

CH/DT

DOCKET NO.

IN THE MATTER OF THE
APPLICATION OF IDT AMERICA,
CORP. FOR A CERTIFICATE OF
AUTHORITY TO PROVIDE
TELECOMMUNICATIONS SERVICES IN
SOUTH DAKOTA

DATE _____

MEMORANDA

3/26	98	Filed and Packeted;
3/26	98	TC Fax Filing;
12/11	98	Letter Withdrawing Application;
12/18	98	Order Permitting Withdrawal of Application and Closing Packet;
12/18	98	Packet Closed.

SWIDLER
&
BERLIN
CHARTERED

TC 98-064

March 25, 1998

RECEIVED

MAR 26 1998

SOUTH DAKOTA PUBLIC
UTILITIES COMMISSION

VIA OVERNIGHT DELIVERY

William Bullard, Executive Director
South Dakota Public Utilities Commission
500 E. Capitol
State Capitol Building, 1st Floor
Pierre, SD 57501

Re: Application for Certificate of Authority

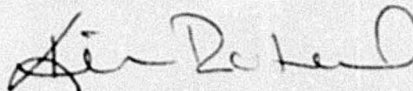
Dear Mr. Bullard:

Enclosed for filing on behalf of IDT America, Corp. ("IDT America") are an original and ten (10) copies of IDT America's application for a Certificate of Authority to provide intrastate interexchange telecommunications services in the State of South Dakota. Also enclosed, please find a check for \$250.00 made payable to the South Dakota Public Utilities Commission, to cover the Commission's filing fee.

Please date-stamp the enclosed extra copy of this letter and return it in the self-addressed, stamped envelope provided herein.

Should you have any questions concerning this filing, please do not hesitate to contact the undersigned at (202) 424-7766.

Very truly yours,



William B. Wilhelm, Jr., Esq.
Kimberly A. Rosenthal, Esq.

Counsel for IDT America, Corp.

Enclosure

cc: Diane Clark, Esq.
Margaret M. Charles, Esq.

**BEFORE THE
SOUTH DAKOTA PUBLIC UTILITIES COMMISSION**

Application of

IDT AMERICA, CORP.

For a Certificate of Authority to
Provide Intrastate Interexchange
Telecommunications Services
Within the State of South Dakota

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Docket No. _____

PETITION FOR CERTIFICATE OF AUTHORITY

IDT America, Corp. ("IDT America" or "Petitioner"), by its undersigned counsel, hereby submits its Petition for a Certificate of Authority to provide intrastate interexchange telecommunications services pursuant to Section 49-31-3 of the South Dakota Codified Laws and the Administrative Rules of South Dakota.

In support thereof, IDT America provides the following information as well as a proposed initial tariff:

1. The legal name of the Petitioner is IDT America, Corp. IDT America maintains its principal place of business at:

IDT America, Corp.
294 State Street
Hackensack, New Jersey 07601
Telephone: (201) 928-1000
Facsimile: (201) 907-5165

2. Correspondence or communications pertaining to this application should be directed to:

William B. Wilhelm, Jr., Esq.
Kimberly A. Rosenthal, Esq.
Swidler & Berlin, Chartered
3000 K Street, N.W., Suite 300
Washington, D.C. 20007-5116
Telephone: (202) 424-7500
Facsimile: (202) 424-7645

with a copy to:

Diane Clark
IDT America, Corp.
190 Main Street
Hackensack, New Jersey 07601
Telephone: (201) 928-4485
Facsimile: (201) 907-5165

Correspondence concerning the ongoing operations of IDT America should be addressed to Sammy Wechsler at:

IDT America, Corp.
294 State Street
Hackensack, New Jersey 07601
Telephone: (201) 928-1000 (ext. 5324)
Facsimile: (201) 907-5165

Customer inquiries or complaints may reach IDT America through its toll-free telephone number: 1-800-221-0756.

3. IDT America is a privately held corporation organized under the laws of the State of New Jersey on June 21, 1994. A copy of IDT America's Certificate of Incorporation is attached hereto as Exhibit 1. IDT America's Certificate of Qualification to Transact Business in South Dakota will be provided under separate cover, to be associated with this Petition as Exhibit 2. IDT

America is a wholly owned subsidiary of IDT Corporation, a Delaware corporation that is publicly traded on the Nasdaq National Market System, whose principal offices are also located at 294 State Street, Hackensack, New Jersey 07601. IDT America has no subsidiaries. The name and address of IDT America's registered agent in South Dakota is:

CT Corporation System
319 South Coteau Street
Pierre, South Dakota 57501
Telephone: (605) 224-5826

4. IDT America seeks to provide resold telecommunications services to subscribers to and from all points in the State of South Dakota and therefore seeks statewide authorization.

5. IDT America Services: Petitioner proposes to provide 24-hour intrastate interexchange telecommunications services, including 1+ direct dialing, 800 services, travel card and pre-paid debit card services to subscribers to and from all points within the state. Subject to demand and overall economic conditions, IDT America may subsequently offer additional services. Attached hereto as Exhibit 3 is IDT America's proposed tariff setting forth the proposed rates, charges, and regulations for the services described herein.

IDT America will provide high quality (digital wherever possible) service with a blocking rate no greater than P.01 to both business and residential customers. IDT America's services will be available on a full-time basis, twenty-four hours a day, seven days a week. IDT America's services will use mostly Feature Group D Access and special access facilities.

6. Telecommunications Experience: IDT America was formed to provide telecommunications services. IDT America is currently authorized to provide resold interexchange services, by virtue of certification, registration or on an unregulated basis, in approximately thirteen

states throughout the United States, including Arkansas, Delaware, Mississippi and Oklahoma. IDT America has never been denied certification to provide telecommunications services. IDT America's parent, IDT Corporation, is also authorized to provide intrastate interexchange telecommunications services in several states throughout the nation.

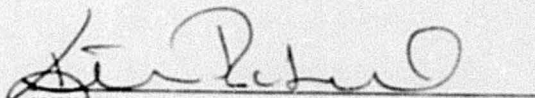
7. Petitioner's officers are well qualified to execute its business plan, having extensive managerial, financial, and technical telecommunications experience. Descriptions of the telecommunications and managerial experience of Petitioner's key personnel are attached hereto as Exhibit 4.

8. Petitioner is financially qualified to provide interexchange telecommunications services in the State. In particular, Petitioner has access to the financing and capital necessary to conduct its telecommunications operations as specified in this Petition. Petitioner will rely on the existing personnel, technical and financial resources of its parent, IDT Corporation, to provide intrastate services; accordingly, no additional investment will be needed to offer the proposed services. Current financial information for IDT Corporation, consisting of IDT Corporation's Form 10-Q for the Quarterly Period ended October 31, 1997, is attached hereto as Exhibit 5.

9. Approval of this Petition will serve the public interest by creating greater competition in the interexchange marketplace and by providing consumers a greater choice of long distance services. Petitioner believes that maintaining alternatives in the long distance service market will provide South Dakota callers with the most competitive prices and widest arrangement of service and billing options possible. Information concerning IDT America's proposed marketing business structure is attached hereto as Exhibit 6.

WHEREFORE, IDT America, Corp. requests that the South Dakota Public Utilities Commission grant the requested authority to provide intrastate interexchange telecommunications services in the State of South Dakota.

Respectfully submitted,



William B. Wilhelm, Jr., Esq.
Kimberly A. Rosenthal, Esq.
SWIDLER & BERLIN, CHTD.
3000 K Street, N.W., Suite 300
Washington, D.C. 20007-5116
Telephone: (202) 424-7500
Facsimile: (202) 424-7645

Counsel for IDT America, Corp.

Dated: March 25, 1998

EXHIBITS

Exhibit 1	Certificate of Incorporation
Exhibit 2	Certificate of Authority to Transact Business
Exhibit 3	Proposed Tariff
Exhibit 4	Management Qualifications
Exhibit 5	Financial Information
Exhibit 6	Marketing and Business Information
Verification	

EXHIBIT 1

Certificate of Incorporation

FILED

CERTIFICATE OF INCORPORATION

JUN 24 1994

OF

IDT AMERICA, CORP.

LONNA R. HOOKS
Secretary of State

The undersigned, of the age of eighteen (18) years or over, for the purpose of forming a corporation pursuant to the provisions of Title 14A, corporations, General, of the statutes of the State of New Jersey, does hereby execute the following Certificate of Incorporation:

FIRST: The name of the corporation is:
IDT AMERICA, CORP.

SECOND: The purpose or purposes for which this corporation is organized are:

To conduct all activities set forth and permitted under and by virtue of the terms, conditions and provisions of Title 14A, "New Jersey business Corporation Act."

THIRD: The aggregate number of shares which the corporation shall have authority to issue is ten thousand (10,000) shares, no par value.

FOURTH: The address of the corporation's initial registered office is 1506 West Terrace Circle
Unit #6
Teaneck, NJ 07666

FIFTH: The name of the corporation's initial registered agent at such address is: David Barth
1506 West Terrace Circle
Unit #6
Teaneck, NJ 07666

SIXTH: The number of directors constituting the initial Board of Directors shall be three (3).

SEVENTH: The name and address of each person who shall serve as Directors are as follows:

Howard Jonas, 3220 Arlington Avenue, Riverdale, NY 10463

Deborah Jonas, 3220 Arlington Avenue, Riverdale, NY 10463

Joyce J. Mason, 170 W. 23rd Street, New York, NY 10011

EIGHTH: The period of existence of this corporation is unlimited.

NINTH: A director shall not be personally liable to the corporation or its shareholders for damages for breach of any duty owed to the corporation or its shareholders; except that this provision shall not relieve a director from liability for any breach of duty based upon an act or omission (a) in breach of such person's duty of loyalty to the corporation or its shareholders, (b) not in good faith or involving a knowing violation of law or (c) resulting in receipt by such person of an improper personal benefit.

IN WITNESS WHEREOF, the undersigned incorporator has hereunto subscribed his name this 21th day of June, 1994.

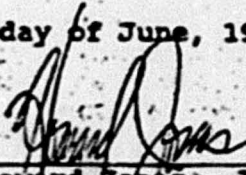

Howard Jonas - Incorporator
3220 Arlington Avenue
Riverdale, NY 10463

EXHIBIT 2

Certificate of Authority to Transact Business

IDT America, Corp.'s Certificate of Authority to Transact Business will be provided under separate cover.

EXHIBIT 3

Proposed Tariff

TELECOMMUNICATIONS SERVICES TARIFF

TITLE SHEETSOUTH DAKOTA TELECOMMUNICATIONS TARIFF

This tariff contains the descriptions, regulations, and rates applicable to the furnishing of service or facilities for Telecommunications Services furnished by IDT America, Corp. ("IDT"), with principal offices at 294 State Street, Hackensack, New Jersey 07601. This tariff applies for services furnished within the State of South Dakota. This tariff is on file with the South Dakota Public Utilities Commission, and copies may be inspected, during normal business hours, at the company's principal place of business.

ISSUED: _____

EFFECTIVE: _____

ISSUED BY:

Howard S. Jonas, CEO
294 State Street
Hackensack, New Jersey 07601

TELECOMMUNICATIONS SERVICES TARIFF

CONCURRING, CONNECTING OR
OTHER PARTICIPATING CARRIERS AND
BILLING AGENTS

1. Concurring Carriers - None
2. Connecting Carriers - None
3. Other Participating Carriers - None
4. Billing Agent - None

ISSUED: _____

EFFECTIVE: _____

ISSUED BY: Howard S. Jonas, CEO
294 State Street
Hackensack, New Jersey 07601

TELECOMMUNICATIONS SERVICES TARIFF

CHECK SHEET

Sheets 1 through 30 inclusive of this tariff are effective as of the date shown at the bottom of the respective sheet(s). Original and revised sheets as named below comprise all changes from the original tariff and are currently in effect as of the date on the bottom of this sheet.

<u>SHEET</u>	<u>REVISION</u>	<u>SHEET</u>	<u>REVISION</u>
1	Original	21	Original
2	Original	22	Original
3	Original	23	Original
4	Original	24	Original
5	Original	25	Original
6	Original	26	Original
7	Original	27	Original
8	Original	28	Original
9	Original	29	Original
10	Original	30	Original
11	Original		
12	Original		
13	Original		
14	Original		
15	Original		
16	Original		
17	Original		
18	Original		
19	Original		
20	Original		

* New or Revised Sheet.

ISSUED: _____

EFFECTIVE: _____

ISSUED BY: Howard S. Jonas, CEO
 294 State Street
 Hackensack, New Jersey 07601

TELECOMMUNICATIONS SERVICES TARIFF

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ISSUED: _____

EFFECTIVE: _____

ISSUED BY: Howard S. Jonas, CEO
 294 State Street
 Hackensack, New Jersey 07601

TELECOMMUNICATIONS SERVICES TARIFF

TARIFF FORMAT

A. Sheet Numbering: Sheet numbers appear in the upper right corner of the page. Sheets are numbered sequentially. However, new sheets are occasionally added to the tariff. When a new sheet is added between sheets already in effect, a decimal is added. For example, a new sheet added between pages 11 and 12 would be Page 11.1.

B. Sheet Revision Numbers: Revision numbers also appear in the upper right corner of each sheet where applicable. These numbers are used to indicate the most current page version on file with the Commission. For example, 4th Revised Sheet 13 cancels 3rd Revised Sheet 13. Consult the Check Sheet for the sheets currently in effect.

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

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

D. Check Sheets: When a tariff filing is made with the Commission, an updated Check Sheet accompanies the tariff filing. The Check Sheet lists the sheets contained in the tariff, with a cross reference to the current Revision Number. When new sheets are added, the Check Sheet is changed to reflect the revision. All revisions made in a given filing are designated by an asterisk (*). There will be no other symbols used on this sheet if these are the only changes made to it (i.e., the format, etc. remains the same, just revised revision levels on some sheets). The tariff user should refer to the latest Check Sheet to find out if a particular sheet is the most current on Commission file.

ISSUED: _____

EFFECTIVE: _____

ISSUED BY:

Howard S. Jonas, CEO
294 State Street
Hackensack, New Jersey 07601

TELECOMMUNICATIONS SERVICES TARIFF

SYMBOLS

The following are the only symbols used for the purposes indicated below:

- (C) to signify change in regulation
- (D) to signify a deletion
- (I) to signify a rate increase
- (L) to signify material relocated in the tariff
- (N) to signify a new rate or regulation
- (R) to signify a rate reduction
- (T) to signify a change in text, but no change in rate or regulation

ISSUED: _____

EFFECTIVE: _____

ISSUED BY: Howard S. Jonas, CEO
294 State Street
Hackensack, New Jersey 07601

TELECOMMUNICATIONS SERVICES TARIFF

SECTION 1 - TECHNICAL TERMS AND ABBREVIATIONS

Access Line - An arrangement from a local exchange telephone company or other common carrier, using either dedicated or switched access, which connects a Customer's location to IDT's location or switching center.

Authorization Code - A numerical code, one or more of which may be assigned to a Customer, to enable IDT to identify the origin of the Customer so it may rate and bill the call. Automatic number identification (ANI) is used as the authorization code wherever possible.

Commission - Used throughout this tariff to mean the South Dakota Public Utilities Commission.

Customer - The person, firm, corporation or other legal entity which orders the services of IDT or purchases a IDT Prepaid Calling Card and/or originates prepaid calls using such cards, and is responsible for the payment of charges and for compliance with the Company's tariff regulations.

Company or IDT - Used throughout this tariff to mean IDT America, Corp., a New Jersey corporation.

Prepaid Account - An inventory of Telecom Units purchased in advance by the Customer, and associated with one and only one Authorization Code as contained in a specific Prepaid Calling Card.

Prepaid Calling Card - A card issued by the Company, containing an Authorization Code which identifies a specific Prepaid Account of Telecom Units, which enables calls to be processed, account activity to be logged, and balances to be maintained, on a prepayment basis.

ISSUED: _____

EFFECTIVE: _____

ISSUED BY: Howard S. Jonas, CEO
 294 State Street
 Hackensack, New Jersey 07601

TELECOMMUNICATIONS SERVICES TARIFF

SECTION 1 - TECHNICAL TERMS AND ABBREVIATIONS (cont'd)

Telecom Unit - A measurement of telecommunications service equivalent to one minute of usage between any two points within the State of South Dakota.

Telecommunications - The transmission of voice communications or, subject to the transmission capabilities of the services, the transmission of data, facsimile, signaling, metering, or other similar communications.

Underlying Carrier - The telecommunications carrier whose network facilities provide the technical capability and capacity necessary for the transmission and reception of Customer telecommunications traffic.

ISSUED: _____

EFFECTIVE: _____

ISSUED BY:

Howard S. Jonas, CEO
294 State Street
Hackensack, New Jersey 07601

TELECOMMUNICATIONS SERVICES TARIFF

SECTION 2 - RULES AND REGULATIONS2.1 Undertaking of the Company

This tariff contains the regulations and rates applicable to intrastate resale telecommunications services provided by IDT for telecommunications between points within the State of South Dakota. Resale services are furnished subject to the availability of facilities and subject to the terms and conditions of this tariff in compliance with limitations set forth in the Commission's rules. The Company's services are provided on a statewide basis and are not intended to be limited geographically. The Company offers service to all those who desire to purchase service from the Company consistent with all of the provisions of this tariff. Customers interested in the Company's services shall file a service application with the Company which fully identifies the Customer, the services requested and other information requested by the Company. The Company reserves the right to examine the credit record and check the references of all applicants and Customers. The Company may examine the credit profile/record of any applicant prior to accepting the service order or a Customer's deposit, if required. The service application and the deposit shall not in themselves obligate the Company to provide services or to continue to provide service if a later check of applicant's credit record is, in the opinion of the Company, contrary to the best interest of the Company. If service is denied, Customer deposits, if required, will be returned immediately. The Company may act as the Customer's agent for ordering access connection facilities provided by other carriers or entities when authorized by the Customer, to allow connection of a Customer's location to a service provided by the Company. The Customer shall be responsible for all charges due for such service arrangement. The Company does not own any switching, transmission or other physical facilities in South Dakota.

ISSUED: _____

EFFECTIVE: _____

ISSUED BY:

Howard S. Jonas, CEO
294 State Street
Hackensack, New Jersey 07601

TELECOMMUNICATIONS SERVICES TARIFF

SECTION 2 - RULES AND REGULATIONS (cont'd)2.1 Undertaking of the Company (cont'd)

- 2.1.1 The services provided by IDT are not part of a joint undertaking with any other entity providing telecommunications channels, facilities, or services, but may involve the resale of the Message Toll Services (MTS) and Wide Area Telecommunications Services (WATS) of underlying common carriers subject to the jurisdiction of this Commission.
- 2.1.2 The rates and regulations contained in this tariff apply only to the resale services furnished by IDT and do not apply, unless otherwise specified, to the lines, facilities, or services provided by a local exchange telephone company or other common carriers for use in accessing the services of IDT.
- 2.1.3 The Company reserves the right to limit the length of communications, to discontinue furnishing services, or limit the use of service necessitated by conditions beyond its control, including, without limitation: lack of satellite or other transmission medium capacity; the revision, alteration or repricing of the Underlying Carrier's tariffed offerings; or when the use of service becomes or is in violation of the law or the provisions of this tariff.

2.2 Use of Services

- 2.2.1 IDT's services may be used for any lawful purpose consistent with the transmission and switching parameters of the telecommunications facilities utilized in the provision of services, subject to any limitations set forth in this Section 2.2.
- 2.2.2 The use of IDT's services to make calls which might reasonably be expected to frighten, abuse, torment, or harass another or in such a way as to unreasonably interfere with use by others is prohibited.

ISSUED: _____

EFFECTIVE: _____

ISSUED BY: Howard S. Jonas, CEO
294 State Street
Hackensack, New Jersey 07601

TELECOMMUNICATIONS SERVICES TARIFF

SECTION 2 - RULES AND REGULATIONS (cont'd)2.2 Use of Services (cont'd)

- 2.2.3 The use of IDT's services without payment for service or attempting to avoid payment for service by fraudulent means or devices, schemes, false or invalid numbers, or false calling or credit cards is prohibited.
- 2.2.4 IDT's services are available for use twenty four hours per day, seven days per week.
- 2.2.5 IDT does not transmit messages, but the services may be used for that purpose.
- 2.2.6 IDT's services may be denied for nonpayment of charges or for other violations of this tariff.
- 2.2.7 Customers shall not use the service provided under this tariff for any unlawful purpose.
- 2.2.8 The Customer is responsible for notifying the Company immediately of any unauthorized use of services.

2.3 Liability of the Company

- 2.3.1 The Company shall not be liable for any claim, loss, expense or damage for any interruption, delay, error, omission, or defect in any service, facility or transmission provided under this tariff, if caused by the Underlying Carrier, an act of God, fire, war, civil disturbance, act of government, or due to any other causes beyond the Company's control.
- 2.3.2 The Company shall not be liable for, and shall be fully indemnified and held harmless by the Customer against any claim, loss, expense, or damage for defamation, libel, slander, invasion, infringement of copyright or patent, unauthorized use of any trademark, trade name or service mark, proprietary or creative right, or any other injury to any person, property or entity arising out of the material, data or information transmitted.

ISSUED: _____

EFFECTIVE: _____

ISSUED BY: Howard S. Jonas, CEO
 294 State Street
 Hackensack, New Jersey 07601

TELECOMMUNICATIONS SERVICES TARIFF

SECTION 2 - RULES AND REGULATIONS (cont'd)2.3 Liability of the Company (cont'd)

- 2.3.3 No agent or employee of any other carrier or entity shall be deemed to be an agent or employee of the Company.
- 2.3.4 The Company's liability for damages, resulting in whole or in part from or arising in connection with the furnishing of service under this tariff, including but not limited to mistakes, omissions, interruptions, delays, errors, or other defects or misrepresentations shall not exceed an amount equal to the charges provided for under this tariff for the long distance call for the period during which the call was affected. No other liability in any event shall attach to the Company.
- 2.3.5 The Company shall not be liable for and shall be indemnified and saved harmless by any Customer or by any other entity from any and all loss, claims, demands, suits, or other action or any liability whatsoever, whether suffered, made, instituted, or asserted by any Customer or any other entity for any personal injury to, or death of, any person or persons, and for any loss, damage, defacement or destruction of the premises of any Customer or any other entity or any other property whether owned or controlled by the Customer or others.
- 2.3.6 The Company shall not be liable for any indirect, special, incidental, or consequential damages under this tariff including, but not limited to, loss of revenue or profits, for any reason whatsoever, including the breakdown of facilities associated with the service, or for any mistakes, omissions, delays, errors, or defects in transmission occurring during the course of furnishing service.

ISSUED: _____

EFFECTIVE: _____

ISSUED BY:

Howard S. Jonas, CEO
294 State Street
Hackensack, New Jersey 07601

TELECOMMUNICATIONS SERVICES TARIFF

SECTION 2 - RULES AND REGULATIONS (cont'd)2.3 Liability of the Company (cont'd)

- 2.3.7 The remedies set forth herein are exclusive and in lieu of all other warranties and remedies, whether express, implied, or statutory, INCLUDING WITHOUT LIMITATION IMPLIED WARRANTIES OF MERCHANTABILITY AND FITNESS FOR A PARTICULAR PURPOSE.

2.4 Responsibilities of the Customer

- 2.4.1 The Customer is responsible for placing any necessary orders and complying with tariff regulations. The Customer is also responsible for the payment of charges for services provided under this tariff.
- 2.4.2 The Customer is responsible for charges incurred for special construction and/or special facilities which the Customer requests and which are ordered by IDT on the Customer's behalf.
- 2.4.3 If required for the provision of IDT's services, the Customer must provide any equipment space, supporting structure, conduit and electrical power without charge to IDT.
- 2.4.4 The Customer is responsible for arranging access to its premises at times mutually agreeable to IDT and the Customer when required for IDT personnel to install, repair, maintain, program, inspect or remove equipment associated with the provision of IDT's services.
- 2.4.5 The Customer shall cause the temperature and relative humidity in the equipment space provided by Customer for the installation of IDT's equipment to be maintained within the range normally provided for the operation of microcomputers.

ISSUED: _____

EFFECTIVE: _____

ISSUED BY:

Howard S. Jonas, CEO
294 State Street
Hackensack, New Jersey 07601

TELECOMMUNICATIONS SERVICES TARIFF

SECTION 2 - RULES AND REGULATIONS (cont'd)2.4 Responsibilities of the Customer (cont'd)

- 2.4.6 The Customer shall ensure that the equipment and/or system is properly interfaced with IDT's facilities or services, that the signals emitted into IDT's network are of the proper mode, bandwidth, power and signal level for the intended use of the subscriber and in compliance with criteria set forth in this tariff, and that the signals do not damage equipment, injure personnel, or degrade service to other Customers. If the Federal Communications Commission or some other appropriate certifying body certifies terminal equipment as being technically acceptable for direct electrical connection with interstate communications service, IDT will permit such equipment to be connected with its channels without the use of protective interface devices. If the Customer fails to maintain the equipment and/or the system properly, with resulting imminent harm to IDT equipment, personnel or the quality of service to other Customers, IDT may, upon written notice, require the use of protective equipment at the Customer's expense. If this fails to produce satisfactory quality and safety, IDT may, upon written notice, terminate the Customer's service.
- 2.4.7 The Customer must pay IDT for replacement or repair of damage to the equipment or facilities of IDT caused by negligence or willful act of the Customer or others, by improper use of the services, or by use of equipment provided by Customer or others.
- 2.4.8 The Customer must pay for the loss through theft of any IDT equipment installed at Customer's premises.
- 2.4.9 If IDT installs equipment at Customer's premises, the Customer shall be responsible for payment of any applicable installation charge.

ISSUED: _____

EFFECTIVE: _____

ISSUED BY: Howard S. Jonas, CEO
 294 State Street
 Hackensack, New Jersey 07601

TELECOMMUNICATIONS SERVICES TARIFF

SECTION 2 - RULES AND REGULATIONS (cont'd)

2.4 Responsibilities of the Customer (cont'd)

2.4.10 The Customer must use the services offered in this tariff in a manner consistent with the terms of this tariff and the policies and regulations of all state, federal and local authorities having jurisdiction over the service.

2.5 Cancellation or Interruption of Services

2.5.1 Without incurring liability, upon five (5) working days' (defined as any day on which the company's business office is open and the U.S. Mail is delivered) written notice to the Customer, IDT may immediately discontinue services to a Customer or may withhold the provision of ordered or contracted services:

2.5.1.A For nonpayment of any sum due IDT for more than thirty (30) days after issuance of the bill for the amount due,

2.5.1.B For violation of any of the provisions of this tariff,

2.5.1.C For violation of any law, rule, regulation, policy of any governing authority having jurisdiction over IDT's services, or

2.5.1.D By reason of any order or decision of a court, public service commission or federal regulatory body or other governing authority prohibiting IDT from furnishing its services.

ISSUED: _____

EFFECTIVE: _____

ISSUED BY:

Howard S. Jonas, CEO
294 State Street
Hackensack, New Jersey 07601

TELECOMMUNICATIONS SERVICES TARIFF

SECTION 2 - RULES AND REGULATIONS (cont'd)2.5 Cancellation or Interruption of Services (cont'd)

- 2.5.2 Without incurring liability, IDT may interrupt the provision of services at any time in order to perform tests and inspections to assure compliance with tariff regulations and the proper installation and operation of Customer and IDT's equipment and facilities and may continue such interruption until any items of noncompliance or improper equipment operation so identified are rectified.
- 2.5.3 Service may be discontinued by IDT without notice to the Customer, by blocking traffic to certain countries, cities or NXX exchanges, or by blocking calls using certain Customer authorization codes, when IDT deems it necessary to take such action to prevent unlawful use of its service. IDT will restore service as soon as it can be provided without undue risk, and will, upon request by the Customer affected, assign a new authorization code to replace the one that has been deactivated.
- 2.5.4 The Customer may terminate service upon thirty (30) days written notice for the Company's standard month to month contract. Customer will be liable for all usage on any of the Company's service offerings until the Customer actually leaves the service. Customers will continue to have Company usage until the Customer notifies its local exchange carrier and changes its long distance carrier. Until the Customer so notifies its local exchange carrier, it shall continue to generate and be responsible for long distance usage.

ISSUED: _____

EFFECTIVE: _____

ISSUED BY:

Howard S. Jonas, CEO
294 State Street
Hackensack, New Jersey 07601

TELECOMMUNICATIONS SERVICES TARIFF

SECTION 2 - RULES AND REGULATIONS (cont'd)2.6 Credit Allowance

- 2.6.1 Credit allowance for the interruption of service which is not due to the Company's testing or adjusting, negligence of the Customer, or to the failure of channels or equipment provided by the Customer, are subject to the general liability provisions set forth in 2.3 herein. It shall be the obligation of the Customer to notify the Company immediately of any interruption in service for which a credit allowance is desired. Before giving such notice, the Customer shall ascertain that the trouble is not being caused by any action or omission by the Customer within his control, or is not in wiring or equipment, if any, furnished by the Customer and connected to the Company's facilities.
- 2.6.2 No credit is allowed in the event that service must be interrupted in order to provide routine service quality or related investigations.
- 2.6.3 Credit for failure of service shall be allowed only when such failure is caused by or occurs due to causes within the control of the Company or in the event that the Company is entitled to a credit for the failure of the facilities of the Company's Underlying Carrier used to furnish service.
- 2.6.4 Credit for interruption shall commence after the Customer notifies the Company of the interruption or when the Company becomes aware thereof, and ceases when service has been restored.
- 2.6.5 For purposes of credit computation, every month shall be considered to have 720 hours.

ISSUED: _____

EFFECTIVE: _____

ISSUED BY:

Howard S. Jonas, CEO
294 State Street
Hackensack, New Jersey 07601

TELECOMMUNICATIONS SERVICES TARIFF

SECTION 2 - RULES AND REGULATIONS (cont'd)2.6 Credit Allowance (cont'd)

2.6.6 No credit shall be allowed for an interruption of a continuous duration of less than two hours.

2.6.7 The Customer shall be credited for an interruption of two hours or more at the rate of 1/720th of the monthly charge for the facilities affected for each hour or major fraction thereof that the interruption continues.

Credit Formula:

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

"A" - outage time in hours

"B" - monthly charge for affected activity

2.7 Restoration of Service

The use and restoration of service shall be in accordance with the priority system specified in part 64, Subpart D of the Rules and Regulations of the Federal Communications Commission.

2.8 Deposit

The Company does not require deposits.

2.9 Advance Payments

The Company does not require advance payments.

ISSUED: _____

EFFECTIVE: _____

ISSUED BY:

Howard S. Jonas, CEO
294 State Street
Hackensack, New Jersey 07601

TELECOMMUNICATIONS SERVICES TARIFF

SECTION 2 - RULES AND REGULATIONS (cont'd)2.10 Payment and Billing

- 2.10.1 Service is provided and billed on a billing cycle basis, beginning on the date that service becomes effective. Billing is payable upon receipt. Interest at the rate of 1.5% per billing cycle, or the amount otherwise authorized by law, whichever is lower, will accrue upon any unpaid amount commencing 30 days after rendition of bills.
- 2.10.2 The customer is responsible for payment of all charges for services furnished to the Customer, as well as to all persons using the Customer's codes, exchange lines, facilities, or equipment, with or without the knowledge or consent of the Customer. The security of the Customer's Authorization Codes, presubscribed exchange lines, and direct connect facilities is the responsibility of the Customer. All calls placed using direct connect facilities, presubscribed exchange lines, or Authorization Codes will be billed to and must be paid by the Customer. Recurring charges and non-recurring charges are billed in advance. The initial billing may, at Company's option, also include one month's estimated usage billed in advance. Thereafter, charges based on actual usage during a month and any accrued interest will be billed monthly in arrears.
- 2.10.3 All bills are presumed accurate, and shall be binding on the customer unless objection is received by the Company in writing within 30 days after such bills are rendered. No credits, refunds, or adjustments shall be granted if demand therefore is not received by the Company in writing within such 30 day period.

ISSUED: _____

EFFECTIVE: _____

ISSUED BY: Howard S. Jonas, CEO
 294 State Street
 Hackensack, New Jersey 07601

TELECOMMUNICATIONS SERVICES TARIFF

SECTION 2 - RULES AND REGULATIONS (cont'd)2.11 Collection Costs

In the event Company is required to initiate legal proceedings to collect any amounts due to Company for regulated or nonregulated services, equipment or facilities, or to enforce any judgment obtained against a Customer, or for the enforcement of any other provision of this tariff or applicable law, Customer shall, in addition to all amounts due, be liable to Company for all reasonable costs incurred by Company in such proceedings and enforcement actions, including reasonable attorneys' fees, collection agency fees or payments, and court costs. In any such proceeding, the amount of collection costs, including attorneys' fees, due to the Company, will be determined by the court.

2.12 Taxes

All federal, state and local taxes, assessments, surcharges, or fees, including sales taxes, use taxes, gross receipts taxes, and municipal utilities taxes, are billed as separate line items and are not included in the rates quoted herein, except as described for prepaid calling card service.

2.13 Late Charge

A late fee of 1.5% monthly or the amount otherwise authorized by law, whichever is lower, will be charged on any past due balances.

2.14 Returned Check Charge

A fee of \$15.00 will be charged whenever a check or draft presented for payment for service is not accepted by the institution on which it is written.

ISSUED: _____

EFFECTIVE: _____

ISSUED BY: Howard S. Jonas, CEO
 294 State Street
 Hackensack, New Jersey 07601

TELECOMMUNICATIONS SERVICES TARIFF

SECTION 3 - DESCRIPTION OF SERVICE3.1 Computation of Charges

- 3.1.1 The total charge for each completed call may be a variable measured charge dependent on the duration, distance and time of day of the call. The total charge for each completed call may also be dependent only on the duration of the call, i.e. a statewide flat rate per minute charge. The variable measured charge is specified as a rate per minute which is applied to each minute. 1+ Dialing and 800 Service calls are measured in six second increments. Travel Cards and Prepaid Calling Cards are measured in one minute increments. All calls are rounded up to the next whole increment.
- 3.1.2 Where mileage bands appear in a rate table, rates for all calls are based upon the airline distance between the originating and terminating points of the call, as determined by the vertical and horizontal coordinates associated with the exchange (the area code and three digit central office code) associated with the originating and terminating telephone numbers. If the Customer obtains access to the Company's network by a dedicated access circuit, that circuit will be assigned an exchange for rating purposes based upon the Customer's main telephone number at the location where the dedicated access circuit terminates. The vertical and horizontal (V & H) coordinates for each exchange and the airline distance between them will be determined according to industry standards.

ISSUED: _____

EFFECTIVE: _____

ISSUED BY: Howard S. Jonas, CEO
294 State Street
Hackensack, New Jersey 07601

TELECOMMUNICATIONS SERVICES TARIFF

SECTION 3 - DESCRIPTION OF SERVICE (cont'd)3.1 Computation of Charges (cont'd)

- 3.1.3 Timing begins when the called station is answered and two way communication is possible, as determined by standard industry methods generally in use for ascertaining answer, including hardware answer supervision in which the local telephone company sends a signal to the switch or the software utilizing audio tone detection. Recognition of answer supervision is the responsibility of the Underlying Carrier. Timing for each call ends when either party hangs up. IDT will not bill for uncompleted calls.

3.2 Customer Complaints and/or Billing Disputes

Customer inquiries or complaints regarding service or accounting may be made in writing or by telephone to the Company at:

294 State Street
Hackensack, NJ 07601
(800) 221-0756

Any objection to billed charges should be reported promptly to IDT. Adjustments to Customers' bills shall be made to the extent that records are available and/or circumstances exist which reasonably indicate that such charges are not in accordance with approved rates or that an adjustment may otherwise be appropriate. Where overbilling of a subscriber occurs, due either to Company or subscriber error, no liability exists which will require the Company to pay any interest, dividend or other compensation on the amount overbilled.

ISSUED: _____

EFFECTIVE: _____

ISSUED BY: Howard S. Jonas, CEO
294 State Street
Hackensack, New Jersey 07601

TELECOMMUNICATIONS SERVICES TARIFF

SECTION 3 - DESCRIPTION OF SERVICE (cont'd)3.2 Customer Complaints and/or Billing Disputes (cont'd)

The Company will respond within seventy two (72) hours of receipt of an inquiry. If the Customer is dissatisfied with the Company's response to a complaint or inquiry, the Customer may file the Commission for resolution of the conflict. The South Dakota Public Utilities Commission can be reached at:

500 East Capitol
Pierre, SD 57501-5070
(605) 773-3201
(800) 332-1782

If a Customer accumulates more than One Hundred Dollars (\$100.00) of undisputed delinquent IDT 800 Service charges, the IDT Resp. Org. reserves the right not to honor that Customer's request for a Resp. Org. change until such undisputed charges are paid in full.

3.3 Level of Service

A Customer can expect end to end network availability of not less than 99% at all times for all services.

3.4 Billing Entity Conditions

When billing functions on behalf of IDT or its intermediary are performed by local exchange telephone companies or others, the payment of charge conditions and regulations of such companies and any regulations imposed upon these companies by regulatory bodies having jurisdiction apply. IDT's name and toll-free telephone number will appear on the Customer's bill.

ISSUED: _____

EFFECTIVE: _____

ISSUED BY: Howard S. Jonas, CEO
294 State Street
Hackensack, New Jersey 07601

TELECOMMUNICATIONS SERVICES TARIFF

SECTION 3 - DESCRIPTION OF SERVICE (cont'd)3.5 Service Offerings3.5.1 1+ Dialing

The customer utilizes "1+" dialing, or "10XX" dialing followed by "1+ ten digits" for interLATA calls, or dials "10XXX" followed by "1+ 7 digits" or "1+ 10 digits" for intraLATA calls.

3.5.2 Travel Cards

The Customer utilizes an 11 digit "800" access number established by IDT to access a terminal. Upon receiving a second dialtone, the Customer uses push button dialing to enter an identification code assigned by the Company, followed by the ten digit number of the called party.

3.5.3 800 Service (Toll free)

This service is a direct access, incoming only, usage sensitive WATS offering requiring a dedicated access line for use. This is a service whereby a Customer can be billed at reduced rates for calls to his premises.

ISSUED: _____

EFFECTIVE: _____

ISSUED BY:

Howard S. Jonas, CEO
294 State Street
Hackensack, New Jersey 07601

TELECOMMUNICATIONS SERVICES TARIFF

SECTION 3 - DESCRIPTION OF SERVICE (cont'd)3.5 Service Offerings (cont'd)3.5.4 IDT Prepaid Calling Cards

This service permits use of IDT Prepaid Calling Cards for placing long distance calls. Customers may purchase IDT Prepaid Calling Cards at a variety of retail outlets or through other distribution channels. IDT Prepaid Calling Cards are available at a variety of face values ranging from five dollars (\$5.00), in one dollar (\$1.00) increments. IDT Prepaid Calling Card service is accessed using the IDT toll-free number printed on the card. The caller is prompted by an automated voice response system to enter his/her Authorization Code, and then to enter the terminating telephone number. IDT's processor tracks the call duration on a real time basis to determine the number of Telecom Units consumed. The total consumed Telecom Units for each call, which includes applicable taxes, is deducted from the remaining Telecom Unit balance on the Customer's IDT Prepaid Calling Card.

All calls must be charged against an IDT Prepaid Calling Card that has a sufficient Telecom Unit balance. A Customer may purchase IDT Prepaid Calling Cards with a credit card which are automatically recharged. The cards will be recharged at a Telecom Unit balance predesignated by the Customer. A Customer may also purchase IDT Prepaid Calling Cards which are not automatically recharged, and calls will be interrupted when the balance on such cards reaches zero.

ISSUED: _____

EFFECTIVE: _____

ISSUED BY: Howard S. Jonas, CEO
 294 State Street
 Hackensack, New Jersey 07601

TELECOMMUNICATIONS SERVICES TARIFF

SECTION 3 - DESCRIPTION OF SERVICE (cont'd)3.5 Service Offerings (cont'd)3.5.4 IDT Prepaid Calling Cards (cont'd)

For IDT Prepaid Calling Cards which are not automatically recharged, in order to continue the call, the Customer can either call the toll-free number on the back of the IDT Prepaid-Calling Card and "recharge" the balance on the card using a nationally recognized credit card, or the Customer can throw the card away and purchase a new one. Calls in progress will be terminated by the Company if the balance on the IDT Prepaid Calling Card is insufficient to continue the call.

A card will expire 12 months from the date of purchase, or the date of last recharge, whichever is later.

A credit allowance for IDT Prepaid Calling Card Service is applicable to calls that are interrupted due to poor transmission, one-way transmission, or involuntary disconnection of a call. A Customer may also be granted credit for reaching a wrong number. To receive the proper credit, the Customer must notify the Company at the designated toll-free customer service number printed on the IDT Prepaid Calling Card and furnish the called number, the trouble experienced (e.g., cut-off, noisy circuit, reached wrong number, etc.), and the approximate time that the call was placed.

When a call charged to an IDT Prepaid Calling Card is interrupted due to cut-off, one-way transmission, or poor transmission conditions, the Customer will receive a credit equivalent of one Telecom Unit.

ISSUED: _____

EFFECTIVE: _____

ISSUED BY: Howard S. Jonas, CEO
 294 State Street
 Hackensack, New Jersey 07601

TELECOMMUNICATIONS SERVICES TARIFF

SECTION 3 - DESCRIPTION OF SERVICE (cont'd)3.5 Service Offerings (cont'd)3.5.4 IDT Prepaid Calling Cards (cont'd)

Credit allowances for calls pursuant to IDT Prepaid Card Service do not apply for interruptions not reported promptly to the Company or interruptions that are due to the failure of power, equipment or systems not provided by the Company.

Credit for failure of service shall be allowed only when such failure is caused by or occurs due to causes within the control of the Company.

The Company will block all calls beginning with the NPA "900" and NXX "976" calls, therefore such calls cannot be completed.

3.5.5 Local Calls and Directory Assistance

Local calls will not be accepted or completed. IDT does not provide local directory assistance. Access to long distance directory assistance is obtained by dialing 1+ 555-1212 for listings within the originating area code and 1+ (area code) + 555-1212 for other listings. When more than one number is requested in a single call, a charge may apply for each number requested. A charge will be applicable for each number requested, whether or not the number is listed or published.

ISSUED: _____

EFFECTIVE: _____

ISSUED BY: Howard S. Jonas, CEO
 294 State Street
 Hackensack, New Jersey 07601

TELECOMMUNICATIONS SERVICES TARIFF

SECTION 3 - DESCRIPTION OF SERVICE (cont'd)3.5 Service Offerings (cont'd)3.5.6 Specialized Pricing Arrangements

Customized service packages and competitive pricing packages at negotiated rates may be furnished on a case-by-case basis in response to requests by Customers to the Company for proposals or for competitive bids. Service offered under this tariff provision will be provided to Customers pursuant to contract. Unless otherwise specified, the regulations for such arrangements are in addition to the applicable regulations and prices in other sections of the tariff. Specialized rates or charges will be made available to similarly situated Customers on a non-discriminatory basis.

3.5.7 Emergency Call Handling Procedures

Emergency "911" calls are not routed to company, but are completed through the local network at no charge.

3.5.8 Promotional Offerings

The Company may, from time to time, make promotional offerings to enhance the marketing of its services. These offerings may be limited to certain dates, times and locations. The Company will notify the Commission of such offerings as required by Commission rules and regulations.

ISSUED: _____

EFFECTIVE: _____

ISSUED BY:

Howard S. Jonas, CEO
294 State Street
Hackensack, New Jersey 07601

TELECOMMUNICATIONS SERVICES TARIFF

SECTION 4 - RATES4.1 1+ Dialing

IDT will charge flat rate per minute with no time of day discounts and without regard to mileage for calls originating and terminating in South Dakota as follows:

\$0.145

4.2 Travel Cards

IDT will charge the following for calls originating and terminating in South Dakota as follows:

\$0.25

4.3 800 Service

IDT will charge a flat rate per minute with no time of day discounts and without regard to mileage for calls originating and terminating in South Dakota as follows:

\$0.145

4.4 Prepaid Calling Cards

Prepaid Calling Cards are available in various Telecom Unit dollar denominations.

<u>Denomination</u>	<u>Price Per Telecom Unit</u>
\$25 - \$99	\$0.25
\$100 - \$249	\$0.19
\$250 & over	\$0.17

Cards will be decremented by one Telecom Unit for each minute or fractional part of a minute for intrastate calls. These rates apply twenty-four hours per day, seven days per week.

ISSUED: _____

EFFECTIVE: _____

ISSUED BY:

Howard S. Jonas, CEO
294 State Street
Hackensack, New Jersey 07601

TELECOMMUNICATIONS SERVICES TARIFF

SECTION 4 - RATES4.5 Rate Periods

	Monday-Friday	Saturday	Sunday
8:00 a.m. to 5:00 p.m.*	Daytime Rate Period	Evening Rate Period	
5:00 p.m. to 11:00 p.m.*	Evening Rate Period		
11:00 p.m. to 8:00 a.m.*	Night/Weekend Rate Period		

* To, but not including.

When a message spans more than one rate period, total charges for the minutes in each rate period are calculated and the results for each rate period are totaled to obtain the total message charge. If the calculation results in a fractional charge, the amount will be rounded down to the lower cent.

4.6 Directory Assistance Charges

A charge per number requested will be \$0.75.

4.7 Returned Check Charge

\$20.00

232193.1

ISSUED: _____

EFFECTIVE: _____

ISSUED BY:

Howard S. Jonas, CEO
294 State Street
Hackensack, New Jersey 07601

EXHIBIT 4

Management Qualifications

IDT AMERICA, CORP. -- MANAGERIAL QUALIFICATIONS

Howard S. Jonas founded IDT in August 1990 and has served as Chairman of the Board and Treasurer since its inception and as Chief Executive Officer since December 1991. He served as President of the Company from December 1991 through September 1996. Mr. Jonas is also the founder and has been President of the Jonas Publishing Corp. ("Jonas Publishing"), a publisher of trade directories, since its inception in 1979. Mr. Jonas received a B.A. in Economics from Harvard University.

Howard S. Balter has served as Chief Operating Officer of the Company since 1993 and served as the Company's Chief Financial Officer from 1993 to May 1995. Mr. Balter has been a director of the Company since December 1995 and became Vice Chairman of the Board in October 1996. From 1985 to 1993, Mr. Balter operated his own real estate development firm. Mr. Balter holds a B.A. in Mathematics and Computers from Yeshiva University and attended New York University School of Business.

James Courter joined the Company as President in October 1996 and has been a director of the Company since March 1996. Mr. Courter has been a senior partner in the New Jersey law firm of Courter, Kobert, Laufer & Cohen since 1972. He was also a partner in the Washington, D.C. law firm of Verner, Lipfert, Bernhard, McPherson & Hand from January 1994 to September 1996. Mr. Courter was a member of the U.S. House of Representatives for 12 years, retiring in January 1991. From 1991 to 1994, Mr. Courter was Chairman of the President's Defense Base Closure and Realignment Commission. Mr. Courter also serves on the Board of Directors of Envirogen, Inc. He received a B.A. from Colgate University and a J.D. from Duke University Law School.

Stephen R. Brown joined the Company as its Chief Financial Officer in May 1995. From 1985 to May 1995, Mr. Brown operated his own public accounting practice servicing medium-sized corporations as well as high net worth individuals. Mr. Brown received a B.A. in Economics from Yeshiva University and a B.B.A. in Business and Accounting from Baruch College.

Joyce J. Mason has been a director of the Company since March 1996. Ms. Mason has served as Secretary of the Company since its inception and as a director of the Company's predecessor since its inception to March 1996. Ms. Mason has been in private legal practice since August 1990. Ms. Mason received a B.A. from the City University of New York and a J.D. from New York Law School. Ms. Mason is Mr. Jonas's sister.

Marc E. Knoller has been a director of the Company since March 1996. Mr. Knoller joined the Company as its Vice President in March 1991 and also served as a director of its predecessor since such time. From 1988 until March 1991, Mr. Knoller was director of national sales for Jonas Publishing. Mr. Knoller received a B.B.A. from Baruch College.

Hal Brecher has served as the Company's Executive Vice President of Operations since he joined the Company in November 1996, and became a director of the Company in April 1997. Prior to joining the Company, Mr. Brecher was the Executive Vice President of a direct marketing firm. He holds a B.S. in Computer Science from Brooklyn College, and an M.B.A. from the Wharton School of the University of Pennsylvania.

EXHIBIT 5

Financial Information

UNITED STATES
SECURITIES AND EXCHANGE COMMISSION
Washington, D.C. 20549

FORM 10-Q

☒ Quarterly Report Pursuant to Section 13 or 15(d) of the Securities Exchange Act of 1934
for the Quarterly Period Ended October 31, 1997

or

☐ Transition Report Pursuant to Section 13 or 15(d) of the Securities Exchange Act of 1934

Commission File Number 0-27898

IDT CORPORATION

(Exact name of Registrant as specified in its Charter)

Delaware
(State or other jurisdiction of
incorporation or organization)

22-3415036
(I.R.S Employer
Identification No.)

294 State Street, Hackensack, New Jersey
(Address of principal executive office)

07601
(zip code)

(201) 928-1000
(Registrant's telephone number, including area code)

Not Applicable
(Former name, former address and former fiscal year, if changed since last report date)

Indicate by check mark whether the registrant (1) has filed all reports required to be filed by Section 13 or 15(d) of the Securities Exchange Act of 1934 during the preceding 12 months (or for such shorter periods that the registrant was required to file such reports), and (2) has been subject to such filing requirements for the past 90 days. Yes ☒ No ☐

Indicate the number of shares outstanding of each of the issuer's classes of common stock, as of the latest practicable date:

Common Stock, \$.01 par value 12,718,505 shares as of December 12, 1997
Class A Common Stock, \$.01 par value 11,153,732 shares as of December 12, 1997

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PART I. FINANCIAL INFORMATION
ITEM 1. FINANCIAL STATEMENTS

IDT CORPORATION

CONDENSED CONSOLIDATED BALANCE SHEETS

	October 31, 1997 (unaudited)	July 31, 1997 (Note 1)
ASSETS		
Current assets		
Cash and cash equivalents	\$ 13,331,696	\$7,674,313
Accounts receivable (net)	24,504,349	17,128,890
Notes receivable	805,592	1,291,403
Other current assets	<u>4,533,737</u>	<u>2,922,750</u>
Total current assets	43,175,374	29,017,356
Property and equipment, net	29,785,870	25,725,805
Goodwill, net	1,340,452	1,357,606
Other assets	<u>2,788,647</u>	<u>2,436,334</u>
Total assets	<u>\$77,090,343</u>	<u>\$58,537,101</u>
LIABILITIES AND STOCKHOLDERS' EQUITY		
Current liabilities	\$23,516,890	\$16,957,656
Trade accounts payable	175,258	721,142
Accrued expenses	1,749,636	2,442,848
Deferred revenue	2,067,126	1,880,939
Notes payable-current portion	1,926,106	1,531,971
Capital lease obligations-current portion	<u>537,083</u>	<u>595,951</u>
Other current liabilities	29,972,099	24,130,507
Total current liabilities		
Notes payable—long-term portion	6,480,546	5,241,088
Capital lease obligation—long-term portion	3,226,084	3,906,362
Convertible Debentures	<u>7,500,000</u>	<u>--</u>
Total liabilities	47,178,729	33,277,957
Commitments and Contingencies		
Stockholders' equity:		
Preferred stock, \$.01 par value; authorized shares-10,000,000; no shares issued	---	---
Common stock, \$.01 par value; authorized shares-100,000,000; 12,084,832 and 10,636,000 shares issued and outstanding respectively.	120,895	106,360
Class A stock, \$.01 par value; authorized shares-35,000,000; 10,323,367 and 11,174,330 shares issued and outstanding	103,233	111,743
Additional paid-in capital	49,673,888	46,990,388
Accumulated deficit	<u>(19,986,402)</u>	<u>(21,949,347)</u>
Total stockholders' equity	<u>29,911,614</u>	<u>25,259,144</u>
Total liabilities and stockholders' equity	<u>\$77,090,343</u>	<u>\$58,537,101</u>

See notes to condensed consolidated financial statements.

IDT CORPORATION

CONDENSED CONSOLIDATED STATEMENTS OF OPERATIONS
(Unaudited)

	Three months ended October 31,	
	<u>1997</u>	<u>1996</u>
Revenues	\$54,750,978	\$28,317,671
Cost and expenses:		
Direct cost of revenues	40,861,017	18,012,801
Selling, general, and administrative	9,834,947	12,597,679
Depreciation	<u>1,745,134</u>	<u>963,433</u>
Total costs and expenses	<u>\$52,441,098</u>	<u>\$31,573,913</u>
Income (loss) from operations	2,309,880	(3,256,242)
Interest and other, net	<u>(346,935)</u>	<u>149,599</u>
Net income (loss)	<u>\$1,962,945</u>	<u>\$(-3,106,643)</u>
Net income (loss) per share	<u>\$0.08</u>	<u>(\$0.15)</u>
Weighted average number of shares used in calculation of earnings per share	<u>25,479,585</u>	<u>20,841,230</u>

See notes to condensed consolidated financial statements.

IDT CORPORATION

CONDENSED CONSOLIDATED STATEMENTS OF CASH FLOWS
(Unaudited)

	Three months ended October 31,	
	<u>1997</u>	<u>1996</u>
Cash provided by (used in) operating activities	\$33,291	(\$4,820,559)
Investing activities		
Payment for purchase of Yovelle, net of cash acquired	--	376,843
Proceeds from the sale of short-term investments	--	(757,108)
Payment for the purchase of ICS assets	--	(2,250,000)
Receipt of payment on advance	--	1,500,000
Purchase of property and equipment	<u>(4,598,802)</u>	<u>(4,122,656)</u>
Net cash used in investing activities	(4,598,802)	(5,252,921)
Financing activities		
Proceeds from Convertible Debentures	7,500,000	--
Proceeds from notes payable	810,247	4,750,000
Exercise of stock options	2,689,525	--
Repayment of capital lease obligations	(261,818)	(4,753)
Repayment of notes payable	<u>(515,060)</u>	<u>(374,286)</u>
Net cash provided by financing activities	<u>10,222,894</u>	<u>4,370,961</u>
Net increase (decrease) in cash & cash equivalents	5,657,383	(5,702,519)
Cash & cash equivalents at beginning of period	<u>7,674,313</u>	<u>14,893,756</u>
Cash & cash equivalents, end of period	<u>\$13,331,696</u>	<u>\$9,191,237</u>
Supplemental disclosures of cash flow information		
Interest paid	\$504,100	\$48,410
Income taxes paid	--	--

See notes to condensed consolidated financial statements.

IDT CORPORATION

NOTES TO CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

Note 1 - Basis of Presentation

The accompanying unaudited condensed consolidated financial statements of IDT Corporation and subsidiaries (collectively "the Company") have been prepared in accordance with generally accepted accounting principles for interim financial information and with the instructions to Form 10-Q and Article 10 of Regulation S-X. Accordingly, they do not include all of the information and footnotes required by generally accepted accounting principles for complete financial statements. In the opinion of management, all adjustments (consisting of normal recurring accruals) considered necessary for a fair presentation have been included. Operating results for the three months ended October 31, 1997 are not necessarily indicative of the results that may be expected for the year ending July 31, 1998. For further information, refer to the consolidated financial statements and footnotes thereto included in the Company's Annual Report on Form 10-K, as amended, for the year ended July 31, 1997 as filed with the Securities and Exchange Commission.

Note 2 - Property and Equipment

Property and equipment consists of the following:

	<u>October 31, 1997</u>	<u>July 31, 1997</u>
Equipment	\$29,761,239	\$24,945,687
Computer software	5,182,397	4,618,931
Leasehold improvements	1,351,414	1,115,822
Furniture and fixtures	1,447,524	1,365,140
Property and improvements	<u>112,569</u>	<u>109,525</u>
	37,855,143	32,155,105
Less: Accumulated depreciation and amortization	<u>(8,069,273)</u>	<u>(6,429,300)</u>
	<u>\$29,785,870</u>	<u>\$25,725,805</u>

Note 3 - Loans Payable, Capital Lease Obligations and Convertible Debentures.

During the three months ended October 31, 1997, the Company borrowed approximately \$810,000 with an interest bearing note collateralized by certain equipment owned by the Company with a forty-eight month term.

The Company also entered into various capital lease arrangements during the three months ended October 31, 1997 to acquire computer and communications related equipment totaling approximately \$1.1 million with terms ranging from thirty-six months to sixty months and collateralized by the equipment.

During the three months ended October 31, 1997, the Company entered into a Securities Purchase Agreement (the "Agreement") with a group of institutional investors (the "Investors") pursuant to which the Investors purchased Convertible Debentures totaling \$7,500,000 (the "Debentures"). The Debentures carry an interest rate of 3.00% per annum.

The Debentures, including the principal amount and all unpaid accrued interest, are convertible into the Company's Common Stock at the option of the Investors at a conversion price equal to the lower of \$15.16 per share or the lowest closing price on any one trading day during the twelve consecutive trading day period preceding the date that notice of conversion is given to the Company. Any principal amount or unpaid accrued interest outstanding on September 5, 2000 will be automatically converted into shares of the Company's Common Stock.

NEXT

DOCUMENT (S)

BEST IMAGE

POSSIBLE

Note 4 - Legal Proceedings and Contingencies

On December 29, 1995, Surfers Unlimited, L.L.C. filed a breach of contract action in the New Jersey Superior Court. The suit names a subsidiary of the Company as defendant and seeks damages in an unspecified amount for interference with prospective business advantages, breach of contract and improper use of confidential and proprietary information. The Company has filed a counterclaim. The suit is currently in the discovery phase.

In January 1997, six former employees alleging employment discrimination commenced a suit in New Jersey entitled *Innella, et al v. IDT Corp., et al.* The suit claims that the Company has made hiring and promotion decisions based on religious background. The case is in the early stages of discovery.

In June 1997, an uncertified class-action suit was brought against the Company in New York. The suit concerns advertisements no longer in use by IDT, and advertising practices that were voluntarily terminated by the Company following a prior investigation by the Attorneys General of several states. The case is in the preliminary stages of discovery.

In September 1997, DigiTEC 2000, Inc. ("DigiTEC") filed a complaint against the company alleging that in connection with its sale of prepaid calling cards, the Company tortiously interfered with a business relationship between DigiTEC and two codefendants, CG Com, Inc. and Carlos Gomez. DigiTEC has filed a motion for preliminary injunction that would bar the Company from selling its prepaid calling cards through these co-defendants. The court denied DigiTEC's motion and the case is currently in preliminary stages of discovery.

The Company filed a lawsuit against Mr. Glen Miller in August 1997 based upon various matters arising out of Mr. Miller's employment with IDT. Mr. Miller answered the complaint and filed a counterclaim against IDT for breach of his employment contract and breach of the covenant of good faith and fair dealing. Mr. Miller also filed a third-party complaint against Howard Balter, who is the Chief Operating Officer of IDT, and Jonathan Rand, IDT's former Director of Human Resources, for fraudulent conduct and misrepresentation.

The Company is subject to other legal proceedings and claims which have arisen in the ordinary course of its business and have not been finally adjudicated. Although there can be no assurances in this regard, in the opinion of the Company's management, such proceedings, as well as the aforementioned actions, will not have a material adverse effect on results of operations, cash flows or the financial condition of the Company.

Note 5 - Subsequent Events

In November 1997, the Company finalized its purchase of all the issued and outstanding stock of Rock Enterprises, Inc., a telecom engineering firm owned by an employee of the Company, in exchange for 625,000 shares of the Company's Common Stock, of which 312,500 shares were issued at closing. The remaining shares will be issued over several years. The acquisition will be accounted for using the purchase method of accounting for business combinations.

Item 2. MANAGEMENT'S DISCUSSION AND ANALYSIS OF FINANCIAL CONDITION AND RESULTS OF OPERATIONS

The following information should be read in conjunction with the accompanying condensed consolidated financial statements and the associated notes thereto of this Quarterly Report, and the audited consolidated financial statements and the notes thereto and Management's Discussion and Analysis of Financial Condition and Results of Operations of the Company contained in the Company's Annual Report on Form 10-K, as amended, for the year ended July 31, 1997, as filed with the Securities and Exchange Commission.

Overview

IDT Corporation ("IDT" or the "Company") is an international telecommunications company which offers a broad range of integrated and competitively priced long-distance telephone, Internet access and Internet telephony services in the U.S. and abroad.

The Company entered the international call reorigination business in 1990 to capitalize on the opportunity created by the spread between U.S. and foreign-originated international long-distance telephone rates. IDT leveraged the expertise derived from, and calling volume generated by, its call reorigination business to enter the domestic long-distance business in late 1993, by reselling long-distance telecommunications services of other carriers to IDT's domestic customers. As a value-added service for its domestic long-distance customers, the Company began offering Internet access in early 1994, eventually offering dial-up and dedicated Internet access to individuals and to businesses as stand-alone services. In 1995, IDT began reselling to other long-distance carriers access to the favorable telephone rates and special tariffs the Company receives because of the calling volume generated by its call reorigination customers. In August 1996, IDT entered the Internet telephony market with its introduction of Net2Phone.

Revenues from the Company's telecommunications operations are derived primarily from the following activities: (i) international long-distance call reorigination services; (ii) sale and resale of long-distance minutes to other long-distance carriers; (iii) marketing to individuals and businesses of domestic long-distance services provided by WorldCom; (iv) marketing to individuals and businesses of prepaid calling cards; and (v) marketing of the Company's proprietary Internet telephony services (Net2Phone and Net2Phone Direct) to businesses and individuals. Beginning in Fiscal 1997, the Company's focus has increasingly shifted towards its international telecommunications operations and away from its Internet access service. Revenues from the Company's Internet operations are derived from providing Internet access services to individuals and businesses.

The Company's ability to achieve revenue growth and profitability is dependent upon its ability to acquire and retain customers. The Company's ability to improve operating margins will also depend in part on its ability to retain its customers. There can be no assurances that the Company's investments in telecommunications infrastructure, customer support capabilities and software releases will improve customer retention. The Company's strategies and commitments have required substantial up-front expenditures for additional personnel, marketing, facilities, infrastructure, product development and capital equipment and have and may continue to be adversely affected by short-term operating results. There can be no assurance that revenues will continue to grow or that the Company will, in the future, sustain profitability or achieve positive cash flow from operations on either a quarterly or an annual basis.

Three Months Ended October 31, 1997 Compared to Three Months Ended October 31, 1996

Results of Operations

Revenues. Revenues increased 93% from approximately \$28.3 million for the three months ended October 31, 1996 to approximately \$54.8 million for the three months ended October 31, 1997. Revenues from the Company's telecommunications operations increased 164% from approximately \$18.1 million for the three months ended October 31, 1996 to approximately \$47.8 million for the three months ended

October 31, 1997. Revenues from the Company's Internet operations decreased 52% from approximately \$10.1 million for the three months ended October 31, 1996 to approximately \$4.9 million for the three months ended October 31, 1997. Revenues from the Company's Internet telephony (Net2Phone) operations increased almost twenty-six fold from approximately \$79,000 for the three months ended October 31, 1996 to approximately \$2.1 million for the three months ended October 31, 1997.

The increase in telecommunications revenues was due primarily to a 186% increase in rebilled long-distance minutes, from 33.5 million minutes to approximately 111.5 million minutes. This increase was due to the addition of wholesale carrier clients and the introduction of the Company's prepaid calling cards. The addition of wholesale carrier clients resulted in an increase in carrier-to-carrier services revenues of 268%, from approximately \$9.7 million for the three months ended October 31, 1996 to approximately \$35.8 million for the three months ended October 31, 1997. As a percentage of telecommunications revenues and overall revenues, carrier-to-carrier services revenues increased from approximately 53.6% to 74.8%, and 34.3% to 65.3%, respectively. Prepaid calling card revenues increased approximately two hundred and thirty-five fold, from approximately \$23,000 for the three months ended October 31, 1996, to approximately \$5.4 million for the three months ended October 31, 1997.

As a percentage of total revenues, prepaid calling card revenues increased from 0.1% for the three months ended October 31, 1996 to 9.8% for the three months ended October 31, 1997. As a percentage of total revenues, Internet revenues decreased from approximately 35.8% for the three months ended October 31, 1996 to approximately 8.9% for the three months ended October 31, 1997. This decrease was due to the substantial increase in telecommunications revenues as a percentage of total revenues as well as an actual dollar decrease in Internet revenues due to a decrease in total dial-up subscribers. Internet telephony revenues as a percentage of total revenues increased from 0.3% for the three months ended October 31, 1996 to 3.8% for the three months ended October 31, 1997. The increase in Internet telephony revenues was primarily due to an increase in billed minute usage, as well as revenues on the sale of equipment of \$720,000 for the three months ended October 31, 1997 compared to \$0 for the three months ended October 31, 1996.

Direct Cost of Revenues. Direct cost of revenues consists primarily of the costs paid to carriers for the transmission and termination of switched minutes through IDT's facilities, and to a lesser extent, fees paid to alliance partners, leased circuits and network costs, local access costs, Internet connectivity costs, switch maintenance costs, and online network processing costs. The Company's direct cost of revenues increased by 127%, from approximately \$18.0 million in the three months ended October 31, 1996 to approximately \$40.9 million in the three months ended October 31, 1997. As a percentage of revenues, these costs increased from 63.6% in the three months ended October 31, 1996 to 74.6% in the three months ended October 31, 1997. The increase in absolute dollars is primarily due to increases in underlying carrier costs as the Company's telecommunications minutes of use, and associated revenue, grew substantially. On a percentage basis, the increase in direct costs reflects the increased percentage that carrier services revenues bears to total revenues. Direct costs related to carrier services revenues are higher than direct costs related to Internet, Internet telephony, prepaid calling cards and call reorigination revenues. The Company expects that direct cost of revenues will continue to increase in both absolute dollar and percentage terms as the Company expands its telecommunications base and adds additional wholesale carrier clients.

Selling, General and Administrative. Selling, general and administrative costs decreased 22%, from approximately \$12.6 million in the three months ended October 31, 1996 to approximately \$9.8 million in the three months ended October 31, 1997. As a percentage of revenues, these costs decreased from 44.5% in the three months ended October 31, 1996 to 18.0% in the three months ended October 31, 1997. The decrease in these costs in dollar terms and as a percentage of total revenues was due primarily to the shift of focus of the Internet's marketing efforts from aggressive mass marketing to new reseller programs which entail significantly lower selling costs. Additionally, the increase in carrier-to-carrier services revenues relative to overall revenues had the effect of reducing the percentage of selling, general and administrative costs to total revenues, since selling, general and administrative costs related to carrier-to-carrier services revenues are lower on a relative basis. The Company anticipates that selling, general and administrative costs in dollar terms will increase as the Company implements its growth strategy and will

increase as a percentage of total revenues due to the growth in its prepaid calling card division, which entails significantly higher selling costs relative to carrier-to-carrier service revenues.

Depreciation and Amortization. Depreciation and amortization costs increased 81%, from approximately \$963,000 in the three months ended October 31, 1996 to approximately \$1,745,000 in the three months ended October 31, 1997. As a percentage of revenues, these costs decreased from 3.4% in the three months ended October 31, 1996 to 3.2% in the three months ended October 31, 1997. These costs increased in absolute terms primarily as a result of the Company's higher fixed asset base during the three months ended October 31, 1997 compared to the three months ended October 31, 1996 due to the Company's efforts to expand its telecommunications network infrastructure, enhance its Internet network and expand its facilities. The Company anticipates that depreciation and amortization costs will continue to increase as the Company continues to implement its growth strategy.

Income (loss) from Operations. Income from operations for the telecommunications segment increased to approximately \$3.2 million in the three months ended October 31, 1997 from approximately \$621,000 in the three months ended October 31, 1996. As a percentage of telecommunication revenues, income from operations for the telecommunications segment increased to 6.7% in the three months ended October 31, 1997 from approximately 3.4% in the three months ended October 31, 1996. The increase both in dollars and as a percentage resulted principally from increased revenue generated by the increase in the Company's client base and the expansion of its operations.

Loss from operations for the Internet access portion of the Company's business decreased to approximately \$1.5 million in the three months ended October 31, 1997 from approximately \$3.2 million in the three months ended October 31, 1996. The decreased loss of the Internet access segment is largely due to the refocusing of the Company's marketing efforts from aggressive mass marketing to new reseller programs. Income generated from the operations of the Net2Phone division increased to approximately \$647,000 for the three months ended October 31, 1997, compared to a loss of approximately \$632,000 for the three months ended October 31, 1996. This change is due to the substantial increase in Net2Phone revenues since the product's introduction to the market in July 1996, and the sale of equipment in the three months ended October 31, 1997.

Income Taxes. The Company records income taxes in accordance with Statement of Financial Accounting Standards No. 109, "Accounting for Income Taxes" ("SFAS 109"). The Company did not record an income tax benefit in the three months ended October 31, 1996 or 1997, as the realization of available tax losses was not probable.

Liquidity and Capital Resources

Historically, the Company has satisfied its cash requirements principally through a combination of cash flow from operations, sales of equity securities and borrowings from third parties (including certain of its stockholders). In September 1997, the Company completed a \$7.5 million private placement of 3% convertible debentures with a group of institutional investors, which are convertible into shares of the Company's Common Stock. The Company also received approximately \$2.7 million on the exercise of stock options in the three months ended October 31, 1997. As of October 31, 1997, the Company had cash and cash equivalents of \$13.3 million and working capital of approximately \$13.2 million.

The Company generated cash flow from operating activities of approximately \$33,000 during the three months ended October 31, 1997, compared to a negative cash flow from operating activities of approximately \$4.8 million during the three months ended October 31, 1996. The improvement in the Company's operating cash flows was primarily due to the increase in net income. Cash flow from operations varies significantly from quarter to quarter, depending upon the timing of operating cash receipts and payments and payment terms of accounts receivable and accounts payable. Accounts and commissions receivable (net of allowances) were approximately \$12.6 million and \$24.5 million at October 31, 1996 and 1997, respectively. Accounts receivable and accounts payable have increased period to period as the Company's businesses have grown.

The Company's capital expenditures decreased from approximately \$9.0 million in the three months ended October 31, 1996 to approximately \$5.7 million in the three months ended October 31, 1997, as the Company significantly curtailed the expansion of its Internet network. Capital expenditures for the three months ended October 31, 1997 primarily consisted of purchases of equipment to support expansion of the Company's domestic and international telecommunications network infrastructure and facilities. The Company financed a large portion of its capital expenditures in the three months ended October 31, 1997 through capital leases. Payments on purchases of fixed assets increased from approximately \$4.1 million in the three months ended October 31, 1996 to approximately \$4.6 million in the three months ended October 31, 1997. The Company is upgrading and expanding its existing domestic and international telecommunications network.

The Company experiences intense competition in both its telecommunications and Internet access businesses. If additional competition leads to significant price reductions, cash flows from operations would be materially adversely affected.

Where appropriate, the Company intends to make strategic acquisitions to increase its telecommunications and Internet customer base. From time to time, the Company evaluates potential acquisitions of companies, technologies, products and customer accounts that complement its business.

The Company believes that cash on hand, together with cash flow from its operating activities and cash available from its private placement of convertible subordinated debentures and from its existing lines of credit, will be sufficient to fund the Company's existing operations at least through fiscal 1998.

The Company intends to continue its strategy of rapid growth, primarily through the expansion of its domestic and international networks, as well as by pursuing other growth opportunities, such as acquisitions of complementary entities or businesses. The Company is currently reviewing various alternatives for obtaining additional financing to fund this strategy. The proceeds from any such financings are expected to be used to expand the Company's operations, fund the Company's growth and to enable the Company to undertake additional strategic initiatives. There can be no assurance that the Company will be able to raise additional capital on acceptable terms or at all. If the Company is unable to obtain such additional capital, the Company may have to curtail its expansion of operations, growth and other strategic initiatives, which could adversely affect the Company's business, financial condition and results of operations and its ability to compete.

CAUTIONARY STATEMENT REGARDING FORWARD LOOKING STATEMENTS

The statements contained in this Report on Form 10-Q that are not purely historical, are forward looking statements within the meaning of Section 27A of the Securities Act of 1933 and Section 21E of the Securities Exchange Act of 1934, including statements containing words "believes," "anticipates," "expects" and similar expressions. Forward looking statements include the Company's liquidity, anticipated cash needs and availability, and anticipated expense levels under the heading "Management's Discussion and Analysis of Financial Condition and Results of Operations." All forward looking statements included in this document are based on information available to the Company on the date of this Report, and the Company assumes no obligation to update any such forward looking statement. It is important to note that the Company's actual results could differ materially from those expressed or implied in such forward looking statements. Among the factors that could cause actual results to differ materially are the Company's recent entry into new telecommunications markets and new service offerings, the intense competition in the markets in which the Company operates and the domination of many markets by large industry participants, the Company's dependence on others to support or provide many of its services, technological change and uncertainty, regulatory developments and the Company's ability to manage its anticipated growth. Given these uncertainties, investors are cautioned not to place undue reliance on such statements. Please consult the risk factors set forth in the Company's Annual Report on Form 10-K for the year ended July 31, 1997 as well as those factors listed from time to time in the Company's other reports filed with the Securities and Exchange Commission pursuant to the Securities Act of 1933 and the Securities Exchange Act of 1934.

PART II. OTHER INFORMATION

Item 1. LEGAL PROCEEDINGS

Incorporated by reference from Part I, Item 1, Financial Statements, Note 4 captioned "Legal Proceedings and Contingencies."

Item 2. CHANGES IN SECURITIES

None

Item 3. DEFAULTS UPON SENIOR SECURITIES

None

Item 4. SUBMISSION OF MATTERS TO A VOTE OF SECURITY HOLDERS

None

Item 5. OTHER INFORMATION

None

Item 6. EXHIBITS AND REPORTS ON FORM 8-K

(a) Exhibits:

EXHIBIT INDEX

<u>Exhibit No.</u>	<u>Description</u>
3.01(1)	Restated Certificate of Incorporation of the Registrant.
3.02(1)	By-laws of the Registrant.
4.01(2)	Form of Debenture between the Registrant, RGC International Investors, LDC, Pangaea Fund Ltd., Special Situations Private Equity Fund, L.P. and Halifax Fund L.P.
4.02(2)	Securities Purchase Agreement among the Registrant, RGC International Investors, LDC, Pangaea Fund Ltd., Special Situations Private Equity Fund, L.P. and Halifax Fund L.P.
4.03(2)	Registration Rights Agreement among the Registrant, RGC International Investors, LDC, Pangaea Fund Ltd., Special Situations Private Equity Fund, L.P. and Halifax Fund L.P.
10.01(3)	Employment Agreement between the Registrant and Howard S. Jonas
10.02(3)	Employment Agreement between the Registrant and Howard S. Balter
10.04(4)	Amended and Restated 1996 Stock Option and Incentive Plan of IDT Corporation.
10.05(5)	Network Service Provider Agreement between Netscape Communications Corporation and the Registrant.
10.06(3)	Marketing Service and Independent Contractor Services Agreement between Lerner Overseas Telecommunications, Inc. and the Registrant.
10.07(6)	Rebiller Service Agreement between WorldCom, Inc. (formerly LDDS Communications, Inc.) and the Registrant.
10.08(7)	Form of Registration Rights Agreement between certain stockholders and the Company.
10.09(1)	Lease of 294 State Street.
10.11(8)	Form of Registration Rights Agreement between Howard S. Jonas and the Registrant.
10.12(9)	Employment Agreement between the Registrant and James Courter.
10.13(5)	Access Agreement between PSINet Inc. and the Registrant.
10.14(5)	Restated Sales Agreement between International Computer Systems, Inc. and the Registrant.
10.15(4)	Form of Stock Option Agreement under the 1996 Stock Option and Incentive Plan.
10.19(10)	Warrants (No. 1 and No. 2) for the Purchase of Common Stock between the Registrant and Prime Leasing, Inc.
10.20(10)	Stock Purchase Agreement between the Registrant and Mr. David Turock.
10.21(11)	Agreement between Mr. Cliff Sobel and the Registrant.
10.22(10)	Employment Agreement between the Registrant and Mr. Hal Brecher.
27.01*	Financial Data Schedule.

*filed herewith

- (1) incorporated by reference to form S-1 filed February 21, 1996 file No. 333-00204
- (2) incorporated by reference to form 8-K filed September 19, 1997
- (3) incorporated by reference to form S-1 filed January 9, 1996 file No. 333-00204
- (4) incorporated by reference to form S-8 filed January 14, 1996 file No. 333-19727
- (5) incorporated by reference to form 10-K for the fiscal year ended July 31, 1996 filed October 29, 1997 as amended November 21, 1996 file No. 000-27898
- (6) incorporated by reference to form S-1 filed January 22, 1996 file No. 333-00204
- (7) incorporated by reference to form S-1 filed March 8, 1996 file No. 333-00204
- (8) incorporated by reference to form S-1 filed December 27, 1996 file No. 333-18901
- (9) incorporated by reference to form S-1 filed March 14, 1996 file No. 333-00204
- (10) incorporated by reference to form 10-K for the fiscal year ended July 31, 1997 filed October 29, 1997
- (11) incorporated by reference to form 10-K/A for the fiscal year ended July 31, 1997, filed December 4, 1997

(b) Reports on Form 8-K. A Report on Form 8-K was filed with the Commission on September 19, 1997, relating to the sale of certain Debentures.

SIGNATURES

Pursuant to the requirements of the Securities Exchange Act of 1934, the Registrant has duly caused this report to be signed on its behalf by the undersigned, thereunto duly authorized.

IDT CORPORATION

December 15, 1997

Date

By: /s/Howard S. Jonas
Howard S. Jonas
Chairman of the Board
and Chief Executive Officer
(Principal Executive Officer)

December 15, 1997

Date

By: /s/Howard Balter
Howard Balter
Chief Operating Officer and
Director
(Principal Financial Officer)

December 15, 1997

Date

By: /s/Stephen R. Brown
Stephen R. Brown
Chief Financial Officer
(Principal Accounting Officer)

EXHIBIT 6

Marketing and Business Information

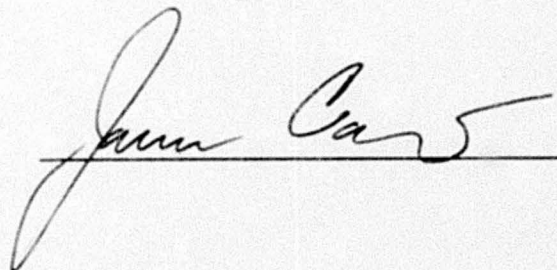
IDT AMERICA, CORP. -- MARKETING AND BUSINESS INFORMATION

IDT America, Corp. will market long distance telecommunications services to primarily residential and small to mid-sized business customers. IDT America expects that initial marketing vehicles will include print advertising, direct mail, limited printed advertising. IDT America has no current plans to deploy a sales force within the region, but will assess whether and to what extent to deploy such a force as business develops.

VERIFICATION

VERIFICATION

I, James Courter, hereby declare under penalty of perjury, that I am President of IDT America, Corp.; that I am authorized to make this verification on the Petitioner's behalf; that I have read the foregoing petition and exhibits; and that the facts stated therein are true and correct to the best of my knowledge, information and belief. In addition, I hereby declare that the Petitioner agrees to adhere to all state laws and all commission policies, rules and orders.

A handwritten signature in cursive script, appearing to read "James Courter", is written over a horizontal line.

Subscribed and sworn to before me this 24th day of March 1998.

Diane Clark
Notary Public
Attorney at Law
State of New Jersey
My Commission expires: _____

SWIDLER & BERLIN
CHARTERED
3000 K STREET, N.W., SUITE 300
WASHINGTON, D.C. 20007

FIRST UNION NATIONAL BANK
WASHINGTON, D.C.

15-122/540

0064149

NO. 064149

EXACTLY***250*DOLLARS AND*00*CENTS

DATE

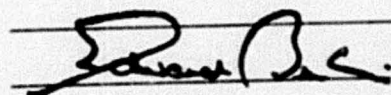
AMOUNT

03/25/98

\$\$\$\$\$250.00

PAY South Dakota Public
TO THE Utilities Commission
ORDER
OF

GENERAL ACCOUNT
TWO SIGNATURES REQUIRED ABOVE \$10,000



⑈064149⑈ ⑆054001220⑆2030000087305⑈

South Dakota
Public Utilities Commission
State Capitol 500 E. Capitol
Pierre, SD 57501-5070
Phone: (605) 773-3705
Fax: (605) 773-3809

TELECOMMUNICATIONS SERVICE FILINGS

These are the telecommunications service filings that the Commission has received for the period of:

03/20/98 through 03/26/98

If you need a complete copy of a filing faxed, overnight expressed, or mailed to you, please contact Delaine Kolbo within five days of this filing.

DOCKET NUMBER	TITLE/STAFF/SYNOPSIS	DATE FILED	INTERVENTION DEADLINE
AMENDMENT TO NEGOTIATED INTERCONNECTION AGREEMENT FILED			
TC96-190	First Amendment to Agreement for Service Resale between U S WEST Communications, Inc. and Pam Oil, Inc. This amendment adds or replaces language in the original agreement. Any party wishing to comment on the parties' amendment may do so by filing comments with the Commission and the parties to the agreement no later than April 6, 1998. Parties to the amendment may file written responses to the comments no later than April 14, 1998. (Staff: HB/KC)	03/23/98	Responses Due 04/06/98
REQUEST FOR CERTIFICATE OF AUTHORITY			
TC98-064	Application by IDT America, Corp. for a Certificate of Authority to operate as a telecommunications company within the state of South Dakota. (Staff: DJ/CH) Applicant proposes to provide 24-hour intrastate interexchange telecommunications services, including 1+ direct dialing, 800 services, travel card and pre-paid debit card services	03/26/98	04/10/98

Important Notice: The Commission is compiling a list of Internet addresses. If you have an Internet address please notify the Commission by: E-mailing it to Terry Norum at: terryn@puc.state.sd.us. Faxing the address to the Commission at: 605-773-3809

SWIDLER BERLIN SHEREFF FRIEDMAN, LLP

WASHINGTON OFFICE
3000 K STREET, N.W., SUITE 300
WASHINGTON, DC 20007-5116
TELEPHONE (202) 424-7500
FACSIMILE (202) 424-7647

December 11, 1998

NEW YORK OFFICE
919 THIRD AVENUE
NEW YORK, NY 10022-9998
TELEPHONE (212) 758-9500
FACSIMILE (212) 758-9526

VIA FACSIMILE AND OVERNIGHT DELIVERY

Mr. William Bullard, Jr., Executive Director
South Dakota Public Utilities Commission
State Capitol Building
500 East Capitol Avenue
Pierre, SD 57501-5070

FAX Received DEC 11 1998

RECEIVED

DEC 14 1998

SOUTH DAKOTA PUBLIC
UTILITIES COMMISSION

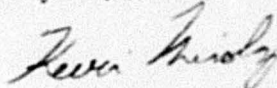
Re: **TC98-064:** In the Matter of Application of IDT America, Corp. for a Certificate of
Authority to Provide Telecommunications Services in South Dakota

Dear Mr. Bullard:

IDT America, Corp. ("IDT America"), by its undersigned counsel, hereby respectfully requests withdrawal of its Application for a Certificate to Provide Telecommunications Services in South Dakota ("Application") filed in the above-referenced docket. IDT America's Application is scheduled for consideration by the Commission at its December 14, 1998 meeting. IDT America respectfully requests that its Application removed from the Commission's meeting agenda and be dismissed "without prejudice" by the Commission.

Please date-stamp and return to the undersigned the extra copy of this filing in the prepared envelope provided herein. Should you have any questions regarding this matter, please do not hesitate to contact Kevin Minsky at (202) 945-6920.

Very truly yours,



William B. Wilhelm, Jr.
Kevin D. Minsky

Counsel for IDT America, Corp.

cc: David Jacobson
Camron Hoseck
Diane Clark

**BEFORE THE PUBLIC UTILITIES COMMISSION
OF THE STATE OF SOUTH DAKOTA**

IN THE MATTER OF THE APPLICATION OF)	ORDER PERMITTING
IDT AMERICA, CORP. FOR A CERTIFICATE)	WITHDRAWAL OF
OF AUTHORITY TO PROVIDE)	APPLICATION AND
TELECOMMUNICATIONS SERVICES IN)	CLOSING DOCKET
SOUTH DAKOTA)	TC98-064

On March 26, 1998, IDT America, Corp. (IDT) filed an application with the Public Utilities Commission (Commission) for a certificate of authority to operate as a telecommunications company within the state of South Dakota.

On December 11, 1998, IDT requested that its application for a certificate of authority be withdrawn, without prejudice.

At its regularly scheduled December 14, 1998, meeting, the Commission considered this matter. The Commission has jurisdiction over this matter pursuant to SDCL 49-31-3 and ARSD Chapter 20:10.24. The Commission found that IDT's request to withdraw its request for a certificate of authority, without prejudice, is reasonable and closed the docket. It is therefore

ORDERED that this docket is closed, without prejudice.

Dated at Pierre, South Dakota, this 18th day of December, 1998.

CERTIFICATE OF SERVICE
The undersigned hereby certifies that this document has been served today upon all parties of record in this docket, as listed on the docket service list, by facsimile or by first class mail, in properly addressed envelopes, with charges prepaid thereon.
By: <u><i>William Kerk</i></u>
Date: <u>12/18/98</u>
(OFFICIAL SEAL)

BY ORDER OF THE COMMISSION:

James A. Burg
JAMES A. BURG, Chairman

Pam Nelson
PAM NELSON, Commissioner

Laska Schoenfelder
LASKA SCHOENFELDER, Commissioner