



April 30, 2013

ERRATA

VIA HAND DELIVERY & EMAIL

Marlene Dortch, Secretary
Federal Communications Commission
445 12th Street, S.W.
Washington, D.C. 20554

**REDACTED FOR PUBLIC
INSPECTION**

ATTN:

Mr. Jim Ball
Chief, Policy Division
International Bureau
Federal Communications Commission
445 12th Street, SW
Washington, D.C. 20554

Re: Response of Rubard LLC d/b/a Centmobile; File No. ITC-214-20120518-00134 (ITC-STA-20120703; ITC-STA-20130128-00025)—Errata

Dear Mr. Ball:

This letter by undersigned counsel is in response to the International Bureau's ("the Bureau's") March 28, 2013, letter requesting that Rubard LLC d/b/a Centmobile ("Rubard") supplement the information provided in support of its pending section 214 application.

The Bureau's letter calls for Rubard to respond to accusations made by Stanacard, LLC, a competitor of Rubard, in Stanacard's Petition to Deny Rubard's Section 214 Application.¹ That petition charged Rubard with a number of violations, all of which Rubard attempted to refute in its Opposition to Petition to Deny.²

Rubard began to offer a commercial service to the general public in April 2011. Prior to April 2011, as detailed below, Centmobile.com was used to provide a marketing trial to a limited number of users, all of whom were known personally to Centmobile.com's developer, Mr.

¹ *Stanacard, LLC*, Petition to Deny International Section 214 Application of Rubard LLC d/b/a Centmobile, File No. ITC-214-20120518-00134 (filed June 20, 2012) ("*Stanacard Petition*").

² *Rubard LLC d/b/a Centmobile*, Opposition to Petition to Deny at 3, File No. ITC-214-20120518-00134 (filed July 5, 2012) ("*Rubard Opposition to Petition to Deny*").

Palatkevich. There was no predecessor-in-interest to Rubard offering a commercial service to the public through Centmobile.com before April 2011.

Rubard respectfully requests that the Bureau expeditiously grant it Section 214 authority. Rubard acknowledges that its unauthorized provision of service was in error, and wishes to conclude a compliance plan with the Commission as soon as possible.

Artur Zaytsev was terminated by Stanacard in November 2009 and thereafter sued Stanacard for the 10% ownership interest he was offered in Stanacard when he became its chief financial officer. Stanacard counter-sued. Stanacard's opposition to Rubard's application is possibly motivated by a desire to develop additional evidence in its suit against Rubard's principals, as well as to eliminate a market rival, rather than by any disinterested concern for the public interest. The Bureau should not allow a commercial rivalry to unnecessarily expend its resources, especially when its precedent finds that the public interest is served by competition. Doing so violates long-standing Commission policy not to involve itself with private contract disputes.³

As the Bureau notes in its March 28 letter, Stanacard made additional accusations in its Reply to Opposition to Petition to Deny that Rubard had no opportunity to rebut.⁴ Among other things, Stanacard alleged in its Reply that Rubard began providing telecommunications service as early as November 2010. As evidence, it cited several archived pages of Centmobile.com from November 2010.

The Bureau has asked Rubard to explain the existence of these archived pages, noting that they raise questions regarding (1) the veracity of its claim that it began offering service in April 2011 and (2) whether it might have offered service prior to November 2010 through a predecessor-in-interest, Omnitel Communications Corporation ("Omnitel").

Rubard welcomes the opportunity to rebut these allegations. As noted above, prior to April 2011, Centmobile.com was used for a marketing trial for a limited number of personally-acquainted users. Palatkevich began the trial in September 2010. Zaytsev formed Rubard in December 2010. The trial used numbers and resold termination minutes provided through Omnitel, but that does not change the fact that Rubard did not offer telecommunications service to the general public before April 2011. Despite Stanacard's accusations, Rubard was truthful about when it began to offer unauthorized service to the public.⁵ Rubard has no intention of

³ See *Actions Taken Under the Cable Landing License Act*, Public Notice, 20 FCC Rcd 8557 at n. 12 (Int'l Bur. 2005) ("It is long-standing Commission policy not to involve itself with private contract disputes").

⁴ *Stanacard, LLC*, Reply to Opposition to Petition to Deny International Section 214 Application of Rubard LLC d/b/a Centmobile, File No. ITC-214-20120518-00134 (filed July 12, 2012) ("*Stanacard Reply*").

⁵ Rubard has voluntarily disclosed these violations. As Rubard has explained elsewhere, Rubard failed to file its application for authority to provide international Section 214

hiding any fact regarding the company's founding, its initial period of non-compliance, or its recent efforts to become compliant with all applicable Commission regulation. Below, Rubard provides (1) a narrative explanation of the archived webpages and (2) specific responses to the numbered questions raised in the Bureau's March 28 letter.

Responses

The Bureau requests a response to Stanacard's reply, as well as to the Bureau's questions. We begin with a response to the Stanacard Reply in Section I, and then continue in Section II to answer the Bureau's specific questions.

I. *Response to Stanacard Reply*

Rubard began offering commercial service to the public in April 2011.⁶ From late 2010 and into the spring of 2011, Centmobile.com was used in a marketing trial to a limited number of personal acquaintances. In its Reply to Rubard's Opposition, Stanacard alleges that Rubard began providing telecommunications service on or before November 2010. As evidence, it cites several archived pages of Centmobile.com dating from November 2010.

Aleksandr Palatkevich, who never held an interest in Rubard or in Omnitel, registered the Centmobile.com domain name, developed the website, and began the trial of Centmobile.com in September 2010. Palatkevich is an engineer who has started several technology companies, consulted for a number of telecom clients, and provides a range of technology solutions to business clients. The archived webpages that the Bureau notes reflect Palatkevich's early efforts to develop and test Centmobile.com. From the beginning of the trial in September 2010 through April 2011, the website calling platform was not sufficiently stable to provide a commercial-grade service to the public. With a Merchant Account in place and the calling platform stabilized, Rubard began to market and offer a commercial service to the public from April 2011.

There are connections between Zaytsev, Palatkevich, Rubard, and Omnitel. But these connections do not establish, as Stanacard claims, that Rubard began to provide commercial service prior to April 2011. Nor do they establish that Omnitel—nor any other predecessor-in-interest—provided commercial services through Centmobile.com prior to April 2011. Zaytsev and Palatkevich were colleagues at Stanacard, operating a small business. Zaytsev was Stanacard's chief financial officer until November 2009. Palatkevich was Stanacard's chief technology officer until July 2009. Over a period of years, the men worked together on several business ventures. At times, corporate formalities were not strictly observed.

authority until May 18, 2012—around fourteen months after Rubard began providing international telecommunications services to the general public. Rubard regrets this error, and has since made efforts to correct this error and to meet its past and present obligations.

⁶ *Rubard Opposition to Petition to Deny* at 3.

Stanacard's filings with the Commission point to these connections and attempt to draw the inference that Zaytsev, Palatkevich, Omnitel, and Rubard have worked together to provide telecommunications service since 2009. This is misleading, but it is also immaterial. The central question is when was a commercial telecommunications service offered to the public. The relationship with Omnitel does not change the fact that no commercial service was offered to the general public through Centmobile.com by anyone before April 2011.

Palatkevich registered the "Centmobile.com" domain name in July 2009.⁷ The archived versions of Centmobile.com about which the Bureau asks were early versions of Centmobile.com uploaded by Palatkevich. It is not unusual for domain names to be registered well before any actual development of a website begins. Moreover, test screenshots need to go up very early on in the development process, in order to test search engine optimization functionality of a chosen website name. The web archives do not demonstrate active solicitation for customers. PayPal was referenced on the page, but was not a link through which retail customers actually made payments till approximately December 2011. TelPay, Inc. and PayPal were referenced because Palatkevich had used TelPay and PayPal as an electronic payment mechanism for some of his other ventures offering professional engineering, software development and other information services.

As explained more fully in Rubard's response to question (4) below, the website in September 2009 did not have active links. A year later, Palatkevich began conducting trials of voice calling over Centmobile.com with a limited number of participants whom he personally knew. The calling platform was not stable during this pre-commercial period, often "crashing" for hours on end. Palatkevich did not advertise the service or offer it to the public at large; rather, he requested family and personal acquaintances to use the service for free, offering them credit and manually creating each account himself.

While Palatkevich was developing the Centmobile.com website, he also worked as a consultant for Omnitel Communications Corporation. Omnitel was formed in August 2008 by Vitaly Radinsky.⁸ Palatkevich's responsibilities for Omnitel were unrelated to his Centmobile.com development. He assisted Omnitel with engineering and technology issues. He had no ownership interest in Omnitel. Omnitel was a wholesaler of Session Initiated Protocol-based VoIP services for resale—it was not a retail provider of calling services direct to consumers. Omnitel entered into a contract with Telecommunications North America (TELNA) in September 2009.⁹ Palatkevich used his position as consultant at Omnitel to obtain Direct Inward Dialing (DID) Telephone Numbers and termination services that Omnitel had purchased from TELNA. Palatkevich used those services and DIDs to test the calling platform of Centmobile.com during its trial period.

⁷ *Stanacard Reply* at 9 n.33 (citing Network Solutions, *WHOIS Results for centmobile.com*, <http://www.networksolutions.com/whois/results.jsp?domain=centmobile.com> (last accessed Apr. 15, 2013)).

⁸ *See Palatkevich Decl. Ex. A.*

⁹ *See Palatkevich Decl. Ex. B.*

Zaytsev incorporated Rubard LLC d/b/a Centmobile in December 2010, assumed control of the Centmobile.com enterprise that Palatkevich had developed; and (3) prepared to offer Centmobile.com's prepaid international calling services to the general public.¹⁰ In January 2011, Zaytsev registered the trade name "Centmobile" with the State of Delaware.¹¹

After taking these steps, Zaytsev still faced obstacles to offering services to the public. Rubard lacked a low-risk method for customers to create accounts and make online payments directly through Centmobile.com's interface. For that, Rubard needed a merchant account. Though Centmobile.com could in theory accept payment through a third-party service such as PayPal, those services are more expensive for a vendor and lack the credit protections provided by a merchant account with a traditional bank. Particularly for a model that relied on providing credit to customers for minutes of use, Rubard needed a professional service that provides fraud detection and risk minimization. In order for Rubard to provide cost-effective prepaid services to the general public through direct credit and debit card payments through the Centmobile.com website, it was necessary to have a merchant account.

Rubard intended to promote the service with free bonus credits. To avoid abuse of the promotion campaign, the program requires verification of the customer's address prior to awarding the promotional bonus.¹² A customer's address is required to be provided by the customer for the credit card payment. A traditional PayPal payment is based on the customer's email address and does not provide the vendor the customer's address. Typically, PayPal also requires both parties—customer (payer) and vendor (payee)—to have a PayPal account. In the broad market Rubard planned to address, the majority of users have traditional credit cards—few in that market segment typically have online PayPal accounts. While PayPal does offer a merchant bank-grade merchant account, Rubard believed that offering to be more expensive than the Chase Merchant Account that was opened in April 2011 and is currently used by Rubard. No merchant bank account with PayPal was ever opened for Centmobile.com, since it was too expensive for a business planned for payments in small amounts (\$5, \$10, \$20, etc.), but with planned high volume. Therefore, Centmobile.com was not able to accept direct credit card payments via PayPal.

TelPay Inc. was a small, online payment company incorporated in the State of Georgia which Palatkevich had used for his other business ventures, and he included a reference to TelPay as a payment method while the website was in beta. Rubard purchased TelPay on December 16, 2010, in order to use the merchant account of TelPay.¹² For several months, Zaytsev tried to

¹⁰ See Zaytsev Decl. ¶ 7 & Ex. B.

¹¹ See Zaytsev Decl. ¶ 8 & Ex. C.

¹² See http://www.centmobile.com/dashboard_referral.aspx for registered Centmobile.com users; see also Zaytsev Decl. ¶10 & Ex. D.

¹² In *Stanacard Reply*, Stanacard incorrectly asserts that Centmobile used the Canadian based TelPay as a payment-processing service. Stanacard confuses the Canadian TelPay

transfer the name on this merchant account from “TelPay, Inc.” to “Rubard, LLC.” A lengthy chain of correspondence between Zaytsev and Chase Bank illustrates this effort, and supports Rubard’s contention that it viewed a merchant account as a necessary prerequisite to offering its services to the broader public.¹³

In Zaytsev’s March 9, 2011, email to Chase, Zaytsev asks about creating a new merchant account for Rubard, complaining that “[i]t is very costly for us to stay idle and we have been waiting for over 2 months now.”¹⁴ Shortly after sending this message, Zaytsev gave up on transferring TelPay’s account, and applied for an account for Rubard. On April 4, Chase Bank converted the account and approved Rubard for a merchant bank account in its own name.¹⁵ The agreement with Chase establishing the account is dated April 4, 2011, while the cover letter from Chase to Rubard is dated April 18, 2011. The first fee was posted by Chase to the account on April 19, 2011 —hence the use of the adjective “approximately” in Dzerneyko’s July Declaration referencing April 2011. Rubard began offering telecom services to the public April 19, 2011, after receiving the letter from Chase and thereby being in a position to allow direct payment from users’ credit and debit cards. Rubard obtained its first third-party referred customer who set up his own account directly through the website in June 2011.

During the trial period, Centmobile.com simply used the DID numbers and termination services that Omnitel had purchased from TELNA. The amount of traffic during the trial period was small, and Palatkevich, who conducted the tests, typically paid the underlying carrier himself.

The informal arrangement would not have been feasible after Centmobile.com began offering services to the broader public. Accordingly, Rubard sought to enter into its own contracts for DID numbers and termination services. On April 1, 2011, Rubard executed a VoIP Service Agreement with Infotelecom under which it agreed to provide Rubard with DID Telephone Numbers and termination services.¹⁶ In January 2012, Zaytsev wrote to TELNA requesting that Rubard assume Omnitel’s TELNA contract for voice termination services, and TELNA agreed.¹⁷

Rubard could not offer its services to the general public before taking these steps. Since Rubard acquired its own merchant account, its business has expanded exponentially. In April 2011, Rubard had 3 deposits in its merchant account for a total of \$65.00; in May, it had 23 for a total

with the smaller, Georgia-based TelPay that Rubard purchased in December 2010. *Stanacard Reply* at 7 n. 29. *See also* Zaytsev Decl. ¶ 11 & Ex. E.

¹³ *See* Zaytsev Decl. ¶ 12 & Ex. F.

¹⁴ *See id.*

¹⁵ *Rubard Opposition to Petition to Deny*, Dzerneyko Decl. ¶ 7 & Ex. D. *See also* Zaytsev Decl. ¶ 13 & Ex. G.

¹⁶ *See* Zaytsev Decl. ¶ 15 & Ex. H.

¹⁷ *See* Zaytsev Decl. ¶ 18 & Ex. I.

of \$1,135.¹⁸ In the first quarter of 2012, Centmobile had over \$100,000 in revenue. By the third quarter of 2012, it had quarterly revenue over ten times that amount. The beginning of this explosive growth and the timing of Rubard's contract with Infotelecom all point to Rubard's April 2011 start date for offering commercial telecommunications services to the public.

II. *Responses to the Bureau's Specific Inquiries*

Question 1: The date on which Rubard LLC d/b/a Centmobile was formed and the identity of any predecessor in interest owning and operating a company doing business as Centmobile.

As shown by the attached certificate of incorporation,¹⁹ Rubard LLC was formed on December 9, 2010, with Artur Zaytsev as its sole owner. Rubard assumed Omnitel's contract with TELNA in January 2012, so with respect to the use of TELNA's DIDs, Rubard's predecessor-in-interest in the right to use TELNA termination and DIDs was indeed Omnitel. But there was no predecessor-in-interest owning and operating a company doing business as Centmobile and collecting revenue for commercial services from the public. The Centmobile.com website was developed by Aleksandr Palatkevich. Palatkevich developed the website on his own—not as a matter of his consulting services to Omnitel. Palatkevich did, however, use the Omnitel entity to procure DID numbers for use in testing the calling platform over Centmobile.com's website.

Omnitel and Rubard LLC d/b/a Centmobile are distinct corporate entities that offered distinct services to distinct markets. Omnitel was formed in August 2008 by Vitaly Radinsky,²⁰ and was a discount reseller of DID Telephone Numbers that it purchased from Broadvox. There was no ownership affiliation between Rubard and Omnitel, and no inter-locking directorates. Omnitel was not in the business of offering prepaid calling services directly to consumers, so could not have been operating a prepaid calling service—Rubard's business—through Centmobile.com or any other platform.

Question 2: A description of the relationships of Artur Zaytsev with any predecessor-in-interest of Centmobile.

As explained above, Rubard began offering service to the public in April 2011. Rubard assumed the Omnitel contract for termination services from Telecom North America Inc. ("TELNA") in January 2012. While Zaytsev was still acting as chief financial officer for Stanacard in 2009, Omnitel proposed to sell DIDs from Broadvox to Stanacard. Zaytsev reviewed the proposal from Omnitel to Stanacard in his role as CFO to Stanacard and discussed the proposal with Omnitel in that Stanacard role.

¹⁸ Zaytsev Decl. ¶ 14 & Ex. J.

¹⁹ See Zaytsev Decl. ¶ 7 & Ex. B.

²⁰ See Palatkevich Decl. ¶ 17 & Ex. A.

Question 3: Confirmation as to whether or not Rubard LLC d/b/a Centmobile or any predecessor-in-interest maintained a website on any of the dates identified above or before, and also whether or not any of these versions of Centmobile.com identified by the Stanacard reply and viewed by Commission staff on the Internet Archive Wayback Machine, is a website maintained by Rubard LLC d/b/a Centmobile on any of the dates identified above.

The Bureau identified archived versions of Centmobile.com from the following dates: November 8, 2010; November 24, 2010; December 25, 2010; December 30, 2010; January 8, 2011; October 23, 2011; and January 17, 2013.

As explained above, Palatkevich registered the Centmobile.com domain name in July 2009 and developed the Centmobile.com website prior to Zaytsev forming Rubard. After incorporating in December 2010, Rubard assumed responsibility for maintenance of the website. Thus, the archived versions of the website appearing on the following dates represent versions of the website maintained by Rubard: December 25, 2010; December 30, 2010; January 8, 2011; October 23, 2011; and January 17, 2013. The archived versions of the website appearing on November 8, 2010 and November 24, 2010 were the product of Palatkevich's early development effort, and not any corporate predecessor to Rubard. Omnitel did not maintain the Centmobile.com website at any time. The pages cited from November 2010 through January 2011 did not allow users to make direct payments and no payments were received from customers through PayPal until well after April 2011.

Question 4: Confirmation as to whether or not Rubard LLC d/b/a Centmobile or any predecessor-in-interest was providing telecommunications services on any of the dates identified above as described in the above attached archived website that included calling cards and/or soliciting business for connecting customers' international telephone calls by using Centmobile numbers and PayPal, or other means. If so, provide a complete description of the services provided and the arrangements for providing the services.

Rubard began offering telecommunications services to the public in approximately April 2011, after it opened its merchant bank account. Rubard marketed Centmobile.com to the public primarily through referrals—trial users that referred a new customer received credit to use toward making calls. The first third-party referral—in other words, the first customer who was not a personal acquaintance of Palatkevich or Rubard's owners—was obtained in June 2011.

Prior to Rubard offering its telecommunications service for broad commercial sale, Palatkevich conducted trials of Centmobile.com VoIP calling to a limited number of participants—all of them family members or acquaintances of Palatkevich, and later Rubard's owners.²¹ Palatkevich

²¹ Such a limited trial does not constitute an offering of "telecommunications service." The term "telecommunications service" means the "offering of telecommunications for a fee

began this market testing in September 2010. During September, October, November, and December 2010, Palatkevich created on average 22 accounts per month. All accounts were users known personally by Palatkevich, and most received free credit to use the service. During this trial period, users could not automatically register accounts with Centmobile.com. Palatkevich created each account individually. Because Centmobile.com did not yet have a merchant account, users could not pay directly through their credit or debit cards. During the trial period, the calling platform was relatively unstable and often unavailable for hours at a time. It was not a reliable, commercial, voice-grade service. Activity during the trial period scaled down dramatically after Rubard assumed control of Centmobile.com. In January, February, and March 2011, Centmobile.com created approximately 6 new trial user accounts per month.

During the trial period, www.centmobile.com did not have a merchant account – with either PayPal or TelPay. A merchant account with PayPal—which would have been able to directly accept credit card payments—would not have been feasible. Rubard could have established a Merchant Account with PayPal, but the transaction costs imposed by PayPal’s accounts were too expensive given Centmobile.com’s relatively small margins. Accordingly, Rubard never established a PayPal merchant account. Rather, it sought to acquire and convert the Merchant Account held by TelPay to Rubard’s name, by acquiring TelPay.

Centmobile.com permits prepaid international calling to retail consumers. This global voice calling was offered through prepaid payment plans, the accounts for which, after the initial trial, could be established by customers directly through the www.centmobile.com site. Rubard provides service through access numbers, as well as by utilizing a call forwarding feature

directly to the public, or to such classes of users as to be effectively available directly to the public, regardless of the facilities used.” 47 U.S.C. § 153(53). The Commission has previously explained that “the definition of ‘telecommunications services’ in which the phrase ‘directly to the public’ appears is intended to encompass only telecommunications provided on a common carrier basis.” *Federal-State Joint Board on Universal Service, Report & Order*, 12 FCC Rcd. 8776, 9177 ¶ 785 (1997). In determining whether service is provided on a common carrier basis, the “key factor is that the operator offer indiscriminate service to whatever public its service may legally and practically be of use.” *Iowa v. FCC*, 218 F.3d 756, 759 (D.C. Cir. 2000) (quoting *National Ass’n of Regulatory Util. Comm’rs v. FCC (NARUC)*, 525 F.2d 630, 642 (D.C. Cir. 1976)). Further, the Commission has distinguished between limited offerings to trial participants and broad commercial offerings. *Application of US West Communications Inc. for Authority under Section 214 of the Communications Act of 1934, as Amended, to Construct, Operate, Own and Maintain Facilities and Equipment to Provide Video Dialtone Service in Portions of the Omaha, Nebraska Service Area*, Order and Authorization, 9 FCC Rcd. 184, 188 n.56 (1993) (“We disagree with Cox and Metrovision that US West, as a common carrier, is necessarily obligated to charge for its services during a technical trial. US West’s technical trial is not a general offering to the public, but a limited offering to trial participants.”).

whereby the customer dials a local phone number and the call is forwarded to the selected international destination.

Question 5: Confirmation as to whether or not Rubard LLC d/b/a Centmobile or any predecessor-in-interest provided the services described in your response to question (4) above, prior to November 8, 2010. If so, provide the dates in which services were initiated and a description of the services to the extent different from your response to question (4) above.

Rubard did not offer any of the services described in question (4) prior to November 8, 2010. As noted above, there was no predecessor-in-interest offering commercial prepaid calling services to the general public through the Centmobile.com website, prior to Rubard. In September 2010, Palatkevich began a pre-commercial technical trial of Centmobile.com's functionality by manually creating accounts of a limited number of personally-known users. Palatkevich himself was the first registered user, and he created his account on September 26, 2010.

Question 6: A specific description of the involvement if any of either Alexander Dzerneyko or Artur Zaytsev in any provision of services described in your response to questions (3) through (5) above.

- i. *Artur Zaytsev.* After leaving Stanacard in November 2009, Zaytsev consulted in the field of medical services accounting. He formed Rubard LLC d/b/a Centmobile on December 9, 2010. After that date, Zaytsev assumed responsibility for Centmobile.com. Zaytsev did not provide any commercial telecommunications services to the general public through Rubard or any other predecessor in interest prior to April 2011. After April 2011, Zaytsev provided the services described in question (4) through Centmobile.com.
- ii. *Alexander Dzerneyko.* On February 17, 2011, during the technical trial period of Centmobile.com, Dzerneyko executed a purchase agreement with Zaytsev wherein Zaytsev transferred a 90.1% interest in Rubard to Dzerneyko. Prior to this transfer, Rubard was not providing services to the public. Dzerneyko was the majority owner of Rubard in April 2011 when the merchant account was obtained and when Rubard contracted with Infotelecom for termination. After April 2011, Dzerneyko, as majority owner of Rubard, was responsible for the provision of services described in question (4) through Centmobile.com. Dzerneyko had no ownership interest in Omnitel, nor was he ever employed by Omnitel. Dzerneyko never consulted for Omnitel.

Question 7: A response to the assertions of Stanacard in its reply that [1] Mr. Zaytsev was involved with obtaining international services for resale from at least one underlying provider since 2009, and [2] possibly operating Centmobile.com through Omnitel Corporation prior to the formation of Rubard LLC d/b/a Centmobile.

First. Stanacard's *Reply* asserts the following: "Zaytsev and his known colleague, Aleksandr Palatkevich ("Palatkevich"), have been obtaining international telecommunications services for resale from at least one underlying provider (with which Choupak has a professional relationship) since 2009."²²

Stanacard's assertion is highly misleading. As the CFO to Stanacard, Zaytsev was indeed "involved" with obtaining international telecommunications services from Omnitel for resale by Stanacard. Omnitel proposed such a contract to Stanacard in 2009 and Zaytsev reviewed it. Likewise, at the time Omnitel purchased services from TELNA, in 2009, Zaytsev was still acting as CFO for Stanacard. Long after he had formed Rubard, Zaytsev requested TELNA in 2012 that Rubard be allowed to assume the contract for termination services held by Omnitel.

Second. Zaytsev did not operate Centmobile.com through Omnitel prior to the formation of Rubard. In Stanacard's reply, Stanacard speculates that "[b]ecause of the involvement of the same individuals in both Rubard and Omnitel, it is highly likely that Zaytsev and Palatkevich were operating Centmobile.com through Omnitel prior to the formation of Rubard."²³ As evidence, Stanacard offers a declaration stating that "Zaytsev personally requested the underlying provider allow Rubard to assume the contract between Omnitel and the underlying provider."²⁴

Again, this is misleading. Zaytsev was never employed by Omnitel, never consulted for or operated Omnitel, and has never had any ownership in Omnitel. At the time Omnitel purchased services from TELNA, Zaytsev was still acting as chief financial officer for Stanacard. As explained above, Palatkevich developed Centmobile.com during the same period of time in which he was consulting for Omnitel, and used Omnitel's name to purchase numbers and voice termination services to use in testing Centmobile.com's service. But he was not obligated through his consulting with Omnitel—a DID wholesaler—to establish a website for prepaid calling to the public.

Stanacard offers a confidential declaration stating that "Zaytsev personally requested the underlying provider allow Rubard to assume the contract between Omnitel and the underlying provider."²⁵ Zaytsev did request TELNA in January 2012 that Rubard be allowed to assume Omnitel's contract, but that has no bearing on the date that Rubard—or any entity—began to offer commercial services to the general public—April 2011. No entity offered commercial telecom services to the public through www.Centmobile.com prior to April 2011.

Rubard requests the right to respond more fully to Question 7 after it actually is permitted to review the "confidential" statement that Stanacard submitted in July. Counsel for Rubard has

²² See *Stanacard Reply* at 10-11.

²³ See *Stanacard Reply* at 11.

²⁴ See *id.*; *id.* Ex. B, Confidential Declaration of Underlying Provider.

²⁵ See *id.*; *id.* Ex. B, Confidential Declaration of Underlying Provider.

made repeated efforts to identify and locate counsel for Stanacard. The law partner who filed the July declaration for Stanacard has retired, and his associate attorney has moved firms and no longer represents Stanacard. Counsel for Rubard contacted Stanacard's litigation counsel, who said he does not represent Stanacard before the Commission. Counsel contacted counsel for the former owner of Stanacard, who also said he does not represent Stanacard before the Commission. Counsel for Rubard contacted counsel for the new owner of Stanacard, who likewise told us that he does not represent Stanacard before the Commission.

In light of the above, and in the apparent absence from the forum of a represented opponent to the pending application or to special temporary authority, Rubard respectfully requests that the Commission disregard Stanacard's misleading, unsupported accusations, review this current filing on its face, and then expeditiously grant the pending application for international authorization. Rubard requested a meeting with the Enforcement Bureau to discuss a compliance plan in July 2012, and hopes to enter into those discussions as soon as possible.

Conclusion

Rubard understands that providing international telecommunications to the public requires prior authorization from the Commission and that to begin to do so was in error. Rubard wishes to enter into a compliance plan and looks forward to Commission discussions toward that end. Rubard's earlier statement that it began to provide international telecommunications in April 2011 was truthful and accurate. There was no predecessor-in-interest company operating Centmobile.com to provide commercial services to the public. A pre-commercial technical trial to a limited number of personal acquaintances was conducted through the Centmobile.com website beginning in late September 2010. Rubard was formed in December 2010, and upon being provided a merchant account April 18, 2011 for accepting payment from users' credit and debit cards, Rubard began to offer commercial services to the public.

Rubard hopes that the above responses fully explain the concerns expressed in your March 28, 2013 letter. As Rubard has asserted in its correspondence with the Commission, Rubard is committed to regulatory compliance and has retained counsel to assist it in bringing its operations into compliance with the Commission's regulations. Rubard reiterates its request that its Section 214 application be granted in the public interest.

Should you have any questions regarding the foregoing response, please do not hesitate to contact me at (202) 730-1314.

Respectfully submitted,



Patricia Paoletta
Counsel to Rubard LLC d/b/a Centmobile

Verification

I certify under penalty of perjury under the laws of the United States of America that the foregoing is true and correct.

Executed on April 30, 2013.



Artur Zaytsev
Manager



April 30, 2013

REDACTED FOR PUBLIC INSPECTION

Errata

Ms. Marlene H. Dortch
Secretary
Federal Communications Commission
445 12th Street, NW
Washington, DC 20554

ATTN:
Mr. Jim Ball
Chief, Policy Division
International Bureau
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Re: *Response of Rubard LLC d/b/a Centmobile; File No. ITC-214-20120518-00134 (ITC-STA-20120703; ITC-STA-20130128-00025)—Errata*

Dear Ms. Dortch,

On April 26, 2013, we submitted a letter in response to the International Bureau's ("the Bureau's") March 28, 2013, letter requesting that Rubard LLC d/b/a Centmobile ("Rubard") supplement the information provided in support of its pending section 214 application (the "Response Letter"). With this *Errata*, Rubard redacts bank account number unintentionally left visible on the copy of an exhibit filed on the 26th, includes two exhibits with the declaration of Artur Zaytsev that its previous filing unintentionally omitted, and adds a third to clarify its response. These changes are detailed below.

Dzerneyko and Zaytsev Declarations. In its original filing of the Response Letter, Rubard unintentionally left un-redacted the bank account number from Exhibit A of the Dzerneyko Declaration and from the pages of Exhibit J of the Zaytsev Declaration. Rubard also omitted two exhibits from the declaration of Mr. Zaytsev: an invoice from the State of Georgia for TelPay, Inc.'s 2011 annual fees and the Chase Merchant Account agreement and cover letter to Rubard, attached now as Exhibits E and G to the Zaytsev Declaration. In addition, Rubard adds as Exhibit D to the Zaytsev Declaration a screen shot demonstrating the terms of service for Rubard's bonus minutes promotion, and makes clarifying edits to

Ms. Marlene H. Dortch
April 30, 2013
Page 2 of 2

both the Response Letter and the Declaration to provide a fuller explanation of the relationship between Rubard's promotional campaign and its need for a merchant account.

Response Letter. Rubard modifies the last full paragraph on page 5 of its Response Letter to provide a fuller discussion of why Rubard's promotional efforts made the Chase Merchant Account preferable to PayPal.

Rubard also makes several small clarifications and corrects unintentional factual errors from the original letter: (1) the first full paragraph of page 6 now makes clear that TelPay, Inc., was incorporated in the State of Georgia; (2) the second full paragraph of page 7 and the first full paragraph of page 8 corrects the previous statement that Omnitel proposed to sell Stanacard DID's from TELNA—when it proposed to resell from Broadvox; (3) the first full paragraph of page 4 corrects the description of the PayPal link on early versions of Centmobile.com; and (4) the revised Response Letter corrects typographical errors in the text and citations to reflect the additions of exhibits to the Zaytsev Declaration.

The attached replaces in its entirety the version of Rubard's Response Letter and attachments that was filed on April 26.

Should you have any questions, please feel free to contact me.

Respectfully submitted,



Patricia Paoletta

*Counsel for Rubard LLC d/b/a
Centmobile*

April 30, 2013

CONFIDENTIAL – SUBJECT TO REQUEST PURSUANT TO 47 C.F.R. §§ 00.457, 0.459

VIA HAND DELIVERY

Marlene H. Dortch, Secretary
Federal Communications Commission
445 12th Street, S.W., Room TW-A325
Washington, DC 20554

ATTN:
Mr. Jim Ball
Chief, Policy Division
International Bureau
Federal Communications Commission
445 12th Street, SW
Washington, D.C. 20554

Re: *Response of Rubard LLC d/b/a Centmobile; File No. ITC-214-20120518-00134
(ITC-STA-20120703; ITC-STA-20130128-00025)—Errata*

Dear Madame Secretary:

Pursuant to 47 C.F.R. § 63.20(d), Rubard LLC d/b/a Centmobile, by its undersigned attorney, hereby submits for filing one (1) original and one (1) copy of its “Response of Rubard LLC d/b/a Centmobile; File No. ITC-214-20120518-00134 (ITC-STA-20120703; ITC-STA-20130128-00025)—Errata” along with a Request for Confidential Treatment of certain sensitive financial and personally-identifiable material not routinely made available for public inspection. Pursuant to the Bureau’s instructions, Rubard will also file a redacted copy of this filing with IBFS. Please acknowledge receipt of this filing by file-stamping and returning the extra copy of this filing provided for this purpose. Should you require further information, please do not hesitate to contact me.

Respectfully submitted,



Patricia J. Paoletta
Counsel for Rubard, LLC d/b/a Centmobile

Cc: Mindy Littell, Esq.
Investigations and Hearings Division
Enforcement Bureau

CERTIFICATE OF SERVICE

I, Berkeley Hirsch, a legal assistant at the Law Offices of Wiltshire & Grannis LLP, do hereby certify that on this 29th day of April, 2013, a copy of the foregoing "Response of Rubard LLC d/b/a Centmobile; File No. ITC-214-20120518-00134 (ITC-STA-20120703; ITC-STA-20130128-00025)—Errata" was served, by the method described below, upon the following:

By first class U.S. Mail, postage prepaid:

ATTN: Mr. Manlio Carrelli, CEO
Stanacard LLC
424 West 33rd Street, Suite 410
New York, NY 10001



Berkeley Hirsch

REQUEST FOR CONFIDENTIAL TREATMENT

April 30, 2013

VIA HAND DELIVERY

Marlene H. Dortch, Secretary
Federal Communications Commission
445 12th Street, S.W., Room TW-A325
Washington, DC 20554

ATTN:

Mr. Jim Ball
Chief, Policy Division
International Bureau
Federal Communications Commission
445 12th Street, SW
Washington, D.C. 20554

Re: *Response of Rubard LLC d/b/a Centmobile; File No. ITC-214-20120518-00134 (ITC-STA-20120703; ITC-STA-20130128-00025) and Request for Confidential Treatment—Errata*

Dear Madame Secretary:

On behalf of Rubard LLC d/b/a Centmobile (“Rubard”), undersigned counsel submits a letter response to the International Bureau’s March 28, 2013 letter requesting Rubard supplement the information provided in support of its pending section 214 application. Rubard respectfully requests that the Commission withhold from public inspection and accord confidential treatment to all declarations and exhibits (“Attachments”) enclosed with the letter.

As explained more fully below, information contained within the attachments falls within Exemption 4 of the Freedom of Information Act (“FOIA”).¹ Because the information enclosed is “of a kind that would not customarily be released to the public,” the information is “confidential” under Exemption 4 of FOIA.² In support of this request and pursuant to Section 0.459(b) of the Commission’s rules,³ on behalf of Rubard, we hereby state as follows:

¹ 5 U.S.C. § 552(b)(4) & (7).

² *See Critical Mass Energy Project v. NRC*, 975 F.2d 871, 879 (D.C. Cir. 1992).

³ 47 C.F.R. § 0.459(b).

REQUEST FOR CONFIDENTIAL TREATMENT

1. IDENTIFICATION OF THE SPECIFIC INFORMATION FOR WHICH CONFIDENTIAL TREATMENT IS SOUGHT⁴

Rubard seeks confidential treatment of all Attachments included in its letter response.

2. DESCRIPTION OF CIRCUMSTANCES GIVING RISE TO THE SUBMISSION⁵

Rubard is submitting the confidential information pursuant to an International Bureau request to supplement information provided in support of Rubard's pending section 214 application.

3. EXPLANATION OF THE DEGREE TO WHICH THE INFORMATION IS COMMERCIAL OR FINANCIAL, OR CONTAINS A TRADE SECRET OR IS PRIVILEGED⁶

The Attachments contain commercial information that would not generally be disclosed by competitive carriers to the public, including bank records. The Attachments also make reference to contracts held and email correspondence with third-party entities who may view them as confidential.⁷ Specifically, the Attachments include commercially sensitive details regarding Rubard's contracts with telecommunications service vendors, private correspondence with those vendors, and sensitive information regarding Rubard's revenue.

4. EXPLANATION OF THE DEGREE TO WHICH THE INFORMATION CONCERNS A SERVICE THAT IS SUBJECT TO COMPETITION⁸

Rubard is a provider in the very competitive market of international telephony and seeks to protect the commercial information in the attachments from its competitors, some of whom have opposed its application and with whom it is in litigation.

5. EXPLANATION OF HOW DISCLOSURE OF THE INFORMATION COULD RESULT IN SUBSTANTIAL COMPETITIVE HARM⁹

Disclosure of this sensitive and closely-guarded information, not normally disclosed to the public, could subject Rubard to unfair competition, and given the competitive nature of the international market, also cause distortion in the market. Specifically, disclosure of Rubard's contracts with its underlying vendors, Rubard's bank

⁴ 47 C.F.R. § 0.459(b)(1).

⁵ 47 C.F.R. § 0.459(b)(2).

⁶ 47 C.F.R. § 0.459(b)(3).

⁷ See 26 U.S.C. § 6103.

⁸ 47 C.F.R. § 0.459(b)(4).

⁹ 47 C.F.R. § 0.459(b)(5).

REQUEST FOR CONFIDENTIAL TREATMENT

account statements, and Rubard's private correspondence with its bank and underlying vendors would give Rubard's competitors an unfair advantage. Further, Rubard's competitors may use this information to their advantage in ongoing commercial litigation unrelated to these proceedings.

6. IDENTIFICATION OF ANY MEASURES TAKEN BY THE SUBMITTING PARTY TO PREVENT UNAUTHORIZED DISCLOSURE¹⁰

Rubard has not disclosed to the public the information contained in the attachments, copies of which have been redacted for public inspection and an unredacted copy stamped CONFIDENTIAL. Rubard has previously included several of the exhibits contained herein to other filings with the Commission. When it did so, Rubard took care to mark the documents CONFIDENTIAL and seek confidential treatment. Rubard is careful not to disclose its negotiations with underlying service providers or its terms with those providers to competitors.

7. IDENTIFICATION OF WHETHER THE INFORMATION IS AVAILABLE TO THE PUBLIC AND THE EXTENT OF ANY PREVIOUS DISCLOSURE OF THE INFORMATION TO THIRD PARTIES¹¹

Rubard has not previously disclosed information contained in the attachments to the public.

8. JUSTIFICATION OF THE PERIOD DURING WHICH THE SUBMITTING PARTY ASSERTS THAT MATERIAL SHOULD NOT BE AVAILABLE FOR PUBLIC DISCLOSURE¹²

Rubard requests that the unredacted attachments be treated as confidential indefinitely.

9. OTHER INFORMATION THAT RUBARD BELIEVES MAY BE USEFUL IN ASSESSING WHETHER THE REQUEST FOR CONFIDENTIALITY SHOULD BE GRANTED¹³

Given the opposition that both its Section 214 application and its application for Special Temporary Authority have received from a particular competitor, Rubard has reason to believe that the information contained in the attachments may be of interest to that key competitor, with whom its principals are in litigation. Rubard is committed to cooperating with the International Bureau and would prefer that this cooperation does not harm its ability to protect sensitive commercial information from its competitors.

¹⁰ 47 C.F.R. § 0.459(b)(6).

¹¹ 47 C.F.R. § 0.459(b)(7).

¹² 47 C.F.R. § 0.459(b)(8).

¹³ 47 C.F.R. § 0.459(b)(9).

REQUEST FOR CONFIDENTIAL TREATMENT

Disclosure of Rubard's response to the broader public, including Rubard's competitors, is not necessary to protect the public interest.

This request for confidential treatment should not be construed as a waiver of any other protection from disclosure or confidential treatment accorded by law. Should you have any questions, please do not hesitate to contact the undersigned.

Respectfully submitted,



Patricia J. Paoletta
Counsel to Rubard LLC d/b/a Centmobile

cc: Mindy Littell, Esq.
Investigations and Hearings Division
Enforcement Bureau
Federal Communications Commission
445 12th Street, S.W., Room 4-C330
Washington, D.C. 20554

Manlio Carrelli, CEO
Stanacard LLC
424 West 33rd Street, Suite 410
New York, NY 10001

**DECLARATION OF
ALEXANDER DZERNEYKO**

**REDACTED FOR
PUBLIC INSPECTION**

**DECLARATION OF
ALEXANDER DZERNEYKO**

EXHIBIT A

**REDACTED FOR
PUBLIC INSPECTION**

**DECLARATION OF
ALEKSANDR PALATKEVICH**

**REDACTED FOR
PUBLIC INSPECTION**

**DECLARATION OF
ALEKSANDR PALATKEVICH**

EXHIBIT A

**REDACTED FOR
PUBLIC INSPECTION**

**DECLARATION OF
ALEKSANDR PALATKEVICH**

EXHIBIT B

**REDACTED FOR
PUBLIC INSPECTION**

**DECLARATION OF
ARTUR ZAYTSEV**

**REDACTED FOR
PUBLIC INSPECTION**

**DECLARATION OF
ARTUR ZAYTSEV**

EXHIBIT A

**REDACTED FOR
PUBLIC INSPECTION**

**DECLARATION OF
ARTUR ZAYTSEV**

EXHIBIT B

**REDACTED FOR
PUBLIC INSPECTION**

**DECLARATION OF
ARTUR ZAYTSEV**

EXHIBIT C

**REDACTED FOR
PUBLIC INSPECTION**

**DECLARATION OF
ARTUR ZAYTSEV**

EXHIBIT D

**REDACTED FOR
PUBLIC INSPECTION**

**DECLARATION OF
ARTUR ZAYTSEV**

EXHIBIT E

**REDACTED FOR
PUBLIC INSPECTION**

**DECLARATION OF
ARTUR ZAYTSEV**

EXHIBIT F

**REDACTED FOR
PUBLIC INSPECTION**

**DECLARATION OF
ARTUR ZAYTSEV**

EXHIBIT G

**REDACTED FOR
PUBLIC INSPECTION**

**DECLARATION OF
ARTUR ZAYTSEV**

EXHIBIT H

**REDACTED FOR
PUBLIC INSPECTION**

**DECLARATION OF
ARTUR ZAYTSEV**

EXHIBIT I

**REDACTED FOR
PUBLIC INSPECTION**

**DECLARATION OF
ARTUR ZAYTSEV**

EXHIBIT J

**REDACTED FOR
PUBLIC INSPECTION**
