



CARRIER SERVICE AGREEMENT

This **CARRIER SERVICE AGREEMENT** ("Agreement"), dated this 22nd day of October, 2003, by and between IDT Domestic Telecom, Inc., a Delaware corporation, located at 520 Broad Street, Newark, New Jersey, 07102, ("IDT") and Telecommunications D'Haiti S.A.M., a Haitian corporation ("Company"), located at Pont Morin, P.O. Box 814, Port-au-Prince, Haiti sets forth the terms and conditions upon which IDT and Company shall each provide and purchase the wholesale telecommunications services set forth below. In consideration of the mutual covenants contained in this Agreement and for other good and valuable consideration, the receipt of which is hereby acknowledged, and intending to be legally bound, the parties agree as follows:

I. PROVISION OF SERVICES

1.1 System Maintenance Each Party will ensure that all systems utilized hereunder will be maintained in accordance with industry standards. In the event that system maintenance requires the interruption of Service, to the extent possible, each Party shall notify the other reasonably in advance of such interruption in Service and each Party shall use commercially reasonable efforts to repair its own system and rectify the problem within a reasonable time period.

1.2 Resale of Services All Services provided under this Agreement are provided for resale to Company's and/or IDT's customers, end users or subscribers. Each Party is responsible for billing and collection from its customers, end users and subscribers. Each Party is responsible for obtaining and maintaining all licenses, approvals and other authorizations necessary or appropriate for the resale of Services to its customers, end users or subscribers.

1.3 Traffic Forecast Upon reasonable request, each Party will supply the other with a forecast of traffic to be carried over the other Party's network at the time of interconnection and will provide updated information on a quarterly basis. Neither Party shall have the obligation to route traffic to the other Party nor shall any forecast be binding on the Party providing such forecast.

1.4 General Network Interconnection Charges Each Party will be responsible for the normal and customary charges required to interconnect with the other Party's network as follows:

1.4.1 Transport To Mutual Interconnect Site (s) – Each Party is responsible for ordering and paying all expenses, non-recurring, recurring, or otherwise associated with the transport circuit and cross connections (if applicable) into the mutual interconnect site(s).

1.4.2 Miscellaneous Charges – Should either Party desire that service be provided in a non-standard manner (e.g., accelerated installation), the providing Party will pass through to the other Party the charges assessed to it by any third party or vendor.

1.5 Suspension of Services Each Party reserves the right to suspend or terminate the delivery of all or any part of the Services provided hereunder upon twenty-four (24) hours advance notice, if reasonably possible; if the other Party engages in activities that, in each Party's sole discretion, may cause disruption or damage to its

network or facilities, or immediately upon written notice if either Party detects any fraudulent use of the Services. In any case, each Party shall provide written confirmation of such suspension and/or termination within forty-eight (48) hours thereafter.

II. PAYMENT TERMS

2.1 During the term of this Agreement, Company hereby appoints MONT SALEM MANAGEMENT LTD., a Turks and Caicos Islands Corporation, located at PO Box 260, Butterfield Square, Providenciales, Turks and Caicos Islands, British West Indies ("Mont Salem") as Company's agent to: (i) invoice IDT for Services provided by Company to IDT pursuant to this Agreement; (ii) collect all payments from IDT in connection with such invoices; (iii) pay to IDT all amounts invoiced by IDT for Services provided by IDT to Company pursuant to this Agreement; (iv) dispute invoices received from IDT; (v) handle all rate/class disputes, minute disputes and other invoice-related disputes brought by IDT; (vi) establish rates and effect rate changes on behalf of Company; (vii) receive rate changes from IDT on behalf of Company; and (viii) be responsible for all other financial aspects of the relationship between Company and IDT. The agreement memorializing Mont Salem's and IDT's obligations in connection with this agreement is attached hereto as Annex A.

2.2 Company agrees to provide IDT with at least thirty (30) days prior written notice in the event Company no longer authorizes Mont Salem to act as Company's agent as set forth in Section 2.1 above.

2.3 IDT fully preserves any and all of its rights of offsets and credits for any amounts due from Company to IDT, and that such offsets and/or credits may be applied against any amount due and owing hereunder to Mont Salem.

2.4 **Purchase and Sale of Services** IDT and Company (the "Party", respectively, or "Parties") each agree to purchase and provide wholesale telecommunication services (the "Services") at the rates set forth in the Exhibits attached to the agreement between Mont Salem and IDT, dated October 22, 2003. Each Party is responsible for delivering its calls or other enhanced services to a mutual agreed interconnect site (s) at its own expense. Each Party will interconnect with the other at the mutual agreed interconnect site (s) with capacity mutually determined by the Parties. All rates set forth in the Exhibits are for services offered from the designated interconnect site(s) set forth therein, and include all the costs to terminate the calls or other services at their destination, unless otherwise stipulated or specified.

III. TERM AND TERMINATION

3.1 **Term** This Agreement will commence on the date first written above and will continue for a period of one (1) year (the "Initial Term"). This Agreement shall automatically renew on a month-to-month basis unless terminated by either Party upon thirty (30) days written notice prior to the expiration of the Initial Term or any subsequent renewal term.

3.2 **Termination** Either Party reserves the right to suspend any portion of the Services or terminate this Agreement upon the occurrence of any of the following events:

3.2.1 By either Party upon a material breach of this written Agreement by the other Party, or its appointed agent, and the breaching Party fails to cure the breach within (30) calendar days after written notice of the breach from the non-breaching Party (other than the payment of amounts due hereunder which terms are set forth in paragraph 3.2.2 below).

3.2.2 By either Party upon a failure by the other Party, or its appointed agent, to pay any amounts due under this Agreement by the Due Date (as defined in the agreement between IDT and Mont Salem dated October 22, 2003), except for amounts subject to a bona fide dispute and properly withheld, upon

five (5) business days written notice of nonpayment and failure to pay within the five (5) business days.

3.2.3 By either Party if the other Party, or its appointed agent, suffers any adverse financial change or takes or suffers any action as a result of its indebtedness, including without limitation an action in bankruptcy, an assignment for the benefit of creditors, the appointment of a receiver or trustee or the liquidation of all or substantially all of its assets.

3.2.4 By either Party if either Party is prohibited by any governmental or other legal authority with jurisdiction over the Parties from furnishing the Services hereunder or if any material rate or term contained herein is substantially changed by an order of the highest court of competent jurisdiction to which the matter is appealed, the FCC or any other federal, state or local government authority.

3.2.5 By either Party upon the occurrence of any event or the passage or adoption of any law, rule or regulation that in the reasonable judgment of the Parties will make it materially more expensive or difficult to provide the Services under this Agreement, upon thirty (30) days' prior written notice of such determination by either Party.

3.2.6 By either Party upon an occurrence of an event of force majeure that continues for a period of thirty (30) days or more.

3.3 **Consequences of Expiration or Termination** Upon the termination of this Agreement for any reason contained herein, either Party will be entitled to immediately cease providing Services to the other. All amounts due to IDT from Company and vice versa will become immediately due and payable upon such termination, and the provisions of Section 2.5 regarding late charges will continue to apply. Notwithstanding the expiration or termination of this Agreement for any reason, the provisions that, by their nature survive termination, will continue to apply.

IV. LIABILITY AND INDEMNIFICATION

4.1 **Force Majeure** Neither Party shall be responsible nor liable for any damages, whether direct, indirect, consequential, incidental, foreseeable or unforeseeable, arising out of, in connection with or relating to any matter occasioned by or due to fire, flood, water, the elements, acts of God, war and threat of imminent war, labor disputes or shortages, utility curtailments, power failures, explosions, civil disturbances, governmental actions, shortages of equipment or supplies, unavailability of transportation, acts or omissions of third parties, or any other cause beyond either Party's reasonable control. Both Parties shall use commercially reasonable efforts to mitigate or eliminate any adverse effect such event of force majeure may have on its ability to perform its obligations hereunder.

4.2 **Limitation of Liability** In no event shall either Party be liable to the other or to that Party's customers, agents or any third party in any respect for any damages including, without limitation, any indirect, incidental, consequential, exemplary, punitive, reliance or special damages, or for any loss of revenue, profits, use, data, goodwill or business opportunities of any kind or nature whatsoever, arising in any manner from this Agreement and the performance or non-performance of any obligations hereunder. Regardless of whether any claim is based in contract, tort or other legal theory, each Party's liability under or in connection with this Agreement shall be limited to the pro-rated amount payable under the terms of this Agreement relating to the affected Services, not to exceed the amount payable for (i) the one month period immediately preceding any claim in respect of any one cause of action or a series of causes of action (connected or unconnected); or (ii) two hundred and fifty thousand (\$250,000) dollars, whichever is less. Neither Party shall be liable for any damages, whether direct or indirect, caused by services or equipment that is not furnished or managed solely by such Party. The Parties acknowledge that the limitations on liability set out in this clause have been negotiated between the Parties and are regarded by the Parties as being reasonable in all circumstances.

4.3 **No Warranty** Except as specifically set forth herein, the Parties make no warranty to each other or any other person or entity, whether express or implied or statutory, as to the description, quality, merchantability, non-infringement, completeness or fitness for a particular use or purpose of any of the Services provided under this Agreement, or as to any other matter, all such warranties hereby being expressly excluded and disclaimed.

4.4 **Fraudulent Calls** The Parties shall not withhold any payment due to each other on the basis that fraudulent calls comprised a portion of the traffic volume. The parties agree not to use DTMF circuits for the purposes of this Agreement, unless both Parties agree in writing to use such circuits prior to the provisioning of the circuits. If a Party uses DTMF circuits without first receiving the other Party's written consent, such Party shall be responsible for all charges associated with any fraudulent use of the DTMF circuits.

4.5 **Indemnity** Each Party (for purposes of this paragraph "Indemnifying Party") shall indemnify and hold harmless the other and all of their officers, agents, directors, shareholders, subcontractors, subsidiaries, employees and other affiliates (collectively "Indemnified Party") from and against any claim, cost, damage, demand, liability, loss, penalty, proceeding or reasonable attorney's fees imposed upon the Indemnified Party by reason of any claims or damages arising out of or relating to (i) the Indemnifying Party's or its affiliates own customers, end users or subscribers use of the Services; (ii) damages to property or bodily injuries, including death, as a result of an intentional or negligent act or omission by the Indemnifying Party or any of its affiliates; and (iii) any fraudulent use of the Service by Company or its end users. The Indemnifying Party will not settle any claims, demands, suits, proceedings or actions without the Indemnified Party's prior written consent, which consent shall not be unreasonably withheld or delayed.

4.5.1 Company hereby agrees to indemnify IDT against any and all losses, liabilities, claims, obligations, costs, expenses (including without limitation reasonable attorney's fees) which result from, arise in connection with or are related in any way to any claim of damages brought or sought against IDT for any payment it may make to Mont Salem pursuant to this agreement. Upon receipt of evidence of payment having been made to Mont Salem, Company shall be deemed to have released IDT from any and all liabilities related to any payment made by IDT to Mont Salem pursuant to this agreement. Company shall promptly notify IDT in the event Company does not receive IDT's payment from Mont Salem.

V. DISPUTE RESOLUTION

5.1 **Arbitration** Any disputes that cannot be resolved amicably shall be submitted to arbitration. The arbitration shall be conducted by one arbitrator, expert in matters relating to telecommunications, mutually selected by the Parties. If the Parties fail to mutually agree upon one arbitrator within thirty (30) days of submission of the dispute to arbitration, one will be appointed in accordance with the commercial rules and practices of the American Arbitration Association ("AAA"). The arbitration shall be conducted in New York. The Parties shall be responsible for their own costs associated with any arbitration proceeding. Any award, order or judgment pursuant to such arbitration shall be deemed final and binding and may be enforced in any court of competent jurisdiction. The Parties agree that the arbitrator shall only have the power and authority to make awards and issue orders as expressly permitted herein and shall not, in any event, make any award that provides for punitive or exemplary damages.

VI. CONFIDENTIALITY

6.1 **Confidentiality** The Parties hereto hereby acknowledge that during the course of this Agreement, either Party may acquire information regarding the other or its affiliates, its business activities, strategies and operations or those of its customers and suppliers, and its trade secrets including without limitation its customer lists, prospective customers, rates, network configuration, traffic volume, financial information, computer software, service, processes, methods, knowledge, research, development or other information, whether oral or written, of a

confidential and proprietary nature (hereinafter "Confidential Information"). Each Party shall hold the Confidential Information in strict confidence and shall not reveal the Confidential Information, or any portion thereof. The foregoing obligations regarding disclosure of Confidential Information shall not apply, however, to any part of the Confidential Information which: (a) was already in the public domain or which becomes so through no fault of the receiving Party; (b) was already known or independently developed by the receiving Party; (c) was lawfully disclosed to the receiving Party prior to receipt hereof; (d) is expressly approved for release by written authorization of the disclosing Party; or (e) is disclosed pursuant to any judicial or governmental request, requirement or order provided, however, the receiving Party only makes disclosure to the extent required and, prior to making such disclosure, takes all reasonable steps to provide prompt and sufficient notice to the disclosing Party so that the disclosing Party may contest such request, requirement or order. The Confidential Information of each Party shall be safeguarded by the other to the same extent that it safeguards its own confidential materials or data relating to its own business, but with no less than reasonable care. Each Party agrees to limit access to such Confidential Information to employees, agents or representatives who have a need to know such information in order to perform the obligations set forth in this Agreement and such employees, agents or representatives will be notified by the Party providing access to the Confidential Information that the information is confidential in nature and is to be used only for the purposes of performing each Party's obligations hereunder. The rights and obligations of the Parties hereto therefore also will inure to such affiliates, employees, agents and representatives of each Party and may be directly enforced by or against same. For the purposes of this Agreement, "employees" includes third parties retained by IDT or Company for temporary administrative, clerical or programming support and "agents" and "representatives" includes attorneys, accountants, auditors or other persons or entities to whom either Party discloses the Confidential Information. This paragraph shall survive expiration or termination of this Agreement for a period of one (1) year.

6.2 Return of Information Upon request, the recipient of the Confidential Information will promptly return all Confidential Information (or any designated portion thereof), including all copies thereof, to the disclosing Party or, if so directed by the disclosing Party, destroy such Confidential Information. The recipient will also, within ten (10) days of written request by the disclosing Party, certify in writing that it has satisfied its obligations under this section.

6.3 Injunctive Relief The Parties agree that an impending or existing violation of these confidentiality provisions would cause the disclosing Party irreparable injury for which it would have no adequate remedy at law, and agree that the disclosing Party may be entitled to obtain immediate injunctive relief prohibiting such violation, in addition to any other rights and remedies available to it.

VII. MISCELLANEOUS

7.1 Use of Name Each Party agrees that, without the other Party's written consent, it will not use the name, trademarks, trade names, service marks or logos of the other Party or of any of its affiliated companies ("Marks") in any advertising, publicity, press releases or sales presentations. Each Party agrees it will not take any actions that will in any manner compromise the Marks of the other Party or its affiliates.

7.2 Independent Contractors It is expressly understood that the Parties hereto are acting hereunder as independent contractors and under no circumstances shall any of the employees of one Party be deemed to be employees of the other for any purpose. This Agreement shall not be construed as authority for either Party to act on behalf of the other in any agency or other capacity or to make commitments of any kind for the account of or on behalf of the other Party except to the extent and for the purposes expressly provided for and set forth herein.

7.3 Waiver The failure of either Party to give notice of default or to enforce compliance with any of the terms or conditions of this Agreement, the waiver of any term or condition of this Agreement, or the granting of an extension of time for performance, will not constitute a permanent waiver of any term or condition of this Agreement, and this Agreement and each of its provisions will remain at all times in full force and effect until

modified by both Parties in writing.

7.4 Amendment and Modification This Agreement shall not be valid until signed and accepted by a signatory duly authorized to legally bind the Parties hereto. No change, amendment, modification, termination or attempted waiver of any of the provisions set forth herein shall be binding unless made in writing and signed by a duly authorized representative of both Parties hereto, and no representation, promise, inducement or statement of intention has been made by either Party which is not embodied herein.

7.5 Assignment Neither Party will assign this Agreement or any rights under this Agreement without the prior written consent of the other Party, which consent will not be unreasonably withheld, except that each Party may assign or transfer this Agreement, in whole or in part, to any entity controlling, under common control with or controlled by such Party without the consent of the other Party. Subject to the foregoing, this Agreement will be binding upon and inure to the benefit of the Parties hereto and their respective successors or assigns.

7.6 Notices Except as set forth herein, all notices and communications required under this Agreement will be given in writing and will be deemed to have been delivered and given for all purposes upon receipt only when sent via confirmed facsimile and followed by first class mail or by nationally/internationally recognized overnight courier service, duly addressed and with proper postage, to the address set forth below or such other address as may be provided by the other Party in writing for the purpose of receiving such notices. All notices required under this Agreement shall be addressed as follows:

If to IDT: IDT Domestic Telecom, Inc.
520 Broad Street, 15th Floor
Newark, NJ 07102
Attention: Contracts Administrator
Facsimile: 973-438-1410

With a copy to: IDT Legal Department at the same address above, 7th Floor
Facsimile: 973-438-1455

If to Company: Company: Telecommunications D'Haiti S.A.M
Pont Morin, P.O. Box 814
Port-au-Prince, Haiti
Attention: Jean Rene Duperval
Facsimile: 011 509 244 1541
Email: _____

Either Party may change its address specified above by giving the other Party notice of such change in accordance with this paragraph.

7.7 Jurisdiction This Agreement and the relationship between the Parties hereto will be governed by the laws of the State of New York. Both Parties consent to said jurisdiction and venue in the courts of New York.

7.8 Severability In the event a court of competent jurisdiction determines that any part or provision of this Agreement is invalid or unenforceable, such determination shall not affect the validity or enforceability of any other part or provision of this Agreement.

7.9 Interpretation The article and paragraph headings used herein are for reference purposes only, and shall not in any way affect the meaning or interpretation of this Agreement and the terms and provisions herein. This Agreement has been reviewed and negotiated between the Parties and any interpretation of the terms of this Agreement shall not be construed in any way against the drafting Party.

7.10 **Counterparts** This Agreement may be executed in counterparts, each of which shall be deemed an original, but all of which taken together will constitute one and the same instrument.

7.11 **Non-Exclusivity** Nothing in this Agreement will prevent IDT or Company from entering into similar arrangements with, or otherwise providing Services to, any other person or entity.

7.12 **Entire Agreement** This Agreement, including any exhibits attached hereto, sets forth the entire agreement and understanding of the Parties hereto and supersedes and merges any and all prior proposals, negotiations, representations, agreements, arrangements or understandings, both oral and written, relating to the subject matter hereof. The Parties hereto have not relied on any proposal, negotiation or representation, whether written or oral, that is not expressly set forth herein.

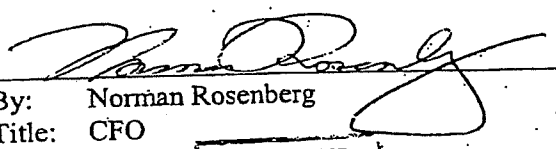
7.13 The parties agree that Company shall not send any traffic to IDT pursuant to this Agreement until such time as IDT and Company specifically agree in writing that IDT is willing to accept such traffic.

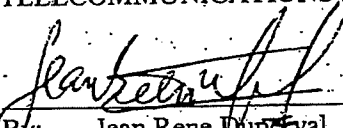
7.14 The parties agree that this Agreement shall be executed on the same date as the agreement between IDT and Mont. Salem.

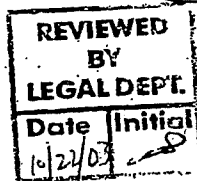
IN WITNESS WHEREOF, the Parties have executed this Agreement as of the date first written above.

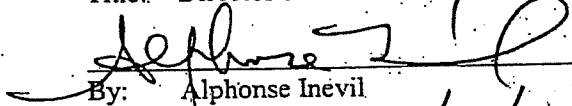
IDT DOMESTIC TELECOM, INC.

TELECOMMUNICATIONS D'HAITI S.A.M.

By: 
Title: CFO

By: 
Title: Director of International Affairs 11/06/03



By: 
Title: Director General 11/06/03

IDT LEGAL; FORM; TELECOM; RECIPROCAL B; Weekly Custom; 09-03

CONFIDENTIAL

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ANNEX A

AGREEMENT

This agreement ("Agreement"), dated this 22nd day of October, 2003, is by and between IDT Domestic Telecom, Inc., a Delaware corporation, located at 520 Broad Street, Newark, New Jersey, 07102, ("IDT") and Mont Salem Management Ltd., a Turks and Caicos Islands Corporation ("Mont Salem"), located at PO Box 260, Butterfield Square, Providenciales, Turks and Caicos Islands, British West Indies (the "Party", respectively, or collectively the "Parties"), sets forth the terms and conditions upon which, among other things, Company shall invoice IDT, collect payment from IDT and pay IDT, in connection with long distance telecommunications traffic that IDT sends to Telecommunications D'Haiti S.A.M. for termination in Haiti, pursuant to the Carrier Service Agreement ("CSA") between IDT and Telecommunications D'Haiti S.A.M. ("Company"), dated October 22nd, 2003.

WHEREAS, IDT and Company entered into a Carrier Service Agreement ("CSA"), dated October 22, 2003, pursuant to which IDT and Company each agreed to provide and purchase wholesale telecommunications services ("Services") to one another; and

WHEREAS, Company appointed Mont Salem as Company's agent to: (i) invoice IDT for Services provided by Company to IDT pursuant to CSA; (ii) collect all payments from IDT in connection with such invoices; (iii) pay to IDT all amounts invoiced by IDT for Services provided by IDT to Company pursuant to the CSA; (iv) dispute invoices received from IDT; (v) handle all rate/class disputes, minute disputes and other invoice-related disputes brought by IDT; (vi) establish rates and effect rate changes on behalf of Company; (vii) receive rate changes from IDT on behalf of Company; and (viii) be responsible for all other financial aspects of the relationship between Company and IDT; and

WHEREAS, Mont Salem has accepted such appointment as Company's agent for the purposes defined in the paragraph above;

NOW THEREFORE, In consideration of the mutual covenants contained in this Agreement and for other good and valuable consideration, the receipt of which is hereby acknowledged, and intending to be legally bound, the parties agree as follows:

1.1 **Term.** This Agreement shall have the same Term as the CSA.

1.2 Rates and Destination Code Changes and Use of Technology

1.2.1 **Rates.** International rates are determined on a per country and/or city specific basis and all rates are as set forth in the Exhibits attached hereto. International rates are shown in terms of full minutes and calls are billed in six (6) second increments after the initial minimum thirty (30) second call duration, with the exception of calls to Mexico which are billed in sixty (60) second increments with a minimum call duration of sixty (60) seconds. Availability of Services is dependent upon the availability of facilities. Each Party may offer, in its sole discretion, rate decreases effective immediately upon Written Notice, as hereinafter defined, to the other Party. Each Party may, at any time but only upon Written Notice, increase its rates, provided that the effective date and time of such increase is not earlier than 12:01 AM Applicable Time (as defined in Section 1.3 below) on the "Effective Date". The Effective Date shall mean the date on which such Written Notice is sent PLUS seven (7) days.

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1.2.2 Codes. Prior to rendering Services, each Party shall provide the other Party with a complete listing of all destination codes included in such Party's Services, including, without limitation, country, city and cellular codes (an "A-Z Listing"); provided that neither Party shall send an A-Z Listing after the initial A-Z Listing has been provided, except upon request of the other Party. Each Party reserves the right to change any particular code or codes upon seven (7) days' prior Written Notice to the other Party, provided that the effective date and time of such change is not earlier than 12:01 AM Applicable Time on the "Effective Date".

1.2.3 Written Notice. For the purpose of this Agreement, Written Notice shall be defined as an electronic mail message with a rate and/or code list attachment that uses the technology agreed upon by the Parties as set forth in 1.2.3.1 below ("Designated Technology"). For purposes of this Agreement, a party sending a Written Notice shall be referred to as the "Sending Party" and the party receiving a Written Notice shall be referred to as the "Receiving Party". The Receiving Party agrees to provide confirmation of receipt of the Written Notice, via email only to the email address set forth in 1.2.3.1 below, within three (3) days from date of receipt of the Written Notice. Such confirmation does not need to be made by means of the Designated Technology.

In the event the Sending Party does not receive a confirmation of receipt from the Receiving Party within such three (3) day period, the Sending Party shall, at least two (2) days prior to the effective date of the rate/code change, contact the Receiving Party via confirmed facsimile or overnight courier to determine the nature of the delay. Such correspondence shall include a legible printed copy of the Written Notice and shall include a copy of the portion of the Written Notice evidencing its original sending date (e.g. a printout of the "sent" email) ("Follow Up Correspondence"). If the Receiving Party fails to provide confirmation of receipt prior to the effective date of the rate and/or code change and the Sending Party has sent the Follow Up Correspondence in the manner set forth above: (i) the Sending Party reserves the right to suspend or terminate Services to the destination(s) subject to the rate and/or code change; and (ii) the Receiving Party's continued use of the Services shall constitute an acceptance of the changed rates/codes and agreement to pay all applicable charges. If the Receiving Party fails to provide confirmation of receipt prior to the effective date of the rate and/or code change but the Sending Party fails to send the Follow Up Correspondence in the manner set forth above: (i) the Sending Party reserves the right to suspend or terminate Services to the destination(s) subject to the rate and/or code change; and (ii) the Receiving Party's continued use of the Services shall not be subject to the rates/codes set forth in the Written Notice.

If any transmitted Written Notice or reply to a Written Notice is received in an unintelligible or garbled form, the Receiving Party shall promptly notify the Sending Party via email. In the absence of any such notice, the Sending Party's records of the contents of such Written Notice shall control. Both Parties shall use commercially reasonable efforts to ensure that all Written Notices are properly authorized and free of any viruses or disruptive technologies that could impact the Receiving Party's systems.

1.2.3.1 Designated Technology:

The Parties agree to use the following Designated Technology for the transmission of Written Notices:

Email with return receipt requested function activated, together with spreadsheet attachment containing the applicable relevant rate and/or codes, all secured with a digital signature.

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no longer considered confidential pursuant to
attached International Bureau letter dated
January 25, 2008.

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The preferred providers of the Designated Technology ("Providers") shall be:

Email creation: Microsoft Corporation (through Outlook)

Digital signature: Verisign, Inc. (through Verisign Digital ID)

The spreadsheet attachment shall be a Microsoft Excel spreadsheet. IDT and Company shall send Written Notices in the respective formats shown on Schedules 1.2.3.1(a) and 1.2.3.1(b).

Each Party shall contract separately with any applicable Provider. The Parties may mutually agree in writing to the use of alternate Providers.

IDT agrees to send Written Notices from the following electronic address(es): jtate@corp.idt.net, paula.brito@corp.idt.net, sduinnl@corp.idt.net, shirak@corp.idt.net. IDT agrees to receive Written Notices at the following electronic address: buyrates@corp.idt.net. IDT agrees to use commercially reasonable efforts to maintain the operations of the electronic address during IDT's normal business hours. Either electronic address may be changed upon seven (7) days written notice to Company.

Company agrees to send Written Notices from the following electronic address(es): mrlaw@tciway.tc. Company agrees to receive Written Notices at the following electronic address: mrlaw@tciway.tc. Company agrees to use commercially reasonable efforts to maintain the operations of the electronic address during Company's normal business hours. Either electronic address may be changed upon seven (7) days written notice to IDT.

1.2.4 Restatement. To minimize the risk of miscommunication or misinterpretation, any Written Notice changing any rate or code shall also restate all rates and codes for each relevant country and shall indicate clearly which specific rates or codes are to be changed.

1.2.5 It is hereby acknowledged and agreed between the Parties that each Party shall rely solely upon the accuracy of the Written Notices to determine rate and/or code changes and only such Written Notices sent in accordance with the terms of this Section 1.2 shall be considered valid.

1.3 Time Zones

The Parties agree that the time(s) or time zone(s) used for identifying effective times and dates for changes contained in any Written Notice, all peak, off peak and economy traffic, and invoicing and other time sensitive matters ("Applicable Time") for each Party will be:

IDT:	New York Time
Company:	New York Time

1.4 The rates set forth herein shall not be subject to Company's tariffs filed with any applicable regulatory authority. It is expressly understood by the Parties that, in the event of a conflict between the rates set forth in the Exhibits and any tariffs filed by Company, the rates attached hereto shall prevail. Notwithstanding anything to the contrary, Company shall provide written notice to the IDT in advance of any filing, enforcement or change of any tariff that affects the rates. IDT reserves the right to terminate this Agreement or the affected portion upon receipt

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of such notice and shall not be responsible for compliance with such tariff(s) if not duly notified as set forth herein.

1.5 **Taxes** All Services under this Agreement are being provided exclusive of any applicable taxes, duties, and/or charges imposed by any governmental authority. Such applicable taxes, duties, or and/or charges imposed upon either Party shall be paid directly to the proper governmental authority by each Party.

2. **Invoicing** Each Party shall invoice the other Party for all charges for Services on a weekly basis. All amounts stated on each invoice shall be offset, as set forth below, and the net balance will be due and payable in full within seven (7) days of receipt of the invoice (the "Due Date"), subject to paragraph 2 below. The parties agree that undisputed-invoiced amounts due hereunder within five (5) days following receipt of invoice, and that only the party having a balance payable after such netting shall make payment of such balance by wire transfer of U.S. dollars in immediately available funds to the other party by the Due Date. If payment is not made in full by the Due Date (except for amounts subject to a bona fide dispute and properly withheld in accordance with paragraph 2 below), the creditor Party shall have the right to suspend or terminate the delivery of all or any part of the Services provided pursuant to the CSA in accordance with Section 3.2.2 of the CSA. Neither Party shall be permitted to invoice the other Party for usage of Services that is over ninety (90) days old.

3. **Disputed Charges** All amounts must be paid in full by the Due Date unless a Party elects to withhold a disputed amount. If either Party, in good faith, disputes the amount or appropriateness of any charge included in an invoice from the other, the disputing Party must notify the billing Party in writing of the disputed charge within thirty (30) days of receipt of the invoice and provide the following documentation reasonably required to resolve the dispute. Minute Dispute – The disputing Party must provide the billing Party with a hard copy of the type of minute dispute being issued. All minute disputes shall be in the form of a flat text file and must be accompanied by a call detail record from the billing Party's call detail records supporting the alleged erroneous calls or minute duration variances. Rate/Class Dispute – The disputing Party must provide documentation identifying the time period, appropriate rate/code, total minutes and amount in dispute for each country and documentation detailing the rate/code agreed upon and/or call detail records to support the claim. Failure to contest a charge within ninety (90) days of receipt of the invoice will create an irrefutable presumption of the correctness of the charge, absent manifest error, and that Party shall have waived its right to dispute that invoice.

3.1 Dispute – If either Party, in good faith, disputes an invoice, the disputing Party may withhold such disputed amount and must submit in full the undisputed portion of the invoice so long as such Party provides the billing Party with written notice of such dispute prior to the Due Date along with the written documentation described above identifying and substantiating the disputed amount. The disputing Party will be required to remit the entire withheld disputed amount by the Due Date if such Party fails to submit the required notice and documentation within the time prescribed herein. Either Party reserves the right to suspend any portion of the Services or terminate this Agreement upon advance written notice if the other Party withholds any amounts and fails to comply with the terms of this provision.

3.2 The Parties will exercise reasonable, good faith efforts to resolve any dispute arising out of this Agreement within thirty (30) days of receipt of a Party's written notice of the dispute. The Parties will attempt to resolve a dispute through discussions between each other at the operational level. In the event a resolution cannot be reached at the operational level within fifteen (15) days of

receipt of notice of such dispute, the matter shall be escalated and negotiated between appointed counsel and/or senior executives of each Party who have the requisite authority to settle such dispute. If the Parties fail to resolve the dispute within thirty (30) days of receipt of notice of such dispute, the Parties shall enter into arbitration as set forth in the CSA.

4. **Confidentiality** The Parties hereto hereby acknowledge that during the course of this Agreement, either Party may acquire information regarding the other and its trade secrets including without limitation its rates, traffic volume, financial information, or other information, whether oral or written, of a confidential and proprietary nature (hereinafter "Confidential Information"). Each Party shall hold the Confidential Information in strict confidence and shall not reveal the Confidential Information, or any portion thereof. The foregoing obligations regarding disclosure of Confidential Information shall not apply, however, to any part of the Confidential Information which: (a) was already in the public domain or which becomes so through no fault of the receiving Party; (b) was already known or independently developed by the receiving Party; (c) was lawfully disclosed to the receiving Party prior to receipt hereof; (d) is expressly approved for release by written authorization of the disclosing Party; or (e) is disclosed pursuant to any judicial or governmental request, requirement or order provided, however, the receiving Party only makes disclosure to the extent required and, prior to making such disclosure, takes all reasonable steps to provide prompt and sufficient notice to the disclosing Party so that the disclosing Party may contest such request, requirement or order. The Confidential Information of each Party shall be safeguarded by the other to the same extent that it safeguards its own confidential materials or data relating to its own business, but with no less than reasonable care. Each Party agrees to limit access to such Confidential Information to employees, agents or representatives who have a need to know such information in order to perform the obligations set forth in this Agreement and such employees, agents or representatives will be notified by the Party providing access to the Confidential Information that the information is confidential in nature and is to be used only for the purposes of performing each Party's obligations hereunder. The rights and obligations of the Parties hereto therefore also will inure to such affiliates, employees, agents and representatives of each Party and may be directly enforced by or against same. For the purposes of this Agreement, "employees" includes third parties retained by IDT or Company for temporary administrative, clerical or programming support and "agents" and "representatives" includes attorneys, accountants, auditors or other persons or entities to whom either Party discloses the Confidential Information. This paragraph shall survive expiration or termination of this Agreement for a period of one (1) year.

4.1 **Return of Information** Upon request, the recipient of the Confidential Information will promptly return all Confidential Information (or any designated portion thereof), including all copies thereof, to the disclosing Party or, if so directed by the disclosing Party, destroy such Confidential Information. The recipient will also, within ten (10) days of written request by the disclosing Party, certify in writing that it has satisfied its obligations under this section.

4.2 **Injunctive Relief** The Parties agree that an impending or existing violation of these confidentiality provisions would cause the disclosing Party irreparable injury for which it would have no adequate remedy at law, and agree that the disclosing Party may be entitled to obtain immediate injunctive relief prohibiting such violation, in addition to any other rights and remedies available to it

5.1 **Limitation of Liability** In no event shall either Party be liable to the other or any third party in any respect for any indirect, incidental, consequential, exemplary, punitive, reliance or special damages, or for any loss of revenue, profits, use, data, goodwill or business opportunities of any

kind or nature whatsoever, arising in any manner from this Agreement and the performance or non-performance of any obligations hereunder. Regardless of whether any claim is based in contract, tort or other legal theory, each Party's liability under or in connection with this Agreement shall be limited to the pro-rated amount payable under the terms of this Agreement relating to the affected Services, not to exceed the amount payable for (i) the one month period immediately preceding any claim in respect of any one cause of action or a series of causes of action (connected or unconnected); or (ii) two hundred and fifty thousand (\$250,000) dollars, whichever is less. Neither Party shall be liable for any damages, whether direct or indirect, caused by services or equipment that is not furnished or managed solely by such Party. The Parties acknowledge that the limitations on liability set out in this clause have been negotiated between the Parties and are regarded by the Parties as being reasonable in all circumstances.

5.2 Indemnity ~~Mont Salem shall indemnify and hold harmless IDT and all of its officers, agents, directors, shareholders, subcontractors, subsidiaries, employees and other affiliates (collectively "Indemnified Party") from and against any claim, cost, damage, demand, liability, loss, penalty, proceeding or reasonable attorney's fees imposed upon IDT by reason of any claims or damages arising out of or relating to: (i) Mont Salem's appointment as Company's agent; and (ii) Mont Salem's failure to pay to Company all payments made by IDT to Mont Salem pursuant to this Agreement; and (iii) Mont Salem's fraudulent use of the payments made by IDT to Mont Salem pursuant to this Agreement. Mont Salem will not settle any claims, demands, suits, proceedings or actions without IDT's prior written consent, which consent shall not be unreasonably withheld or delayed.~~

6. Amendment and Modification This Agreement shall not be valid until signed and accepted by a signatory duly authorized to legally bind the Parties hereto. No change, amendment, modification, termination or attempted waiver of any of the provisions set forth herein shall be binding unless made in writing and signed by a duly authorized representative of both Parties hereto, and no representation, promise, inducement or statement of intention has been made by either Party which is not embodied herein.

7. Assignment Neither Party will assign this Agreement or any rights under this Agreement without the prior written consent of the other Party, which consent will not be unreasonably withheld, except that each Party may assign or transfer this Agreement, in whole or in part, to any entity controlling, under common control with or controlled by such Party without the consent of the other Party. Subject to the foregoing, this Agreement will be binding upon and inure to the benefit of the Parties hereto and their respective successors or assigns.

8. Notices All invoices and notices of disputes shall be sent via confirmed facsimile or electronic mail to the following addresses:

If to IDT: IDT Domestic Telecom, Inc.
Finance Department
520 Broad Street, 14th Floor
Newark, NJ 07102
Attention: Brian Scarpa
Facsimile: 973-438-1526
Email: Brian.Scarpa@corp.idt.net

If to Company: Company: Mont Salem Management Ltd
Address: PO Box 260, Butterfield Square

MR

Providenciales, Turks and Caicos Islands
British West Indies

Attention: Adrian Corr
Facsimile: 011 649-946 4663
Email: mslaw@tcitway.tc

9. **Jurisdiction** This Agreement and the relationship between the Parties hereto will be governed by the laws of the State of New York. Both Parties consent to said jurisdiction and venue in the courts of New York.

10. **Entire Agreement** This Agreement, including any exhibits attached hereto, sets forth the entire agreement and understanding of the Parties hereto and supersedes and merges any and all prior proposals, negotiations, representations, agreements, arrangements or understandings, both oral and written, relating to the subject matter hereof. The Parties hereto have not relied on any proposal, negotiation or representation, whether written or oral, that is not expressly set forth herein.

11. The parties agree that this Agreement shall be executed on the same date as the CSA.

IN WITNESS WHEREOF, the Parties have executed this Agreement as of the date first written above.

IDT DOMESTIC TELECOM, INC.

MONT SALEM MANAGEMENT LTD

By: Norman Rosenberg
Title: CFO

By: Adrian Corr
Title: _____

BINGHAM

LEGAL INSIGHT. BUSINESS INSTINCT.

Troy F. Tanner
Direct Phone: 202.373.6560
Direct Fax: (202) 373-6464
troy.tanner@bingham.com

May 23, 2007

CONFIDENTIAL, NOT FOR PUBLIC INSPECTION

Via Hand Delivery

Ms. Helen Domenici
Chief, International Bureau
Federal Communications Commission
445 Twelfth Street, SW
Washington, DC 20554

**Re: Carrier Service Agreement between IDT Corporation and
Telecommunications D'Haiti S.A.M.**

Dear Ms. Domenici:

IDT Corporation ("IDT"), by its counsel, hereby responds to your request dated May 7, 2007, for additional information on the status of the Carrier Service Agreement between IDT and Telecommunications D'Haiti S.A.M. ("Teleco Haiti") dated October 22, 2003 ("Agreement"), and the accounting rates in effect from October 22, 2003, and November 4, 2004, in accordance with the Agreement. Because the information you seek is highly confidential, pursuant to Sections 0.457 and 0.459 of the Commission's Rules, 47 C.F.R. §§ 0.457, 0.459 (1994), IDT hereby requests that this letter and its contents be treated as a confidential document not subject to public inspection.

Specifically, the past rates associated with the Agreement are sensitive commercial and financial information concerning IDT's business operations and services. As noted earlier at the time the underlying Agreement was filed, due to the intensely competitive nature of the international services market, the Agreement, including its terms which are disclosed herein, is commercially sensitive. Consistent with Section 0.457(d) of the Commission's Rules, IDT considers such information as confidential and proprietary and does not customarily disclose such information to competitors, customers, or internal and external personnel whose job performance does not require such information or who have not agreed to keep this information in confidence. IDT believes strongly that public disclosure of such information will place IDT at a significant competitive disadvantage in the international marketplace while confidential treatment will not adversely affect any interested party. Further, grant of this request is in the public interest because it will promote continued competition in the provision of international telecommunications services.

With the understanding that the following information should be treated as confidential, IDT replies as follows. First, the Agreement between IDT and Teleco Haiti is no longer in effect, and IDT did not enter into any new agreements with Teleco Haiti prior to November 4, 2004. Though the Agreement was not formally terminated, IDT

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Ms. Helen Domenici
May 23, 2007
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last sent traffic to Teleco Haiti on January 27, 2006, and turned down its circuits with Teleco Haiti on November 17, 2006.

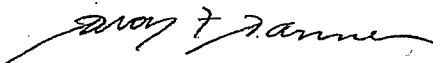
Second, during the existence of the Agreement, IDT paid the following termination rates to Teleco Haiti, starting on February 5, 2004, when IDT first began sending traffic to Teleco Haiti.

Dates Rate Effective	Rate Per Minute
2/5/04 - 2/22/04	\$0.0875
2/23/04 - 5/11/04	\$0.0775
5/12/04 - 7/31/04	\$0.0735
8/1/04 - 11/4/04	\$0.18

For the reasons discussed above, IDT respectfully requests that the above information be withheld from public inspection in accordance with Sections 0.457 and 0.459.

Any questions regarding this response should be addressed to the undersigned.

Respectfully submitted,



Troy F. Tanner
Counsel for IDT Corporation