

**Before the  
Federal Communications Commission  
Washington, D.C. 20554**

In the Matter of	)	File No. EB-08-IH-1384
	)	
	)	NAL/Acct. No. 200932080045
Supra Telecommunications & Information Systems, Inc.	)	FRN No. 0015-3277-45

**ORDER**

**Adopted: May 15, 2009**

**Released: May 15, 2009**

By the Chief, Enforcement Bureau:

1. In this Order, we adopt the attached Consent Decree entered into between the Enforcement Bureau (the “Bureau”) and Supra Telecommunications & Information Systems, Inc. f/k/a Supra Telecommunications & Information Systems Acquisitions Corp. (“Supra”). The Consent Decree terminates the enforcement proceeding initiated by the Bureau against Supra for possible violations of section 254 of the Communications Act of 1934, as amended (the “Act”), and section 54.706 of the Commission’s rules, relating to universal service.<sup>1</sup>

2. The Bureau and Supra have negotiated the terms of the Consent Decree that resolve this matter. A copy of the Consent Decree is attached hereto and incorporated by reference.

3. After reviewing the terms of the Consent Decree and evaluating the facts before us, we find that the public interest would be served by adopting the Consent Decree and terminating the enforcement proceeding.

4. In the absence of material new evidence relating to this matter, we conclude that the Bureau’s investigation raises no substantial or material questions of fact as to whether Supra possesses the basic qualifications, including those related to character, to hold or obtain any Commission license or authorization.

5. Accordingly, **IT IS ORDERED** that, pursuant to section 4(i) of the Act<sup>2</sup> and sections 0.111 and 0.311 of the Commission’s rules,<sup>3</sup> the Consent Decree attached to this Order **IS ADOPTED**.

6. **IT IS FURTHER ORDERED** that the above-captioned investigation **IS TERMINATED**.

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<sup>1</sup> 47 U.S.C. § 254; 47 C.F.R. § 54.706.

<sup>2</sup> 47 U.S.C. § 154(i).

<sup>3</sup> 47 C.F.R. §§ 0.111, 0.311.

7. **IT IS FURTHER ORDERED** that a copy of this Order and Consent Decree shall be sent by first class mail and certified mail, return receipt requested, to Douglas D. Orvis II, Bingham McCutchen LLP, 2020 K Street, N.W., Washington, D.C. 20006-1806.

FEDERAL COMMUNICATIONS COMMISSION

Kris Anne Monteith  
Chief  
Enforcement Bureau

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Supra Telecommunications & Information Systems, Inc.	)	NAL/Acct. No. 200932080045
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	)	FRN No. 0015-3277-45

**CONSENT DECREE**

1. The Enforcement Bureau (“Bureau”) and Supra Telecommunications & Information Systems, Inc. (“Supra”), by its authorized representative, hereby enters into this Consent Decree for the purpose of terminating the Bureau’s investigation concerning Supra’s compliance with section 254 of the Communications Act of 1934, as amended (the “Act”), and section 54.706 of the Commission’s rules<sup>4</sup> relating to universal service.

**I. DEFINITIONS**

2. For the purposes of this Consent Decree, the following definitions shall apply:

- (a) “Act” means the Communications Act of 1934, as amended, 47 U.S.C. § 151 *et seq.*
- (b) “Adopting Order” means an order of the Commission adopting the terms of this Consent Decree without change, addition, deletion, or modification.
- (c) “Bureau” means the Enforcement Bureau of the Federal Communications Commission.
- (d) “Supra” means Supra Telecommunications & Information Systems, Inc. f/k/a Supra Telecommunications & Information Systems Acquisitions Corp. and its direct parent company (Cleartel Communications, Inc.) and any wholly or partially owned direct or indirect subsidiary of Supra Telecommunications & Information Systems, Inc. or its direct parent company.
- (e) “Commission” and “FCC” mean the Federal Communications Commission and all of its bureaus and offices.

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<sup>4</sup> 47 U.S.C. § 254; 47 C.F.R. § 54.706.

- (f) “Compliance Plan” means the program described in this Consent Decree at paragraph 11.
- (g) “Effective Date” means the date on which the Commission releases the Adopting Order.
- (h) “Investigation” means the investigation commenced by the Bureau’s June 26, 2008 Letter of Inquiry<sup>5</sup> regarding Supra’s universal service contribution obligations.
- (i) “Parties” means Supra and the Bureau.
- (j) “Rules” means the Commission’s regulations found in Title 47 of the Code of Federal Regulations.

## II. BACKGROUND

3. Pursuant to section 254(d) of the Act and section 54.706 of the rules, telecommunications carriers that provide interstate telecommunications services are required to contribute to the federal Universal Service Fund (“USF”).<sup>6</sup>

4. Supra offers interstate and international telecommunications services and is subject to the requirements discussed in paragraph 3 above.

5. On June 26, 2008, the Bureau issued a letter of inquiry to Supra.<sup>7</sup> The June 26, 2008 LOI directed Supra, among other things, to submit a sworn written response to a series of questions relating to Supra’s apparent failure to contribute to the USF. Supra responded to the June 26, 2008 LOI on August 11, 2008.<sup>8</sup>

6. On May 11, 2009, Supra informed the Bureau that it had entered into an asset purchase agreement (the “APA”), whereby Supra will sell substantially all of its assets and customer base to a third party and will then no longer operate as a telecommunications carrier or otherwise offer or provide any regulated services subject to Title II of the Act.

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<sup>5</sup> See Letter from Trent B. Harkrader, Deputy Chief, Investigations and Hearings Division, Enforcement Bureau, Federal Communications Commission to John Patton, CEO, Supra Telecommunications & Information Systems Acquisitions Corp., issued June 26, 2008 (“June 26, 2008 LOI”).

<sup>6</sup> 47 U.S.C. § 254(d); 47 C.F.R. §§ 54.706, 54.711, 54.713.

<sup>7</sup> See June 26, 2008 LOI.

<sup>8</sup> See Letter from Douglas D. Orvis II, Bingham McCutchen LLP, to Marlene H. Dortch, Secretary, FCC, Attn: Michele Levy Berlove, Attorney Advisor, Investigations & Hearings Division, Enforcement Bureau, FCC, dated August 11, 2008 (“LOI Response”).

### III. TERMS OF AGREEMENT

7. **Adopting Order.** The Parties agree that the provisions of this Consent Decree shall be subject to final approval by the Bureau by incorporation of such provisions by reference in the Adopting Order without change, addition, modification, or deletion.

8. **Jurisdiction.** Supra agrees that the Bureau has jurisdiction over it and the matters contained in this Consent Decree and has the authority to enter into and adopt this Consent Decree.

9. **Effective Date; Violations.** The Parties agree that this Consent Decree shall become effective on the date on which the FCC releases the Adopting Order. Upon release, the Adopting Order and this Consent Decree shall have the same force and effect as any other order of the Bureau. Any violation of the Adopting Order or of the terms of this Consent Decree shall constitute a separate violation of a Bureau order, entitling the Bureau to exercise any rights and remedies attendant to the enforcement of a Commission order.

10. **Termination of Investigation.** In express reliance on the covenants and representations in this Consent Decree and to avoid further expenditure of public resources, the Bureau agrees to terminate its investigation. In consideration for the termination of said investigation, Supra agrees to the terms, conditions, and procedures contained herein. The Bureau further agrees that, in the absence of new material evidence, the Bureau will not use the facts developed in this investigation through the Effective Date of the Consent Decree, or the existence of this Consent Decree, to institute, on its own motion, any new proceeding, formal or informal, or take any action on its own motion against Supra concerning the matters that were the subject of the investigation. The Bureau also agrees that it will not use the facts developed in this investigation through the Effective Date of this Consent Decree, or the existence of this Consent Decree, to institute on its own motion any proceeding, formal or informal, or take any action on its own motion against Supra with respect to Supra's basic qualifications, including its character qualifications, to be a Commission licensee or authorized common carrier.

11. **Compliance Plan.** For purposes of settling the matters set forth herein, Supra agrees to create within sixty (60) days a Compliance Plan related to Supra's future compliance with the Act, the Commission's rules, and the Commission's orders governing telecommunications service providers' federal reporting and contribution requirements. The Plan will include, at a minimum, the following components:

- (a) **Compliance Manual.** Supra shall create, maintain, and update an FCC Compliance Manual. Supra personnel who engage in activities related to FCC regulation of Supra will have ready access to the Compliance Manual and are to follow the procedures contained therein. The Compliance Manual will, among other things, describe the rules and requirements as they apply to Supra regarding the USF compliance and reporting requirements. The Compliance Manual will set forth a schedule of filing and payment dates associated with the USF. The Compliance Manual will encourage personnel to contact Supra's Designated Contact or internal regulatory legal counsel, with any questions or concerns that arise with respect to Supra's FCC compliance. Supra shall submit to the Bureau a final version of its Compliance Manual sixty (60) days after the Effective Date.

- (b) Compliance Training Program. Supra will establish an FCC compliance training program for any employee who engages in activities related to FCC regulation of Supra. Training sessions will be conducted at least annually for such employees to ensure compliance with the Act and the FCC's regulations and policies and, for new employees who are engaged in such activities, within the first sixty (60) days of employment.
- (c) Designated Contact. Supra will designate one employee as the point of contact for all FCC compliance matters.
- (d) Review and Monitoring. Supra will review the FCC Compliance Manual and FCC Compliance Training Program annually to ensure that they are maintained in a proper manner and continue to address the objectives set forth therein.
- (e) Compliance Reports. Supra will file Compliance Reports with the Commission ninety (90) days after the Effective Date, twelve (12) months after the Effective Date, and twenty-four (24) months after the Effective Date. Each Compliance Report shall include a compliance certificate from an officer, as an agent of Supra, stating that the officer has personal knowledge that Supra has established operating procedures intended to ensure compliance with this Consent Decree, together with an accompanying statement explaining the basis for the officer's compliance certification. All Compliance Reports shall be submitted to Chief, Investigations & Hearings Division, Enforcement Bureau, Federal Communications Commission, 445 12th Street, S.W., Room 4-C320, Washington, D.C. 20554.
- (f) Termination. Supra's obligations under this Paragraph shall expire at the earlier of a) twenty-four (24) months after the Effective Date, or b) upon notice provided by Supra to the Bureau, that Supra (i) has ceased operations as a telecommunications carrier and will no longer offer or provide any regulated services subject to Title II of the Act, and (ii) is in full compliance with all obligations under this Consent Decree and all outstanding reporting and contribution requirements as of the date of the notice. This notice shall be accompanied by a sworn declaration from an officer of Supra, certifying that Supra has ceased operations as a telecommunications carrier and will no longer offer or provide any regulated services subject to Title II of the Act, and that Supra is in full compliance with all obligations under this Consent Decree and all outstanding reporting and contribution requirements. This notice shall be submitted to Chief, Investigations & Hearings Division, Enforcement Bureau, Federal Communications Commission, 445 12th Street, S.W., Room 4-C320, Washington, D.C. 20554

12. **Section 208 Complaints: Subsequent Investigations.** Nothing in this Consent Decree shall prevent the Commission or its delegated authority from adjudicating complaints filed pursuant to section 208 of the Act against Supra or its affiliates for alleged violations of the Act, or for any other type of alleged misconduct, regardless of when such misconduct took place. The Commission's adjudication of any such complaint will be based solely on the record developed in that proceeding. Except as expressly provided in this Consent Decree, this Consent Decree shall not prevent the Commission from investigating new evidence of noncompliance by Supra of the Act, the rules, or the Order.

13. **Voluntary Contribution.** Supra agrees that it will make a voluntary contribution to the United States Treasury in the amount of twelve thousand dollars (\$12,000) within seven (7) business days after the Effective Date of the Adopting Order. The payment must be made by check or similar instrument, payable to the order of the Federal Communications Commission. The payment must include the Account Number and FRN Number referenced in the caption to the Adopting Order. Payment by check or money order may be mailed to Federal Communications Commission, P.O. Box 979088, St. Louis, MO 63197-9000. Payment by overnight mail may be sent to U.S. Bank – Government Lockbox #979088, SL-MO-C2-GL, 1005 Convention Plaza, St. Louis, MO 63101. Payment by wire transfer may be made to ABA Number 021030004, receiving bank Federal Reserve Bank of New York, and account number 27000001. Supra will also send electronic notification within forty-eight (48) hours of the date said payment is made to Michele.Berlove@fcc.gov.

14. **Waivers.** Supra waives any and all rights it may have to seek administrative or judicial reconsideration, review, appeal, or stay, or to otherwise challenge or contest the validity of this Consent Decree and the Adopting Order, provided the Commission issues an Adopting Order adopting the Consent Decree without change, addition, modification, or deletion. Supra shall retain the right to challenge Commission interpretation of the Consent Decree or any terms contained herein. If either Party (or the United States on behalf of the Commission) brings a judicial action to enforce the terms of the Adopting Order, neither Supra nor the Commission shall contest the validity of the Consent Decree or the Adopting Order, and Supra shall waive any statutory right to a trial *de novo*. Supra hereby agrees to waive any claims it may otherwise have under the Equal Access to Justice Act, 5 U.S.C. § 504 and 47 C.F.R. § 1.1501 *et seq.*, relating to the matters addressed in this Consent Decree.

15. **Subsequent Rule or Order.** The Parties agree that if any provision of the Consent Decree conflicts with any subsequent rule or order adopted by the Commission (except an order specifically intended to revise the terms of this Consent Decree to which Supra does not expressly consent) that provision will be superseded by such Commission rule or order.

16. **Final Settlement.** The Parties agree and acknowledge that this Consent Decree shall constitute a final settlement between the Parties. The Parties further agree that this Consent Decree does not constitute either an adjudication on the merits or a factual or legal finding or determination regarding any compliance or noncompliance with the requirements of the Act or the Commission's rules and orders.

17. **Modifications.** This Consent Decree cannot be modified without the advance written consent of both Parties.

18. **Paragraph Headings.** The headings of the Paragraphs in this Consent Decree are inserted for convenience only and are not intended to affect the meaning or interpretation of this Consent Decree.

19. **Authorized Representative.** Each party represents and warrants to the other that it has full power and authority to enter into this Consent Decree.

20. **Counterparts.** This Consent Decree may be signed in any number of counterparts (including by facsimile), each of which, when executed and delivered, shall be an original, and all of which counterparts together shall constitute one and the same fully executed instrument.

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Kris Anne Monteith  
Chief  
Enforcement Bureau

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Date

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Keith Parsons  
Vice President  
Supra Telecommunications & Information Systems, Inc.

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Date