

ORIGINAL



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BEFORE THE ARIZONA CORPORATION COMMISSION

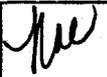
30E

1
2 **MARC SPITZER**
Chairman
3 **WILLIAM A. MUNDELL**
Commissioner
4 **JEFF HATCH-MILLER**
Commissioner
5 **MIKE GLEASON**
Commissioner
6 **KRISTEN K. MAYES**
Commissioner
7

Arizona Corporation Commission

DOCKETED

APR - 2 2004

DOCKETED BY 

AZ CORP COMMISSION
DOCUMENT CONTROL

2004 APR - 2 P 3: 35

RECEIVED

8 UTILITIES DIVISION STAFF,

Complainant,

9 vs.

Docket No. T-03889A-02-0796
T-04125A-02-0796

10 LIVEWIRENET OF ARIZONA, LLC n/k/a THE
11 PHONE COMPANY MANAGEMENT GROUP, LLC;
12 THE PHONE COMPANY OF ARIZONA JOINT
13 VENTURE, d/b/a/ THE PHONE COMPANY OF
14 ARIZONA; ON SYSTEMS TECHNOLOGY, LLC, and
its principals, TIM WETHERALD, FRANK TRICAMO,
DAVID STAFFORD, MARC DAVID SHINER and
LEON SWICKOW; THE PHONE COMPANY OF
ARIZONA, LLP and its members

15 Respondents.

16 IN THE MATTER OF THE PHONE COMPANY OF
17 ARIZONA JOINT VENTURE d/b/a/ THE PHONE
18 COMPANY OF ARIZONA'S APPLICATION FOR
19 CERTIFICATE OF CONVENIENCE AND NECESSITY
20 TO PROVIDE INTRASTATE
TELECOMMUNICATIONS SERVICE AS A LOCAL
AND LONG DISTANCE RESELLER AND
ALTERNATIVE OPERATOR SERVICE.

Docket No. T-04125A-02-0577

21 IN THE MATTER OF THE APPLICATION OF THE
22 PHONE COMPANY MANAGEMENT GROUP, LLC
f/k/a LIVEWIRENET OF ARIZONA, LLC TO
DISCONTINUE LOCAL EXCHANGE SERVICE.

Docket No. T-03889A-02-0578

23 IN THE MATTER OF THE APPLICATION OF THE
24 PHONE COMPANY MANAGEMENT GROUP, LLC
25 FOR CANCELLATION OF FACILITIES BASED AND
RSOLD LOCAL EXCHANGE SERVICES.

Docket No. T-03889A-03-0152

26 IN THE MATTER OF THE APPLICATION OF THE
27 PHONE COMPANY MANAGEMENT GROUP, LLC
28 d/b/a/ THE PHONE COMPANY FOR THE
CANCELLATION OF ITS CERTIFICATE OF
CONVENIENCE AND NECESSITY.

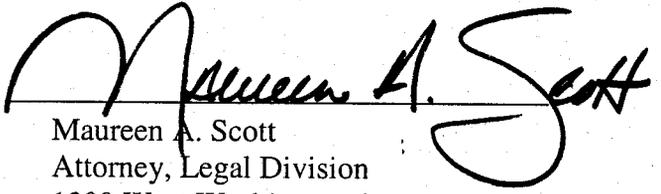
Docket No. T-03889A-03-0202

**STAFF'S NOTICE OF FILING
LATE FILED EXHIBIT**

1 The Staff of the Arizona Corporation Commission ("Staff") hereby files the attached late-
2 filed exhibit in the above referenced proceeding.

3
4 RESPECTFULLY SUBMITTED this 2nd day of April , 2004.

5
6 STAFF OF THE ARIZONA CORPORATION COMMISSION

7
8 By: 
9
10 Maureen A. Scott
11 Attorney, Legal Division
12 1200 West Washington Street
13 Phoenix, Arizona 85007
14 (602) 542-6022

13
14 Original and 21 copies of the foregoing filed
15 this 2nd day of April, 2004, with:

15 Docket Control
16 Arizona Corporation Commission
17 1200 West Washington
18 Phoenix, Arizona 85007

19 Copy of the foregoing mailed this 2nd day
20 of April, 2004, to:

21 Tim Wetherald
22 10730 East Bethany Road, Suite 206
23 Aurora, CO 80014

24 David Stafford Johnson
25 740 Gilpin Street
26 Denver, CO 80218

27 Roald Haugan
28 Managing Partners Chairman
32321 County Highway 25
Redwood Falls, MN 56283
The Phone Company of Arizona, LLP

Travis & Sara Credle
3709 West Hedrick Drive
Morehead City, NC 28557
The Phone Company of Arizona, LLP

Steven Petersen
2989 Brookdale Drive
Brooklyn Park, MN 55444

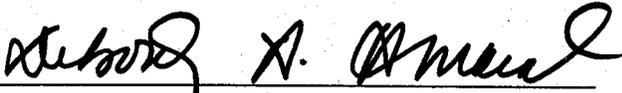
Timothy Berg
Theresa Dwyer
Fennemore Craig
3003 N. Central, Suite 2600
Phoenix, AZ 85003-2913

Qwest Corporation
Attn: Law Department
4041 N. Central, 11th Floor
Phoenix, AZ 85012

Thomas H. Campbell, Esq.
Lewis and Roca
40 North Central
Phoenix, AZ 85004

1 Jeffrey Crockett
2 Snell & Wilmer
3 One Arizona Center
4 400 East Van Buren
5 Phoenix, AZ 85004

6 Frank Tricamo
7 6888 South Yukon Court
8 Aurora, CO 80128

9 

10 Deborah A. Amaral
11 Assistant to Maureen A. Scott
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STATE ACTIONS:

1. State of Washington v. Timothy Alan Wetherald et al.
Case No. 94-2-21036-0

Complaint filed pursuant to the States Consumer Protection Act. A stipulated agreement resulted in the issuance of a Consent Decree prohibiting Tim Wetherald from engaging in telecom business in Washington.

2. State of Oregon v. Tim Wetherald et al.
Circuit Court of Oregon, Multnomah County
Case No. A8907-04289

Complaint filed under consumer protection laws resulting in injunction against Tim Wetherald from selling long distance telephone services in the state for three years.

3. State of Iowa Department of Commerce Utilities Board
In Re: ServiSense, Docket No. FCU-02-17

Investigation ending in revocation of CC&N.

4. State of Minnesota Public Utilities Commission
The Minnesota Phone Company
Docket No. P6164/C-02-1383

Complaint filed for failure to obtain a certificate of authority and for failure to obtain consent to transfer property.

5. State of Colorado Public Utilities Commission

Several dockets were opened involving

- 1) transfer of assets without Commission approval
(Docket No. 03C-372T)
- 2) Mile High Telecom application to discontinue service
(Docket No. 02A-463AT)
- 3) telecom services without the requisite CC&N
(Docket No. 02C-082T)

Federal Actions

1. Securities and Exchange Commission v. Timothy Wetherald et al.
United States District Court, Southern District of Florida
Case No. 03-60175-CIV-ZLOCH

Complaint

Washington Bankruptcies

1. In Re: Intranet Communication, Inc.
Western District of Washington at Seattle
Case No. 93-01807
Filed March, 1993

Voluntary Petition signed by Tim Wetherald, President

2. In Re: Network Communications, Inc.
Western District of Washington
Case No. 92-05044
Filed July, 1992

Involuntary Petition filed by Creditors. Tim Wetherald was an officer Network Communications, Inc.

Oregon Bankruptcies

1. In Re: Tel-Analysis, Inc.
District of Oregon
Case No. 89-32862
Filed June, 1989

Voluntary Petition filed by Tim Wetherald.

2. In Re: Ultra Com, Inc.
District of Oregon
Case No. 89-33618
Filed August, 1989

Voluntary Petition filed by Tim Wetherald

Colorado Bankruptcies

1. In Re: Mile High Joint Venture
District of Colorado
Case No. 02-30555
Filed December, 2002

Voluntary Petition signed by Tim Wetherald as Manager of On Systems Technology, LLC.

2. In Re: Voice Networks, Inc.
District of Colorado
Case No. 00-23777
Filed November, 2000

Voluntary Petition signed by Tim Wetherald as CEO.

(Official Form 1) (9/97)

FORM B1 United States Bankruptcy Court District of Colorado		VOLUNTARY PETITION
Name of Debtor (If individual, enter Last, First, Middle): Voice Networks Inc.		Name of Joint Debtor (Spouse)(Last, First, Middle)
All Other Names used by the Debtor in the last 6 years (include married, maiden, and trade names):		All Other Names used by the Joint Debtor in the last 6 years (include married, maiden, and trade names):
Soc.Sec./Tax I.D. No. (If more than one, state all): 84 - 1364695		Soc.Sec./Tax I.D. No. (If more than one, state all):
Street Address of Debtor (No. & Street, City, State & Zip Code): 14231 E. Fourth Avenue, #218 Aurora, CO 80011		Street Address of Joint Debtor (No. & Street, City, State & Zip Code):
County of Residence or of the Principal Place of Business: Arapahoe		County of Residence or of the Principal Place of Business:
Mailing Address of Debtor (if different from street address):		Mailing Address of Joint Debtor (if different from street address):
00-23777 SBB		
Location of Principal Assets of Business Debtor (If different from street address above):		

Information Regarding the Debtor (Check the Applicable Boxes)

Venue (Check any applicable box)

Debtor has been domiciled or has had a residence, principal place of business, or principal assets in this District for 180 days immediately preceding the date of this petition or for a longer part of such 180 days than in any other District.

There is a bankruptcy case concerning debtor's affiliate, general partner, or partnership pending in this District.

<p>Type of Debtor (Check any applicable box)</p> <p><input type="checkbox"/> Individual(s) <input type="checkbox"/> Railroad</p> <p><input checked="" type="checkbox"/> Corporation <input type="checkbox"/> Stockbroker</p> <p><input type="checkbox"/> Partnership <input type="checkbox"/> Commodity Broker</p> <p><input type="checkbox"/> Other _____</p>	<p>Chapter or Section of Bankruptcy Code Under Which the Petition is Filed (Check one box)</p> <p><input type="checkbox"/> Chapter 7 <input checked="" type="checkbox"/> Chapter 11 <input type="checkbox"/> Chapter 13</p> <p><input type="checkbox"/> Chapter 9 <input type="checkbox"/> Chapter 12</p> <p><input type="checkbox"/> Sec. 304 - Case Ancillary to Foreign Proceeding</p>
<p>Nature of Debts (Check one box)</p> <p><input type="checkbox"/> Consumer/Non-Business <input checked="" type="checkbox"/> Business</p>	<p>Filing Fee (Check one box)</p> <p><input checked="" type="checkbox"/> Full Filing Fee attached</p> <p><input type="checkbox"/> Filing Fee to be paid in installments. (Applicable to individuals only.) Must attach signed application for the court's consideration certifying that the debtor is unable to pay fee except in installments. Rule 1006(b). See Official Form No. 3.</p>
<p>Chapter 11 Small Business (Check all boxes that apply)</p> <p><input checked="" type="checkbox"/> Debtor is a small business as defined in 11 USC §101.</p> <p><input type="checkbox"/> Debtor is and elects to be considered a small business under 11 USC §1121(e)(Optional)</p>	

Statistical/Administrative Information (Estimates Only)

Debtor estimates that funds will be available for distribution to unsecured creditors.

Debtor estimates that, after any exempt property is excluded and administrative expenses paid, there will be no funds available for distribution to unsecured creditors.

Estimated Number of Creditors							
1-15	16-49	50-99	100-199	200-999	1000-over		
<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>		
Estimated Assets							
\$0 to \$50,000	\$50,001 to \$100,000	\$100,001 to \$500,000	\$500,001 to \$1 million	\$1,000,001 to \$10 million	\$10,000,001 to \$50 million	\$50,000,001 to \$100 million	More than \$100 million
<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Estimated Debts							
\$0 to \$50,000	\$50,001 to \$100,000	\$100,001 to \$500,000	\$500,001 to \$1 million	\$1,000,001 to \$10 million	\$10,000,001 to \$50 million	\$50,000,001 to \$100 million	More than \$100 million
<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

THIS SPACE IS FOR COURT USE ONLY

DISTRICT CLERK

MAR 17 2004

CLERK

(Official Form 1) (9/97)

FORM B1, Page 2

Voluntary Petition

(This page must be completed and filed in every case)

Name of Debtor(s): **Voice Networks Inc.**

Prior Bankruptcy Case Filed Within Last 6 Years (If more than one, attached additional sheet)

Location

Where Filed: **None**

Case Number:

Date:

Pending Bankruptcy Case Filed by any Spouse, Partner, or Affiliate of this Debtor (If more than one, attached additional sheet)

Name of Debtor:

None

Case Number:

Date:

Relationship:

District:

Judge:

Signatures

Signature(s) of Debtor(s) (Individual/Joint)

I declare under penalty of perjury that the information provided in this petition is true and correct.
(If petitioner is an individual whose debts are primarily consumer debts and has chosen to file under Chapter 7) I am aware that I may proceed under chapter 7, 11, 12 or 13 of title 11, United States Code, understand the relief available under each such chapter, and choose to proceed under chapter 7.
I request relief in accordance with the chapter of title 11, United States Code, specified in this petition.

Signature of Debtor

Signature of Joint Debtor

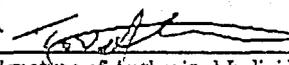
Telephone Number (if not represented by attorney)

Date

Signature of Debtor (Corporation/Partnership)

I declare under penalty of perjury that the information provided in this petition is true and correct, and that I have been authorized to file this petition on behalf of the debtor.

The debtor requests relief in accordance with the chapter of title 11, United States Code, specified in this petition.



Signature of Authorized Individual

Tim Wetherald

Printed Name of Authorized Individual

CEO

Title of Authorized Individual

11-15-00

Date

Signature of Attorney

Signature of Attorney for Debtor(s)

Joel Laufer #7728

Printed Name of Attorney for Debtor(s)

LAUFER and PADJEN LLC

Firm Name

707 17th Street, Suite 2900

Address

Denver, CO 80202

(303) 296-7615

Telephone Number

November 14, 2000

Date

Signature of Non-Attorney Petition Preparer

I certify that I am a bankruptcy petition preparer as defined in 11 U.S.C. §110, that I prepared this document for compensation, and that I have provided the debtor with a copy of this document.

Printed or Typed Name of Bankruptcy Petition Preparer

Social Security Number

Address

Names and Social Security numbers of all other individuals who prepared or assisted in preparing this document: If more than one person prepared this document, attach additional signed sheets conforming to the appropriate official form for each person.

Signature of Bankruptcy Petition Preparer

Date

Exhibit A

(To be completed if debtor is required to file periodic reports (e.g., forms 10K and 10Q) with the Securities and Exchange Commission pursuant to Section 13 or 15(d) of the Securities Exchange Act of 1934 and is requesting relief under chapter 11.)

Exhibit A is attached and made a part of this petition.

Exhibit B

(To be completed if debtor is an individual whose debts are primarily consumer debts)

I, the attorney for the petitioner named in the foregoing petition, declare that I have informed the petitioner that [he or she] may proceed under chapter 7, 11, 12 or 13 of title 11, United States Code, and have explained the relief available under each such chapter.

Signature of Attorney for Debtor(s)

Date

A bankruptcy petition preparer's failure to comply with the provisions of title 11 and the Federal Rules of Bankruptcy may result in fines or imprisonment or both. 11 U.S.C. §110; 18 U.S.C. §156.

02-30555 ABC

United States Bankruptcy Court
District of Colorado

**INVOLUNTARY
PETITION**

DEBTOR (Name of Debtor - If Individual: Last, First, Middle) MILE HIGH TELECOM JOINT VENTURE	ALL OTHER NAMES used by debtor in the last 6 years (Include married, maiden, and trade names.)
SOC. SEC./TAX I.D. NO. (If more than one, state all.)	

STREET ADDRESS OF DEBTOR (No. and street, city, state, and zip code) 3025 South Parker Road Suite 1000 Aurora, CO 80014	MAILING ADDRESS OF DEBTOR (If different from street address)
COUNTY OF RESIDENCE OR PRINCIPAL PLACE OF BUSINESS Arapahoe	

LOCATION OF PRINCIPAL ASSETS OF BUSINESS DEBTOR (If different from previously listed addresses)

CHAPTER OF BANKRUPTCY CODE UNDER WHICH PETITION IS FILED

Chapter 7 Chapter 11

INFORMATION REGARDING DEBTOR (Check applicable boxes)

Petitioners believe:

Debts are primarily consumer debts

Debts are primarily business debts (complete sections A and B)

TYPE OF DEBTOR

Individual Corporation Publicly Held

Partnership Corporation Not Publicly Held

Other: _____

A. TYPE OF BUSINESS (Check one)

Professional Transportation Commodity Broker

Retail/Wholesale Manufacturing/ Construction

Railroad Mining Real Estate

Stockbroker Other

B. BRIEFLY DESCRIBE NATURE OF BUSINESS

Telecommunications services

VENUE

Debtor has been domiciled or has had a residence, principal place of business, or principal assets in the District for 180 days immediately preceding the date of this petition or for a longer part of such 180 days than in any other District.

A bankruptcy case concerning debtor's affiliate, general partner or partnership is pending in this District.

**PENDING BANKRUPTCY CASE FILED BY OR AGAINST ANY PARTNER
OR AFFILIATE OF THIS DEBTOR (Report information for any additional cases on attached sheets.)**

Name of Debtor	Case Number	Date
Relationship	District	Judge

ALLEGATIONS
(Check applicable boxes)

1. Petitioner(s) are eligible to file this petition pursuant to 11 U.S.C. § 303(b).

2. The debtor is a person against whom an order for relief may be entered under title 11 of the United States Code.

3.a. The debtor is generally not paying such debtor's debts as they become due, unless such debts are the subject of a bona fide dispute;

or

b. Within 120 days preceding the filing of this petition, a custodian, other than a trustee, receiver, or agent appointed or authorized to take charge of less than substantially all of the property of the debtor for the purpose of enforcing a lien against such property, was appointed or took possession.

COURT USE ONLY

DISTRICT OF COLORADO

BANKRUPTCY COURT

02 DEC 17 PM 3:14

RECORDED & INDEXED

If a child support creditor or its representative is a petitioner, and if the petitioner files the form specified in § 304(g) of the Bankruptcy Reform Act of 1994, no fee is required.

TRANSFER OF CLAIM

Check this box if there has been a transfer of any claim against the debtor by or to any petitioner. Attach all documents evidencing the transfer and any statements that are required under Bankruptcy Rule 1003(a).

REQUEST FOR RELIEF

Petitioner(s) request that an order for relief be entered against the debtor under the chapter of title 11, United States Code, specified in this petition.

Petitioner(s) declare under penalty of perjury that the foregoing is true and correct according to the best of their knowledge, information, and belief.

X [Signature] Manager
Signature of Petitioner or Representative (State title)
On Systems Technology, LLC 12-17-02
Name of Petitioner Date Signed

X [Signature] 12-17-02
Signature of Attorney Denis H. Mark Date
WALLER and MARK, P.C.

Name of Attorney Firm (If any)
5105 DTC Pkwy, #450, Greenwood Village, CO 80111
Address
303-741-4741
Telephone No.

Name & Mailing
Address of Individual Tim Wetherald
Signing in Representative 3025 S. Parker Rd.
Capacity Suite 1000
Aurora, CO 80014

X
Signature of Petitioner or Representative (State title)
Name of Petitioner Date Signed

X
Signature of Attorney Date
Name of Attorney Firm (If any)

Name & Mailing
Address of Individual
Signing in Representative
Capacity

Address
Telephone No.

X
Signature of Petitioner or Representative (State title)
Name of Petitioner Date Signed

X
Signature of Attorney Date
Name of Attorney Firm (If any)

Name & Mailing
Address of Individual
Signing in Representative
Capacity

Address
Telephone No.

PETITIONING CREDITORS

Name and Address of Petitioner	Nature of Claim	Amount of Claim
On Systems Technology, LLC 3025 S. Parker Rd, Suite 1000	General Partner and services rendered	\$2,500,000.00
Name and Address of Petitioner <u>Aurora, CO 80014</u>	Nature of Claim	Amount of Claim
Name and Address of Petitioner	Nature of Claim	Amount of Claim
Note: If there are more than three petitioners, attach additional sheets with the statement under penalty of perjury, each petitioner's signature under the statement and the name of attorney and petitioning creditor information in the format above.		Total Amount of Petitioners' Claims \$2,500,000.00

STEVENS-NESE LAW PUBLISHING CO.
Portland, Oregon 97204

[NOTE:—These official forms should be obtained and used with such alterations as may be appropriate to suit the circumstances. See Rule 9009.]

VOLUNTARY CASE
INDIVIDUAL or JOINT PETITION
Form No. 1

United States Bankruptcy Court for the _____ District of Oregon

In re ULTRA COM, INC.
.....
..... [DEBTOR(S)]
(List ALL names used by each debtor(s) in last 6 years
INCLUDING assumed business name and AKA's)
None
.....
.....

Case #
SS # (Husband) N/A
SS # (Wife) N/A
Ch 7 ; Ch 11 ; Ch 12
Employer I.D. # unknown 93-0937018
County of Residence Multnomah

1. Petitioners' post-office address is 4147 SE Division, Portland, OR 97202
2. Petitioner(s) has (have) resided [or has (have) been domiciled or debtor(s) principal place of business has (have) been or debtor(s) principal assets have been] within this district for the preceding 180 days [or for a longer portion of the preceding 180 days than in any other district].
3. Petitioner(s) is (are) qualified to file this petition and is (are) entitled to the benefits of Title 11, United States Code (U.S.C.) as a voluntary debtor(s).
4. [If petitioner is a Corporation filing for relief under Chapter 11 of Title 11, U.S.C.] Exhibit A is attached to and made a part of this petition.
5. [If appropriate] A copy of petitioners' proposed plan, dated N/A, is attached [or Petitioner(s) intend(s) to file a plan pursuant to Chapter 11 (or Chapter 12 or Chapter 13) of Title 11, U.S.C.].
6. [If petitioner is an individual filing for relief under Chapter 7 of Title 11, U.S.C. and whose debts are primarily consumer debts.] Petitioner is aware that [he or she] may proceed under Chapter 7 or 13 of Title 11, U.S.C., understands the relief available under each such Chapter, and chooses to proceed under Chapter 7 of such title.
7. [If petitioner is an individual filing for relief under Chapter 7 of Title 11, U.S.C. and whose debts are primarily consumer debts and such petitioner is represented by an attorney.] A declaration or an affidavit in the form of Exhibit B is attached to and made a part of this petition.

Wherefor petitioner(s) pray(s) for relief in accordance with Chapter 7 [or Chapter 11 or Chapter 12 or Chapter 13] of Title 11, U.S.C.

Signed: 

William J. Claussen OSB #69032
 ATTORNEY FOR PETITIONER(S) PETITIONER(S)
PETITIONER(S) SIGN(S) IF NOT REPRESENTED BY ATTORNEY
Claussen & Associates, P.C.
PRINT OR TYPE NAME
1001 Sw Fifth Avenue, Suite 1010
ADDRESS
Portland, OR 97204 (503) 224-7104
PHONE

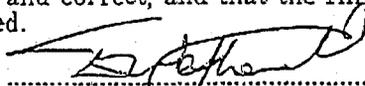
I/we, _____, the petitioner(s) named in the foregoing petition, declare under penalty of perjury that the foregoing is true and correct.

Executed on _____ DATE _____ PETITIONER
_____ PETITIONER

**UNSWORN DECLARATION UNDER PENALTY OF PERJURY
ON BEHALF OF A CORPORATION OR PARTNERSHIP**

Form No. 5, October 1, 1979

I, Timothy A. Wetherald, [the President or other officer or an authorized agent of the corporation] [or a member or an authorized agent of the partnership] named as petitioner in the foregoing petition, certify under penalty of perjury that the foregoing is true and correct, and that the filing of this petition on behalf of the [corporation] [or partnership] has been authorized.

Executed on August 8, 1989 [DATE]  SIGNATURE
Timothy A. Wetherald

STEVENS-NESS LAW PUBLISHING CO.
Portland, Oregon 97204

UNITED STATES BANKRUPTCY COURT
FOR THE DISTRICT OF Oregon

CASE COVER SHEET

CLERK, U.S. BANKRUPTCY COURT

89 JUN 25 10 11 AM '04

RECORDED
INDEXED
PAID

FOR OFFICE USE ONLY

This form must be attached on top of each petition and all copies!

In re TEL-ANALYSIS, INC.
(DEBTOR(S))
(List ALL names used by each debtor(s) in last 6 years INCLUDING assumed business name and AKA's)
dba Tel-Analysis Network Management Services

Case # 32862
SS # (Husband) N/A
SS # (Wife) N/A
Employer I.D. # 93-0982054
County of Residence Multnomah

Debtor's Mailing Address 4147 S.E. Division St., Portland, OR 97202

Place an (X) in the boxes which apply appropriate information: (NOTE: ALL questions MUST be answered, or else have the word "NONE" inserted unless otherwise noted):

1. Any non-exempt assets for trustee distribution yes no. Approximate amount \$ 0
DESCRIBE ASSETS REQUIRING TRUSTEE'S IMMEDIATE ATTENTION: None

2. Check ALL applicable blanks: Joint Petition Filing Fees Paid in Full
 No Debtor's Attorney Application to Pay Filing Fees in Installments

<p>3. TYPE OF CASE (check one box)</p> <p><input checked="" type="checkbox"/> Voluntary <input type="checkbox"/> Involuntary</p> <p>COMMENCED UNDER (check one box)</p> <p><input type="checkbox"/> Ch. 7 <input checked="" type="checkbox"/> Ch. 11 <input type="checkbox"/> Ch. 12 <input type="checkbox"/> Ch. 7 Broker <input type="checkbox"/> Ch. 11 Railroad <input type="checkbox"/> Other</p> <p>Estimated No. Creditors (check one)</p> <p><input type="checkbox"/> 1-15 <input checked="" type="checkbox"/> 16-49 <input type="checkbox"/> 50-99 <input type="checkbox"/> 100-999 <input type="checkbox"/> 1000-over</p> <p>Estimated Assets (In 000's Dollars) (check one)</p> <p><input type="checkbox"/> Under 50 <input type="checkbox"/> 50-99 <input checked="" type="checkbox"/> 100-499 <input type="checkbox"/> 500-999 <input type="checkbox"/> 1000-over</p> <p>Estimated Liabilities (In 000's Dollars) (check one)</p> <p><input type="checkbox"/> Under 50 <input type="checkbox"/> 50-99 <input type="checkbox"/> 100-499 <input checked="" type="checkbox"/> 500-999 <input type="checkbox"/> 1000-over</p>	<p>NATURE OF DEBTOR (check one box)</p> <p><input checked="" type="checkbox"/> BUSINESS (complete below) <input type="checkbox"/> WAGE EARNER (do not complete below)</p> <p>IF BUSINESS, FORM OF ORGANIZATION (check one box)</p> <p><input type="checkbox"/> Individual <input type="checkbox"/> Partnership <input type="checkbox"/> Publicly-held Corporation <input checked="" type="checkbox"/> Closely-held Corporation</p> <p>TYPE OF BUSINESS (check one box and answer No. 5 below)</p> <p><input type="checkbox"/> Farmer <input type="checkbox"/> Retail/Wholesale <input type="checkbox"/> Mfr./Mining <input type="checkbox"/> Real Estate <input type="checkbox"/> Professional <input type="checkbox"/> Transportation <input type="checkbox"/> Construction <input checked="" type="checkbox"/> Other Business</p> <p>Estimated Number of Employees — Ch. 11 and Ch. 12 Only (check one)</p> <p><input type="checkbox"/> 0 <input type="checkbox"/> 1-19 <input checked="" type="checkbox"/> 20-99 <input type="checkbox"/> 100-999 <input type="checkbox"/> 1000-over</p> <p>Estimated No. Equity Security Holders — Ch. 11 and Ch. 12 Only (check one)</p> <p><input type="checkbox"/> 0 <input checked="" type="checkbox"/> 1-19 <input type="checkbox"/> 20-99 <input type="checkbox"/> 100-999 <input type="checkbox"/> 1000-over</p>
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4. ANY debts from obligations incurred in conducting a business? yes no. Business operating? yes no.

5. Briefly describe nature of business: provider of long distance telephone service

6. If debtor is CORPORATION, give name and address of chief executive officer; if debtor is PARTNERSHIP, give names and addresses of general partners: Timothy A. Wetherald
1525 S.E. 24th St.
Portland, OR 97214

7. Are debts listed PRIMARILY consumer debts? yes no.

8. Total GROSS income of the individual debtor(s) for the last tax year: \$ Est 350,000 (i.e. before any deductions,

9. Total amount of unsecured debt: \$ 516,645

10. Total Noncontingent, Liquidated Farming Operation Debt: \$ -0-

11. Total GROSS income from farming operation for the individual debtor(s) for last tax year: \$ -0-

12. If a voluntary case and debtor does NOT have an attorney, then give the name, address, phone number and relationship of each person who helped debtor in preparing any of the bankruptcy papers. For each person listed also describe what help was given and any amount of money paid for the help. N/A

13. Related Bankruptcy Case (if any): None
Debtor None Case No. _____
District _____ Divisional Office _____ Name of Judge _____

14. June 26, 1989 Date Claussen & Associates, P.C. Print Name of Attorney (if any) William J. Claussen Signature of Attorney (or Debtor if no Attorney) 364-1371 Signer's Phone Number
1935 Daycor Ct. S.E. Salem, Oregon 97302 Signer's Address (print or type)

STEVENS-NESS LAW PUBLISHING CO.
Portland, Oregon 97204

(NOTE:—These official forms should be observed and used with such alterations as may be appropriate to suit the circumstances.
See Rule 9009.)

VOLUNTARY CASE
INDIVIDUAL or JOINT PETITION
Form No. 1

United States Bankruptcy Court for the _____ District of Oregon

In re TEL-ANALYSIS, INC.

(DEBTOR(S))
(List ALL names used by each debtor(s) in last 6 years
INCLUDING assumed business name and AKA's)
dba Tel-Analysis Network
Management Services

Case # _____
SS # (Husband) N/A
SS # (Wife) N/A
Ch 7 ; Ch 11 ; Ch 12
Employer I.D. # 93-0982054
County of Residence Multnomah

1. Petitioners' post-office address is 4147 S.E. Division, Portland, OR 97202

2. Petitioner(s) has (have) resided [or has (have) been domiciled or debtor(s) principal place of business has (have) been or debtor(s) principal assets have been] within this district for the preceding 180 days [or for a longer portion of the preceding 180 days than in any other district].

3. Petitioner(s) is (are) qualified to file this petition and is (are) entitled to the benefits of Title 11, United States Code (U.S.C.) as a voluntary debtor(s).

4. [If petitioner is a Corporation filing for relief under Chapter 11 of Title 11, U.S.C.] Exhibit A is attached to and made a part of this petition.

5. [If appropriate] A copy of petitioners' proposed plan, dated _____, is attached [or Petitioner(s) intend(s) to file a plan pursuant to Chapter 11 (or Chapter 12 or Chapter 13) of Title 11, U.S.C.].

6. [If petitioner is an individual filing for relief under Chapter 7 of Title 11, U.S.C. and whose debts are primarily consumer debts.] Petitioner is aware that [he or she] may proceed under Chapter 7 or 13 of Title 11, U.S.C., understands the relief available under each such Chapter, and chooses to proceed under Chapter 7 of such title.

7. [If petitioner is an individual filing for relief under Chapter 7 of Title 11, U.S.C. and whose debts are primarily consumer debts and such petitioner is represented by an attorney.] A declaration or an affidavit in the form of Exhibit B is attached to and made a part of this petition.

Wherefor petitioner(s) pray(s) for relief in accordance with Chapter 7 [or Chapter 11 or Chapter 12 or Chapter 13] of Title 11, U.S.C.

Signed: 

William J. Claussen OSB 69032
 ATTORNEY FOR PETITIONER(S) PETITIONER(S)
PETITIONER(S) SIGN(S), IF NOT REPRESENTED BY ATTORNEY
Claussen & Associates, P.C.
PRINT OR TYPE NAME
1495 Liberty St. S.E.
ADDRESS
Salem, Oregon 97302 (503) 364-1371
PHONE

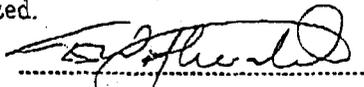
I/we, _____, the petitioner(s) named in the foregoing petition, declare under penalty of perjury that the foregoing is true and correct.

Executed on _____ DATE _____
PETITIONER
PETITIONER

UNSWORN DECLARATION UNDER PENALTY OF PERJURY
ON BEHALF OF A CORPORATION OR PARTNERSHIP

Form No. 5, October 1, 1979

I, Timothy A. Wetherald, [the President or other officer or an authorized agent of the corporation] [or a member or an authorized agent of the partnership] named as petitioner in the foregoing petition, certify under penalty of perjury that the foregoing is true and correct, and that the filing of this petition on behalf of the [corporation] [or partnership] has been authorized.

Executed on June 26, 1989  CEO
[DATE] Timothy A. Wetherald SIGNATURE

----- United States Bankruptcy Court ----- VOLUNTARY PETITION -----
WESTERN DISTRICT OF WASHINGTON AT SEATTLE

IN RE -----
Intranet Communications, Inc.
ALL OTHER NAMES -----

NAME OF JOINT DEBTOR

NO JOINT DEBTOR

SOC. SEC./TAX I.D. NO. -----
91-1487723

STREET ADDRESS OF DEBTOR -----
13228 NE 20th
Suite D-3
Bellevue, WA 98005

COUNTY OF PRINCIPAL PLACE OF BUSINESS
King

MAILING ADDRESS OF DEBTOR -----
13228 NE 20th
Suite D-3
Bellevue, WA 98005

LOCATION OF PRINCIPAL ASSETS OF BUSINESS DEBTOR

VENUE -----

Debtor has had its principal place of business in this District for 180 days immediately preceding the date of this petition.

----- INFORMATION REGARDING DEBTOR -----

TYPE OF DEBTOR
Corporation Not Publicly Held
NATURE OF DEBT
BUSINESS

A. TYPE OF BUSINESS
Other Business

B. BRIEFLY DESCRIBE NATURE OF BUSINESS
Reseller of telecommunications service

STATISTICAL/ADMINISTRATIVE INFORMATION--
Debtor estimates that there will be funds available for distribution to unsecured creditors.

CHAPTER OF BANKRUPTCY CODE
UNDER WHICH THE PETITION
IS FILED

11
FILING FEE
Filing fee attached

----- ATTORNEY NAME AND ADDRESS-----

Susan Stanley
Stanley & Nagler
1709 Seattle Tower Bldg
1218 Third Avenue
Seattle, WA 98101-3065

NO. OF CREDITORS range (sard code)
16-49 (2)

(206) 464-1453

ASSETS (thousands) 1000-9999 (5)

ATTORNEYS DESIGNATED TO
REPRESENT DEBTOR

LIABIL. (thousands) 1000-9999 (5)

Susan Stanley

NO. OF EMPLOYEES 17 (1)

EQUITY SEC. HOLDERS 1-19 (2)

THIS SPACE FOR COURT USE ONLY

93-01807

FILED
APR 03 06 PM '93
J. STEPHENSON, CLK.
U.S. BANKRUPTCY COURT
WESTERN DISTRICT OF WASHINGTON
SEATTLE
DEP. CLK.

Name of Debtor: Intranet Communications,
Case No.:

Debtor intends to file a plan within the time allowed by statute,
rule, or order of the court.

----- PRIOR BANKRUPTCY CASES FILED WITHIN LAST 6 YEARS -----

NONE

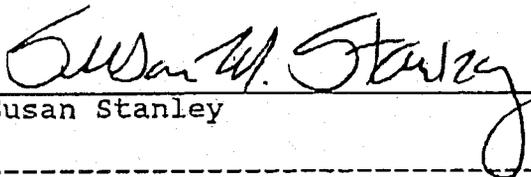
----- PENDING BANKRUPTCY CASE FILED BY PARTNER OR AFFILIATE -----

NONE

----- REQUEST FOR RELIEF -----

Debtor requests relief in accordance with the chapter of title 11
United States Code specified in this petition.

----- SIGNATURES -----
ATTORNEY



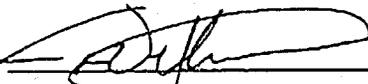
Susan Stanley

3/8/93
Date

----- PARTNERSHIP OR CORPORATE DEBTOR -----

I declare under penalty of perjury that the information provided in
this petition is true and correct, and that the filing of this
petition on behalf of the debtor has been authorized.

INTRANET COMMUNICATIONS, INC.



BY Tim Wetherald, President

3/8/93
Date

----- EXHIBIT A -----

Exhibit A is attached and made a part of this Petition.

Type of Debtor:

- Individual
- Partnership
- Corporation Publicly Held
- Corporation Not Publicly Held
- Other

A. Type of Business: Telecommunication services

B. Briefly Describe Nature of Business: Provides telecommunication services

VENUE

Debtor has been domiciled or has had a residence, principal place of business, or principal assets in the District for 180 days immediately preceding the date of this petition or for a longer part of such 180 days than in any other District.

A bankruptcy case concerning debtor's affiliate, general partner or partnership is pending in this District.

PENDING BANKRUPTCY CASE FILED BY OR AGAINST ANY PARTNER OR AFFILIATE OF THIS DEBTOR (Report information for any additional cases on attached sheets.)

Name of Debtor:

Relationship:

Case Number:

District:

Date:

Judge:

ALLEGATIONS

1. Petitioner(s) are eligible to file this petition pursuant to 11 U.S.C. § 303(b).

2. The debtor is a person against whom an order for relief may be entered under title 11 of the United States Code.
3. The debtor is generally not paying such debtor's debts as they become due, unless such debts are the subject of a bona fide dispute; or

___ Within 120 days preceding the filing of this petition, a custodian, other than a trustee, receiver, or agent appointed or authorized to take charge of less than substantially all of the property of the debtor for the purpose of enforcing a lien against such property, was appointed or took possession.

TRANSFER OF CLAIM

___ Check the box if there has been a transfer of any claim against the debtor by or to any petitioner. Attach all documents evidencing the transfer and any statements that are required under Bankruptcy Rule 1003(a).

REQUEST FOR RELIEF

Petitioner requests that an order for relief be entered against the debtor under the chapter of title 11, United States Code, specified in this petition.

Petitioner declares under penalty of perjury that the foregoing is true and correct according to the best of their knowledge, information and belief.


Signature of Petitioner or Representative (State title)

By: Frederick A. Epler, Vice Pres. of

Name of Petitioner MetroLink Investment Company, Inc., Partner in US MetroLink
Name of Petitioner: US MetroLink Company

Name and Mailing Address of Individual Signing in Representative Capacity

F. A. Epler

325 118th Ave. SE., #300

Bellevue, WA 98005

116306

William W. Hague
Signature of Attorney

William W. Hague
Name of Attorney/Firm
(if any) Monroe, Stokes, Eitelbach & Lawrence

Address and Telephone Number

800 Fifth Avenue, Suite 4000

Seattle, WA. 98104

(206) 626-6000

REQUEST FOR RELIEF

Petitioner(s) request that an order for relief be entered against the debtor under the chapter of title 11, United States Code, specified in this petition.

Petitioner declares under penalty of perjury that the foregoing is true and correct according to the best of their knowledge, information and belief.

[Handwritten Signature]
Signature of Petitioner President or Representative (State title)

[Handwritten Signature]
Signature of Attorney

Com Systems, Inc.
Name of Petitioner

Eric D. Lansverk
Hillis Clark Martin & Peterson
Name of Attorney/Firm (if any)

Name and Mailing Address of Individual Signing in Representative Capacity

Address and Telephone Number

George J. Vasilakos
2829 Townsgate Road, Suite 200
Westlake Village, CA 91361

1221 Second Ave Suite 500
Seattle WA 98101-2925
(206) 623-1745

116506

INVOLUNTARY PETITION - 6

REQUEST FOR RELIEF

Petitioner(s) request that an order for relief be entered against the debtor under the chapter of title 11, United States Code, specified in this petition.

Petitioner declares under penalty of perjury that the foregoing is true and correct according to the best of their knowledge, information, and belief.

[Signature]
Signature of Petitioner or Representative (State title)

THE VANCE CORPORATION
MARK HOUTCOFFENS
Name of Petitioner

Name and Mailing Address of Individual Signing in Representative Capacity

MARK HOUTCOFFENS
300 TOWER BLVD
SEATTLE WA, ~~98101~~
98101

[Signature]
Signature of Attorney

Michael Pierson/Riddell Williams
Name of Attorney/Firm (if any)

Address and Telephone Number

1001 4th Ave. Plaza
Suite 4400
Seattle, WA 98154
(206) 624-3600

116506

REQUEST FOR RELIEF

Petitioner(s) request that an order for relief be entered against the debtor under the chapter of title 11, United States Code, specified in this petition.

Petitioner declares under penalty of perjury that the foregoing is true and correct according to the best of their knowledge, information and belief.

Roger Wentzel - President
Signature of Petitioner
or Representative (State title)

Or Commercial Rentals, Inc.
Name of Petitioner

Name and Mailing Address
of Individual Signing
in Representative Capacity

ROGER WENTZEL
1440 NE. 21st St.
BELLEVUE, WA. 98007

Peter D. Kramer Francis's
Signature of Attorney

Law Offices of Peter D. Kramer
Name of Attorney/Firm
(if any)

Address and Telephone
Number

7310 E. Greenlake Dr. N.
Seattle, WA - 98115
525-6601

116506

PETITIONING CREDITORS

Name and Address of Petitioner:

Com Systems, Inc.
Westlake Plaza Center Two
2829 Townsgate Road, Suite 200
Westlake Village, CA 91361

Nature of Claim: Unsecured business debt

Amount of Claim: \$258,821.28

Name and Address of Petitioner:

US Metrolink Company
325 118th Ave SE Suite 300
Bellevue, WA 98005

Nature of Claim: Judgment

Amount of Claim: \$268,508.61

Name and Address of Petitioner:

Oz Computer Rentals, Inc.
14140 NE 21st Street
Bellevue, WA 98007

Nature of Claim: Unsecured business debt

Amount of Claim: \$834.29

Name and Address of Petitioner:

The Vance Corporation
300 Tower Building
Seattle, WA 98101

Nature of Claim: Unsecured debt owed to landlord

Amount of Claim: \$32,958.77

Name and Address of Petitioner:

Duracom, Inc.
11410 NE 124th Street
Suite 360
Kirkland, Washington 98034

Nature of Claim: Unsecured business debt

Amount of Claim: \$771.37

Total Amount of Petitioners' Claims: \$561,894.32

Dated: June 19, 1992

116503

From: "Dettling, Hans" <hdettling@secstate.wa.gov>
To: 'Dawn Wilson' <DWilson@admin.cc.state.az.us>
Date: 4/1/04 3:12PM
Subject: RE: Inactive WA Corporation - Network Communications, Inc.

Here is what I found in our database:

Account was dissolved on: 08/19/1996

CORPORATION INFORMATION

04/01/2004
CINF BUS203P1 OWNERSHIP - CORPORATION/LLC/LLP 14:12

UBI: 601 251 507 001 Application ID: 95 131 1123

Entity Type: PROFIT CORPORATION

Name: NETWORK COMMUNICATIONS, INC. _____

Reg Agent: ROBERT LEPPALUOTO _____

Office Addr: 7821 MAPLE AVE _____

City: VANCOUVER _____ State: WA Zip: 98664 _____

Alt Addr Flag:

ENDRS Exp Date: 05 31 1996 ENDRS Status: T Bus Status: A ENDRS Type:
140_
Account Num: 2427 9150 SSO Inc Date: 05 25 1990 SSO CATEGORY:
REG
Tenure: PER SSO Inc State: WA

=====
CINF GPI202P3 CORPORATE OFFICER SCREEN 14:12

UBI: 601 251 507 Bus ID: 001 Loc ID: Appl ID: 95 131
1123

Title: OFFIC ER _____ 08 15 1990
LAG1240
Last: NYE _____ F: BRIAN _____ M: _____

Addr: UAL BLDG STE 911 _____

City: SEATTLE _____ St: WA Zip: 98121 _____

Title: OFFIC ER _____ 08 15 1990
LAG1240
Last: WETHERALD _____ F: TIM _____ M: _____

Addr: 800 5TH AVE STE 351 _____

City: SEATTLE _____ St: WA Zip: 98104 _____

Title: OFFIC ER _____ 08 15 1990
LAG1240
Last: LEPPALUOTO _____ F: CPT _____ M: A _____

Addr: 7821 MAPLE AVE _____

City: VANCOUVER _____ St: WA Zip: 98664 _____

=====
===

If you need more information, we have to order the "dead" file from our records center, which normally takes a few days. Please let me know.

Hans Dettling
Corporations Division
Office of the Secretary of State
Washington State

-----Original Message-----

From: Dawn Wilson [mailto:DWilson@admin.cc.state.az.us]
Sent: Wednesday, March 31, 2004 12:45 PM
To: corps@secstate.wa.gov
Subject: Inactive WA Corporation - Network Communications, Inc.

I am inquiring as to whether you can assist us or direct us to the proper place.

The Arizona Corporation Commission has a complaint proceeding going against a person we believe was tied into the above company. However, since it is so old, I am unable to pull anything up through the internet. There was an involuntary bankruptcy for it in 1992. We are trying to connect this company to a Tim Wetherald. Do you have any filings of incorporation for this company? And if so, is there a listing of officers which might include Mr. Wetherald? Or anything referencing Mr. Wetherald?

The company went by Network Communications, Inc., tax ID 91-1486085. There appears to be another company by this name that incorporated in 1992 from Georgia. This company would have been prior to that.

Dawn A. Wilson
Paralegal, Legal Division
Arizona Corporation Commission
(602) 542-3995

=====
This footnote confirms that this email message
has been scanned to detect malicious content.

If you experience problems, please contact
postmaster@ccsd.cc.state.az.us
=====

Apr-03-02 03:42pm

From: QUEST LEGAL DEPARTMENT

+3032924666

T-889 P-002

F-234

MAR - 8 1995

FILED

95 MAR -7 PM 6:13

IN THE SUPERIOR COURT OF THE STATE OF WASHINGTON
IN AND FOR THE COUNTY OF KING

No judgment
ORIGINAL

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STATE OF WASHINGTON,

Plaintiff,

v.

GTT TELECOMMUNICATIONS, INC., a
Washington Corporation, formerly d/b/a
GENESIS TELECOMMUNICATIONS,
INC.; TIMOTHY ALAN WETHERALD,
individually and as its owner, principal
officer and CEO, ALEC SPENCER,
individually and as its Director of
Associate Relations, and Christine C.
WETHERALD, on behalf of the marital
community; TEMPEST INDUSTRIES,
LIMITED, a Washington corporation,
JOYCE I SPENCER, individually and as
its part owner and principal officer,
GERALD SPENCER, individually and as
its part owner and key employee, ALEC
SPENCER, individually and as its part
owner and principal officer, and JANE
DOE SPENCER, on behalf of the marital
community,

Defendants.

NO. 94-2-21036-0

CONSENT DECREE WITH
DEFENDANTS GTT
TELECOMMUNICATIONS,
INC. AND TIMOTHY ALAN
WETHERALD

CPROC	18
CUST	19
CASH	20
W/REG	21
CHEC	22
CPIN	23
ACCTG	24
EXH	25

I. JUDGMENT SUMMARY

- 1.1. Judgment Creditor: State of Washington
- 1.2. Judgment Debtors: GTT Telecommunications, Inc., d/b/a Genesis Telecommunications, Inc.; Timothy Alan Wetherald
- 1.3. Principal Judgment: -0- Injunctions; (\$200,000.00 Suspended Civil Penalties)

Handwritten signature or initials

Apr-03-02

09:42pm

From QUEST LEGAL DEPARTMENT

+3032824666

T-888 P.008

F-234

- 1 1.4. Percent interest on principal judgment: 12% per annum from the date of entry
- 2 1.5. Attorney for judgment creditor: Janet D. Reis, Assistant Attorney General
- 3 1.6. Attorney for judgment debtors: Pro Se

4
 5 Plaintiff, State of Washington, having commenced this action pursuant to Chapter 19.86
 6 RCW, the Consumer Business Practices - Consumer Protection Act, and the Defendants GTT
 7 Telecommunications, Inc. f/d/b/a Genesis Telecommunications, Inc. (hereinafter "GTT"); and
 8 Timothy Alan Wetherald; having been duly served copies of the Summons and Complaint
 9 herein; and Plaintiff appearing through its attorneys Christine O. Gregoire, Attorney General,
 10 Sally R. Gustafson, Senior Assistant Attorney General, and Janet D. Reis, Assistant Attorney
 11 General; Defendants named above appearing pro se, and said parties to this action having
 12 waived Notice of Presentation of this Consent Decree;

13 Plaintiff and the above named Defendants having stipulated and agreed upon a basis for
 14 the adjudication of the matters alleged in the Complaint herein, and the entry of this Consent
 15 Decree against the above-named Defendants; and the Court having determined that there is no
 16 just reason for delay in entry of a final judgment as to the above-named Defendants and having
 17 directed entry of this Consent Decree as to the Defendants;

18 NOW, THEREFORE, it is hereby ORDERED, ADJUDGED AND DECREED as
 19 follows:

20 **II. GENERAL**

21 **2.1. Jurisdiction.** This Court has jurisdiction over the subject matter of this action
 22 and of the parties. The plaintiff's Complaint in this matter states claims upon which relief may
 23 be granted under the provisions of the Consumer Protection Act, Chapter 19.86 RCW. The
 24 Attorney General has jurisdiction to bring this action under the provisions of Chapter 19.86
 25 RCW.

Apr-03-02 03:42pm From WEST LEGAL DEPARTMENT

+3082824666

T-860 P.004/011 F-234

2.2. Defendants. As used herein, the term "Defendants" shall mean GTI Telecommunications, Inc. (GTI) f/d/b/a Genesis Telecommunications, Inc. and Timothy Alan Wetherald.

2.3. Notice. Defendants shall inform their officers, agents, servants, employees, successors, assigns, attorneys and all persons in active concert or participation with them of the provisions of this Consent Decree and shall direct those persons to comply with this Consent Decree.

2.4. Non-Endorsement. Under no circumstances shall this Consent Decree or the names of the State of Washington, the Office of the Attorney General, the Consumer Protection Division, or any of their employees or representatives, be used by Defendants, their agents, servants, employees, successors, assigns, attorneys, or other persons acting in concert or participation with them in connection with any selling, advertising, or promotion of products or services or as an endorsement or approval of any of the defendants' acts, practices, or methods of conducting business.

III. INJUNCTIVE RELIEF

3.1. Application of Injunctions. The injunctive provisions of this Consent Decree shall apply to Defendants, their successors, transferees, assigns, officers, agents, servants, employees, representatives, and all other persons or entities in active concert or participation with them.

3.2. Injunctions. Defendants and all successors, representatives, assigns, transferees, agents, servants, subsidiaries, affiliates, employees, officers and all other persons in acting, or claiming to act for, on behalf of, in participation with, or in concert with any of the above-named Defendants are hereby permanently enjoined and restrained in the State of Washington as follows:

A. Defendant is prohibited from engaging in any of the following practices, either directly or indirectly, through the ownership of, operation of, management of, or employment

Apr-05-02 09:42pm From-QUEST LEGAL DEPARTMENT

+3082024568

T-860 F.005/011 F-234

1 or any other participation arrangement with or by any individual or entity which sells, directly
2 or indirectly, interstate or intrastate long distance telecommunications services:

3 (1) selling long distance services for which tariffs have not been filed and
4 approved as required by the Washington State Utilities and Transportation Commission
5 and/or under applicable statutes of any other state or of the United States;

6 (2) failing to provide any material information to any bona fide supplier of
7 intrastate or interstate long distance or "1-800" services when seeking to obtain said
8 services for the purposes of resale to any Washington resident, which material
9 information could reasonably be expected to be considered by said supplier(s) in
10 determining whether to provide service;

11 (3) reselling long distance services by any method to any Washington
12 resident without having first obtained a written agreement or comparable document,
13 from the supplier(s) of originating long distance service which sets forth with
14 specificity the terms and conditions of the provision of service to the Defendant,
15 Defendant's firm, Defendant's agent, Defendant's employer, Defendant's employees,
16 or any independent representative acting in concert with or at the direction of the
17 Defendant, for resale to members of the general public;

18 (4) directly or indirectly selling any long distance product or service to any
19 Washington resident through use of independent sales representatives who are required
20 to pay a fee before obtaining the right to sell said product or service without having
21 first provided said sales representatives with a complete description of the basis for the
22 fee, which description identifies the actual costs for products or other services provided
23 to said sales representatives in exchange for the payment made;

24 (5) failing to maintain an internal bookkeeping system which, at a minimum,
25 identifies all accounts payable, all accounts receivable, and maintains account histories
26

Apr-03-02

03:42pm

From-QUEST LEGAL DEPARTMENT

+9082824668

T-860 P.008/011 F-234

1 for each consumer of long distance services which accurately reflect services rendered
2 and payments made by consumers;

3 (6) establishing customer accounts and billing individuals or accepting
4 payment in advance of services rendered, with the exception of any account activation
5 or similar fee, disclosed in advance to customers, provided that such activation fee is
6 not billed or accepted until customers are able to access the services as represented;

7 (7) representing to any prospective or actual customer or sales representative
8 that long distance services are available or that access to long distance services is
9 available on a reliable basis from certain suppliers of service when the services are not
10 so accessible or available from the service providers identified;

11 (8) failing to identify, to any prospective or actual customer or sales
12 representative, all providers of long distance and/or related services that have been
13 contracted with or are otherwise obligated to provide services to customers;

14 (9) failing to timely pay all providers of long distance service for all services
15 rendered on terms and conditions required by said providers such that discontinuation
16 or denigration of long distance service to any Washington resident occurs as a
17 proximate result of said failure to pay or meet required terms.

18 B. In the event Defendant Wetherald, directly or indirectly, becomes employed or
19 enters into any other participation arrangement with any individual or entity which sells,
20 directly or indirectly, interstate or intrastate long distance telecommunications services,
21 Defendant shall provide complete and legible copies of the Complaint filed in this matter and
22 this Consent Decree prior to his employment or other participation.

23 IV. CIVIL PENALTIES

24 4.1. Civil Penalties. Pursuant to RCW 19.86.140, the plaintiff State shall recover
25 and Defendants Tim Wetherald and GTI Telecommunications, Inc. shall be jointly and
26

Apr-03-02

03:42pm

From-QUEST LEGAL DEPARTMENT

+3032824666

T-868 P.007/011 F-284

1 severally liable for a civil penalty of \$200,000.00. These civil penalties are suspended
2 conditioned on full compliance with all provisions of this Consent Decree.

3 V. ENFORCEMENT

4 5.1. Compliance. For the purposes of determining or securing compliance with this
5 Consent Decree, representatives of the Office of the Attorney General shall be permitted, upon
6 reasonable notice to Defendants:

7 a. Access during regular office hours for inspection and copying of any and
8 all records or documents in the actual or constructive possession of Defendants
9 regarding any matters contained in or related to this Consent Decree; and

10 b. To question or depose Defendants and any officer, director, agent,
11 employee, representative or independent contractor of Defendant regarding any matters
12 contained in or related to this Consent Decree.

13 5.2. Jurisdiction Retained. Jurisdiction of the Attorney General and the Court over
14 Defendants is retained for the purpose of enabling Plaintiff to apply to the Court at any time
15 for the enforcement of compliance with and recovery of the relief provided for in this Consent
16 Decree.

17 5.3. Violation. The violation of any of the terms of this Consent Decree shall
18 constitute a violation of an injunction for which civil penalties of up to \$25,000.00 per
19 violation may be sought by the Attorney General pursuant to RCW 19.86.140 in addition to
20 such other remedies as may be provided by law for violation of an injunction.

21 5.4. Enforcement Fees and Costs. Defendant shall bear all of plaintiff's costs,
22 including reasonable attorney's fees, of enforcing this Consent Decree should action, including
23 collection to enforce any provision, become necessary.

24 5.5. Private Action. Nothing in this Consent Decree shall be construed as a limit
25 or a bar to any other person or entity in the pursuit of available remedies.

26

Apr-03-02

03:43pm

From: QWEST LEGAL DEPARTMENT

+9082824888

T-899 P.008/011 F-234

VI. DISMISSAL

6.1. Defendants voluntarily dismiss, with prejudice, all counterclaims stated in their Answer.

6.2. Dismissal of Action. Except as provided above, this proceeding is in all other respects dismissed as to defendants GTI Telecommunications, Inc. and Timothy Alan Wetherald, upon entry of this Consent Decree. There is no just reason for delay and the Clerk of the Court is directed to enter this Judgment as to Defendants GTI Telecommunications, Inc. and Timothy Alan Wetherald.

DATED this 17th day of March, 1995.

[Signature]
JUDGE/COURT COMMISSIONER

Agreed to and Approved for Entry by:

Agreed to; Approved as to Form;
Notice of Presentation Waived By:

CHRISTINE O. GREGOIRE
Attorney General
SALLY R. GUSTAFSON
Senior Assistant Attorney General

[Signature]
JANET D. REIS WSBA # 12799
Assistant Attorney General
Attorneys for Plaintiff
State of Washington

[Signature]
TIMOTHY ALAN WETHERALD,
Individually, on behalf of his marital
community, and on behalf of GTI
Telecommunications, Inc., formerly
d/b/a Genesis Telecommunications,
Inc.

FILED

CIRCUIT COURT OF OREGON

1001 MAR -7 PM 1:53

MULTNOMAH COUNTY

MULTNOMAH COUNTY DISTRICT COURT

STATE OF OREGON, ex rel DAVE FROHNMAYER, Attorney General of the State of Oregon,

No. A8907-04289

Plaintiff,

STIPULATED MONEY JUDGMENT AND INJUNCTION AGAINST DEFENDANTS TIM WETHERALD, TELANALYSIS, INC. AND ULTRACOM, INC.

TIM WETHERALD; TELANALYSIS, INC., an Oregon corporation; ULTRACOM, INC., an Oregon corporation,

Defendants.

1.

Judgment shall be entered for the plaintiff and against defendants Tim Wetherald, Telanalysis, Inc. and Ultracom, Inc. jointly and severally in the amount of \$18,000 for restitution. Additionally, a civil penalty of \$10,000 shall be paid, subject to the terms and conditions of the attached "Covenant not to Execute." Each of defendants shall be liable jointly and severally in this judgment, and interest shall accrue at a rate of 9 percent per annum from this date forward, except as provided in the Stipulation, Waiver and Order Re Confirmation of Chapter 13 Plan of Timothy Allen Wetherald.

MONEY JUDGMENT

- 1) Judgment Creditor: STATE OF OREGON, Department of Justice
2) Judgment Creditor's Attorney: James A. Prunty State of Oregon
3) Judgment Debtors: Tim Wetherald, Ultracom, Inc., Telanalysis, Inc. (jointly and severally)
4) Principal Amount of Judgment: \$18,000.00
5) Prejudgment Interest: None.

1515 SW 3rd AVENUE SUITE 410 PORTLAND, OR 97201 PHONE (503) 219-6725

- 1 7) Civil Penalty: \$10,000 subject to the terms and conditions
- 2 of the Covenant not to Execute.
- 3 8) Postjudgment simple interest at the rate of 9 percent per
- 4 annum on the total money judgment which consists of item 4
- 5 from the date judgment is entered until fully paid.

INJUNCTION

2.

7 Defendant, Tim Wetherald, his agents, associates or employees

8 are restrained and enjoined from selling long distance telephone

9 services in the State of Oregon for three (3) years from the date

10 this Order is signed.

3.

12 Defendants Tim Wetherald, Telanalysis, Inc. and Ultracom, Inc.

13 are permanently enjoined and restrained from violating the

14 Oregon Unlawful Trade Practices Act, ORS 646.605 through ORS

15 646.656.

4.

17 Defendants Tim Wetherald, Telanalysis, Inc. and Ultracom, Inc.

18 are permanently enjoined and restrained directly or indirectly

19 from collecting costs of long distance telephone services from

20 consumers in advance unless they have the actual present ability,

21 both technically and legally, to provide promised services to

22 consumers. Defendants are also permanently enjoined and

23 restrained directly or indirectly from collecting up-front fees

24 for goods and services related to the provision of long distance

25 or local telephone services without escrowing those fees pending

26 delivery of promised goods or services.

DEPARTMENT OF JUSTICE
 1515 SW 5th AVENUE
 SUITE 410
 PORTLAND, OR 97201
 PHONE (503) 229-5725

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5.

Defendants Tim Wetherald, Telanalysis, Inc. and Ultracom, Inc. are permanently enjoined directly or indirectly from handling, processing, depositing, cashing, or directing the handling, processing, depositing or cashing of customer payments for long distance equipment or services sold in the State of Oregon for three (3) years from the date this Order is signed.

6.

Defendants Tim Wetherald, Telanalysis, Inc. and Ultracom, Inc. are enjoined directly or indirectly from the assignment, allocation, distribution, use or directing the assignment, allocation, distribution or use of authorization codes and access codes issued by long distance telephone service providers or at the direction of long distance telephone service providers on behalf of or for the benefit of Oregon consumers for a period of three (3) years from the date this Order is signed.

7.

Defendants Tim Wetherald, Telanalysis, Inc. and Ultracom, Inc. are enjoined for a period of three (3) years from the date of this Order from being signatories to bank accounts into which payments from Oregon consumers for long distance telephone services and equipment are directly or indirectly deposited, placed or transferred.

///

Page

DEPARTMENT OF JUSTICE
1515 SW 5th AVENUE
SUITE 410
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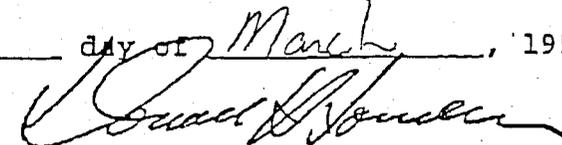
1 10.

2 Defendant Tim Wetherald shall be permanently enjoined
3 from violating the requirements set out in ORS 759.001, et
4 seq., OAR Chapter 32, and ORS 646.605 et seq.

5 11.

6 Judgment is entered. There is no just reason for delay.
7 Judgment is ordered entered forthwith. ORCP 67B.

8 IT IS SO ORDERED this 7 day of March, 1991.

9 
10 W Circuit Court Judge

11 Prepared by:
12 James A. Prunty #84128
13 Assistant Attorney General
14 Oregon Department of Justice
15 Financial Fraud Section
16 100 Justice Building
17 Salem, OR 97310
18 (503) 378-4732

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1015 SW 5th AVENUE
SUITE 410
PORTLAND, OR 97201
PHONE (503) 229-5726



STATE OF OREGON } ss.
 County of Multnomah

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

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

Court on: March 7, 1991

CIRCUIT COURT
 Administrator

By: 
 Deputy

Certified to be a true and correct copy of the original and of the whole thereof.

Assistant Attorney General of Attorneys for Plaintiff

FILED

1990 APR 18 PM 4:35

JUDICIAL DISTRICT

1)
2)
3) CIRCUIT COURT OF OREGON
4)
5) MULTNOMAH COUNTY

3 STATE OF OREGON, ex rel DAVE)
4 FROHNMAYER, Attorney General)
5 of the State of Oregon,)
6)
7) Plaintiff,)
8)

No. A8907-04289

6 v.)

ORDER OF CONTEMPT

7 TIM WETHERALD; TELANALYSIS, INC.,)
8 an Oregon corporation; ULTRACOM,)
9 INC., an Oregon corporation.)

ENTERED
APR 19 1990
IN THE DISTRICT CLERK

9 Defendants.)

10 This matter came before the court on application of
11 plaintiff for an Order to Show Cause Why Defendant, Tim
12 Wetherald, Should Not be Held in Contempt of Court for
13 Violation of a Preliminary Injunction issued by this court on
14 August 21, 1989. A hearing was held before the Honorable
15 Robert L. Kirkman, Acting Circuit Court Judge, on Friday,
16 February 9, Monday, February 12, Tuesday, February 13, Friday,
17 February 16 and Tuesday, February 20, 1990. Plaintiff appeared
18 through James A. Prunty, Assistant Attorney General, and
19 defendant, Tim Wetherald, was represented by counsel,
20 Douglas G. Combs. The court heard the testimony of 25
21 witnesses and reviewed 25 exhibits entered into evidence. The
22 court FINDS as follows:

23 1. Defendant Tim Wetherald had knowledge of an August 21,
24 1989 Preliminary Injunction Order issued by this court.

25 2. Defendant Tim Wetherald continued to sell long distance
26 services and collect fees and other charges up-front from

1 Oregon consumers before entering into a written agreement with
2 Universal Communications, Inc. to provide those services on
3 September 8, 1989.

4 3. Defendant Tim Wetherald collected fees and other
5 charges up-front from consumers on a number of occasions
6 without forwarding those fees to Universal Communications as
7 required by the contract, reflected in Exhibit 11. Defendant
8 Tim Wetherald knew there were problems regarding the
9 authorization codes being sent to consumers yet continued to
10 sell and collect up-front fees without regard to whether such
11 services could be provided.

12 4. Defendant Tim Wetherald's conduct in selling, marketing
13 and collecting up-front fees from consumers was frequent and
14 not accidental, but intentional. After the contract with
15 Universal Communications was abrogated in October 1989,
16 defendant Tim Wetherald did not take adequate and reasonable
17 steps to assure that National Telephone Company had the
18 technical or legal ability to provide the services being
19 marketed and sold by Tim Wetherald.

20 5. Defendant Tim Wetherald continued to sell long distance
21 telephone services and collect money up-front from consumers
22 for long distance telephone services at times when Tim
23 Wetherald did not have the present ability to provide such
24 services in October, November and December, 1989.

25 6. Defendant Tim Wetherald has collected fees from Oregon
26 consumers for long distance telephone services without

1 delivering said services or refunding the money received for
2 said services. This was a violation of ORS 646.607(2) and the
3 August 21, 1989 Preliminary Injunction Order.

4 7. Defendant Tim Wetherald failed to disclose that the
5 dialers and redialers being sold to consumers along with long
6 distance services being marketed were not necessary as a
7 precondition to using long distance telephone services. This
8 was a violation of ORS 646.608(1)(e) in that defendant failed
9 to disclose the true benefits and characteristics of said
10 equipment. It was also a violation of the August 21, 1989
11 Preliminary Injunction Order.

12 8. Defendant Tim Wetherald collected up-front registration
13 fees and phone service fees on a number of occasions. Those
14 fees were not forwarded to Universal Communications, Inc. The
15 payment of these fees was misrepresented to consumers and
16 violated ORS 646.608(1)(a) and (e). This also constituted a
17 violation of the August 21, 1989 Preliminary Injunction Order.

18 9. Defendant Tim Wetherald collected money up-front for
19 telephone services and registration costs while promising to
20 deliver those services within a particular time period with the
21 intent not to deliver them as promised, in violation of ORS
22 646.608(1)(q). Consumers who paid these fees up front were not
23 told initially that they would be put on a waiting list. This
24 also constituted a violation of the August 21, 1989 Preliminary
25 Injunction Order.

26 ///

1 10. Defendant Tim Wetherald marketed and sold the long
2 distance telephone services of National Telephone Company Long
3 Distance Division at times when that company had neither the
4 legal or technical ability to provide those services. This was
5 a violation of ORS 646.608(1)(e) and (t), and the August 21,
6 1989 Preliminary Injunction Order.

7 11. Defendant Tim Wetherald is the principal of American
8 Long Distance. American Long Distance has no certificate of
9 authority or present ability to supply the services being
10 marketed and sold through Tim Wetherald, his associates and
11 agents. This was a violation of ORS 646.608(1)(a), (b), (c),
12 (i), (j) and (k), and the August 21, 1989 Preliminary
13 Injunction Order.

14 12. Defendant Tim Wetherald collected re-connection fees
15 from former subscribers to his long distance telephone services
16 while failing to disclose that these charges were not required
17 by Universal Communications, Inc. in violation of ORS
18 646.3608(1)(a) and (t) and the August 21, 1989 Preliminary
19 Injunction Order.

20 13. Plaintiff has proved beyond a reasonable doubt that
21 defendant Tim Wetherald intentionally violated the Preliminary
22 Injunction Order of August 21, 1989, as charged in
23 subparagraphs (1), (2) and (3) of paragraph 3 of plaintiff's
24 motion. The "beyond reasonable doubt" standard has been met as
25 to these counts.

26 ///

1 14. As to the general allegation of "count 4" of paragraph
2 3 of the Motion, the allegation is so general that the court is
3 not willing to find Mr. Wetherald guilty of contempt beyond a
4 reasonable doubt. Therefore, there will be a finding of
5 Non-Guilty as to count 4.

6 15. Each of the allegations standing alone, if proven,
7 would support the imposition of the sanctions set forth under
8 ORS 33.010.

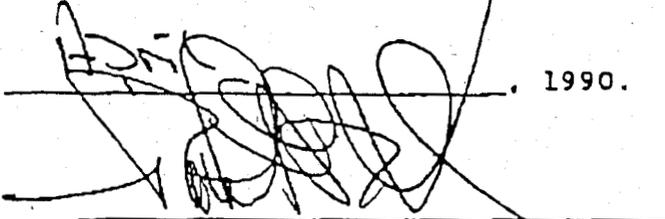
9 16. The Attorney General in bringing actions under the
10 Unlawful Trade Practices Act (ORS 646.605 et seq) stands in the
11 shoes of the people of the State of Oregon. The defendant, Tim
12 Wetherald, by violating the August 1989 Preliminary Injunction
13 prejudiced the rights of the people of the State of Oregon in
14 this action. Thus, the defendant is subject to the sanctions
15 set forth in ORS 33.020(1) of \$300.00 and/or imprisonment for
16 six months for each violation.

17 IT IS HEREBY ORDERED:

18 That defendant Tim Wetherald is in contempt of this court's
19 August 21, 1989 Order. Defendant having waived his statutory
20 right to delay sentencing 48 hours, it is the order of this
21 court that for purposes of this proceeding allegations 1, 2 and
22 3 (counts 1, 2 and 3) merged for sentencing. The defendant Tim
23 Wetherald will be sentenced to 90 days in jail, the execution
24 of which is suspended and the defendant is placed on two years
25 Bench Probation subject to the conditions announced in open
26 court except that the fine will be \$300.00 vice \$400.00. The

1 fine will be due, in full, on June 1, 1990. As a condition of
 2 this probation, defendant is required to obey the Preliminary
 3 Injunction Order of August 21, 1989 and the Preliminary
 4 Injunction Order of February 20, 1990 in addition to scrupulous
 5 compliance with the Unlawful Trade Practices Act, ORS 646.605,
 6 et seq.

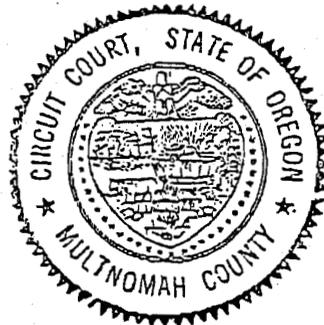
7 Dated this 1st day of April, 1990.



Robert L. Kirkman
 Acting Circuit Court Judge

Submitted by:

James Prunty
 Assistant Attorney General
 Department of Justice
 100 Justice Building
 Salem, OR 97310
 Telephone (503) 378-4732



STATE OF OREGON }
 County of Multnomah }
 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
 APR 26 1990
 Court on:
 CIRCUIT COURT
 Administrator
 By: Robin L. Newman
 Deputy

JAN
MAR 26 1990

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FILED

1990 MAR 26 AM 9:59

JUDICIAL DISTRICT

CIRCUIT COURT OF OREGON

MULTNOMAH COUNTY

1 STATE OF OREGON, ex rel DAVE)
 2 PROHNMAYER, Attorney General)
 3 of the State of Oregon,)
 4)
 5 Plaintiff,)
 6 v.)
 7 TIM WETHERALD; TELANALYSIS, INC.,)
 8 an Oregon corporation; ULTRACOM,)
 9 INC., an Oregon corporation.)
 Defendants.)

No. AB907-04289

PRELIMINARY INJUNCTION
AGAINST TIM WETHERALD

ENTERED
 MAR 27 1990
 IN REGISTER BY LK

10 This matter came before the court on application of
 11 plaintiff for a Temporary Restraining Order and an Order to
 12 Show Cause Why Preliminary Injunction Should not Issue. A
 13 hearing was held before the Honorable Robert L. Kirkman,
 14 Circuit Court Judge Pro. Tem, on Friday, February 9, Monday,
 15 February 12, Tuesday, February 13, Friday, February 16 and
 16 Tuesday, February 20, 1990. After hearing the testimony of 25
 17 witnesses and reviewing 25 exhibits entered into evidence, the
 18 court makes the following FINDINGS:

- 19 1. Plaintiff is likely to prevail in its complaint for
- 20 unlawful trade practices against defendant Tim Wetherald.
- 21 2. Defendant Tim Wetherald has collected fees from Oregon
- 22 consumers for long distance telephone services without
- 23 delivering said services or refunding the money received for
- 24 said services. This was a violation of ORS 646.607(2).

25 ///
26 ///

1 3. Defendant Tim Wetherald failed to disclose that the
2 dialers and redialers being sold to consumers along with long
3 distance services being marketed were not necessary as a
4 precondition to using long distance telephone services. This
5 was a violation of ORS 646.608(1)(e) in that defendant failed
6 to disclose the true benefits and characteristics of said
7 equipment.

8 4. Defendant Tim Wetherald collected up-front registration
9 and phone service fees on a number of occasions. Those fees
10 were not forwarded to Universal Communications, Inc. The
11 payment of these fees was misrepresented to consumers and
12 violated ORS 646.608(1)(a) and (e).

13 5. Defendant Tim Wetherald collected money up-front for
14 telephone services and registration costs while promising to
15 deliver those services within a particular time period, with
16 the intent not to deliver them as promised, in violation of ORS
17 646.608(1)(q). Consumers who paid these fees up-front were not
18 told initially that they would be put on a waiting list.

19 6. Defendant Tim Wetherald marketed and sold the long
20 distance telephone services of National Telephone Company Long
21 Distance Division at times when that company had neither the
22 legal or technical ability to provide those services. This was
23 a violation of ORS 646.608(1)(e) and (t).

24 7. Defendant Tim Wetherald is the principal of American
25 Long Distance. American Long Distance has no certificate of
26 authority or present ability to supply the services currently

1 being marketed and sold through Tim Wetherald, his associates
2 and agents. This was a violation of ORS 646.608(1)(a), (b),
3 (c), (i), (j) and (k).

4 8. Defendant Tim Wetherald collected re-connection fees
5 from former subscribers to his long distance telephone services
6 while failing to disclose that these charges were not required
7 by Universal Communications, Inc. This was a violation of ORS
8 646.3608(1)(a) and (c).

9 IT IS HEREBY ORDERED:

10 1) That defendant Tim Wetherald, his agents, associates or
11 employees be restrained and enjoined from engaging in the sale
12 of long distance telephone services;

13 2) That defendant Tim Wetherald, his agents, associates or
14 employees, including but not limited to American Long Distance,
15 take no affirmative action toward providing services or
16 undertaking to sell, solicit or collect money for or market
17 long distance telephone services, save and except to write to
18 the 67 consumers already provided long distance telephone
19 services to inform them of this court's order. This letter may
20 not be used to solicit, sell or market telephone services to
21 consumers;

22 3) That defendant Tim Wetherald, his agents, associates or
23 employees, including but not limited to American Long Distance,
24 shall take no action to service existing customers or sell
25 services or equipment;

26 ///

1 4) That defendant Tim Wetherald, his agents, associates or
2 employees be restrained and enjoined from engaging in trade or
3 commerce related to the provision, solicitation or marketing of
4 telecommunications services, except that American Long Distance
5 may provide telephone services by continuing to allow consumers
6 who purchased their services before February 5, 1990 to access
7 American Long Distance U.S. West lines and switching equipment,
8 until and unless the PUC or some other appropriate government
9 agency decides otherwise by enjoining said service. In no
10 event is American Long Distance permitted to provide these
11 telephone services after March 31, 1990. This Order does not
12 confer upon American Long Distance any authority, right or
13 privilege it does not already have;

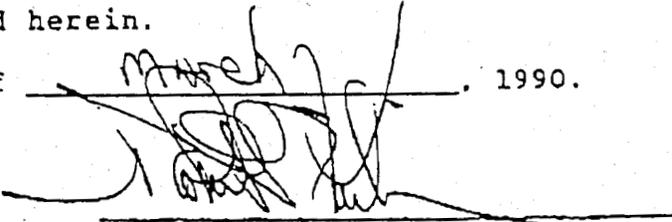
14 5) That defendant Tim Wetherald, his agents, associates or
15 employees be restrained and enjoined from transferring,
16 concealing, destroying or removing the books, records,
17 documents, invoices, or other written materials relating to the
18 defendants in the above captioned case;

19 6) That defendant Tim Wetherald, his agents, associates or
20 employees be restrained and enjoined from transferring,
21 spending, hypothecating, concealing, encumbering or removing
22 the money, stocks, bonds, assets, notes, equipment, funds,
23 accounts receivables, policies of insurance, trust agreements,
24 or other property, real, personal or mixed, wherever situated,
25 belonging to or owned by, in possession of, or claimed by Tim
26 Wetherald, insofar as such property relates to, arises out of

1 or is derived from the business activities of Tim Wetherald,
 2 save and except normal and necessary living expenses and
 3 attorney fees. This provision shall not prevent the PUC or
 4 other government agency from ordering that Tim Wetherald or
 5 American Long Distance make refunds to consumers;

6 7) That defendant Tim Wetherald, his agents, associates or
 7 employees be restrained and enjoined from engaging in the
 8 false, misleading and deceptive acts or practices set forth in
 9 the amended complaint filed herein.

10 Dated this 23 day of March, 1990.



11
12
13 Robert L. Kirkman
Circuit Court Judge Pro Tem

14 Submitted by:

15 James Prunty
 16 Assistant Attorney General
 17 Department of Justice
 18 100 Justice Building
 Salem, OR 97310
 Telephone (503) 378-4732



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STATE OF OREGON }
 County of Multnomah }
 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 presence.
 In testimony Whereof, I have hereunto set
 my hand and affixed the seal of the
 Court on: 4-10-90
 CLERK OF COURT
 Administrator
 By Debra M. Johnson
 Deputy

CIRCUIT COURT OF OREGON

MULTNOMAH COUNTY

3	STATE OF OREGON, ex rel DAVE)	
4	FROHNMAYER, Attorney General)	No. A8907-04289
4	of the State of Oregon,)	
5	Plaintiff,)	SECOND AMENDED COMPLAINT
6	v.)	(UNLAWFUL TRADE
7	TIM WETHERALD; TELANALYSIS, INC.,	-)	PRACTICES, INJUNCTION,
8	an Oregon corporation; ULTRACOM,)	CIVIL PENALTIES AND
8	INC., an Oregon corporation.)	RESTITUTION)
9	Defendants.)	

FIRST CLAIM FOR RELIEF

1.

Plaintiff, the State of Oregon, is represented in this suit through the duly elected Attorney General for the State of Oregon, Dave Frohnmayer, who sues in his official capacity pursuant to ORS 646.632.

2.

During all times relevant herein, defendants have been engaged in the sale of telecommunications services, including specifically, the sale of long distance telephone services to Oregon consumers.

3.

The defendants have not been served with a notice of alleged unlawful trade practices and the relief to be sought pursuant to the exception provisions of ORS 646.632(6).

///

///

1

4.

2 In the course of marketing and selling long distance
3 services, defendants have violated ORS 646.607(2) by failing to
4 deliver promised long distance services and failing to return
5 to consumers money received for undelivered services.

6

5.

7 Defendants' conduct was wilful in that they knew or should
8 have known that it would be impossible to deliver the long
9 distance services promised to consumers based on their limited
10 lease of "access lines" from US West or US Bell.

11

6.

12 The defendants should be permanently restrained from
13 engaging in the sale of long distance services within the State
14 of Oregon.

15

7.

16 The defendants should be ordered to pay a civil penalty in
17 the sum of \$25,000 per violation of ORS 646.607(2).

18

8.

19 The defendants should be ordered to pay to the Oregon
20 Department of Justice its reasonable attorney's fees, costs of
21 investigation, and costs of this lawsuit pursuant to ORS
22 646.632(8).

23

9.

24 The court should order defendants WETHERALD and ULTRACOM
25 to pay restitution to injured consumers pursuant to ORS 646.636.

26 ///

Page 2 - SECOND AMENDED COMPLAINT

1 SECOND CLAIM FOR RELIEF

2 10.

3 Plaintiff realleges paragraphs 1-3 of the First Claim for
4 Relief of this complaint.

5 11.

6 Defendants have violated ORS 646.608(1)(i) by advertising
7 long distance telephone services with the intent not to provide
8 them as advertised.

9 12.

10 Defendants have violated ORS 646.608(1)(i) by advertising
11 long distance telephone services with the intent not to supply
12 reasonably expected public demand and without disclosing
13 quantity limitations.

14 13.

15 Defendants acted wilfully in the above violations within
16 the meaning of ORS 646.642.

17 14.

18 The plaintiff is entitled to a permanent injunction
19 restraining and enjoining the defendants from engaging in any
20 aspect of the trade or commerce relating to the sale of long
21 distance telephone services.

22 15.

23 Plaintiff is entitled to recover, on behalf of the state,
24 a civil penalty to be set by the court in the amount not to
25 exceed \$25,000 per defendant per violation.

26 ///

1 16.

2 Plaintiff is entitled to collect its reasonable attorney's
3 fees and costs of investigation in this lawsuit pursuant to ORS
4 646.632(8).

5 17.

6 The court should order defendants WETHERALD and ULTRACOM
7 to make restitution to injured consumers pursuant to ORS
8 646.636.

9 THIRD CLAIM FOR RELIEF

10 18.

11 Plaintiff realleges paragraphs 1-3 of the First Claim for
12 Relief of the complaint.

13 19.

14 Defendants have violated ORS 646.608(e) by falsely
15 representing that defendants' long distance telephone services
16 had benefits or qualities they did not have, in that
17 subscribers to these services were unable to make use of these
18 long distance services a large part of the time.

19 20.

20 Defendants violated ORS 646.608(g) by falsely representing
21 or implying to consumers that the long distance telephone
22 services sold, conformed to the industry standard in that they
23 would be available to consumers most of the time.

24 21.

25 The actions of defendants above were wilful within the
26 meaning of ORS 646.642.

1 22.

2 The plaintiff is entitled to permanent injunction
3 restraining and enjoining defendants from engaging in any
4 aspect of the trade or commerce relating to the sale of long
5 distance telephone services.

6 23.

7 Plaintiff is entitled to recover, on behalf of the State,
8 a civil penalty to be set by the court in the amount not
9 exceeding \$25,000 per defendant per violation.

10 24.

11 Plaintiff is entitled to collect its reasonable attorney's
12 fees and costs of investigation in this lawsuit pursuant to ORS
13 646.632(8).

14 25.

15 The court should order defendants WETHERALD and ULTRACOM
16 to make restitution to injured consumers pursuant to ORS
17 646.636.

18 FOURTH CLAIM FOR RELIEF

19 26.

20 Plaintiff realleges paragraphs 1 - 3 of the First Claim
21 for Relief of the complaint.

22 27.

23 Defendants violated ORS 646.608(1)(r) in the course of
24 their occupations by organizing, inducing or attempting to
25 induce membership in a pyramid club, as that term is defined in
26 ORS 646.609.

1 28.

2 Defendants induced and attempted to induce memberships in
3 a pyramid club in the following manner:

4 a) By charging sales people \$50 to purchase a "junior
5 associate status";

6 b) By allowing junior associates to advance to
7 "associates" only by sponsoring one new junior associate;

8 c) By allowing associates to advance to "senior
9 associate" only by making 25 sales;

10 d) By only allowing promotion to "executive associate" to
11 those making 50 sales;

12 e) By allowing executive associates to become "partners"
13 only after making 100 sales;

14 f) By allowing partners to become "executive partners"
15 only after they personally sponsor an associate who becomes a
16 partner;

17 g) By making only senior partners eligible for "break
18 away bonuses" which entitle them to commissions on the sales of
19 each partnership group; and

20 h) By tying each level of promotion to commensurately
21 higher commissions and hourly wages.

22 29.

23 Defendants have induced participation in a pyramid club by
24 representing to associates that the \$50 initiation fee is an
25 investment that will be earned back.

26 ///

1 30.

2 Without the renewed source of new junior associates paying
3 \$50 initiation fees, the scheme will not function as promised.
4 There is no real increase in sales profits to support the
5 increase in commissions comprehended by this scheme.

6 31.

7 The actions of defendants described above were wilful
8 within the meaning of ORS 646.642.

9 32.

10 The plaintiff is entitled to a permanent injunction
11 restraining and enjoining the defendants from engaging in any
12 trade or commerce relating to multi-level investment schemes or
13 pyramid clubs.

14 33.

15 Plaintiff is entitled to recover, on behalf of the State,
16 a civil penalty to be set by the court, in the amount not
17 exceeding \$25,000 per violation per defendant.

18 34.

19 Plaintiff is entitled to collect its reasonable attorney's
20 fees and costs of investigation in this lawsuit pursuant to ORS
21 646.632(8).

22 35.

23 The court should order defendants WETHERALD and ULTRACOM
24 to make restitution to injured consumers pursuant to ORS
25 646.663.

26 ///

FIFTH CLAIM FOR RELIEF

36.

Plaintiff realleges paragraphs 1 - 3 of the First Claim for Relief of the complaint.

37.

Defendants have violated ORS 646.608(1)(b), 646.608(1)(e) and 646.608(2) by causing a likelihood of confusion concerning the source, affiliation and existence of long distance services by marketing and taking money from consumers for long distance services while representing to consumers that said services would be provided by companies before contracts were entered into, and before said companies were obligated or able to deliver such services.

38.

Defendants' conduct was wilful, as defined within ORS 646.642 in that they deliberately failed to disclose to consumers that the long distance provider was under no obligation to provide service, and they knowingly collected money ahead of time for said services.

39.

The defendants should be permanently restrained from engaging in the sale or marketing of long distance telephone services within the State of Oregon.

40.

The defendants should be ordered to pay a civil penalty in the sum of \$25,000 per violation of ORS 646.608(1)(b) and 646.608(1)(e).

1 41.

2 The defendants should be ordered to pay to the Oregon
3 Department of Justice its reasonable attorney's fees, costs of
4 investigation, and costs of this lawsuit pursuant to ORS
5 646.632(8).

6 42.

7 The court should order defendant Wetherald to refund all
8 monies collected from consumers pursuant to ORS 646.636.

9 SIXTH CLAIM FOR RELIEF

10 43.

11 Plaintiff realleges paragraphs 1 - 3 of the First Claim
12 for Relief of this complaint.

13 44.

14 Defendants committed an unlawful trade practice as
15 provided in ORS 646.608(1)(s) when they made misrepresentations
16 to consumers that up-front payments for long distance telephone
17 services were required at a time when defendants' only role was
18 to market the service and defendants had no authority from the
19 long distance provider to collect fees.

20 45.

21 Defendants further violated ORS 646.608(1)(s) and
22 646.608(2) by failing to disclose to consumers that equipment
23 sold as part of the services marketed by defendants was
24 unnecessary, optional and not required for access to long
25 distance telephone services being sold.

26 ///

1 46.

2 Defendants acted wilfully in the above violations within
3 the meaning of ORS 646.642.

4 47.

5 The plaintiff is entitled to a permanent injunction
6 restraining and enjoining the defendants from engaging in any
7 aspect of the trade or commerce relating to the sale or
8 marketing of long distance telephone services.

9 48.

10 Plaintiff is entitled to recover a civil penalty in the
11 amount of \$25,000 per violation of ORS 646.608(1)(s) and
12 646.608(2).

13 49.

14 Plaintiff is entitled to collect its reasonable attorney's
15 fees and costs of investigation in this lawsuit pursuant to ORS
16 646.632(8).

17 50.

18 The court should order defendant WETHERALD to make
19 restitution to injured consumers pursuant to ORS 646.636.

20 SEVENTH CLAIM FOR RELIEF

21 51.

22 Plaintiff realleges paragraphs 1 - 3 of the First Claim
23 for Relief of the complaint.

24 52.

25 Defendants engaged in common law fraud when they
26 intentionally collected up-front long distance charges from

1 consumers with knowledge that they had no authority or
2 justification to do so, and intentionally kept the money for
3 their own benefit without providing promised services to
4 consumers.

5 53.

6 Defendants committed common law fraud when they made
7 misrepresentations to consumers that up-front payments for long
8 distance telephone services were required at a time when
9 defendants' only role was to market the service and defendants
10 had no authority from the long distance provider to collect
11 fees.

12 54.

13 Defendants further committed common law fraud by selling
14 equipment to consumers while representing that it was required,
15 and failing to disclose that the equipment, sold as part of the
16 services marketed by defendants, was unnecessary, optional and
17 not required for access to the long distance telephone services
18 being sold.

19 55.

20 Defendants committed common law fraud when they collected
21 registration and connection fees without the knowledge or
22 authorization of the long distance service provider. Said fees
23 benefited defendants only and were wholly misrepresented,
24 unearned and unjustified.

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26 ///

Page 11 - SECOND AMENDED COMPLAINT

1 56.

2 Defendants' misrepresentations and failures to disclose
3 material facts described above in paragraphs 53 through 55 were
4 made with the intention of deceiving consumers into purchasing
5 goods and services that were unnecessary, unavailable, or
6 materially different than defendants' representations of their
7 quality or quantity. These representations were made by
8 defendants with the intention that consumers would rely on them.

9 57.

10 Consumers relied on the false representations by _____
11 defendants described above in paragraphs 52 through 55 by
12 paying money to defendants for goods and services that were not
13 received.

14 58.

15 Plaintiff seeks an order directing defendant WETHERALD to
16 pay restitution to all persons injured by defendant's
17 fraudulent behavior.

18 59.

19 The plaintiff is entitled to a permanent injunction
20 restraining and enjoining the defendants from engaging in any
21 aspect of the trade or commerce relating to the sale or
22 marketing of long distance telephone services.

23 60.

24 Plaintiff is entitled to collect its reasonable attorney's
25 fees and costs of investigation in this lawsuit pursuant to ORS
26 646.632(8).

EIGHTH CLAIM FOR RELIEF

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61.

Plaintiff realleges paragraphs 1 - 3 of the First Claim for Relief of the complaint.

62.

Defendants promised consumers that they could deliver long distance telephone services to consumers within a specified period of time with the intention of not delivering them as promised in violation of ORS 646.608(1)(q) when they told consumers that services would begin within ten to fourteen days of payment.

63.

Defendants acted wilfully in the above violations within the meaning of ORS 646.642.

64.

The plaintiff is entitled to a permanent injunction restraining and enjoining the defendants from engaging in any aspect of the trade or commerce relating to the sale or marketing of long distance telephone services.

65.

Plaintiff is entitled to recover a civil penalty in the amount of \$25,000 per violation of ORS 646.608(1)(s) and 646.608(2).

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66.

Plaintiff is entitled to collect its reasonable attorney's fees and costs of investigation in this lawsuit pursuant to ORS 646.632(8).

67.

The court should order defendant WETHERALD to make restitution to injured consumers pursuant to ORS 646.636.

NINTH CLAIM FOR RELIEF

68.

Plaintiff realleges paragraphs 1 - 3 of the First Claim for Relief of the complaint.

69.

Defendants, in the course of marketing long distance telephone services, have misrepresented to consumers that the litigation with the Department of Justice has been resolved in their favor, in violation of ORS 646.608(1)(g) which forbids false representations relating to the standard, quality or grade of services being sold.

70.

The plaintiff is entitled to a permanent injunction restraining and enjoining the defendants from engaging in any aspect of the trade or commerce relating to the sale or marketing of long distance telephone services.

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71.

Plaintiff is entitled to recover a civil penalty in the amount of \$25,000 per violation of ORS 646.608(1)(s) and 646.608(2).

72.

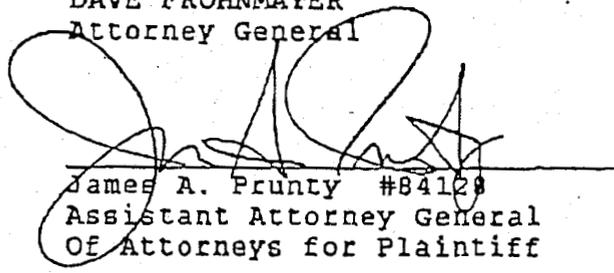
Plaintiff is entitled to collect its reasonable attorney's fees and costs of investigation in this lawsuit pursuant to ORS 646.632(8).

73.

The court should order defendant WETHERALD to make restitution to injured consumers pursuant to ORS 646.636.

Respectfully submitted,

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Of Attorneys for Plaintiff