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September 10, 2007

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COMMISSION CLERK

BY HAND DELIVERY

Ms. Ann Cole, Director
Commission Clerk and Administrative Services
Room 110, Easley Building
Florida Public Service Commission
2540 Shumard Oak Blvd.
Tallahassee, Florida 32399-0850

Re: Docket No. 060614-TC

Dear Ms. Cole:

Enclosed for filing on behalf of TCG Public Communications, Inc. is an original and 15 copies of the Offer of Settlement in the above referenced docket.

Please acknowledge receipt of these documents by stamping the extra copy of this letter "filed" and returning the same to me.

Thank you for your assistance with this filing.

Sincerely yours,

[Handwritten signature of Floyd R. Self]

Floyd R. Self

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Enclosures
cc: Ms. Beth Salak
Patrick Wiggins, Esq.
Lee Eng Tan, Esq.

DOCUMENT NUMBER-DATE
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FPSC-COMMISSION CLERK

BEFORE THE FLORIDA PUBLIC SERVICE COMMISSION

In re: Compliance investigation of TCG Public
Communications, Inc. for apparent violation of
Section 364.183(1), F.S., Access to Company
Records, and determination of amount and
appropriate method for refunding overcharges
for collect calls made from inmate pay telephones.

Docket No. 060614-TC

Filed: September 10, 2006

COMMISSION
CLERK

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OFFER OF SETTLEMENT

TCG Public Communications, Inc. ("TCG") (for itself and its present and past corporate parents, subsidiaries, and affiliates) files this Offer of Settlement with the Florida Public Service Commission ("Commission") for the purpose of resolving the above captioned docket in a constructive and positive manner. In support of its Offer, TCG states as follows:

I. Introduction and Background

1. This docket was formally opened by the Commission Clerk at the request of the Commission Staff on September 13, 2006, by Document Number 08315. As is reflected by the title of this docket, this is a prosecutorial proceeding involving both allegations that TCG has violated Commission statutes regarding access to company records and allegations of overcharges to be refunded to customers. The substance of the docket pertains to the inmate phone service provided pursuant to a contract between TCG and Miami-Dade County, Florida dated August 1, 2000, and allegations that some phone calls were improperly terminated prematurely.

2. TCG is certificated by the Commission to provide pay telephone service.

3. The opening of this docket comes after an informal investigation of TCG's inmate phone service at the Miami-Dade County Correctional Department ("Department"). This informal investigation dates back to approximately March, 2004. During the time of the informal investigation the Commission Staff conducted certain tests at the Department's facilities and otherwise received data requested from TCG. In addition, representatives of TCG and the Commission Staff have met on multiple occasions to discuss the Staff investigation. Since the opening of this formal docket, TCG has continued to work cooperatively with the Commission Staff. TCG and others have responded to Commission Staff discovery requests on several occasions.

4. As a part of the Commission's investigation, in October and December of 2005, TCG and the Commission Staff cooperatively participated in two separate tests of the equipment at the Miami-Dade Pretrial Detention Facility in which the Commission Staff did not find any test calls terminated early. On July 17 and 18, 2007, the Commission Staff conducted two days of call testing from the Miami-Dade Pretrial Detention Facility and determined that all calls were properly terminated as they should have been. Finally, and in general, TCG has used its best efforts to cooperate with the requests of the Commission Staff to the extent TCG was in possession of the data requested by the Commission Staff. As a part of the cooperative effort to be of assistance, when TCG was not in possession of requested data, TCG has worked with the Commission Staff in order to have the appropriate third party provide the necessary data and documentation.

5. TCG believes that there has not been any violation of the Commission's statutes

or rules at any time during the term of the Miami-Dade contract with TCG. Based upon records available from TCG and the Commission, the total number of complaints associated with early call disconnects for the inmate phone service at the Department's inmate facilities from the beginning of the contract in August 2000 through June 2007 is less than 40, and the most recent complaint was filed in July 2006. These complaints represent an extremely small percentage of the total call volume, which in some months are in excess of one million calls and over the life of the entire contract is in excess of 100 million calls. It is TCG's policy to promptly respond to any customer complaint, especially those involving claims of early call terminations, and TCG will certainly be responsive to any customer who provides documentation regarding early call disconnects. TCG believes that all known customer complaints pertaining to inmate phone usage at the Miami-Dade County Correctional Department have been satisfactorily resolved.

6. Over the last three years, TCG has expended significant company resources in supporting the Commission Staff investigation into this matter. Based upon the current status of the matter, including the deminimus number of customer complaints, TCG believes that it is in the best interests of TCG, the Commission, and especially the public to now conclude this matter. Accordingly, TCG hereby provides the following Offer of Settlement to resolve this docket.

II. FACTUAL ANALYSIS

7. The August 1, 2000, contract and operational requirements between Miami-Dade and TCG has several important characteristics which make it unique among inmate telephone service contracts.

8. As an initial matter it is important to understand that inmate pay telephones and

the services provided are not like regular pay telephones at airports, restaurants, stores, and other public locations. Rather, inmate pay telephones provide limited services in a specialized manner through a central system. So, for the Miami-Dade Correctional Department, all of the inmate phones are linked into a system that is controllable by a central hardware and software system that manages the types of calls permitted, the time of day calls may be made, and which provides other management, security, and control features. The actual telephone instruments accessible to the inmates are hardened; these “bare bones” instruments do not have coin slots and are designed for extreme abuse and wear and tear. Inmates are only allowed to make collect calls, with the called party hearing a prerecorded message approved by the Department which explains the options available to the called party. Because of the nature of managing an inmate system with thousands of inmates, the policies, procedures, equipment, hardware, and software requires constant attention, repairs, and adjustments in order to meet the requirements established and enforced by the Miami-Dade Correctional Department and the limited Commission rules governing inmate phone services.

9. With respect to the actual implementation of the Miami-Dade contract, TCG contracted with a separate third-party vendor to actually provide the hardware, software, telephone instruments, and supporting personnel to install, maintain, and operate all of the equipment and services provided to Miami-Dade. This meant that TCG employees did not and do not run or otherwise operate the equipment and systems used to provide the inmate phone services.

10. The contract between TCG and Miami-Dade County did not require, and the decision was made to not make, a live recording of each inmate call as is done in many other

inmate phone systems. The effect of this decision is that after the fact it was not possible to listen to a recording of the call to independently verify whether a 3-way call attempt was made.

11. The Miami-Dade County Correctional Department manages nine different facilities which were served by TCG utilizing three different inmate pay telephone systems: (1) the Pretrial Detention Center, which served only the Pretrial Detention Center; (2) MetroWest, which served the MetroWest, Women's, North Dade, and Jackson Hospital Ward D facilities; and (3) TKG, which served the Turner Gilford Knight facility, the Stockade, and the Boot Camp. The hardware and software associated with each of the three systems could be and was independently set, which means that the settings for the three systems were not uniform. Thus, the settings for the phone service serving one facility could be, and sometimes was, different than those at another facility on a different system.

12. Miami-Dade County Correctional Department has a policy that requires its inmate telephones to block calls to certain telephone numbers – usually the blocked numbers are to protect victims, judges, witnesses, and prosecutors as well as to prevent inmates from calling known associates. Inmates, however, figured out that blocked numbers could be reached by calling an accomplice not on the blocked list and having that person make a 3-way call to the prohibited number. In addition, 3-way calling and call forwarding can be used to commit fraudulent calling in the furtherance of committing other crimes.

13. To address the 3-way calling situation and related fraudulent calling, Miami-Dade adopted a policy to prohibit 3-way calling. Many inmate facilities have a prohibition against 3-way calling and the operational characteristics of the 3-way call detection systems vary by vendor.

The equipment for the three Miami-Dade systems utilized proprietary computer software technologies in order to determine whether a 3-way call attempt was being made. The software itself is not as precise as if the telephone network switches had signaled the inmate phone system of a 3-way call, but there is no available technology that will guarantee the termination of only a 3-way call attempt. Consequently, the inmate phone system for the Miami-Dade Correctional Department utilized algorithms and other proprietary software in order to determine when a 3-way call attempt was being made and, when such a determination was made by the system, the call was immediately terminated.

14. Because this is a software based solution, it is not a precise or exact solution for detecting 3-way call attempts. In order to strike an appropriate balance between terminating 3-way call attempts and other fraudulent usage while allowing legitimate calls to continue unimpeded, the system utilized the proprietary software already described as well as other operational approaches to try to strike that balance. Since the software was sensitive to called parties who had call waiting and other custom calling features, customers were advised to disconnect such features. Similarly, cordless phones, because the frequencies they utilize and their susceptibility to interference both from other electronics and the distance from the base station, could also trigger false 3-way call attempts to the systems, and so customers were advised to use hardwired telephones. The message that a called party received for collect calls from Miami-Dade Correctional Department facilities was adjusted several times over the years in an attempt to help address both the prohibited 3-way calling and the fraudulent calling issues. As for the inmate phone system, it was possible to adjust the 3-way call attempt sensitivity settings in the

software in order to also find a proper balance and to ensure the prevention of 3-way call attempts.

15. Within this context, it is vital for the Commission to understand that while the Department has certain legal obligations with respect to providing telephone access to inmates, the Department has other vital public purpose responsibilities to ensure that inmates are not able to use those phones for the perpetuation of crimes or other improper purposes. As the Commission's own rules recognize, pay telephones in the inmate context are exempt from most of the other requirements for pay telephones as the inmate phone system is a tool used by the Department to fulfill its legal and custodial responsibilities to the inmates and the public.

16. Prior to October 2003, the 3-way call detection software for Miami-Dade appears to have operated as it should without any major problems or unusually excessive complaints. Again, while it is possible that a call may have been prematurely terminated as a 3-way call attempt when in fact the call was not a 3-way call attempt, the information available establishes that this was a rare occurrence and that the associated customer complaints were few but resolved.

17. Beginning in late 2003 and continuing through 2004, there was a very serious fraud problem that escalated over time associated with the use of inmate telephones in the Miami-Dade Correctional Department facilities, most of which originated in the Pretrial Detention Center. The basic situation involved inmates who would call an innocent third party and by deception get that person to engage the call forwarding of their telephone to some accomplice of the inmate. When the victim of this scam would hang up, the inmate would then dial the victim's number again which would then be automatically call forwarded to the inmate's accomplice, who would accept the collect call, which would result in the charges for the telephone call being billed

to the innocent third party. Variations of this scheme also involved hacking into PBX systems outside of regular business hours and calling other law enforcement agencies around Florida and the United States. The situation became so bad that personnel in the Miami-Dade Correctional Department received calls even though they were otherwise being blocked by the system.

18. The severity of this situation eventually became the subject of the media in Miami-Dade County as well as national news organizations, and there were numerous television and print stories regarding these problems. The situation with the inmate fraud was so serious that there was at least one meeting involving security department representatives of BellSouth, Verizon, TCG, Miami-Dade Corrections Department officials, and the equipment vendor in an attempt to address and stop the problem.

19. One aspect of the solution to the fraud problem was to change the sensitivity settings for the 3-way call detection software. In October 2003, there was a meeting with representatives of the Miami-Dade Correctional Department, TCG, and the equipment vendor. During this meeting, the equipment vendor recommended that under the then present conditions the appropriate maximum level for the settings that balanced the prohibition against 3-way calling and other fraudulent calling with the potential for early call termination of non-3-way calling was in the range of 30% to 35%. Based upon this discussion, on November 7, 2003, the Department directed the equipment vendor to set the settings at 25% effective November 17, 2003, for each of the three systems and for the parties to review the settings in 30 days.

20. On November 25, 2003, the Department communicated directly with the equipment vendor to increase the settings to 35%. TCG was never consulted about this change

before it was made, and TCG did not learn of this increase until December 3, 2003.

21. On December 16, 2003, the equipment vendor advised TCG that the maximum setting had been increased yet again, this time to 43% for the Pretrial Detention Center and to 38% and 39% for the other two Miami-Dade inmate telephone systems by the express directive of the Department. These changes were not approved by or ever discussed with TCG in advance. After the fact, when TCG attempted to ascertain what happened and to remind the Department of its decision to increase the settings only to a maximum of 35% and the potential customer problems at settings the maximum any higher, a Miami-Dade Correctional Department official told TCG in an email that in view of the continuing and escalating fraud problems that “43% is exactly what is needed at this time for PTDC and we will evaluate all the facilities again for the New Year.”

22. Over the next 14 months, the Miami-Dade Correctional Department, TCG, and the equipment vendor actively worked on and implemented several different software changes and other policies to further address the fraudulent calling originating with the inmates from the Miami-Dade inmate phones.

23. During 2004, in response to a customer complaint regarding early call terminations originating on the inmate phone system of the Miami-Dade Correctional Department, the Commission Staff began an informal investigation. Pursuant to that investigation, on September 22, 2004, the Commission Staff made its first test calls from the Pretrial Detention facility with none of the four calls reaching their full duration. On October 27, 2004, the Commission Staff made four additional test calls from the Pretrial Detention Facility, two of

which were terminated early.

24. The sensitivity settings for the 3-way call detection equipment remained at the levels dictated by the Miami-Dade Correctional Department until January 2005. At that time, TCG advised the Department that it would reduce the settings to 30% by February 1, 2005, unless the Department directed otherwise. The Department responded to TCG request in an email by stating that it would defer to TCG's technical judgment but that the County hoped that the script changes and other actions taken would reduce, not increase, fraud. TCG then directed the equipment vendor to reduce the settings to 30% no later than January 31, 2005. On February 2, 2005, the equipment vendor confirmed to TCG in an email that the 3-way call detection software system was set at 30%.

25. On June 28, 2005, the Commission Staff conducted a timing test at the Miami-Dade Correctional Department facilities. In this test, two of the three test calls were terminated early. TCG believed that at the 30% setting none of the calls should have been terminated prematurely. In following up on the test results with the equipment vendor in July and August 2005, TCG was advised by the equipment vendor that the 3-way call detection sensitivity settings were actually at 35% and not the 30% requested and confirmed by the equipment vendor in February. It is unknown whether the system was set to 30% and later changed to 35% or whether the change to 30% was misreported. The equipment vendor acknowledged that the request for the change on February first was for 30% and that it had reported that the settings were lowered to 30%. As TCG continued to review the test results and system settings, the equipment vendor in August 2005 advised TCG that because the actual sensitivity level at any one moment can be

dynamic, based upon several different factors, it was possible that there was some fluctuation in the effective sensitivity level, sometimes varying above 30% and sometimes being below 30%. In response to this information, TCG advised the equipment vendor that the settings needed to be monitored and adjusted as necessary to make sure the maximum settings always remained below 30%.

26. Working with TCG, a timing test was attempted in September 2005, but because of various hurricanes impacting both TCG's parent corporate offices and Miami-Dade County, the test was not made until October 19, 2005. For this test, only one call was made, which was not terminated early.

27. Continuing to work with the Commission Staff, a timing test was conducted on December 22, 2005. For this test all four of the four test calls were for the full duration and none of them were terminated early.

28. During the fall of 2005 while the Commission Staff continued its informal investigation into this matter, TCG became concerned regarding whether its actions to implement and comply with the directives of the Miami-Dade Correctional Department could potentially lead to a conflict between those Miami-Dade County requirements and the rules of this Commission. Accordingly, on November 22, 2005, TCG's parent corporation filed a petition for declaratory statement with this Commission seeking to address several questions regarding any potential conflict between the Commission's rules and the requirements of Miami-Dade County. This petition was docketed in Docket No. 050892-TP.

29. The specific substance of the declaratory statement petition was to address

subsections (21) and (22) of Rule 25-24.515, Florida Administrative Code, and the potential conflict between them. Rule 25-24.515(21) states that, “[p]roviders serving confinement facilities shall provide for completion of all inmate calls allowed by the confinement facility.” Rule 25-24.515(22) states, in pertinent part, that

[p]ay telephone stations in confinement facilities . . . shall also be exempt from the requirements of subsection (9),¹ except that outgoing local and long distance calls may not be terminated until after a minimum elapsed time of ten minutes.

The petition requested that the Commission declare that Rule 25-24.515(22) does not require the connection of outgoing local and long distance inmate calls for a minimum elapsed time of ten minutes when doing so would violate the practices and procedures of a confinement facility and would allow inmates to complete calls that are not allowed by the confinement facility.

30. In Order No. PSC-06-0116-FOF-TP, issued February 14, 2006, the Commission granted the declaratory statement petition. This Order found, based upon the facts set forth in the petition, that under Rule 25-24.515(22) the inmate phone service provider is not required “to connect outgoing local and long distance calls for a minimum elapsed time of ten minutes when a confinement facility requests the company to terminate a call not authorized by the confinement facility.”

31. With this declaratory statement from the Commission, TCG continued to work with the Miami-Dade Correctional Department to address the fraud and 3-way calling problems. Through such efforts, in the last year there has not been a single complaint of early call

¹ Rule 25-24.515(9) applies to pay telephone service in general. It sets forth the information that must appear on the pay telephone station and states that “[f]or pay telephone stations that will terminate conversation after a minimum elapsed time, notice shall be included on the sign card as well as an audible announcement 30 seconds prior to

termination. However, there have been complaints regarding fraudulent calling, with customers receiving bills for collect calls from the Miami-Dade facilities that the customers did not authorize. TCG continues to work with these customers and the Department to satisfactorily resolve their complaints and to implement blocks and other actions to stop all unauthorized calls.

32. Most recently, in July 2007, the Commission Staff conducted two days of testing at the Miami-Dade Correctional Department Pretrial Detention Facility. In this testing, where 37 test calls were made, the Commission Staff found that all calls were properly terminated (some calls were terminated before the full duration because additional keys were pressed in an attempt to simulate a 3-way call; such calls were considered terminated properly).

33. In this light, it is also important to note that at the time the Commission Staff performed its 2004 test calls that the sensitivity settings were at their "highest" setting pursuant to the specific directive of Miami-Dade officials consistent with the 2006 declaratory statement ruling. When the Commission Staff performed its timing test on June 28, 2005, the maximum settings were supposed to have been at 30% but subsequent investigation determined that they were set at 35%.

34. After the June 2005 test, the sensitivity settings at all Miami-Dade facilities were reduced to 30% or less. For the final tests by the Commission's Staff in 2005, on October 19, 2005, and December 22, 2005, as well as the July 2007 testing, none of these test calls were terminated improperly. Said differently, all the data indicates that any problem with respect to premature call termination had been resolved at least since the latter half of 2005. It should be noted that at no time after July 2005, when TCG instructed its equipment vendor to maintain

termination of the phone call."

sensitivity settings at or below 30% has TCG requested an increase to the sensitivity settings and as far as TCG is aware, there have been no changes to the settings by the equipment vendor nor has the Miami-Dade Correctional Department requested a different setting.

35. In analyzing all of the data assembled over the course of this investigation, the call data consistently shows that approximately 3% of calls were terminated early for 3-way call attempts. While that percentage range may seem high, the key is that notwithstanding the changes to the sensitivity settings and other actions taken, that the number of disconnects is not out of line with the settings before or after the peak in the settings.

36. This information on 3-way call disconnects is likewise consistent with the data regarding actual customer complaints for early call termination, which total less than 40 customers over seven years. In an ideal world, there would be no false 3-way calls detected resulting in no one being disconnected prematurely. However, given the available technology, some calls were disconnected that should not have been. The total number of people with such early terminations that were not 3-way call attempts is very limited, especially recognizing that there have been more than 100 million calls from the Miami-Dade Correctional Department facilities, with approximately 2.2 million calls being reported by the system 3-way call attempts. Given these call volumes, TCG believes that if the problem was more widespread, the number of complaints would have been significantly higher than it was. Indeed, while recently there have not been any complaints regarding early call terminations, there have been a number of fraud-related complaints, suggesting that the current setting may be permitting 3-way calls. Based upon all of the available information, any person who has had a problem with early call

terminations has already been refunded and made whole.

III. SETTLEMENT PROPOSAL

37. In making this Offer of Settlement, TCG believes that if the issue of early call terminations at the Miami-Dade Correctional Department facilities was to be litigated that the Commission would ultimately determine that no Commission rules, orders, or statutes were violated by the settings associated with the 3-way call detection software and that there would be no outstanding refunds or credits due to customers for early call terminations for collect calls made from the Miami-Dade Correctional Department inmate phone system. TCG believes that under existing Florida law that the actions taken with respect to the early termination of inmate phone calls due to 3-way call attempts and other fraudulent and prohibited calling has been carried out with the full knowledge and at the express direction of the Miami-Dade Correctional Department and that such actions have been consistent with Miami-Dade's policies and the rules and regulations of this Commission as verified by the Commission's 2006 declaratory statement.

38. Notwithstanding the foregoing, TCG, for settlement purposes only, recognizes that there may have been customers who received collect inmate calls from the Miami-Dade Correctional Department facilities that may have been terminated prematurely and not in violation of any of the prohibited 3-way calling or fraudulent calling policies. In order to grant every reasonable consideration to these customers, TCG is prepared to make available a settlement pool of one hundred seventy-five thousand dollars (\$175,000.00) in order to address these potential early terminated calls.

39. To the extent that a customer had a collect inmate call terminated prematurely and

without violating the 3-way call prohibition or other fraudulent calling policies of the Miami-Dade Correctional Department, the presumed response in such a situation would be that the inmate would make a second or return call to the same number that was terminated in either the same clock minute in which the first call was terminated or the next clock minute. Given the jail policies, inmates would have to make an immediate call upon the termination of the first call as they are not permitted to hold the phone without making a call. Likewise, if a legitimate call was terminated early, it is highly unlikely that the caller would dial a different party than the person that was just disconnected. The only customer billing information available to TCG confirms that the return call was indeed made within the same or next clock minute.

40. If a collect call was prematurely terminated without cause, the party accepting a local call would experience an additional call cost of \$2.25, reflecting an additional local call charge of 50 cents and an additional surcharge \$1.75, over the original call's cost. If the collect call prematurely terminated early was a long distance call, the called party would only experience an additional charge of \$1.75 since the per minute charges applied only for each additional minute consumed. Thus, the proper amount for any local call refund would be \$2.25 and for any long distance call would be \$1.75.

41. TCG believes that any customer that was in fact terminated prematurely in error has already sought compensation from the appropriate parties. However, in order to give customers the benefit of the doubt, TCG will hereby make available a settlement pool by which a customer may obtain a refund in either of two ways:

- a. If the customer has copies of phone bills, the customer may submit copies

of the bills to the settlement address with the requested successive calls highlighted or otherwise indicated on the bill copy. For each call, the calling party number must be one of the Miami-Dade Correctional Department pay telephones and the called party number must be a collect call. If the calls are indeed successive calls within 2 clock minutes of each other (within 2 minutes of the termination of the first call the return call is made from the same number to the same telephone number without any intervening calls), the customer will receive a refund of \$2.25 for each return local call and \$1.75 for each return long distance call. The refund amount will include interest calculated in accordance with Rule 25-4.114(4), Florida Administrative Code. The customer will be asked to sign a statement that the calls for which refunds are requested did not include any 3-way, fraudulent, or other prohibited calls.

b. If the customer does not have copies of the telephone bills, the customer will have to state that collect calls were received to the telephone number and the customer had calls terminated early that were not 3-way, fraudulent, or other prohibited calls. For these customers, a default check in the amount of four dollars and fifty cents (\$4.50) will be issued. The customer will be asked to sign a statement that the calls for which refunds are requested did not include any 3-way, fraudulent, or other prohibited calls.

42. TCG recognizes that the Commission's preferred method of returning revenues to customers is by a direct refund to the affected customers. In this particular situation, it is simply not possible to identify which calls may have been terminated early and which were not a 3-way, fraudulent, or other prohibited call. First, there are no call detail records available reflecting the called party number and the billed calls. Second, even if call detail records were available, such

records alone do not identify whether the two successive calls to the same number were terminated as a 3-way call prematurely in error. Thus, it is incumbent upon customers to notify TCG of their situation.

43. In order to make this information available to customers, TCG shall run notices in local newspapers and other media outlets in Miami-Dade County providing information regarding the potential refund. These notices shall be run for a period of 30 days starting within 60 days of the issuance of a final agency action order approving this Offer of Settlement. TCG shall provide customers with a 90 day window after the conclusion of the public notice for customers to make claims. The customer checks shall be issued within 60 days of the conclusion of the 90 day refund claims request window. The customer checks shall include a release that will release TCG and its past and present corporate parents, subsidiaries, and affiliates for any claims associated with early call terminations for collect calls from any of the Miami-Dade County Correctional Department facilities for the period August 1, 2000, through September 10, 2007. Any checks issued shall be valid for 90 days. A final and complete accounting will be made to the Commission within 90 days of the expiration of the 90 day window in which customers may present checks for payment in order to provide customers with the opportunity to receive and cash the check.

47. Any amounts from the settlement pool remaining after the refunds are completed shall be a voluntary contribution to the General Revenue Fund of the State of Florida, less the costs of the refund itself. Any such net payment to the State shall be made within ninety (90) days of the date the final report to the Commission addressing the refund process and the

determination of the final net balance outstanding. This period of time is necessary to provide customers with the full opportunity to receive and cash their checks and for those checks to clear the banking system and permit the settlement administrator to perform a final accounting and close out report.

IV. CONCLUSION

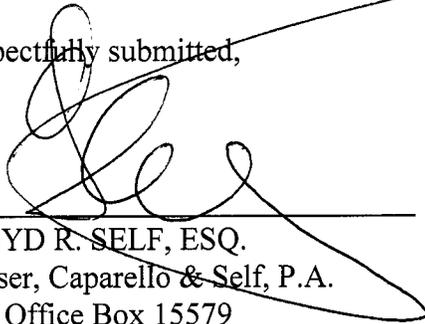
48. TCG makes this offer solely in connection with its effort to settle and resolve this investigation for itself and its present and past corporate parents, subsidiaries, and affiliates, and it may not be used for any other purpose. TCG, for itself and its present and past corporate parents, subsidiaries, and affiliates, does not admit to any wrongdoing, and submission of this proposal and its acceptance by the Commission shall not be construed as any admission of liability on the part of any of TCG or any of TCG's present and past corporate parents, subsidiaries, affiliates, employees, or officers. TCG, and its present and past corporate parents, subsidiaries, and affiliates, fully reserves each and all of its rights, positions, and arguments if this proposal is not accepted and approved by the Commission and incorporated into a final order in accordance with its terms.

48. This proposal shall be valid and binding upon TCG, and its present and past corporate parents, subsidiaries, and affiliates, only to the extent it is adopted in its entirety as presented to the Commission. If this proposal is accepted by the Commission, then the investigation would be resolved as it relates to TCG, and its present and past corporate parents, subsidiaries, and affiliates. In addition, if this proposal is accepted by the Commission, then TCG, and its present and past corporate parents, subsidiaries, and affiliates, shall not request

reconsideration or appeal of the order of the Commission approving this proposal in accordance with its terms.

49. TCG appreciates the Commission's consideration of this offer. If you wish to further discuss this matter or require any additional information, please contact us.

Respectfully submitted,



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Counsel for TCG Public Communications, Inc. and its present and past corporate parents, subsidiaries, and affiliates