

Before the
FEDERAL COMMUNICATIONS COMMISSION
Washington, DC 20554

In the Matter of)
)
InterExchange, Inc.)
)
Application for Authority for Transfer)
of Control to IDT Corporation of) File No. I-T-C-^{98-312-TC}~~97-077~~
InterExchange, Inc., which is Authorized)
Pursuant to Section 214 of the)
Communications Act to Resell the)
Services of Other U.S. Carriers Between)
the United States and Various)
International Points)

APPLICATION

Pursuant to Section 63.18 of the Commission's Rules, IDT Corporation and InterExchange, Inc. hereby request authority for IDT to acquire control of InterExchange, Inc., which holds international Section 214 authorization to resell the services of other U.S. carriers between the United States and various international points as authorized by the Commission in File No. I-T-C-97-077. Pursuant to an Agreement and Plan of Merger, IDT has entered into a transaction with InterExchange, Inc., pursuant to which InterExchange is expected to become a wholly owned subsidiary of IDT. The closing of the transaction is subject to regulatory approval and the conditions set forth in that Agreement.

This Application is qualified for streamlined processing pursuant to Section 63.12 of the Commission's Rules. Accordingly, we respectfully request streamlined processing of this Application.

The following information is provided pursuant to Section 63.18(e)(5) of the Commission's Rules:

- (a) Name, address, and telephone number:

Transferee:

IDT Corporation ("IDT")
190 Main Street
Hackensack, NJ 07601
201/928-1000

Transferor:

The Shareholders of InterExchange, Inc.
225 Old New Brunswick Road, Suite 300
Piscataway, NJ 08854
Telephone: 732/981-2800

- (b) Both IDT and InterExchange, Inc. are corporations organized under the laws of the State of Delaware.
- (c) Correspondence regarding this application should be addressed to:

Diane Clark
IDT Corporation
190 Main Street
Hackensack, NJ 07601
Telephone: 201/928-1000

with copies of correspondence to:

Robert L. James
Cole, Raywid & Braverman, LLP
Suite 200
1919 Pennsylvania Avenue, NW
Washington, DC 20006
Telephone: 202/659-9750

(d) As discussed above, InterExchange, Inc. has previously received authority from the Commission to provide global resale services. IDT has previously received Section 214 Authority to provide various telecommunications services in connection with the broad range of integrated long-distance telephone and Internet access services the Company provides.

(e) This Application involves the acquisition by IDT of InterExchange, Inc., which previously has been authorized by the Commission to operate as a resale carrier pursuant to the terms and conditions of Section 63.18(e)(2) of the Commission's Rules, including resale of the international services of authorized U.S. common carriers for the provision of international basic switched, private line, data, television and business services to all international points as authorized by the Commission in File No. I-T-C-97-077.

This acquisition of InterExchange, Inc. will serve the public interest and will provide for continuation and expansion of the resale carrier operations provided pursuant to the terms and conditions of Section 63.18(e)(2). Unless otherwise authorized by the Commission, the Company and IDT will continue to comply with all terms and conditions set forth in Section 63.18(e)(2)(ii) of the Commission's Rules as provided for in the authorization.

(f) Not applicable. This application conforms to the terms and conditions of Section 63.18(e)(2) and is subject to streamlined processing procedures pursuant to Section 63.12.

(g) Not applicable, pursuant to Section 63.18(e)(5).

(h) (1) InterExchange, Inc. certifies that it is not, and is not affiliated with, a foreign carrier. IDT certifies that it is not, and is not affiliated with, a foreign carrier.

(2) The common stock of IDT Corporation is traded on the NASDAQ. Howard S. Jonas, Chairman and Chief Executive Officer of IDT, owns a greater than 10% interest in the Company. As of December 31, 1997, Mr. Jonas owned 36% of IDT's outstanding capital stock in the form of IDT's Class A stock. Each share of Class A stock has three votes per share, such that, as of that date, Mr. Jonas controlled approximately 62.8% of the combined voting power of IDT. Mr. Jonas is a U.S. citizen whose address is: 190 Main Street, Hackensack, New Jersey 07601.

(3) This Application does not propose the acquisition of facilities through the resale of the international switched services of another U.S. carrier.

(4) This provision is inapplicable because neither IDT nor InterExchange, Inc. has foreign affiliates within the meaning of the Commission's Rules.

(5) The Applicant will promptly file a corrected certification whenever the substance of any of its certifications, required by paragraphs (h)(3) and (4), is no longer accurate.

(6-8) These subsections are inapplicable because neither IDT nor InterExchange, Inc. is, or is affiliated with, a foreign carrier.

(i) IDT certifies that it has not agreed to accept special concessions directly or indirectly from any foreign carrier or administration with respect to traffic or revenue flows between the U.S. and any foreign country which the applicant may serve under the authority granted under this application, and that it will not enter into such agreements in the future.

(j) In accordance with Sections 1.2001-1.2003 of the Commission's Rules, 47 C.F.R. §§ 1.2001-1.2003, the undersigned hereby certify that neither Applicant nor any party to this application is subject to a denial of Federal benefits that includes FCC benefits pursuant to Section 5301 of the Anti-Drug Abuse Act of 1988. *See* 21 U.S.C. § 853(a).

WHEREFORE, the public interest, convenience and necessity will be served by a grant of this application pursuant to Section 63.12 of the Commission's Rules.

Respectfully submitted,

IDT CORPORATION

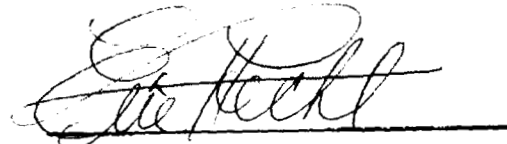
By: 
Officer

April 13, 1998

74304.1

INTEREXCHANGE, INC.

By:

A handwritten signature in cursive script, appearing to read "E. H. Beck", is written over a solid horizontal line.

Officer

April 10, 1998

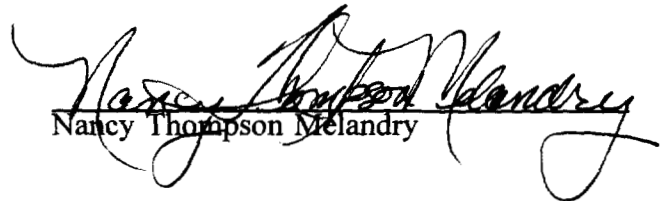
CERTIFICATE OF SERVICE

I hereby certify that I am an employee with the law firm of Cole, Raywid & Braverman, L.L.P., and that on this 15th day of April 1998 I mailed via first-class United States mail, postage prepaid, a copy of the foregoing "Application" to the following:

The Honorable Christine Todd Whitman
125 West State Street
PO Box 001
Trenton, NJ 08625

The Honorable Madeleine Albright
Secretary of State
State Department
2201 C Street, NW
Washington, DC 20520

The Honorable William S. Cohen
Secretary of Defense
Attn: Special Assistant for Telecommunications
The Pentagon
Washington, DC 20301


Nancy Thompson Melandry