

BEFORE THE FLORIDA PUBLIC SERVICE COMMISSION

In Re: Initiation of show cause) DOCKET NO. 960841-TI
proceedings against LDM Systems,) ORDER NO. PSC-96-1297-FOF-TI
Inc. for violation of Rule 25-) ISSUED: October 21, 1996
4.118, F.A.C., Interexchange)
Carrier Selection.)
_____)

The following Commissioners participated in the disposition of this matter:

SUSAN F. CLARK, Chairman
J. TERRY DEASON
JOE GARCIA
JULIA L. JOHNSON
DIANE K. KIESLING

ORDER TO SHOW CAUSE

BY THE COMMISSION:

The Division of Consumer Affairs received a total of 163 slamming complaints against LDM in 18 months. The majority of all complaints (152 out of 163) concerned LDM's telemarketing practices. In every case, the consumers advised the Commission that they did not know their long distance service would be switched to another carrier.

Rule 25-4.118, Florida Administrative Code, provides in pertinent parts:

(1) The primary interexchange company (PIC) of a customer shall not be changed without the customer's authorization.

(6) The IXC shall provide the following disclosures when soliciting a change in service from a customer:

(a) Identification of the IXC;

(b) That the purpose of visit or call is to solicit a change of the PIC of the customer;

(c) That the PIC cannot be changed unless the customer authorizes the change.

DOCUMENT NUMBER-DATE

11227 OCT 21 8

FPSC-RECORDS/REPORTING

Our investigation of the consumers' complaints indicates that LDM has violated the provisions of Rule 25-4.110.

LDM'S TELEMARKETING PRACTICES

We describe below several examples of telemarketing complaints against LDM. In each case, the customer advised us that the name of the carrier (LDM) and the fact that the customer's long distance service would be switched were never mentioned in the conversation by the telemarketing agents. The first three complaints, Attachments A, B, and C, all involve the National Diabetes Foundation, Inc. Attachments E, F, and G, involve three other LDM telemarketing agents.

Attachment A

On March 26, 1996, Amy Jones advised us that a telemarketing agent called her and identified herself as an AT&T representative. The agent asked Ms. Jones to contribute a portion of her long distance usage charges to the National Diabetes Foundation, Inc. (NDFI). Ms. Jones said she agreed to donate a portion of her bill because she was told she would still be with her preferred carrier, AT&T. LDM's report dated April 2, 1996, states that LDM's agent, Telerep, solicited the customer to "participate in a program which contributes a portion of the customer's long distance paid usage charges" to NDFI. The report stated that an independent third party, Veritel, verified Ms. Jones' order to change her long distance service by obtaining her birth year as evidence. The customer called us on April 8, 1996, after receiving a copy of LDM's report. Ms. Jones said that she did not give anyone permission to switch her carrier. She said that she questioned the agent and was promised that no change would occur to her service. Ms. Jones also said that the agent asked for her birth year which was needed "to implement the donation program" but was assured nothing would change in her telephone service. Based on this, Ms. Jones gave her birth year.

Attachment B

On April 25, 1996, Mrs. Sadie Goldberg advised us that she received a telephone call from the NDFI. Mrs. Goldberg stated that nothing was mentioned about switching long distance carriers. LDM's report, identical to the Jones case above, advised that Henry Goldberg authorized the changing of long distance carriers. The company's report also stated that Veritel, an independent third party, verified the order to switch the customer's carrier around

November 9, 1995, with Mr. Goldberg. After Mrs. Goldberg received a copy of LDM's report, she informed us that she was the person who spoke with the telemarketer. She also informed us that Mr. Goldberg could not have authorized a change in long distance carriers, because he died May 25, 1995.

Attachment C

On March 4, 1996, Mrs. Grover Redmon called us to complain that her carrier was switched to LDM without authorization. The company advised us by letter, dated November 22, 1995, that LDM "will not accept any orders in Florida involving the National Diabetes Foundation or National Diabetes Health and Fitness Foundation effective immediately." (Attachment D) According to LDM's response to the Redmon case, "On or about November 21, 1995, an independent third party verified the order to change Complainant's long distance service." (Attachment C, Page 21) Since LDM's letter dated November 22 and the date the service was "verified" are so close, we contacted Mrs. Redmon to determine when service was actually switched to LDM. According to Mrs. Redmon's records, service was switched on or around December 18, 1995 (Attachment C, Page 20).

While LDM may argue that this order was processed the day before the November 22, 1995, date the company said it would stop accepting orders involving the NDFI, we believe that LDM should have implemented an internal mechanism to prevent any other customers from being switched due to the number of complaints it had received from us involving the NDFI. The facts also indicate that it was almost a month later that the Redmon's service was actually switched to LDM.

Attachment E

On September 21, 1995, Mr. Jim Brettman, Manager of Byers Engineering Company, called us and reported that his business service had been switched to LDM without authorization. LDM's response, dated September 22, 1995, stated that a representative of its agent, QAI, solicited the change order. LDM provided us with a copy of the taped sales order.

In this example, the QAI sales representative is in apparent violation of Rule 25-4.118 (6)(a)(b)(c), Florida Administrative Code, because he did not identify LDM as the carrier, did not advise the customer that the purpose of the call was to solicit a change in carriers, and did not explain to the customer that his

carrier could not be changed without his authorization. The telemarketer states, "I'm not switching you over either; I'm just giving you a 20% - 30% rate reduction."

Attachment F

On January 11, 1996, Claire Wetzel, Office Manger for Kinard-Johnson Construction Company, called us to report the slamming of the company's business line. LDM's May 30, 1996, response stated that an IGC sales representative solicited the order, Henry Kinard, Jr., authorized the change, and an independent third party verified the order. LDM provided us with a taped conversation with the customer and the independent third party verifier. At one point, Mr. Kinard said, "I don't know what all this is about," and the verifier responded, "The person that you spoke with is offering the one-step billing program for your local company." The verifier then mentioned IGC and when Mr. Kinard asked what IGC is, he was told that IGC "has a contract with your local telephone company." At no point during the conversation did the verifier tell the customer that his long distance carrier would be switched or that LDM would be the carrier. LDM is never mentioned.

Attachment G

On May 13, 1996, Ms. Miriam Bagnara called on behalf of her business, Olivia Lee. In its May 23, 1996, response to Ms. Bagnara's slamming complaint, LDM advised that around November 3, 1995, a Promark sales representative solicited the change order from Olivia Lee and mailed an information package containing a postcard "confirming the order" to switch carriers. LDM stated that the customer "has not contacted LDM to cancel its service." (Attachment G Page 43)

Contrary to what LDM reported, Ms. Bagnara advised us that she was in constant contact with LDM and had left many messages but that no one from LDM returned her call. Ms. Bagnara provided us with a copy of her May 17, 1996, letter to LDM's attorney, Mr. Khaled Kanaan. Ms. Bagnara stated, "Approximately six months ago I received a postcard and letter thanking me for choosing LDM. I immediately returned it marked, 'We never, ever requested or accepted this!' They completely ignored my message and have been billing me since December, 1995." (Attachment G, Pages 39 - 41)

In a June 7, 1996, telephone conversation with our Consumer Affairs staff, Ms. Bagnara advised that Mr. Kanaan played a tape of her mother, Miriam Olivia, informing LDM that they could send

written or rate information, but that at no time on the tape did Ms. Bagnara's mother give permission for her long distance service to be switched to LDM. We requested a copy of the tape. LDM submitted an incomplete tape that mentions one-step billing and confirms the consumer's billing address, but does not mention LDM or switching long distance carriers.

Ms. Bagnara's mother told the sales representative that written information could be sent, and Ms. Bagnara returned the postcard sent by LDM. Apparently, both requests were ignored by LDM, and the business service was switched anyway. It appears to us that the customer did everything possible to prevent her carrier from being switched to LDM.

LDM's LETTER OF AUTHORIZATION

Rule 25-4.118, Florida Administrative Code, states:

(3)(a) The ballot or letter submitted to the interexchange company requesting a PIC change shall include, but not be limited to, the following information (each shall be separately stated):

1. Customer name, phone/account number and address;
2. Company and the service to which the customer wishes to subscribe;
3. Statement that the person requesting the change is authorized to request the PIC change; and
4. Customer signature.

(3)(b) Every written document by means of which a customer can request a PIC change shall clearly identify the certificated telecommunications company to which the service is being changed, whether or not that company uses the facilities of another carrier. The page of the document containing the customer's signature shall contain a statement that the customer's signature or endorsement on the document will result in a change of the customer's long distance service provider, and explain that only one long distance service provider may be designated for the telephone number listed; that the

customer's selection will apply only to that number, and that the customer's local exchange company may charge a fee to switch service providers. Such statement shall be clearly legible and printed in type at least as large as any other text on the page. If any such document is not used solely for the purpose of requesting a PIC change, then the document as a whole must not be misleading or deceptive. For purposes of this rule, the terms "misleading or deceptive" mean that, because of the style, format or content of the document, it would not be readily apparent to the person signing the document that the purpose of the signature was to authorize a PIC change, or it would be unclear to the customer who the new long distance service provider would be; that the customer's selection would apply only to the number listed and there could only be one long distance service provider for that number; or that the customer's local exchange company might charge a fee to switch service providers. If any part of the document is written in a language other than English, then the document must contain all relevant information in the same language.

The following two examples of slamming complaints against LDM, Attachments H and I, involve letters of authorization. The facts demonstrate to us that LDM's practices violated the provisions of Rule 25-4.118.

Attachment H

Mr. Roger Schofield called us November 17, 1995, to inform us that he had attended a Sharks Tooth Festival at which a booth representative talked about a charity. Mr. Schofield said he emphasized that he did not want his long distance carrier switched. LDM's response dated April 12, 1996, maintained that Mr. Schofield signed the LOA August 13, 1995, authorizing LDM to switch carriers. LDM provided a copy of the LOA (Attachment H, Page 50). Mr. Schofield called our Consumer Affairs staff on April 24, 1996, and stated that the company "scratched something out and wrote in LDM." The LOA does not comply with Rule 25-4.118 (3)(a)(b), Florida Administrative Code.

Attachment I

On March 27, 1996, Mr. George Miller of Sun Coast Chemicals of Daytona, Inc., called and advised that his carrier had been switched to LDM without authorization. LDM's response stated that Mr. Miller signed an LOA and therefore, the service had been switched properly. Mr. Miller was provided a copy of LDM's response to his complaint, and he wrote us to disagree with LDM's explanation. He stated the following:

1. LDM's sales representative misrepresented herself as an agent for AT&T.
2. LDM altered the LOA. A copy of the original LOA is shown in Attachment J, Page 57, and the altered copy is shown in Attachment I, Page 58.
3. The LOA was signed September 18, 1995, but the customer's carrier was not switched until January 22, 1996, over four months later.
4. Mr. Miller advised he never received an information package or postcard.
5. Mr. Miller called LDM on March 18, 1996 upon receipt of a bill, but LDM did not return his call until April 5, 1996.

Attachment J

Our final example of LDM's repeated violations of our rules involves LDM's failure to adequately address the problems we have identified above. On January 22, 1996, Michael Gaiffe, called us and advised he discovered his service had been switched when he received his bill. LDM responded that it had issued full credit to Mr. Gaffe, but then went on to give its standard response that, "...we believe LDM acted in good faith, consistent with relevant statutory provisions, FCC rules and decisions, and applicable industry practice."

LDM's responses to complaints include a section titled, "General Allegations", which "recognizes certain reliability problems associated with soliciting orders through independent sales agents, especially through telemarketing." LDM stated that it "prefers having prospective customers solicited in person by sales representatives employed by LDM." The company also states that it "ordinarily requires independent sales agents by contract

to solicit orders in accordance with the terms and conditions established by LDM, its underlying carriers, and in accordance with applicable federal, states, and general laws." (Attachment A, Page 13)

Based on the number of consumer complaints we have received, we believe that LDM does not have adequate safeguards to protect consumers from being switched without authorization and has not taken the appropriate steps to resolve this problem. For example, LDM provided us with a copy of a proposed, revised script for its "telephone sales pitch." (Attachment K, Pages 64 and 65) While the new version is an improvement, it does not appear to comply with Commission Rule 25-4.118 (6) (b) and (c), Florida Administrative Code. The proposed, revised script does identify LDM in the beginning, but it fails to state that the purpose of the call is to solicit a change of the customer's interexchange carrier. Instead, the sales representative discusses itemizing the "Connect America Plan" on the customer's local telephone bill and only getting one bill instead of two. Finally, the script does not state that the customer's preferred carrier cannot be changed without the customer's authorization.

Upon consideration, pursuant to Section 364.285, Florida Statutes, we find it appropriate to require LDM to show cause, in writing, within 20 days of the date of this Order, why its certificate should not be cancelled, or why a fine allowable by statute should not be imposed.

Based on the foregoing, it is

ORDERED by the Florida Public Service Commission that LDM Systems, Inc. must show cause, in writing, why its certificate should not be cancelled or why fines allowed by statute should not be imposed for violations of Rule 25-4.118, Florida Administrative Code. It is further

ORDERED that the company's response must contain specific allegations of facts and law. It is further

ORDERED that LDM Systems, Inc.'s response must be received by the Director of the Division of Records and Reporting within twenty (20) days of the date of this Order. It is further

ORDERED that if LDM Systems, Inc. fails to file a timely response, that failure shall constitute an admission of the facts alleged herein and a waiver of any right to a hearing. It is further

ORDER NO. PSC-96-1297-FOF-TI
DOCKET NO. 960841-TI
PAGE 9

ORDERED that in the event LDM is fined, the monies shall be forwarded to the Office of the Comptroller for deposit in the State General Revenue Fund pursuant to Section 364.285(1), Florida Statutes. It is further

ORDERED that this docket shall remain open pending resolution of the show cause process.

By ORDER of the Florida Public Service Commission, this 21st day of October, 1996.

BLANCA S. BAYÓ, Director
Division of Records and Reporting

by: Kay Flynn
Chief, Bureau of Records

(S E A L)

MCB

NOTICE OF FURTHER PROCEEDINGS OR JUDICIAL REVIEW

The Florida Public Service Commission is required by Section 120.59(4), Florida Statutes, to notify parties of any administrative hearing or judicial review of Commission orders that is available under Sections 120.57 or 120.68, Florida Statutes, as well as the procedures and time limits that apply. This notice should not be construed to mean all requests for an administrative hearing or judicial review will be granted or result in the relief sought.

This order is preliminary, procedural or intermediate in nature. Any person whose substantial interests are affected by the action proposed by this order may file a petition for a formal proceeding, as provided by Rule 25-22.037(1), Florida Administrative Code, in the form provided by Rule 25-22.036(7)(a) and (f), Florida Administrative Code. This petition must be received by the Director, Division of Records and Reporting, 2540 Shumard Oak Boulevard, Tallahassee, Florida 32399-0850, by the close of business on November 11, 1996.

Failure to respond within the time set forth above shall constitute an admission of all facts and a waiver of the right to a hearing pursuant to Rule 25-22.037(3), Florida Administrative Code, and a default pursuant to Rule 25-22.037(4), Florida Administrative Code. Such default shall be effective on the day subsequent to the above date.

If an adversely affected person fails to respond to this order within the time prescribed above, that party may request judicial review by the Florida Supreme Court in the case of any electric, gas or telephone utility or by the First District Court of Appeal in the case of a water or wastewater utility by filing a notice of appeal with the Director, Division of Records and Reporting, and filing a copy of the notice of appeal and the filing fee with the appropriate court. This filing must be completed within thirty (30) days of the effective date of this order, pursuant to Rule 9.110, Florida Rules of Appellate Procedure.

Name JONAS DEWEY Company LDM SYSTEMS, INC.
Address AMY JONES Attn. LOUIS A. STEINER 118797
8411 NORTH LYNN AVE Consumer's Telephone # (813)-931-1757
City/Zip TAMPA 33604 County HILL Can Be Reached _____
Account Number _____ Note diabetes
Company Contact _____ Limited Response N

Request No. 1187971
By KMT Time 9:53 AM Date 03/26/96
To CO. Time FAX Date 03/26/96
Type S Form Phone
Category _____
Infraction LS-13B
Closed by NEP Date 04/24/96
Reply Received T

ATTACHMENT A

The customer called in reference to being switched without their authorization. Please send the Commission proof of authorization. NOTE: The customer said that they discovered that their service was switched as a result of being solicited by National Diabetes Association. The customer said that they did donate a portion of their bill because they were informed that they would still be with AT&T. Please investigate and advise. NOTE: AT&T advised the Commission to contact LDM. Refer to 100536.

4/3/96 - Report with cc to customer.

4/8/96 - Customer received a letter from company's attorney. She is very upset about the language of the letter. She said it is a complete lie and denies giving permission to switch. The agent told her it she was an AT&T representative and a portion of her long distance usage would go to Nat'l Diabetes Foundation. She insisted that she did not want to be switched. She questioned agent and agent promised her no change would occur to her service. Letter is not true. Agent said that in order to implement the donation program customer would have to give her birth date, but again insisted nothing would change in her telephone service. So customer gave her birth date.

File closed.

CONSUMER REQUEST

FLORIDA PUBLIC SERVICE COMMISSION

2540 SHUMARD OAK BOULEVARD
TALLAHASSEE, FL. 32399-
904-413-6100

PLEASE RETURN THIS FORM WITH REPORT OF ACTION

Kenya Thompkins

DUE: 04/10/96

Attachment A
Page 1 of 4

To: 94136362

From

4-03-96 04:09 P

Apr-03-96 04:09P

Attachment A
Page 2 of 4

EARLY, LENNON, PETERS & CROCKER, P.C.

ATTORNEYS AT LAW
900 COMMERCIAL BUILDING
KALAMAZOO, MICHIGAN 49007-4762
TELEPHONE (616) 381-8844
FAX (616) 348-8626

GEORGE H. LENNON
JOHN T. PETERS, JR.
DAVID S. CROCKER
HAROLD E. FISHER, JR.
LAWRENCE W. BRENTON
GORDON C. MILLER

BLAKE D. CROCKER
ROBERT M. TAYLOR
PATRICK D. CROCKER
ANDREW J. VOORHIS
NICOLETTE S. HAMM

OF COUNSEL
VINCENT T. EARLY
HOWARD C. MULLER
THOMPSON BENNETT
JOSEPH J. BURKE
1996

Also admitted to Iowa
Also admitted to California and North Carolina

April 2, 1996

VIA FACSIMILE AND FIRST CLASS MAIL

Ms. Kenya Thompkins
Florida Public Service Commission
2540 Shumard Oak Boulevard
Tallahassee, FL 32399-0850

Re: Consumer Request No: 118797 I
Complainant: Jones, Dewey

Dear Ms. Thompkins:

We are the attorneys for LDM SYSTEMS, INC. ("LDM"). We are in receipt of the above captioned Consumer Request filed with the Florida Public Service Commission ("Commission"), and have conducted an investigation in accordance with your request.

Complainant filed this Consumer Request alleging that LDM switched Complainant's long distance service without authority. LDM denies all wrongdoing in this matter. LDM will not change a customer's long distance service without verifying the order in accordance with one of the four confirmation procedures established by the Federal Communications Commission ("FCC").

OPERATIVE FACTS

1. An agent from Telerep solicited Complainant to participate in a program which contributes a portion of the Customer's long distance paid usage charges to the National Diabetes Foundation, Inc. ("NDFI"). NDFI is registered in Florida as the National Diabetes Health and Fitness Foundation, Inc.
2. Individuals named Dewey and Amy Jones authorized the changing of Complainant's long distance service.
3. On or about November 1, 1995, an independent third party from Veritel verified the order to change Complainant's long distance service.

To: 94136362
Apr-03-96 04:09P

From

Attachment A

Page 3 of 4

EARLY, LENNON, PETERS & CROCKER, P.C.

Page 2

Ms. Kenya Thompkins
April 2, 1996

4. In evidence of the verification, the independent third party obtained the year of birth of Ms. Amy Jones. Ms. Jones' year of birth is 1968.

GENERAL ALLEGATIONS

The Consumer Complaint filed in this matter relates to an order to switch Complainant's long distance service solicited by an independent sales representative on behalf of LDM through telemarketing. LDM offers telecommunications services to the public as an aggregator, distributor and reseller employing the underlying transport facilities of certain common carriers, including AT&T and Sprint. LDM enables customers to take advantage of discounts once available only to the largest users.

LDM recognizes certain reliability problems associated with soliciting orders through independent sales agents, especially through telemarketing. In fact, LDM prefers having prospective customers solicited in person by sales representatives employed directly by LDM. However, competition in the market place dictates that LDM engage independent agents to solicit sales through telemarketing, despite the obvious misunderstandings which can be avoided by marketing entirely through the former.

LDM institutes several safeguards in an effort to protect consumers from problems inherent with soliciting orders in this manner. LDM ordinarily requires independent sales agents by contract to solicit orders in accordance with the terms and conditions established by LDM, its underlying carriers, and in accordance with applicable federal, states, and general laws. As stated hereinabove, LDM's procedures require obtaining the customer's consent prior to submitting any order to change long distance services to LDM's underlying carrier, or to the LEC.

Moreover, under current policy, when soliciting through telemarketing, LDM will submit the order to change the customer's long distance services to the LEC, or underlying carrier, only after the expiration of the fourteen (14) day period subsequent to the mailing of the information package to the customer pursuant to a request to change long distance services by said customer, in accordance with the FCC Rules.

CONCLUSION

In this instance, Complainant subscribed to the service provided through LDM. Complainant's order was verified using an independent

10 25100000

FILE

Apr-Q3-96 04:09P

Attachment A
Page 4 of 4

EARLY, LENNON, PETERS & CROCKER, P.C.

Ms. Kenya Thompkins
April 2, 1996

Page 3

third party. In evidence of the authorization, the independent third party verified the switch obtaining the appropriate verification data.


LDM regrets Complainant's experience with the service offered through LDM. However, we believe that LDM acted in good faith, consistent with relevant statutory provisions, FCC rules and decisions, and applicable industry practice. Accordingly, the above captioned Consumer Request is without merit and should be dismissed.

Notwithstanding, as a one-time customer courtesy, LDM will credit the Complainant in the amount of \$6.58, which constitutes the entire balance due and owing at this time.

Should you have any questions or concerns relating to this matter, please contact the undersigned.

Respectfully submitted,

EARLY, LENNON, PETERS & CROCKER, P.C.

By 
Patrick D. Crocker

PDC/bks

c: Stephen Steiner
Dewey Jones

Name GOINBERG, SADIE Company LDM SYSTEMS, INC.
Address 404A FULHAM COURT Attn. LOUIS A. STEINER 123223
Consumer's Telephone # (813)-634-4248
City/Zip RUSKIN 33573 County HILL Can Be Reached _____
Account Number _____ Note diabetes
Company Contact _____ Limited Response M

Request No. 1232231
By JRD Time 9:02 AM Date 04/25/96
To CO Time FAX Date 04/25/96
Type S Form Phone
Category _____
Infraction LS-13B
Closed by MEP Date 05/14/96
Reply Received I

Customer says her PIC was switched without her authorization. She says that when she was called by the National Diabetes Foundation nothing was ever said about changing long distance companies. Please contact customer to discuss the circumstances surrounding this PIC change and provide the PSC with proof of authorization: LOA or tape.
5/10/96 Mrs. Goldberg called and said that the letter she received said they had an authorization from Henry Goldberg. Mr. Goldberg died May 25, 1995.

1 5/10 Report as letter to customer.
1 cr File closed.
1

CONSUMER REQUEST

FLORIDA PUBLIC SERVICE COMMISSION

2540 SHUMARD OAK BOULEVARD
TALLAHASSEE, FL. 32399-0850
904-413-6100

PLEASE RETURN THIS FC WITH REPORT OF ACTION

Richard Durbin

DUE: 05/10/96

Attachment B
Page 1 of 4

ATTACHMENT B

EARLY, LENNON, PETERS & CROCKER, P.C.

ATTORNEYS AT LAW
800 COMERICA BUILDING
KALAMAZOO, MICHIGAN 49007-4752
TELEPHONE (616) 381-8844
FAX (616) 349-8526

GEORGE H. LENNON
JOHN T. PETERS, JR.
DAVID S. CROCKER
HAROLD E. FISCHER, JR.
LAWRENCE M. BRENTON
GORDON C. MILLER

BLAKE D. CROCKER
ROBERT M. TAYLOR
PATRICK D. CROCKER
ANDREW J. VORBRICH
NICOLETTE G. HANNI

† Also admitted in Iowa
‡ Also admitted in California and North Carolina



OF COUNSEL
VINCENT T. EARLY
HON. C. H. MULLEN
THOMPSON BENNETT
JOSEPH J. BURDIE
(1928 - 1992)

May 3, 1996

VIA FACSIMILE AND FIRST CLASS MAIL

Mr. Richard Durbin
Florida Public Service Commission
2540 Shumard Oak Boulevard
Tallahassee, FL 32399-0850

Re: Consumer Request No: 123223 I
Complainant: Goldberg, Sadie

Dear Mr. Durbin:

We are the attorneys for LDM SYSTEMS, INC. ("LDM"). We are in receipt of the above captioned Consumer Request filed with the Florida Public Service Commission ("Commission"), and have conducted an investigation in accordance with your request.

Complainant files this Consumer Request alleging that LDM switched Complainant's long distance service without authority. LDM denies all wrongdoing in this matter. LDM will not change a customer's long distance service without verifying the order in accordance with one of the four confirmation procedures established by the Federal Communications Commission ("FCC").

OPERATIVE FACTS

1. An agent from Telerep solicited Complainant to participate in a program which contributes a portion of the Customer's long distance paid usage charges to the National Diabetes Foundation, Inc. ("NDFI"). NDFI is registered in Florida as the National Diabetes Health and Fitness Foundation, Inc.
2. An individual named Henry Goldberg authorized the changing of Complainant's long distance service.
3. On or about November 9, 1995, an independent third party from Veritel verified the order to change Complainant's long distance service.

EARLY, LENNON, PETERS & CROCKER, P.C.

Page 2

Mr. Richard Durbin
May 3, 1996

4. In evidence of the verification, the independent third party obtained the year of birth of Ms. Sadie Goldberg. Ms. Goldberg's year of birth is 1914.

GENERAL ALLEGATIONS

The Consumer Request filed in this matter relates to an order to switch Complainant's long distance service solicited by an independent sales representative through telemarketing. LDM offers telecommunications services to the public as an aggregator, distributor and reseller employing the underlying transport facilities of certain common carriers, including AT&T and Sprint. LDM enables customers to take advantage of discounts once available only to the largest users.

LDM recognizes certain reliability problems associated with soliciting orders through independent sales agents, especially through telemarketing. In fact, LDM prefers having prospective customers solicited in person by sales representatives employed directly by LDM. However, competition in the market place dictates that LDM engage independent agents to solicit sales through telemarketing, despite the obvious misunderstandings which can be avoided by marketing entirely through the former.

LDM institutes several safeguards in an effort to protect consumers from problems inherent with soliciting orders in this manner. LDM ordinarily requires independent sales agents by contract to solicit orders in accordance with the terms and conditions established by LDM, its underlying carriers, and in accordance with applicable federal, states, and general laws. As stated hereinabove, LDM's procedures require obtaining the customer's consent prior to submitting any order to change long distance services to LDM's underlying carrier, or to the LEC.

Moreover, when soliciting through telemarketing under this program, LDM submitted the order to change the customer's long distance services to the LEC, or underlying carrier, only after confirming the order through an independent third party in accordance with the FCC rules.

CONCLUSION

In this instance, Complainant subscribed to the service provided through LDM. Complainant's order was verified using an independent third party. In evidence of the authorization, the independent third party verified the switch obtaining the appropriate

EARLY, LENNON, PETERS & CROCKER, P.C.

Page 3

Mr. Richard Durbin
May 3, 1996

verification data.

LDM regrets Complainant's experience with the service offered through LDM. However, we believe that LDM acted in good faith, consistent with relevant statutory provisions, FCC rules and decisions, and applicable industry practice. Accordingly, the above captioned Consumer Request is without merit and should be dismissed.

Notwithstanding, as a one-time customer courtesy, LDM will credit the Complainant in the amount of \$43.25, which constitutes a 25% reduction on the entire balance due and owing and reimbursement for switching charges.

Should you have any questions or concerns relating to this matter, please contact the undersigned.

Respectfully submitted,

EARLY, LENNON, PETERS & CROCKER, P.C.

By _____
Patrick D. Crocker

PDC/bks

c: Stephen Steiner
Sadie Goldberg

Name REMYA GROVER Company LDM Serv (EMS, INC.
Address WILLA REDMON CALLED Attn. LOUIS A. STEINER 114928
8513 DEE CIRCLE Consumer's Telephone # (813)-677-4239
City/Zip RIVERVIEW 33569 County HILL Can Be Reached _____
Account Number _____ Note diabetes
Company Contact _____ Limited Response M

Request No. 1149281
By RHM Time 10:55 AM Date 03/04/96
To CO Time FAX Date 03/04/96
Type S Form Phone
Category _____
Infraction LS-13B
Closed by NEP Date 04/16/96
Reply Received L

ATTACHMENT C

The customer said her service was switched to LDM from Sprint without her authorization. The customer would like her calls rerated, and she would like credit for any switching fees. Please provide proof of authorization, and follow up by the date below.

3/30 report received.
4/3 hardcopy
Closed by letter.

19-

CONSUMER REQUEST

FLORIDA PUBLIC SERVICE COMMISSION

2540 SHUMARD OAK BOULEVARD
TALLAHASSEE, FL. 32399-0850
904-413-6100

PLEASE RETURN THIS FC WITH REPORT OF ACTION

Ruth W. McHargue

DUE: 03/19/96

Attachment C
Page 1 of 5

PAGE 7 OF 8 TELEPHONE NUMBER 813 677-4239 Customer ID 860509
 BILL DATE February 4, 1996

OAN billing
 inquiries call
 800 892-8424

LONG DISTANCE CALLS

Billing for OAN Services, Inc.

OAN Services, Inc. Regulated Service

Billing for LDM Systems - 1-800-646-4230

Regulated Calls

Direct Dialed Calls

Date	Time	Place called	Number called	Period	Min.	Amount
1 Dec 18	7:50 pm	San Pedro CA	310 514-2576	Eve	1	\$.25
2 Dec 18	7:51 pm	New York NY	212 923-8115	Eve	1	.25
3 Dec 18	8:50 pm	San Pedro CA	310 514-2576	Eve	1	.25
4 Dec 18	10:59 pm	San Pedro CA	310 514-2576	Eve	1	.25
5 Dec 20	12:44 am	San Pedro CA	310 514-2576	Night	1	.25
6 Dec 21	12:22 am	San Pedro CA	310 514-2576	Night	29	7.25
7 Dec 23	10:45 pm	Beckley WV	304 253-2545	Night	1	.25
8 Dec 25	6:38 pm	New York NY	212 923-8115	Eve	6	1.50
9 Dec 26	7:32 pm	Huntington WV	304 522-7050	Eve	4	1.00
10 Dec 26	7:37 pm	Huntington WV	304 522-7050	Eve	40	10.00
11 Dec 26	8:20 pm	Beckley WV	304 253-2545	Eve	25	6.25
12 Dec 30	6:27 pm	Detroit MI	313 382-1207	Night	41	10.25
13 Dec 30	8:54 pm	Detroit MI	313 388-7460	Night	42	10.50
Total						\$ 48.25

For questions concerning your bill, call the number listed at the top of this page. The calls on this page were forwarded by OAN Services, Inc., the clearinghouse agent for LDM Systems.

Taxes and Fees on OAN Services, Inc. Regulated Services	Amount
14 Federal excise tax (3.00% of \$49.36)	\$ 1.48
15 Florida interstate gross receipts tax (2.30% of \$48.25)	1.11
Total	\$ 2.59

OAN Services, Inc. regulated service charges \$ 50.84

Total long distance/OAN Services, Inc. \$ 50.84

10 3 113-0356

1108

Mar-29-96 04:51P

Attachment C
Page 3 of 5

EARLY, LENNON, PETERS & CROCKER, P.C.

ATTORNEYS AT LAW
800 COMERICA BUILDING
KALAMAZOO, MICHIGAN 49007-4752
TELEPHONE (616) 381-8844
FAX (616) 348-8828

GEORGE H. LENNON
JOHN T. PETERS, JR.
DAVID S. CROCKER
MAROLD S. FISCHER, JR.
LAWRENCE M. BRENTON
GORDON C. MILLER

BLAKE D. CROCKER
ROBERT M. TAYLOR
PATRICK D. CROCKER
ANDREW J. VOORHEYS
NICOLETTE S. HANNA

OF COUNSEL:
VINCENT T. EARLY
HOW C.H. MULLER
THOMPSON BENNETT

JOSEPH J. BURGI
1125 1982

† Also admitted to practice
‡ Also admitted in California and North Carolina

March 20, 1996

VIA FACSIMILE AND FIRST CLASS MAIL

Ms. Ruth W. McHargue
Florida Public Service Commission
2540 Shumard Oak Boulevard
Tallahassee, FL 32399-0850

Re: Consumer Request No: 1149281
Complainant: Remon, Grover

Dear Ms. McHargue:

We are the attorneys for LDM SYSTEMS, INC. ("LDM"). We are in receipt of the above captioned Consumer Request filed with the Florida Public Service Commission ("Commission"), and have conducted an investigation in accordance with your request.

Complainant files this Consumer Request alleging that LDM switched Complainant's long distance service without authority. LDM denies all wrongdoing in this matter. LDM will not change a customer's long distance service without verifying the order in accordance with one of the four confirmation procedures established by the Federal Communications Commission ("FCC").

OPERATIVE FACTS

1. An agent from Telerep solicited Complainant to participate in a program which contributes a portion of the Customer's long distance paid usage charges to the National Diabetes Foundation, Inc. ("NDFI"). NDFI is registered in Florida as the National Diabetes Health and Fitness Foundation, Inc.
2. An individual named Willa Redmon authorized the changing of Complainant's long distance service.
3. On or about November 21, 1995, an independent third party from Veritel verified the order to change Complainant's long distance service.

Mar-29-96 04:51P

Attachment C
Page 4 of 5

EARLY, LENNON, PETERS & CROCKER, P.C.

Page 2

Ms. Ruth W. McHargue
March 20, 1996

4. In evidence of the verification, the independent third party obtained the year of birth of Ms. Willa Redmon. Ms. Redmon's year of birth is 1926.

GENERAL ALLEGATIONS

The Consumer Request filed in this matter relates to an order to switch Complainant's long distance service solicited by an independent sales representative through telemarketing. LDM offers telecommunications services to the public as an aggregator, distributor and reseller employing the underlying transport facilities of certain common carriers, including AT&T and Sprint. LDM enables customers to take advantage of discounts once available only to the largest users.

LDM recognizes certain reliability problems associated with soliciting orders through independent sales agents, especially through telemarketing. In fact, LDM prefers having prospective customers solicited in person by sales representatives employed directly by LDM. However, competition in the market place dictates that LDM engage independent agents to solicit sales through telemarketing, despite the obvious misunderstandings which can be avoided by marketing entirely through the former.

LDM institutes several safeguards in an effort to protect consumers from problems inherent with soliciting orders in this manner. LDM ordinarily requires independent sales agents by contract to solicit orders in accordance with the terms and conditions established by LDM, its underlying carriers, and in accordance with applicable federal, states, and general laws. As stated hereinabove, LDM's procedures require obtaining the customer's consent prior to submitting any order to change long distance services to LDM's underlying carrier, or to the LEC.

Moreover, when soliciting through telemarketing under this program, LDM submitted the order to change the customer's long distance services to the LEC, or underlying carrier, only after confirming the order through an independent third party in accordance with the FCC rules.

CONCLUSION

In this instance, Complainant subscribed to the service provided through LDM. Complainant's order was verified using an independent third party. In evidence of the authorization, the independent third party verified the switch obtaining the appropriate

To: 9.413-6362
Mar-29-96 04:51P

Attachment C
Page 5 of 5

EARLY, LENNON, PETERS & CROCKER, P.C.

Ms. Ruth W. McHargue
March 20, 1996

Page 3

verification data.

LDM regrets Complainant's experience with the service offered through LDM. However, we believe that LDM acted in good faith, consistent with relevant statutory provisions, FCC rules and decisions, and applicable industry practice. Accordingly, the above captioned Consumer Request is without merit and should be dismissed.

Notwithstanding, as a one-time customer courtesy, LDM will credit the Complainant with the amount of \$27.66, which includes a switching fee along with a 25% discount of the entire balance due and owing at this time.

Should you have any questions or concerns relating to this matter, please contact the undersigned.

Respectfully submitted,

EARLY, LENNON, PETERS & CROCKER, P.C.

By: 
Patrick D. Crocker

PDC/ldt

cc: Stephen Steiner

ATTACHMENT D

Attachment D
Page 1 of 1

EARLY, LENNON, PETERS & CROCKER, P.C.

ATTORNEYS AT LAW
880 COBERCA BUILDING
KALAMAZOO, MICHIGAN 49007-4752
TELEPHONE (616) 391-8844
FAX (616) 349-8838

GEORGE H. LENNON
JOHN T. PETERS, JR.
DAVID S. CROCKER
BAROLD E. FISHER, JR.
LAWRENCE H. BREYTON
GORDON C. BULLER

BLAKE S. CROCKER
ROBERT H. TAYLOR
EDDIE L. WRIGHT
PATRICK D. CROCKER
ANDREW J. VONDRICH

OF COUNSEL
VINCENT T. EARLY
DON C.M. BULLER
THOMPSON BENNETT
JOSEPH J. BURGIE
(1938-1997)

November 22, 1995

Ms Nancy Pruitt
Florida Public Service Commission
2540 Shumard Oak Boulevard
Capital Circle Office Center
Tallahassee, Florida 32399-0864

Re LDM SYSTEMS INC.

Dear Ms. Pruitt:

In accordance with our previous conversation, LDM SYSTEMS INC. will not accept any orders in Florida involving the National Diabetes Foundation or National Diabetes Health and Fitness Foundation effective immediately.

Furthermore, I shall meet with both you and Rick Moses on December 6, 1995 to discuss various issues including the Company's progress in resolving the consumer complaints generated by this program.

Thank you for the Better Business Bureau article along with your patience in this matter.

Please contact me with any questions or concerns.

Very truly yours,

EARLY, LENNON, PETERS & CROCKER, P.C.

By: _____
Patrick D. Crocker

cc: Stephen Steiner

ATTACHMENT E

Name BYER, ENGINEERING COMPANY Company LDM SYSTEMS, INC.
 Address JIM BRETTMAN (MANAGER) Attn. LOUIS STEINER 88650P
700 SOUTH PALAFOX STREET, #135 Consumer's Telephone # (904)-434-6357
 City/Zip PENSACOLA 32501 County ESC Can Be Reached (904)-434-6357
 Account Number _____ Qai
 Has consumer contacted company? Yes No _____ Who _____

Request No. 088650P
 By SAS Time 1:00 PM Date 09/21/95
 To CO Time FAX Date 09/21/95
 Complaint Type LS-13B
 Note telemarketing
 Justification Y
 Closed by NEP Date 04/11/96
 Reply Received T

Mr. Brettman says that the long distance service was changed from AT&T without his authorization, and he found out about the change when he received his local company's bill with about \$300 of the LDM charges. He says that the rates are much higher than AT&T's rates, and he wants the unauthorized connection investigated. (PLEASE PROVIDE ME WITH A DETAILED WRITTEN REPORT INCLUDING APPLICABLE CREDITS FOR THE LONG DISTANCE CALLS AND SWITCHING FEES AFTER YOUR CONTACT WITH THE CUSTOMER.)

- 1 09-22 Final report received (TIMELY)
- 2 10/24 request copy of tape.

No tape sent

Copy of tape sent to Rick Moses in CMU. On tape telemarketer states that this was a rate reduction plan. "I'm not switching you over either, I'm just giving you a 20%-30% rate reduction."

CONSUMER REQUEST

FLORIDA PUBLIC SERVICE COMMISSION

2540 SHUMARD OAK BOULEVARD
TALLAHASSEE, FL 32399-1
904-413-6100

PLEASE RETURN THIS FORM WITH REPORT OF ACTION

Shirley Stokes

DUE: 10/06/95

Attachment E
Page 1 of 4

To: 94136362

From: 616 3498525

Sep-22-95 02:26P Early Lennon Peters & Cro 616 3498

Attachment E
Page 2 of 4

EARLY, LENNON, PETERS & CROCKER, P.C.

ATTORNEYS AT LAW
900 COMMERCIAL BUILDING
KALAMAZOO, MICHIGAN 49007-4782
TELEPHONE (616) 381-8844
FAX (616) 348-8525

GEORGE H. LENNON
JOHN T. PETERS, JR.
DAVID S. CROCKER
HAROLD S. PUMPL, JR.
GORDON S. MILLER
LAWRENCE M. BREYTON

BLAKE D. CROCKER
ROBERT I. WRIGHT
ROBERT M. TAYLOR
PATRICK D. CROCKER
ANDREW J. VERMEICH

OF COURSE:
VINCENT T. EARLY
C.M. MILLER
THOMPSON BISHOP
JOSEPH J. BURKE
(1928-1992)

VIA FAX AND FEDERAL EXPRESS

September 22, 1995

Ms. Shirley Stokes
Florida Public Service Commission
2540 Shumard Oak Boulevard
Tallahassee, FL 32399-0850

Re: Request No.: 88650P
Complainant: Byers Engineering Company/Jim Brattman

Dear Ms. Stokes:

We are the attorneys for LDM SYSTEMS INC. ("LDM"). We are in receipt of the above captioned Consumer Request filed with the Florida Public Service Commission, and have conducted an investigation in accordance with your request.

Complainant files this Consumer Request alleging that LDM switched Complainant's long distance service without authority. LDM denies all wrongdoing in this matter. LDM will not change a customer's long distance service without obtaining the customer's consent and verifying the order in accordance with one of the four confirmation procedures established by the Federal Communications Commission ("FCC").

OPERATIVE FACTS

1. On or about February 13, 1995, a sales representative from QAI, Inc. solicited the order to change Complainant's long distance service.
2. An individual named Jim Brattman authorized the changing of Complainant's long distance service.

To: 94136362

From: 616 349525

Sep-22-95 02:26P Early Lennon Peters & Cro 616 349

Attachment E
Page 3 of 4

September 22, 1995
Letter Ms. Stokes
Page 2

3. Thereafter, LDM mailed an information package containing a postage prepaid postcard confirming the order to change long distance service in accordance with 47 C.F.R. Part 64, § 64.1100(d) Verification of Orders for Long Distance Service Generated by Telemarketing.

GENERAL ALLEGATIONS

The Consumer Request filed in this matter relates to an order to switch Complainant's long distance service solicited by an independent sales representative on behalf of LDM through telemarketing. LDM offers telecommunications services to the public as an aggregator, distributor and reseller employing the underlying transport facilities of certain common carriers, including AT&T and Sprint.

LDM recognizes certain reliability problems associated with soliciting orders through independent sales agents, especially through telemarketing. In fact, LDM prefers having prospective customers solicited by a sales representative employed directly by LDM. However, competition in the market place dictates that LDM engage independent agents to solicit sales through telemarketing, despite the obvious misunderstandings which can be avoided by marketing entirely through the former.

LDM institutes several safeguards in an effort to protect consumers from problems inherent with soliciting orders in this manner. LDM ordinarily requires independent sales agents by contract to solicit orders in accordance with the terms and conditions established by LDM and its underlying carriers and in accordance with applicable federal, state and general laws. As stated hereinabove, LDM's procedures require obtaining the customer's consent prior to submitting any order to change long distance services to LDM's underlying carrier, or to the LEC. Moreover, under current policy, when soliciting through telemarketing, LDM will submit the order to change the customer's long distance services to the LEC, or underlying carrier, only after the expiration of the fourteen (14) day period subsequent to the mailing of the information package to the customer pursuant to a request to change long distance services by said customer, in accordance with the FCC Rules.

CONCLUSIONS

In this instance, we aver that Complainant subscribed to the service provided through LDM. Thereafter, LDM confirmed the order by providing Complainant with an information package allowing Complainant fourteen (14) days to cancel the order.

LDM regrets Complainant's experience with the service offered through LDM. However, we believe that LDM acted in good faith, consistent with relevant statutory provisions, FCC rules and decisions, and applicable industry practice. Accordingly, the above captioned Consumer Request is without merit and should be dismissed. Notwithstanding, LDM will credit Complainant for switching charges, along with providing a credit in an amount equal to the difference in usage charges incurred through LDM and the Complainant's preferred carrier. The Complainant agreed to provide this office with copies of the appropriate telephonic bills. Finally, we are requesting that QAI, Inc. provide a copy of the taped verification data. We will submit a copy to the Commission upon receipt of same.

ORDER NO. PSC-96-1297-FOF-TI
DOCKET NO. 960841-TI
PAGE 28

To: 94136362

From: 616 3498525

9-22-95 4:04pm p. 4 of 4

Sep-22-95 02:26P Early Lennon Peters & Cro 616 3491

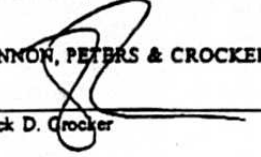
Attachment E
Page 4 of 4

September 22, 1995
Letter Ms. Stokes
Page 3

Should you have any questions or concerns relating to this matter, please contact the undersigned.

Respectfully submitted,

EARLY, LENNON, PETERS & CROCKER, P.C.

BY: 
Patrick D. Crocker

Attorneys for LDM

cc: Stephen Steiner

Name KINDRED-JOHNSON CONSTRUCTION COMPAN Company LDM SYSTEMS, INC.
Address CLAIRE WETZEL, OFFICE MANAGER Attn. LOUIS STEINER 1049471
569 BROWARD STREET Consumer's Telephone # (904)-388-1858
City/Zip JACKSONVILLE 32204 County DUV Can Be Reached (904)-388-1858
Account Number _____ Note telemarketing IGC
Company Contact _____ Limited Response N

Request No. 1049471
By SAS Time 1:18 PM Date 01/11/96
To CO Time FAX Date 01/11/96
Type S form Phone
Category _____
Infraction LS-13B
Closed by NEP Date 06/10/96
Reply Received L

ATTACHMENT F

CONSUMER REQUEST

FLORIDA PUBLIC SERVICE COMMISSION

2540 SHUMARD OAK BOULEVARD
TALLAHASSEE, FL. 32399
904-413-6100

PLEASE RETURN THIS FC WITH REPORT OF ACTION

Shirley Stokes

DUE: 01/29/96

Attachment F
Page 1 of 5

Ms: Wetzel says that her long distance service was changed from BizTel without authorization, and she found out about the change when she received a telephone call from BizTel today. She objects to the unauthorized connection. (PLEASE INVESTIGATE AND PROVIDE A DETAILED WRITTEN REPORT INCLUDING LOA/TAPE AND APPLICABLE CREDITS FOR THE SWITCHING FEES AND LONG DISTANCE CALLS AFTER YOUR CONTACT WITH THE CUSTOMER.)

04-05 FAXED TO CO. Please fax a report to 904/413-6362 by April 9, 1996.

05-30 FAXED TO CO. PLEASE DO NOT TAKE THIS REQUEST LIGHTLY. THE PSC'S RULES REQUIRE A REPORT WITHIN 15 DAYS OF THE COMPLAINT, AND THE DUE DATE WAS JANUARY 29, 1996. THEREFORE, I NEED TO RECEIVE A REPORT IMMEDIATELY!

5/31 Report as letter with cc to customer. Tape provided to CMU.

Customer- "I don't know what all this is about."

Telemarketer- "The person that you spoke with is offering the one step billing program for your local compnany."....

"This consolidates both of your bills."

Name KINARD-JOHNSON CONSTRUCTION COMPAN

Company LDM SYSTEMS, INC.

Request No. 1049471

PAGE: 2

When the customer asks what is IGC, he is told IGC "has a contract with your local telephone company."

At the end of the conversation, the telemarketer asks for birthdate and states that "this will authorize IGC to be his billing carrier utilizing Southern Bell."

Tape Does Not Mention Switching Service.

File closed.

- 30 -

To: 9.413-6362
May-31-96 05:11P

From

6-03-96 9:31am
Attachment F
Page 3 of 5

EARLY, LENNON, PETERS & CROCKER, P.C.

ATTORNEYS AT LAW
800 CONSUMEA BUILDING
KALAMAZOO, MICHIGAN 49007-4782
TELEPHONE (616) 381-8844
FAX (616) 348-8825

GEORGE H. LENNON
JOHN T. PETERS, JR.
DAVID S. CROCKER
HOWARD E. FISHER, JR.
LAWRENCE M. BRINTON
GORDON C. MILLER

BLAKE D. CROCKER
ROBERT H. TAYLOR
PATRICK D. CROCKER
ANDREW J. VOORBRUGH
NICOLETTE S. HARRIS

OF COURSE,
WRIGHT T. EARLY
RON C.H. MULLEN
THOMPSON BENNETT

JOSEPH J. BURKE
1988 1989

Also admitted to practice
in the states of California and North Carolina

May 30, 1996

VIA FACSIMILE AND FIRST CLASS MAIL

Ms. Shirley Stokes
Florida Public Service Commission
2540 Shumard Oak Boulevard
Tallahassee, FL 32399-0850

Re: Complainant: Kinard Johnson Construction
Consumer Request No.: 104947 I

Dear Ms. Stokes:

We are the attorneys for LDM SYSTEMS, INC. ("LDM"). We are in receipt of the above captioned Consumer Request filed with the Florida Public Service Commission ("Commission"), and have conducted an investigation in accordance with your request.

Complainant files this Consumer Request alleging that LDM switched Complainant's long distance service without authority. LDM denies all wrongdoing in this matter. LDM will not change a customer's long distance service without verifying the order in accordance with one of the four confirmation procedures established by the Federal Communications Commission ("FCC").

OPERATIVE FACTS

1. On or about December 18, 1995 a sales representative from IGC solicited the order to change the Complainant's long distance service.
2. An individual named Henry Kinard, Jr. authorized the changing of Complainant's long distance service.
3. Thereafter, an independent third party verified the order to change Complainant's long distance service.
4. In evidence of verification, the independent third party obtained the date of birth of Mr. Henry Kinard, Jr. Mr. Kinard's date of birth is February 26.

To 9.413-6362
May-31-96 05:11P

From

D-11-96 9/11/96 n 1
Attachment F
Page 4 of 5

EARLY, LENNON, PETERS & CROCKER, P.C.

Page 2

Mr. Shirley Stokes
May 30, 1996

GENERAL ALLEGATIONS

The Consumer Complaint filed in this matter relates to an order to switch Complainant's long distance service solicited by an independent sales representative on behalf of LDM through telemarketing. LDM offers telecommunications services to the public as an aggregator, distributor and reseller employing the underlying transport facilities of certain common carriers, including AT&T and Sprint. LDM enables customers to take advantage of discounts once available only to the largest users.

LDM recognizes certain reliability problems associated with soliciting orders through independent sales agents, especially through telemarketing. In fact, LDM prefers having prospective customers solicited in person by sales representatives employed directly by LDM. However, competition in the market place dictates that LDM engage independent agents to solicit sales through telemarketing, despite the obvious misunderstandings which can be avoided by marketing entirely through the former.

LDM institutes several safeguards in an effort to protect consumers from problems inherent with soliciting orders in this manner. LDM ordinarily requires independent sales agents by contract to solicit orders in accordance with the terms and conditions established by LDM, its underlying carriers, and in accordance with applicable federal, states, and general laws. As stated hereinabove, LDM's procedures require obtaining the customer's consent prior to submitting any order to change long distance services to LDM's underlying carrier, or to the LEC.

Moreover, when soliciting through telemarketing under this program, LDM submitted the order to change the customer's long distance services to the LEC, or underlying carrier, only after confirming the order through an independent third party in accordance with the FCC Rules.

CONCLUSION

In this instance, we aver that Complainant subscribed to the service provided through LDM. Thereafter, LDM confirmed the order by using an independent third party. In evidence of the authorization, the independent third party verified the switch obtaining the appropriate verification data.

LDM regrets Complainant's experience with the service offered through LDM. We believe that LDM acted in good faith, consistent with relevant statutory provisions, FCC rules and decisions, and

ORDER NO. PSC-96-1297-FOF-TI
DOCKET NO. 960841-TI
PAGE 33

To: 9.413-6362
May-31-96 05:11P

From:

6-17-96 4:41am D. 4 02:1:
Attachment F
Page 5 of 5

EARLY, LENNON, PETERS & CROCKER, P.C.

Page 3

Ms. Shirley Stokes
May 30, 1996

applicable industry practice. Accordingly, the above captioned Consumer Request is without merit and should be dismissed.

Notwithstanding, as a one-time customer courtesy, LDM will credit the Complainant in the amount of \$20.77, which constitutes the entire balance due and owing and reimbursement for switching charges.

Should you have any questions or concerns relating to this matter, please contact the undersigned.

Respectfully submitted,

EARLY, LENNON, PETERS & CROCKER, P.C.

By _____
Patrick D. Crocker

PDC/bks

c: Stephen Steiner
Kinard Johnson Construction

Name O LIA LEE Company LDM TEMS, INC.
 Address 5738 SW 72 STREET Attn. LOUIS STEINER 1252481
SOUTH MIAMI Consumer's Telephone # (305)-669-1605
 City/Zip MIAMI 33143 County DADE Can Be Reached _____
 Account Number _____ Note telemarketing
 Company Contact _____ Limited Response N

Request No. 125248
 By KES Time 4:05 PM Date 05/13/96
 To CO Time FAX Date 05/13/96
 Type S Form Phone
 Category _____
 Infraction LS-13B
 Closed by NEP Date 06/10/96
 Reply Received T

ATTACHMENT G

CONSUMER REQUEST

FLORIDA PUBLIC SERVICE COMMISSION

2540 SHUMARD OAK BOULEVARD
TALLAHASSEE, FL. 32399-0850
904-413-6100

PLEASE RETURN THIS FC WITH REPORT OF ACTION

Kate Smith

DUE: 05/29/96

Attachment G
Page 1 of 11

Customer, Miriam Bagnara, said that the company has been switching her service several times since last fall. Each time she is switched back to her carrier and shortly thereafter the company switches her again. She has been in constant contact with the company, but this problem persists. She would like the company to stop changing her service and explain why it is doing it. Customer has left many messages, but no one returns her calls. Please investigate, provide proof of authorization for the switching, contact customer, and advise.

1
5/23 Report with cc to Olivia Lee. NOTE: the report says that Olivia Lee agreed to the switch. However there is no one there called Olivia Lee. It is the name of the business.

1
5/28 Hardcopy

6/7 Closed by phone with Mrs. Bagnara. She said an attorney, Khakd Kanaan, from LDM played the tape of her mother, Mrs. Miriam Oliva, informing LDM they could send written information or rate but did not give permission to switch. Customer said she never got information packet. She did get a postcard, only, CONFIRMING, service and asking if additional service was requested. At bottom of the postcard was a spot to mark if the customer had changed her mind. She said she wrote that she never requested the service. She said the LDM attorney told her that LDM ignored the card.

Name OLIVER LEE

Company LDM SERVICES, INC.

Request No. 1252481

PAGE: 2

6/7 Contacted Southern Bell and was told service was switched on 11/24/95 and returned to MCI on 5/14.

6/8 Customer faxed additional information including copy of letter to Khaled Kanaan stating credits had not been issued.

TO LDM: Customer has not received credits. Please provide credits. Please send copy of tape to Nancy Pruitt at PSC.

6/14 Received letter from LDM issuing credits in the amount of 205.83. No tape.

6/25 Letter from LDM and tape. Tape does not appear to be complete. There is no identifying information and no authorization given to switch service.

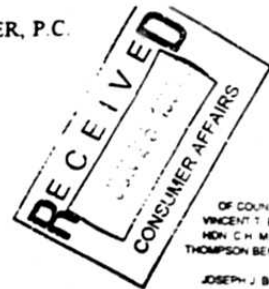
- 35 -

EARLY, LENNON, PETERS & CROCKER, P.C.

ATTORNEYS AT LAW
900 COMERICA BUILDING
KALAMAZOO, MICHIGAN 49007-4752
TELEPHONE (616) 381-8844
FAX (616) 349-8525

GEORGE H. LENNON
JOHN T. PETERS, JR.
DAVID G. CROCKER
HAROLD E. FISCHER, JR.
LAWRENCE M. BRENTON
GORDON C. MILLER

BLAKE D. CROCKER
ROBERT M. TAYLOR
CORENN I. WRIGHT
PATRICK D. CROCKER
ANDREW J. VORBRICH



June 20, 1996

Ms. Nancy Pruitt
Florida Public Service Commission
2540 Shumard Oak Boulevard
Tallahassee, Florida 32399-0850

Re: Complainant: Olivia Lee
Request No: 125248 I

Dear Ms. Pruitt:

We are the attorneys for LDM SYSTEMS, INC. ("LDM"). We are in receipt of the above captioned Consumer Request filed with the Florida Public Service Commission ("Commission"), and have conducted an investigation in accordance with your request. Enclosed is a tape confirming the billing information and verification data for the Complainant.

Should you have any questions or concerns, please contact the undersigned.

Respectfully submitted,

EARLY, LENNON, PETERS & CROCKER P.C.

By
Patrick D. Crocker

PDC/kk

cc: Stephen Steiner

EARLY, LENNON, PETERS & CROCKER, P.C.

ATTORNEYS AT LAW
500 COMERICA BUILDING
SALAMAZOO, MICHIGAN 49071-4752
TELEPHONE (616) 381-8844
FAX (616) 349-8223

GEORGE R. LENNON
JOHN T. PETERS, JR.
DAVID G. CROCKER
BAROLD E. FISCHER, JR.
LAWRENCE M. BRIGHTON
GORDON C. MILLER

BLAKE D. CROCKER
ROBERT M. TAYLOR
PATRICK D. CROCKER
ANDREW J. VOORBRUGH
NICOLETTE G. BARRY

OF COUNSEL
VINCENT T. EARLY
RON C.H. MULLEN
THOMPSON BENNETT

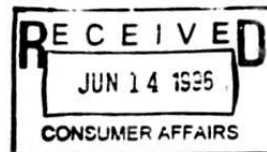
JOSEPH J. BURGE
(1926 - 1992)

*Also admitted to Iowa.
**Also admitted to California and North Carolina.

June 12, 1996

VIA FIRST CLASS MAIL

Kate Smith
Florida Public Service Commission
2540 Shumard Oak Boulevard
Tallahassee, Florida 32399-0850



Re: Complainant: Olivia Lee
Request No: 125248 1

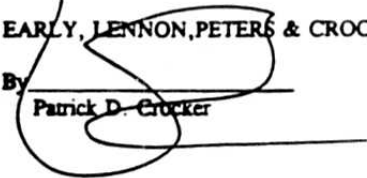
Dear Ms. Smith:

We are the attorneys for LDM SYSTEMS, INC. ("LDM"). We are in receipt of the above captioned Consumer Request filed with the Florida Public Service Commission ("Commission"), and have conducted an investigation in accordance with your request. Notwithstanding as a one time customer courtesy LDM will credit Complainant in the amount of \$205.83, which constitutes the entire balance due and owing at this time.

Should you have any questions or concerns, please contact the undersigned.

Respectively submitted,

EARLY, LENNON, PETERS & CROCKER, P.C.

By 
Patrick D. Crocker

PDC/ck

cc: Stephen Steiner
Nancy Pruitt
Miriam O. Bagnara

06/08/1996 14:26 305-6691638

OLIVIA LEE, MIAMI, FL

Attachment G
Page 5 of 11



VIA FACSIMILE

June 8, 1996

Khaled Kanaan, Esq.
EARLEY, LENNON, PETERS
& CROCKER
900 Comerica Bldg.
Kalamazoo, MI 49007

RE: LDM SYSTEMS - OLIVIA LEE - Unauthorized Transfer/Charges

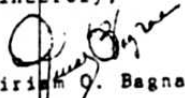
Dear Khaled,

I have just received my Southern Bell statement for the billing period ending May 25th with charges from LDM totalling \$84.44.

This is once again very upsetting since on May 17th you promised that a credit totalling \$121.39 would appear on my next statement. Not only did I not receive any credit - Now I have additional charges! LDM now needs to credit me \$205.83.

Please call me Monday morning with an explanation.

Sincerely,


Miriam O. Bagnara

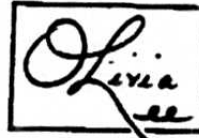
cc: Nancy Pruitt, Public Service Commission

- 38 -

06/06/1996 14:06 305-6691638

OLIVIA LEE, MIAMI, FL

Attachment G
Page 6 of 11



VIA FACSIMILE

Ph #
616 381-8944

May 17, 1996

Khaled Kanaan, Esq.
EARLEY, LENNON, PETERS
& CROCIER
900 Comerica Building
Kalamazoo, MI 49007

Re: LDM Systems - Unauthorized transfers

Dear Khaled,

This will serve to summarize our telephone conversation of this morning.

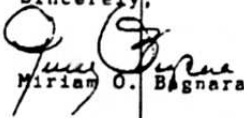
As I explained, LDM (via computer) fraudulently transferred my long distance service from MCI to them on various occasions. Approximately six months ago I received a postcard and letter thanking me for choosing LDM. I immediately returned it marked "We never ever requested or accepted this!" They completely ignored my message and have been billing me since December, 1995.

I cannot express enough the aggravation this has caused me. The amount of time I have spent trying to resolve this situation with Southern Bell and MCI has been enormous.

I appreciate your offer for LDM to issue a credit for all the months billed. The total amount to be credited is \$121.39.

I am hopeful we can resolve this situation once and for all.

Sincerely,


Miriam O. Bagnara

LDM - Billing

DEC 9 06.07.
Jan 28.03 +
Feb 11.45 +
Mar 13.92 +
April 10.91 +
\$21.39

- 39 -

225 South West Ave. • Miami, FL 33135 • Tel: 305-375-1100
265 South West Street • Tampa, Florida 33601 • 813-251-1100

06 08/1996 14:06 305-6691698

OLIVIA LEE, MIAMI, FL

Attachment G
Page 7 of 11



LDM Systems Inc.
254 S. Main Street
New City, NY 10956

Tel 800 646 4233
Fax 914 638 0430

11/09/95

OLIVIA LEE
OLIVIA LEE
5738 SW 72ND ST
S MIAMI, FL 33143

Dear OLIVIA LEE,

Thank you for your recent telephone conversation with our representative, and for choosing our **CONNECT AMERICA DISCOUNT PROGRAM!**

By selecting LDM's (Long Distance Management) **CONNECT AMERICA PROGRAM** as your provider of service, you are taking advantage of the volume buying power of the thousands of companies in the group, thereby allowing us to pass significant savings on to you.

As your business communications partner, LDM's **CONNECT AMERICA PROGRAM** offers you access to high-quality long distance services utilizing the nation wide fiber optic network of one of the four largest long distance carriers in the country. The **CONNECT AMERICA PROGRAM** also offers **Local Telephone Company billing**. This means that you will be receiving only one monthly bill from your Local Telephone Company, which will include your itemized long distance charges, identified as LDM. The great news is that **this billing service is free** for all customers whose monthly long distance charges exceed \$15. For those customers whose charges are less than \$15, there will be a nominal \$2.50 charge to cover the costs of billing.

Once on line, you will enjoy the following benefits of long distance calling using the **CONNECT AMERICA PROGRAM:**

- ! Savings of 30% off AT&T MTS rates
- !! Flat rate pricing anywhere in the United States.
- !!! One monthly bill from your Local Telephone Company
- !!!! Domestic calls of less than 30 seconds are FREE

Attached is a list of the telephone lines we are provisioning on our **CONNECT AMERICA** service. If there are any discrepancies please notify us immediately.

Enclosed is a postage paid return addressed postcard. If you want to cancel your savings on the **CONNECT AMERICA PROGRAM**, please return it to us at once. If we don't hear from you within 14 days, we will process your order on the **CONNECT AMERICA PROGRAM**, and your savings will appear on your Local Telephone Company bill.

Your Satisfaction is our Guarantee!!

Thank you for choosing LDM's CONNECT AMERICA PROGRAM.

111

LDM CONNECT AMERICA PROGRAM
ONE STEP LOCAL TELEPHONE COMPANY BILLING

Main Telephone Number (301) 669-1605
Company Name OLIVIA LEE
Location Address 5738 Sunset Drive
Billing Address (if diff.) _____
City, State, Zip _____
Authorized Person _____

Additional Telephone Lines	
()	-
()	-
()	-
()	-
()	-

I want to know more. Please send me information immediately about additional services offered by LDM.

- 800 Service
- Calling cards
- Please add line as shown
- Please correct my address as shown above
- If ~~discontinued~~ ~~terminated~~, please cancel my savings

*we never eval
requested or accepted
this*
*Olivia Lee
V. PSC*

CONSUMER COMPLAINTS: CONTACT THE FCC AT 2025 M STREET NW ROOM 6202 WASHINGTON, DC 20554

OLIVIA LEE, CLAIMANT
8851699-505
90:41 8861760 98

-41-

To 94136362
May-23-96 03:50P

From

Attachment C
Page 9 of 11

EARLY, LENNON, PETERS & CROCKER, P.C.

ATTORNEYS AT LAW
800 CONSERVA BUILDING
KALAMAZOO, MICHIGAN 49007-4752
TELEPHONE (616) 381-8844
FAX (616) 349-8825

GEORGE H. LENNON
JOHN T. PETERS, JR.
DAVID S. CROCKER
HAROLD S. FISCHER, JR.
LAWRENCE M. BRENTON
GORDON C. MILLER

BLAKE D. CROCKER
ROBERT M. TAYLOR
PATRICK D. CROCKER
ANDREW J. VOBRICHT
SIOLETTA G. HARRIS

OF COUNSEL
VINCENT T. EARLY
ROSE E. MULLEN
TROMPER BARNETT

JOSEPH J. BLOND
1197 1992

Also addresses in Iowa
Also addresses in California and North Carolina

May 23, 1996

VIA FACSIMILE AND FIRST CLASS MAIL

Ms. Kate Smith
Florida Public Service Commission
2540 Shumard Oak Boulevard
Tallahassee, FL 32399-0850

Re: Consumer Request No: 125248 I
Complainant: Olivia Lee

Dear Ms. Smith:

We are the attorneys for LDM SYSTEMS, INC. ("LDM"). We are in receipt of the above captioned Consumer Complaint filed with the Florida Public Service Commission ("Commission"), and have conducted an investigation in accordance with your request.

Complainant files this Consumer Complaint alleging that LDM switched Complainant's long distance service without authority. LDM denies all wrongdoing in this matter. LDM will not change a customer's long distance service without verifying the order in accordance with one of the four confirmation procedures established by the Federal Communications Commission ("FCC").

OPERATIVE FACTS

1. On or about November 3, 1995 a sales representative from Promark solicited the order to change the Complainant's long distance service.
2. An individual named Olivia Lee authorized the changing of Complainant's long distance service.
3. Thereafter, LDM mailed an information package containing a postage prepaid postcard confirming the order to change the long distance service in accordance with 47 C.F.C. Part 64, § 64.1100(d) Verification of Orders for Long Distance Service Generated by Telemarketing.

To: 94136362
May-23-96 03:50P

From

Attachment G
Page 10 of 11

EARLY, LENNON, PETERS & CROCKER, P.C.

Page 2

Ms. Kate Smith
May 23, 1996

GENERAL ALLEGATIONS

The Consumer Complaint filed in this matter relates to an order to switch Complainant's long distance service solicited by an independent sales representative on behalf of LDM through telemarketing. LDM offers telecommunications services to the public as an aggregator, distributor and reseller employing the underlying transport facilities of certain common carriers, including AT&T and Sprint.

LDM recognizes certain reliability problems associated with soliciting orders through independent sales agents, especially through telemarketing. In fact, LDM prefers having prospective customers solicited in person by sales representatives employed directly by LDM. However, competition in the market place dictates that LDM engage independent agents to solicit sales through telemarketing, despite the obvious misunderstandings which can be avoided by marketing entirely through the former.

LDM institutes several safeguards in an effort to protect consumers from problems inherent with soliciting orders in this manner. LDM ordinarily requires independent sales agents by contract to solicit orders in accordance with the terms and conditions established by LDM, its underlying carriers, and in accordance with applicable federal, states, and general laws. As stated hereinabove, LDM's procedures require obtaining the customer's consent prior to submitting any order to change long distance services to LDM's underlying carrier, or to the LEC. Moreover, under current policy, when soliciting through telemarketing, LDM will submit the order to change the customer's long distance services to the LEC, or underlying carrier, only after the expiration of the fourteen (14) day period subsequent to the mailing of the information package to the customer pursuant to a request to change long distance services by said customer, in accordance with the FCC Rules.

CONCLUSION

In this instance, we aver that Complainant subscribed to the service provided through LDM. Thereafter LDM confirmed the order by providing Complainant with an information package allowing Complainant 14 days to cancel the order. Complainant has not contacted LDM to cancel its service.

LDM regrets Complainant's experience with the service offered through LDM. Notwithstanding, we believe that LDM acted in good faith, consistent with relevant statutory provisions, FCC rules and decisions, and applicable industry practice. Accordingly, the

ORDER NO. PSC-96-1297-FOF-TI
DOCKET NO. 960841-TI
PAGE 44

To: 94136362
May-23-96 03:51P

From:

Attachment C
Page 11 of 11

EARLY, LENNON, PETERS & CROCKER, P.C.

Page 3

Ms. Kate Smith
May 23, 1996

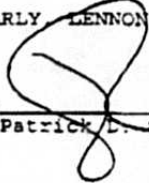
above captioned Informal Complaint is without merit and should be dismissed.

Notwithstanding as a one-time customer courtesy LDM will reimburse Complainant for the full amount due and owing. The amount of credit in this instance is \$121.39.

Should you have any questions or concerns relating to this matter, please contact the undersigned.

Respectfully submitted,

EARLY, LENNON, PETERS & CROCKER, P.C.

By 
Patrick D. Crocker

PDC/bks

c: Stephen Steiner
Olivia Lee

Name SCHOFIELD, ROGER Company LDM SYSTEMS, INC.
Address 14429 TANGELWOOD DRIVE Attn. LOUIS STEINER 096109P
City/Zip LARGO 34644 County PIN Consumer's Telephone # (813)-593-3388
Can Be Reached (813)-584-9902
Account Number _____
Has consumer contacted company? Yes No _____

Request No. 096109P
By SAS Time 8:35 AM Date 11/17/95
To CO Time FAX Date 11/17/95
Complaint Type LS-13A
Note sweep/diabetes
Justification Y
Closed by MEP Date 04/25/96
Reply Received L

ATTACHMENT H

Mr. Schofield says that his long distance service was changed without his authorization, and he found out about the change last month. He says that although his account showed his preferred company Sprint, he found out that LDM buys blocks of service from Sprint. Also, he says that he works for the local telephone company, GTE, in the switching section. He recalls a representative telling him at a Shark Teeth Festival about signing up for some type of charity, and he emphasized to the representative that he didn't want his long distance service changed. (PLEASE PROVIDE A DETAILED WRITTEN REPORT INCLUDING LOA/TAPE AND APPLICABLE CREDITS FOR THE SWITCHING FEES AND LONG DISTANCE CALLS AFTER YOUR CONTACT WITH THE CUSTOMER.)

I
U 12-05 Julie from the company's attorney office called at 10:03 a.m. She says that she is still working on the complaint, and she should have a report by December 11. I also explained that the due date was yesterday.

04-03 FAXED TO CO. THE REPORT DUE DATE WAS DECEMBER 4, 1995, BUT I HAVEN'T RECEIVED THE REPORT. PLEASE FAX A REPORT TODAY AT 904/413-6362.

04-05 FAXED TO CO. PLEASE FAX ME A REPORT.

04-16 PLEASE SEND ME A REPORT BEFORE I SEEK FURTHER ACTION AGAINST THE COMPANY FOR NOT RESPONDING TO THIS COMPLAINT. I NEED TO RECEIVED A WRITTEN REPORT IMMEDIATELY!

04-16 Report with info on diabetes campaign.

CONSUMER REQUEST

FLORIDA PUBLIC SERVICE COMMISSION

2540 SHUMARD OAK BOULEVARD
TALLAHASSEE, FL. 32399-0850
904-413-6100

PLEASE RETURN THIS P WITH REPORT OF ACTIC

Shirley Stokes

DUE: 12/04/95

Attachment H
Page 1 of 9

Name SCHOFIELD, ROGER

Company LDM SYSTEMS, INC.

Request No. 096109

PAGE: 2

04-17 File in Nancy's box

04-24 Mr. Schofield called at 1:15 p.m. to thank me for my assistance, and he also reiterated his concerns about the deceptive information. He also stated that the co. had scratched out something and wrote in LDM.

File closed.

-46-

Apr-16-96 08:55A

Attachment H
Page 3 of 9

EARLY, LENNON, PETERS & CROCKER, P.C.

ATTORNEYS AT LAW
888 COMMERCIAL BUILDING
KALAMAZOO, MICHIGAN 49007-4712
TELEPHONE (616) 561-6644
FAX (616) 549-8721

GEORGE H. LENNON
JOHN T. PETERS, JR.
DAVID G. CROCKER
BAROLD S. FISCHER, JR.
LAWRENCE M. BREWTON
GORDON C. MULLER

BLAKE D. CROCKER
BOBBY M. TAYLOR
PATRICK D. CROCKER
ANDREW J. VOBRICH
NICOLETTE G. RAINES

OF COUNSEL
VINCENT T. EARLY
HOW C. H. MULLER
THOMPSON BARNETT
JOSEPH J. BIRNIE
(1926 - 1992)

Also admitted to bars
Also admitted in California and New Mexico

April 12, 1996

VIA FACSIMILE AND FIRST CLASS MAIL

Ms. Shirley Stokes
Florida Public Service Commission
2540 Shumard Oak Boulevard
Tallahassee, FL 32399-0850

Re: Consumer Request No: 096109 P
Complainant: Schofield, Roger

Dear Ms. Stokes:

We are the attorneys for LDM SYSTEMS, INC. ("LDM"). We are in receipt of the above captioned Consumer Request filed with the Florida Public Service Commission ("Commission"), and have conducted an investigation in accordance with your request.

Complainant filed this Consumer Request alleging that LDM switched Complainant's long distance service without authority. LDM denies all wrongdoing in this matter. LDM will not change a customer's long distance service without verifying the order in accordance with one of the four confirmation procedures established by the Federal Communications Commission ("FCC").

OPERATIVE FACTS

1. An agent from Telerep solicited Complainant to participate in a program which contributes a portion of the Customer's long distance paid usage charges to the National Diabetes Foundation, Inc. ("NDFI"). NDFI is registered in Florida as the National Diabetes Health and Fitness Foundation, Inc.
2. An individual named Roger Schofield authorized the changing of Complainant's long distance service.
3. On or about August 13, 1995, a signed LOA verified the order to change Complainant's long distance service. Same is attached as Exhibit A.

Apr-16-96 08:55A

Attachment H
Page 4 of 9

Ms. Shirley Stokes
April 12, 1996

4. A memo describing the Sharks Tooth Festival follows as Exhibit B.

GENERAL ALLEGATIONS

The Consumer Request filed in this matter relates to an order to switch Complainant's long distance service solicited by an independent sales representative through telemarketing. LDM offers telecommunications services to the public as an aggregator, distributor and reseller employing the underlying transport facilities of certain common carriers, including AT&T and Sprint. LDM enables customers to take advantage of discounts once available only to the largest users.

LDM recognizes certain reliability problems associated with soliciting orders through independent sales agents, especially through telemarketing. In fact, LDM prefers having prospective customers solicited in person by sales representatives employed directly by LDM. However, competition in the market place dictates that LDM engage independent agents to solicit sales through telemarketing, despite the obvious misunderstandings which can be avoided by marketing entirely through the former.

LDM institutes several safeguards in an effort to protect consumers from problems inherent with soliciting orders in this manner. LDM ordinarily requires independent sales agents by contract to solicit orders in accordance with the terms and conditions established by LDM, its underlying carriers, and in accordance with applicable federal, states, and general laws. As stated hereinabove, LDM's procedures require obtaining the customer's consent prior to submitting any order to change long distance services to LDM's underlying carrier, or to the LEC.

Moreover, when soliciting through telemarketing under this program, LDM submitted the order to change the customer's long distance services to the LEC, or underlying carrier, only after confirming the order through an independent third party in accordance with the FCC rules.

CONCLUSION

In this instance, Complainant subscribed to the service provided through LDM. Complainant's order was verified using an independent third party. In evidence of the authorization, the independent third party verified the switch obtaining the appropriate verification data.

LDM regrets Complainant's experience with the service offered through LDM. However, we believe that LDM acted in good faith, consistent with relevant statutory provisions, FCC rules and decisions, and applicable industry practice. Accordingly, the above captioned Consumer Request is without merit and should be dismissed.

ORDER NO. PSC-96-1297-FOF-TI
DOCKET NO. 960841-TI
PAGE 49

Apr-16-96 08:55A

Attachment H
Page 5 of 9

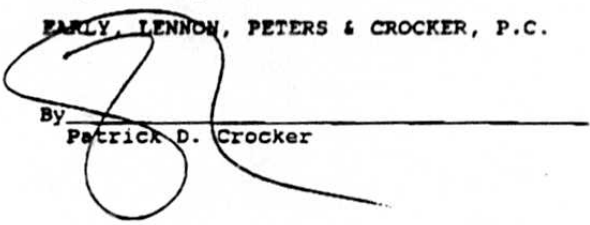
Ms. Shirley Stokes
April 12, 1996

Notwithstanding, as a one-time customer courtesy, LDM will credit the Complainant in the amount of \$3.25 which constitutes the entire balance due and owing at this time.

Should you have any questions or concerns relating to this matter, please contact the undersigned.

Respectfully submitted,

EARLY, LENNON, PETERS & CROCKER, P.C.

By 
Patrick D. Crocker

PDC/bks

c: Stephen Steiner

Apr-16-96 08:56A

Attachment H
Page 6 of 9



NATIONAL DIABETES
FOUNDATION, INC.

1617 1st Street East
Post Office Box 8171
St. Petersburg, Florida
33738-8171

(813) 391-5050

Dedicated To:
• Research
• Identification
• Information
• Education

A NONPROFIT
FOUNDATION

DEFEAT DIABETES™ Long Distance Telephone Program

1. Marketing Representative Name: Ann Wilson
2. Contact Name: Roger Schofield
3. Telephone Billing Name: Roger Schofield
4. Telephone Billing Address: 14429 Tanglewood Dr
LARGO FL
34646
5. Telephone Number: (813) 593-3388
6. Current Long Distance Carrier: Sprint
7. In lieu of your signature and to authorize that we have spoken, may I please have either the last four digits of your Social Security Number, or your date of birth: 1945
8. Date: 8/13/95
9. Time: 2:15 pm

This will authorize your long distance carrier CDM/ to rebate a percentage of your monthly long distance bill directly to the National Diabetes Foundation to help fight against diabetes. There is no additional cost to you.

Roger Schofield
(Your Signature)

405
FAXED
13910
P.C.

Apr-16-96 08:56A

Attachment H
Page 7 of 9

11/27/1995 18:35 16133982144

DEFEAT DIABETES FDN

PAGE 04

PAGE 1

SHARKS TOOTH FESTIVAL - POST/PRODUCTION REPORT

**RE: NATIONAL DIABETES FOUNDATION, DESOTO SPEEDWAY, FLORIDA SHARKS
CO-SPONSORSHIP OF HOSPITALITY TENT AND YOUTH ACTIVITY**

FROM: ANDY HOOKER/PRODUCTION COORDINATOR

The sponsorship fees for the participation in this year's event were waived by the chairman of the festival, due in fact to negotiation by myself and a favor owed by the festival to me. The average fee for sponsorship participation and for what we were able to do would have been an average of \$750.00 per sponsor. (TOTAL: \$2,250.00)

I also waived my production fee for this event which would have been a total of \$2,000.00 for the total package. My expenses were covered by the National Diabetes Foundation, Inc. i.e. Hotel for (3) nights, meals, transportation and phone bills.

The expense cost for the Hospitality Tent and Youth Activity, which was underwritten by the National Diabetes Foundation totaled \$2,100.00 which included: Tent rental, Dinner for the staff, Signs, Tables, Basketballs, "Little Sharks" hoop set-up, Supplies, plus hotel and meal expense for staff, transportation and phone expense. NDF also covered the cost for the prizes for the "Little Sharks" "Hoop Shoot" and the 3 for 5 "Big Sharks" "Hoop Shoot".

The Florida Sharks provided the large basketball hoop, T-Shirts for give-aways, and VIP/Regular Game Passes for the "Big Sharks" Hoop Shoot prizes. DeSoto Speedway provided the "Little Face Car" for two days, The "Official Face Car" on Sunday, Passes for "Night At The Races" Prize Drawing and T-Shirts and Hats for more Give-aways.

Festival officials estimated that 40,000 people came thru the main gate over the (2) days.

The Youth Activity area in which we were set-up saw an estimated 25,000 pass thru with the greater percent being parents with small children and teens.

An estimated 15,000 people passed thru our tent.

Our working staff spoke with an estimated 10,000 people. (Many of these people asked who/what the Florida Sharks were? Questions about DeSoto Speedway).

The National Diabetes Foundation handed out 10,000 brochures and Diabetes Screening Tests.

253 players for "Big Sharks" Hoop Shoot and 400 (6 and under for the "Little Sharks" Hoop Shoot.

All (3) sponsors received pre-festival tags on radio and TV spots along with a write-up in the Festival Program which was handed out to 40,000 plus. (This program was also distributed to media and other outlets around the state).

Apr-16-96 08:56A

8135241992 TELEREP AMERICA

Attachment H
95 Page 8 of 9

PAGE 2

There were (25) announcements made per day from the Main Stage-PA, mentioning our area and the sponsors.

Promotional Highlights were as follows:

"Mr. Diabetes" along with his sidekick "Mr. Phyto-Bear" ran in the 5K road race Sunday morning.

On Sunday afternoon "Flex" the Florida Sharks Mascot made an appearance for 30 minutes at the Main Stage, handing out Sharks T-Shirts and dancing with some little children. The exposure to the Sharks name and logo was estimated at 8,000 festival goers at this appearance.

Also on Sunday at 4PM the "Night at the Races" Prize Drawing was held at the Main Stage. Winners were announced over the PA. The Official Pace Car made a grand entrance in front of the Main Stage to kick off the Prize Drawing. It was also at this time that T-shirts and hats were given out. The exposure for the ten minutes was estimated at 8,000 festival goers.

Follow-up:

Andy Mandell has already made thank you phone calls to the festival organizers.

Andy Hooker will be mailing thank you letters on behalf of the three sponsors.

NOTE: Another addition to our Hospitality Tent was the participation of Dwight and Susan Havener, representing Emprise International, Inc. (whose products reflect the recommendation of the National Diabetes Foundation, Inc., for proper nutrition), along with the "Defeat Diabetes" (TM) Long Distance Telephone Program. Both groups had space made available to them by the National Diabetes Foundation, Inc.

Apr-16-96 08:56A

813524:992 TELEREP AMERICA

Attachment H
935 P Page 9 of 9

• PRIZE DRAWING •
NAME: Roger Schofield
ADDRESS: 14429 Tanglewood
Largo FL 34646
PHONE #: 593 3388

• PRIZE DRAWING •
NAME: Steven Kelleher
ADDRESS: 5119 Island Gate
St. Cloud FL 34232
PHONE #: 8371-2763

• PRIZE DRAWING •
NAME: Debbie Flaminio
Leeward, Rd
ADDRESS: 1080 Venice
PHONE #: 493-7144

• PRIZE DRAWING •
NAME: Hazel Young
ADDRESS: 208 S. Tampa
Tampa, FL 33608
PHONE #: 813-875-3307

• PRIZE DRAWING •
NAME: David Wolff
ADDRESS: 868 Woodbriar Dr
Sarasota FL
PHONE #: 941-2139

• PRIZE DRAWING •
NAME: Barty Anne Ridgus
ADDRESS: 254 Laurelwood Meadows
Sarasota FL 34234
PHONE #: 957 440

• PRIZE DRAWING •
NAME: Richard Crose
ADDRESS: 2510 LeGarce Dr
PHONE #: 497-0372

Name SUN VAST CHEMICALS OF DAYTONA, INC. Company LDM SYSTEMS, INC.
Address GEORGE MILLER Attn. LOUIS A. STEINER 1192901
77 HARGROVE GRADE
City/Zip PALM COAST 32137 County FLA
Account Number _____ Consumer's Telephone # (904)-446-4000
Company Contact _____ Can Be Reached (904)-446-4000
Note misleading LOA
Limited Response N

Request No. 1192901
By SMN Time 2:26 PM Date 03/27/96
To CO Time FAX Date 03/27/96
Type S Form Phone
Category _____
Infraction LS-13F
Closed by MEP Date 06/10/96
Reply Received L

ATTACHMENT I

Customer was switched from AT&T to LDM on 1-23 without authority. He wants switching charges reimbursed, rates adjusted, & to know what proof of authority they claim to have in switching.

4/29 Report with cc to customer

5/03 Hard copy

5/08 Correspondence from customer indicating misleading LOA and noting alterations to the LOA were deleted.

6/07 Closed by phone.

CONSUMER REQUEST

FLORIDA PUBLIC SERVICE COMMISSION

2540 SHUMARD OAK BOULEVARD
TALLAHASSEE, FL. 32399-
904-413-6100

PLEASE RETURN THIS FO
WITH REPORT OF ACTION

Stella Maloy

DUE: 04/11/96

Attachment I
Page 1 of 8

05 08 96 10:55 FAX 904 445 0225

SUNCOAST CHEM

Attachment I
Page 2 of 8



Sun Coast Chemicals of Daytona, Inc.
New Evolutions Product Line

May 8, 1996

Ms. Stella Maloy
Florida Public Service Commission
2540 Shumard Oak Blvd.
Tallahassee, FL 32399-0850

Re: **Complain** No# 119290 I
Sun Coast Chemicals of Daytona, Inc.
against LDM Systems, Inc.

Dear Ms. Maloy,

With regard to our conversation of May 6, 1996 and the letter from LDM attorney's dated April 16, 1996, please be advised of the following.

1. LDM's sales representation from Preferred Accounts used a document they obtained through misrepresenting themselves and then altered the document. (see copy of original and altered copy attached). Preferred Accounts, LDM's representative also waited to process this changed document until January 22, 1996, with no notification.
2. LDM never did verify this change to Sun Coast Chemicals long distance service, and no information package was ever received. I would like to request proof that this was sent.
3. In addition, LDM never confirmed the order and no information package allowing fourteen (14) days to cancel was ever ~~sent to~~ or ~~received by~~ Sun Coast Chemicals. In fact, the first notification I ever received that our long distance service had been changed was when I received an invoice on March 18, 1996. I immediately tried to contact LDM repeatedly, and no one returned my calls until April 5, 1996. Also, on March 18, 1996, I immediately re-changed my long distance service back to AT&T, where it has been my intention to be all along.

- 55 -

ORDER NO. PSC-96-1297-FOF-TI
DOCKET NO. 960841-TI
PAGE 56

05-08-96 10:55 FAX 904 445 0226

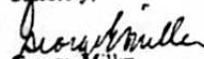
SUNCOAST CHEM

Attachment 1
Page 3 of 8

In conclusion, I believe LDM's representative used deceptive business practices to obtain a document, then altered same, and LDM did not comply with the regulations to verify the validity of this change in service by them, or their representative.

Please let me know if any additional information is needed, and I would appreciate being kept informed of the progress and results of my complaint.

Sincerely,


George Miller
Controller

05:08/96 10:55 FAX 904 445 0228

SUNCOAST CHEM

Attachment 1
Page 4 of 8

PREFERRED ACCOUNTS PLAN™

utilizing the AT&T
Worldwide Network

TO George Miller

FROM: Debbie Humphrey

REF NUMBER: 001

1-800-222-1836 EXT 121

(A)

L E T T E R
This discount is in addition to any discount already with AT&T Network
To whom it may concern:

We hereby authorize our account to be placed onto the Preferred Accounts Plan™ exclusively utilizing the AT&T Network. We understand that services are provided by LDM Systems Inc., pursuant to LDM FCC tariff #1. There are no installation fees or long-term commitments of any kind. We will be billed directly from AT&T and remit our payments directly to AT&T. It is also our understanding that we will receive an average 35% discount on Interstate Direct Dialed Long Distance outbound calls. Get a 55% discount with the SDN™ calling card. These rates are on file with the FCC under AT&T's tariff #1.

This discount plan shall remain in effect until cancelled in writing to Preferred Accounts Discount Plan.

X

George Miller CONTROLLER GEORGE E. MILLER 9.18.95
AUTHORIZED SIGNATURE TITLE PRINT NAME DATE

904 446 4000 904 445 0228
MAIN PHONE NUMBER FAX NUMBER 3-DIGIT NUMBER

Sun Coast Chemical
COMPANY NAME as it appears on BIE BILLING NAME / DBA

77 Theodore Gibble
INSTALLATION ADDRESS MAILING ADDRESS if different

Palmdale Florida 32137
CITY STATE ZIP CITY STATE ZIP

(A)

Credit July Billing for 25% /

The discount plan can only be processed after you fax the signed form to: 1-800-222-1836

- 57 -

(A)

Original document signed after Debbie Humphrey represented herself as AT&T. Her notes to persuade me have been altered on her next page.

05-08-96 10:55 FAX 904 445 0228

SUNCOAST CHEM

Attachment 1
Page 5 of 8

~~UNRECORDED~~ PREFERRED ACCOUNTS PLAN

to George Miller

Mixing the AT&T
Worldwide Netw

Lebbie Humphrey
ASST MGR 121

PLAN NUMBER 001

L E T T E R O F A G E N C Y

(A)

To whom it may concern:

We hereby authorize our account to be placed onto the Preferred Accounts Plan™ exclusively. We understand that services provided by LDM Systems Inc., pursuant to LDM FCC and installation fees or long-term commitments will be billed directly from AT&T and received directly to AT&T. It is also our understanding that we will receive an average 35% discount on our Long Distance outbound calls. Get a 5:30 PM calling card. These rates are on AT&T's tariff #1.

placed onto the utilizing the AT&T e provided by LDM #1. There are no ts of any kind. We nit our payments ling that we will state Direct Dialed discount with the with the FCC under

This discount plan shall remain in effect until cancelled in writing to Preferred Accounts Discount

and cancelled in an.

[Signature] CONTRACTOR EE Miller 9.18.90
AUTHORIZED SIGNATURE TITLE FIRST NAME DATE
904 446 4000 904 445 0228 446
PLAN PHONE NUMBER FAX NUMBER 8-DIGIT NUMBER
Sun Coast Chemical BELLEVILLE MO 7 DEPT
COMPANY NAME as it appears on bill
47 Hodgson Circle Grade MAILING ADDRESS
INSTALLATION ADDRESS
Palm Coast Florida 32137 CITY STATE ZIP

(A)

The discount plan can only be processed after you fax the signed form to: **800-222-1836**

- 58 -

(A) Faxed from B. Humphrey of Preferred Accounts 4/9/96 (notes have been whited out)

EARLY, LENNON, PETERS & CROCKER, P.C.

ATTORNEYS AT LAW
800 COMERICA BUILDING
KALAMAZOO, MICHIGAN 49007-4752
TELEPHONE (616) 381-8844
FAX (616) 349-8525

GEORGE H. LENNON
JOHN T. PETERS, JR.
DAVID G. CROCKER
HAROLD E. FISCHER, JR.
LAWRENCE H. BREYTON
GORDON C. MILLER

BLAKE D. CROCKER
ROBERT M. TAYLOR
PATRICK D. CROCKER
ANDREW J. VOISARD
NICOLETTE S. HARRIS

OF COUNSEL
VINCENT T. EARLY
RON. C.H. MULLEN
THOMPSON BENNETT

JOSEPH J. BURGE
(1828 - 1882)

† Also admitted in Iowa
‡ Also admitted in California and North Carolina

MAY 3

April 16, 1996

VIA FACSIMILE AND FIRST CLASS MAIL

Ms. Stella Maloy
Florida Public Service Commission
2540 Shumard Oak Boulevard
Tallahassee, FL 32399-0850

Re: Consumer Request No: 119290 I
Complainant: Sun Coast Chemicals of Daytona

Dear Ms. Maloy:

We are the attorneys for LDM SYSTEMS, INC. ("LDM"). We are in receipt of the above captioned Consumer Request filed with the Florida Public Service Commission ("Commission"), and have conducted an investigation in accordance with your request.

Complainant filed this Consumer Request alleging that LDM switched Complainant's long distance service without authority. LDM denies all wrongdoing in this matter. LDM will not change a customer's long distance service without verifying the order in accordance with one of the four confirmation procedures established by the Federal Communications Commission ("FCC").

OPERATIVE FACTS

1. On or about September 28, 1995, a sales representative from Preferred Accounts solicited the order to change Complainant's long distance service.
2. An individual named George E. Miller authorized the changing of Complainant's long distance service.
3. Thereafter, LDM obtained a signed LOA order to change the long distance service in accordance with 47 C.F.C. Part 64, § 64.1100(d) Verification of Orders for Long Distance Service Generated by Telemarketing. The same is attached as Exhibit A.

EARLY, LENNON, PETERS & CROCKER, P.C.

Page 2

Ms. Stella Maloy
April 16, 1996

GENERAL ALLEGATIONS

The Consumer Complaint filed in this matter relates to an order to switch Complainant's long distance service solicited by an independent sales representative on behalf of LDM through telemarketing. LDM offers telecommunications services to the public as an aggregator, distributor and reseller employing the underlying transport facilities of certain common carriers, including AT&T and Sprint.

LDM recognizes certain reliability problems associated with soliciting orders through independent sales agents, especially through telemarketing. In fact, LDM prefers having prospective customers solicited in person by sales representatives employed directly by LDM. However, competition in the market place dictates that LDM engage independent agents to solicit sales through telemarketing, despite the obvious misunderstandings which can be avoided by marketing entirely through the former.

LDM institutes several safeguards in an effort to protect consumers from problems inherent with soliciting orders in this manner. LDM ordinarily requires independent sales agents by contract to solicit orders in accordance with the terms and conditions established by LDM, its underlying carriers, and in accordance with applicable federal, states, and general laws. As stated hereinabove, LDM's procedures require obtaining the customer's consent prior to submitting any order to change long distance services to LDM's underlying carrier, or to the LEC. Moreover, under current policy, when soliciting through telemarketing, LDM will submit the order to change the customer's long distance services to the LEC, or underlying carrier, only after the expiration of the fourteen (14) day period subsequent to the mailing of the information package to the customer pursuant to a request to change long distance services by said customer, in accordance with the FCC Rules.

CONCLUSION

In this instance, Complainant subscribed to the service provided through LDM. Thereafter LDM confirmed the order by providing Complainant with an information package allowing Complainant 14 days to cancel the order. Complainant failed to contact LDM to cancel its service.

LDM regrets Complainant's experience with the service offered through LDM. However, we believe that LDM acted in good faith, consistent with relevant statutory provisions, FCC rules and

ORDER NO. PSC-96-1297-FOF-TI
DOCKET NO. 960841-TI
PAGE 61

Attachment 1
Page 8 of 8

EARLY, LENNON, PETERS & CROCKER, P.C.

Page 3

Ms. Stella Maloy
April 16, 1996

decisions, and applicable industry practice. Accordingly, the above captioned Consumer Request is without merit and should be dismissed.

Should you have any questions or concerns relating to this matter, please contact the undersigned.

Respectfully submitted,

EARLY, LENNON, PETERS & CROCKER, P.C.

By _____
Patrick D. Crocker

PDC/bks

c: Stephen Steiner
Sun Coast Chemicals of Daytona

Name GALT, MICHAEL Company LDM SYSTEMS, INC.
Address 706 CAMROSE DR. Attn. LOUIS A. STEINER 106847
City/Zip BRANDON 33510-2157 County HILL Consumer's Telephone # (813)-654-7557
Account Number _____ Can Be Reached (813)
Company Contact _____ Note no explanation
Limited Response Y

Request No. 1068471
By RMM Time 11:31 AM Date 01/22/96
To CO Time FAX Date 01/23/96
Type S Form Phone
Category _____
Infraction LS-131
Closed by NEP Date 03/18/96
Reply Received T

Customer said his service was switched in Oct. '95 without authorization. Customer said he found out when he received his bill. Customer said his service was with Sprint and he had a "pic freeze" on his account. Please investigate and send a response by the date below.

1-22 fax error - refaxed on 1-23
2/5 report. Closed by letter.

62-1

ATTACHMENT J

CONSUMER REQUEST

FLORIDA PUBLIC SERVICE COMMISSION

2540 SHUMARD OAK BOULEVARD
TALLAHASSEE, FL. 32399-
904-413-6100

PLEASE RETURN THIS FO WITH REPORT OF ACTION

Ruth W. McHarque

DUE: 02/07/96

Attachment J
Page 1 of 2

EARLY, LENNON, PETERS & CROCKER, P.C.

ATTORNEYS AT LAW
900 COMERICA BUILDING
KALAMAZOO, MICHIGAN 49007-4752
TELEPHONE (616) 381-8844
FAX (616) 349-8525

GEORGE H. LENNON
JOHN T. PETERS, JR.
DAVID G. CROCKER
HAROLD E. FISCHER, JR.
LAWRENCE M. BRENTON
GORDON C. MILLER

BLAKE D. CROCKER
ROBERT M. TAYLOR
CORBEN I. WRIGHT
PATRICK D. CROCKER
ANDREW J. VORBRICH**
NICOLETTE G. MAHN**

OF COUNSEL
VINCENT T. EARLY
MON. C. MULLEN
THOMPSON BENNETT

JOSEPH J. BURGE
1926-1992

*Also admitted in Iowa
**Also admitted in California and North Carolina

January 31, 1996

VIA FACSIMILE AND FIRST CLASS MAIL

Ms. Ruth W. McHarque
Florida Public Service Commission
2540 Shumard Oak Boulevard
Tallahassee, FL 32399-0850

Re: Consumer Request No: 106847 I
Complainant: Gaiffe, Michael

Dear Ms. McHarque:

We are the attorneys for LDM SYSTEMS, INC. ("LDM"). We are in receipt of the above captioned Consumer Request filed with the Florida Public Service Commission ("Commission"), and have conducted an investigation in accordance with your request.

LDM regrets Complainant's experience with the service offered through LDM. However, we believe that LDM acted in good faith, consistent with relevant statutory provisions, FCC rules and decisions, and applicable industry practice. Accordingly, the above captioned Consumer Request is without merit and should be dismissed.

Notwithstanding, as a one-time customer courtesy, LDM will credit the Complainant in the amount of \$111.05, which constitutes the entire balance due and owing at this time.

Should you have any questions or concerns relating to this matter, please contact the undersigned.

Respectfully submitted,

EARLY, LENNON, PETERS & CROCKER, P.C.

By _____
Patrick D. Crocker

PDC/bks
c: Stephen Steiner

- 63 -

ATTACHMENT K

Attachment K
Page 1 of 2

Ⓞ TELEPHONE SALES PITCH

Good morning/Good afternoon (name of customer)! This is LDM Operator # _____.

(Customer's name), your long distance calls can now be itemized on your (name of local telephone company) bill through *THE LDM "CONNECT AMERICA PLAN"* utilizing Sprint's long distance network.

This means (name of company) will no longer receive two bills for your local and long distance calls.


In addition, through *THE LDM "CONNECT AMERICA PLAN"*, (name of company) rate per minute will be reduced to 19.5¢ compared to 25¢ to 30¢ on average you may be paying now.

Furthermore, any domestic long distance calls 30 seconds or less will no longer be charged to your account.

I will need to record your billing information to place you on LDM's One Step Billing, billed through (name of local telephone company), if you don't mind.

PAGE 1 OF 2

- 64 -



Ⓢ TELEPHONE SALES PITCH

X REMEMBER, DO NOT START THE TAPE UNLESS YOU ARE SURE YOU HAVE A SALE.

THE FOLLOWING MUST BE RECORDED ON TAPE TO BE A VALID SALE!!!

(CUSTOMER NAME) AS I SAID, I NEED TO RECORD YOUR BILLING INFORMATION.

1) Your company name is...

2) How much is your monthly long distance portion of your bill _____?...

3) Your address is... (NO P.O. BOXES)

A) Your city...

B) Your zip code...

4) Your main phone number is...

A) Do you have any other lines such as fax, modems or hunt numbers which need to be changed to LDM?

B) How about any other locations?

5) Your full name is...

(Name of customer) as I said, your company will no longer be charged for any calls less than 30 seconds, which will reduce the charges on your bill, okay.

***** THE AUTHORIZATION MUST BE WORD FOR WORD!!! *****

(Name of customer), you are authorizing your company to be placed on the *Long Distance Management Connect America Plan*, correct?

(Name of customer), you will be receiving a "WELCOME ABOARD" package from LDM within 10 days.

Have a nice day and enjoy LDM's "CONNECT AMERICA PLAN".

Module 1
REV 12/2005

Closing: 11 of 11

TOTAL P.03

- 65 -

