. The failure to give notice of default, to enforce or insist upon compliance with any of the terms or conditions herein, the waiver of any term or conditions herein, or the granting of an extension of time for performance by the Company or the Customer shall not constitute the permanent waiver of any term or condition herein. Each of the provisions shall remain at all time in full force and effect until modified in writing.
- 2.3.7. The Company shall not be liable to the Customer or any other person, firm or entity in any respect whatsoever as a result of mistakes, accidents, errors, omissions, interruptions, delays, or defects in Service (collectively "Defects"). Defects caused by or contributed to, directly or indirectly, by any act or omission of Customer or its customers, affiliates, agents, representatives, invitees, licensees, successors or assigns or which arise from or are caused by the use of facilities or equipment of Customer or related parties shall not result in the imposition of any liability whatsoever upon the Company, and Customer shall pay to the Company any reasonable costs, expenses, damages, fees or penalties incurred by the Company as a result thereof, including penalties incurred by the Company as a result thereof, including costs of Local Access Providers' labor and materials. In addition, all or a portion of the Service may be provided over facilities of third parties, or sold by third parties, and the Company shall not be liable to Customer or any other person, firm or entity in any respect whatsoever arising out of Defects caused by such third parties. THE COMPANY SHALL NOT BE LIABLE FOR ANY DIRECT, INDIRECT, CONSEQUENTIAL, SPECIAL, ACTUAL, PUNITIVE OR ANY OTHER DAMAGES, OR BUSINESS INTERRUPTION, FOR ANY LOST PROFITS OF ANY KIND OR NATURE WHATSOEVER ARISING OUT OF ANY DEFECTS OR ANY OTHER

Issued: September 28, 1999

Effective: November 12, 1999

Issued By: Hiroshi Hirai, President
KDD America, Inc.
375 Park Avenue, 7th Floor
New York, New York 10152

CAUSE. THE COMPANY'S LIABILITY, IF ANY, WITH REGARD TO THE DELAYED INSTALLATION OF THE COMPANY'S FACILITIES OR COMMENCEMENT OF SERVICE SHALL NOT EXCEED \$1,000. THIS WARRANTY AND THESE REMEDIES ARE EXCLUSIVE AND IN LIEU OF ALL OTHER WARRANTIES OR REMEDIES, WHETHER EXPRESS, IMPLIED OR STATUTORY, INCLUDING WITHOUT LIMITATION IMPLIED WARRANTIES OF MERCHANTABILITY AND FITNESS FOR A PARTICULAR PURPOSE. IN THE EVENT OF AN INTERRUPTION IN SERVICE OR ANY DEFECT IN THE SERVICE WHATSOEVER, NEITHER COMPANY NOR ANY AFFILIATED OR UNAFFILIATED THIRD PARTY, THIRD PARTY PROVIDER OR OPERATOR OF FACILITIES EMPLOYED IN THE PROVISION OF THE SERVICE SHALL BE LIABLE FOR ANY DIRECT, INDIRECT, CONSEQUENTIAL, SPECIAL, ACTUAL, PUNITIVE OR ANY OTHER DAMAGES, OR FOR ANY LOST PROFITS OF ANY KIND OR NATURE WHATSOEVER.

- 2.3.8. With respect to the routing of Calls by the Company to public safety answering points or municipal Emergency Service providers, Company liability, if any, will be limited to the lesser of: (a) the actual monetary damages incurred and proved by the Customer as the direct result of the Company's action, or failure to act, in routing the Call, or (b) the sum of \$1,000.00.
- 2.3.9. In the event parties other than Customer (e.g., Customer's customers) shall have use of the Service directly or indirectly through Customer, then Customer agrees to forever indemnify and hold Company and any affiliated or unaffiliated third-party, third-party provider or operator of facilities employed in provision of the Service harmless from and against any and all claims, demands, suits, actions, losses, damages, assessments or payments which may be asserted by said parties arising out of or relating to any Defects.
- 2.3.10. In the event that Company is required to perform a Circuit redesign due to inaccurate information provided by the Customer; or, circumstances in which such costs and expenses are caused by the Customer or reasonably incurred by the Company for the benefit of the Customer, the Customer is responsible for the payment of all such charges.

Issued: September 28, 1999

Effective: November 12, 1999

Issued By: Hiroshi Hirai, President
KDD America, Inc.
375 Park Avenue, 7th Floor
New York, New York 10152

2.4. Cancellation of Service by a Customer

- 2.4.1. If a Customer cancels a Service Order before the Service begins, before completion of the Minimum Period, or before completion of some other period mutually agreed upon by the Customer and the Company, a charge will be levied upon the Customer for the nonrecoverable portions of expenditures or liabilities incurred expressly on behalf of the Customer by the Company and not fully reimbursed by Installation and monthly charges. If, based on a Service order by a Customer, any construction has either begun or been completed, but no Services provided, the nonrecoverable costs of such construction shall be borne by the Customer.
- 2.4.2. Upon thirty (30) days' prior written notice, either Customer or Company shall have the right, without cancellation charge or other liability, to cancel the affected portion of the Service, if the Company is prohibited by governmental authority from furnishing said portion, or if any material rate or term contained herein and relevant to the affected Service is substantially changed by order of the highest court of competent jurisdiction to which the matter is appeal, the Federal Communications Commission, or other local, state or federal government authority.

2.5. Cancellation for Cause by the Company

- 2.5.1. Upon nonpayment of any undisputed sum owing to the Company, or upon a violation of any of the provisions governing the furnishing of Service under this Tariff, the Company may, upon five business days written notification to the Customer, without incurring any liability, immediately discontinue the furnishing of such Service. The written notice may be separate and apart from the regular monthly bill for service. Customer shall be deemed to have canceled Service as of the date of such disconnection and shall be liable for any cancellation charges set forth in this Tariff.
- 2.5.2. Without incurring any liability, the Company may discontinue the furnishing of Service(s) to a Customer immediately and without notice if the Company deems that such action is necessary to prevent or to protect against fraud or to otherwise protect its personnel, agents, facilities or Services under the following circumstances:

Issued: September 28, 1999

Effective: November 12, 1999

Issued By: Hiroshi Hirai, President
KDD America, Inc.
375 Park Avenue, 7th Floor
New York, New York 10152

- 2.5.2.A. Nonpayment of an undisputed charge;
 - 2.5.2.B. Failure to post a required deposit or guarantee;
 - 2.5.2.C. Unauthorized use of telephone utility equipment in a manner which creates an unsafe condition or creates the possibility of damage or destruction to such equipment;
 - 2.5.2.D. Failure to substantially comply with terms of a settlement agreement;
 - 2.5.2.E. Refusal after reasonable notice to permit inspection, maintenance or replacement of telephone utility equipment;
 - 2.5.2.F. Material misrepresentation of identity in obtaining telephone utility service; and
 - 2.5.2.G. As provided by state or federal law.
- 2.5.3. The discontinuance of Service(s) by the Company pursuant to this Section does not relieve the Customer of any obligations to pay the Company for charges due and owing for Service(s) furnished up to the time of discontinuance. The remedies set forth herein shall not be exclusive and the Company shall at all times be entitled to all rights available to it under either law or equity.

Issued: September 28, 1999

Effective: November 12, 1999

Issued By: Hiroshi Hirai, President
KDD America, Inc.
375 Park Avenue, 7th Floor
New York, New York 10152

2.6. Credit Allowance

- 2.6.1. Credit allowance for the interruption of Service is subject to the general liability provisions set forth in this Tariff. Customers shall receive no credit allowance for the interruption of service which is due to the Company's testing or adjusting, negligence of the Customer, or to the failure of channels or equipment provided by the Customer. The Customer should notify the Company when the Customer is aware of any interruption in Service for which a credit allowance is desired. Before giving such notice, the Customer shall ascertain that the trouble is not being caused by any action or omission within Customer's control, or is not in wiring or equipment, if any, furnished by the Customer in connection with the Company's Services.
- 2.6.2. No credit is allowed in the event service must be interrupted in order to provide routine service quality or related investigations.
- 2.6.3. No credit shall be allowed:
- 2.6.3.A. For failure of services or facilities of Customer; or
- 2.6.3.B. For failure of services or equipment caused by the negligence or willful acts of Customer.
- 2.6.4. Credit for an interruption shall commence after Customer notifies Company of the interruption and ceases when services have been restored.
- 2.6.5. Credits are applicable only to that portion of Service interrupted.
- 2.6.6. For purposes of credit computation, every month shall be considered to have 720 hours.
- 2.6.7. No credit shall be allowed for an interruption of a continuous duration of less than two hours.
- 2.6.8. The Customer shall be credited for an interruption of two hours or more at a rate of 1/720th of the monthly recurring charge for the service affected for each hour or major fraction thereof that the interruption continues. Calculations of the credit shall be made in accordance with the following formula.

Issued: September 28, 1999

Effective: November 12, 1999

Issued By: Hiroshi Hirai, President
KDD America, Inc.
375 Park Avenue, 7th Floor
New York, New York 10152

$$\text{Credit Formula: Credit} = \frac{A \times B}{720}$$

"A" = outage time in hours

"B" = total monthly charge for affected facility

2.7. Use of Service

2.7.1. The Services offered herein may be used for any lawful purpose, including residential, business, governmental, or other use. There are no restrictions on sharing or resale of Services. However, the Customer remains liable for all obligations under this Tariff notwithstanding such sharing or resale and regardless of the Company's knowledge of same. The Company shall have no liability to any person or entity other than the Customer and only as set forth in Section 2.3. The Customer shall not use nor permit others to use the Service in a manner that could interfere with Services provided to others or that could harm the facilities of the Company or others.

2.7.2. Service furnished by the Company may be arranged for joint use or authorized use. The joint user or Authorized User shall be permitted to use such Service in the same manner as the Customer, but subject to the following:

2.7.2.A. One joint user or Authorized User must be designated as the Customer.

2.7.2.B. All charges for the Service will be computed as if the Service were to be billed to one Customer. The joint user or Authorized User which has been designated as the Customer will be billed for all components of the Service and will be responsible for all payments to the Company. In the event that the designated Customer fails to pay the Company, each joint user or Authorized User shall be liable to the Company for all charges incurred as a result of its use of the Company's Service.

2.7.3. In addition to the other provisions in this Tariff, Customers reselling Company Services shall be responsible for all interaction and interface with their own subscribers or customers. The provision of the Service will not create a partnership or joint venture between Company and Customer nor result in a joint communications Service offering to the Customers of either the Company or the Customer.

Issued: September 28, 1999

Effective: November 12, 1999

Issued By: Hiroshi Hirai, President
KDD America, Inc.
375 Park Avenue, 7th Floor
New York, New York 10152

- 2.7.4. Service furnished by the Company shall not be used for any unlawful or fraudulent purposes.
- 2.7.5. The Customer will be billed directly by the LEC for certain Dedicated Access arrangements selected by the Customer for the provisioning of direct access arrangements. In those instances where the Company at the Customer's request may act as agent in the ordering of such arrangements, the Company will bill the Customer Local Access charges.
- 2.8. Payment Arrangements
- 2.8.1. The Customer is responsible for payment of all charges for Services furnished to the Customer or its joint or Authorized Users. This responsibility is not changed due to any use, misuse, or abuse of the Customer's Service or Customer provided equipment by third parties, the Customer's employees, or the public.
- 2.8.2. The Company's bills are due upon receipt. Amounts not paid within 30 days from the Bill Date of the invoice will be considered past due. Customers will be assessed a late fee on past due amounts in the amount equal to 1 1/2 % per month. If a Customer presents an undue risk of nonpayment at any time, the Company may require that Customer to pay its bills within a specified number of days and to make such payments in cash or the equivalent of cash.
- 2.8.3. 2.8.3. In determining whether a Customer presents an undue risk of nonpayment, the Company shall consider the following factors: (A) the Customer's payment history (if any) with the Company and its affiliates, (B) Customer's ability to demonstrate adequate ability to pay for the Service, (C) credit and related information provided by Customer, lawfully obtained from third parties or publicly available, and (D) information relating to Customer's management, owners and affiliates (if any). For end users or Customers whom the Company believes an advance payment is necessary, Company reserves the right to collect an amount not to exceed one (1) month's estimated charges as an advance payment for service. If the customer is a residential customer, Company will apply the advance payment to Customer's subsequent bill(s) until the advance payment is paid down.

Issued: September 28, 1999

Effective: November 12, 1999

Issued By: Hiroshi Hirai, President
KDD America, Inc.
375 Park Avenue, 7th Floor
New York, New York 10152

2.8.4. If a LEC has established or establishes a Special Access surcharge, the Company will bill the surcharge beginning on the effective date of such surcharge for Special Access arrangements presently in Service. The Company will cease billing the Special Access surcharge upon receipt of an Exemption Certificate or if the surcharge is removed by the LEC.

2.9. Assignment

2.9.1. The obligations set forth in this Tariff shall be binding upon and inure to the benefit of the parties hereto and their respective successors or assigns, provided, however, the Customer shall not assign or transfer its rights or obligations without the prior written consent of the Company.

2.10. Tax and Fee Adjustments

2.10.1. All state and local taxes (i.e., gross receipts tax, sales tax, municipal utilities tax) are listed as separate line items and are not included in the quoted rates. All charges and fees subject to Commission jurisdiction, except taxes and franchise fees, will be submitted to the Commission for prior approval.

2.10.2. If at any future time a municipality acquires the legal right to impose an occupation tax, license tax, permit fee, franchise fee or other similar charge upon the Carrier, and imposes the same by ordinance or otherwise, such taxes, fees or charges shall be billed to the end users receiving service within the territorial limits of such municipality. Such billing shall allocate the tax, fee or charge among end users uniformly on the basis of each end user's monthly charges for the types of service made subject to such tax, fee or charge.

2.10.3. If at any future time a county or other local taxing authority acquires the legal right to impose an occupation tax, license tax, permit fee, franchise fee or other similar charge upon the Carrier, and imposes the same by ordinance or otherwise, such taxes, fees or charges shall be billed to the end users receiving service within the territorial limits of such county or other taxing authority. Such billing shall allocate the tax, fee or charge among end users uniformly on the basis of each end user's monthly charges for the types of service made subject to such tax, fee or charge.

Issued: September 28, 1999

Effective: November 12, 1999

Issued By: Hiroshi Hirai, President
KDD America, Inc.
375 Park Avenue, 7th Floor
New York, New York 10152

- 2.10.4. When utility or telecommunications assessments, franchise fees, or privilege, license, occupational, excise, or other similar taxes or fees, based on interstate or intrastate receipts are imposed by certain taxing jurisdictions upon the Company or upon local exchange companies and passed on to the Company through or with interstate or intrastate access charges, the amounts of such taxes or fees will be billed to Customers in such a taxing jurisdiction on a prorated basis. The amount of charge that is prorated to each Customer's bill is determined by the interstate or intrastate telecommunications service provided to and billed to an end user/customer service location in such a taxing jurisdiction with the aggregate of such charges equal to the amount of the tax or fee imposed upon or passed on to the Company. For example, should a taxing jurisdiction impose a 5% tax upon the Company for Missouri intrastate telecommunications services, the Company will impose a 5% tax upon the Customer for intrastate telecommunications services.
- 2.10.5. When any municipality, or other political subdivision, local agency of government, or department of public utilities imposes upon and collects from the Company a gross receipts tax, occupation tax, license tax, permit fee, franchise fee or regulatory fee, such taxes and fees shall, insofar as practicable, be billed pro rata to the Company's Customers receiving service within the territorial limits of such municipality, other political subdivision, local agency of government, or public utility commission, provided that all such non-tax surcharges are first approved by and set forth on the customer's bill as required by the Commission.
- 2.10.6. The Company may adjust its rates and charges or impose additional rates and charges on its Customers in order to recover amount it is required by governmental or quasi-government authorities to collect from or pay to others in support of statutory or regulatory programs. Examples of such programs include, but are not limited to, the Universal Service Fund, the Primary Interexchange Carrier Charge, and compensation to payphone service providers for use of their payphones to access the Company's services.
- 2.10.7. All assessments other than taxes will be filed with the Commission for approval.

Issued: September 28, 1999

Effective: November 12, 1999

Issued By: Hiroshi Hirai, President
KDD America, Inc.
375 Park Avenue, 7th Floor
New York, New York 10152

2.11. Method for Calculation of Airline Mileage

- 2.11.1. The airline mileage between two cities can be calculated using the Vertical (V) and Horizontal (H) coordinates of the serving wire centers associated with the Company's POP locations. The method for calculating the airline mileage is obtained by reference to AT&T's Tariff F.C.C. No. 10 according to the following formula:

the square root of:
$$\frac{(V1-V2)^2 + (H1-H2)^2}{10}$$

where V1 and H1 correspond to the V&H coordinates of City 1 and V2 and H2 correspond to the V&H coordinates of City 2.

Example:

	<u>V</u>	<u>H</u>
City 1	5004	1406
City 2	5987	3424

the square root of:
$$\frac{(5004-5987)^2 + (1406-3424)^2}{10}$$

The result is 709.83 miles. Any fractional miles are rounded to the next higher whole number; therefore, the airline mileage for this example is 710 miles.

Issued: September 28, 1999

Effective: November 12, 1999

Issued By: Hiroshi Hirai, President
KDD America, Inc.
375 Park Avenue, 7th Floor
New York, New York 10152

2.12. Time of Day Rate Periods

- 2.12.1. Time of Day Rate Periods are determined by the time of day at the location of the Calling Station.

The rates shown in Section 4 apply as follows:

DAY: From 8:01 AM to 5:00 PM Monday - Friday

EVENING: From 5:01 PM to 11:00 PM Monday - Friday and Sunday

NIGHT/

WEEKEND: From 11:01 PM to 8:00 AM Everyday
From 8:01 AM to 11:00 PM Saturday
From 8:01 AM to 5:00 PM Sunday

2.13. Special Customer Arrangements

- 2.13.1. In cases where a Customer requests a special or unique arrangement which may include engineering, conditioning, installation, construction, facilities, assembly, purchase or lease of facilities, the Company, at this option, may provide the requested Services. Appropriate recurring charges and/or Nonrecurring Charges and other terms and conditions will be developed for the Customer for the provisioning of such arrangements.

2.14. Inspection

- 2.14.1. The Company may, upon notice, make such tests and inspections as may be necessary to determine that the requirements of this Tariff are being complied with in the Installation, operation or maintenance of Customer or the Company equipment. The Company may interrupt the Service at any time, without penalty to the Company, should Customer violate any provision herein.

Issued: September 28, 1999

Effective: November 12, 1999

Issued By: Hiroshi Hirai, President
KDD America, Inc.
375 Park Avenue, 7th Floor
New York, New York 10152

3. DESCRIPTION OF SERVICES3.1. Wide Area ("WATS") and Message ("MTS") Toll Services

- 3.1.1. The Company offers WATS and MTS intrastate interexchange long distance service utilizing switched or dedicated access arrangements between the Customer's Premises and the Company's facilities for call origination. Call termination is completed through a combination of Company facilities and LEC switched access arrangements.

3.2. Switched Dial Service

- 3.2.1. The Company's Switched Dial Service is an intrastate service designed for outbound calling over switched access facilities. Calls are billed in sixty (60) second increments with an initial billing period of sixty (60) seconds. Calls are not mileage-sensitive or time-of-day sensitive. A monthly service charge applies per presubscribed number of account.

3.3. Switched Toll-free Service

- 3.3.1. The Company's Switched Toll-free Service is available to the Switched Outbound Service user for incoming calls. Calls originate from any interstate or intrastate location over a toll free number and terminate to a Customer-provided switched access line. Call charges are billed to the Subscriber rather than to the originating caller. Calls are billed in sixty (60) second increments with an initial billing period of sixty (60) seconds. A monthly service charge applies per toll free number.

3.4. Dedicated Outbound Service

- 3.4.1. The Company's Dedicated Outbound Service is an intrastate service designed primarily for business customers. Calls are billed in six (6) second increments with an initial billing period of thirty (30) seconds. Calls originate from Customer-provided dedicated access lines. Calls are not mileage-sensitive or time-of-day sensitive. A monthly service charge applies per dedicated access line.

Issued: September 28, 1999

Effective: November 12, 1999

Issued By: Hiroshi Hirai, President
KDD America, Inc.
375 Park Avenue, 7th Floor
New York, New York 10152

3.5. Dedicated Toll-free Service

- 3.5.1. The Company's Dedicated Toll-free Service is available to the Dedicated Outbound Service user for incoming calls. Calls originate from any interstate or intrastate location over a toll free number and terminate to a customer-provided dedicated access line. Call charges are billed to the Subscriber rather than to the originating caller. Calls are billed in six (6) second increments with an initial billing period of thirty (30) seconds. Calls are terminated to Customer-provided dedicated access line. Calls are not mileage-sensitive or time-of-day sensitive. A monthly service charge applies per toll free number.

3.6. Casual Call Service

- 3.6.1. The Company's Casual Call Service is an intrastate service designed for 10XXXXXX access code outbound calling over switched access facilities. Calls are billed in sixty (60) second increments with an initial billing period of sixty (60) seconds. Calls are not mileage-sensitive or time-of-day sensitive.

3.7. Timing of Calls

- 3.7.1. Long distance usage charges are based on the actual usage of the Company network. Chargeable time begins when a connection is established between the Calling Station and the Called Station. Chargeable time ends when either party "hangs up" thereby releasing the network connection.
- 3.7.2. The minimum call duration and usage measurement for billing purposes is specified in the service description for each service.

3.8. Minimum Call Completion Rate

- 3.8.1. A Customer can expect a call completion rate of not less than 90% during peak use periods for all Feature Group D services.

Issued: September 28, 1999

Effective: November 12, 1999

Issued By: Hiroshi Hirai, President
KDD America, Inc.
375 Park Avenue, 7th Floor
New York, New York 10152

4. RATES AND CHARGES4.1. Usage Rates

4.1.1. The following are the per minute usage charges which apply to all calls.

4.2. Switched Dial Service Usage RatesBUSINESS DAY
EVENING/NIGHT/WEEKEND

Mileage	Initial 60 Seconds	Additional 60 Seconds
All	\$0.12	\$0.12

Monthly Service Charge: \$3.00
(per presubscribed account or number)4.3. Switched Toll-free Service Usage RatesBUSINESS DAY
EVENING/NIGHT/WEEKEND

Mileage	Initial 60 Seconds	Additional 60 Seconds
All	\$0.15	\$0.15

Monthly Service Charge: \$3.00
(per toll free number)

Issued: September 28, 1999

Effective: November 12, 1999

Issued By: Hiroshi Hirai, President
KDD America, Inc.
375 Park Avenue, 7th Floor
New York, New York 10152

4.4. Dedicated Outbound Service Usage RatesBUSINESS DAY
EVENING/NIGHT/WEEKEND

Mileage	Initial 30 Seconds	Additional 6 Seconds
All	\$0.035	\$0.007

Installation Charge: \$300.00
Monthly Service Charge: \$500.00
(per dedicated access line)

4.5. Dedicated Toll-free Service Usage RatesBUSINESS DAY
EVENING/NIGHT/WEEKEND

Mileage	Initial 30 Seconds	Additional 6 Seconds
All	\$0.05	\$0.01

Monthly Service Charge: \$500.00
(per toll free number)

Issued: September 28, 1999

Effective: November 12, 1999

Issued By: Hiroshi Hirai, President
KDD America, Inc.
375 Park Avenue, 7th Floor
New York, New York 10152

4.6. Casual Call Service**BUSINESS DAY**
EVENING/NIGHT/WEEKEND

Mileage	Initial 60 Seconds	Additional 60 Seconds
All	\$0.12	\$0.12

4.7. Special Promotional Offering

- 4.7.1. The Company may from time to time engage in Special Promotional Offerings or Trial Service Offerings limited to certain dates, times or locations designed to attract new subscribers or increase subscriber usage when approved by Commission. Company will not have special promotional offerings for more than 90 days in any 12 month period. In all such cases, the rates charged will not exceed those specified in Section 4 hereof. All special promotional offerings will be subject to prior notification and approval by the Commission.

4.8. Emergency Calls

- 4.8.1. Customer shall configure its PBX or other switch vehicle from which a customer places a call so that 911 emergency calls, where available, and similar emergency calls will be automatically routed to the emergency answering point for the geographical location where the call originated without the intervention of Company.

4.9. Payphone Use Service Charge

- 4.9.1. A Payphone Use Service Charge applies to each completed interLATA and intraLATA non-sent paid message made over a pay phone owned by a utility or Customer Owned Pay Telephone (COPT) Service. This includes calling card service, collect calls, calls billed to a third number, completed calls to Directory Assistance and Prepaid Card Service calls. This charge is collected on behalf of the pay phone owner. All Customers will pay the Company a per call service charge of \$0.30.

Issued: September 28, 1999

Effective: November 12, 1999

Issued By: Hiroshi Hirai, President
KDD America, Inc.
375 Park Avenue, 7th Floor
New York, New York 10152