

**STATEMENT OF
CHAIRMAN TOM WHEELER**

Re: *Lyca Tel, LLC*, File No.: EB-TCD-12-00000403
Touch-Tel USA, LLC, File No.: EB-TCD-12-00000409
NobelTel, LLC, File No.: EB-TCD-12-00000412
Locus Telecommunications, Inc., File No.: EB-TCD-12-00000452

The FCC has a statutory mandate to protect consumers who rely on our nation's networks, and meeting this responsibility is one of the Commission's top priorities. A key component of our consumer protection strategy has been smarter, tougher enforcement of our rules. In recent years, our Enforcement Bureau has ramped up its efforts to ensure companies follow the rules and consumers get what they pay for. We've taken actions and levied fines to crack down on a series of anti-consumer practices, from cramming to Wi-Fi blocking to failure to protect consumer data.

Today, the Commission votes on a series of petitions to hold companies accountable for deceptively marketing prepaid calling cards.

In October 2015, the Commission fined six companies that falsely advertised that their low-cost prepaid calling cards could allow consumers far more calling minutes than were in fact being sold. In each case, the company marketed its cards in a way that promised hundreds or thousands of minutes of calling time for only a few dollars. However, unless used in a single call, various fees and surcharges would diminish the minutes available and consumers would only receive a fraction of the promised minutes. The marketing materials for the prepaid cards deceived consumers by failing to clearly or conspicuously disclose or explain the fees and surcharges that applied to the calling cards. Many of the disclosures were also vague, offering only potential charges and ranges of fees. Some disclosures even said that the charges, fees, or minutes could be changed without notice.

The 2015 Forfeiture Orders all underscored the common sense notion that a company must provide sufficient information to consumers so that they can reasonably determine the actual cost of a call.

Today, the Commission considers four petitions for reconsideration. They largely rely on arguments that have already been considered and rejected by the Commission. To the extent that the companies raised new arguments at this late stage, they were without merit.

Since the Commission issued the forfeiture orders, the companies have failed to pay them as ordered, and the FCC has referred these matters to the U.S. Department of Justice, which has begun to file the appropriate proceedings in federal court. Resolution of these petitions today will aid the expeditious prosecution of these cases by the Justice Department and facilitate collection efforts in federal court, promoting judicial efficiency.

Today's actions send two key messages to two key audiences. To consumers, rest assured that the FCC has got your back. To companies who would defraud consumers, please know that the FCC will hold you accountable and that if we levy fines, we will see that they are collected.