

BEFORE THE TENNESSEE REGULATORY AUTHORITY

NASHVILLE, TENNESSEE

March 19, 2008

IN RE:

ALLEGED VIOLATIONS OF
TENN. CODE ANN. § 65-4-501 ET SEQ.,
DO-NOT-FAX LAW, BY HIGH TECH CRIME
INSTITUTE @ LC - TECHNOLOGY, LLC

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DOCKET NO.
07-00230

ORDER APPROVING PROPOSED SETTLEMENT AGREEMENT

This matter came before Chairman Eddie Roberson, Director Sara Kyle and Director Ron Jones of the Tennessee Regulatory Authority (the “Authority” or “TRA”), the voting panel assigned to this docket at the regularly scheduled Authority Conference held on February 25, 2008 for consideration of the *Proposed Settlement Agreement* between the Consumer Services Division of the TRA (“CSD”) and High Tech Crime Institute @ LC - Technology, LLC (“High Tech Crime” or “Company”), for alleged violations of Tenn. Code Ann. § 65-4-501 *et seq.* (“Do-Not-Fax Law”). The *Proposed Settlement Agreement* is attached hereto as Exhibit A.

BACKGROUND

Tenn. Code Ann. § 65-4-502(a) prohibits persons from transmitting or causing another person to transmit an unsolicited facsimile advertisement. Tenn. Code Ann. § 65-4-504(a) authorizes the TRA to assess penalties for violations of the above statute, including the issuance of a cease and desist order and/or the imposition of a civil penalty of up to a maximum of \$2,000 for each violation.

The *Proposed Settlement Agreement* pertains to two separate complaints received by the CSD alleging that High Tech Crime violated the Tennessee Do-Not-Fax law by knowingly making or causing to be made, two unsolicited facsimile advertisements to a governmental agency in this state.

CSD received the first complaint on May 5, 2007. On June 4, 2007, the CSD sent a notice of violation to High Tech Crime via certified mail. On June 5, 2007, the same complainant received an identical unsolicited facsimile advertising training services offered by High Tech Crime. The CSD provided a notice of violation to High Tech crime via certified mail on June 20, 2007.

In response to the complaints, High Tech Crime stated that it did not intend to violate the Tennessee statute pertaining to unsolicited facsimiles and that it conducted faxing pursuant to federal law, which permits faxing to public numbers. High Tech Crime further stated that the telephone numbers to which it transmitted the facsimiles in question were public numbers obtained through a public website. Furthermore, the Company asserts that it no longer conducts any solicitation by facsimile transmission and the alleged violations will not be repeated. CSD has received no further complaints against High Tech Crime.

CSD staff and High Tech Crime entered into settlement negotiations. In negotiating the *Proposed Settlement Agreement*, the CSD considered certain factors set forth in Tenn. Code Ann. § 65-4-116(b), including the Company's size, financial status, good faith and the gravity of the violations.

PROPOSED SETTLEMENT AGREEMENT

The *Proposed Settlement Agreement* between the CSD and High Tech Crime was filed with the Authority on February 5, 2008. High Tech Crime faced a maximum civil penalty of \$4,000 arising from the two complaints. The negotiated agreement requires High Tech Crime to remit the amount of \$1,300 to the Office of the Chairman of the TRA within ten days of the date the Directors of the TRA approve the *Proposed Settlement Agreement*.

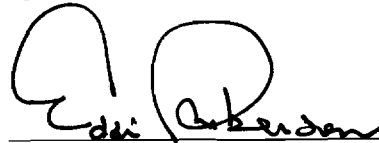
At the regularly scheduled Authority Conference held on February 25, 2008, the panel considered and unanimously voted to approve the *Proposed Settlement Agreement*.

IT IS THEREFORE ORDERED THAT:

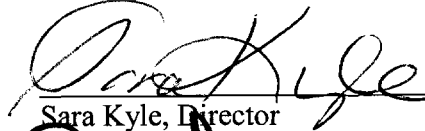
1. The *Proposed Settlement Agreement*, attached hereto as Exhibit A, is accepted and approved and is incorporated into this Order as if fully rewritten herein.

2. High Tech Crime Institute @ LC - Technology, LLC shall remit to the Office of the Chairman of the Tennessee Regulatory Authority the amount of \$1,300 within ten days of the date of approval of the *Proposed Settlement Agreement*.

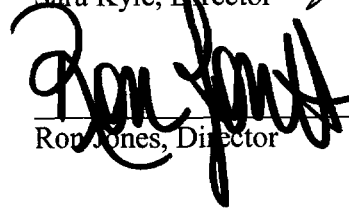
3. In the event that High Tech Crime Institute @ LC - Technology, LLC fails to comply with the terms and conditions of the *Proposed Settlement Agreement*, the Authority reserves the right to reopen this docket. High Tech Crime Institute @ LC - Technology, LLC shall pay any and all costs incurred in enforcing the *Proposed Settlement Agreement*.

Handwritten signature of Eddie Roberson in black ink.

Eddie Roberson, Chairman

Handwritten signature of Sara Kyle in black ink.

Sara Kyle, Director

Handwritten signature of Ron Jones in black ink.

Ron Jones, Director

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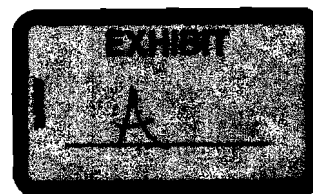
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PROPOSED SETTLEMENT AGREEMENT

¹ High Tech Crime Institute @ LC – Technologies, LLC was a joint venture between High Tech Crime Institute and LC – Technologies, LLC and is no longer in business. This was the address of High Tech Crime Institute @ LC – Technologies, LLC at the time of the alleged violations. High Tech Crime Institute is still in business under the direction of Mr. Stephen Pearson and is now located at 13400 Wright Circle, Tampa, Florida 33626-3026. LC – Technologies, LLC is still in business under the direction of Mr. Dave Zimmerman and is still located at 28100 U.S. Highway North, Suite 202, Clearwater, Florida 33761.



This Agreement pertains to two (2) separate complaints received by the CSD alleging that High Tech Crime violated the Tennessee Do-Not-Fax law, TENN. CODE ANN. § 65-4-501 *et seq.* by knowingly making or causing to be made two (2) unsolicited facsimile advertisements to a governmental agency in this state. On May 5, 2007, the CSD received the first complaint against High Tech Crime, which alleged that the complainant had received an unsolicited facsimile pertaining to training services offered by High Tech Crime. On June 5, 2007, the same complainant received an identical unsolicited facsimile. Through its investigation, the CSD determined the origin of the facsimiles was High Tech Crime. On June 4, 2007, the CSD provided High Tech Crime with notice, via certified mail, of the first complaint and informed High Tech Crime of its alleged violation of TENN. CODE ANN. § 65-4-501 *et seq.* The CSD provided notice of the June 5, 2007 violation to High Tech Crime via certified mail on June 20, 2007.

TENN. CODE ANN. § 65-4-505(a) authorizes the TRA to assess penalties for violations of the Tennessee Do-Not-Fax statutes, including the issuance of a cease and desist order and the imposition of a civil penalty of up to a maximum of two thousand dollars (\$2,000) for each knowing violation. The maximum fine faced by High Tech Crime in this proceeding is four thousand dollars (\$4,000), arising from the two (2) complaints. CSD relied upon the factors stated in TENN. CODE ANN. § 65-4-116(b) during the negotiations that resulted in this Agreement, including the size of High Tech Crime's business, its financial status, good faith and the gravity of the violations.

In response to the complaints, High Tech Crime asserts that there was no intent to violate the Tennessee statute regarding unsolicited facsimiles but that it has conducted faxing pursuant to federal law which permits faxing to public numbers. High Tech Crime states that in both

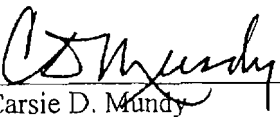
instances of alleged violation, the fax number was obtained through a website and was a public number. High Tech Crime also states that it no longer conducts any solicitation faxes and the alleged violations will not be repeated. Finally, High Tech Crime requested that the CSD close the files on the two inadvertent acts, done in conformity with federal law and assured that it will not fax in such manner in the future. The CSD has received no further complaints against High Tech Crime.

In an effort to resolve the two (2) complaints represented by the file numbers above, CSD and High Tech Crime agree to settle this matter based upon the following acknowledgements and terms subject to approval by the Directors of the TRA:


1. High Tech Crime neither admits nor denies that the above mentioned two (2) complaints are true and valid complaints and are in violation of TENN. CODE ANN. §65-4-501 *et seq.*
2. High Tech Crime agrees to a settlement payment of one thousand three hundred dollars (\$1,300.00) for these complaints as authorized by TENN. CODE ANN. §65-4-505(a), and agrees to remit the amount of one thousand three hundred dollars (\$1,300.00) to the Office of the Chairman of the TRA within ten (10) days of the date the Directors of the TRA approve this Proposed Settlement Agreement.² Upon payment of the amount of one thousand three hundred dollars (\$1,300.00) in compliance with the terms and conditions of this Agreement, High Tech Crime is excused from further proceedings in this matter.

² The payment may be made in the form of a check, payable to the Tennessee Regulatory Authority, referencing TRA Docket No. 07-00230.

3. Provided High Tech Crime fully complies with the terms of this Agreement, the TRA agrees that it will not pursue any claims, or seek payment of any civil penalties against High Tech Crime for alleged violations of the Tennessee Do Not Fax Law and regulations occurring prior to the date of this Agreement.
4. High Tech Crime agrees that its representative will participate telephonically or in person at the Authority Conference at which the Directors consider this Agreement.
5. In the event of any failure on the part of High Tech Crime to comply with the terms and conditions of this Agreement, the Authority reserves the right to re-open this docket. Any costs incurred in enforcing this Agreement shall be paid by High Tech Crime.
6. If any clause, provision or section of this Agreement for any reason is held to be illegal or unenforceable, such illegality, invalidity or unenforceability shall not affect any other clause, provision or section of this Agreement and this Agreement shall be construed and enforced as if such illegal, invalid or unenforceable clause, section or other provision had not been contained herein.
7. This Agreement represents the entire agreement between the parties, and there are no representations, agreements, arrangements or understandings, oral or written, between the parties relating to the subject matter of this Agreement, which are not fully expressed herein or attached hereto.


Carsie D. Mundy
Chief, Consumer Services Division
Tennessee Regulatory Authority
2-5-08
Date

High Tech Crime Institute @ LC –
Technology, LLC


Signature
Stephen Pearson
Print Name

MANAGING PARTNER
Print Title
1-17-08
Date