



The **Compliance** Group Compliance & Reporting (“C&R”) Service

The **Compliance** Group provides nationwide regulatory reporting support to meet all federal and state regulatory reporting obligations. The Federal Communications Commission (“FCC”), state utility commissions and other state agencies require regulated telecommunications companies to file a vast number and variety of reports. Many of these reports are required annually, semi-annually and even monthly. Failure to pay attention to these reporting requirements can lead to fines, forced customer refunds and even revocation of your operating authority. Whether you need someone to prepare and file all your reports or simply need information to stay abreast of reporting requirements, The **Compliance** Group will help your company remain in compliance with these complex and often burdensome requirements.

With The **Compliance** Group’s C&R Service, you can be assured you will always receive:

- ✓ **Prompt and personalized attention!** This is one of our firm’s strengths. Our team is dedicated to spending as much time as necessary to guide each client through the intricacies of telecommunications rules and requirements.



- ✓ **Professional and timely handling of all of your regulatory reporting and filing requirements!** With The **Compliance** Group’s C&R Service, you can be assured that you will never miss a deadline or regulatory reporting requirement.



- ✓ **Expert interpretation and application of rules, regulations and statutory requirements!** We are confident that no other firm or service can match the depth of our firm’s knowledge and expertise with respect to the regulatory requirements applicable to telecommunications providers.

By subscribing to our C&R Service, we will also help you stay abreast of important regulatory developments. We constantly monitor and track important developments in the telecommunications industry and communicate those developments to our clients through “**Client Advisories.**” As a subscriber to our C&R Service, you will receive all **Client Advisories** applicable to your business model at no additional charge.

HELEIN & MARASHLIAN, LLC
THE **COMPLIANCE** GROUP

1483 Chain Bridge Road, Suite 301 • McLean, VA 22101
Phone: (703) 714-1300 • Fax: (703) 714-1330
Email: mail@ComplianceGroup.com
Website: www.ComplianceGroup.com



The **Compliance** Group

We work to minimize your compliance burdens and costs!

The following services are offered by The **Compliance Group through our C&R Service:**

FCC Reporting – All regulatory compliance filings and reports mandated by the FCC for interstate telecommunications services, interconnected VoIP, and prepaid calling card providers, including FCC Forms 499-A and 499-Q, CPNI Certification, international traffic reports, PIU reports and certification, and more.

State PUC Reporting – All scheduled monthly, quarterly, and annual reports mandated by state Public Utility Commissions for regulated local exchange, long distance, prepaid, and other in-state service providers, including annual reports, revenue reports, access line reports, slamming complaint reports, regulatory fee filings, state TRS and USF fund reports.

Secretary of State Reporting – All annual reports mandated by the Secretaries of States for purposes of maintaining corporate qualification to conduct business in each affected state.

Section 214 Applications – Legal and regulatory services to prepare, file and prosecute an International Section 214 application at the FCC.

Licensing & Certification Services – Legal and regulatory services to begin providing all types of regulated and unregulated communications services in all 50 states.

Tariff Preparation & Maintenance Service – Preparation of state rate schedules (“tariffs”) to enable your company to begin offering or maintain local exchange service.

Complaint Response Service – Research and prepare responses to consumer complaints filed with regulatory agencies, such as the FCC, state PUCs, Attorneys General, and Better Business Bureaus.

Through trusted relationships with specialized professional services firms, The Compliance Group is able to offer the following additional compliance services:

Sales, Use & Transaction Tax Compliance Services – All state tax compliance reports expertly prepared by highly-experienced tax professionals.

FCC Traffic Studies – Assist clients with traffic studies that can reduce USF and other FCC program liabilities substantially.



Who Must Comply With USF Reporting Requirements?

- ✓ **Interexchange Carriers**
- ✓ **Interconnected VoIP Providers**
- ✓ **Prepaid Calling Card Providers**
- ✓ **Wireless Carriers**
- ✓ **Payphone Providers**
- ✓ **Resale Services**
- ✓ **Data and Non-Voice Services**
- ✓ **Teleconferencing Services**

HELEIN & MARASHLIAN, LLC
THE **COMPLIANCE** GROUP

1483 Chain Bridge Road, Suite 301 • McLean, VA 22101

Phone: (703) 714-1300 • Fax: (703) 714-1330

Email: mail@ComplianceGroup.com

Website: www.ComplianceGroup.com



The **Compliance** Group
Rates & Fees

The **Compliance** Group offers the most cost-effective and professional regulatory compliance solution to telecommunications, VoIP, prepaid, and mobile service providers. We are confident that we offer the most competitive rates available. In fact, our rates are generally between **15-25% lower** than other regulatory compliance consulting firms.

Our lowest-cost guarantee:

We promise to match, or beat, any offer for comparable regulatory compliance and reporting services!

Section 214 Authorization

No Foreign Ownership Issues	\$ 500.00
Foreign Ownership Issues	\$ 1300.00

Compliance & Reporting Services

Direct Contributors – Includes all FCC USF reporting, including annual FCC Form 499-A, and quarterly FCC Form 499-Q.	\$ 3,000.00
De Minimis Providers – Includes FCC Form 499-A, and quarterly “de minimis” status checks	\$ 1,500.00

FCC 499 Registration (exclusive of registered agent service, which is billed separately by agent)	\$ 350.00
--	------------------



The **Compliance** Group Prepaid Calling Card Provider Fact Sheet

FCC Classification

- ❖ All prepaid calling card providers (PCCPs), including those that are menu-driven and/or use Internet Protocol (IP) transport to deliver “all or a portion of a call” are classified as telecommunications services providers.
- ❖ PCCPs are subject to all applicable requirements of the Communications Act and the FCC’s rules, including intrastate and interstate access charges, and USF contributions.
- ❖ PCCPs must seek section 214 authority from the FCC and contribute to applicable regulatory fees.

Universal Service Fund (USF)

- ❖ PCCPs must contribute to the USF and may be required to contribute to state universal service funds.
- ❖ Contributions to the USF are based on interstate and international end-user telecommunications revenues.
- ❖ Prepaid calling card revenue is recognized at time of a retail sale, and is reported at the face value of the card.
- ❖ Providers who do not rely on FCC Safe Harbor to report interstate revenue must submit Traffic Studies for USF reporting purposes.

Access Charges

- ❖ PCCPs must pay interstate and intrastate access charges based on the location of the called and calling parties.
- ❖ To address the difficulty involved in identifying the proper jurisdiction of a prepaid calling card call, the FCC has adopted reporting and certification requirements, as described below.

Calling Party Number

- ❖ PCCPs must transmit to interconnecting carriers the Calling Party Number (CPN) of the calling party (i.e., the number associated with the telephone used by the card holder).
- ❖ Providers may not use the telephone number associated with a prepaid calling card platform as the CPN or Charge Number (CN).

PIU Reporting

- ❖ PCCPs must report Percentage of Interstate Usage (PIU) factors to underlying transport providers no later than 45th day of each calendar quarter.
- ❖ Factors must be computed separately for originating and terminating traffic on a state-specific basis.
- ❖ Transport provider may subject PCCP’s traffic to a default 50% PIU if PCCP fails to provide appropriate PIU information in a timely manner.
- ❖ PIU reports may be audited by transport provider upon reasonable belief reports contain inaccurate or misleading data.

FCC Certification

- ❖ Each quarter, PCCPs must submit a certification, signed by an officer of the company under penalty of perjury, stating that it is in compliance with the CPN and PIU reporting requirements.
- ❖ In addition, each PCCP must certify the accuracy of the percentages of its interstate and international prepaid calling card revenues.

FCC Registration

PCCPs must obtain an FCC Registration Number (FRN) before participating in certain agency proceedings.

499-A Registration

PCCPs must register with the FCC before providing interstate service to the public. In addition, PCCPs that offer service to other entities that will resell those services have an affirmative duty to ensure that those resellers are also registered.

Section 214 Authorization

The FCC requires any person that provides telecommunications services to or from the United States to receive an authorization under section 214 of the Communications Act of 1934 (“International Section 214 Authorization” or “International 214 License”).