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November 12, 1998

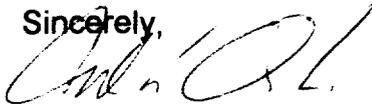
Magalie Roman Salas  
Office of the Secretary  
Federal Communications Commission  
1919 M Street, N.W., Room 222  
Washington, D.C. 20554

Re: In the Matter of Truth-in-Billing and Billing Format (CC Docket No. 98-170).

Dear Ms. Salas:

Enclosed for filing is the original and two copies of OPENING COMMENTS OF SMALL BUSINESS ALLIANCE FOR FAIR UTILITY REGULATION in the above proceeding.

Sincerely,



Carl K. Oshiro

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COMMUNICATIONS

**Before the  
Federal Communications Commission  
Washington, D.C. 20554**

In the Matter of )  
Truth-in-Billing and )  
Billing Format ) CC Docket No. 98-170  
\_\_\_\_\_ )

**OPENING COMMENTS OF  
SMALL BUSINESS ALLIANCE FOR FAIR UTILITY REGULATION**

Small Business Alliance for Fair Utility Regulation (Small Business)<sup>1</sup>

commends the Federal Communications Commission (Commission) for initiating this proceeding to improve the clarity and accuracy of telephone bills. In the monopoly era, telephone customers were billed by their local telephone company for local, toll and long distance service. The bill was relatively simple and customers knew what services they were receiving and who to contact if they had any questions.

In recent years, the monthly phone bill has become vastly more complex. Besides the local, toll and long distance services, customers are billed for voice mail, paging, wireless, 900, alternative operator, Internet access, and other

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<sup>1</sup> Small Business Alliance for Fair Utility Regulation is a national, bipartisan, nonprofit organization formed to ensure fair treatment of small businesses in utility matters. The Alliance is an outgrowth of the 1995 White House Conference on Small Business. Its purpose is to: (1) Advocate on behalf of small business customers regarding telephone, electric, gas and other utility services, (2) Provide accurate information and education to small businesses so they can make informed choices and decisions regarding utility services and (3) Be a resource for small business organizations to protect and enhance the small business environment. The Alliance has a national network of small business leaders and local small business associations in 50 states.

services from an ever increasing number of service providers, many of whom are unrelated to the local telephone company. Unfortunately, the monthly phone bill has not kept pace with these changes. Many bills are poorly organized, indecipherable as to what the customer is being billed for and either silent or misleading as to who provided the service. As a result, many small business customers are confused and frustrated about the charges that appear on their telephone bills.

***I. The Lack of Basic Standards for Telephone Bills Facilitates Slamming and Cramming of Small Business Customers.***

Even worse, poorly organized, unclear and misleading telephone bills facilitate slamming and cramming of small business customers. For example, in February 1997, Mr. Harold Igdaloff, owner of SunGro Chemicals in California found a charge for \$19.95 from ESBI Co. for INET ACT FEE on his company's monthly bill from Pacific Bell. On contacting ESBI, Mr. Igdaloff was told by a customer service representative that ESBI had billed SunGro on behalf of another company called QuikPages. The representative was adamant that SunGro had authorized QuikPages to create an Internet webpage. Only after speaking to a supervisor was Mr. Igdaloff put in touch with QuikPages.

Upon contacting QuikPages, Mr. Igdaloff was faxed a web page that QuikPages claimed had been prepared for SunGro. In fact, he never authorized the page and this was the first time he had ever seen the page or even knew that it existed. On the page itself, the logo was not SunGro's; the company's name was misspelled; the hours of operation, products sold and year the business was

established were wrong. QuikPages blamed the telemarketing company stating that someone must have dummied a page for SunGro in order to earn a commission. Mr. Igdaloff was assured that the listing would be canceled and a credit issued.<sup>2</sup>

One year later, SunGro was crammed again by the same provider for an even larger amount. In SunGro's December 1997 bill from Pacific Bell, there was a \$30.00 charge from FTT on behalf of WWW Services. On contacting, FTT, Mr. Igdaloff was told that WWW was the same as QuikPages. FTT also told him that although they were doing the billing, they were not responsible and Mr. Igdaloff had to resolve the problem with QuikPages.

When Mr. Igdaloff contacted QuikPages to request a credit, he was told to write a letter after which it would take five to six weeks to research the problem. When Mr. Igdaloff persisted, the QuikPages representative promised to look into the matter and get back to him. It took several months for Mr. Igdaloff to resolve this billing with QuikPages,

In the meantime, Mr. Igdaloff also contacted Pacific Bell where a customer service representative informed him that there was another \$30.00 charge from FTT on SunGro's January bill. Pacific Bell agreed to remove this second charge

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<sup>2</sup> On Mr. Igdaloff's February 1997 bill from Pacific Bell, there also was a charge for \$54.20 from Integratel supposedly for 10 collect calls to SunGro's fax number. Mr. Igdaloff called Integratel on two different days, only to hear a recording that due to the large number of calls Integratel was receiving, they could not answer the phone and callers should write them a letter.

and Mr. Igdaloff reports that so far no further charges of this sort have appeared on his bills.<sup>3</sup>

Similarly, Naomi Bement, D.D.S. reported that she first learned that her long distance service had been switched from MCI when a charge from a company called IntegreTel unexpectedly appeared on her GTE bill. Her office called IntegreTel only to be referred to LDC Communications. Despite canceling the IntegreTel/LDC service, reselecting MCI as her long distance carrier, and completing a Long Distance Restriction form, charges from IntegreTel continued to appear on the bill.<sup>4</sup>

Mr. Igdaloff's and Dr. Bement's experiences are excellent examples of the problems facing the small business customer. SunGro is a small, family-run business with 12 employees. Dr. Bement runs a dental office. Telephone service is an absolute necessity for small business like these. Consequently, small business owners are more than willing to pay the monthly bills from their local exchange carrier as long as they are for services that they, in fact, ordered and received. However, small business owners are outraged when they are charged on their monthly phone bills for services that they did not order.

When small business owners try to correct these problems, they are shunted from one party to another. (In Mr. Igdaloff's case, the unauthorized charge appeared on *Pacific Bell's* bill but he had to contact *ESBI*. ESBI directed him to *QuikPages*. QuikPages said its telemarketing firm caused the

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<sup>3</sup> A copy of Mr. Igdaloff's letters to the California Small Business Association (CSBA) describing the unauthorized charges and his efforts to correct them are attached.

<sup>4</sup> A copy of Dr. Bement's letter to CSBA is attached.

problem. In Dr. Bement's case, the charges from the unauthorized carrier appeared on **GTE's** bill but she had to contact **IntegreTel**. IntegreTel referred her to **LDC**. She requested that GTE switched her back to MCI but IntegreTel charges continued to appear on the bill.) When small business owners are finally able to track down the provider, they face more obstacles. They are told to put their complaint in writing after which it will take weeks of research on the provider's end. When providers promise to correct the problem, there is no follow up.

There are millions of small business and residential customers in the same situation.<sup>5</sup> Like Mr. Igdaloff and Dr. Bement, these customers are forced to decipher their monthly bill, determine whether they are being billed accurately by providers of their choosing and, if not, to follow up and seek corrective action. Basic fairness requires that bills presented to small business and residential customers be clear, accurate and understandable so customers can determine precisely what they are being billed for, the identity of the provider actually responsible for the charge and how the customer can reach the provider to inquire about or contest a charge. Accordingly, we support the statement in the

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<sup>5</sup> The 1998 J.D. Powers and Associates Residential Long Distance Survey states that "Overall, one in every ten U.S. households report being slammed within the past year, which represents more than nine million households." News Release, Sprint and SNET Repeat Top Performance in 1998 J.D. Power and Associates Residential Long Distance Telephone Customer Satisfaction Study, July 23, 1998, at p. 2. Similarly, in June 1998, the Staff of the California Public Utilities Commission issued a report stating that Pacific Bell (California's largest LEC) reported 9,654 PIC disputes in May 1998 alone, a 92 percent increase from January 1998. Forty four percent of these disputes were for business lines. The Staff Report also states that Pacific Bell reported a 660 percent increase in cramming complaints over a six month period and the Staff's Consumers Affairs branch typically receives 300 cramming complaints per month. Workshop and Third Party Compliance Survey Report and Staff Recommendations to the Assigned

Commission's Notice of Proposed Rulemaking (NPRM) that "Fairness in billing mandates that bills be both intelligible and legitimate." (NPRM at para. 10.) We also generally support the specific measures identified in the NPRM to achieve this goal.

***II. Bills Should be Clearly Organized, Highlight Any New Charges or Changes in Service Providers, and Provide a Summary of the Current Status of a Customer's Service.***

For a small business customer with several lines and a moderate amount of local, toll and long distance usage, a monthly bill can be dozens of pages long. Consequently, an unauthorized charge or unauthorized change in service provider is easily overlooked especially when bills are poorly organized.

Small Business supports the NPRM's proposal that bills be organized to "present separate categories of services (such as charges for local, long distance, and miscellaneous services) in clearly separate sections ... and, if possible, on separate pages. (NPRM at para. 17.) Visual separation is highly important for consumers to distinguish among the increasing number of different services and providers that comprise the modern phone bill.

We further agree that it is important for bills to have a single page that summarizes the current status of the customer's services including the customer's pre-subscribed carriers (interstate toll, intrastate toll and local exchange) and any other service providers (telecommunications and non-telecommunications) for whom charges are being billed and whether the

customer has any PIC freezes or other blocking mechanisms in effect for any services. On this last point, Small Business urges the Commission to include disclosure of any toll restriction, 900, 976 or Caller ID blocking mechanisms the customer currently has in effect.

We further agree that all telephone bills should be required to have a separate page or section that highlights any changes in the customer's service (e.g., change in pre-subscribed carrier or new providers) and any new charges appearing on the bill. (NPRM at para. 19.) Highlighting such changes and charges is especially important for small business owners, who typically are too busy running their businesses and, therefore, lack the time to review each page and line item of their monthly bill. The proposal outlined in the NPRM will enable small business owners to quickly check on the current status of their service and review any new providers and new charges to determine whether they have been authorized.<sup>6</sup>

***III. Bills Should Contain Full and Non-Misleading Descriptions of All Charges and Clearly Identify the Service Provider Responsible for Each Charge.***

If customers are being charged for a service, they should be entitled to a full and non-misleading description of the service being billed and the name of the actual provider responsible for the charge. Vague, inaccurate or misleading

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<sup>6</sup> Slamming of business lines often occurs when employees unwittingly fill out sweepstakes entries using their work phone number or fail to exercise the utmost caution when answering calls from telemarketers.

descriptions should be prohibited. Instead, brief, clear, plain language descriptions should be provided.

We also agree that the name of actual provider should be clearly and conspicuously identified. The name of the billing aggregator or clearinghouse should not suffice. As shown by Mr. Igdaloff's case, the disclosure of the billing aggregator rather than the provider was the cause of additional confusion, delay and frustration when Mr. Igdaloff sought to remove the unauthorized charge from his bill. For similar reasons, the reseller (rather than the underlying facilities-based carrier) should be identified. This will help consumers to detect if a reseller has slammed them even if the underlying facilities-based carrier remains the same. Customers are entitled to know from looking at their monthly bill whether there has been any change in their service provider. Such disclosure will also reduce the frustration that customers currently experience when they are referred from provider to provider to resolve a cramming or slamming problem.

The Commission should also prohibit the use of confusing, deceptive, misleading or unfair names by providers. For example, the *Indianapolis Star* reports

They say you make your choices and you pay the price. But state officials fear that making no choice at all could lead to consumers unwittingly selecting a Texas company that sells long distance telephone service under the names "I Don't Care" and "It Doesn't Matter.

D. Sword, "State Wary of Renamed Phone Firm," *The Indianapolis Star*, March 26, 1998, p. C-1. *The Star* also reports that the company has filed 57 aliases in

Texas including "I Don't Know," "Whatever," "Whoever," "Anyone is OK," and for Spanish-speaking customers, "No importa," and "No Me Importa." *Id.*

Wisconsin's *Capital Times* reports

What would you answer if someone called and asked, "Are you interested in minimum rate pricing for your long distance service?" Lots of Wisconsin consumers who said "Sure" were later startled to learn that they'd had their long distance carrier switched to a New Jersey company named Minimum Rate Pricing, Inc.

B. Richards, "Avoiding Phone Trickery is Tricky, *Capital Times*, October 3, 1998, p. 1-D. Along these same lines, America Online has mailed a direct mail solicitation to California consumers offering to switch "Your Long Distance Service To The AOL Long Distance Savings Plan Provided By The Phone Company." (See attached.) The Phone Company is the name of an IEC that is unrelated to the local phone company.

Telecommunications providers are also using deceptive names to make it harder for customers to realize that they have been slammed. One company is called "Phone Calls." In customer billing, "Phone Calls" looks like a heading rather than the name of the customer's new carrier. "Senate Subcommittee Wants Stronger FCC Slamming Enforcement," *Communications Daily*, April 24, 1998. Names like these promote confusion and trickery rather than informed choice.

We further agree that "Each telephone bill should contain the necessary information to enable a consumer to take action on his or her behalf to dispute the charges outlined in the bill." (NPRM at para. 33.) The Commission should

require that this information include the name of each service provider, its business address, and a toll-free telephone number for customer inquiries and complaints. However, it is unclear from the NPRM whether customers would contact the carrier on whose bill the unauthorized charge appears or the provider responsible for the charge.

Small Business recommends that customers contact the carrier on whose bill the unauthorized charge appears. In most cases, this would be the Local Exchange Carrier (LEC). To this end, the Commission should require that any carrier that bills on behalf of service providers or aggregators adopt a dispute resolution procedure that meets the following requirements:

1. Requires that the provider/aggregator obtain and be able to produce on request written or recorded evidence *clearly* showing that the customer was informed of and agreed to pay the charge(s);<sup>7</sup>
2. In the event of an unauthorized charge, the customer should notify the carrier;
3. On receiving such notice, the carrier should be required to investigate the charge. (In most instances, this will simply mean that the carrier will request that the provider/aggregator produce the written or recorded proof that the customer has been informed of agreed to pay the charge.) The carrier should

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<sup>7</sup> Currently, unscrupulous providers are using sweepstakes and contest forms with fine print disclosure to obtain customer authorization. They are also using deceptive practices that do not rely on written material (e.g., calls that trigger hidden charges or membership fees). To prevent evasion of the disclosure and consent requirement, the Commission should adopt a Standard Consent Form (for written authorization) and Standard Protocol (for recorded authorization).

also notify the customer that the disputed charge is being investigated and no payment is due for that charge during the pendency of the investigation.<sup>8</sup>

4. If the provider/aggregator fails to produce the required evidence, the carrier should be required to issue a credit on the customer's bill for the unauthorized charge and notify the customer that it has done so. In addition, the carrier should be required to charge the provider/aggregator for the credit and a predetermined fee intended to cover the carrier's costs of resolving the dispute and provide an incentive for providers and aggregators to minimize billing disputes in the future. For example, the Commission could require that carrier contracts with providers include a fee schedule that escalated with the number of billing disputes. We understand that under their rules and contracts, card credit associations such as VISA and MasterCard have the right to assess escalating fees against merchants who have a large number of billing disputes.

These procedures should apply to ***all*** carriers who bill on behalf of their providers whether they are incumbents Local Exchange Carriers (LECs), Competitive Local Exchange Carriers (CLECs) or Inter-Exchange Carriers. In addition, the Commission should conduct a consumer education program to inform small business and residential customers of their right to dispute unauthorized charges appearing on their phone bills and how such disputes will be handled.

There are a number of advantages to the procedures outlined above. First, consumers would know where to go to dispute an unauthorized charge.

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<sup>8</sup> The carrier should not assess a late payment fee on the disputed charge while the matter is being investigated.

They would notify the carrier. This is a natural place for customers to call since the unauthorized charge appears as part of the monthly bill issued by the carrier. Second, the procedure is similar to the system that has been in place for many years to resolve disputed charges on credit card bills. Consumers are familiar with this procedure and banks, merchants and consumers have accepted it as a fair and efficient means of correcting billing problems. Third, providers and aggregators would be placed on notice when they first enter into a contract with a carriers of the proof that they must have and the consequences of being unable to produce that proof in the event of a dispute. Fourth, the carrier's responsibility is clear. While LECs sometimes help to resolve these disputes, their responsibility to do so is murky and undefined. Fifth, carriers will be able to recover the cost of helping to resolve disputed charges from the providers and aggregators who actually generate these disputes.<sup>9</sup> Currently, there is no cost recovery from providers and aggregators who engage in cramming. The Commission should ensure that providers and aggregators who cause costs to be incurred through their unethical behavior bear those costs to the fullest extent possible. Finally, providers and aggregators will have a clear financial incentive to minimize billing disputes and resolve them promptly. Unresolved billing

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<sup>9</sup> Carriers should be able to assure payment by including appropriate language in their contracts with providers and aggregators. Where carrier have an ongoing relationship with the provider or aggregator, the carrier could off set the credits and fees due because of unauthorized charges from the amount the carriers owe to the provider or aggregator. To prevent "fly-by-night" operators from absconding without paying, carriers could withhold payment to the provider or aggregator until a period of time has elapsed that would reasonably allow customers to dispute billed charges.

disputes will cost unscrupulous providers money. More unresolved billing disputes would cost them substantially more money.

Small business owners are incensed not just because they are being crammed and slammed but by the lack of accountability in the present system. Some carriers claim that they are not responsible for charges by other providers even when those charges are included in the carrier's monthly bills. Aggregators and clearinghouses disavow any responsibility for charges by providers with whom they do business. Providers blame the problem on telemarketing firms or unethical sales agents. This lack of accountability causes small business owners to spend week and months trying to correct problems that should be resolved in a matter of minutes and which never should have occurred in the first place. The Small Business Alliance believes that it's time for the Commission to devise a system that will discourage these practices and provide a quick and efficient means for telephone customers to resolve these problems when they occur.

We also agree that customers should be informed regarding what charges (if left unpaid) would result in disconnection of local, toll or long distance service. There should be no confusion on this important point. Because of the proliferation of services, providers, and charges now appearing on monthly telephone bills and the upsurge in cramming and slamming, small business customers need to know what charges they can contest and not pay pending resolution of their complaint without fear of having their service disconnected.<sup>10</sup>

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<sup>10</sup> The NPRM notes that pay per call rules require bills to contain a statement that carriers may not disconnect local or long distance service for non-payment of charges for information services. (NPRM at para. 14.) Perversely, this statement may suggest

**IV. The Commission Should Require that Any Charges Appearing on the Phone Bill From Federal Regulatory Action Be Accurate and Non-Misleading.**

We believe that any charge appearing on the customer's telephone bill should meet the same standards of fairness, completeness, accuracy and understandability whether the charge is the result of a commercial transaction between the customers and a provider or federal regulatory action. Accordingly we agree with the NPRM that:

- Carriers should be prohibited from stating that a charge is "mandated" when that, in fact, is not the case.
- Carriers should not impose charges that do not correspond to the actual cost of the charges attributable to that customer.
- Carriers should include complete and truthful information regarding all charges. Partial or half-truths can be just as effective in deceiving consumers as outright falsehoods. Consequently, we agree that if carriers include a separate line item for recovery of universal service support obligations, they should be required to disclose the entire truth and (a) explain the off-setting reduction in access charges and (b) state what amount, if any, they are passing on in the form of lower prices to consumers.
- When carriers identify a charge as imposed pursuant to a Commission or other governmental rule or requirement but, in fact, carriers have the option of imposing some, all or none of that charge, carriers should disclose that the amount customers pay for this charge could be higher or lower depending on the carrier. Small Business agrees that unless further disclosure

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that customers may be disconnected for failure to pay other charges when that, in fact, is

accompanies such charges, customers will be under the impression that the charge is fixed by the government and all carriers are required to impose the same charge on customers.

### ***Conclusion***

This Commission has the authority and the responsibility to ensure that the monthly bill received by telephone customers meet basic standards of fairness. By taking the actions described in the NPRM, the Commission will help to ensure that bills are clear, complete accurate and understandable.

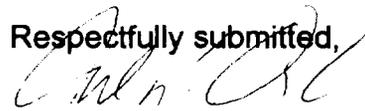
Some commenters may suggest that the Commission has no responsibility for protecting consumers against false, misleading and unintelligible telephone bills. We disagree. Other agencies, of course, play an important role in preventing unfair and deceptive business practices including billing practices. However, the proliferation of services, providers and charges appearing on customer's bills is largely the responsibility of this Commission's policies promoting competition and allowing LECs to use their bills as billing and collection mechanisms for other providers. Accordingly, this Commission must ensure that the billing mechanism keeps pace with the modern telecommunications marketplace and all providers furnish customers with the basic information that they need to function and protect themselves as consumers.

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not the case.

Dated: November 12, 1998

Respectfully submitted,



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[415] 927-3515 Fax

Attorney for Small Business  
Alliance for Fair Utility  
Regulation

**SUNGRO CHEMICALS, INC.  
P.O.BOX 24632  
LOS ANGELES, CA 90024  
(213) 747-4125 FAX (213)-747-0942**

March 13, 1997

California Small Business Assn.  
c/o Total One Development,  
3000 Beethoven,  
Marina del Rey, CA 90292

**Subject: Unauthorized third party billings by telephone carriers.**

**Attn: Mrs. Toccoli, President**

**Dear Mrs. Toccoli,**

**As one of the Southern California delegates to the White House Conference on Small Business, I want to confirm my concern relative to the unauthorized third party billings being made by telephone carriers, which is developing into a very serious problem for small businesses. The abuses that are coming into the market place are becoming excessive and it is extremely time consuming to eliminate such charges from the bills. I recommend that no carrier should be allowed to bill for a third party without written authorization from the customer being billed.**

**On our January 28, 1997 statement from Pacific Bell, our carrier, a bill was attached with charges from an ESBI company for an INET ACT FEE dated Dec. 1, 1996.**

**f  
The ESBI company was contacted and the representative advised they were the billing authority for the company providing the service, and was adamant that I had authorized the creation of a webpage for the Internet. Only on making my point with the supervisor was I put in touch with QuikPages their billing partner..**

**The QuikPages representative faxed a Web page to us (copy attached). We reviewed same and realized it was a page we had never seen or knew existed and definitely had not authorized. The logo is not ours, the name is misspelled, we do not offer Agricultural Services or specialize in Pesticides for Plants, Fruits or Vegetables, were not established in 1971 and the hours of operation are incorrect.**

**QuikPages was recontacted and the explanation was that a Telemarketing Company did their marketing, and that someone, in order to earn a commission, had apparently dummied a page for us. We were assured the listing would be canceled and a credit issued. Instead on our February statement an additional billing was made.**

**I contacted the Federal Bureau of Investigation to report the incident because although the charge of \$19.95 per month was nominal, multiplied by hundreds of accounts time several**

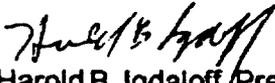
months, the practice could represent a large rip off of small businesses not only in direct expense but wasted time chasing down the charges, avoiding late charges for not paying the bills, etc. They said the matter would be reviewed. I've heard no more from them.

In addition, on our February bill another unauthorized statement appeared from Integrate! (copy attached) for ten collect calls to our fax number in the amount of \$54.20 plus tax. We called the company doing the billing and were advised on two different days that due to the large number of calls, they could not answer the phone and to write them a letter. I referred the problem to Pacific Bell customer service for action and deferral of late charges associated with our not paying the entire bill submitted. It was indicated they would handle the matter, but until I get the March statement we are still concerned.

Unless some action is taken these abuses will continue to plague the small business community. Either my earlier suggestion or rules similar to those applying to credit card purchases might be an approach to consider.

Very truly yours,

Sungro Chemicals, Inc.

  
Harold B. Igdaloff, Pres.

HBI:bh

Enc.

**SUNGRO CHEMICALS, INC.  
P.O.BOX 24632  
LOS ANGELES, CA 90024  
(213) 747-4125 FAX (213)-747-0942**

March 13, 1998

California Small Business Assn.  
c/o Total One Development,  
6101 W. Centinela Ave. Ste 32  
Culver City, CA 90230

**Subject** Recurrence Unauthorized third party billings by telephone carriers.  
**Reference** Letter March 13, 1997

**Attn:** Mrs. Toccoli, President

Dear Mrs. Toccoli,

I should like to report the recurrence of the billing experience we encountered in our previous letter relative to unauthorized billing. This situation again arose from a telephone solicitation.

Our company was called with an offer to have at no cost or obligation to us the preparation of a webpage. The soliciting company did not identify itself. Upon receipt of their draft, the proposal was submitted by the same QuikPage Company and based on our previous experience I instructed our people to do nothing further with the documents and draft submitted.

Upon receiving the telephone bill for December there was a \$30.00 charge billed by an FTT (1-800-388-8111) on behalf of WWW services. It wasn't until I called FTT that we were advised that WWW was the same as Quik Pages. FTT said that although they were doing the billing, they had no responsibility and it was between our company and the people from whom they had received the information to bill.

Thus we were put in the position of being three layers away from the original unauthorized billing party. Quik Pages was then contacted for credit and we were told to write a letter and it would take them five to six weeks to research same. I told them that we did not authorize the charges and to issue a credit. Their representative, a man named Jessie, then indicated that he would listen to the recording of the solicitation and advise.

After talking with Quik Page customer service at Pacific Bell was called and we found out that a second charge of r \$30.00 had already been billed for January even though we had never returned the contract nor given authorization for same. Pacific Bell removed the second charge from our account and no further charges have been made.

The Quick Page representative has neither contacted us with the results of his review nor has a credit for the first \$30.00 appeared on our bill.

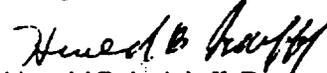
I again believe that the utility companies should be held responsible for any third party charges they put on their bills which have not been authorized in writing by their customer. The credit card industry attempts to control unauthorized charges but we have yet to see specific steps taken by the communications industry to do the same.

Not only are the charges an expense but Small Businesses most valuable commodity -time - is significantly diluted by allowing unauthorized third party charges to appear on the bill.

Please note that although the names of the Billing company and the indicated service company has changed from our previous complaint the mode of operation of the principals is still the same.

Very truly yours,

Sungro Chemicals, Inc.



Harold B. Igdaloff, Pres.

HBI:bh

Enc.



**NAOMI L. BEMENT, D.D.S.**  
General Dentistry

11980 San Vicente Blvd., #501  
Los Angeles, CA 90049  
(310) 208-3721

**July 18, 1997**

GTE phone bill shows charges from IntegreTel for \$7.29. The charges were based on a 4 minute \$.80 phone call to Rhode Island and were not authorized to be billed through any long distance carrier other than MCI. Michelle called IntegreTel (800)736-7500 which referred her to L.D.C. Telecomm (Long Distance Communications) (800)584-9000. Michelle canceled IntegreTel and L.D.C. services.

**August 12, 1997**

- GTE phone bill still has IntegreTel charges, all new charges for phone calls made before and after the date of termination. The total of the charges was \$11.06 Michelle called IntegreTel and was again referred to L.D.C. Telecomm.
- Michelle called L.D.C. Telecomm and spoke with Chris (male operator) and reminded him that service with IntegreTel was canceled.
- Michelle also called GTE and requested a Long Distance Restriction form be faxed to restrict any accidental switch over for long distance service. Request was effective immediately. MCI is the official long distance carrier once again.

**September 15, 1997**

- GTE phone bill shows new charges from IntegreTel in the amount of \$11.91 Michelle called Chris (female operator) at GTE to confirm long distance carrier was in fact MCI. Per Chris at GTE, all phone lines were confirmed as having MCI as a long distance carrier. Chris also stated to wait to pay any charges under AT&T since these charges need to be transferred over to MCI.
- Michelle called IntegreTel and was referred to L.D.C. Telecomm.
- Michelle called L.D.C. Telecomm again. Spoke with same operator, Chris (male). Chris verified that May 6, 1997, our service was switched to IntegreTel/L.D.C. and on July 18, 1997, our service was canceled with IntegreTel/L.D.C. However, per Chris at L.D.C., IntegreTel did not formally switch phone lines over to MCI until September 3, 1997. According to Chris, our office did not request a long distance carrier through GTE. Michelle advised him that was in fact not the case and informed him that the office would no longer pay for any IntegreTel fees or services.



CHECK EXPIRES 30 DAYS AFTER ISSUE DATE. SIGNING, CASHING, AND/OR DEPOSITING OF THIS CHECK WILL SWITCH YOUR LONG DISTANCE SERVICE TO THE AOL LONG DISTANCE SAVINGS PLAN PROVIDED BY THE PHONE COMPANY.

3-50  
310

Customer Phone Number (415) [REDACTED]

53979413  
July 1, 1998

PAY TO THE ORDER OF:

AUTOOCR\*\*\*\*\* AUTOOCR \*\* C007  
5555A5029413

50 Dollars and 00 Cents  
Attention Financial Institution:  
Check must be endorsed with payee's signature to be valid for cashing and/or deposit. Check value not to exceed \$50.00.

\$50.00

100 1st St Ste 2540  
San Francisco, CA 94105-2637



[Signature]  
Authorized Signature

First Union Bank  
AOL Long Distance

If your address or telephone number is printed incorrectly, please make changes on the reverse side.

⑈0053979413⑈ ⑆031000503⑆ 2030000862274⑈

### Please accept this \$50.00 check as our gift to you.

Dear [REDACTED]

I'm pleased to present you with this *exclusive* offer for America Online Members. Simply cash the attached check on or before July 31, 1998, and you'll have an extra \$50.00 to spend however you choose. Plus, you'll get the lowest, state-to-state everyday long distance rates. It's the best long distance value around ... and it's only available to AOL Members like you.

#### Pay just 5¢ a minute until the end of July.

By signing and cashing your check on or before the deadline date, you will *automatically* be enrolled in our new long distance program. That means you'll enjoy a special 5¢ a minute state-to-state rate until the end of July. It's the lowest *everyday* dial-1 rate in America!

Then, once July is over, you'll *continue* to save with 9¢ a minute on calls to 49 states ... 24 hours a day ... 7 days a week. That's a savings of 30% - 64% over Sprint Sense<sup>®</sup> and MCI One Savings<sup>SM</sup>!

Of course, your satisfaction is guaranteed. If, at any time, you are not completely satisfied with our program, you may return to your previous long distance carrier and keep the \$50.00. You risk nothing.

#### That's just *part* of the story!

In addition to great rates, you'll enjoy the following exclusive benefits:

- Valuable savings on in-state and international calls.
- Interactive online call detail that you can view whenever you like.
- The very same *quality service* and *clarity* you enjoy right now.
- The highest quality network - not Internet telephony.
- No hidden charges ... no monthly fees ... no gimmicks.
- No extra numbers to dial to take advantage of your low rates.
- Free Calling Cards!

To enjoy all these exclusive AOL member benefits - plus your \$50.00 cash bonus - simply sign and cash your check today. If you have any questions, call us toll-free at 1-888-TALK-AOL. Or, go to **KEYWORD: LDJULY**.

Sincerely,

[Signature]

Gary McCulla  
America Online Long Distance

P.S. Please remember that, due to the special nature of this program, the \$50.00 check is valid only through July 31, 1998. So be sure to sign and cash or deposit it without delay.

SPRINT SENSE<sup>®</sup> is a registered trademark of Sprint Communications Company L.P. MCI ONE SAVINGS<sup>SM</sup> is a service mark of MCI Communications Corporation. 30% - 64% comparison based on weekday interstate calls. Service provided by The Phone Company and is not affiliated with the services offered by these companies.

