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May 15, 2020

VIA ELECTRONIC AND FIRST CLASS MAIL

Luly E. Massaro  
Commission Clerk  
Rhode Island Public Utilities Commission  
89 Jefferson Boulevard  
Warwick, RI 02888

**RE: TRUCONNECT COMMUNICATIONS, INC.**

Dear Ms. Massaro:

Enclosed please find the following documents for filing on behalf of our client, Truconnect Communications, Inc.:

1. Application of Truconnect Communications, Inc. for CMRS Registration with exhibits and a check in the amount of \$300. *Please also note that Exhibit 7 is provided under seal, as it contains trade secret information and confidential financial information.*
2. Petition of Truconnect Communications, Inc., for Designation as an Eligible Telecommunications Carrier in the State of Rhode Island.

Thank you for your attention to this matter. If you have any questions, please do not hesitate to contact me at (401) 477-0023.

Respectfully,



Marisa Desautel, Esq.  
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Newport, RI 02840  
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Enclosures

**BEFORE THE  
STATE OF RHODE ISLAND AND PROVIDENCE PLANTATIONS  
PUBLIC UTILITIES COMMISSION**

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**In the Matter of**

**Petition of  
TRUCONNECT COMMUNICATIONS, INC.  
for Designation as an Eligible  
Telecommunications Carrier in the State of  
Rhode Island**

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**Docket No.** \_\_\_\_\_

**PETITION OF TRUCONNECT COMMUNICATIONS, INC.  
FOR DESIGNATION AS AN ELIGIBLE TELECOMMUNICATIONS CARRIER  
IN THE STATE OF RHODE ISLAND**

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May 15, 2020

## TABLE OF CONTENTS

I.	INTRODUCTION .....	1
II.	UNIVERSALSERVICE OFFERING.....	3
A.	Company Overview .....	3
B.	Proposed Lifeline Offering .....	5
C.	Plan Enrollment .....	7
D.	Prevention of Waste, Fraud and Abuse.....	8
III.	THE COMMISSION HAS JURISDICTION TO DESIGNATE WIRELESS ETCs .....	9
A.	The ETC Designation Request Is Consistent with Commission Precedent.....	11
IV.	TRUCONNECT SATISFIES THE REQUIREMENTS FOR ETC DESIGNATION .....	11
A.	TruConnect Will Provide Service Consistent With the FCC’s Grant of Forbearance from Section 214’s Facilities Requirements .....	12
B.	TruConnect Is a Common Carrier.....	13
C.	TruConnect Will Provide All Supported Services.....	13
1.	Voice Telephony Service.....	13
2.	Broadband Internet Access Services.....	14
D.	TruConnect Will Advertise the Availability of Supported Services .....	14
E.	TruConnect Requests Designation Throughout its Service Area .....	15
F.	Service Commitment Throughout the Proposed Designated Service Area .....	17
G.	Ability to Remain Functional in Emergency Situations .....	17
H.	Commitment to Consumer Protection and Service Quality.....	18
I.	TruConnect is Financially and Technically Capable .....	18
J.	TruConnect Will Comply with Certification and Verification Requirements.....	19
K.	TruConnect Will Comply with Reporting Requirements .....	19
L.	TruConnect Will Comply With Regulations Imposed By The Commission .....	19
V.	DESIGNATION OF TRUCONNECT AS AN ETC WOULD PROMOTE THE PUBLIC INTEREST .....	19
A.	Advantages of TruConnect’s Service Offering .....	20
B.	The Benefits of Competitive Choice.....	22
C.	Impact on the Universal Service Fund.....	23
VI.	CONCLUSION.....	24

## TABLE OF EXHIBITS

	<u>Exhibit</u>
Certification .....	1
Proposed Lifeline Offering .....	2
FCC-Approved Compliance Plan.....	3
Coverage Area .....	4
Sample Advertisement .....	5
Key Management Bios.....	6

**BEFORE THE  
STATE OF RHODE ISLAND AND PROVIDENCE PLANTATIONS  
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**In the Matter of**

**Petition of  
TRUCONNECT COMMUNICATIONS, INC.  
for Designation as an Eligible  
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**Docket No.** \_\_\_\_\_

**PETITION OF TRUCONNECT COMMUNICATIONS, INC.  
FOR DESIGNATION AS AN ELIGIBLE TELECOMMUNICATIONS CARRIER  
IN THE STATE OF RHODE ISLAND**

**I. INTRODUCTION**

TruConnect Communications, Inc. (“TruConnect” or the “Company”), by its undersigned counsel, and pursuant to Section 214(e)(2) of the Communications Act of 1934, as amended (the “Act”)<sup>1</sup> and Sections 54.101 through 54.207 of the Rules of the Federal Communications Commission (“FCC”),<sup>2</sup> and the rules and regulations of the State of Rhode Island and Providence Plantations Public Utilities Commission (“Commission”),<sup>3</sup> hereby submits this Petition for Designation as an Eligible Telecommunications Carrier (“ETC”) in the State of Rhode Island. TruConnect seeks ETC designation solely to provide Lifeline service to qualifying Rhode Island consumers; it will not seek access to funds from the federal Universal Service Fund (“USF”)

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<sup>1</sup> 47 U.S.C. § 214(e)(2).

<sup>2</sup> 47 C.F.R. §§ 54.101-54.207.

<sup>3</sup> See Rules and Regulations Governing the Certification and Verification Procedures for Telecommunications Carriers Eligible to Receive Payments from the Federal Universal Service Fund, effective August 30, 2012 (the “Commission’s ETC Rules”). The Company does not seek ETC designation for purposes of participating in the Link-Up program.

for the purpose of participating in the Link-Up program or providing service to high cost areas.<sup>4</sup> As demonstrated herein, and as certified in Exhibit 1, TruConnect meets all the statutory and regulatory requirements for designation as an ETC in the State of Rhode Island, including the Commission's ETC Rules as well as the requirements outlined in the FCC's *USF/ICC Transformation Order*<sup>5</sup>, *Lifeline and Link Up Reform Order*<sup>6</sup> and *Lifeline Modernization Order*<sup>7</sup>. Rapid grant of TruConnect's request, moreover, would advance the public interest because it would enable the Company to commence much needed Lifeline service to low-income Rhode Island residents as soon as possible, especially in the midst of the current national state of emergency. Accordingly, the Company respectfully requests that the Commission expeditiously approve this Petition for ETC designation.

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<sup>4</sup> Given that TruConnect only seeks support from the low-income program and does not seek any high-cost support, ETC certification requirements for the high-cost program are not applicable to the Company.

<sup>5</sup> *In the Matter of Connect America Fund, A National Broadband Plan for Our Future, Establishing Just and Reasonable Rates for Local Exchange Carriers, High-Cost Universal Service Support, Developing a Unified Intercarrier Compensation Regime, Federal-State Joint Board on Universal Service, Lifeline and Link-Up, Universal Service Reform – Mobility Fund*, WC Docket No. 10-90, GN Docket No. 09-51, WC Docket No. 07-135, WC Docket No. 05-337, CC Docket No. 96-45, WC Docket No. 03-109, WT Docket No. 10-208, Report and Order and Further Notice of Proposed Rulemaking, FCC 11-161 (rel. Nov. 18, 2011) ("*USF/ICC Transformation Order*").

<sup>6</sup> *In the Matter of Lifeline and Link Up Reform and Modernization, Lifeline and Link Up, Federal-State Joint Board on Universal Service, Advancing Broadband Availability Through Digital Literacy Training*, WC Docket No. 11-42, WC Docket No. 03-109, CC Docket No. 96-45, WC Docket No. 12-23, Report and Order and Further Notice of Proposed Rulemaking, FCC 12-11 (rel. Feb. 6, 2012) ("*Lifeline and Link Up Reform Order*").

<sup>7</sup> *In the Matter of Lifeline and Link Up Reform and Modernization, Telecommunications Carriers Eligible for Universal Service Support, Connect America Fund*, WC Docket No. 11-42, WC Docket No. 00-197, WC Docket No. 10-90, Third Report and Order, Further Report and Order, and Order on Reconsideration, FCC 16-38 (rel. Apr. 27, 2016) (hereinafter, "*Third Report and Order*" or "*Lifeline Modernization Order*").

All correspondence, communications, pleadings, notices, orders and decisions relating to this Petition should be addressed to:

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## **II. UNIVERSAL SERVICE OFFERING**

### **A. Company Overview**

TruConnect is a Delaware corporation<sup>8</sup> with its principal office located at 1149 S. Hill Street, Suite 400, Los Angeles, California 90015. TruConnect Communications, Inc., formerly Telscape Communications, Inc., is a subsidiary of TSC Acquisition Corporation (“TSC”). TSC also owns Sage Telecom Communications, LLC d/b/a TruConnect (“Sage d/b/a TruConnect”), formerly known as Sage Telecom, Inc. before a corporate restructuring in 2012, and the owners of TSC separately own TruConnect Mobile, LLC, which sells mobile hotspot devices and low-cost monthly data plans, as well as TruConnect Technologies, LLC, a mobile data analytics company

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<sup>8</sup> TruConnect was organized in the State of Delaware on June 19, 2001 and has received a Certificate of Authority to operate in Rhode Island.

that develops data intelligence products and services for wireless carriers, cable operators, and content providers.

TruConnect provides prepaid wireless telecommunications services to consumers by using the underlying wireless networks of facilities-based providers, primarily T-Mobile USA, Inc. (“T-Mobile”), and also Sprint Spectrum, L.P. (“Sprint”), and Verizon Wireless (“Verizon”), (collectively, “Underlying Carriers”) on a wholesale basis to offer nationwide service. TruConnect is currently designated and operating as a wireless ETC in California and the U.S. Virgin Islands, and Sage d/b/a TruConnect is designated and operating as a wireless ETC in Arizona, Arkansas, Colorado, Georgia, Idaho, Illinois, Indiana, Iowa, Kansas, Kentucky, Louisiana, Maryland, Michigan, Minnesota, Mississippi, Missouri, Nebraska, Nevada, New York, Ohio, Oklahoma, Pennsylvania, Puerto Rico, South Carolina, Texas, Utah, Washington, West Virginia and Wisconsin. The Company has applications for ETC designation pending with the state public utility commissions in New Jersey and Oregon, and under Sage d/b/a TruConnect in Hawaii and New Mexico and with the FCC.

TruConnect’s prepaid wireless services are affordable, easy to use, and attractive to low-income and lower-volume consumers, providing them with access to emergency services and a reliable means of communication that can be used both at home and while traveling to remain in touch with friends and family and for contacting prospective employers. TruConnect offers consumers simple and affordable prepaid calling plans, easy-to-use handsets and high-quality customer service. Given its pricing and marketing strategy and the demographics of its customers in other states, TruConnect anticipates that many of its customers will be from low-income backgrounds who have not previously enjoyed access to wireless service because of economic constraints, poor credit history, or sporadic employment. TruConnect does not conduct credit checks



or require customers to enter into long-term service contracts as a prerequisite to obtaining wireless service.

By providing affordable wireless plans and quality customer service to consumers who are otherwise unable to afford them, or who were previously ignored by traditional carriers, TruConnect will expand the availability of wireless services to many more consumers, which is the principal reason for which Congress created the universal service program.

#### **B. Proposed Lifeline Offering**

TruConnect has the ability to provide all services supported by the universal service program, as detailed in Section 54.101(a) of the FCC's Rules (47 C.F.R. § 54.101(a)) throughout Rhode Island. TruConnect intends to be a leader in the prepaid marketplace by offering consumers exceptional value and competitive amounts of voice and broadband usage. The Company's Lifeline service offering will provide customers with the same features and functionalities enjoyed by all other TruConnect prepaid customers, with one notable exception: TruConnect's prepaid Lifeline services will not require payment of an out-of-pocket fee by subscribers, but TruConnect will receive support from the Lifeline program as compensation for providing those services.

TruConnect commits that its Lifeline-supported voice services will meet or exceed the minimum service standards set forth in 47 C.F.R. § 54.408 (currently 1,000 minutes). TruConnect's Lifeline-supported broadband services will also meet the minimum service standards set forth in 47 C.F.R. § 54.408 for mobile broadband internet access services, including for service speed and data usage allowance, as such standards are updated going forward. The FCC issued an order increasing the minimum service standard for mobile broadband data effective

December 1, 2019 from 2 gigabytes (“GB”) to 3 GB.<sup>9</sup> To the extent TruConnect provides devices for use with Lifeline-supported broadband service, such devices will meet the equipment requirements set forth in 47 C.F.R. § 54.408(f), and TruConnect will not impose an additional or separate tethering charge for mobile data usage below the minimum standard.

Attached hereto as Exhibit 2 is a summary table of the Company’s proposed Lifeline service offering, showing that non-tribal Lifeline customers will receive 1,000 voice minutes, unlimited text messages, and 3 GB of data per month, and Tribal Lifeline customers will receive unlimited voice minutes and text messages and 3 GB data per month, at a net cost of \$0.00 after application of Lifeline support. TruConnect’s service also includes proprietary software (“WeFi” app) that allows smartphone mobile customers to search for an open WiFi network and connect to it automatically in order to save on their carrier data usage, enabling their data allotment to last longer. Customers will also be able to purchase additional minutes or data as needed. In addition to wholly supported or discounted wireless services, prepaid Lifeline customers will receive a free SIM card for use in their existing or purchased device as well as access to voice mail, caller I.D., call forwarding, 3-way calling, and call waiting features at no additional charge. Customers may use their minutes to place domestic long-distance calls at no additional charge and calls to the Company’s customer service are free with no deduction of available minutes. Calls to 911 emergency services are always free, regardless of service activation or availability of minutes.

The Company’s Lifeline offering will allow feature-rich mobile connectivity for qualifying subscribers at no cost to the subscriber, without the burden of credit checks or service contracts. TruConnect’s prepaid offering will be an attractive alternative for consumers who need the

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<sup>9</sup> See *In the Matter of Lifeline and Link Up Reform and Modernization, Telecommunications Carriers Eligible for Universal Service Support, Connect America Fund*, WC Docket Nos. 11-42, 09-197 and 10-90, Order, FCC 19-116 (rel. Nov. 19, 2019).

mobility, security, and convenience of a wireless phone, but who are concerned about usage charges or long-term contracts.

### **C. Plan Enrollment**

The FCC has taken steps to further curb abuse in the Lifeline program by establishing the National Lifeline Eligibility Verifier (“National Verifier”), which transfers the responsibility of eligibility determination away from Lifeline providers.<sup>10</sup> Customers interested in obtaining information on the Lifeline program will be directed to a toll-free telephone number and to the Company’s website, which will contain information regarding the Company’s Lifeline service plans, including a description of the Lifeline program and eligibility criteria. Customers must then apply directly through the National Verifier, which they may do online or by submitting all required documentation to the National Verifier by mail. Customers may download a copy of the application form from the Internet (either from the National Verifier’s or Company’s website) or request that a copy be mailed to them. The National Verifier has hard launched in Rhode Island, and thus the National Verifier is fully responsible for initial and annual eligibility determination in Rhode Island.<sup>11</sup> Customers in Rhode Island can apply to the National Verifier through a service provider like TruConnect, or on their own by mail or online. TruConnect utilizes the standard Lifeline application/certification forms as required by FCC rules, and thus complies with the disclosure and information collection requirements in 47 C.F.R. § 54.410(d).<sup>12</sup>

### **D. Prevention of Waste, Fraud and Abuse**

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<sup>10</sup> See *Lifeline Modernization Order*, section III.C.

<sup>11</sup> See <https://www.usac.org/lifeline/eligibility/national-verifier/launches/>; see also <https://www.usac.org/lifeline/eligibility/customer-eligibility/state-eligibility-verification-processes/>.

<sup>12</sup> *FCC Wireline Competition Bureau Provides Guidance on Universal Forms for the Lifeline Program*, WC Docket No. 11-42, Public Notice, “Wireline Competition Bureau Provides Guidance on Universal Forms for the Lifeline Program,” DA 18-161 (rel. Feb. 20, 2018). The standard application/certification forms are available on USAC’s website (See USAC, Lifeline Forms, <http://www.usac.org/li/tools/forms/default.aspx>).

TruConnect recognizes the importance of safeguarding the USF and has implemented measures and procedures to prevent duplicate Lifeline benefits being awarded to the same household. TruConnect complies with the requirements of the National Lifeline Accountability Database (“NLAD”) and section 54.404 of the FCC’s rules. In Rhode Island, the National Verifier queries the NLAD for every enrollment to determine whether a prospective subscriber is currently receiving a Lifeline service from TruConnect or any other ETC, and whether anyone else living at the prospective subscriber’s residential address is currently receiving Lifeline service. In addition, Company personnel emphasize the “one Lifeline service per household” restriction in their direct sales contacts with potential customers.

Furthermore, TruConnect will rely on the National Verifier to determine initial and ongoing eligibility of Rhode Island Lifeline subscribers. TruConnect will also comply with the FCC’s *Fifth Report and Order*, which set forth reforms to strengthen the Lifeline program’s enrollment, recertification, and reimbursement processes, once the rule changes set forth therein become effective.<sup>13</sup>

Consistent with federal regulations, the Company will not seek USF reimbursement for new subscribers until they have personally activated the service, either by initiation and/or actual use of the service, and will de-enroll any subscriber that has not used the Company’s Lifeline service as set forth in 47 C.F.R. § 54.407(c)(2). An account will be considered active if the authorized subscriber establishes usage, as “usage” is defined by 47 C.F.R. § 54.407(c)(2), during

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<sup>13</sup> *In the Matter of Bridging the Digital Divide for Low-Income Consumers, Lifeline and Link Up Reform and Modernization, Telecommunications Carriers Eligible for Universal Service Support*, WC Docket No. 17-287, WC Docket No. 11-42, WC Docket No. 09-197, Fifth Report and Order, Memorandum Opinion and Order and Order on Reconsideration, and Further Notice of Proposed Rulemaking, FCC 19-111 (rel. Nov. 14, 2019) (hereinafter, “*Fifth Report and Order*”). The order is effective January 27, 2020, except for section 54.406(b) [“*Prohibition of commissions for enrollment representatives*”], which is effective February 25, 2020, and section 54.406(a) [“*Enrollment representative registration*”], which is effective March 26, 2020. Revisions to Sections 54.404(b)(12) [relating to not enrolling/claiming a subscriber unless they are verified to be alive] and 54.410(f) [changes to recertification] are delayed and the FCC will publish a document announcing the effective date.

the specified timeframe, currently a period of thirty (30) days, or during the notice period set forth in 47 C.F.R. § 54.405(e)(3), currently a period of fifteen (15) days. In accordance with 47 C.F.R. § 54.405(e)(3), TruConnect will provide the subscriber advanced notice, using clear, easily understood language, that the subscriber's failure to use the Lifeline service within the notice period will result in service termination for non-usage. Customers that have been deactivated may participate in the Company's Lifeline service in the future by reapplying and re-establishing eligibility.

To further protect the integrity of the USF, TruConnect has developed its own auditing system to process and validate the Company's subsidy data to prevent: (1) Duplicate Same-Month Lifeline Subsidies (Double Dip): any name/address that is already receiving a lifeline subsidy from the Company will be automatically prevented from receiving a second lifeline subsidy in that same month; (2) Inactive lines receiving subsidy: system compare all subsidy requests to underlying network status to ensure that subsidies are requested only for active lines; and (3) Subsidies for Deceased subscribers: Death Master search to ensure that subsidies are not requested for a deceased subscriber. Through the processes described above, TruConnect ensures that it does not over-request from support funds.

### **III. THE COMMISSION HAS JURISDICTION TO DESIGNATE WIRELESS ETCs**

Section 214(e)(2) of the Act provides state public utility commissions with the "primary responsibility" for the designation of ETCs.<sup>14</sup> Although Section 332(c)(3)(A) of the Act prohibits states from regulating the entry of or the rates charged by any provider of commercial mobile service or any private mobile service, this prohibition does not allow states to deny wireless carriers

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<sup>14</sup> 47 U.S.C. § 214(e)(2).

ETC status.<sup>15</sup> Therefore, the Commission has the authority to designate TruConnect as an ETC. Pursuant to this authority, the Commission has historically participated in determining whether to grant ETC status to an applying carrier, including any requesting wireless carrier.<sup>16</sup> Under the Act, a state public utility commission with jurisdictional authority over ETC designations must designate a common carrier as an ETC if the carrier satisfies the requirements of Section 214(e)(1). TruConnect recognizes that Section 214(e)(1)(A) of the Act states that ETCs shall offer services, at least in part, over their own facilities and that Section 54.201(i) of the FCC's Rules (47 C.F.R. § 54.201(i)) prohibits state commissions from designating as an ETC a telecommunications carrier that offers services exclusively through the resale of another carrier's services. However, the FCC has granted forbearance from enforcement of this facilities requirement to carriers seeking Lifeline-only ETC designation.<sup>17</sup> Section 10(e) of the Act (47 U.S.C. § 160(e)) provides: "[a] State commission may not continue to apply or enforce any provision of this chapter that the [Federal Communications] Commission has determined to forbear from applying under subsection (a) of this section." As such, the Commission is required by Section 10(e) to act in accordance with the FCC's grant of forbearance, and therefore, may not apply the facilities-based requirement to TruConnect. Therefore, the Commission has the authority under Section 214(e)(2) of the Act to grant TruConnect's request for designation as an ETC throughout the State of Rhode Island.

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<sup>15</sup> See *Federal-State Joint Board on Universal Service, First Report and Order*, 12 FCC Rcd 8776, 8858-59, ¶ 145 (1997) ("USF Order").

<sup>16</sup> See e.g., *In re: Petition of TracFone Wireless, Inc. for Designation as an Eligible Telecommunications Carrier in the State of Rhode Island for the limited purpose of Offering Lifeline Service to Qualified Households*, Docket No. 4153, Order No. 20134 (September 14, 2010) ("TracFone ETC Order"); see also *In re: Petition of Nexus Communications, Inc. for Designation as an Eligible Telecommunications Carrier in the State of Rhode Island for the Limited Purpose of Offering Lifeline Service to Qualified Households*, Docket No. 4238, Order No. 20440 (July 26, 2011) ("Nexus ETC Order").

<sup>17</sup> See *Lifeline and Link Up Reform Order* at ¶ 368.

#### **A. The ETC Designation Request Is Consistent with Commission Precedent**

TruConnect's request for ETC designation to participate in the Lifeline program is consistent with the Commission's designation of TracFone and Nexus as ETCs.<sup>18</sup> In its decisions, the Commission determined that the designation of a prepaid wireless carrier as an ETC would serve the public interest. TruConnect requests that the Commission expeditiously process its ETC Petition so that it can quickly commence providing qualifying low-income Rhode Island customers with affordable USF-supported wireless services during these challenging economic times for all state residents. Designation of TruConnect as an ETC would further competition for wireless Lifeline service and would offer eligible consumers an additional choice of providers for accessing telecommunications services, representing a significant step towards ensuring that all low-income consumers share in the many benefits associated with access to wireless services.

#### **IV. TRUCONNECT SATISFIES THE REQUIREMENTS FOR ETC DESIGNATION**

Section 254(e) of the Act provides that "only an eligible telecommunications carrier designated under section 214(e) shall be eligible to receive specific federal universal service support." Section 214(e)(2) of the Act authorizes state commissions, such as the Commission, to designate ETC status for federal universal service purposes and authorizes the Commission to designate wireless ETCs.<sup>19</sup> Section 214(e)(1) of the Act and Section 54.201(d) of the FCC's rules provide that applicants for ETC designation must be common carriers that will offer all of the services supported by universal service, either using their own facilities or a combination of their own facilities and the resale of another carrier's services, except where the FCC has forbore from the "own facilities" requirement. Applicants also must commit to advertise the availability and

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<sup>18</sup> See *TracFone ETC Order*; see also *Nexus ETC Order*.

<sup>19</sup> *USF Order*, at 8858-59, ¶ 145.

rates of such services<sup>20</sup> and provide additional information set forth in 47 C.F.R. § 54.202(a). As detailed below, TruConnect satisfies each of the above-listed requirements and the Commission's ETC Rules.

**A. TruConnect Will Provide Service Consistent with the FCC's Grant of Forbearance from Section 214's Facilities Requirements**

Although Section 214 requires ETCs to provide services using their facilities, at least in part, the FCC has forbore from that requirement with respect to carriers such as TruConnect. In the *Lifeline and Link Up Reform Order*, the FCC granted forbearance from the "own-facilities" requirement contained in Section 214(e)(1)(A) for carriers that are, or seek to become, Lifeline-only ETCs, subject to the following conditions:<sup>21</sup>

(1) the carrier must comply with certain 911 requirements [(a) providing its Lifeline subscribers with 911 and E911 access, regardless of activation status and availability of minutes; (b) providing its Lifeline subscribers with E911-compliant handsets and replacing, at no additional charge to the subscriber, noncompliant handsets of Lifeline-eligible subscribers who obtain Lifeline-supported services; and (c) complying with conditions (a) and (b) starting on the effective date of this Order]; and

(2) the carrier must file, and the Bureau must approve, a compliance plan providing specific information regarding the carrier's service offerings and outlining the measures the carrier will take to implement the obligations contained in this Order as well as further safeguards against waste, fraud and abuse the Bureau may deem necessary."

In accordance with the *Lifeline and Link Up Reform Order*, TruConnect filed its Compliance Plan which the FCC approved on December 26, 2012.<sup>22</sup> A copy of its FCC-Approved Compliance Plan is attached hereto as Exhibit 3. TruConnect commits to providing Lifeline service in Rhode Island in accordance with its FCC-approved Compliance Plan and in compliance

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<sup>20</sup> See 47 U.S.C. § 214(e)(1) and 47 C.F.R. § 54.201(d)(2).

<sup>21</sup> See *Lifeline and Link Up Reform Order* at ¶¶ 368, 373 and 379.

<sup>22</sup> See FCC Public Notice DA 12-2063, [https://apps.fcc.gov/edocs\\_public/attachmatch/DA-12-2063A1\\_Rcd.pdf](https://apps.fcc.gov/edocs_public/attachmatch/DA-12-2063A1_Rcd.pdf).



with applicable state and federal regulations, to the extent amendments thereto may supersede commitments made in the Compliance Plan.

**B. TruConnect Is a Common Carrier**

TruConnect is a resale-based Commercial Mobile Radio Service (“CMRS”) provider and is thus a common carrier.<sup>23</sup>

**C. TruConnect Will Provide All Supported Services**

Through its Underlying Carriers, TruConnect is able to provide all of the supported services required by Section 54.101(a) of the FCC’s Rules (47 C.F.R. § 54.101(a)) as follows:

**1. Voice Telephony Services**

As set forth in 47 C.F.R. § 54.101(a)(1), eligible Voice Telephony Services must provide the following:

Voice Grade Access to the Public Switched Telephone Network. TruConnect provides voice grade access to the public switched telephone network (“PSTN”) through the purchase of wholesale CMRS services from its facilities-based Underlying Carriers.

Local Usage At No Additional Charge. TruConnect offers rate plans that provide its customers with minutes of use for local and long distance service alike at no additional charge beyond the monthly plan rate (which is \$0 after Lifeline support).

Access to Emergency Services. TruConnect provides 911 and E911 access for all of its customers to the extent the local government in its service area has implemented 911 or E911

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<sup>23</sup> *Implementation of Sections 3(n) and 332 of the Communications Act, Regulatory Treatment of Mobile Services*, GN Docket No. 93-252, Second Report and Order, 9 FCC Rcd 1411, 1425 ¶ 37, 1454-55 ¶ 102 (1994) (wireless resellers are included in the statutory “mobile services” category, and providers of cellular service are common carriers and CMRS providers); 47 U.S.C. § 332(c)(1)(A) (“mobile services” providers are common carriers); *see also PCIA Petition for Forbearance for Broadband PCS*, WT Docket No. 98-100, (Memorandum Opinion and Order and Notice of Proposed Rulemaking, 13 FCC Rcd 16857, 16911 ¶ 111 (1998) (“We concluded [in the *Second Report and Order*] that CMRS also includes the following common carrier services: cellular service, ... all mobile telephone services *and resellers of such services*.”) (emphasis added).

systems. As noted, calls to 911 emergency services will always be free and will be available regardless of service activation status or availability of minutes. TruConnect also complies with the FCC's regulations governing the deployment and availability of E911 compatible handsets.

Toll Limitation. In its *Lifeline and Link Up Reform Order*, the FCC provided that toll limitation would no longer be deemed a supported service.<sup>24</sup> "ETCs are not required to offer toll limitation service to low-income consumers if the Lifeline offering provides a set amount of minutes that do not distinguish between toll and non-toll calls."<sup>25</sup> Nonetheless, TruConnect's offerings inherently allow Lifeline subscribers to control their usage, as its wireless service is offered on a prepaid, or pay-as-you-go, basis. TruConnect's service, moreover, is not offered on a distance-sensitive basis and local and domestic long-distance minutes are treated the same.

## **2. Broadband Internet Access Services**

Broadband Internet access service ("BIAS") is a supported service as of December 2, 2016. The FCC has stated that BIAS consists of the ability for a user to receive "the capability to transmit data to and receive data from all or substantially all Internet endpoints, including any capabilities that are incidental to and enable the operation of the communications service, but excluding dial-up Internet access service."<sup>26</sup> TruConnect provides BIAS to low-income consumers via resale of its Underlying Carriers' mobile services.

### **D. TruConnect Will Advertise the Availability of Supported Services**

TruConnect will advertise the availability and rates for the services described above using media of general distribution as required by 47 C.F.R. § 54.201(d)(2) of the FCC's regulations.

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<sup>24</sup> See *Lifeline and Link Up Reform Order* at ¶ 367.

<sup>25</sup> See *id.* at ¶ 49.

<sup>26</sup> See 47 C.F.R. § 8.2(a).

TruConnect's advertising will comply with the requirements set forth in the *Lifeline and Link Up Reform Order*, as outlined in the TruConnect's Compliance Plan.<sup>27</sup>

The Company will advertise its services in a manner reasonably designed to reach those likely to qualify for Lifeline service, using mediums for outreach such as print advertisements, direct marketing, social media and the Internet. TruConnect will engage in advertising campaigns specifically targeted to reach those likely to qualify for Lifeline service, promoting the availability of cost-effective wireless services to this neglected consumer segment. TruConnect may also promote the availability of its Lifeline offering by distributing brochures at various state and local social service agencies, and may partner with nonprofit assistance organizations in order to inform customers of the availability of its Lifeline service.<sup>28</sup>

TruConnect will explain in clear, easily understood language the following disclosures in all marketing materials related to the supported service: (a) that the service is a Lifeline-supported service; (b) that only eligible consumers may enroll in the program; (c) what documentation is necessary for enrollment; and (d) that the benefit is limited to one per household consisting of either wireline or wireless service and is non-transferrable. TruConnect will also explain that Lifeline is a government benefit program and that willfully making false statements to obtain Lifeline benefits may be punished by fine or imprisonment or result in being barred from the program. Additionally, TruConnect will disclose the company name under which it does business and the details of its Lifeline service offerings in any Lifeline-related marketing and advertising.

#### **E. TruConnect Requests Designation Throughout Its Service Area**

TruConnect is not a rural telephone company as defined in Section 153(37) of the Act (47

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<sup>27</sup> See Exhibit 3, section III.D.3. See also *Lifeline and Link Up Reform Order* at Section VII.F.

<sup>28</sup> See attached Exhibit 5 for a sample advertisement from another state; advertisements will be updated for use in Rhode Island upon ETC designation.

U.S.C. § 153(37)). Accordingly, TruConnect is required to describe the geographic area(s) within which it requests designation as an ETC. TruConnect requests designation as an ETC for the entire state of Rhode Island including federally recognized tribal lands, subject to the existence of its Underlying Carriers' facilities and corresponding coverage. The list of current zip codes within coverage is attached hereto as Exhibit 4. TruConnect understands that its service area overlaps with rural carriers in Rhode Island, but maintains that the public interest factors described below justify its designation in these carriers' service areas, especially because it seeks ETC designation solely to utilize USF funding to provide Lifeline service to qualified low-income consumers.

Therefore, designation of TruConnect as an ETC will cause no growth in the high-cost portions of the USF and will not erode high-cost support from any rural telephone company. In fact, the FCC has determined that “[d]esignation of competitive ETCs promotes competition and benefits consumers in rural and high-cost areas by increasing customer choice, innovative services, and new technologies.”<sup>29</sup> While the federal rules (47 U.S.C. §§ 160, 214(e)(5) and 47 C.F.R. § 54.207(b)) require that the service area of an ETC conform to the service area of any rural telephone company serving the same area (the “service area conformance” requirement), the FCC’s *Lifeline and Link Up Reform Memorandum Opinion and Order* (FCC 13-44 released April 15, 2013) authorized forbearance from the service area conformance requirements with respect to carriers seeking to provide Lifeline-only service.<sup>30</sup> In light of this forbearance, the Commission has the authority to designate ETCs such as TruConnect in rural areas without concern for the service area conformance requirement.<sup>31</sup>

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<sup>29</sup> See *Western Wireless Corporation Petition for Designation as an Eligible Telecommunications Carrier in the State of Wyoming*, *Memorandum Opinion and Order*, 16 FCC Rcd 48, 55 (2000).

<sup>30</sup> See *In the Matter of Telecommunications Carriers Eligible for Support, Lifeline and Link Up Reform*, WC Docket No. 09-197, WC Docket No. 11-42, *Memorandum Opinion and Order*, FCC 13-44 (rel. April 15, 2013).

<sup>31</sup> See 47 C.F.R. § 54.207(c).

**F. Service Commitment Throughout the Proposed Designated Service Area**

TruConnect will provide service in Rhode Island by reselling service which it obtains from its Underlying Carriers. These provider's networks are operational and largely built out. Thus, TruConnect will be able to commence offering its Lifeline service to all locations served by its Underlying Carriers very soon after receiving approval from the Commission. In accordance with 47 C.F.R. § 54.202(a)(1)(i), and by the attached certification, TruConnect commits to comply with the service requirements applicable to the support that it receives. Pursuant to 47 C.F.R. § 54.202(a)(1)(ii), a common carrier seeking designation as a Lifeline-only ETC is not required to submit a five-year network improvement plan as part of its application for designation as an ETC.<sup>32</sup>

**G. Ability to Remain Functional in Emergency Situations**

In accordance with 47 CFR §54.202(a)(2), TruConnect has the ability to remain functional in emergency situations. As discussed, TruConnect will utilize the extensive and well-established T-Mobile, Sprint, and/or Verizon networks and facilities to provide its Lifeline services. The Company understands that the Underlying Carriers' networks have access to a reasonable amount of back-up power to ensure functionality without an external power source, are able to reroute traffic around damaged facilities, and are capable of managing traffic spikes resulting from emergency situations. Indeed, these Underlying Carriers have repeatedly certified to the FCC that their networks function in emergency situations.<sup>33</sup> The Underlying Carriers provide the same functionality to TruConnect and its customers as these carriers provide to themselves and their own customers.

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<sup>32</sup> See also *Lifeline and Link Up Reform Order* at ¶ 386.

<sup>33</sup> See, e.g., *Sprint Nextel Corporation Verified Filing in Compliance with 47 C.F.R. § 54.209*, CC Docket No. 96-45, at 6 (filed Sept. 30, 2011); *In the Matter of Telecommunications Carriers Eligible for Universal Service Support, Petition of T-Mobile USA, Inc. for Designation as a Low-Income Eligible Telecommunications Carrier, et al.*, WC Docket No. 09-197, at 20 (released Aug. 16, 2012).

## **H. Commitment to Consumer Protection and Service Quality**

Under FCC guidelines, an ETC applicant must demonstrate that it will satisfy applicable consumer protection and service quality standards<sup>34</sup> and wireless applicants may also satisfy this requirement by complying with the Cellular Telecommunications and Internet Association's ("CTIA") Consumer Code for Wireless Service. TruConnect hereby commits to complying with the CTIA Consumer Code for Wireless Service.

## **I. TruConnect is Financially and Technically Capable**

In accordance with 47 C.F.R. § 54.202(a)(4), TruConnect is financially and technically capable of providing Lifeline-supported services. The Company has been offering telecommunications service since 1998 and began providing non-Lifeline wireless service in October 2012 and Lifeline-supported wireless service in May 2013. TruConnect, in combination with its affiliate Sage d/b/a TruConnect, already successfully provides wireless services nationwide, including Lifeline services in thirty (30) jurisdictions. TruConnect has not been subject to enforcement actions and has not been subject to ETC revocation proceedings. The Company has operated as a telecommunications carrier for twenty years and has never had to file for bankruptcy protection, and is supported by the resources of its parent, TSC. TruConnect does not, and does not intend to, offer exclusively Lifeline-supported services—and is therefore not exclusively dependent on USAC for its revenue. The result of TruConnect's efforts is that it is fully capable of honoring all its service obligations to customers and regulatory obligations to state and federal regulators. Furthermore, the senior management of TruConnect has great depth in the telecommunications industry and offers extensive telecommunications business technical and

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<sup>34</sup> See 47 C.F.R. § 54.202(a)(3).

managerial expertise to the Company.<sup>35</sup> TruConnect will be providing resold wireless service, and therefore will also rely upon the managerial and technical expertise of its Underlying Carriers.

**J. TruConnect Will Comply with Certification and Verification Requirements**

As mentioned above, TruConnect will rely on the National Verifier for initial and annual verification of Lifeline eligibility in accordance with Section 54.410 of the FCC's Rules.

**K. TruConnect Will Comply With Reporting Requirements**

TruConnect will provide the Commission a copy of its annual certifications and Lifeline recertification results pursuant to 47 C.F.R. § 54.416 (i.e. FCC Form 555), as well as a copy of its annual report filed pursuant to 47 C.F.R. § 54.422 (i.e. FCC Form 481), and will comply with applicable Commission reporting requirements for Lifeline ETCs.

**L. TruConnect Will Comply With Regulations Imposed By The Commission**

By this Petition, TruConnect hereby asserts its willingness and ability to comply with the rules and regulations that the Commission may lawfully impose upon the Company's provision of service contemplated by this Petition. Upon Commission request, TruConnect is prepared to answer questions or present additional testimony or other evidence about its services within the state.

**V. DESIGNATION OF TRUCONNECT AS AN ETC WOULD PROMOTE THE PUBLIC INTEREST**

One of the principal goals of the Act, as amended by the Telecommunications Act of 1996, is "to secure lower prices and higher quality services for American telecommunications consumers and encourage the rapid deployment of new telecommunications technologies" to all citizens, regardless of geographic location or income.<sup>36</sup> Designation of TruConnect as an ETC in Rhode

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<sup>35</sup> See Exhibit 6 for key management bios.

<sup>36</sup> *Telecommunications Act of 1996*, Pub. L. No. 104-104, 110 Stat. 56.

Island will further the public interest by providing Rhode Island consumers, especially low-income consumers, with low prices and high quality services. Many low-income customers in Rhode Island have yet to reap the full benefits of the intensely competitive wireless market. Whether because of financial constraints, poor credit history or intermittent employment, these consumers often lack the countless choices available to most consumers.

The instant request for ETC designation must be examined in light of the Act's goal of providing low-income consumers with access to telecommunications services. The primary purpose of universal service is to ensure that consumers—particularly low-income consumers—receive affordable and comparable telecommunications services. Given this context, designating TruConnect as an ETC would significantly benefit low-income consumers eligible for Lifeline service in the State of Rhode Island—the intended beneficiaries of universal service.

**A. Advantages of TruConnect's Service Offering**

The public interest benefits of TruConnect's wireless service include larger local calling areas (as compared to traditional wireline carriers); the convenience, portability and security afforded by mobile telephone service; the opportunity for customers to control cost by receiving a preset amount of monthly airtime at no charge; the opportunity for customers to receive both the minimum service standards for voice *and* broadband usage within the same rate plan; the ability of users to use the supported service to send and receive unlimited "SMS" or text messages at no additional cost; the ability for customers to purchase additional usage at flexible and affordable amounts in the event that included usage has been exhausted (and the courtesy of free low-balance alerts); unlimited international calling to Canada, Mexico, and China (first 10 unique numbers each month) at no additional cost, and the option to purchase additional international calling at affordable rates; the opportunity for customers to receive service without going through a credit



check or deposit requirement, or committing to a long-term service contract; and access to 911 and E911 service in accordance with current FCC requirements.

Low-income individuals can greatly benefit from the advantages offered by the Company's Lifeline service, which provides access to wholly-supported wireless service to assist in emergency situations, facilitate job search efforts, and to maintain contact with family members. It is a commonly accepted fact that in today's market all consumers, including qualified Lifeline customers, view the portability and convenience of wireless service not as a luxury, but as a necessity. Mobile service allows children to reach their parents, wherever they may be, allows a person seeking employment the ability to be contacted by potential employers, and provides end users with the ability to contact emergency service providers, regardless of location. TruConnect's prepaid wireless service is likely to be an especially attractive option for low-income consumers because it alleviates customer concerns regarding hidden costs, varying monthly charges and long-term contract issues. Providing TruConnect with the authority necessary to offer discounted Lifeline service to those without—or most in danger of losing—wireless service undoubtedly promotes the public interest.

Moreover, TruConnect is pairing its existing Lifeline service with pursuing telehealth initiatives to better provide medical service for the low-income populations that it already serves. TruConnect has a telehealth pilot under review with the California public utilities commission and intends to submit a pilot proposal to the FCC. TruConnect's desire is to expand its telehealth program to other states. Given the current national state of emergency due to the novel coronavirus (COVID-19), unprecedented actions have been taken to slow the spread of the virus; millions of Americans are having to work and school from home, and telehealth services have become essential for the safety of patients and providers alike. Unfortunately, millions of low-income

Americans do not have access to affordable telecommunications services necessary to contact healthcare providers and access safe telemedicine services, obtain essential services, or survive in an online-only work and school environment—and *many of these Americans are eligible for telecommunications services through the Lifeline program*. At this critical time, it is vital that the Commission grant TruConnect the ability to offer Lifeline service in Rhode Island so the Company can provide telemedicine solutions, enroll more eligible subscribers, and meet the life-threatening needs of many Americans.

Finally, grant of TruConnect’s Petition will serve the public interest in increasing the number of ETCs in Rhode Island. By granting ETC status to TruConnect, the Commission will enable TruConnect to increase the number of Rhode Island residents receiving Lifeline support, thereby increasing the amount of USF money flowing into Rhode Island. In sum, ETC designation in Rhode Island would enable TruConnect to provide all of the public benefits cited by the FCC in its analysis in the *Virgin Mobile Order*; namely, TruConnect would provide “increased consumer choice, high-quality service offerings, and mobility,”<sup>37</sup> as well as the safety and security of effective 911 and E911 services.<sup>38</sup>

## **B. The Benefits of Competitive Choice**

The FCC has acknowledged the benefits to consumers of being able to choose from among a variety of telecommunications service providers, for more than three decades.<sup>39</sup> Designation of TruConnect as an ETC will promote competition and innovation, spurring other carriers to target low-income consumers with service offerings tailored to their needs, ultimately resulting in improved services to consumers. Designation of TruConnect as an ETC will help ensure that

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<sup>37</sup> See *Virgin Mobile Order*, 24 FCC Rcd at 3395 ¶ 38.

<sup>38</sup> See *Id.* at 3391 ¶ 23.

<sup>39</sup> See, e.g., *Specialized Common Carrier Services*, 29 FCC Rcd 870 (1971).

quality services are available at “just, reasonable, and affordable rates” as envisioned in the Act.<sup>40</sup> Introducing TruConnect into the market as an additional wireless ETC provider will afford low-income Rhode Island residents a wider choice of providers and available services while creating a competitive marketplace as ETCs compete for a finite number of Lifeline-eligible customers. Increasing the competitive marketplace of providers has the potential to effectively increase the penetration rate and reduce the number of individuals not connected to the PSTN.

### **C. Impact on the Universal Service Fund**

TruConnect’s request for designation as an ETC solely for purposes of participating in the Lifeline program would not unduly burden the USF or otherwise reduce the amount of funding available to other ETCs. With Lifeline, ETCs only receive support for customers they obtain. The amount of support available to an eligible subscriber is exactly the same whether the support is given through a company such as TruConnect or the Incumbent LEC operating in the same service area. The number of persons eligible for Lifeline support is the same the Company’s designation as an ETC; TruConnect will only increase the amount of USF Lifeline funding in situations where it obtains Lifeline customers not already enrolled in another ETC’s Lifeline program. By implementing the safeguards set forth in the *Lifeline and Link Up Reform Order* and utilizing the NLAD and National Verifier, the likelihood that TruConnect’s customers are not eligible or are receiving duplicative support either individually or within their household is greatly minimized. TruConnect’s ability to increase the Lifeline participation rate of qualified low-income individuals will further the goal of Congress to provide all individuals with affordable access to telecommunications service, and thus any incremental increases in Lifeline expenditures are far outweighed by the significant public interest benefits of expanding the availability of affordable

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<sup>40</sup> See 47 U.S.C. § 254(b)(1).

wireless services to low-income consumers.

## **VI. CONCLUSION**

Based on the foregoing, designation of TruConnect as an ETC in the State of Rhode Island accords with the requirements of Section 214(e)(2) of the Act and is in the public interest.

WHEREFORE, TruConnect respectfully requests that the Commission promptly designate TruConnect as an ETC in the State of Rhode Island.

Respectfully submitted,

*s/ Lance J.M. Steinhart*

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and

*s/ Marisa Desautel*

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*Attorneys for TruConnect Communications, Inc.*

May 15, 2020

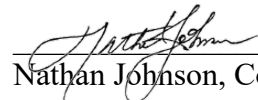
## **EXHIBIT 1**

## EXHIBIT 1

### Certification

STATE OF CALIFORNIA                    )  
  )  
COUNTY OF LOS ANGELES            )

I, Nathan Johnson, the Co-CEO (Co-Chief Executive Officer) of TruConnect Communications, Inc., hereby declare under penalty of perjury that the statements made in the foregoing Petition are true and correct to the best of my knowledge and belief.

  
\_\_\_\_\_  
Nathan Johnson, Co-CEO

## EXHIBIT 2

### PROPOSED LIFELINE OFFERING

#### **TruConnect Communications, Inc.** Lifeline Offering

Terms & Conditions maintained at [www.truconnect.com](http://www.truconnect.com)

<b>Plan</b>	<b>Minutes</b>	<b>Text</b>	<b>Data</b>	<b>Net Cost to Lifeline Customer</b>	<b>Net Cost to Tribal Lifeline Customer</b>
<b>Basic Lifeline</b>	1,000	Unlimited	3.0 GB	<b>\$ 0.00</b>	<b>N/A</b>
<b>Tribal Lifeline</b>	Unlimited	Unlimited	3.0 GB	<b>N/A</b>	<b>\$ 0.00</b>

Plan(s) Include:

- Free SIM card
- Free unlimited international calling to Canada, Mexico, and China
- Free calls to Company Customer Service
- Free calls to 911 emergency services
- Free access to Voicemail, Caller-ID, Call Waiting, Call Forwarding, and 3-Way Calling
- Free Domestic Long Distance
- Data at 3G speeds or higher

#### **Additional airtime available for purchase**

Voice, Data, and International Talk refill options are maintained on the Company's website:  
<https://www.truconnect.com/international>

## **EXHIBIT 4**

### **Coverage Area**



TruConnect – Current Zip Code Coverage in Rhode Island

02802	02833	02877	02907
02804	02835	02879	02908
02806	02836	02880	02909
02807	02838	02881	02910
02808	02839	02882	02911
02809	02840	02883	02912
02812	02841	02885	02914
02813	02842	02886	02915
02814	02852	02887	02916
02815	02857	02888	02917
02816	02858	02889	02918
02817	02859	02891	02919
02818	02860	02892	02920
02822	02861	02893	02921
02823	02862	02894	02940
02824	02863	02895	
02825	02864	02896	
02826	02865	02898	
02827	02871	02901	
02828	02872	02902	
02829	02873	02903	
02830	02874	02904	
02831	02875	02905	
02832	02876	02906	

## **EXHIBIT 5**

### **Sample Advertisement**

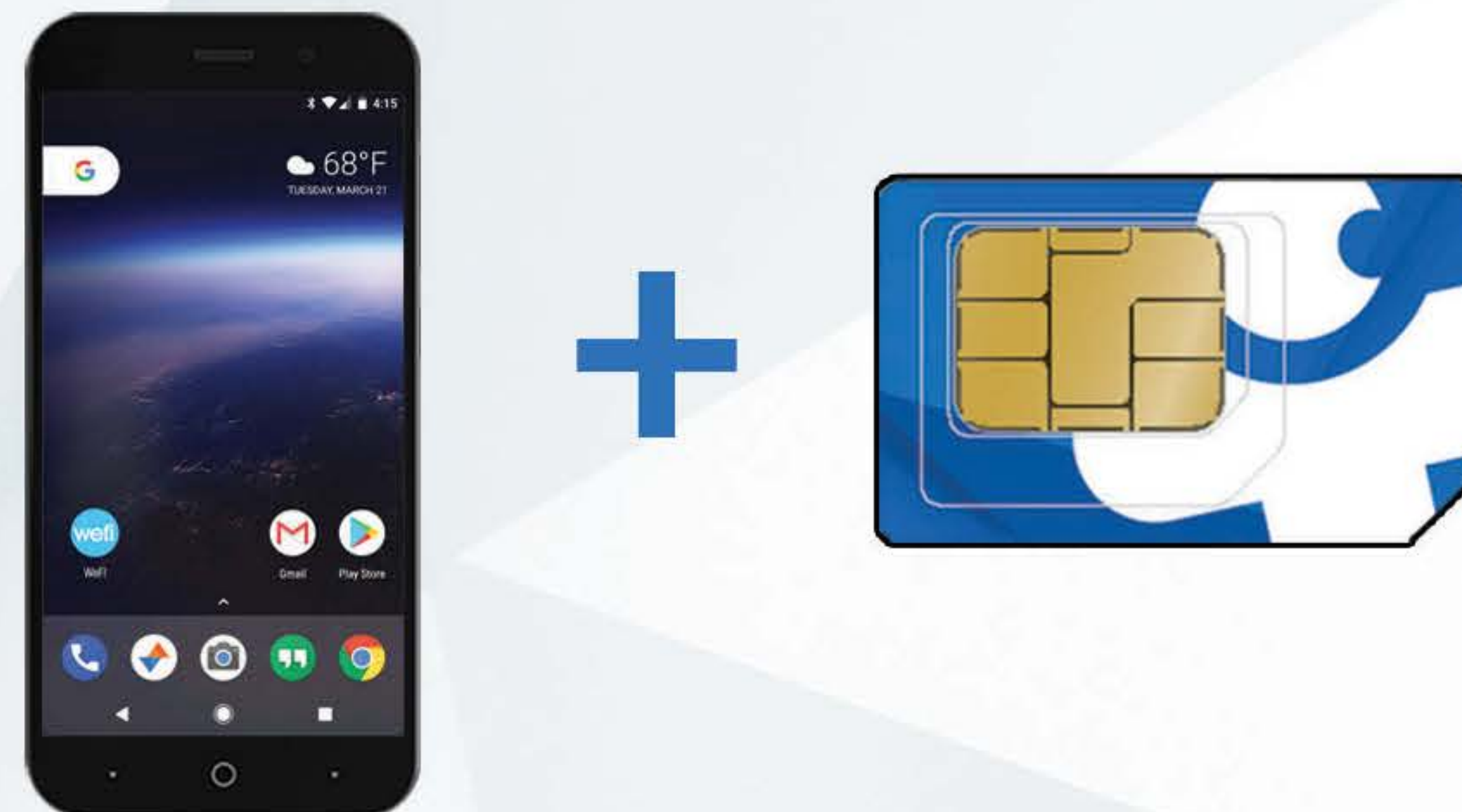




**FREE**  
Lifeline Phone Service

## Free Lifeline Phone Service

### Monthly Talk, Text, & Data



### Bring The Phone You Love

**1,000 Minutes  
Unlimited Text + 3 GB**



All Plans Include:  
Unlimited Calling to Mexico,  
China, Korea, Vietnam, & Canada

**Sign Up Today!**

Visit us at [truconnect.com](http://truconnect.com)  
Call us at 800.430.0443

Follow us for Updates & Specials!



@TruConnect

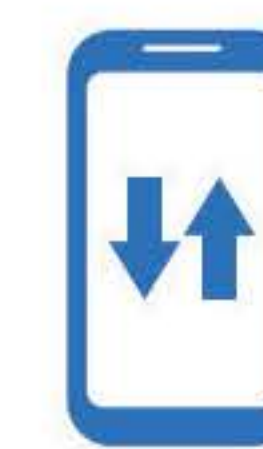


@TruConnect



@TruConnect\_LA

## Add-ons



### Data Refills

Add more data starting  
at \$5 for 500 MB.  
Data refills expire after 30 days.

Starting at  
**\$5**



### Voice Refills

Add more voice starting  
at \$5 for 500 minutes.  
Voice refills expire after 30 days.

Starting at  
**\$5**



### International

Add unlimited calling to  
over 80 countries.  
Unlimited calling to the first 15  
unique numbers each month. Expires  
in 30 days.

**\$5**/mo

**wefi**

### WHAT IS WEFI?

Everyone loves a good  
Wi-Fi connection these  
days. It's free and  
saves you from using  
loads of data each  
month.

But it's never simple —  
which connection is the  
fastest? Which is the  
safest?

The Wefi app will automatically locate and  
instantly connect to the strongest Wi-Fi network  
available.

All of the 200+ million Wi-Fi hotspots in our  
database were discovered by someone like you.  
Join our network and help us connect the world.





# Lifeline Program

## What is the Lifeline Program?

This is a Lifeline service brought to you by TruConnect. Lifeline is a government assistance program. The service is non-transferable and only eligible consumers may enroll. Only one Lifeline service is allowed per household. TruConnect provides free Unlimited Text, 1,000 Minutes, + 3 GB of data to qualified low-income customers. If you qualify, you will also have unlimited access to 911 and customer service. To keep your service active, you must use it at least once every 30 days.

## How Do I Qualify?

You may qualify for the Lifeline program if you, a dependent, or your household is enrolled in certain government programs or if your household income is at or below certain income limits. Apply in person with an Authorized Dealer, online, or by calling customer service. All of TruConnect's Lifeline Plans have the following features:

- Free customer service calls
- Free voicemail, caller ID, and call waiting
- Free 911 and balance inquiry calls

## Documents Required to Apply

- Government-Issued Picture ID (Full name, DOB, not expired)
- Proof of Eligibility (Program card, participation letter, or income proof)
- Proof of Address (May be required)
- Social Security Number (Last 4 digits)

## For Additional Information Contact

TruConnect Customer Service:  
800.430.0443 or visit [www.truconnect.com/lifeline](http://www.truconnect.com/lifeline)

Lifeline Program:  
866.272.0357 or visit [www.lifelinesupport.org](http://www.lifelinesupport.org)

# Lifeline Eligibility

## Method 1 Program-Based Eligibility

You may qualify for the Lifeline discount if you OR another member of your household is currently enrolled in any one of the following public assistance programs:

- Supplemental Nutrition Assistance Program (SNAP/Food Stamps/Food Assistance)
- Medicaid (not Medicare)
- Supplemental Security Income (SSI)\*
- Federal Public Housing Assistance (FPHA)
- Veterans Pension or Survivors Pension Benefit

\*Social Security benefits and/or Social Security Disability benefits are not program-based eligibility qualifiers. Social Security and/or Social Security Disability income may only be used to qualify for Lifeline Program participation under the income-based eligibility method.

## Method 2 Income-Based Eligibility

You may also qualify for Lifeline if your household income is at or less than the following annual income limits:

Household Size	Annual Income Limits	Hawaii Residents
1	\$17,226	\$19,818
2	\$23,274	\$26,771
3	\$29,322	\$33,723
4	\$35,370	\$40,676
5	\$41,418	\$47,628
6	\$47,466	\$54,581
7	\$53,514	\$61,533
8	\$59,582	\$68,486
Each Addt'l Member	Add \$6,048	Add \$6,952

(Effective 1/1/20-12/31/20)

# Lifeline Service

## Monthly Plans & Data Refills

Monthly Plans expire after 30 days. If you add a Monthly Plan before your current Monthly Plan expires, your new Monthly Plan will replace your current Monthly Plan.

The data from your Monthly Plan expires after 30 days. A Data Refill is separate from the data included in your Monthly Plan, and your refill will be used after the data in your Monthly Plan. Data Refills cannot be used unless you are on a current Monthly Plan.

## Lifeline Service

Comprehensive terms and conditions for the TruConnect Lifeline Plans are available at [www.truconnect.com](http://www.truconnect.com). All terms and conditions of service as described herein apply to services provided under the Lifeline Plans. Lifeline is a government assistance program, and Lifeline service is non-transferable. Only eligible consumers may enroll, and the program is limited to one discount per household. You acknowledge and agree that TruConnect may modify or terminate its Lifeline services in the event that there are any changes to the applicable governmental programs and subsidies, upon prior notice to you if/as required by state and federal regulations. The Lifeline Administrator will determine whether or not you are eligible for Lifeline. Proof of eligibility is required such as an eligible program card or statement of benefits. TruConnect will notify you when your Lifeline application has been approved. You understand that by signing up for a Lifeline Plan with TruConnect, you may not have a Lifeline plan with any other carrier (wireless or landline), and you further agree to comply with any documentation or verification procedure necessary to confirm that you qualify for the Lifeline Program. If you are no longer eligible for Lifeline, TruConnect may terminate your account. If you misrepresent your eligibility for Lifeline, you agree to pay us the additional amount you would have been charged under the most favorable rate plan for which you are eligible. To remain qualified for Lifeline, you must successfully complete an annual renewal form. If you fail to complete the annual renewal by the required date, you will be de-enrolled from the TruConnect Lifeline services. Your TruConnect Lifeline service handset is non-transferable. You agree not to give away, resell, or offer to resell your Lifeline service. Removing the handset from the home may prevent other household members from making and receiving calls. Coverage limitations, including service interruptions due to terrain, signal strength, and weather, may affect the ability to make or receive calls, including calls to 911 in the event of an emergency. In the event that you breach these Terms & Conditions, TruConnect reserves the right to immediately de-enroll you from the TruConnect Lifeline services.



## **EXHIBIT 6**

### **Key Management Bios**

**TruConnect Communications, Inc.**  
**Executive Bios**

**Nathan R. Johnson, Co-Chief Executive Officer**

Nathan Johnson is Executive Chairman of the Board and an investor in TruConnect Communications, Inc., where he oversees the strategic vision and effective governance of the organization. Mr. Johnson is also a Managing Partner of Gemini Partners, a middle-market investment bank, where he has financed, sold, and advised several small- and middle-market telecommunications companies including Telemac, Distributive Networks, and Pulse Entertainment, among others. Prior to Gemini Partners, Mr. Johnson served as Vice President in investment banking at Deutsche Bank, where he advised several Latin American companies including Telefonos de Peru and a Venezuelan phone company in their efforts to take the companies private. Mr. Johnson received his MBA from the Wharton School at the University of Pennsylvania with a concentration in Finance and Multinational Management. He also received his MA from the University of Pennsylvania with concentrations in Latin America and Spanish.

**Matthew H. Johnson, Co-Chief Executive Officer**

Matthew Johnson is Managing Partner of Gemini Partners and a Board Member and investor of TruConnect Communications, Inc. At Gemini Partners, a middle-market investment bank, Mr. Johnson has financed, sold, and advised several small- and middle-market telecommunications companies including Telemac, Distributive Networks, and Pulse Entertainment, among others. Previously, Mr. Johnson served as Vice President in investment banking at Credit Suisse First Boston where he financed numerous telecommunications companies specifically located in Latin America, including Bestel Communications, a company that operated fiber loops stretching from the U.S. to Mexico, and Globopar, a telecommunications and media conglomerate based in Brazil. Mr. Johnson holds an MBA from Northwestern University's Kellogg School of Management.

**Jeffrey Misthal, Chief Financial Officer**

Mr. Misthal is the Chief Financial Officer responsible for all accounting and finance functions for the company. He has 20 years of finance experience working with technology companies, including Leaf Group and Yahoo, and as an investment banker for GCA Savvian and JPMorgan where he was an advisor for technology companies responsible for mergers and acquisitions and arranging financing for his clients. Mr. Misthal holds a BS in Economics from the Wharton School at the University of Pennsylvania and an MBA from UCLA Anderson.

**Lucy Sung, General Manager, Global Operations**

Ms. Sung is the General Manager of Global Operations and leads the Legal, Compliance, Customer Care, Sales Operations, Human Resources, and Billing Operations teams. She has over 30 years of experience in the wireless carrier industry, and has 15 years of experience managing the operations and expansion of wireless ETCs. She has held senior management positions in companies that include AT&T, among others. Ms. Sung holds a Bachelor of Science Degree in Business Administration.

**Aleksandr Gudkov, Chief Technology Officer**

Mr. Gudkov is the Chief Technology Officer and leads all Business Intelligence, data warehouse, and technology related initiatives. Mr. Gudkov has over 18 years of experience in information technology supporting private, state and local governments. He has managed several large-scale integration and migration initiatives for the California Lifeline program, CEL child care eligibility system, and Arizona APS energy income eligibility program. Mr. Gudkov holds a Master of Science degree in Nuclear Engineering from National Research Nuclear University, Moscow Russia.

**Danielle Perry, Chief Information Officer**

Danielle Perry is the Chief Information Officer and is responsible for leading all technology related aspects of the business; from software development to data analytics. Ms. Perry has over 20 years of experience in the telecommunications field, with 8 of those years being focused on Lifeline. In her previous position she was the Chief Information Officer at Blue Jay Wireless.

## **EXHIBIT 3**

### **FCC-Approved Compliance Plan**



**Before the  
FEDERAL COMMUNICATIONS COMMISSION  
Washington, D.C. 20554**

In the Matter of	)	
	)	
	)	
Federal-State Joint Board on	)	WC Docket No. 09-197
Universal Service	)	
	)	
Lifeline and Link Up Reform Modernization)	)	WC Docket No. 11-42
	)	
	)	

**REVISED COMPLIANCE PLAN OF TELSCAPE COMMUNICATIONS, INC.**

Telscape Communications, Inc. dba Telscape Wireless (“Telscape”), by its attorneys, respectfully submits this Revised Compliance Plan (“Plan”). Telscape’s original Compliance Plan was filed July 2, 2012, and an initial revised version of the plan was filed September 24, 2012.

In the *Lifeline Reform Order*,<sup>1</sup> the Commission adopted rules and procedures through which it instituted “blanket forbearance” from the applications of the facilities requirement to all telecommunications carriers seeking a limited ETC designation to provide wireless Lifeline services. In order to qualify for this blanket forbearance, the Commission requires carriers to comply with certain 911 requirements and file and receive approval of a compliance plan providing specific information about its service offerings and procedures to safeguard against waste, fraud and abuse.

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<sup>1</sup> *In the Matter of Lifeline and Link Up Reform and Modernization Lifeline and Link Up, Federal-State Joint Board on Universal Service, Advancing Broadband Availability Through Digital Literacy Training*, WC Docket No. 11-42, WC Docket No. 03-109, CC Docket No. 96-45, WC Docket No. 12-23, Report and Order and Further Notice of Proposed Rulemaking, FCC 11-12, ¶ 172 (rel. Feb. 6, 2012) (“*Lifeline Reform Order*”).

Therefore, Telscape respectfully submits this Plan in accordance with the Lifeline Reform Order and instructions set forth in the Wireline Competition Bureau *Public Notice* issued on February 29, 2012.<sup>2</sup> Telscape seeks approval of this compliance plan only for the provision of Lifeline support to provide wireless services nationwide, as the company offers wireline service as a facilities-based carrier under the approval of state commissions. This Plan sets forth Telscape's service offerings and the procedures and measures it will use to safeguard against waste, fraud and abuse. In support of this request, Telscape provides the following information:

**(1) Information about the carrier and the Lifeline plans it intends to offer:**

**(a) names and identifiers used by the carrier, its holding company, operating company and all affiliates;**

Telscape is a competitive local exchange carrier ("CLEC") based in Los Angeles, California. The company has provided traditional wireline service since 1996 and wireless service in California as a non-ETC carrier since 2007. Telscape is also a provider of broadband Internet services. Telscape's service primarily focuses on offering specialized services to meet the needs of the Spanish-speaking market, as well as low-income consumers. Telscape is also an ETC in California, having provided wireline service to low income consumers under California's state low income support program. Telscape has authority to operate as a wireless ETC from the California PUC as well.

Telscape is a Delaware corporation with offices located at 355 South Grand Avenue, Ste. 3100, Los Angeles, CA 90071. Telscape has authority to provide local exchange and interstate

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<sup>2</sup> Public Notice, Wireline Competition Bureau Provides Guidance for the Submission of Compliance Plans Pursuant to the Lifeline Reform Order, DA 12-314, (Rel. Feb. 29, 2012).

telecommunications services in California and seven other states.<sup>3</sup> On October 6, 2011, the California Public Utilities Commission designated Telscape as an ETC for both wireless and wireline services in the state of California for purposes of participating in the Lifeline program. Telscape provides its wireless service under the name “Telscape Wireless” and does not offer wireless services under any other brand or company names.

Telscape is wholly-owned by TSC Acquisition Corporation (“TSC”). On July 2, 2012, TSC completed its acquisition of Sage Telecom, Inc. (“Sage”), a CLEC that provides service in numerous states including Arkansas, California, Connecticut, Illinois, Kansas, Michigan, Missouri, Ohio, Oklahoma, Nevada, Texas and Wisconsin. Sage’s service to customers in these 12 states complements, in part, Telscape’s focus on the southwestern United States. As a result of the acquisition, Telscape, through its common ownership with Sage, has gained collective access to a broader market and combined subscriber growth. The majority of Sage’s current customers are non-Lifeline customer, but Sage currently has wireline Lifeline customers in five states for which it is reimbursed through both state and federal programs, depending upon the state and the customer.<sup>4</sup> In addition, through this combined ownership, Telscape has also gained access to the expertise of Sage’s managers and operations.<sup>5</sup>

Telscape is also affiliated with TruConnect Mobile, LLC (“TruConnect”), through partial common ownership. TruConnect is 40% owned by TSC, Telscape’s parent company as described above. TruConnect provides mobile broadband data services and does not provide any services supported by the low income program.

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<sup>3</sup> These states are Arizona, Florida, Illinois, Nevada, New York, New Jersey and Texas.

<sup>4</sup> In California, Sage receives support only from the CPUC’s Low Income Programs. Sage also receives support from state programs in Kansas, Texas and Wisconsin. Sage receives support on a federal level for service in these three states and Oklahoma.

<sup>5</sup> Additional information concerning TSC ownership structure and qualifications is set forth in its application to acquire Sage Telecom, Inc. filed in WC Docket No. 12-119.

**(b) detailed information demonstrating the carrier is financially and technically capable of providing the supported Lifeline services in compliance with the Commission's rules;**

As a long-time provider of both wireline and wireless services in California, Telscape has a proven record of technical and financial qualifications. For example, Telscape owns and operates its own switching facilities back-office and operations support systems ("OSS"), which allows it to operate at lower costs and pass those savings on to its subscribers. Throughout the years, Telscape has invested substantial revenue to develop, integrate and maintain its systems.

As a carrier who has provided service in California for over 15 years, Telscape possesses the financial viability, as well as the expertise to continue to provide affordable and quality service to customers and has the proven experience to maintain its compliance with all applicable federal and state regulatory guidelines. Telscape derives the majority of its revenue from the telecommunications services it provides to its customers. Telscape does not and will not rely exclusively on the Universal Service Fund ("USF") disbursements to operate, but rather relies on revenues it receives from providing non-Lifeline wireline and wireless service, the payment for service by Lifeline customers,<sup>6</sup> as well as high-speed Internet services. In addition, Telscape is a fully audited corporation and has not been subject to any type of enforcement action or ETC revocation proceeding by the FCC or California.

Telscape is already working with Sprint Spectrum and resells Sprint's wireless services to its non-Lifeline customers in California. As a Lifeline service provider, Telscape will continue to work with Sprint, who provides the necessary network infrastructure and wireless facilities necessary for the operation of Telscape's services as a Mobile Virtual Network Operator ("MVNO"). As the Commission is aware, Sprint is a large, nationwide carrier who provides

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<sup>6</sup> All of Telscape's Lifeline wireline customers currently pay a monthly fee for the discounted service.

similar service to other wireless Lifeline providers operating as MVNOs. Telscape's agreement and partnership with Sprint further demonstrates its financial and technical capability to provide these services.

**(c) detailed information, including geographic locations, of the carrier's current service offerings if the carrier currently offers service;**

As detailed in response to Question 1(a) above, Telscape currently provides local and interstate wireline and wireless services in California as well as broadband Internet services in that state.

**(d) the terms and conditions of each Lifeline service plan offering, including rates, the number of minutes provided and additional charges, if any, for toll calls;**

At this time, Telscape plans to offer the following Lifeline plans and services to customers in California and eventually similar plans nationwide. The California service plans are listed below and were approved by the CPUC as part of the ETC application process. The basic plan provides 300 minutes a month to Lifeline customers for \$2.50 a month. A similar plan is marketed to non-lifeline customers at \$15.00, but would be discounted to \$2.50 for Lifeline eligible customers (after reimbursement). All plans require a monthly payment by the customer.

**Plan 1 – 300 Minutes \$2.50 a month**

Call Waiting	Included
3 Way Calling	Included
Caller ID	Included
Voicemail	Included
911	Free
611 (Customer Service)	Free
Directory Assistance	\$1.50 per call

**Plan 2 – 1,100 Minutes \$20.00 a month**

Call Waiting	Included
3 Way Calling	Included
Caller ID	Included
Voicemail	Included
911	Free
611 (Customer Service)	Free
Directory Assistance	\$1.50 per call

**Additional Minutes.** For both Plans above, if the subscriber wishes to purchase additional minutes, they may do so at any time during a given month and such minutes will be available at \$0.03 per minute, with a minimum purchase of 200 minutes. For example, 200 additional minutes will cost \$6.00 and 500 additional minutes will cost \$15.00.

**Text Messages.** Plans above include text messaging and text messages will be assessed at a rate of 1 minute per text message sent and 1 minute per text message received. In other words, each text message is the equivalent of one minute of calling.

**Other.** Telscape's plans will include a free handset and the customer calling features listed above. Customers are not limited by a local calling area and may use the minutes for any type of call other than international calls. Calls to 911 are free and customers may call 911 regardless of the availability of minutes. There is a \$30.00 activation fee for Telscape wireless service.

Outside of California, Telscape will offer plans similar to the following, subject to state specific requirements or requests from state PUCs. As with California, these plans are offered to both Lifeline and non-Lifeline subscribers, with a discount applied to the Lifeline customer. Services will be offered on a prepaid basis, and potentially also on a postpaid basis, as is done in California. All services will normally have an activation fee and will likely require a monthly payment from the customer. The prices listed below show the basic, non-Lifeline price and the price to the consumer with the \$9.25 Lifeline credit applied. All plans will likely require a monthly payment by the customer. Telscape commits to providing a minimum of 250 minutes per month for the \$9.25 subsidy.

Telscape is still determining the exact plans it will offer (reiterating the condition that plans will provide a minimum of 250 minutes for the \$9.25 subsidy), but a sample plan would be as follows:

**ValuMobile Plus** Price: \$24.25 per month/Lifeline Price: \$15.00

Features	Cost
500 minutes Voice/Text	Included
Call Waiting	Included
3 Way Calling	Included
Caller ID	Included
VoiceMail	Included
911	Free
611 (Customer Service)	Free
Directory Assistance	\$1.50

Activation Fee: \$25.00

**Additional Minutes:** For all service plans the customer can purchase additional voice, data, MMS, text minutes for \$0.05 per minute with a minimum purchase of \$5.00. For example, 100 additional minutes will cost \$5.00. The customer will have the ability to purchase 100 minutes (\$5.00); 200 minutes (\$10.00); 300 minutes (\$15.00) and 500 minutes (\$25.00). For Unlimited service plans the customer will not need additional voice or text but will need to purchase additional minutes for data and MMS. MMS is priced at \$0.15 per minute and Data is \$0.05 per MB.

**Text Messages:** The service plans include text messaging; text messaging rates are assessed at 1 minute per text message sent and 1 minute per text message received.

**Other:** Plans do not permit rollover minutes. Top Ups are available for a 30 day period as long as the customer renews the service at the normal plan rate. Plans do not allow roaming. The \$25.00 Activation Fee includes selection of a basic handset which is activated and provided ready for use. Customers are allowed to call internationally but will be assessed the international rates. International text rates are \$0.20 per minute for messages sent or received. Special Promotional offer: 10 MB data FREE for 3 months with the selection of a data capable phone. .

**(e) all other certifications required under newly amended section 54.202 of the Commission's rules.**

Section 54.202 requires ETCs to (1) certify that it will comply with the applicable service requirements; (2) file a five-year plan detailing proposed improvements or upgrades in the

network unless the ETC is receiving only Lifeline support; (3) demonstrate that it will continue to function in emergency situations including reasonable back-up backup power and emergency traffic management; (4) demonstrate that the carrier will comply with applicable consumer protection and service quality standards; (5) demonstrate that it is financially and technical qualified to provide Lifeline services that comply with the applicable rules; and (6) provide information concerning the terms and conditions of the service plans offered to Lifeline customers.

In response to item (1), Telscape certifies that it will comply with applicable service requirements and regulations for Lifeline support.

In response to item (2), Telscape is not required to submit a five year plan since it is seeking to obtain only Lifeline support for its eligible customers.

In response to item (3), as a CLEC provider in California for over 15 years, Telscape has significant experience with emergency preparedness. Telscape has detailed Emergency Action and Disaster Recovery Plans in place to respond to emergencies.. In addition, Telscape's agreement with Sprint provides for the continuation of services during emergencies and sets forth obligations for the service to remain functioning during disasters and similar emergency situations. In addition, as a nationwide carrier and provider of wireless service, Sprint also remains subject to the Commission's authority and must, and does, comply with federal outage reporting requirements.

In response to item (4), Telscape certifies that it will comply with the applicable consumer protection and service quality standards. As a CLEC operating in California, Telscape is already subject to that state's consumer protection and service quality requirements. Telscape's Lifeline customers will also receive the same quality service and protections.



Telscape's response to items (5) and (6) are provided above and in the provided exhibits

**(2) A detailed explanation of how the carrier will comply with the Commission's new rules relating to determinations of subscriber eligibility for Lifeline services, including all consumer eligibility, consumer enrollment and re-certification procedures as required by Section VI and Appendix C of the Lifeline Reform Order, and a copy of the carrier's certification form;**

Under the *Lifeline Reform Order*, ETCs must comply with eligibility rules for Lifeline services, including initial eligibility, certification, and annual re-certification procedures. In addition to the Commission's rules, Telscape must also comply with all certification and verification requirements for Lifeline eligibility established by states where Telscape is designated as an ETC. For states that do not have a Lifeline administrator or state agency responsible for determining eligibility and initial certifications and annual certifications, Telscape certifies it will comply with the Commission's certification and verification requirements and will follow the procedures outlined below until such time as the Commission implements its planned National Lifeline Accountability Database.

Procedures for Initial Eligibility Determination and Certification of Lifeline Subscribers.

With respect to determining eligibility certification procedures, the rules provide that an ETC must determine a Lifeline applicant's eligibility and provide and receive certification forms with proper documentation from Lifeline subscribers, except where there is a state Lifeline administrator or a state agency responsible for eligibility verification.

In states where there is a third party entity acting as the Lifeline administrator (also referred to as the "Certifying Agent" in California) who is responsible for determining the eligibility of consumers seeking to subscribe to Lifeline service, sending out certification forms, reviewing documentation and providing ETCs with the appropriate approval of a potential

subscriber's eligibility for Lifeline, Telscape will comply with the program rules established in those states and will cooperate fully with any state Lifeline administrator.

Based on Telscape's history of providing Lifeline and non-Lifeline customers in wireline products, Telscape's primary source of signing up Lifeline customers will be via telephone, although some customers (entirely in California at this point) will be signed up in person at the retail locations staffed by Telscape employees. Visitors to Telscape's website will be given information about the program but are required to contact Telscape directly via telephone to complete the sign-up process. These callers speak to Telscape employees who are specially trained on the Lifeline programs. Telscape's customer services representatives will review income- and program-based requirements with applicants via telephone contact or point of sale contact at one of Telscape's retail locations.<sup>7</sup> During the initial sign up for service, Telscape will (a) require the applicant to confirm that he or she is not already receiving a Lifeline service and that no one else in the applicant's household is subscribed to a Lifeline service in order to avoid providing duplicate services; and (b) inform the applicant of both the income- and program-based eligibility requirements to determine initial eligibility and any state-specific requirements.

Customers are offered the choice to either sign up for service as a non-Lifeline customer pending confirmation of eligibility, or to have their application for service held pending confirmation of eligibility. In the event the customer chooses to proceed, they are processed as a new non-Lifeline customer and the verification process continues as described below. If, after the verification process is completed, the customer is deemed eligible, they are credited with the

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<sup>7</sup> For example, Telscape has retail store locations called "Telemercados" throughout its service areas in the Los Angeles and San Diego, California areas to provide its subscribers the opportunity to walk in and deal with a Telscape representative directly, as well as over 380 authorized payment locations throughout all of Southern California.

Lifeline discount back to the date service was initiated. If the customer is eventually deemed ineligible, they receive no credit. Where the customer chooses to wait for confirmation of eligibility before starting service, the employee will take down the relevant information from the consumer, including payment information, but the order is then held pending verification of eligibility. Only if the customer is determined to be eligible is the order processed.

The Verification process varies by state, in states with a Lifeline administrator, if a new applicant indicates that he or she is eligible for Lifeline service, Telscape will provide the applicant's relevant information to the administrator in conformance with any state or Lifeline administrator specific rules. The Lifeline administrator will provide the requisite forms and will be responsible for processing those forms when returned and ensuring the documentation is satisfactory as set forth in state regulations. Telscape will not provide Lifeline service or seek reimbursement for providing services to such applicant until it receives a certification of eligibility from the Lifeline administrator.

In states where there is no Lifeline administrator or state agency responsible for determining initial eligibility and certifying Lifeline applicants, Telscape will require all applicants to demonstrate either: (1) the applicant's household income is at or below 135% of the Federal Poverty Guidelines based on the income-eligibility criteria set forth in Sections 54.409(a)(1) or (a)(3) or (2) the applicant participates in Medicaid, Food Stamps, Supplemental Security Income, Federal Public Housing Assistance, Low-Income Home Energy Assistance Program, National School Lunch Program or Temporary Assistance for Needy Families. As required to prevent suspected duplications, Telscape will also require the customer to complete the Lifeline Household Worksheet issued by USAC to ensure that duplicate support is not provided to any household. Telscape will inform the applicant that any information provided

will be submitted to USAC as necessary under the Commission's rules to verify the household is not receiving duplicate Lifeline support.

After confirming initial eligibility either in person or over the phone, Telscape will provide the individual with an application via mail requiring him or her to provide certain information and certify that they meet either the income-based eligibility requirements or the program-based requirements, make certain certifications and submit documentation.

Specifically, Telscape's Lifeline application form will collect the following information from the potential Lifeline customers: (i) the subscriber's full name; (ii) the subscriber's full residential street address (P.O. Boxes will not be acceptable); (iii) whether the residential address is permanent or temporary; (iv) the subscriber's billing address, if different; (v) the subscriber's date of birth; (vi) the last four digits of the subscriber's Social Security number (or Tribal identification number if the subscriber is a member of a Tribal nation and does not have a Social Security number); (vii) if the subscriber is seeking to qualify for Lifeline under the program-based criteria, the name of the qualifying assistance program from which the subscriber, or his or her dependents, or his or her household receives benefits; and (viii) if the subscriber is seeking to qualify for Lifeline under the income-based criterion, the number of individuals in his or her household.

In addition, as part of the Lifeline application, Telscape will require all Lifeline applicants to certify, under penalty of perjury, that:

- the applicant meets the income-based or program-based eligibility criteria for receiving Lifeline either because the household receives benefits from a state or federal assistance program (and list the name of the program) or has income at or below 135% of the Federal Poverty Guidelines;
- the applicant has provided documentation to Telscape that correctly and accurately confirms the subscriber's household income or participation in the above-listed

program(s);

- the applicant will notify its carrier within thirty (30) days if, for any reason, he or she no longer satisfies the criteria for receiving Lifeline including, as relevant, if the applicant no longer meets the income-based or program-based criteria for receiving Lifeline support, the applicant is receiving more than one Lifeline benefit, or another member of the subscriber's household is receiving a Lifeline benefit. The applicant will also certify that they understand this requirement and may be subject to penalties if they fail to notify Telscape;
- if the applicant moves to a new address, he or she will provide that new address to the eligible telecommunications carrier within thirty (30) days;
- if the applicant provided a temporary residential address to the eligible telecommunications carrier, he or she will be required to verify his or her temporary residential address every ninety (90) days;
- the applicant acknowledges that the subscriber will be required to re-certify his or her continued eligibility for Lifeline at any time, and the applicant's failure to re-certify as to his or her continued eligibility will result in de-enrollment and the termination of the applicant's Lifeline benefits;
- the applicant's household will receive only one Lifeline service and, to the best of his or her knowledge, the subscriber's household is not already receiving a Lifeline service;
- the information contained in the applicant's certification form is true and correct to the best of his or her knowledge, that providing false or fraudulent documentation or information in order to receive assistance is punishable by fines, imprisonment, de-enrollment or being barred from the program;
- That a violation of the one-per-household rule constitutes a violation of FCC rules and will result in their de-enrollment from the Lifeline program
- the applicant understands that Lifeline is a non-transferable benefit and the service may not be transfers to anyone else; and
- the applicant understands their information, including name, telephone number and address, will be given to the Universal Service Administrative Company (USAC) and/or its agents for the purpose of verifying the applicant and the applicant's household do not receive more than one Lifeline benefit and consenting to the inclusion of that information into a Lifeline database.

A sample Telscape application is attached hereto as Exhibit A.

This application is mailed by Telscape to the customer for completion and is returned to Telscape for review and certification. All applications are reviewed by Telscape employees or

by employees of their affiliate Sage. Should Telscape engage sales agents to assist in signing up customers, those applications will also be reviewed by employees to ensure the applicant's eligibility.<sup>8</sup> This review includes a review to determine eligibility as well as a duplicate review process described below. Telscape will make itself available as a direct point of contact with all Lifeline applicants, either in person through its employees, or by telephone. In addition, all Telscape employees who have contact with potential Lifeline customers will be fully trained on the state and Commission Lifeline eligibility rules.

If Telscape cannot determine a prospective subscriber's eligibility through a review of an appropriate federal or state database, Telscape personnel will require the submission of appropriate documentation required to establish income-based and program-based eligibility and will review each subscriber's documentation for compliance with the eligibility criteria. If documentation is not sufficient or if the application is incomplete, then Telscape will deny the application and inform the applicant of the reason for such rejection. For applicants submitting proof of income-eligibility or program-based eligibility, Telscape will not retain copies of such documentation but will maintain accurate records detailing how the customer demonstrated his or her eligibility.<sup>9</sup> In addition, if the subscriber provides Telscape with a temporary address, it will verify with the subscriber every 90 days that this address remains valid. If the subscriber fails to respond to the Telscape within 30 days, the subscriber will be de-enrolled from the Lifeline program.

Procedures for Annual Re-Certification. Similar to the initial certification process, an ETC must annually certify all subscribers, unless there is a Lifeline administrator that is

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<sup>8</sup> In states with a Lifeline Administrator, this process would be handled pursuant to the procedures of the Administrator.

<sup>9</sup> 47 C.F.R. §§ 54.410(b)(1)(ii)-(iii) and 54.410(c)(1)(ii)-(iii).

responsible for re-certification. In states where a Lifeline administrator is responsible for completing annual re-certifications, Telscape will rely on such administrator completing the annual certification. If the Lifeline administrator provides notice to Telscape that a current subscriber did not re-certify, then Telscape will comply with the de-enrollment requirements required by the FCC's rules. Telscape will cooperate fully with any Lifeline administrator and take any necessary steps to ensure it is in compliance with both state and federal re-certification procedures.

In states where there is not a Lifeline administrator, Telscape will require its Lifeline subscriber to annually re-certify their eligibility as set forth in Rules 54.410(f)(2) and (f)(5) and 54.405(e)(4). Telscape may complete the re-certification process on a rolling basis throughout the year. If Telscape cannot determine on-going eligibility by accessing a qualifying database, Telscape will re-certify the continued eligibility of its subscribers by contacting them in person, in writing (by mail), by phone, by text message, by email or otherwise through the Internet.<sup>10</sup> Alternatively, beginning in 2013, Telscape may elect to have the USAC administer the annual self-certification process.<sup>11</sup>

As part of the re-certification process, Telscape will inform its Lifeline subscribers that they must confirm eligibility to retain Lifeline benefits, when Lifeline benefits will be terminated if confirmation of eligibility is not provided and how to contact Telscape for more information or assistance. If a Lifeline subscriber does not respond to the notice within 30 days, Telscape will

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<sup>10</sup> *Lifeline Reform Order*, ¶ 130.

<sup>11</sup> *Id.*, ¶ 133.

send a notice of impending termination. Subscribers who do not respond to the impending termination notice will be de-enrolled from the Lifeline program within five business days.<sup>12</sup>

**(3) A detailed explanation of how the carrier will comply with the forbearance conditions relating to public safety and 911/E-911 access;**

The Commission conditioned its grant of forbearance on an ETC (a) providing its Lifeline subscribers with 911 and E911 access, regardless of activation status and availability of minutes; (b) providing its Lifeline subscribers with E911-compliant handsets and replacing, at no additional charge to the subscriber, noncompliant handsets of Lifeline-eligible subscribers who obtain Lifeline-supported services.<sup>13</sup> Telscape's wireless service currently complies with these requirements and will continue to comply with these conditions.

Specifically, Telscape provides its wireless subscribers with 911/E911 access at the time their service is initiated, regardless of activation status and availability of minutes and provides its subscribers with E911-compliant handsets. It is the company's practice to provide access to 911/E911 to the extent these services are available from the underlying carrier, Sprint. Telscape also enables 911 emergency calling from all properly activated handsets regardless of whether the account associated with the handset is active, suspended to terminated. Telscape will transmit all 911 calls initiated from any of its handsets even if the associated account has no remaining minutes.

In addition, all phones provided by Telscape are 911/E911 compliant. Telscape uses phones from Sprint that, based on representations made to Telscape by Sprint, have been through the applicable certification process in the company's labs. In the event that a customer does not have an E911-complaint handset, Telscape will replace it with a compliant handset at no charge.

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<sup>12</sup> 47 C.F.R. § 54.405(e)(4).

<sup>13</sup> *Lifeline Reform Order*, ¶ 373.



All new customers who qualify for Lifeline services with Telscape will receive a 911/E911-compliant handset free of charge.

**(4) A detailed explanation of how the carrier will comply with the Commission's marketing and disclosure requirements for participation in the Lifeline program;**

Telscape has experience in providing clear, concise and consistent marketing and disclosure information to its wireline Lifeline to its customers. Given the make-up of its customer base, primarily limited English speaking consumers, some of whom are of lower income, Telscape strives to use language that is easily understandable so as to avoid customer confusion. With respect to its wireless services, Telscape will emphasize in clear, easily understood language: (a) that the service is a Lifeline-supported service; (b) that only eligible consumers may enroll in the program; (c) what documentation is necessary for enrollment; and (d) that the benefit is limited to one per household consisting of either wireline or wireless service and is non-transferrable. Telscape will also explain that Lifeline is a government benefit program and willfully making false statements to obtain Lifeline benefits may be punished by fine or imprisonment or result in being barred from the program. Telscape has and will continue to clearly disclose its name (Telscape or Telscape Wireless) on all marketing materials. A sample advertisement that was approved for use in California by the California PUC is attached hereto as Exhibit B. Marketing outside of California will contain similar disclosures.

**(5) A detailed explanation of the carrier's procedures and efforts to prevent waste, fraud and abuse in connection with Lifeline funds, including but not limited to, procedures the carrier has in place to prevent duplicate Lifeline subsidies within its own subscriber base, procedures the carrier undertakes to de-enroll subscribers receiving more than one Lifeline subsidy per household, information regarding the carrier's toll limitation service, if applicable, and the carrier's non-usage policy, if applicable.**

Telscape fully understand and shares the Commission's commitment to minimize waste, fraud and abuse with respect to the Lifeline program. This is part of the reason that Telscape has

focused on providing excellent service for low-income customers, many of whom speak only Spanish. Moreover, Telscape has taken a focused approach and offering service initially only in California, as compared to launching services into several states or on a nationwide basis. This approach has allowed Telscape to refine its business practices and to implement policies consistent with the Commission's goal of minimizing waste, fraud and abuse before launching its service nationwide at some time in the future.

Prevention of Duplicates In Telscape's Subscriber Base. At time of initial sign up of a new subscriber, the subscriber's service address is validated for accuracy against the USPS ("United States Postal Service") database and saved in the USPS-approved format, which permits the Telscape subscriber database to more accurately prevent duplicates by preventing variations of the same address from appearing multiple times in the database. Once the address is validated for accuracy and format, Telscape can check it in available databases or provide it to the Lifeline administrator, where applicable, to be checked against addresses for all Lifeline customer addresses for the entire state. For example, if an existing Lifeline subscriber, regardless of the carrier providing service, is receiving service at the same address, Telscape understands that the California Lifeline administrator will provide Telscape with a denial and that Lifeline applicant will be denied. Telscape further understands, for example purposes, that the California Lifeline administrator also has a process to check its database for the same subscriber name, date of birth and the last four digits of the person's social security number.

In addition, while it is anticipated that Telscape and its affiliate, Sage will only operate in different states, to the extent that they have Lifeline customers in the same state, customers can be checked against each company's records to further avoid duplication.

Activation and Non-Usage Policy. In California, Telscape does not consider a wireless subscriber activated until the customer has chosen a *non-Lifeline* service plan, activates their service by paying the activation fee, and then applies for and is approved for a Lifeline service plan. Adhering to this “prequalification guideline” prevents waste, fraud and abuse by requiring customers to first sign up for service at regular rates and then only provide discounted service once the customer’s eligibility has been confirmed and approved by the Lifeline administrator. As such, Telscape will not seek reimbursement for any wireless subscriber until the subscriber activates service and is approved by the Lifeline administrator or by Telscape, in states without a third party Lifeline administrator. Customers who wish to be confirmed as an eligible Lifeline subscriber prior to commencing service can place a non-Lifeline order and have the order held pending verification of eligibility as described above. Because customers do not receive their handset and service until they have an order processed and the activation fee is paid, customers receive activated handsets. Thus, there is no possibility of Telscape receiving reimbursement for a customer who does not have an active handset. After the order is processed, Telscape personnel activate, configure and test the handsets before they are sent to the consumer. Thus all customers receive an activated handset.

As required by the *Lifeline Reform Order*, Telscape has implemented a non-usage policy under which it will de-enroll Lifeline customers that have not used the Telscape’s Lifeline service for 60 consecutive days. When consumers sign-up for Telscape’s service, Telscape will inform them about the usage requirement. If a Telscape Lifeline customer’s account does not reflect any usage during any consecutive 60-day period, Telscape will deactivate the customer’s Lifeline service. Accounts will be deemed active if the Lifeline subscriber: (a) completes an outbound call; (b) purchases minutes or an additional month of service to add to the subscriber's

Lifeline service plan; (c) answers an incoming call from a party other than Telscape, its agent or representative; or (d) responds to a direct contact from Telscape and confirms that he or she wants to continue receiving the Lifeline service.<sup>14</sup>

For Lifeline subscribers failing to use their Lifeline service for a 60-day consecutive period as described above, Telscape will provide a clear, easily understood notice that the subscriber's failure to use the Lifeline service within the 30-day notice period will result in service termination for non-usage. Telscape will not terminate service to Lifeline subscribers that use their Lifeline service within 30 days of Telscape providing said notice.<sup>15</sup>

Cooperate with Federal and State Regulators and Lifeline Administrators. Telscape will cooperate with the Commission and has and will continue to cooperate with state regulators and Lifeline administrators to prevent waste, fraud and abuse. Telscape will, for example:

- As applicable, participate in industry working groups conducted by or in coordination with state commissions and Lifeline administrators;
- Respond to requests from the Commission, USAC or state commissions concerning consumers' eligibility to be enrolled in Lifeline service, among other matters;
- Upon having a reasonable basis and/or upon any notification from federal or state commissions and/or Lifeline administrators, timely investigate issues concerning a Telscape Lifeline customer receiving service from another carrier or customers receiving more than one Lifeline subsidy per household;
- As applicable and when available, access the National Lifeline Accountability Database to determine if an applicant is currently receiving Lifeline service from another carrier or if another person residing at the applicant's residential address is receiving Lifeline service; and
- Comply with federal and state audit requirements.

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<sup>14</sup> See *Lifeline Reform Order*, ¶ 261; 47 C.F.R. § 54.407(c)(2).

<sup>15</sup> 47 C.F.R. § 54.405(e)(3).

## CONCLUSION

Telscape respectfully submits that the foregoing Compliance Plan fully satisfies the conditions set forth in the *Lifeline Reform Order*. Accordingly, Telscape respectfully requests approval of this Compliance Plan so that Telscape can provide essential Lifeline wireless service to eligible low-income customers nationwide.

Respectfully submitted,

*/s/ electronically signed*

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