

Total Call INTERNATIONAL

October 6, 2009

VIA ELECTRONIC MAIL – sharla.Dillon@tn.gov
AND OVERNIGHT DELIVERY

Tennessee Regulatory Authority
Attention: Dockets and Records
460 James Robertson Parkway
Nashville, TN 37243

FILED ELECTRONICALLY IN DOCKET OFFICE ON 10/07/09

Re: Docket No. 09-00129
First Set of Data Requests to Total Call International, Inc.

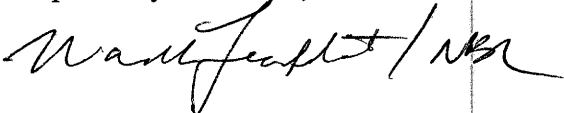
Dear Sir or Madam:

In reply to the Tennessee Regulatory Authority (“TRA”) letter dated September 24, 2009, Total Call International, Inc. d/b/a Amigos Telecom d/b/a Key Pad d/b/a Star International Alliance submits herewith an original and four (4) copies of its response to TRA’s First Set of Data Requests.

Please acknowledge receipt by date stamping the extra copy of this cover letter and returning it to me in the enclosed self-addressed postage prepaid envelope.

If you have any questions or need any additional information regarding this filing, please do not hesitate to contact Alice Breslow, Compliance Paralegal, at 213-995-9700 x264 or via electronic mail at regulatory@totalcallusa.com. Thank you.

Respectfully submitted,



Mark Leafstedt
Chief Executive Officer
Total Call International, Inc.

Enclosures

STAFF'S FIRST SET OF DATA REQUESTS FOR
TOTAL CALL INTERNATIONAL, INC.
D/B/A AMIGOS TELECOM D/B/A KEY PAD
D/B/A STAR INTERNATIONAL ALLICANCE
DOCKET NO. 09-00129

In order for Staff to continue processing the Application, please provide the following information:

- 1 Explain the circumstances surrounding Total Call International, Inc.'s authority to transact business being revoked/forfeited/suspended in Illinois, Maryland, Missouri, New Jersey, North Carolina, South Carolina and Texas.

Illinois – Total Call International, Inc. ("TCI" or the "Company") had its authority revoked due to an inconsistency with the number of issued shares listed at the time of qualification and submission of the annual report. The Company has since filed the corrected report and is currently in Good Standing with the Illinois Secretary of State.

Maryland – The Company's authority was forfeited for failure to file its annual report. The Company has requested reinstatement, submitted its annual reports, and is expecting recertification within three to four weeks.

Missouri – The Company was administratively dissolved for failure to file franchise tax returns. The Company has since requested reinstatement and is currently awaiting tax clearance from the Missouri Department of Revenue.

New Jersey – The Company's authority was suspended due to failure to file corporate taxes. The Company has since requested reinstatement and is currently awaiting tax clearance from the New Jersey Department of Revenue.

North Carolina – The Company's authority was suspended for failure to file franchise tax returns. The Company is in the process of filing the necessary returns.

South Carolina – The Company forfeited its authority for failure to file franchise tax returns. The Company is in discussion with the South Carolina Department of Revenue to resolve this matter.

Texas – The Company's certificate of existence was forfeited with the Texas Secretary of State for failure to file franchise tax returns. The Company has since filed the necessary returns and is currently awaiting reinstatement.

- 2 Provide the original Hartford Fire Insurance Company surety bond. The application only contained a copy.

The Company has submitted a request to our bonding company for reissuance of the surety bond. The Company will forward the original Hartford Fire Insurance Company surety bond as soon as we receive it from the bonding company.

- 3 Provide details regarding the settlement agreement reached between the company and the State of California, including a copy of the settlement agreement.

People of the State of California v. Total Call International (CA 2009) – Plaintiff, State of California, alleged that TCI failed to adequately disclose minutes available and fees for its prepaid calling cards. Without admitting liability, TCI settled the matter in May 2009. The settlement amount was \$1.5 million in gross margin reductions (already completed) and \$450,000 in penalties and investigative costs (already paid). A copy of the settlement agreement is attached hereto as “Exhibit A”.

- 4 Question G. on Page 3 of the application was not answered. Provide an answer to the question.

No. Neither the Applicant nor any of its parent companies, subsidiaries, affiliates, owners, partners, L.L.C. members, directors, officers, five percent (5%) or more shareholders or beneficiaries (of a trust) been convicted of any crime or crimes, or charged in court with any fraudulent or dishonest acts in any transaction of any kind, or confined in any penal institution.

- 5 Provide a list of complaints filed with any state or federal agency against Total Call International, Inc. Include information regarding the nature of the complaint, with which agency it was filed, and how the complaint was resolved.

A list and number of complaints filed against applicant is attached hereto as “Exhibit B”.

- 6 Question U on page 7 of the application requires a response. Regarding compliance with Tenn. Code Ann. § 65-21-114, how does the company intend to comply and insure that it will not bill for any county wide calls in Tennessee? The question preceding question U asks if the company is aware of the TAR code database maintained by BellSouth/AT&T and the procedures to enter telephone numbers in that database, to which Total Call International, Inc. answered yes. If that is the procedure that will be used to comply with Tenn. Code Ann. § 65-21-114, please state that in response to question U of the application.

Our billing software company provides monthly TAR data base files which are imported into the Company's internal billing system and when call records are rated, the TAR data base files are accessed to determine whether the call should be billed to the customer.

7. What sources of funding are available to Total Call International, Inc. for its Tennessee operations? Provide projected financials and specific resources available to applicant to fund its operations going forward.

Total Call International is a privately held company that has been providing telecommunications services for over ten years since its inception in 1999. As a nationwide provider of telecommunications services, funding that is available to Total Call International for its Tennessee operations will come from the revenues generated in all other states within which the Company operates. The Company does not have any projected financials at this time. However, the Company has attached its most recent financials for the year ended 2008 and 2007. See Exhibit "I" filed with the Application.

EXHIBIT A

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*Attorneys for Plaintiff,
the People of the State of California*

SUPERIOR COURT OF THE STATE OF CALIFORNIA
FOR THE COUNTY OF SAN FRANCISCO

PEOPLE OF THE STATE OF
CALIFORNIA,

Plaintiff,

v.

TOTAL CALL INTERNATIONAL, INC.,

Defendant.

CASE NO.

~~[PROPOSED]~~ FINAL JUDGMENT AND
PERMANENT INJUNCTION

Date:
Time:
Dept:
Judge
Trial Date

ENDORSED
FILED
San Francisco County Superior Court

MAY 08 2009

GORDON PARK-LI, Clerk
BY: ERICKA LARNAUTI
Deputy Clerk

1 Plaintiff the People of the State of California, appearing through its attorneys, Edmund G.
2 Brown Jr., Attorney General, by Deputy Attorneys General Paul Stein and Alexandra Robert
3 Gordon, and the California Public Utilities Commission, by Public Utilities Counsel Geraldine
4 Kim; and Defendant Total Call International, Inc., appearing through its attorneys, Kelley Drye &
5 Warren LLP, by Donna Wilson, having come before this Court, and it appearing to the Court that
6 the parties, as reflected in the Stipulation for Entry of Final Judgment and Permanent Injunction
7 (hereafter "Stipulation") filed herewith, having stipulated and consented to the entry of this Final
8 Judgment and Permanent Injunction (hereafter "Judgment") without the taking of proof and
9 without trial or adjudication of any fact or issue of law (i.e., this Judgment shall not constitute
10 evidence or an admission by Total Call International, Inc., regarding any issue of law or fact
11 alleged in the Complaint), the Court having considered the matter and good cause appearing,

12 Therefore, the Court ORDERS, ADJUDGES, AND DECREES:

13 1. This Court has jurisdiction of the subject matter of this action and of the parties.
14 Venue as to all matters between the parties relating to this action is proper in this Court.

15 DEFINITIONS

16 2. The following definitions shall apply to this Judgment:

17 A. "Prepaid Calling Service(s)" or "Service(s)" shall be defined as those terms are
18 defined in Business and Professions Code section 17538.9.

19 B. "Prepaid Calling Card(s)" or "Card(s)" shall be defined as those terms are defined in
20 Business and Professions Code section 17538.9 and as the term "telephone prepaid debit card" is
21 used in California Public Utilities Code section 885.

22 C. "Legible" or "Legibly" means easily readable.

23 D. "Ancillary Charges" means all surcharges, taxes, fees, connection charges,
24 maintenance fees, monthly or other periodic fees, per-call access fees, or other assessments or
25 charges of any kind, however denominated, that may be imposed during the life of the purchased
26 Prepaid Calling Services, in connection with the use of a Card or Services, other than the per unit
27 or per minute rate charged.
28

1 E. "Clearly and Conspicuously" means, for writings, disclosed Legibly and placed and
2 printed so that it will attract the reader's attention and, for oral statements, orally disclosed so that
3 it will attract the listener's attention. To be clear and conspicuous, disclosures must also be stated
4 precisely, clearly, and understandably, in words that are part of the working vocabulary of the
5 average consumer. Other content, such as text, graphics, or sound, that may distract a consumer's
6 attention away from any disclosure required to be clear and conspicuous may not be used. If a
7 disclosure qualifies other information, to be clear and conspicuous the disclosure must be
8 displayed prominently and in close proximity to the representation being qualified.

9 F. "Effective Rate" means the total amount of (1) the per-unit (e.g. per-minute) charge
10 applicable for Prepaid Calling Services and (2) the Ancillary Charges that will be incurred, if the
11 value of the PIN (Personal Identifying Number) is exhausted in one continuous call, stated either
12 as an amount for each unit (e.g. "\$0.10 per minute") or in minutes of talk time available on a PIN
13 to a stated or dialed destination. The Effective Rate need not account for Ancillary Charges that
14 may or may not be incurred depending on a customer's usage pattern and which the Enjoined
15 Parties cannot anticipate at the time the disclosure is made (e.g., a charge for calling from a
16 payphone or to a cellphone would not have to be incorporated into the Effective Rate stated in an
17 advertisement because a customer may or may not use a payphone or call a cell phone).

18 G. "Prompt" is the automated statement of the Effective Rate, which is made after the
19 customer enters a PIN and a destination number.

20 H. "United States" means the United States of America, including all fifty states and any
21 of its territories and possessions.

22 I. "CPUC" means the California Public Utilities Commission.

23 J. "Statement" means "statement" as that term is used in Business and Professions Code
24 section 17500 (including any advertising or poster).

25 INJUNCTION

26 3. The injunctive provisions of this Judgment apply to (a) the Defendant; (b) any of
27 Defendant's affiliates, subsidiaries, directors, officers, employees, agents, assigns, successors, and
28 all persons acting in concert or participation with any of them that have actual or constructive

1 knowledge of the Judgment; (c) any company or other entity offering Prepaid Calling Services in
2 which any of Defendant's directors, affiliates, subsidiaries, assigns, or successors own or control
3 at least 10% of the equity or debt; and (d) any company or other entity offering Prepaid Calling
4 Services in which any person who is a director of Defendant's board as of the date of the
5 execution of the Stipulation comes to own or control at least 10% of the equity or debt. The
6 individuals and entities referenced in this paragraph 3 are collectively the "Enjoined Parties."

7 4. Pursuant to Business and Professions Code sections 17203 and 17535 and Public
8 Utilities Code section 2102, the Enjoined Parties are hereby permanently enjoined and restrained
9 from directly or indirectly doing any of the following in connection with Prepaid Calling Services
10 advertised, offered for sale, or sold in California:

11 A. Violating Business and Professions Code sections 17200, 17500, or 17538.9.

12 B. Failing to provide a Prompt immediately after a caller enters a personal identification
13 number and destination number, which Clearly and Conspicuously discloses the Effective Rate
14 applicable to that call, and, unless the same effective rate applies to all calls, a Statement to the
15 effect the rate applies only if the Prepaid Calling Service/Card/PIN is used up in one continuous
16 call (e.g. "You have 75 minutes if used up in this call").

17 C. In any print or oral Statement, other than in a Prompt, which purports to state either
18 the minutes of talk time available or a per-unit cost,

19 (1) failing to use only the "Effective Rate" when stating the minutes of talk time or the
20 per-unit cost;

21 (2) unless the same Effective Rate applies to all calls, failing to Clearly and
22 Conspicuously disclose that the minutes of talk time or per-unit cost stated (i.e., the Effective
23 Rate) is available only if the Prepaid Calling Service/Card/PIN is used up in one continuous call,
24 provided however, that for Statements referring to three or more calling destinations, if the
25 required disclosure is prominently displayed at or near the top (or the beginning) of the Statement
26 so that it clearly refers to all the destinations, the required disclosure may be made once and need
27 not be placed proximate to each calling destination; and
28

1 (3) if two or more Effective Rates apply to a specified destination depending on either the
2 day of the week or the time of day of a call, failing to disclose either (a) Clearly and
3 Conspicuously each Effective Rate for the specified destination along with the day and or time to
4 which it applies in immediate proximity to the specified destination, or (b) only the highest
5 possible Effective Rate to the specified destination.

6 D. Failing to prominently disclose, Clearly and Conspicuously, near the beginning of
7 any Statement subject to Paragraph 4.C. above, and on either the Card or its packaging, all
8 Ancillary Charges applicable to the Card or Service, along with the conditions under which such
9 Ancillary Charges will be imposed (e.g., a \$.05 fee that is imposed after the first week the Card is
10 used and repeats at a stated interval thereafter). In a written Statement subject to Paragraph 4.C.
11 above, this disclosure shall appear in table form in a box with the bold label: "Other Charges."
12 The amount of each Ancillary Charge shall be identified in one column and the conditions under
13 which each applies shall be stated on the same line in the column to the right of the charge.

14 E. At any time before a customer has recharged a Card or Service (including before a
15 Card or Service expires without recharge), (1) providing fewer minutes of talk time or charging
16 more than any Effective Rate contained in a Statement available to the public at the time the Card
17 or Service was purchased or than specified in any Prompt, or (2) charging more for Ancillary
18 Charges than any charge contained in any Statement available to the public at the time the Card or
19 Service was purchased.

20 F. If the Effective Rate disclosure provisions of Paragraph 4.C. do not apply because
21 Defendant's Statements, including Statements on either the Card or packaging of a Prepaid
22 Calling Card or Service, do not include a claim about the minutes of talk time available to any
23 given calling destination or a per-unit cost offered to any given calling destination, failing to
24 disclose on the Card or packaging, the amount of each and every Ancillary Charge on calls to
25 destinations within the United States, and the conditions under which such Ancillary Charges will
26 be imposed (e.g., a \$.05 fee that is imposed after the first week the Card is used and repeats at a
27 stated interval thereafter).

1 G. If the Effective Rate disclosure provisions of Paragraph 4.C. do not apply because
2 Defendant's Statements, including on either the Card or packaging of a Prepaid Calling Card or
3 Service, do not include a claim about the minutes of talk time available or a per-unit cost, failing
4 to disclose on the Card or packaging, either (1) the amount of each and every Ancillary Charge on
5 calls to destinations outside the United States and the conditions under which such Ancillary
6 Charges will be imposed (e.g., a \$.05 fee that is imposed after the first week the Card is used and
7 repeats at a stated interval thereafter) or, in the alternative, (2) the highest amounts of Ancillary
8 Charges that may be incurred on calls to destinations outside the United States, and the conditions
9 under which such Ancillary Charges will be imposed.

10 H. Failing to ensure that the disclosures required by Paragraphs 4.C., 4.D., 4.F., and 4.G.
11 which are printed on a Prepaid Calling Card or its packaging are Legible without having to open
12 any packaging.

13 I. Failing to comply with the customer service requirements set forth in Business and
14 Professions Code section 17538.9, subdivision (b)(9). In the event that the requirements of
15 section 17538.9, subdivision (b)(9), are amended or repealed, in whole or in part, the Enjoined
16 Parties shall comply with section 17538.9, subdivision (b)(9), as modified.

17 J. For at least four years from entry of Judgment, failing to maintain all of the business
18 records useful, necessary, and sufficient to determine Defendant's compliance with Paragraph 4
19 of this Judgment and Paragraphs L and M of the Stipulation, including but not limited to the
20 records listed in Exhibit 1 hereto.

21 K. For two years from entry of Judgment, failing to provide to Plaintiff, within 10 days
22 of the request, any documents required to be maintained under this Judgment, and thereafter,
23 failing to provide Plaintiff with requested documents in accordance with the requirements of the
24 law.

25 CIVIL PENALTIES AND COSTS

26 5. Pursuant to Business and Professions Code sections 17206 and 17536 and Public
27 Utilities Code section 2107, and as specified in the Stipulation, the Defendant shall pay civil
28 penalties and investigative costs totaling \$450,000 and broken down as follows:

9. Defendant will provide a copy of this Judgment to all Enjoined Parties and retain for inspection proof of having done so.

RETENTION OF JURISDICTION

10. This Court shall retain jurisdiction over this matter for the purposes of enabling any party to this Judgment to apply to the Court at any time, after serving notice on the other parties, for such further orders and directions as might be necessary or appropriate for the construction or carrying out of this Judgment, for modification or termination of any injunctive provision of this Judgment, and for the People to apply at any time for enforcement of any provisions of this Judgment and for punishment for any violation of this Judgment.

11. This Judgment shall take effect immediately upon its entry.

12. The clerk is ordered to enter this Judgment forthwith.

IT IS SO ORDERED:

DATE: 5-8-09

CHARLOTTE WALTER WOOLARD
JUDGE OF THE SUPERIOR COURT

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EXHIBIT 1

A. All business records relating to the sales or other transfers of Prepaid Calling Cards to California-based wholesalers, distributors, retailers, California end-use consumers, or other California purchasers. As used herein, "California-based" refers to wholesalers, distributors, or retailers who sell to California consumers, or to others in any distribution chain where the phonecard product is likely to be sold in California.

B. Samples of every non-identical promotional, sales, and other advertising material, as well as samples of every prepaid calling card sold by Defendant and every type of packaging relating to such cards, which materials and/or cards were sold or used in California, or may have been sold or used in California.

D. Rate decks, including complete records of every change made to such rate decks (as used herein, "rate deck" means the schedule of all rates, ancillary charges, taxes, and any other fee however designated, applied to every prepaid calling card which was sold or may have been sold in California).

E. Other records useful, necessary and sufficient to identify the Effective Rate and Ancillary Charges for calls placed using any of the prepaid calling cards which Defendants sell, cause to be sold, or allow to be sold in California, or are otherwise likely to be sold in California.

F. All call detail records generated by each activated prepaid calling card, where the first call was made in California.

G. All invoices from carriers to Defendant, record of payment to those carriers, and Defendant's generated reconciliations of carrier invoices to Defendant's rates used in its cost data warehouse.

H. All historical records in the cost data warehouse, or any other such system used by Defendant in calculating its incurred carrier costs for providing services on California-based prepaid calling cards.

EXHIBIT B

List and Number of Complaints Filed Against Applicant

Total Call International, Inc. ("TCI")

TCI has been in operation since 1999. TCI has 66,830 active customers as of October 5, 2009.

Year	Agency	Billing	Slamming	Cramming	Service	Status	Total
2009	FCC	1	1	0	1	0	3
	PUC	2	10	0	0	0	12
2008	FCC	5	0	2	2	0	9
	PUC	6	1	0	3	0	10
2007	FCC	10	2	2	4	0	18
	PUC	11	7	5	3	0	26
2006	FCC	10	3	0	0	0	13
	PUC	4	9	0	0	0	13
	Total	49	33	9	13	0	104