

October 8, 2002

James L. Ball
Chief, Policy Division
International Bureau
445 12th Street, S.W.
Federal Communications Commission
Washington, DC 20554

Re: *Response to September 27, 2002, request for further information regarding transfer of certain FCC licenses from Bell Atlantic New Zealand Holdings, Inc. to Pacific Telecom Inc., IB Docket 02-111.*

Dear Mr. Ball:

This is written on behalf of Pacific Telecom Inc. ("PTI" or "Pacific Telecom") and Bell Atlantic New Zealand Holdings, Inc. ("BANZHI") (collectively, "the Joint Applicants") in response to your letter dated September 27, 2002, in the above-referenced docket. Your letter requested further information regarding the proposed acquisition of The Micronesian Telecommunications Corporation ("MTC") and associated transfer of control of certain Federal Communications Commission ("FCC" or "Commission") licenses and Section 214 authorizations from transferor BANZHI to transferee PTI. This transaction is being considered by the Commission pursuant to the public notice issued May 16, 2002, DA 02-1173. We reprint the Bureau's information requests below and then provide our response. The attachment numbers correspond to the information request numbers, but not every information request has a corresponding attachment.

FCC September 27, 2002, Information Requests

- 1. Do any of the beneficiaries of the various Tan Family Trusts have voting interests in Tan Holdings Company, THC Communications or Pacific Telecom Inc.? Is Siu Lin Tan, as Trustee of the various Tan Family Trusts, vested with voting power for all the trusts?*

Response: As "Attachment 1 (10/08/02)" to this letter indicates, six different trusts have direct ownership interests in Tan Holdings Corporation (Tan Holdings Corporation is the 100 percent owner of THC Communication Corporation, which in turn is a thirty percent shareholder in Pacific Telecom Inc.). The six different trusts are (1) the Henry Tan Trust, (2) the Willie Tan Trust, (3) the Pak Kim Lam Tan Trust, (4) the Lily Tan Chou Trust, (5) the

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Raymond Cho Lung Tan Trust, and (6) the Tan Family Trust (to avoid confusion with the Tan Family trusts as a group, this individual trust will be referred to as the "TF Trust").

The beneficiaries of the six different Tan Family trusts do not directly have voting interests in Tan Holdings Corporation, THC Communications Corporation or Pacific Telecom Inc., with the exception noted below. Siu Lin Tan, a U.S. citizen, is both one of the beneficiaries of the TF Trust and the trustee of each of the various Tan Family trusts. As trustee, he is vested with all of the voting power for each of the trusts, subject to the approval of the Board of Trust for the individual trust. As "Attachment 1 (10/08/02)" indicates, each of the members of the Board of Trust for each individual trust is a U.S. citizen. Thus, U.S. citizens hold 100 percent of the Tan Family trusts' voting interests in Tan Holdings Corporation.

2. *Please verify that each name listed as a beneficiary of the Various Tan Family Trusts (as listed on Attachment 5 of your August 16, 2002 response) is a separate individual and not the same individual with a surname omitted. For example, "Raymond Cho Lung Tan" of the Tan Family Trust and "Raymond Tan" of the Pak Kim Lan[m] and Raymond Cho Lung Tan Trust are, in fact, separate individuals.*

Response: See "Attachment 1 (10/08/02)" for clarification. PTI has confirmed that "Raymond Cho Lung Tan" is the same person as "Raymond Tan," "Jerry Cho Yee Tan" is the same person as "Jerry Chan," and "Lily Tan" is the same person as "Lily Tan Chou." Also PTI notes that the correct name of Lily Tan Chou's husband is Samuel Chou, not Samuel Tan. Additionally, PTI has confirmed that Siu Lin Tan, trustee of all the various Tan Family trusts, is not a beneficiary of the Pak Kim Lam Tan Trust, as initially listed.

Because of the confusion regarding some of the names, PTI submits as "Attachment 2 (10/07/02)" a Section 1.65 amendment to correct a statement in PTI's pending Petition For Declaratory Ruling (ISP-PDR-20020411-00013), regarding the total number of individuals who are beneficiaries of the various Tan Family trusts, an issue which is not of decisional significance.¹

3. *Have there been any amendments to the Stock Purchase Agreement? If so, please provide copies thereof.*

Response: The Joint Applicants have not amended the Purchase and Sale Agreement relating to MTC. PTI shareholders, however, recently extended the effective period of a side

¹ As described in the Section 1.65 amendment, the corrected statement has no decisional significance because the percentage of PTI foreign ownership identified in the Petition for Declaratory Ruling is not changed by the clarification of the beneficiary names.

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letter addressed to BANZHI that is related to the Purchase and Sale Agreement. The Joint Applicants provide as "Attachment 3 (10/08/02)" a copy of the original side letter and the recent extension.² The side letters, among other things, describe PTI's commitment to retain the current employees of MTC.

4. *Do any carriers other than GTE Pacifica and WorldCom provide rate integrated service to the Commonwealth of Northern Mariana Islands ("CNMI")? After the transaction becomes effective, will equal access be available for long distance service? Please provide long distance rates from the time period beginning six months before to six months after rate integration was implemented in CNMI.*

Response: In addition to GTE Pacifica and WorldCom, three other carriers currently provide rate integrated service to the CNMI. These carriers are IT&E Overseas, Startec PCI and TelePacific Network, Inc. Equal access will be available for wireline long distance service after the transaction becomes effective. Rate integration commenced in the CNMI on August 1, 1997. Appended as "Attachment 4A (10/08/02)" is a summary provided by BANZHI of the long distance rates from the time period beginning six months before through six months after rate integration was implemented in the CNMI. Appended as "Attachment 4B (10/08/02)" is a letter from PTI's general counsel, Colin M. Thompson, to the Commonwealth (CNMI) Telecommunications Commission, Saipan, dated September 20, 2002, stating PTI's intention to sign a rate integration agreement with the CNMI committing PTI to honor Verizon's long distance domestic message toll service rates for customer dialed direct station to station calls for a five year period.

5. *In the "Joint Opposition to Petitions to Deny and Informal Opposing Comment" on page 32, PTI and BANZHI state that long distance rates are currently lower than required by integration. Please provide the required rate integration rate and the current long distance rate.*

Response: Appended as "Attachment 5 (10/08/02)" is a chart summarizing the current required rate integration rates, Optional Calling Plan (OCP) rates and Prepaid Card rates for domestic long distance calls from the CNMI. A comparison of these rates shows that GTE Pacifica currently offers domestic long distance calling plans containing rates that are lower than required by rate integration. Notably, the OCP rate is lower than the required rate integrated rate

² The original November 23, 2001, side letter was submitted under a claim of confidentiality as part of Attachment 3 (copy of the MTC Purchase and Sale Agreement) to the Joint Applicants' August 16, 2002, responses to the Bureau's August 1, 2002, information requests. The Joint Applicants hereby withdraw their request for confidentiality for the November 23, 2001, side letter, although the separate Purchase and Sale Agreement remains subject to the Joint Applicants' confidentiality request.

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to all domestic points (US Mainland, Hawaii, Alaska, Guam, and the US Virgin Islands/Puerto Rico) at all times of the day.

6. *Please clarify whether the market share information provided on page 3 of Attachment 7 of your August 16, 2002 response is based solely on presubscribed 1+ originating minutes. If it is not, please explain how the market share figures were calculated and provide a similar breakdown of market share for only presubscribed 1+ originating minutes.*

Response: The market share information provided on page 3 of Attachment 7 of the August 16, 2002 response incorporated all originating access minutes, including 1-800 minutes. Appended as "Attachment 6 (10/08/02)" is a summary of market share data provided by BANZHI for only presubscribed 1+ originating minutes. As evidenced in "Attachment 6 (10/08/02)," presubscribed 1+ originating calls are a small percentage of the total CNMI market for long distance services (11.17% [Verizon Pacifica] + 3.83% [IT&E Overseas] + 1.10% [TelePacific Network, Inc.] + 0.50% [Startec/PCI] = 16.6 %).

7. *Please provide copies of the subscription agreements referred to in Article 3.2 of the Shareholder's Agreement, or other agreements, evidencing the agreements to contribute to the capital of the company.*

Response: Section 3.2 of the Shareholders' Agreement states that the shareholders "shall participate in the ownership of [PTI] and MTC and subscribe to the shares of stock thereof. . . ." PTI's shareholders have not yet executed subscription agreements. As PTI explained in footnote 3 on page 4 of PTI's August 16, 2002, cover letter to James L. Ball (responding to his August 1, 2002, information requests), "as a corporation newly formed solely for the purpose of purchasing the stock of MTC, PTI currently has no operating units and the MTC purchase price will not be funded by PTI's shareholders until government approvals of the transaction have been granted."

In sum, PTI shareholders currently do not plan to execute subscription agreements until closer to the time that government approvals of the transaction are expected to be granted. Please note, however, that PTI previously submitted as Attachments 9A and 9B (confidential attachments to PTI's August 16, 2002, responses) information that substantiates the primary shareholders' ability to fund the capital of PTI.

IB DOCKET NO. 02-111

ATTACHMENT 1 (10/08/02)

TO PACIFIC TELECOM INC.'S RESPONSE TO

INTERNATIONAL BUREAU'S SEPTEMBER 27, 2002

INFORMATION REQUEST

TAN FAMILY TRUSTS
(Clarified October 8, 2002)

NAME OF TRUST	TRUST'S OWNERSHIP OF TAN HOLDINGS CORP. (%)	TRUSTEE	NAME OF BENEFICIARY/CITIZENSHIP	BOARD OF TRUST MEMBERS/CITIZENSHIP
Henry Tan Trust	16%	Siu Lin Tan	(1) Henry Tan, US Citizen (2) Jeffrey Shaw Ying Tan, US Citizen (3) Jason Shaw Tse Tan, US Citizen (4) Jeremy Shaw Run Tan, US Citizen (5) Jennifer Sze Tink Tan, US Citizen (6) Joise Tan, US Citizen	(1) Siu Lin Tan, US Citizen (2) Pak Kim Lam Tan, US Citizen (3) Henry Tan, US Citizen (4) Henry Tan, US Citizen (See Note 2) (5) Lily Tan Chou, US Citizen
Willie Tan Trust	15%	Siu Lin Tan	(1) Willie Tan, US Citizen (2) Cecilly Ann Ang Tan, US Citizen (3) Cedrick Jon Ang Tan, US Citizen (4) Cellini Ann Ang Tan, US Citizen (5) Candice Ann Ang Tan, US Citizen (6) Rosalina Tan, Filipino Citizen	(1) Siu Lin Tan, US Citizen (2) Pak Kim Lam Tan, US Citizen (3) Henry Tan, US Citizen (4) Willie Tan, US Citizen (5) Lily Tan Chou, US Citizen
Pak Kim Lam Tan Trust	19%	Siu Lin Tan	(1) Pak Kim Lam Tan, US Citizen (2) Henry Tan, US Citizen (3) Willie Tan, US Citizen (4) Lily Tan Chou, US Citizen (5) Raymond Cho Lung Tan, US Citizen (6) Jerry Cho Yee Tan, US Citizen (7) Sunny Tan, US Citizen	(1) Siu Lin Tan, US Citizen (2) Pak Kim Lam Tan, US Citizen (3) Henry Tan, US Citizen (4) Willie Tan, US Citizen (5) Jerry Cho Yee Tan, US Citizen
Lily Tan Chou Trust	10%	Siu Lin Tan	(1) Lily Tan Chou, US Citizen (2) Jamie Yun Cheng Chou, US Citizen (3) Joseph Yun Fa Chou, US Citizen (4) Jonathan Yun Xiong Chou, US Citizen (5) Samuel Chou, British Citizen	(1) Siu Lin Tan, US Citizen (2) Pak Kim Lam Tan, US Citizen (3) Henry Tan, US Citizen (4) Willie Tan, US Citizen (5) Lily Tan Chou, US Citizen
Raymond Cho Lung Tan Trust	10%	Siu Lin Tan	(1) Raymond Cho Lung Tan, US Citizen (2) Justin Wing San Tan, US Citizen (3) Jessica Ning Sang Tan, US Citizen (4) Cynthia Tan, British National (Overseas)	(1) Siu Lin Tan, US Citizen (2) Pak Kim Lam Tan, US Citizen (3) Henry Tan, US Citizen (4) Raymond Cho Lung Tan, US Citizen (5) Willie Tan, US Citizen
Tan Family Trust ("TF Trust")	30%	Siu Lin Tan	(1) Siu Lin Tan, US Citizen (2) Pak Kim Lam Tan, US Citizen (3) Henry Tan, US Citizen (4) Willie Tan, US Citizen (5) Lily Tan Chou, US Citizen (6) Raymond Cho Lung Tan, US Citizen (7) Jerry Cho Yee Tan, US Citizen (8) Sunny Tan, US Citizen	(1) Siu Lin Tan, US Citizen (2) Pak Kim Lam Tan, US Citizen (3) Henry Tan, US Citizen (4) Willie Tan, US Citizen (5) Lily Tan Chou, US Citizen (6) Raymond Cho Lung Tan, US Citizen (7) Jerry Cho Yee Tan, US Citizen (8) Sunny Tan, US Citizen

TAN FAMILY TRUSTS
(Clarified October 8, 2002)

ENDNOTES

1. Calculation of Beneficial Equity Foreign Ownership in Pacific Telecom Inc.

As the chart indicates, Tan Holdings Corporation is owned by six trusts, each with a varying equity ownership percentage of Tan Holdings Corporation, and each with a varying number of beneficiaries. The shares of a particular trust are divided equally among the beneficiaries. For example, as one of six beneficiaries of the Willie Tan Trust, Filipino citizen Rosalina Tan holds 16.67% of the 15% of the equity in Tan Holdings Corp. held by the Willie Tan Trust. Accordingly, since Tan Holdings Corp. holds 100% of the equity of THC Communications Corp., which holds 30% of the equity of Pacific Telecom Inc., Rosalina Tan indirectly holds 0.75% of the equity of Pacific Telecom Inc. (16.67% of trust * 15% of Tan Holdings Corp. * 30% of Pacific Telecom Inc.). Samuel Chou, a British citizen, as one of five beneficiaries of the Lily Tan Chou Trust, indirectly holds 0.6% of the equity of Pacific Telecom Inc. (20% of the Lily Tan Chou Trust * 10% of Tan Holdings Corp. * 30% of Pacific Telecom Inc.); and Cynthia Tan, British National (Overseas), as one of four beneficiaries of the Raymond Cho Lung Tan Trust, indirectly holds 0.75% of the equity of Pacific Telecom Inc. (25% of the Raymond Cho Lung Tan Trust * 10% of Tan Holdings Corp. * 30% of Pacific Telecom Inc.). Accordingly, 2.1% of the ultimate indirect equity ownership in Pacific Telecom is considered beneficially held by non-U.S. citizens who are beneficiaries of the trusts that control Tan Holdings Corporation. U.S. citizens, however, hold 100% of the Tan Family trusts' voting interest in Tan Holdings Corporation. The trustee of each trust is Siu Lin Tan, a U.S. citizen, who holds total voting interest for each trust, subject to Board of Trust approval. All members of each board are U.S. citizens.

2. Corrections From Chart of Tan Family Trusts Submitted as Attachment 5 to August 16, 2002, Letter

The revised chart of the six Tan Family Trusts identifies the members and citizenship of the Board of Trust for each individual Tan Family Trust. Please note that Henry Tan is listed twice as a member of the Board of Trust for the Henry Tan Trust. This may not be what was intended, but it is what the trust document currently states.

As described in the accompanying cover letter, the revised chart clarifies that "Raymond Cho Lung Tan" is the same person as "Raymond Tan," "Jerry Cho Yee Tan" is the same person as "Jerry Tan," and "Lily Tan" is the same person as "Lily Tan Chou." The correct name of the fifth listed beneficiary of the Lily Tan Chou Trust is "Samuel Chou," husband of Lily Tan Chou, not "Samuel Tan" as originally listed. Samuel Chou is a British citizen.

Contrary to the original chart (Attachment 5, August 16, 2002), Siu Lin Tan is not a beneficiary of the Pak Kim Lam Tan Trust.

Please also note that these corrections do not result in any change of the foreign ownership percentage in Pacific Telecom Inc. set forth in PTI's Petition for Declaratory Ruling (ISP-PDR-20020411-00013).

IB DOCKET NO. 02-111

ATTACHMENT 2 (10/07/02)

TO PACIFIC TELECOM INC.'S RESPONSE TO

INTERNATIONAL BUREAU'S SEPTEMBER 27, 2002

INFORMATION REQUEST

ATTACHMENT 2 (10/07/02)
IB DOCKET NO. 02-111 RESPONSES TO
FCC INFORMATION REQUESTS DATED SEPTEMBER 27, 2002

Section 1.65 Amendment To Pacific Telecom Inc. Petition For Declaratory Ruling, ISP-PDR-20020411-00013

Pacific Telecom Inc. hereby requests leave to amend the above-referenced application pursuant to Section 1.65 of the Commission's rules. In its Petition For Declaratory Ruling, Pacific Telecom Inc. ("PTI") inaccurately counted some U.S. citizen individuals who are beneficiaries of multiple Tan Family trusts. As explained below, however, this mistake in counting is of no decisional significance.

The mistake occurred because of a misunderstanding related to the shortened and full names of the same individuals. Specifically, "Raymond Cho Lung Tan" and "Raymond Tan," and "Jerry Cho Yee Tan" and "Jerry Tan" (listed as the beneficiaries of multiple trusts in Attachment 5 to the Joint Applicants' August 16, 2002, response) are names for the same person but inadvertently were counted as separate individuals. This is corrected in the chart that will be appended as "Attachment 1 (10/08/02)" to PTI's responses to the FCC.

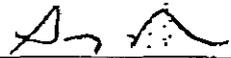
As reflected in note 1 to "Attachment 1 (10/08/02)," however, this correction does not result in any change to the foreign ownership percentages identified in PTI's Petition For Declaratory Ruling. Thus, the statements in the Petition For Declaratory Ruling at page 3 that "93 percent of the beneficial interests in the [Tan Family] trusts are currently attributable to U.S. citizens" and that "the interests in Pacific Telecom [by] foreign beneficiaries to the Tan Family trusts [amount to] 2.1 percent" remain accurate.¹

¹ Although the correction is not of "decisional significance" within the meaning of Section 1.65 of the Commission's rules, for the sake of accuracy PTI nevertheless amends the Petition Of Pacific Telecom Inc. For Declaratory Ruling, ISP-PDR-20020411-00013, to substitute on page 3, line 15, the phrase "Twenty-two of the current twenty-five separate beneficiaries" for the phrase "Twenty-four of the current twenty-seven beneficiaries."

ATTACHMENT 2 (10/04/02)
IB DOCKET NO. 02-111 RESPONSES TO
FCC INFORMATION REQUESTS DATED SEPTEMBER 27, 2002

Section 1.65 Amendment To Pacific Telecom Inc. Petition For Declaratory Ruling, ISP-
PDR-20020411-00013

Oct. 7, 2002
Date



George Chiu
Chairman
Pacific Telecom Inc.

IB DOCKET NO. 02-111

ATTACHMENT 3 (10/08/02)

**TO PACIFIC TELECOM INC.'S RESPONSE TO
INTERNATIONAL BUREAU'S SEPTEMBER 27, 2002
INFORMATION REQUEST**

L&L LEGAL
001070324715
002
Citadel Holdings Inc.
Tan Holdings Corporation

September 18, 2002

Bell Atlantic New Zealand Holdings, Inc.
c/o Verizon Communications Inc.
4 West Red Oak Lane
White Plains, NY 10604

Ladies and Gentlemen:

We have reference to the Purchase and Sale Agreement (the "Agreement") dated as of November 23, 2001, among Bell Atlantic New Zealand Holdings, Inc., a Delaware corporation ("Seller"), Citadel Holdings, Inc. a Philippines corporation ("Citadel"), and Tan Holdings Corporation, a Commonwealth of the Northern Mariana Islands corporation ("Tan"), and the letter agreement of that same date among those same parties which refers to the Agreement (the "Letter Agreement"). Capitalized terms used in this letter without definition have the meanings given to them in the Agreement.

The original term of the Letter Agreement was one year from the date of the Letter Agreement. Such term had been selected by the parties on the assumption that the Closing under the Agreement would occur within a few months, and in any event well earlier than one year, after the date of the Agreement. In view of the fact that the Closing has not yet occurred as of the date of this letter, Tan and Citadel consider it in their best interests, and in the interest of improving the likelihood that the Closing will occur, to extend the term of the Letter Agreement. Accordingly, in consideration of these facts and circumstances, and intending to be legally bound hereby, Tan and Citadel agree that they shall continue to be bound by the terms of the Letter Agreement, and that their covenants and agreements made in the side letter shall continue in force and effect for a term of one year from the Closing Date under the Agreement.

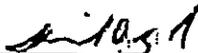
This letter is provided solely to and for the benefit of Seller and Buyers and shall not be construed as conferring any right on, nor shall it be enforceable by, any other Person.

Sincerely,

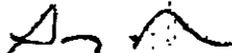
CITADEL HOLDINGS, INC.

TAN HOLDINGS CORPORATION

By:


Name: JOSE KICARRO DECEA00
Title: VICE-PRESIDENT

By:


Name: GEORGE CORTIS
Title: VICE-PRESIDENT

Citadel Holdings Inc.
Tan Holdings Corporation

November 23, 2001

Bell Atlantic New Zealand Holdings, Inc.
c/o Verizon Communications Inc.
4 West Red Oak Lane
White Plains, NY 10604

Ladies and Gentlemen:

We have reference to the Purchase and Sale Agreement (the "Agreement") being entered into as of the date of this letter among Bell Atlantic New Zealand Holdings, Inc., a Delaware corporation ("Seller"), Citadel Holdings, Inc. a Philippines corporation ("Citadel"), and Tan Holdings Corporation, a Commonwealth of the Northern Mariana Islands corporation ("Tan"). Capitalized terms used in this letter without definition have the meanings given to them in the Agreement. In order to induce Seller to execute the Agreement, and intending to be legally bound for a term of one year hereby, Tan and Citadel covenant and agree as follows:

1. The equity of Newco (and, directly or indirectly the Company) will be owned 50% by Citadel and its subsidiaries, 30% by Tan and its subsidiaries, and 20% by one or more third-party financial investors. The board of directors of Newco (or if Newco is not formed, of the Company) will comprise six members, three of whom shall be appointed by Citadel and its subsidiaries, two by Tan and its subsidiaries, and one by the holders of the remaining 20% of Newco's equity. Citadel shall have the right to designate the chief executive officer of Newco and the Company; the CEO will have the power to choose the management team. The operations of Newco and the Company will be managed by Citadel under the terms of a management agreement with Citadel to be entered into between Newco, the Company and Citadel.

2. As a general rule, following the Closing, the current employees of the Company will be retained by the Company. Performance will be a key indicator and appropriate incentives will be provided in order that the objectives of the Company will be achieved. As a matter of policy, the employment conditions of the Company will be treated independently of and will not be integrated with the other businesses of Citadel, Tan, or any other investors. At the appropriate time, shares of the Company will be made available to the employees as well as local investors.

SW

IB DOCKET NO. 02-111

ATTACHMENT 4A (10/08/02)

TO PACIFIC TELECOM INC.'S RESPONSE TO

INTERNATIONAL BUREAU'S SEPTEMBER 27, 2002

INFORMATION REQUEST

ATTACHMENT 4A (10/08/02)
IB Docket No. 02-111 RESPONSES TO FCC INFORMATION REQUESTS DATED SEPTEMBER 27, 2002

Summary of Direct Dial Message Telephone Service Rates
 For Pre-Subscribed Calls Originating In The CNMI
 From February 1, 1997 through January 31, 1998
 (six months before, through six months after, the August 1, 1997, rate integration)

	Tariff Page No.	Standard Day		Standard Evening		Standard Night		Weekend Day		Weekend Evening/Night	
		1 st Min	Addl Min	1 st Min	Addl Min						
U.S. Mainland											
8/9/96	1 st Rev Page 16B	\$0.99	\$0.99	\$0.99	\$0.99	\$0.99	\$0.99	\$0.99	\$0.99	\$0.99	\$0.99
7/1/97	2 nd Rev Page 16B	\$0.65	\$0.65	\$0.65	\$0.65	\$0.65	\$0.65	\$0.65	\$0.65	\$0.65	\$0.65
8/1/97 (Note 1)	Original Page 16C	\$0.40	\$0.40	\$0.40	\$0.40	\$0.40	\$0.40	\$0.40	\$0.40	\$0.40	\$0.40
Hawaii											
8/9/96	1 st Rev Page 16B	\$0.99	\$0.99	\$0.99	\$0.99	\$0.99	\$0.99	\$0.99	\$0.99	\$0.99	\$0.99
7/1/97	2 nd Rev Page 16B	\$0.65	\$0.65	\$0.65	\$0.65	\$0.65	\$0.65	\$0.65	\$0.65	\$0.65	\$0.65
8/1/97 (Note 1)	Original Page 16C	\$0.34	\$0.34	\$0.17	\$0.17	\$0.17	\$0.17	\$0.17	\$0.17	\$0.17	\$0.17
Alaska											
3/1/96 (Note 2)	15 th Rev Page 17	\$3.25	\$2.50					\$3.00	\$2.50		
7/1/97	16 th Rev Page 17	\$0.65	\$0.65					\$0.65	\$0.65		
8/1/97 (Note 1)	Original Page 16C	\$0.34	\$0.34	\$0.17	\$0.17	\$0.17	\$0.17	\$0.17	\$0.17	\$0.17	\$0.17
Guam											
8/1/96	16 th Rev Page 18A	\$0.55	\$0.55	\$0.55	\$0.55	\$0.55	\$0.55	\$0.55	\$0.55	\$0.55	\$0.55
7/1/97	17 th Rev Page 18A	\$0.40	\$0.40	\$0.40	\$0.40	\$0.40	\$0.40	\$0.40	\$0.40	\$0.40	\$0.40
8/1/97 (Note 1)	Original Page 16C	\$0.27	\$0.27	\$0.14	\$0.14	\$0.14	\$0.14	\$0.14	\$0.14	\$0.14	\$0.14
US Virgin Islands/Puerto Rico											
11/17/95 (Note 2)	6 th Rev Page 21A	\$4.00	\$3.50					\$3.20	\$2.80		
8/1/97	Original Page 16C	\$0.50	\$0.50	\$0.50	\$0.50	\$0.50	\$0.50	\$0.50	\$0.50	\$0.50	\$0.50

Notes:

1. With rate integration, the times defining the various calling periods were changed to match that of other GTE Companies. (the 8/1/97 rates remained effective through 1/31/98)
2. Only standard and Sunday rates available.

IB DOCKET NO. 02-111

ATTACHMENT 4B (10/08/02)

TO PACIFIC TELECOM INC.'S RESPONSE TO

INTERNATIONAL BUREAU'S SEPTEMBER 27, 2002

INFORMATION REQUEST

Colin M. Thompson
Attorney at Law

P. O. Box 1280, Saipan, MP 96950, U.S.A.
E-mail: colin.thompson@saipan.com

Telephone No. : (670) 322-2866
Facsimile No. : (670) 322-4716

September 20, 2002

Commonwealth Telecommunications Commission
Mr. Norman Tenorio – Chairman
Mr. Michael Fitzgerald – Commissioner
Ms. Josephine Mesta - Commissioner
Caller Box 10007
Saipan, MP 96950

Re: Rate integration.

Dear Chairman Tenorio and Commissioners Fitzgerald and Mesta:

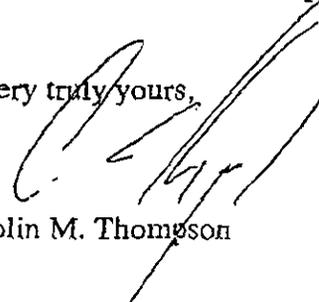
I write to you in my capacity as general counsel for Pacific Telecom Inc. (PTI). During the public hearings held in July of this year, PTI made known that it intended to honor rate integration. PTI will accomplish integration by adopting Verizon's long distance domestic message toll service rates for customer dialed direct station-to-station calls. This will formalize PTI's position.

At the closing of the sale of the Micronesian Telecommunications Corporation to Pacific Telecom, PTI will sign a rate integration agreement with the Commonwealth of the Northern Mariana Islands (CNMI) committing PTI to honor Verizon's long distance domestic message toll service rates for customer dialed direct station to station calls. This agreement will obligate PTI to maintain the agreed integration rate for 5 years. The tariff is referenced as Interstate Verizon Long Distance Rates, Terms & Conditions RTC No. 1 effective as of 09/12/02 Section 3.5 tariff page 42 available at <http://www.tariffs.net/verizon/index.mv?company=5430&164547811>.

Competition in the CNMI long distance market is also a powerful regulating force. In the CNMI, there are currently four providers offering pre-subscribed long distance services. There are hundreds of prepaid calling cards available for calls to domestic points throughout the United States. Many CNMI long distance customers rely on prepaid calling cards because they find them more economical than direct dial calling. Consumer choice in market contributes to lower long distance rates in the CNMI.

If the commission has any questions or concerns about PTI's commitment as expressed herein, please contact me at your earliest convenience.

Very truly yours,


Colin M. Thompson

cc: Adam Turner, Managing Director CTC

9/20/02

IB DOCKET NO. 02-111

ATTACHMENT 5 (10/08/02)

**TO PACIFIC TELECOM INC.'S RESPONSE TO
INTERNATIONAL BUREAU'S SEPTEMBER 27, 2002
INFORMATION REQUEST**

ATTACHMENT 5 (10/08/02)
IB Docket No. 02-111 RESPONSES TO FCC INFORMATION REQUESTS DATED SEPTEMBER 27, 2002

Summary of Current Rate Integrated Rates, Optional Calling Plan (OCP) Rates and Prepaid Card Rates For Calls Originating in the CNMI

	Standard Day		Standard Evening		Standard Night		Weekend Day		Weekend Evening/Night		
	1 st Min	Addl Min	1 st Min	Addl Min							
U.S. Mainland											
Rate Integrated Rate ¹	\$0.40	\$0.40	\$0.40	\$0.40	\$0.40	\$0.40	\$0.40	\$0.40	\$0.40	\$0.40	\$0.40
OCP ²	\$0.20	\$0.20	\$0.14	\$0.14	\$0.14	\$0.14	\$0.14	\$0.14	\$0.14	\$0.14	\$0.14
Prepaid Card ³	\$0.33	\$0.33	\$0.33	\$0.33	\$0.33	\$0.33	\$0.33	\$0.33	\$0.33	\$0.33	\$0.33
Hawaii											
Rate Integrated Rate	\$0.34	\$0.34	\$0.17	\$0.17	\$0.17	\$0.17	\$0.17	\$0.17	\$0.17	\$0.17	\$0.17
OCP	\$0.20	\$0.20	\$0.14	\$0.14	\$0.14	\$0.14	\$0.14	\$0.14	\$0.14	\$0.14	\$0.14
Prepaid Card	\$0.33	\$0.33	\$0.33	\$0.33	\$0.33	\$0.33	\$0.33	\$0.33	\$0.33	\$0.33	\$0.33
Alaska											
Rate Integrated Rate	\$0.34	\$0.34	\$0.17	\$0.17	\$0.17	\$0.17	\$0.17	\$0.17	\$0.17	\$0.17	\$0.17
OCP	\$0.20	\$0.20	\$0.14	\$0.14	\$0.14	\$0.14	\$0.14	\$0.14	\$0.14	\$0.14	\$0.14
Prepaid Card	\$0.33	\$0.33	\$0.33	\$0.33	\$0.33	\$0.33	\$0.33	\$0.33	\$0.33	\$0.33	\$0.33
Guam											
Rate Integrated Rate	\$0.28	\$0.28	\$0.18	\$0.18	\$0.18	\$0.18	\$0.18	\$0.18	\$0.18	\$0.18	\$0.18
OCP	\$0.20	\$0.20	\$0.14	\$0.14	\$0.14	\$0.14	\$0.14	\$0.14	\$0.14	\$0.14	\$0.14
Prepaid Card	\$0.33	\$0.33	\$0.33	\$0.33	\$0.33	\$0.33	\$0.33	\$0.33	\$0.33	\$0.33	\$0.33
US Virgin Islands/Puerto Rico											
Rate Integrated Rate	\$0.50	\$0.50	\$0.50	\$0.50	\$0.50	\$0.50	\$0.50	\$0.50	\$0.50	\$0.50	\$0.50
OCP	\$0.20	\$0.20	\$0.14	\$0.14	\$0.14	\$0.14	\$0.14	\$0.14	\$0.14	\$0.14	\$0.14
Prepaid Card	\$0.33	\$0.33	\$0.33	\$0.33	\$0.33	\$0.33	\$0.33	\$0.33	\$0.33	\$0.33	\$0.33

¹ The Rate Integrated Rate is the Verizon Pacifica Direct Dial Calls Usage Charge, effective July 1, 2002.

² The OCP rate is the rate for the WorldPass Extra Savings Plan for Residence and WorldPass Extra Savings Plan for Business, effective July 31, 2001.

³ The Prepaid Card rate is the WorldPass Verizon VIP Prepaid Phone Card – CNMI, effective July 31, 2001. For prepaid card calls, the first three minutes or fraction thereof will be billed at the 3 minute rate.

IB DOCKET NO. 02-111

ATTACHMENT 6 (10/08/02)

TO PACIFIC TELECOM INC.'S RESPONSE TO

INTERNATIONAL BUREAU'S SEPTEMBER 27, 2002

INFORMATION REQUEST

ATTACHMENT 6 (10/08/02)
IB DOCKET NO. 02-111 RESPONSES TO FCC INFORMATION REQUESTS DATED
SEPTEMBER 27, 2002

Long Distance Market Share in the CNMI for All Originating Access Minutes and for Only
 Presubscribed 1+ Originating Minutes

	MARKET SHARE FOR ALL ORIGINATING ACCESS MINUTES*	MARKET SHARE FOR ONLY PRESUBSCRIBED 1+ ORIGINATING MINUTES*
Verizon Micronesia	0.00%	0.00%
Verizon Pacifica	11.00%	67.30%
IT&E Overseas	3.83%	23.07%
TelePacific Network, Inc.	1.10%	6.64%
WorldCom	29.68%	0.00%
Startec/PCI	0.50%	2.99%
All Others (1-800)**	53.89%	0.00%
TOTAL	100%	100%

* Source: June 2002 Summary of billed Carrier Access MOU Report

** These minutes are terminated by AT&T and Sprint via correspondence agreements with Verizon Pacifica.

CERTIFICATE OF SERVICE

I, Felicia Lane, a legal secretary at Wilkinson Barker Knauer, LLP certify that on October 8, 2002, the foregoing was served on all parties listed below by hand delivery (indicated by asterisk) and U.S. mail, first class, postage prepaid.

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