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January 8, 1999

Ms. Magalie Roman Salas
Secretary
Federal Communications Commission
1919 M Street, N.W.
Washington, DC 20554

Re: International Settlements Policy Modification for Change in the
Accounting Rate for International Switched Voice Service with Iceland

Our Ref: (003/99)

Dear Ms. Salas:

Pursuant to the Commission's Report and Order, CC Docket No. 90-337, 6 FCC Rcd. 3552 (1991) (Regulation of International Accounting Rates, Phase 1), MCI WorldCom, Inc. ("MCI WorldCom") hereby informs the Commission of its intention to change the accounting rate for its International Switched Voice Service between MCI WorldCom and its correspondent, Iceland Telecom in Iceland.


The current and proposed accounting rate for this service as agreed to between the parties is displayed in the attached Supplementary Data Statement. The accounting rate will continue to be divided on a 50/50 basis. Other than the accounting rate change, no other modifications have been made to the operating agreement.

The proposed change in the accounting rate is in the U.S. public interest in that it will provide the earliest possible reductions in the accounting rate and the U.S. settlements outpayment, and is not in any way designed to enrich the foreign correspondent.

Ms. Magalie Roman Salas
Secretary
January 8, 1999
Page 2

Copies of this modification have been sent to the other carriers providing International Switched Voice Service between the United States and Iceland.

Respectfully submitted,



Tally Frenkel
Regulatory Attorney

Attachments

cc: George Li (FCC)
Ken Stanley (FCC)
Troy Tanner (FCC)
Lawrence J. Lafaro (AT&T)
Mary Beth Banks (Sprint)
Gail Granton (PGE)

ATTACHMENT A

MCI WorldCom, Inc.
SUPPLEMENTARY DATA STATEMENT CONCERNING AGREEMENT FOR
SETTLEMENT OF INTERNATIONAL MESSAGE TELEPHONE SERVICE
BETWEEN MCI WorldCom AND ICELAND

The accounting rate for service with ICELAND TELECOM was changed as shown below:

	<u>Accounting Rate</u>	
	<u>Per Minute</u>	
	<u>Current</u>	<u>Effective</u>
	SDR 0.35	<u>January 1, 1999</u>
		SDR 0.20
Surcharge* (per message)	SDR 2.00	SDR 2.00

* The surcharge is applicable to all receive collect messages and is payable to the non-billing party to compensate that party for the use of its operator service.

Each administration agrees to divide equally the accounting rate for each conversation minute.

STATE OF NEW YORK)
) ss:
COUNTY OF WESTCHESTER)

I, Nakul Rege, being duly sworn, state, under the penalties of perjury, as follows:

1. I am the Director of Accounting Rates and Transits at MCI WorldCom, Inc. ("MCI WorldCom"). My business address is Two International Drive, Rye Brook, New York, 10573.

2. I am responsible for the accounting rate negotiations with Iceland Telecom, MCI WorldCom's correspondent in Iceland that resulted in the accounting rate change contained in the accompanying waiver filed with the Commission herewith. I am making this affidavit based on my knowledge of the accounting rate negotiations with Iceland Telecom and the representations of MCI WorldCom's country manager for Iceland who participated in the accounting rate negotiations with Iceland Telecom.

3. MCI WorldCom has not bargained for, and has no knowledge of, exclusive availability of the new accounting rate with Iceland Telecom. MCI WorldCom has informed the foreign administration that U.S. policy requires that competing carriers have access to accounting rates negotiated by the filing carriers with the foreign carriers on a non-discriminatory basis.

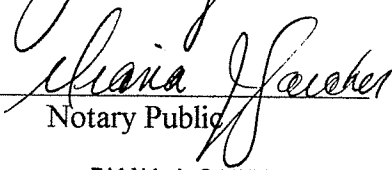
4. MCI WorldCom has not bargained for more than its proportionate share of return traffic. As a result of these negotiations, MCI WorldCom has no indication that it will receive more than its proportionate share of return traffic.



Nakul Rege

Sworn to before me this 14

day of January, 1999.



Notary Public

DIANA J. GARDNER
Notary Public, State of New York
No. 4692141
Qualified in Westchester County
Commission Expires June 30, 1999