

STATE OF OREGON
Marion County Circuit Courts
JUN 08 2011
ENTERED

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FILED

IN THE CIRCUIT COURT OF THE STATE OF OREGON
FOR THE COUNTY OF MARION

IN THE MATTER OF:
UNITED TELECOM, INC.,
Respondent.

Case No. **11C16840**
**ASSURANCE OF VOLUNTARY
COMPLIANCE**

1.

This agreement is between UNITED TELECOM, INC. [hereinafter "respondent"], and the Oregon Department of Justice [hereinafter "DOJ"] acting pursuant to OREGON REVISED STATUTES [ORS] 646.632(2) [DOJ and respondent are hereinafter referred to collectively as "the parties"].

PROCEDURE

2.

This Assurance of Voluntary Compliance [hereinafter "AVC"] is a settlement of a disputed matter. It shall not be considered an admission of a violation of law on the part of respondent for any purpose. Respondent and DOJ agree that no provision of this AVC shall operate as a penalty, forfeiture, or punishment under the Constitution of the United States, under the Constitution of the State of Oregon, or under any other provision of law.

3.

Respondent understands this AVC applies to all officers, directors, agents, employees, representatives, subsidiaries, successors and assigns, jointly and severally, or while acting

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1 through any corporation or other business entity or entities, whose acts, practices or policies are
2 directed, formulated or controlled, in whole or in part, by respondent.

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4 4.

5 Respondent understands that following acceptance of this AVC by DOJ, DOJ may
6 communicate directly with respondent for the purpose of executing and enforcing the terms of
7 this agreement, resolving future complaints, and conducting undercover investigations of
8 respondent as allowed by law. Provided, however, that at any time respondent may direct DOJ
9 to communicate with respondent through legal counsel. Further, neither this Paragraph 4
10 herein, nor any other language in this AVC, is intended by respondent in any manner to be a
11 waiver of respondent's right to seek the advice and assistance of legal counsel at any time, nor
12 should any such waiver be inferred.

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14 5.

15 Respondent understands that, after execution of this AVC by respondent, if this AVC is
16 accepted by DOJ it will be submitted to the Circuit Court of the State of Oregon for the County
17 of Marion for approval, and, if approved, will be filed with the court pursuant to ORS
18 646.632(2).

19
20 6.

21 Respondent and respondent's counsel hereby waive any further notice of submission to
22 and filing with the court of this AVC. Respondent agrees to accept service of a conformed or
23 court certified copy sent by prepaid first class mail to the address of record for respondent's
24 counsel.

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26 7.

27 If monies which are ordered to be paid in this AVC, including, but not limited to any
28 suspended amounts, are not paid timely by respondent, DOJ may convert the monetary amounts
29 of the AVC to a General Judgment, Money Award pursuant to ORS 646.632(2), after thirty [30]
30 days from the date of failure to make the payment, without notice to respondent or respondent's

1 counsel. Respondent hereby agrees to accept a copy of the General Judgment, Money Award
2 by prepaid first class mail sent to the address of record for respondent's counsel.

3 8.

4 Respondent understands that, in addition to any other sanctions which may be imposed
5 under this AVC or under Oregon law, *willful* violation of any of the terms of this AVC may
6 result in contempt of court proceedings, civil penalties of up to \$25,000.00 [twenty-five
7 thousand dollars] for each violation, and such further relief as the court may deem appropriate.
8 (*See*, ORS 646.632(4), ORS 646.642(1) and ORS 646.642(2).)

9 9.

10 Respondent and DOJ acknowledge that no other promises, representations or
11 agreements of any nature have been made or entered into between the parties. Respondent and
12 DOJ further acknowledge that this AVC constitutes a single and entire agreement that is not
13 severable or divisible, except that if any provision herein is found to be legally insufficient or
14 unenforceable, the remaining provisions shall continue in full force and effect. Respondent
15 understands that nothing in this AVC affects and/or discharges any private cause of action.
16 Respondent and DOJ acknowledge that execution of this AVC constitutes a complete resolution
17 and release of all claims DOJ could have brought against respondent pursuant to the Oregon
18 Unlawful Trade Practices Act, based on events, conduct or transactions occurring prior to the
19 filing date of this AVC. However, nothing in this paragraph shall be construed as a release
20 and/or waiver of any claims, causes of action, damages, fines, costs, or penalties pursuant to the
21 Oregon Unlawful Trade Practices Act, based on events, conduct or transactions occurring
22 subsequent to the filing date of this AVC, nor shall this paragraph be construed as a release
23 and/or waiver of any claims, causes of action, damages, fines, costs, or penalties available
24 independently of the Oregon Unlawful Trade Practices Act, regarding events, conduct, or
25 transactions occurring at any time, including, but not limited to claims, causes of action,
26 ///

1 damages, fines, costs or penalties pursuant to any administrative or regulatory law or rule,
2 criminal law, antitrust law, environmental law, taxation law, employment and labor law,
3 securities law, or any federal law or regulation.

4 **REMEDIES**

5 10.

6 Respondent shall obey Oregon's Unlawful Trade Practices Act, ORS 646.605 to ORS
7 646.656, and all applicable associated Oregon Administrative Rules.

8 11.

9 Respondent shall not represent, directly or by any implication or omission, that DOJ or
10 the State of Oregon acquiesces or approves of respondent's past business practices, current
11 efforts to reform respondent's practices, or any future practices which respondent may adopt or
12 consider adopting. DOJ's decision to settle this matter or to otherwise unilaterally limit current
13 or future enforcement action does not constitute approval or imply authorization for any past,
14 present, or future business practice of respondent. Similarly, respondent's decision to settle this
15 matter does not constitute an admission or any other form of acknowledgment that respondent
16 engaged in any unlawful business practices or otherwise violated any Oregon law or
17 administrative rule.

18 12.

19 Respondent shall pay the sum of \$12,000.00 [twelve thousand dollars] to DOJ for
20 deposit to the account established pursuant to ORS 180.095. Respondent shall pay \$3,250.00
21 [three thousand two hundred and fifty dollars] of said \$12,000.00 [twelve thousand dollar] sum
22 to DOJ immediately upon respondent's execution and submission of this AVC. **DOJ agrees to**
23 **suspend the remaining payment of \$8,750.00 [eight thousand seven hundred and fifty**
24 **dollars], of said \$12,000.00 [twelve thousand dollar] sum, so long as respondent fully**
25 **complies with all conditions of this AVC**, including, but not limited to full compliance with
26 Paragraph 13 and Paragraph 14 of this AVC herein below. Should DOJ determine, after notice

1 to and good faith consultation with respondent's legal counsel, that respondent has failed to
2 comply with any condition of this AVC, and after DOJ determines any actions taken by
3 respondent to address the noncompliance are insufficient, DOJ may convert the suspended
4 \$8,750.00 [eight thousand seven hundred and fifty dollars] to a General Judgment, Money
5 Award as set forth in Paragraph 7 of this AVC herein above, if said remaining \$8,750.00 [eight
6 thousand seven hundred and fifty dollars] is not voluntarily paid within thirty [30] days after
7 notice to counsel from DOJ that the General Judgment, Money Award will be sought.

8 13,

9 Respondent shall within ninety [90] days from the date of the filing of this AVC cease
10 operation as a provider of all telecommunication services in the State of Oregon. This will
11 include withdrawal of its Certificate of Authority pursuant to the direction of the Oregon Public
12 Utility Commission and the filing of an Application to Withdraw its authority to conduct
13 business as a foreign corporation with the Oregon Secretary of State.

14 14.

15 Effective immediately upon execution by respondent of this AVC, respondent agrees to
16 adhere to each of the following requirements:

- 17 (a) To refrain from soliciting and signing up any new Oregon customers for its
18 telecommunication services;
- 19 (b) To, within one-hundred and twenty [120] days of the date of filing of this AVC,
20 provide DOJ with a detailed written description of all activity related to its cessation
21 of business operations in the State of Oregon; and
- 22 (c) To conduct all remaining business in Oregon or with existing Oregon customers,
23 including any transfer of existing customers due to cessation of business operations
24 in the State of Oregon, in compliance with all applicable Oregon and federal law,
25 and all administrative rules or regulations.

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15.

Prior to execution of this AVC, respondent provided full credit of all non-usage charges to appropriate Oregon customers that previously complained to DOJ or to the Oregon Public Utility Commission regarding such charges. Respondent agrees to provide similar credit of any such charges to Oregon customers if the Oregon customer has reasonably demanded credit and/or reversal of such charges, within twenty-four [24] months prior to the filing of this AVC, either through respondent directly, through DOJ or through the Oregon Public Utility Commission, if the Oregon customer has yet to receive such credit previously from respondent.

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16.

The term *willful*, as used in Paragraph 8 of this AVC herein above, shall have the meaning set forth in ORS 646.605(10).

APPROVAL BY THE COURT

APPROVED for FILING and so ORDERED this 8th day of June, 2011.

Sammie B. Todd
Circuit Court Judge *pro tem*
For Marion County

RESPONDENT'S SIGNATURE AND ACKNOWLEDGMENT

I, IMTIAZ HOSSAIN, being first duly sworn on oath depose and say that I am the VICE - PRESIDENT of United Telecom, Inc., and am fully authorized and empowered to sign this Assurance of Voluntary Compliance on behalf of same, and bind the same thereto.

Imtiaz Hossain
Signature

Address: 3550 WILSHIRE BLVD 17th FLOOR
LOS ANGELES, CA 90010

SUBSCRIBED and SWORN to before me this 11th day of May, 2011.



Samantha Kang
Notary Public
My Commission Expires:
Dec 31, 2013.

REVIEW BY COUNSEL

APPROVED as to form this 10th day of May, 2011.

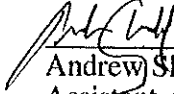
William E. Braun
William E. Braun #911338
Attorney for Respondent
braunlaw1@gmail.com

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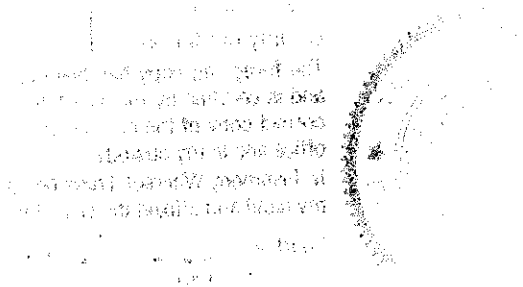
ACCEPTANCE OF DOJ

ACCEPTED this 18th day of May, 2011.

JOHN R. KROGER
Attorney General



Andrew Shull #024541
Assistant Attorney General
andrew.shull@doj.state.or.us





STATE OF OREGON } ss
County of Marion

The foregoing copy has been compared and is certified by me as a full, true and correct copy of the original on file in my office and in my custody.

In Testimony Whereof, I have hereunto set my hand and affixed the seal of the

Court on: 60811
TRIAL COURT ADMINISTRATOR

By 67