

BEFORE THE TENNESSEE REGULATORY AUTHORITY

AT NASHVILLE, TENNESSEE

November 19, 2010

IN RE:)	
)	
STAFF INVESTIGATION OF ASSOCIATED)	
TELECOMMUNICATIONS MANAGEMENT)	DOCKET NO.
SERVICES, LLC D/B/A ANGLES)	10-00196
COMMUNICATIONS FOR ALLEGED)	
VIOLATIONS OF TENN. CODE ANN. § 65-4-125)	
AND TENN. COMP. R. & REGS. 1220-4-2-.56(5))	

ORDER APPROVING SETTLEMENT AGREEMENT

This matter came before Chairman Mary W. Freeman, Director Eddie Roberson and Director Kenneth C. Hill of the Tennessee Regulatory Authority (“Authority” or “TRA”), the voting panel assigned to this docket, at a regularly scheduled Authority Conference held on October 25, 2010 for consideration of a proposed Settlement Agreement between the Consumer Services Division of the TRA (the “CSD”) and Associated Telecommunications Management Services, LLC d/b/a Angles Communications (“Angles” or the “Company”). The settlement relates to alleged violations of Tenn. Code Ann. § 65-4-125 *et. seq.* and TRA Rule 1220-4-2-.56(5). The proposed Settlement Agreement is attached hereto as Exhibit A.

Tenn. Code Ann § 65-4-125(a), Tennessee’s “slamming” law, prohibits a telephone service provider and persons acting on its behalf from designating or changing a subscriber’s telecommunications services provider if those designating or changing the service “know[] or reasonably should know that such provider or person does not have the authorization of such subscriber.” Tenn. Comp. R. & Regs. 1220-4-2-.56 delineates the authorized procedures necessary to lawfully switch telephone service providers.

During the period of July 28, 2009 through April 30, 2010, the CSD received seventeen slamming complaints from Tennessee consumers against Angles. Copies of each of the complaints were sent to Angles Communication via certified mail. Angles maintained that no knowing violations had occurred.

Tenn. Code Ann. § 65-4-125(f) provides for a civil penalty of not less than \$100 nor more than \$1000 for each day of any violations of subsection (a). CSD relied upon factors stated in Tenn. Code Ann. § 65-4-116(b) during the negotiations which resulted in this agreement. Tenn. Code Ann. § 65-4-116(b) states:

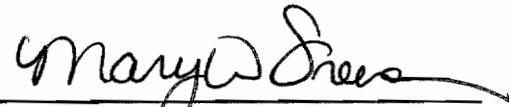
In determining the amount of the penalty, the appropriateness of the penalty to the size of the business of the person, firm or corporation charged, the gravity of the violation and the good faith of the person, firm or corporation charged in attempting to achieve compliance, after notification of a violation, shall be considered. The amount of the penalty, when finally determined, may be deducted from any sums owing by the state to the person, firm or corporation charged or may be recovered in a civil action in the courts of this state.

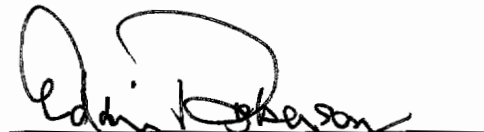
Angles agreed to remit the amount of \$20,000 to the Office of the Chairman of the TRA within thirty days of the Directors' approval of the proposed Settlement Agreement. The panel considered the proposed Settlement Agreement at the regularly scheduled Authority Conference held on October 25, 2010. The panel voted unanimously to accept and approve the Settlement Agreement.

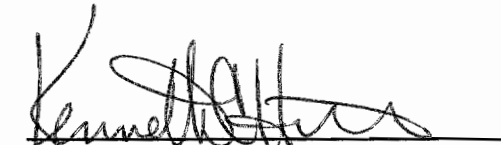
IT IS THEREFORE ORDERED THAT:

1. The Settlement Agreement, attached hereto as Exhibit A, is accepted and approved and is incorporated into this Order as if fully rewritten herein.
2. The amount of \$20,000 shall be paid by Associated Telecommunications Management Services, LLC d/b/a Angles Communications to the Tennessee Regulatory Authority by November 24, 2010.

3. Upon payment of the amount of \$20,000 and compliance with the terms of the Settlement Agreement attached hereto, Associated Telecommunications Management Services, LLC d/b/a Angles Communications is excused from further proceedings in this matter, provided that, in the event of any failure on the part of Associated Telecommunications Management Services, LLC d/b/a Angles Communications to comply with the terms and conditions of the Settlement Agreement, the Authority reserves the right to re-open this docket.


Mary W. Freeman, Chairman


Eddie Roberson, Director


Kenneth C. Hill, Director

**BEFORE THE TENNESSEE REGULATORY AUTHORITY
AT NASHVILLE, TENNESSEE**

IN RE:

**STAFF INVESTIGATION OF ASSOCIATED
TELECOMMUNICATIONS MANAGEMENT
SERVICES, LLC d/b/a ANGLES
COMMUNICATIONS FOR ALLEGED
VIOLATIONS OF TENN. CODE. ANN. §65-4-125
and TENN. COMP. R. & REGS. 1220-4-2-.56(5)**

**DOCKET NO.
10- 00196**

SETTLEMENT AGREEMENT

This Settlement Agreement has been entered into between the Consumer Services Division ("CSD") of the Tennessee Regulatory Authority ("Authority" or "TRA") and Associated Telecommunications Management Services, LLC d/b/a Angles Communications ("Angles"), and is subject to the approval of the Directors of the TRA. This Settlement Agreement pertains to 17 complaints received by the CSD alleging that Angles violated the TENN. CODE ANN. § 65-4-125 *et seq.* and Authority Rule 1220-4-2-.56(5) by changing the local telephone service of Tennessee consumers without their permission.

On or about July 28, 2009, the CSD received the first complaint alleging that the complainant's local telephone service had been switched to Angles without permission. The CSD provided notice, via certified mail, of the first complaint on or about July 28, 2009 and informed Angles of its alleged violation of TENN. CODE ANN. § 65-4-125 *et seq.* ("Slamming

Law”).¹ The CSD provided notice to Angles via certified mail of each additional violation. The CSD received the last complaint related to Angles on or about April 30, 2010.

TENN. CODE ANN. § 65-4-125(a) prohibits telecommunications service providers and persons acting on behalf of any telecommunications service provider to designate or change the provider of telecommunications services to a subscriber if the provider or person acting on behalf of the provider knows or reasonably should know that such provider or person does not have the authorization of such subscriber. TENN. CODE ANN. § 65-4-125(f) provides for a civil penalty of not less than \$100 nor more than \$1,000 for each day of any violation of subsection (a). Angles maintains that no knowing violations have occurred. 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 Angles’ business, good faith attempt by Angles to achieve compliance, and the gravity of the violations.

In an effort to resolve these 17 complaints, CSD and Angles agree to settle this matter based upon the following acknowledgements and terms subject to approval by the Directors of the TRA:

1. Angles neither admits nor denies that the above mentioned complaints are true and valid complaints and are in violation of TENN. CODE ANN. § 65-4-125 *et seq.*
2. Angles agrees to make a settlement payment of Twenty Thousand (\$20,000.00) Dollars to the TRA as permanent disposition of these complaints, and agrees to remit the full amount to the Office of the Chairman of the TRA within thirty days of approval by the Authority of

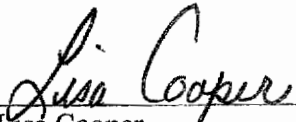
¹ Slamming is a colloquialism used to denote the unauthorized changing of a consumer’s long distance service provider without the consumer’s written or oral authorization. Slamming is strictly prohibited by Tenn. Code Ann. § 65-4-125 and Tenn. Comp. R. & Reg. 1220-4-2-.56.

this Settlement Agreement. Upon payment of the amount of Twenty Thousand (\$20,000.00) Dollars, Angles will be deemed to be in compliance with the terms and conditions of this Settlement Agreement and is excused from further proceedings in this matter.

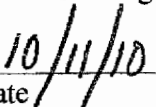
3. The terms of this Settlement Agreement apply to any and all claims, known or unknown, that were or might have been brought against Angles for alleged violations of TENN. CODE ANN. § 65-4-125 *et seq.* and Authority Rule 1220-4-2-.56 and occurring prior to the date of this Settlement Agreement.
4. The CSD and Angles agree and acknowledge that this Settlement Agreement is the result of a compromise and shall not be construed as an admission by Angles of any wrongdoing on its part or on the part of its predecessors, successors, assigns, agents, parents, subsidiaries, affiliates, officers, directors, employees or shareholders. Angles expressly denies any such liability, wrongdoing or responsibility.
5. Angles agrees that its representative will participate telephonically or in person at the Authority Conference at which the Directors consider this Settlement Agreement.
6. In the event of any failure on the part of Angles to comply with the terms and conditions of this Agreement, the Authority reserves the right to re-open this matter. Any costs incurred in enforcing the Settlement Agreement shall be paid by Angles.
7. If any clause, provision or section of this Settlement 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 Settlement Agreement and this Settlement Agreement shall be construed and enforced as if such illegal, invalid or unenforceable clause, section or other provision had not been contained herein.

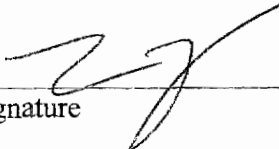
8. This Settlement Agreement represents the entire agreement between the parties, and there are no representations, agreements, arrangements or understandings, oral or written, between the parties relating to the subject matter of this Settlement Agreement, which are not fully expressed herein or attached hereto.



Lisa Cooper
Chief, Consumer Services Division
Tennessee Regulatory Authority



Date



Signature

Thomas E. Biddix

Print Name

Manager

Print Title

September 22, 2010

Date