

**EXHIBIT 14**

3.3.1.Q.2. Method of Determining Discount

2. Method of Determining Discount -

Example 1 - A Customer commits to an annual net revenue level of \$960,000 but exceeds that commitment by generating \$1,450,000 usage revenue during the second plan year. This example shows the total amount of the discount that the Customer would receive for the second year.

Term Plan Discount x Gross Annual Usage Rev.

Location A			
MEGACOM 800 Service	(23%) x \$250,000	=	\$57,500
\$250,000	\$250,000 - \$57,500	=	\$192,500
Location B			
Basic 800	(23%) x \$875,000	=	\$201,250 (minus \$.01 per minute
\$875,000	\$875,000 - \$201,250	=	\$673,750 access line discount)
Location C			
800 READYLINE	(23%) x \$325,000	=	\$74,750
\$325,000	\$325,000 - \$74,750	=	\$250,250

Total net usage charges A+B+C = \$1,116,500  
 Total usage discounts = \$333,500

3. Penalty for Shortfalls - The Customer must meet the net annual revenue commitment after the discounts are applied. If a Customer does not meet the annual revenue commitment in any one year, after discounts are applied, the Customer must pay the difference between the Customer's actual billed revenue and the annual revenue commitment.

4. Cancellation or Discontinuance of AT&T's 800 Customer Specific Term Plan II-Without Liability - The Customer may cancel or discontinue a CSTP II prior to the expiration of its term without liability when:

The Customer: 1) meets any of the conditions specified following, and 2) satisfies the pro-rated annual commitment of the CSTP II being terminated. If the Customer has not met the pro-rated annual commitment, the Customer must pay the difference between the actual billed revenue applicable to the annual revenue commitment (as specified in Section 3.3.1.Q., preceding), and the pro-rated annual commitment if the Customer terminates the existing CSTP II without liability.

The pro-rated annual commitment is the annual revenue commitment divided by 12 and multiplied by the number of full months elapsed in the current plan year.

SxTy  
 Cy  
 Cy  
 Sx

Ny  
 Ny

\* Material filed under Transmittal No. 6509 is deferred to June 17, 1994.  
 † Issued on not less than one day's notice under authority of Special Permission No. 94-709  
 Certain material previously found on this page can now be found on page 61.15.1.

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3.3.1.Q.4. Cancellation or Discontinuance of AT&T's 800 Customer Specific Term Plan II-Without Liability - (continued)

Example:

The Customer has a CSTP II with a \$600,000 annual commitment level. The Customer wishes to terminate the existing CSTP II and upgrade to a new \$1,200,000 CSTP II. The Customer is in Month 6 of the annual commitment. In order to terminate the existing CSTP II without liability, the Customer must have generated a minimum of \$250,000 in net usage ( $\$600,000 \div 12 \text{ months} \times 5 \text{ completed months}$ ). If the Customer has not generated a minimum of \$250,000 in net usage and discontinues the existing CSTP II, the Customer will be liable for the Discontinuance Liability as specified in Section 3.3.1.Q.5. following unless the Customer pays the difference between the actual billed revenue applicable to the annual revenue commitment and the \$250,000 of pro-rated annual commitment.

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||  
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In the event that a Customer makes a payment as described above and, at the end of the first year of the new plan has provided revenue in excess of the minimum commitment for that year, AT&T will refund to the Customer the excess revenue received, up to the amount of the Customer's payment.

Ny

Example 1

A Customer makes a \$100,000 payment in order to terminate a \$600,000 CSTP II, and moves to a CSTP II with a commitment level of \$1,200,000. At the end of the first 12 months of the new plan, the Customer provides \$1,400,000 in revenue under the plan. AT&T will refund \$100,000 to the Customer.

Example 2

At the end of the first 12 months of the new plan, the Customer in Example 1 provides \$1,250,000 in revenue under the plan. AT&T will refund \$50,000 to the Customer.

Ny

CSTP II Plans in effect on or prior to June 17, 1994 are not subject to condition 2, preceding.

Cy  
My

The conditions referred to in 1, preceding, are:

Ny

- Notice of cancellation of the term plan order is received before the last day of the current month, i.e., term plan order is received January 3, cancellation of the order notice must be received before January 31, or;

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- The Customer orders a new CSTP II from the Company with a revenue commitment exceeding the original commitment. Discontinuance of the former term plan and installation of the new Term Plan must be done concurrently. This condition applies only to Customers who have ordered an AT&T 800 Customer Specific Term Plan II prior to June 10, 1993, or;

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Material filed under Transmittal No. 6598 is deferred to June 17, 1994.  
y Issued on not less than one day's notice under authority of Special Permission No. 84-709.  
Certain material on this page formerly appeared on Page 61.19.  
Certain material previously found on this page can now be found on Page 61.19.2.

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3.3.1.Q.4. Cancellation or Discontinuance of AT&T's 800 Customer Specific Term Plan II-Without Liability - (continued)

- The Customer replaces its existing Customer Specific Term Plan II (either alone or in combination with other AT&T 800 Service term plans) with a new Customer Specific Term Plan II with a total revenue commitment (annual revenue commitment times the number of years in the term) over the term of the new plan equal to or exceeding the sum of the remaining monthly (sum of the full months remaining) and/or annual (the annual revenue commitment divided by 12 times the number of full months remaining) revenue commitment of the existing AT&T 800 Service term plan(s) being canceled and replaced with the new Customer Specific Term Plan II. Discontinuance of the former term plan(s) and start of the new Customer Specific Term Plan II must be done concurrently, or;
- The Customer replaces its existing AT&T 800 Customer Specific Term Plan II (either alone or in combination with other AT&T 800 Service term plans) with a new AT&T combined outward calling and inward calling discount plan in a new AT&T term plan (as specified in AT&T Tariff F.C.C. No. 1 or in AT&T Tariff F.C.C. No. 16, Section 10) with a total revenue commitment over the term of the new plan equal to or exceeding the sum of the remaining monthly and/or annual revenue commitments on the existing AT&T 800 Service term plan(s) being canceled and replaced with the new AT&T term plan (as specified in AT&T Tariff F.C.C. No. 1 or in AT&T Tariff F.C.C. No. 16, Section 10). Discontinuance of the former term plan(s) and initiation of the new term plan must be done concurrently, or;
- The Customer subscribes to an AT&T Contract Tariff. The Contract Tariff must have a total 800 service revenue commitment exceeding the sum of the remaining annual revenue commitment for the CSTP II which the Customer is terminating. Discontinuance of the former term plan and subscription to the new Contract Tariff must be done concurrently, or;

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My  
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Material filed under Transmittal No. 6308 is deferred to June 17, 1994.  
\* Issued on not less than one day's notice under authority of Special Permission No. 94-769.  
Certain material on this page formerly appeared on Page 61.19.1.

Printed in U.S.A.

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3.3.1.Q.4. Cancellation or Discontinuance of AT&T's 800 Customer Specific Term Plan II-Without Liability - (continued)

- Certain governmental agencies are required by law not to purchase service(s) except under arrangements that terminate if funds are not appropriated. These agencies may discontinue such plans if they terminate service(s) covered under the plans solely because of the lack of needed appropriation for these services or similar services provided by AT&T or other carriers. In the event termination of these services occurs, these agencies will only be liable for that portion of the plan used for which appropriations were available, e.g., monthly or annual usage or revenue guarantees, or;

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Example:

If the Customer utilized the plan for 1 year and a 3-year plan was originally subscribed to, but appropriated funds were available for only 2 years, the Customer's liability would be based on 35% of the revenue commitment on the remaining year of the funded period.

- In the event the Customer is required by the United States Government or its agencies to transfer a portion of its AT&T 800 traffic to AT&T FTS2000 Service, AT&T will reduce the Customer's commitment level to the applicable lower commitment level. To determine the applicable lower commitment level, multiply the revenue over the last three (3) billing months for the AT&T 800 numbers being transferred to AT&T FTS2000 by four (4) to annualize. Subtract this amount from the Customer's annual revenue commitment. The new annual commitment level will be the next lower commitment level, except that the new commitment level may not be more than 33.33% lower than the original commitment. If the next lower commitment level is more than 33.33% lower than the Customer's original commitment level, then the new commitment level will be the next higher applicable commitment level, except that if the current commitment level is under \$420,000, then the plan may be discontinued without liability, if more than 50% of the annual revenue in the plan is transferred to AT&T FTS2000. In addition, if the Customer has subscribed to the CSTP II promotions in Sections 8.1.1.45, 46, or 47 following and transfers a portion of its AT&T 800 CSTP II traffic to AT&T FTS2000 Service within the first year of the CSTP Customer must pay the difference between the original promotional II, the credit and the lower promotional credit applicable to the reduced commitment level, or;

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Material filed under Transmittal No. 6599 is deferred to June 17, 1994.  
y Issued on not less than one day's notice under authority of Special Permission No. 84-789.

Printed in U.S.A.

AUG-19-96 MON 03:44 PM

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**EXHIBIT 15**

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One Stop Financial, Inc., Group Discounts, Inc. and 800 Discounts,  
Inc.

UNITED STATES DISTRICT COURT  
DISTRICT OF NEW JERSEY

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COMBINED COMPANIES, INC.	:	
a Florida corporation,	:	
	:	
AND	:	
	:	CIVIL ACTION NO. 95-908 (NHP)
WINBACK & CONSERVE PROGRAM, INC.,	:	
ONE STOP FINANCIAL, INC., GROUP	:	
DISCOUNTS, INC. and	:	
800 DISCOUNTS, INC.,	:	
New Jersey corporations,	:	
	:	
AND	:	
	:	
PUBLIC SERVICE ENTERPRISES OF	:	
PENNSYLVANIA, INC., a Pennsylvania	:	SUPPLEMENTAL COMPLAINT
corporation,	:	
	:	
Plaintiffs,	:	
	:	
v.	:	
	:	
AT&T CORP., a New York corporation,	:	
	:	
Defendant.	:	

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Plaintiffs, WINBACK & CONSERVE PROGRAM, INC. ("Winback"), ONE  
STOP FINANCIAL, INC., ("One Stop"), GROUP DISCOUNTS, INC. ("GDI"),  
and 800 DISCOUNTS, INC. ("800 Discounts"), having their principal  
place of business at 55 Main Street, Little Falls, New Jersey (all

of the foregoing parties hereinafter collectively referred to as the "Inga Company Plaintiffs"), by their attorneys, Podvey, Sachs, Meanor, Catenacci, Hildner, & Coccoziello, Connell, Foley & Geiser LLP, and Helein and Associates, P.C., complaining of defendant AT&T Corp. ("AT&T" or "Defendant"), say:

PARTIES AND JURISDICTION

1. Winback, One Stop, GDI, and 800 Discounts are corporations of the State of New Jersey, commonly owned and having their principal place of business at 55 Main Street, Little Falls, New Jersey.

2. COMBINED COMPANIES, INC. ("CCI"), is a corporation of the State of Florida having its principal place of business at 7061 W. Commercial Boulevard, Suite 5-K, Tamarac, and is co-Plaintiff with the Inga Company Plaintiffs seeking injunctive relief.

3. AT&T is a corporation organized and existing under the laws of the State of New York with its principal place of business at 32 Avenue of the Americas, New York, New York.

4. Since the original Complaint in this case ("Original Complaint") was filed, events have occurred which have critically affected the injunctive relief originally sought by Plaintiffs.

5. This Court has subject matter jurisdiction over this action pursuant to 28 U.S.C. §§1331 and 1332 because this action arises under the Communications Act of 1934, 47 U.S.C. §151 et seq., and because there is diversity of citizenship among the Plaintiffs and AT&T and the amount in controversy exceeds Fifty Thousand Dollars (\$50,000.00), exclusive of interest and costs.

This Court further has supplemental jurisdiction pursuant to 28 U.S.C. §1367 over Plaintiffs' state claims.

6. Venue is proper in this District pursuant to 28 U.S.C. §1391 (b) because AT&T resides in this District.

ALLEGATIONS COMMON TO ALL COUNTS

7. Pursuant to an agreement between the parties, the Inga Company Plaintiffs are to share in the revenues payable by AT&T on account of the traffic from the CSTP II Plans transferred by Winback to CCI pursuant to this Court's Letter Opinion of May 19, 1995.

8. Further, at CCI's request, the end user 800 service traffic governed by these same CSTP II Plans was to be transferred to AT&T's customer, Public Service Enterprises of Pennsylvania, Inc. ("PSE") for continued aggregation at the discount levels and other terms of AT&T's Contract Tariff No. 516.

9. Since the Original Complaint was filed with the Court, AT&T has continued to engage in a course of conduct which has destroyed CCI's aggregation business and operations thereby depriving the Inga Company Plaintiffs of the revenues they would have derived from such business and operations.

10. AT&T has continued its refusal to transfer the traffic from CCI to PSE.

11. AT&T has used both litigation and federal administrative proceedings to delay a final determination of its obligations and Plaintiffs' rights to engage in aggregation under the terms of Contract Tariff No. 516.

12. AT&T has refused to pay any revenues to CCI for the small amount of traffic still being aggregated under the CSTP II plans transferred by the Inga Companies.

13. In March, 1996, AT&T placed two of the five (formerly nine) CSTP II plans Plaintiffs sought to transfer to PSE in January of 1995 into "shortfall."

14. AT&T placed these CSTP II plans into shortfall knowing that the plans were not in shortfall and were not in any event subject to shortfall.

15. On or around June 10, 1996, using AT&T's own forms, AT&T billed all of Plaintiffs' end users for shortfall charges under three of the nine CSTP II plans for which Plaintiffs in January, 1995 sought to transfer the 800 service traffic to PSE claiming that these plans went into shortfall in March, 1996.

16. At the time AT&T billed these end users (Plaintiffs' customers) for shortfall charges, AT&T knew that these end users were not liable for payment of such charges.

17. AT&T's standard billing forms make no reference to any other company than AT&T.

18. The billing forms AT&T used to bill these end users in June of this year (Plaintiffs' customers) clearly display AT&T's name, logos and contact telephone numbers and addresses.

19. Consistent with AT&T's standard billing practices, AT&T's bills referred to these shortfall charges as "True-Up" charges.

20. The amounts of these "True-Up" charges reached thousands of dollars per customer, and in the aggregate amounted to over \$20 million.

21. AT&T billed these end users for these True-Up charges despite a written demand by CCI that it not do so.

22. Many of these end users were angered, upset and/or concerned when they received AT&T's bills containing the True-Up charges.

23. When contacted by end users after receiving AT&T's bill for True-Up charges, AT&T told these end users that the Plaintiffs had caused, were the cause for, and/or had requested that AT&T place the True-Up charges on their bills.

24. In a subsequent billing, AT&T removed the True-Up charges from these end users bills.

25. While billing these end users for the True-Up charges, AT&T deliberately refused to pay to Plaintiffs any revenues based on the actual 800 service traffic being generated by these same end users.

26. At or around the same period of time AT&T was billing end users for True-Up charges, the precise dates to be proved at trial, AT&T contacted approximately forty (40) of the end users it had billed True-Up charges for the purpose of creating an impression known to be false that such end users had been switched to Plaintiffs' aggregation service on an unauthorized basis.

27. At the time AT&T made these contacts with these end users for the purpose of falsely representing that Plaintiffs had switched their service without authorization, AT&T had in its possession internal routine business records which demonstrated that Plaintiffs had not switched the end users' service on an unauthorized basis.

28. Prior to the time AT&T made these contacts with these end users for the purpose of falsely representing that Plaintiffs had switched their service without authorization, AT&T, following its own routine business practices, aided and assisted the transfer of these end users to the services of Plaintiffs.

29. At the time AT&T made these contacts with these end users for the purpose of falsely representing that Plaintiffs had switched their service without authorization, AT&T knew that these end users had had their service transferred to the Plaintiff CCI by order of this Court in its Letter Opinion of May 19, 1995.

30. During AT&T's contacts with these end users for the purpose of falsely representing that Plaintiffs had switched their service without authorization, AT&T also made representations, knowing them to be false, that by cooperating with AT&T, AT&T could assist these end users in removing or keeping the True-Up charges off of their bills.

31. During these same or in other such contacts for the purpose of falsely representing that Plaintiffs had switched their service without authorization, AT&T also made representations, knowing them to be false, that by cooperating with AT&T, AT&T could assist them in preventing Plaintiffs from switching their 800 service without their prior authorization.

32. During these same or in other such contacts for the purpose of falsely representing that Plaintiffs had switched their service without authorization, AT&T accused Plaintiffs of having "slammed" the end users, that is, of violating the rules of the Federal Communications Commission ("FCC").

33. During these same or in other such contacts with these end users for the purpose of falsely representing that Plaintiffs had switched their service without authorization, AT&T asked that each such end user agree to sign an affidavit supporting AT&T's false accusations against Plaintiffs.

34. During these same or in other such contacts with these end users for the purpose of falsely representing that Plaintiffs had switched their service without authorization, AT&T represented to or created the impression that by signing affidavits accusing Plaintiffs of slamming, the True-Up charges would be removed or, having just been removed, kept off their AT&T bills.

35. Knowing the facts to be untrue, AT&T prepared the affidavits and sent them to the end users for signature and return to AT&T.

36. Once the affidavits were received by AT&T, and knowing them to be false, AT&T attached them as Exhibits to a Formal Complaint AT&T filed against the Plaintiffs with the FCC alleging that Plaintiffs had "slammed" the end users in violation of FCC rules.

37. In some cases, AT&T attached other documents to the affidavits of the end users it obtained and filed as Exhibits to its Complaint at the FCC.

38. AT&T did not attach all other documents related to the end users and/or their affidavits that AT&T possessed and/or had knowledge of and access to and/or which the end users themselves possessed, had knowledge of and/or access to.

39. Knowing that certain of the documents in its or the end users' possession contradicted AT&T's allegations that Plaintiffs had slammed these end users, AT&T deliberately failed to file these documents along with the end users affidavits it filed with the FCC.

40. Knowing that the allegations of slamming made against Plaintiffs in its FCC Complaint were untrue, when AT&T learned that representatives of Plaintiffs had contacted the end users to inform them that their affidavits were inaccurate, AT&T contacted the FCC's Enforcement Division and accused Plaintiffs of intimidating AT&T's "witnesses."

41. Knowing that the allegations that Plaintiffs were attempting to intimidate AT&T's "witnesses" were untrue, AT&T represented to the FCC, knowing that such representations were also untrue, that some of the "witnesses" had called AT&T to express their fear or concern over Plaintiffs having contacted them about their affidavits.

42. After the FCC's Enforcement Division issued an order that no contacts were to be made to any end users, AT&T contacted the FCC staff on an ex parte basis to secure an exception to that order.

43. The exception permitted AT&T to make further contacts with the end users but did not permit Plaintiffs to make any contacts.

44. The exception permitted the contact to be made on AT&T's letterhead referencing the FCC's ruling that no contacts were to be

made in connection with AT&T's slamming Complaint against Plaintiffs.

45. AT&T's ex parte contacts with the FCC staff in aide of securing the exception to that same FCC staff's "no contact" order led to a telephone conference in which Plaintiffs were denied the right to argue against the exception AT&T had requested.

46. Based on AT&T's ex parte contacts with the FCC staff in aide of securing the exception to that same FCC staff's "no contact" order, the purpose and the result of the telephone conference called by the FCC staff was to announce a grant of AT&T's exception to the "no contact" order.

47. In December, 1994 AT&T's internal bookkeeping led to an erroneous debit of \$48,146.38 in charges for 800 service in favor of a former aggregation customer of one of the Inga Companies, One Stop Financial ("OSF").

48. The customer was Prentice Hall/Simon & Schuster, with a billing address of Englewood Cliffs, New Jersey.

49. The error was made by AT&T's having applied the payment of this amount by Prentice Hall to the wrong account.

50. After discovering its first bookkeeping error, AT&T then made a second error.

51. On July 11, 1995, AT&T refunded the full amount to Prentice Hall as an "overpayment."

52. After Prentice Hall received AT&T's check for the refund, Prentice Hall notified Inga Company Plaintiff OSF of the errors AT&T had been making as to its account.

53. OSF requested that Prentice Hall repay the money to OSF.

54. Prentice Hall contacted AT&T directly and asked that it issue an invoice showing its account with a zero balance.

55. AT&T refused to do so unless Prentice Hall returned the full amount of the refund AT&T had issued Prentice Hall on July 11, 1995.

56. In the interim, AT&T had debited OSF's account for the full amount of the Prentice Hall refund.

57. The effect of this debit was to make AT&T whole and to create a debt owed by Prentice Hall to OSF of approximately \$48,146.38.

58. AT&T never notified the Inga Company Plaintiffs of its having made a refund of these charges to Prentice Hall.

59. AT&T claimed that Prentice Hall was unaware of its having been under the aggregation program of OSF and that Plaintiffs owed AT&T millions of dollars in "shortfall" charges.

60. Knowing that its claims were false and invalid and that collection would allow AT&T a double recovery to which it had no legal right, AT&T nevertheless insisted that Prentice Hall repay the refund to it.

61. Ignoring the Inga Company Plaintiff OSF's demands for payment of the amount of the refund, on September 24, 1996, Prentice Hall repaid AT&T the full \$48,146.38 and AT&T accepted payment thereof.

62. Since June 1996, AT&T has ceased making any payments to Plaintiffs for the small amount of 800 traffic remaining under the CSTP II Plans transferred from the Inga Company Plaintiffs to CCI in accordance with this Court's Letter Opinion of May 19, 1995.

63. The Inga Company Plaintiffs have nevertheless incurred and continue to incur costs and expenses to provide customer service to the few remaining end users whose 800 service traffic is still aggregated under the Plaintiffs' CSTP II plans.

64. In an attempt to counteract the AT&T's refusal to pay over even the minimal revenues to which Plaintiffs continued to be entitled under the CSTP II plans in order to help defray the costs and expenses being incurred to service these few remaining accounts, the Inga Company Plaintiffs, for themselves and as agent for CCI, notified these remaining end users to remit payment for their 800 aggregated service directly to the Plaintiffs.

65. Without notice to Plaintiffs and without authorization from Plaintiffs, on October 16, 1996, AT&T's District Manager, Carl Williams, Jr., wrote to Plaintiffs' remaining customers which had been requested to remit payment directly to Plaintiffs.

66. Knowing the statements to be false and misleading, AT&T's Williams nevertheless notified customers that the information provided by the Plaintiffs to obtain direct payment was false and inaccurate.

67. Knowing the statements to be false and misleading, AT&T's Williams further notified customers that should any customer comply with Plaintiffs request, such customer would be subject to AT&T's termination of that customer's 800 service.

68. None of the Plaintiffs' customers have complied with the request for direct payment of their 800 service charges being provided pursuant to the CSTP II plans.

69. All such customers continue to pay their 800 service charge as before, that is to AT&T.

70. AT&T has refused and continues to refuse to pay over any revenues rightfully belonging to Plaintiffs under the terms of the CSTP II plans.

**COUNT ONE**

(Intentional Interference With Prospective Economic Advantage  
Under State and Federal Common Law)

71. Plaintiffs incorporate the allegations in their original Complaint and paragraphs 1 through 70 above as if fully restated herein.

72. Plaintiffs have enjoyed business relationships with their customers that have resulted in numerous financial benefits to Plaintiffs.

73. AT&T knew of Plaintiffs' business relationships with their customers.

74. Plaintiffs had reasonable and justifiable expectations that they would continue to enjoy business relationships with said customers that would result in even more financial benefits to Plaintiffs in the future.

75. Plaintiffs had reasonable expectations that they would develop new business relationships with prospective customers that would result in economic benefits for Plaintiffs.

76. Plaintiffs had a strong economic interest in having their expectations of benefits from these existing and prospective relationships come to fruition.

77. AT&T unlawfully interfered with Plaintiffs' interest in these prospective economic advantages.

78. AT&T utilized an unlawful pattern of fraud and intimidation to wrest Plaintiffs' customers away and deny Plaintiffs any future economic advantage from said relationships, and preclude Plaintiffs' development of further economic benefits.

79. Specifically:

- a. AT&T refused to transfer traffic from Plaintiffs' plans to PSE as requested;
- b. AT&T fraudulently billed Plaintiffs' customers for enormous "True-up" charges for which they were not liable;
- c. This fraudulent billing was designed to intimidate Plaintiffs' customers into participating in AT&T's plan of damaging Plaintiffs' economic interests;
- d. Plaintiffs' customers, frantic over the charges, were falsely told by AT&T that Plaintiffs were responsible for the charges;
- e. AT&T suggested to Plaintiffs' customers that Plaintiffs had switched the customers from AT&T to Plaintiffs without authorization, knowing such to be false;
- f. On information and belief, customers were then induced into cooperating with AT&T by AT&T's intimation that the charges would be or would remain permanently removed, if the customers signed affidavits complaining about Plaintiffs' allegedly unauthorized switches.

80. Upon information and belief, AT&T utilized Plaintiff's proprietary customer information, which was entrusted to AT&T in strictest confidence for billing and provisioning purposes only, to contact Plaintiffs' customers, disparage Plaintiffs, and attempt to convert said customers to AT&T.

81. As a result of AT&T's knowingly fraudulent representations, Plaintiffs' customers were intimidated into not only ceasing use of Plaintiffs' services, but charging Plaintiffs with unauthorized switching from their alleged carrier of choice.

82. This malicious interference by AT&T with Plaintiffs' prospective economic interests was designed not only to profit AT&T, but also to do irreparable damage to Plaintiffs' interests.

83. The acts described above were done with the intention of wrongfully influencing potential and actual customers of Plaintiffs to forego business relationships with Plaintiffs and to enter into relationships with AT&T, as well as the eventual destruction of Plaintiffs' businesses.

84. AT&T's actions were transgressive of generally accepted standards of decency and ethics in the conduct of business and served no justifiable purpose.

85. AT&T was unjustly enriched as a result of its injurious actions.

86. But for the unjust and unlawful interference of AT&T, there was a very reasonable probability that Plaintiffs would continue to have lucrative business relationships with their existing customers and developed other profitable business relationships with new customers.

87. As a result of the foregoing, Plaintiffs have been damaged by not less than Fifty Million Dollars.

88. AT&T's conduct was willful, malicious, oppressive and fraudulent, and undertaken with deliberate disregard for Plaintiffs' rights.

89. Plaintiffs are, therefore, also entitled to an award of exemplary and punitive damages.

**COUNT TWO**

(Intentional Interference with Contractual Relations  
Under State and Federal Common Law)

90. Plaintiffs incorporate the allegations in their original Complaint and paragraphs 1 through 89 as if fully restated herein.

91. Plaintiffs have enjoyed contractual relationships with their customers and with each other that have resulted in numerous financial benefits to Plaintiffs.

92. Plaintiffs had a strong economic interest in maintaining these contractual relationships.

93. AT&T was aware of the contractual relationships Plaintiffs had with their customers and with each other.

94. AT&T was not a party to any of the contracts between Plaintiffs and Plaintiffs' customers, nor to the contract between Plaintiff CCI and the Inga Company Plaintiffs. AT&T was merely a third party.

95. AT&T intentionally and unlawfully interfered with Plaintiffs' contractual relationships with their customers and with each other.

96. AT&T utilized an unlawful pattern of fraud and intimidation to wrest Plaintiffs' customers away.

97. Specifically:

- a. AT&T refused to transfer traffic from Plaintiffs' plans to PSE as requested;
- b. AT&T fraudulently billed Plaintiffs' customers for enormous "True-up" charges for which they were not liable;
- c. This fraudulent billing was designed to intimidate Plaintiffs' customers into participating in AT&T's plan of damaging Plaintiffs' economic interests;
- d. Plaintiffs' customers, frantic over the charges, were falsely told by AT&T that Plaintiffs were responsible for the charges;
- e. AT&T suggested to Plaintiffs' customers that Plaintiffs had switched the customers from AT&T to Plaintiffs without authorization, knowing such to be false;
- f. On information and belief, customers were then induced into cooperating with AT&T by AT&T's assurance that the charges would be or would remain permanently removed if the customers signed affidavits complaining about Plaintiffs' allegedly unauthorized switches.

98. Upon information and belief, AT&T utilized Plaintiff's proprietary customer information, which was entrusted to AT&T in strictest confidence for billing and provisioning purposes only, to contact Plaintiffs' customers, disparage Plaintiffs, and attempt to convert said customers to AT&T.

99. As a result of AT&T's knowingly fraudulent representations, Plaintiffs' customers were intimidated into not only ceasing use of Plaintiffs' services, but charging Plaintiffs with unauthorized switching from their alleged carrier of choice.

100. AT&T was unjustly enriched as a result of its injurious actions.

101. But for the unjust, unlawful, intentional and malicious interference of AT&T, there was a very reasonable probability that Plaintiffs would continue to maintain the lucrative contractual relationships they had with their existing customers.

102. As a result of the foregoing, Plaintiffs have been damaged by not less than Fifty Million Dollars.

103. AT&T's conduct was willful, malicious, oppressive and fraudulent, and undertaken with deliberate disregard for Plaintiffs' rights.

104. Plaintiffs are, therefore, also entitled to an award of exemplary and punitive damages.

### COUNT THREE

(Discrimination and Unreasonable and Unjust Practices by a Common Carrier)

105. Plaintiffs repeat the allegations contained in their original Complaint and of paragraphs 1 through 104 above.

106. In violation of 47 U.S.C. §§ 201 and 202, AT&T has unjustly and unreasonably discriminated against Plaintiffs by, among other things, providing Plaintiffs with less favorable charges, practices, classifications, regulations, facilities and services than those provided to AT&T's non-reseller commercial customers. Moreover, in violation of 47 U.S.C. §§ 201 and 202,

AT&T has intentionally subjected Plaintiffs to undue and unreasonable practices, prejudice or disadvantage.

107. Due to AT&T's unreasonable and discriminatory practices, Plaintiffs have been damaged by not less than Fifty Million Dollars.

108. AT&T's conduct was willful, malicious, oppressive, and fraudulent, and undertaken with deliberate disregard for Plaintiffs' rights. Plaintiffs are therefore entitled to an award of exemplary and punitive damages.

#### COUNT FOUR

(Violation of Sections 201-203 of the Communications Act, Tariff F.C.C. No. 2, and State and Federal Contract Law)

109. Plaintiffs repeat the allegations contained in their original Complaint and paragraphs 1 through 108 above.

110. Plaintiffs have complied with all conditions precedent of their agreements with AT&T.

111. AT&T has violated the provisions of 47 U.S.C. §§201, 202, and 203, to include 203(c), AT&T's F.C.C. Tariff No. 2, and the contract obligations imposed on it by state and federal common law, including the obligation of good faith and fair dealing, by, among other things, (i) providing inaccurate and misleading billing for Plaintiffs' customers; (ii) failing to account for monies collected from Plaintiffs' customers and deductions therefrom; (iii) making improper deductions from remittances; (iv) wrongfully withholding commission payments; (v) conducting its relationship with Plaintiffs in a manner that AT&T knew, or should have known, would prevent Plaintiffs from fulfilling tariff commitments and being able to aggregate AT&T's 800 services; (vi) refusing to enter into

contract tariffs with Plaintiffs directly and, (vii) refusing to permit Plaintiffs to transfer traffic to PSE's Contract Tariff 516.

112. As a result of the foregoing, Plaintiffs have been damaged by not less than Fifty Million Dollars.

113. AT&T's conduct was willful, malicious, oppressive, and fraudulent, and undertaken with deliberate disregard for Plaintiffs' rights. Plaintiffs are therefore entitled to an award of exemplary and punitive damages.

**COUNT FIVE**  
(Unfair Competition/Trade Libel Under State and  
Federal Common Law)

114. Plaintiffs repeat the allegations contained in their original Complaint and of paragraphs 1 through 113 herein.

115. AT&T's actions and statements, heretofore described, represent unlawful communication of false statements to third persons concerning Plaintiffs, and how Plaintiffs conduct business.

116. Said actions and statements of AT&T falsely and unduly disparaged Plaintiffs' product, i.e. Plaintiffs' telecommunications services, and gravely injured Plaintiffs' business and proprietary rights.

117. AT&T's publication of matter false and derogatory of Plaintiffs' business to existing and prospective customers was calculated to prevent said customers from dealing with Plaintiffs.

118. AT&T's defamatory and disparaging statements concerning Plaintiffs' trade damaged Plaintiffs through causing existing customers to discontinue their business relationship with Plaintiffs and the handicapping of Plaintiffs' efforts in developing new business relationships.

119. The damages incurred by Plaintiffs greatly affected their business and their right to earn a living.

120. The statements and actions of AT&T also constituted an unlawful and unfair mode of competition.

121. AT&T utilized unlawful means of fraudulent representations and intimidation to damage Plaintiffs' business.

122. The actions of AT&T violated established business ethics and customs and were transgressive of generally accepted standards of morality.

123. AT&T falsely and excessively charged Plaintiffs' customers to intimidate them, disparaged and defamed Plaintiffs and their business, impermissibly induced said customers to sign affidavits against Plaintiffs alleging unauthorized switches when AT&T knew the switches were authorized in exchange for permanent removal of the false charges, and used these affidavits as the basis of a baseless and frivolous Complaint to the Federal Communications Commission.

124. Plaintiffs suffered, and continue to suffer, serious damages due to AT&T's defamatory and disparaging actions which constituted unfair competition.

125. As a result of the foregoing, Plaintiffs have been damaged by not less than Fifty Million Dollars.

126. AT&T's conduct was willful, malicious, oppressive and fraudulent, and undertaken with deliberate disregard for Plaintiffs' rights.

127. Plaintiffs are, therefore, also entitled to an award of exemplary and punitive damages.

WHEREFORE, Plaintiffs Winback & Conserve Program, Inc., Group Discounts, Inc., One Stop Financial, Inc. and 800 Discounts, Inc. demand judgment against AT&T Corp. for:

- (i) damages to Plaintiffs in an amount to be proven at trial;
- (ii) exemplary and punitive damages;
- (iii) such other and further relief as this Court shall deem just and proper and the costs of the suit, including reasonable attorney fees.

PODVEY, SACHS, MEANOR  
CATENACCI, HILDNER & COCOZIELLO

By: H. Curtis Meanor / PJP  
H. Curtis Meanor (HM 8050)

CONNELL, FOLEY & GEISER LLP

By: Peter J. Pizzi  
Peter J. Pizzi (PP 6500)

HELEIN & ASSOCIATES, P.C.

By: Charles H. Helein / PJP  
Charles H. Helein  
A Member of the Firm

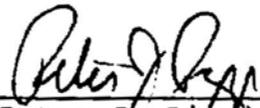
Roseland, New Jersey  
March 4, 1997

CERTIFICATE OF SERVICE

The undersigned hereby certifies that on March 4, 1997 a true and correct copy of the foregoing Supplemental Complaint was served upon opposing counsel by first class mail addressed as follows:

Frederick Lee Whitmer, Esq.  
Pitney, Hardin, Kip p& Szuch  
P.O. Box 1945  
Morristown, NJ 07962-1945

Richard C. Yeskoo, Esq.  
Fabricant & Yeskoo, LLP  
86 Hudson Street  
Hoboken, NJ 07030

  
Peter J. Pizzi

**EXHIBIT 16**

3/16/1988  
3-

FILED

85

THE CLERK  
ON 3/11/1988  
WILLIAM T. HEDGES, CLERK  
By William T. Hedges

UNITED STATES DISTRICT COURT  
DISTRICT OF NEW JERSEY

MAR 10 1988  
2:00 P.M.

Combined Companies : Civil Action No. 85-902 (AMPS)  
 Plaintiff(s) :  
 v. : ORDER  
 AT+T :  
 Defendant(s) :

It is on this 10th day of March, 1988.

ORDERED THAT the pending motion to realign parties, etc, is denied. This action has been administratively terminated and stayed pending completion of FCC proceedings; the underlying cause of action presents a federal claim; the claims sought to be litigated via the motion sound in breach of contract and are to

William T. Hedges  
 RONALD J. HEDGES  
 UNITED STATES MAGISTRATE JUDGE

Orig.: Clerk  
 cc: File

\* more appropriately litigated in a separate civil action.

**EXHIBIT 17**

Alfonse G. Inga  
PO Box 1234  
Little Falls, NJ 07424  
ph.973 787 1050  
fax: 973 7871050  
Email: [aidmm@optonline.net](mailto:aidmm@optonline.net)

July 9, 2004

William T. Walsh  
Clerk of US District Court  
United States District Court  
Martin Luther King, Jr. Federal Bldg.  
& U.S. Court House  
50 Walnut Street  
Newark, New Jersey 07101

Hon. William G. Bassler, U.S.D.J.  
United States District Court  
Martin Luther King, Jr. Federal Bldg.  
& U.S. Court House  
50 Walnut Street  
Newark, New Jersey 07101

Re: Request for Hearing on March 1997 Supplemental Complaint  
OR  
Primary Jurisdiction Referral Order to obtain a Declaratory Ruling regarding  
March 1997 Supplemental Complaint  
Combined Companies, Inc., et al v. AT&T CORP  
Civil Action No.:95-cv-00908-WGB

Your Honor:

I approach this Court Pro Se as President of plaintiffs One Stop Financial, Inc., Winback & Conserve Program, Inc., Group Discounts, Inc. and 800 Discounts, Inc. (collectively, "plaintiffs" or "the Inga Companies") I would enjoy nothing more than to be represented by competent counsel but I simply can not afford it.

Your Honor is already aware of the initial Inga Companies damage complaint against AT&T that the DC Court of Appeals is currently reviewing. That complaint found AT&T had unlawfully denied the phone accounts to be moved from the 28% CSTPIRVPP discount plan to a 66% discount plan in January 1995.

Your Honor preferred to wait for Judicial Review by the DC Court of Appeals on this issue before a damage hearing could start before Your Honor. November 12<sup>th</sup> 2004 has been set as date for oral argument regarding that issue.

### Separate and Distinct Issues than the Account Movement Issue

I am herein addressing a Supplemental Complaint filed in March of 1997. The new complaint is separate and distinct from what is before the DC Court of Appeals on Judicial Review. The Inga Companies additional claims are valid no matter what the outcome is of the DC Court of Appeals Judicial Review; therefore this is not a waste of the Courts time.

A Supplemental Complaint was filed in March of 1997 in large part due to AT&T's infliction of shortfall penalties in June of 1996. These were the accounts that remained on the 28% discount plan after AT&T was unlawfully found to have denied their movement to the 66% discount plan in Jan. 1995. Therefore the second separate and distinct illegal remedy occurred 18 months after the first illegal remedy. (Jan. '95- June '96)

This Court under Judge Politan has already heard substantial testimony on the shortfall issue during the hearing on account movement. However, the case before Judge Politan dealt solely with the separate and distinct issue of account movement.

There was not a separate decision from Judge Politan regarding the validity of the shortfall penalties. Additionally, there was no decision as to whether the step by step procedural application of the penalties mandated by AT&T's tariff was adhered to by AT&T, which would result in an illegal remedy by AT&T if not followed.

### Illegal Remedy Complaint Addressed Now. The Validity of the Shortfall Penalties may be Addressed Later

While we will deal with the validity of these shortfall penalties later, it is important for Your Honor to know Judge Politan had the following to say in his Opinion regarding the validity of these shortfall penalties.

**"Suffice it to say that, with regard to pre-June, 1994 plans, methods exist for defraying or erasing liability on one plan by transferring or subsuming outstanding commitments into new and better plans pursuant to AT&T's own tariff."** (Letter Opinion at p. 11 ¶ 1).

Judge Politan also stated **"In answer to the court's questions at the hearing in this matter, Mr. Inga set forth certain methods for restructuring or refinancing by which resellers can and do escape termination and also shortfall charges through renegotiating their plans with AT&T."** (Letter Opinion at p. 24 ¶ 1.)

Your Honor, it is fact that these plans were all indeed established prior to June 1994 as the FCC also agrees:

### **The FCC States these Plans were Pre June 17<sup>th</sup> 1994 Plans**

The FCC found that these plans were all Pre-June 1994 plans. (FCC October 17<sup>th</sup> 2003 Declaratory Ruling Decision at ¶ 2).

The FCC again noted that these plans were ordered prior to June 1994 in its response brief to AT&T before the DC Court of Appeals (p4 ¶ 1) May 2004.

### **AT&T Business Executives stated that the Shortfall Penalties were Not Valid**

Irrefutable evidence was also presented to Judge Politan that 13 AT&T managers were lawfully audio taped and stated that the tariff dictates that there should be no shortfall penalties imposed on the CSTPII/RVPP plans. The Court required my Company to provide AT&T with the audio tapes, which was done.

After extensive testimony, Judge Politan didn't need to refer this separate and distinct shortfall validity issue to the FCC, as he referred the movement of the accounts issue. Judge Politan obviously was more than satisfied that these plans were immune from shortfall penalties due to the plans being established prior to June 17<sup>th</sup> of 1994, or he would have obviously asked for FCC guidance.

While clearly I would prevail in a decision on the validity of the shortfall, I will leave the shortfall validity hearing for another day as it will not be needed if the illegal remedy complaint is won.

### **What I am Requesting Your Honor to address now is AT&T's Illegal Remedies Used in Applying the Shortfall Penalties if AT&T Believed the Penalties were Valid.**

I would prefer that this illegal remedy complaint be decided in Court.

Because AT&T put all the toll free aggregators out of business many years ago and the CSTPII/RVPP plans are no longer in existence in the market, there is no chance for conflicting opinions.

Additionally, since this is black letter law and a recent precedent has just been established with the same two parties regarding illegal remedies. It is more than justifiable to have it heard within the Federal District Court, before Your Honor.

It took 7 years to get a decision from the FCC on the last Declaratory Ruling. However, if Your Honor believes that this complaint should be resolved at the FCC, it can be handled using the Declaratory Ruling process. I would then require a Primary Jurisdiction Referral Order from your Court.

### **Illegal Remedy of Applying Alleged Shortfall Penalties**

Even assuming that AT&T can eventually convince this Court or the FCC that the shortfall penalties were valid, AT&T's loses the March 1997 Supplemental Complaint due to its' illegal tariff remedy.

If AT&T believed its shortfall penalties were valid, AT&T was, as the FCC has said, constrained by the remedy defined within its' tariff in applying the penalties.

It is an undisputed fact that AT&T initially applied the penalties against all of the end-users bills instead of AT&T's Customers (aggregators') single main billed account. This was a clear illegal remedy. Tens of millions of dollars were put on the end-users bills which resulted in an end to my business.

It was an illegal remedy to initially place the charges on the end-users bills instead of the AT&T's Customer (aggregator). In addition it was also an illegal remedy to apply shortfall penalties against the end-users in excess of the end-users discounts afforded by the aggregators' CSTPII/RVPP plan.

### **FCC's Position on Illegal Remedies**

The FCC's position on illegal remedies is clear as we have just witnessed in the FCC's Oct. 17<sup>th</sup> 2003 ruling against AT&T in the account movement case. In that case, AT&T violated its tariff by also using another illegal remedy.

The FCC states in its Oct 17<sup>th</sup> 2003 Declaratory Ruling: "We also conclude that AT&T did not avail itself of the remedy specified in its tariff for suspected fraud and thus can not rely upon the fraud sections of its tariff to justify its refusal to move the traffic. Accordingly, we conclude that AT&T's action in refusing to move the traffic was unlawful and violated subsection 203(c) of the Communications Act. (Oct 17<sup>th</sup> 2003 p. 14 ¶ 21 Conclusion)

The FCC further stated in its recent filing to the DC Court of Appeals: "In essence, the Commission ruled that AT&T had invoked a remedy other than the ones authorized under its tariff. But the terms of the tariff define and constrain AT&T's conduct and specify the remedies available to the company in connection with its provision of tariffed services. See AT&T v. Central Office Telephone Co., 524 U.S. at 222-24. As this Court (DC Court) recently noted, "filed tariffs are pointless if the carrier can depart from them at will. Orloff, 352 F.3d at 421. Condoning AT&T's departure in this case from the remedial terms of its tariff would "undermine the regulatory scheme" and give AT&T the power to control the economic fates of its customers here, the resellers. The Commission's holding on this issue thus is both consistent with the law and reasonable."

Your Honor, it is clear, AT&T again did not avail itself of the remedy defined in its tariff for applying shortfall penalties.

If it is found that an illegal remedy was used by AT&T in applying the shortfall penalties there would be no need to pursue whether the shortfall penalties were valid, because the FCC position would dictate that AT&T could no longer rely on the shortfall penalties.

### **AT&T Tariff 2 at 3.3.1 Q**

The tariff states:

**"-The Customer will assume all financial responsibility for all designated accounts in the plan and will be liable for all charges incurred by each location under the plan."**

In Public Comments to the FCC last year, AT&T emphatically declared that the aggregators' end-users are not AT&T customers. These end-users are the customers of the aggregator. The aggregator is AT&T's Customer not the end-user. The shortfall charges should not have been placed on the end-users bills. The Customer (aggregator) is responsible for the shortfall charges if valid.

AT&T was constrained by its tariff to initially apply the shortfall penalties against its customer, the aggregator. If the aggregator could not pay the bill AT&T could subsequently only remove the discounts on the end-users bills that the aggregator had afforded these end-users.

The tariff continues:

**“In the event that a location is in default of payment, AT&T will seek payment from the Customer. If the Customer fails to make payment for the location in default of payment, AT&T will: (1) reduce the discount by the amount of the billed charges not paid by that location, if any, and apportion the remaining discount, if any, to all locations not in default, and if payment is not fully collected by the above method, (2) terminate the RVPP/CSTPII for failure of the Customer to pay the defaulted payment.”**

Again payment comes from the Customer (aggregator) not the end-user. Also, AT&T never terminated the CSTPII/RVPP plan in question in accordance with the tariff.

The tariff continues:

**“-Shortfall and or termination liability are the responsibility of the Customer.”**  
Again, AT&T admitted to the FCC in its' Public Comments filed in 2003 with the FCC that the end-users of the aggregator are not AT&T customers.

The tariff continues:

**“For billing purposes, such penalties shall reduce any discounts apportioned to the individual locations under the plan.”**

I have been told by R.L. Smith, the FCC's AT&T tariff expert, that AT&T was only permitted under its tariff to reduce the end-users discounts up the amount of discount provided by the aggregator, nothing more!

If there phone bill was \$100 and the end-user location was receiving a \$20 discount, AT&T was limited to reducing the \$20 discount. What AT&T did was charge the \$100 user over \$1,000 in penalties. Business people went crazy, contacting their attorneys and every state and federal regulatory agency available.

It is obviously common sense that AT&T should have initially attempted to collect its alleged shortfall penalties from its Customer, the aggregator. AT&T however clearly wished to place the penalties on our end-users and ruin our relationship with our customers and destroy the grandfathered CSTPII/RVPP discount plan. First AT&T had to declare the shortfall penalties were valid, despite the opposite tariff interpretations of 13 AT&T managers audio taped. Clearly AT&T wanted me out of business.

### **Federal Law on Tariff Ambiguity—from the DC Court of Appeals Filing**

The tariff citations stated above clearly show AT&T used an illegal remedy. The fact that 13 AT&T managers also interpreted the tariff as the Inga Companies did and thus believed the plans were immune from shortfall shows the tariff was at least ambiguous. If the tariff was viewed as ambiguous it must be ruled, by law, against AT&T.

FCC stated in May 2004:

"On the other hand, where "the usual canons and techniques of interpretation leave real uncertainty" regarding a tariffs application, the Commission properly construes the tariff "strictly against the carrier" and resolves "any doubt in favor of the Customer." *Associated Press v.FCC*. 452 F.2d 1290. 1299 (D.C. Cir.1971) See *Associated Press Request for Declaratory Ruling*, 72 FCC 2d 760, 764-65 (para.11) (1979); *Commodity News Services, Inc. v. Western Union*, 29 FCC 1208, 1213 (para.3) *aff'd*, 29 FCC 1205 (1960).

### **If Your Honor will not address the Illegal Remedy Complaints in Court, the Venue for Resolution of the Illegal Remedy is the Declaratory Ruling Process at the FCC.**

In accordance with the FCC's rules on Declaratory Rulings the relevant part being 1.2; "The Commission may on motion or on its own motion issue a declaratory ruling terminating a controversy or removing uncertainty."

The applying of shortfall charges by AT&T to my end-users and resulting in the end of my business was obviously controversial. It ended my business and caused mass hysteria from tens of thousands of business people. Uncertainty in the tariff of course arises over whether AT&T could use the remedy it did to end my business.

I have had multiple conversations with FCC staff regarding procedural avenues available to determine if AT&T's application of shortfall penalties was an illegal remedy under AT&T Tariff 2. The FCC staff has stated that the declaratory ruling process is indeed an appropriate and available avenue for resolution of whether an illegal remedy was applied by AT&T.

### **Additional Illegal Remedy- AT&T Tariff 2 Section 2.5.7**

AT&T also did not adhere to its tariff in reference to AT&T Tariff 2 Section 2.5.7 which Waives Shortfall Penalties Due to Circumstances Beyond the Customers Control. This tariff section was timely requested and AT&T gave no reason why this tariff section would not apply.

### **AT&T Ended Up Waiving All Shortfall Penalties Anyway**

AT&T stated in a letter to Your Honor in its letter of Jan 30th, 2004 that it waived all shortfall charges and termination penalties back in 1997 when it paid off my former co-plaintiff Combined Companies, Inc. (CCI)

AT&T's waiving all penalties obviously means it can't raise the shortfall penalties as an offset to the damages it owes the Inga Companies even if these alleged penalties were found legitimate. However, a Court Decision regarding illegal remedies is needed because there are separate and distinct additional damages suffered from AT&T's inflicting these shortfall penalties.

My relationship with my customers was irrevocably destroyed and the grandfathered CSTPII/RVPP plan that had special grandfathered rights was destroyed. These are just two of the several damage issues that have nothing to do with the account movement issue before the DC Court.

Even if AT&T prevails and overturns the FCC decision on the separate and distinct account movement issue then there are additional damages for loss of income that are applicable on the accounts that had remained on the grandfathered CSTPII/RVPP plan.

### **The Penalties Inflicted on my Customers were Not a Mistake by AT&T**

It was a calculated decision that was evaluated over months. AT&T's senior attorney Charles Fash stated that the alleged shortfall penalty period had completed gestation 3 months before the penalties were applied. This is normal as the RVPP discount which carries the penalties lags months behind CSTP discount. AT&T had 3 months to evaluate that what it was doing was in agreement with its tariff.

AT&T placed the penalties on the end-users bills, and AT&T then blamed the shortfall on the aggregator. The public screamed over phone bills that were 10 times higher than normal.

AT&T then threatened our customers to pay the AT&T phone bill or their toll free phone lines would be disconnected! Since these toll free lines were used for sales and customer service calls, this threatened the very existence of their business. My business was intentionally destroyed immediately by AT&T, who wanted me out of business and was willing to engage in multiple illegal remedies to do so.

AT&T's own reports showed that my companies controlled over 25% of all aggregated toll free business, of an industry with 100 competitors. I was by far the largest aggregator and this obviously made my companies a constant target for harassment and unlawful remedies by AT&T.

### **AT&T's Intentional Lies to The Federal District Court**

AT&T in house senior counsel Edward Barillari and Pitney Hardin Counsel Richard Brown intentionally lied to this Court in the Jan 30<sup>th</sup> 2004 letter to Your Honor. Mr. Barillari and Mr. Brown have been provided the evidence that each knowingly and intentionally lied to Your Honor. Additionally, Judge Politan has already admonished another Pitney Hardin counsel due to his lies to this Court.

Additionally, it was no mistake by AT&T that it did not provide Your Honor with the settlement agreement between AT&T and CCI which AT&T quoted from in its Jan. 30<sup>th</sup> letter to Your Honor, but failed to disclose it.

It is my guess that if this settlement agreement is disclosed to Your Honor, you will discover additional intentional lies to this Court when compared to the representations made by Pitney Hardin's Mr. Richard Brown in his letter to Your Honor on Jan. 30<sup>th</sup> 2004.

AT&T in house and outside counsel have become so desperate that each is now willing to engage in intentional lies to an experienced Federal Judge. If Your Honor wishes I can provide irrefutable evidence that both attorneys knowingly lied to Your Honor.

#### **More than a Tacit Admission of Guilt by AT&T.**

AT&T Provided a \$50 million+ Compensation Package to CCI that provided cash, waiver of shortfall penalties, and dropping of additional complaints:

- 1) under a strict non disclosure agreement.
- 2) years before the FCC even issued its Declaratory Ruling,
- 3) which AT&T stated itself many times within its briefs, had little assets,
- 4) with a requirement that CCI's President continue to help AT&T defend itself against the Inga Companies.

#### **Order for Primary Jurisdiction Referral**

Your Honor it will be over 10 years since AT&T's first illegal remedy and still there has been no repercussions for that illegal action. While I have no doubt that the FCC would again unanimously rule in the Inga Companies favor, I do not believe I should wait 10 more years for an FCC decision. This is a clear cut matter that can be done in the Federal District Court with no possibility of conflicting opinions thanks to AT&T having put all the CSTPIIRVPP aggregators out of business many years ago.

Your Honor I wish to address AT&T's illegal remedies in a Court Hearing. However, if Your Honor believes this must be resolved by the FCC, to follow is a proposed Order for your modifications.

Respectfully Yours,  
For the Inga Companies:

---

Alfonse G. Inga Pres.

CC: Edward Barillari esq. AT&T

**Court Order  
Primary Jurisdiction Referral  
Declaratory Ruling Request**

To:

Federal Communications Commission (FCC)  
445 12<sup>th</sup> Street South West  
Markets Dispute Resolution Division  
Attention: Alex Starr  
Washington, DC 20554

The Court seeks a Declaratory Ruling regarding whether AT&T violated its Tariff 2 and thus The Communications Act at the time of June 1996.

The applicable discount plan at issue was CSTPII/RVPP that was subscribed to under AT&T Tariff 2.

The complaint deals with AT&T's remedy in applying shortfall penalties to its customers the Inga Companies who were aggregators and owners of the CSTPII/RVPP plans. The Court is not seeking guidance on whether the shortfall penalties inflicted by AT&T were valid; this is a different issue entirely that the FCC has stated should not be decided within the Declaratory Ruling Venue.

The issue is simply whether the proper methods, procedures, and proper step by step chronological remedy constraints mandated by the tariff were followed by AT&T in applying shortfall penalties. Specifically, how should the tariff be applied to these set of facts?

The undisputed facts are:

**Declaratory Ruling One: Procedural Remedy of Applying Shortfall Penalties**

AT&T initially applied all of its alleged shortfall penalties directly to the aggregators' end-user locations, in excess of the discounts being provided by the aggregator. End-users received phone bills with shortfall penalties 10 times greater than their actual phone charges.

AT&T then removed, all the charges off the end-user locations and put all shortfall penalties on the Aggregators single master account.

**Declaratory Ruling Two: Disputed Bill Remedy**

The validity of the charges was in dispute. The Aggregator never paid the shortfall charges as the aggregator disputed the charges were not valid, months before and months after the charges were inflicted by AT&T.

AT&T did not wait any additional time to apply the penalties that were in a billing dispute than the normal time period of applying charges to phone bills.

AT&T continued to bill the locations and did not temporarily or permanently suspend phone service to the locations that it continued to bill and collect phone charges.

### **Declaratory Ruling Three: Waiver of Shortfall Remedy**

Section 2.5.7 Waives Shortfall Penalties Due To Circumstances beyond the Customers Control. The CSTPII/RVPP owners timely filed a request to waive shortfall penalties under this section 2.5.7 but AT&T applied the penalties anyway.

The Inga Companies followed up with a letter to AT&T counsel stating section 2.5.7 was never denied but AT&T inflicted the shortfall penalties anyway.

At issue is:

Did AT&T violate its Tariff and hence the Communications Act given the above set of facts.

Should AT&T have initially applied its shortfall penalties to AT&T's aggregators' customers i.e. the end-users phone billed locations?

Should the aggregators' customers (the end-users), be inflicted with shortfall penalties at all if it is determined that these end-users are not AT&T customers?

If the end-users are eligible under the tariff to receive penalties are the penalties limited to the amount of discount being afforded to the end-user location by the aggregator?

Was AT&T obligated to suspend service to the end-users that AT&T was billing on behalf of the aggregator when the aggregator did not pay the shortfall penalties demanded by AT&T?

Did AT&T apply the proper tariffed remedy for remedying phone billing disputes? The focus here is not whether the shortfall charges are actually valid; the focus is on AT&T's obligations when its Customer disputes a charge. The dispute of shortfall charges occurred before the charges were applied, and continued after the shortfall penalties were applied.

Should AT&T have granted a waiver of shortfall penalties due to circumstances beyond the customers control under section 2.5.7 given the fact that the request was timely filed and AT&T did not deny it the request?

Please provide Declaratory Rulings to the Federal District Court regarding whether AT&T violated its Tariff 2 and thus the Communications Act based upon the undisputed facts that are presented here and the additional facts that the parties will be present to the FCC.

William G. Bassler, U.S.D.J.  
United States District Court  
Martin Luther King, Jr. Federal Bldg.  
& U.S. Court House  
50 Walnut Street  
Newark, New Jersey 07101

Primary Jurisdiction Referral Ordered this day July \_\_\_\_, 2004

William G. Bassler U.S.D.J.

**EXHIBIT 18**

UNITED STATES DISTRICT COURT  
DISTRICT OF NEW JERSEY

RECEIVED  
WILLIAM L. WALSH, CLERK

2004 SEP -2 A 9 34

MARTIN LUTHER KING JR.  
FEDERAL BUILDING & U.S. COURTHOUSE  
50 WALNUT ST., ROOM 5080  
P.O. BOX 999  
NEWARK, NJ 07101-0999  
973-648-2991

CHAMBERS OF  
WILLIAM G. BASSLER  
JUDGE

UNITED STATES  
September 1, 2004

Mr. Alfonse G. Inga  
P.O. Box 1234  
Little Falls, New Jersey 07454

Pro Se Plaintiff

LETTER ORDER FILED WITH THE CLERK OF THE COURT DENYING WITHOUT  
PREJUDICE PRO SE PLAINTIFF'S MOTION TO VACATE THE STAY

RE: Combined Companies, et al, v. AT&T Corp., Civ. No. 95-908

Dear Mr. Inga,

This Court is in receipt of five letters from you, dated July 9, July 21, August 5, August 6, and August 17, 2004, respectively. The Court is also in receipt of several responding letters from Richard H. Brown, Esq. and Thomas A. Sparno, Esq., many of which you address in your letters to the Court.

In addition, the Court received a submission from you on July 23, and entered on August 5, entitled "Motion to Vacate Stay of the March 1997 Supplemental Complaint."

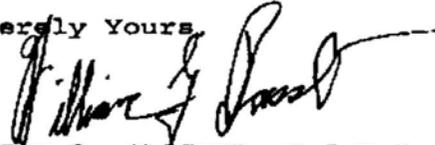
The Court is unable to address your requests because you are attempting to represent a number of corporations - One Stop Financial, Inc., Winback & Conserve Program, Inc., Group Discounts, Inc., and 800 Discounts, Inc. - as a pro se litigant. It is well established that in federal court, corporations must be represented by practicing attorneys. *Simbrow, Inc. v. U.S.*, 367 F.2d 373, 373 (3d Cir. 1966) (finding that "a corporation, to litigate its rights in a court of law, [must] employ an attorney at law to appear for it and represent it in the court or courts before whom its rights need to be adjudicated"); *Palazzo v. Gulf Oil Corp.*, 764 F.2d 1381, 1385 (11th Cir. 1985) ("The rule is well established that a corporation is an artificial entity that can act only through agents, cannot appear pro se, and must be represented by counsel."); *MOVE Organization v. U.S. Dept. of Justice*, 555 F. Supp. 684, 693 (E.D. Pa. 1983) ("The courts have

repeatedly held that corporations and other organizations must be represented by counsel."); see also 28 U.S.C. § 1654.

Accordingly, the Court cannot consider your various requests until you obtain proper counsel. Given that you are attempting to represent a corporation pro se, your July 23<sup>rd</sup> submission should not have been docketed as a motion by the Clerk of the Court. Therefore, your motion to vacate the stay is **DENIED** without prejudice to renew, upon you obtaining proper counsel.

**SO ORDERED.**

Sincerely Yours



WILLIAM G. BASSLER, U.S.D.J.

cc: PITNEY HARDIN LLP  
BY: Richard H. Brown, Esq.  
P.O. Box 1945  
Morristown, New Jersey 07962-1945

CONNELL FOLEY LLP  
BY: Peter J. Pizzi, Esq.  
Thomas A. Sparno, Esq.  
85 Livingston Avenue  
Roseland, New Jersey 07066-3702

# EXHIBIT 19

THE LAW OFFICE OF  
**Janet B. Coven**  
COUNSELOR AT LAW  
A PROFESSIONAL CORPORATION

Additional Admission:  
Member of the PA Bar

314 U.S. HIGHWAY 22 WEST  
SUITE E  
GREEN BROOK, NEW JERSEY 08812  
TELEPHONE (732) 424-1000  
FACSIMILE (732) 424-1665  
E-MAIL ccclaw52@hotmail.com

**VIA REGULAR MAIL**

September 23, 2004  
The Honorable William G. Bassler, U.S.D.J.  
United States District Court  
Martin Luther King, Jr. Federal Bldg.  
& U.S. Court House  
50 Walnut Street  
Newark, New Jersey 07101

**RE: Combined Companies, et al. v. AT&T Corp., Civ. No. 95-908**

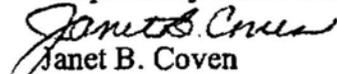
Dear Judge Bassler:

I represent the Plaintiffs regarding the above-referenced matter. The enclosed September 1, 2004 correspondence confirmed the Court's receipt of Alfonse Inga's five (5) letters and the Motion to Vacate the Stay of March 1997 Supplemental Complaint. It is respectfully requested that the Court make a determination of the relief sought in the Plaintiffs' Motion based upon the Motion and correspondence previously filed with the Court.

The Plaintiffs also ask the Court to consider the request which was made for a Primary Jurisdiction Referral Order to obtain declaratory rulings from the FCC. This request is pertaining to three (3) declaratory rulings having to do with the shortfall penalties inflicted upon the AT&T discount plan. These additional illegal remedies, occurred eighteen (18) months after AT&T's first unlawful remedy of not assigning the accounts. The Plaintiffs request the Court to enter the Order to permit the FCC to determine these additional claims.

The Court determined that it would not consider the various relief sought until the Plaintiffs were represented by Counsel. The Plaintiffs retained this office for the limited purpose to renew its Motion to Vacate the Stay along with its request to enter the Primary Jurisdiction Referral Order. The Plaintiffs request such determination on the papers and waive oral argument. Thank you for your time and consideration.

Respectfully submitted,

  
Janet B. Coven

Enclosure

cc: Alfonse Inga  
Richard H. Brown, Esq.

**EXHIBIT 20**

UNITED STATES DISTRICT COURT  
DISTRICT OF NEW JERSEY

CHAMBERS OF  
WILLIAM G. BASSLER  
JUDGE

October 8, 2004

RECEIVED  
FEDERAL BUILDING  
MARTIN LUTHER KING JR.  
FEDERAL BUILDING & U.S. COURTHOUSE  
2804 OCT 9 12 P.M. 2004  
P.O. BOX 999  
NEWARK, NJ 07101-0999  
973-548-2991  
UNITED STATES  
DISTRICT COURT

Janet B. Coven, Esq.  
3144 U.S. Highway 22 West  
Suite E  
Green Brook, NJ 08812

**LETTER ORDER**

Re: Combined Companies v. AT&T Corp., et al.  
Civil Action No. 95-908 (WGB)

Dear Ms. Coven:

I am in receipt of your letter of September 23, 2004 and the response by Richard H. Brown, Esq. of October 1, 2004.

The plaintiff's request for this Court "to renew its Motion to Vacate the Stay along with its request to enter the Primary Jurisdiction Referral Order" is denied. I see no reason to review my previous decision to stay all of the proceedings until judicial review of the October 17, 2003 Order of the Federal Communications (FCC) is completed. As you know, on October 17, 2003, the FCC issued a decision on the referred issue and AT&T filed a Notice of Appeal from that decision to the Court of Appeals for the DC Circuit. It is my understanding from reading Mr. Brown's letter that the Appeal is still pending with oral argument scheduled for November 2004.

Moreover, if the Inga Companies want to have me restore the matter to the active docket, you should file a formal motion. Prior to that, your office should file an appearance in the case and confirm that you have replaced the Connell Foley firm.

Very truly yours,



WILLIAM G. BASSLER  
United States District Judge

cc: Richard H. Brown, Esq.  
Pitney Hardin LLP  
P.O. Box 1945  
Morristown, NJ 07962-1945

**EXHIBIT 21**

Janet B. Coven (JBC 5111)

**THE LAW OFFICE OF JANET B. COVEN, P.C.**

314 U.S. Highway 22 West

Suite E

Green Brook, NJ 08812

(732) 424-1000

**Attorney for Plaintiffs, COMBINED COMPANIES, INC., WINBACK & CONSERVE PROGRAM, INC., ONE STOP FINANCIAL, INC., GROUP DISCOUNTS INC. and 800 DISCOUNTS, INC.**

**UNITED STATES DISTRICT COURT  
DISTRICT OF NEW JERSEY**

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<b>COMBINED COMPANIES, INC.,</b>	:	
<b>a Florida Corporation,</b>	:	
	:	
<b>and</b>	:	
	:	
<b>WINBACK &amp; CONSERVE PROGRAM, INC.,</b>	:	
<b>ONE STOP FINANCIAL, INC., GROUP</b>	:	
<b>DISCOUNTS, INC. and</b>	:	
<b>800 DISCOUNTS, INC.,</b>	:	
<b>New Jersey corporations,</b>	:	
	:	
<b>and</b>	:	<b>CIVIL ACTION</b>
	:	<b>NO. 95-908(WGB)</b>
<b>Plaintiffs,</b>	:	
	:	
	:	<b>ORDER</b>
	:	
	:	
<b>v.</b>	:	
	:	
<b>AT&amp;T CORP.,</b>	:	
<b>a New York corporation,</b>	:	
	:	
<b>Defendant.</b>	:	

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THIS MOTION came on for hearing before this Court at the United States Courthouse,  
Martin Luther King Jr. Federal Building, 50 Walnut St., Newark, New Jersey, before the

Honorable William G. Bassler, U.S.D.J., on November 12, 2004, on the motion of Plaintiffs for an Order compelling defendant, AT&T to stay the March 1997 Supplemental Complaint and for a Primary Jurisdiction Referral; and Janet B. Coven, Esq. appearing on behalf of the moving plaintiffs; and Richard H. Brown, Esq. appearing on behalf of defendant AT&T; and the Court having considered the papers with oral argument being waived by counsel; and it appearing to this Court that such terms are just, and good cause having been shown,

IT IS HEREBY ORDERED ON THIS \_\_\_\_ TH DAY OF \_\_\_\_\_, 2004:

1. The stay of the March 1997 Supplemental Complaint is vacated
2. A stay will remain in effect only as to the movement of accounts complaint which is currently under Judicial Review at the DC Court of Appeals.
3. The account movement stay will be vacated when the DC Court of Appeals reaches a decision as to its Review of the FCC's October 17, 2003 Declaratory Ruling decision, or before if ordered by this Court.
4. Granting a Primary Jurisdiction Referral Order for the three (3) separate Declaratory Rulings set forth in the Exhibit attached to the Plaintiff's Certification.
5. A copy of this Order be served upon all counsel of record with \_\_\_\_\_ days of counsel's receipt of same.

---

William G. Bassler USDJ

**EXHIBIT 22**

UNITED STATES DISTRICT COURT  
DISTRICT OF NEW JERSEY

CHAMBERS OF  
WILLIAM G. BASSLER  
SENIOR JUDGE

RECEIVED  
WILLIAM T. WALSH, CLERK

2005 MAY -5 P 3 5  
MARTIN LUTHER KING JR. FEDERAL  
BUILDING & U.S. COURTHOUSE  
59 WALNUT ST., ROOM 5060  
NEWARK, NJ 07101-0999  
973-297-4903

LETTER-ORDER ON FILE WITH THE CLERK OF COURT

May 5, 2005

Re: Combined Companies, Inc. et al. v. AT&T Corp.  
Civ. No. 95-908

Janet B. Coven, Esq.  
LAW OFFICE OF JANET B. COVEN  
314 U.S. Highway 22 West  
Suite E  
Green Brook, New Jersey 08812

Richard H. Brown, Esq.  
PITNEY HARDIN LLP  
P.O. Box 1945  
Morristown, New Jersey 07692-  
1945

Dear Counsel:

The Court is in receipt of two motions filed by Plaintiffs 800 Discounts, Inc., Group Discounts, Inc., One Stop Financial, Inc., and Winback & Conserve Program, Inc. (collectively the "Inga Companies"): (1) a motion to vacate the stay of the March 1997 Supplemental Complaint, filed October 13, 2004;<sup>1</sup> and (2) a motion "establishing the procedural time frames" for this matter, filed April 26, 2005.

In addition to these motions, the Court has received several supplemental certifications from Alfonso G. Inga, President of the Inga Companies. The certifications of Mr. Inga, filed by Ms. Coven, contain a series of factual and legal conclusions, few of which are comprehensible. The filing of these supplemental certifications have prompted a series of responses from Defendant AT&T. The Court is left with a jumbled record of contradictory allegations by the parties. The Court cannot decide the pending motions on the current record.

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<sup>1</sup> Contrary to Mr. Inga's assertions, the stay of the March 1997 Supplemental Complaint has not been lifted.

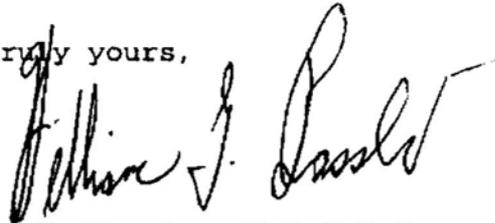
Therefore, the Court requires briefing by the attorneys<sup>2</sup> of record regarding the procedural history of the matters before the FCC and the Court of Appeals for the D.C. Circuit and the reasons why the stay should or should not be lifted. The briefing schedule is as follows:

1. The Inga Companies' moving brief, not to exceed 25 pages, is due **May 23, 2005**;
2. AT&T's opposition brief, not to exceed 25 pages, is due **June 6, 2005**; and
3. The Inga Companies' reply brief, not to exceed 10 pages, is due **June 13, 2005**.

The Court will hear oral argument from the parties on **Thursday, June 23, 2005, at 10:00 a.m.**

**So Ordered.**

Very truly yours,

A handwritten signature in black ink, appearing to read "William G. Bassler". The signature is written in a cursive style with a long horizontal stroke at the end.

William G. Bassler, U.S.S.D.J.

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<sup>2</sup> In other words, the Court wishes to read clear and concise legal arguments crafted by the attorneys themselves, not cover letters that merely rely upon the previous certifications of their clients.