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**BEFORE THE STATE CORPORATION COMMISSION
OF THE STATE OF KANSAS**

MAR 14 2013

In the Matter of)

by
State Corporation Commission
of Kansas

Application of TracFone Wireless, Inc. for)
Designation as an Eligible Telecommunications)
Carrier in the State of Kansas for the Limited)
Purpose of Offering Lifeline Service to Qualified)
Households)

Docket No. 13-TFWZ-575-ETC

**APPLICATION OF TRACFONE WIRELESS, INC. TO EXPAND
DESIGNATION AS AN ELIGIBLE TELECOMMUNICATIONS CARRIER**

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March 14, 2013

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COMES NOW TracFone Wireless, Inc. ("TracFone"), by its undersigned counsel, and pursuant to Section 214(e)(2) of the Communications Act of 1934, as amended (the "Communications Act") (47 U.S.C. § 214(e)(2)), hereby submits this Application to Expand Designation as an Eligible Telecommunications Carrier ("ETC") to include certain additional portions of its service area within the State of Kansas. TracFone's request to expand its ETC designation, like its initial request for ETC designation, is solely to provide Lifeline service, under the trade name SafeLink Wireless[®] to qualifying Kansas consumers. TracFone will not seek access to funds from the federal Universal Service Fund ("USF") for the purpose of providing service to high-cost areas.¹ TracFone also will not seek access to funds from the Kansas USF. As demonstrated herein, TracFone meets all the statutory and regulatory requirements for designation as an ETC in the areas of Kansas described in this Application. TracFone respectfully requests that the State Corporation Commission of the State of Kansas ("Commission") grant this Application and that it do so expeditiously so that TracFone may

¹ Given that TracFone only seeks Lifeline 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 TracFone.

provide Lifeline service to low-income households throughout additional portions of its service area at the earliest practicable time.

I. Background.

1. TracFone is incorporated under the laws of the State of Delaware and is headquartered at Miami, Florida. Its corporate offices are located at 9700 N.W. 112th Avenue, Miami, Florida, 33178. TracFone is a reseller of commercial mobile radio service (“CMRS”) throughout the United States, including the State of Kansas. TracFone is currently the leading prepaid wireless carrier, and the fifth largest carrier overall, with more than 20 million subscribers nationwide. TracFone provides service through a “virtual network” consisting of services obtained from numerous licensed operators of wireless networks. TracFone has provided CMRS service throughout the State of Kansas continuously for more than fourteen years. In Kansas, TracFone obtains service from the following underlying carriers: AT&T Wireless, T-Mobile and Verizon Wireless. TracFone’s arrangements with those providers enable it to offer services wherever any of those providers offer service in the State of Kansas.

2. On June 5, 2009, TracFone filed with this Commission an application for designation as an ETC for the limited purpose of offering Lifeline service to qualified households in Kansas. TracFone subsequently amended its application, clarifying that it would offer Lifeline service in all areas in Kansas served by AT&T Mobility and T-Mobile.

3. On December 14, 2010, the Commission issued an order designating TracFone as an ETC in certain defined areas served by AT&T Mobility and T-Mobile (“ETC Order”). In the December 2010 ETC Order, the Commission, citing 47 U.S.C. § 214(e)(5), designated TracFone as an ETC in those exchanges of non-rural incumbent local exchange carriers (“ILECs”) that

TracFone could serve in their entirety and in the study areas of rural LECs that TracFone could serve in their entirety.²

4. TracFone requested designation as an ETC in the study areas of various rural LECs in Kansas. The Commission explained that in an area served by a rural LEC an ETC's service area for purposes of receiving universal service support is the rural LEC's study area. The Commission designated TracFone as an ETC only in rural LEC study areas that TracFone can serve in their entirety. Those rural LEC study areas are: Columbus Telephone Company, Inc., Council Grove Telephone Company, Elkhart Telephone Co. Inc., LaHarpe Telephone Company, Inc., MoKan Dial, Inc., Moundridge Telephone Co. Inc., Peoples Telecommunications, LLC, Wamego Telecommunications Company, Inc., Wheat State Telephone, Inc. and Zenda Telephone Company, Inc.

5. TracFone also requested designation as an ETC in those areas in Kansas served by Southwestern Bell Telephone Company d/b/a AT&T Kansas ("AT&T"), a non-rural ILEC. The Commission explained that because AT&T is a non-rural ILEC, its service area is determined on an exchange basis. Based on coverage information that TracFone provided, Commission Staff identified those AT&T exchanges that TracFone can serve in their entirety.³ The Commission designated TracFone as an ETC in the AT&T exchanges listed in Attachment B to Staff's Memorandum.

² In the Matter of the Application of TracFone Wireless, Inc. for Designation as an Eligible Telecommunications Carrier in the State of Kansas for the Limited Purpose of Offering Lifeline Services to Qualified Households, Order Granting in Part and Denying in Part Amended Application of TracFone for Designation as ETC for the Limited Purpose of Offering Lifeline Services to Qualified Households, Docket No. 09-TFWZ-945-ETC, December 14, 2011, ¶ 9 (citing 47 U.S.C. § 214(e)(5)).

³ Commission Staff listed the AT&T exchanges which TracFone can serve in their entirety in the Staff Memorandum, Attachment B, filed in Docket No. 09-TFWZ-945-ETC on September 10, 2010.

6. Commission Staff subsequently reminded TracFone that ETCs are required to permit Lifeline customers to choose a calling plan and to apply the Lifeline discount to the plan selected by the customer (“Lifeline Calling Plan Rule”).⁴ While TracFone believed that its Lifeline offering, which includes three different calling plans, complied with the Commission’s Lifeline Calling Plan Rule, it filed a Waiver Request on January 6, 2011 in the event that the Commission disagreed with TracFone’s position. The Commission approved TracFone’s Waiver Request conditioned on TracFone submitting quarterly reports of any TracFone customers’ complaints of their inability to subscribe to one of TracFone’s non-Lifeline calling plans in Kansas. TracFone will file these quarterly reports.

7. On September 19, 2012, TracFone filed an application requesting to expand its designation as an ETC within the State of Kansas to include areas served by Verizon Wireless, as well as a few additional areas served by AT&T Mobility and T-Mobile. In the September 2012 ETC Order, the Commission, citing 47 U.S.C. § 214(e)(5), designated TracFone as an ETC in those exchanges of non-rural ILECs that TracFone could serve in their entirety and in the study areas of rural LECs that TracFone could serve in their entirety.⁵

8. In the September 2012 application, TracFone requested designation as an ETC in the study areas of various rural LECs in Kansas. Based on analysis conducted by Commission

⁴ See In the Matter of a General Investigation Addressing Requirements for Designation of Eligible Telecommunications Carriers, Docket No. 06-GIMT-446-GIT, *Order Addressing Petitions for Reconsideration* (2006), ¶ 47 (“The Commission believes it is in the public interest to ensure that Lifeline customers are not limited to one plan. The Commission notes that other carriers participating in this docket do provide a choice of plans to Lifeline customers.”).

⁵ In the Matter of the Application of TracFone Wireless, Inc. for Designation as an Eligible Telecommunications Carrier in the State of Kansas for the Limited Purpose of Offering Lifeline Services to Qualified Households, *Order Granting Application to Expand Designation as an Eligible Telecommunications Carrier*, Docket No. 13-TFWZ-207-ETC, January 2, 2013.

Staff, the Commission designated TracFone as an ETC in only one rural LEC study area that TracFone can serve in its entirety, H&B Communications Inc.'s study area.⁶

9. In the September 2012 application, TracFone also requested designation as an ETC in additional areas in Kansas served by AT&T, a non-rural ILEC. Based on coverage information that TracFone provided, Commission Staff identified those AT&T exchanges that TracFone can serve in their entirety.⁷ The Commission designated TracFone as an ETC in the AT&T exchanges listed in Staff Exhibit A to Staff's Memorandum. On January 3, 2012, TracFone commenced SafeLink Wireless[®] in Kansas in those areas for which TracFone has been designated as an ETC.

10. By this Application, TracFone seeks to expand its designation as an ETC to include certain rural LEC study areas that were excluded from ETC designation in the Commission's January 2012 ETC Order. The Commission excluded these study areas based on its understanding that TracFone did not serve all exchanges within the study areas. TracFone has conducted further analysis and has determined that it does serve the study areas in their entirety. A list of the rural LEC exchanges that TracFone seeks to include in its designated service area in Kansas is attached as Exhibit 1. TracFone is not requesting redefinition of any rural LEC study areas that it cannot serve in their entirety.

⁶ The Commission noted that TracFone was previously granted ETC designation in the Columbus, Council Grove, Elkhart Mo-Kan, Moundridge, People, Wamego, Wheat State, and Zenda rural LEC study areas in Docket No. 09-TFWZ-945-ETC.

⁷ Commission Staff listed the AT&T exchanges which TracFone can serve in their entirety in the Staff Memorandum, Staff Exhibit A, filed in Docket No. 13-TFWZ-207-ETC on December 5, 2012. The Commission noted that because TracFone was previously designated an ETC in several AT&T exchanges in Docket No. 09-TFWZ-945-ETC, those exchanges are not listed in Staff Exhibit A.

II. TracFone Meets the Requirements for Designation as an Eligible Telecommunications Carrier to Serve the Designated Areas in the State of Kansas.

11. Section 254(e) of the Communications Act (47 U.S.C. § 254(e)) 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 Communications Act provides that a State commission “shall . . . upon request designate a common carrier that meets the requirements of paragraph 1 [of Section 214(e)] as an eligible telecommunications carrier for a service area designated by the State commission.”

12. As demonstrated below, TracFone meets the requirements for ETC designation by the Commission pursuant to Section 214(e)(2) of the Communications Act. In addition, TracFone complies with the standards established by the FCC for determining whether applicants for ETC status serve the public interest.⁸ TracFone recognizes that Section 214(e)(1)(A) of the Communications 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.⁹ However, on June 8, 2004, TracFone filed with the FCC a petition requesting that the FCC exercise its forbearance authority under Section 10 of the Communications Act (47 U.S.C. § 160) with respect to the facilities-based service requirement. The FCC granted the petition for

⁸ See Federal-State Joint Board on Universal Service, CC Dkt. No. 96-45, Report and Order, 20 FCC Rcd 6371, 6388-90, ¶¶ 40-43 (2005).

⁹ On February 6, 2012, the FCC issued its Lifeline Reform Order, which, among other things, established a process for expedited forbearance from the “own facilities” requirement of Section 54.201(i). This process is inapplicable to TracFone, since TracFone, as stated herein, has already obtained forbearance from this requirement. See Lifeline and Link Up Reform and Modernization et al., WC Dkt. No. 11-42 et al., Report and Order and Further Notice of Proposed Rulemaking, 27 FCC Rcd 6656 (2012) (“Lifeline Reform Order”).

forbearance in an Order dated September 8, 2005.¹⁰ In an Order dated April 11, 2008, the FCC granted all of TracFone's pending petitions for designation as ETC, subject to the conditions set forth in the TracFone Forbearance Order.¹¹

A. The Kansas Corporation Commission Has Jurisdiction to Designate TracFone as an ETC.

13. Section 214(e)(2) of the Communications Act authorizes state commissions, such as this Commission, to designate ETC status for federal universal service purposes. Indeed, "state commissions have the primary responsibility for the designation of eligible telecommunications carriers under Section 214(e)(2).¹² Although Section 332(c)(3)(A) of the Communications Act (47 U.S.C. § 332(c)(3)(A)) 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 ETC status.¹³

14. Section 214(e)(2) of the Communications Act provides that a State commission shall designate a common carrier as an ETC, if the carrier meets the requirements of Section 214(e)(1). Section 214(e)(1) requires a carrier designated as an ETC to offer the services that are supported by Federal universal service support mechanisms using its own facilities or a

¹⁰ Federal-State Joint Board on Universal Service; Petition of TracFone Wireless, Inc. for Forbearance from 47 U.S.C. § 214(e)(1)(A) and 47 C.F.R. § 54.201(i), CC Dkt. No. 96-45, Order, 20 FCC Rcd 15095 (2005) ("TracFone Forbearance Order").

¹¹ Federal-State Joint Board on Universal Service; TracFone Wireless, Inc. Petition for Designation as an Eligible Telecommunications Carrier in the State of New York fir the Limited Purpose of Offering Lifeline Service to Qualified Households et al., CC Dkt. No. 96-45, Order, 23 FCC Rcd 6206 (2008) (granting TracFone's ETC Petitions for Alabama, Connecticut, Delaware, District of Columbia, Massachusetts, New Hampshire, New York, North Carolina, Pennsylvania, Tennessee, and Virginia) ("TracFone ETC Order").

¹² Federal-State Joint Board on Universal Service et al., CC Dkt. No. 96-45, Twelfth Report and Order and Further Notice of Proposed Rulemaking, 15 FCC Rcd 12208, 12255, ¶ 93 (2000).

¹³ Federal-State Joint Board on Universal Service, CC Dkt. No. 96-45, Report and Order, 12 FCC Rcd 8776, 8858-59, ¶ 145 (1997) ("USF Order").

combination of its own facilities and resale of another carrier's services and to advertise the availability of such services and the related charges using media of general distribution. As discussed in Section II.D of this Application, TracFone will advertise the availability of its Lifeline plan and the associated charges using media of general distribution.

15. As noted above, the FCC decided to forbear from applying the facilities-based requirement for ETCs to TracFone. Section 10(e) of the Communications 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, this Commission is required by Section 10(e) to act in accordance with the FCC’s TracFone Forbearance Order, and therefore, may not apply the facilities-based requirement to TracFone. Indeed, the Commission already complied with the FCC’s Forbearance Order by designating TracFone as an ETC.

B. TracFone Will Provide Service Through Resale.

16. In the TracFone Forbearance Order, the FCC granted TracFone’s Petition for Forbearance subject to certain conditions. The FCC explained that requiring “TracFone, as a wireless reseller, to own facilities does not necessarily further the statutory goals of the low-income program, which is to provide support to qualifying low-income consumers throughout the nation, regardless of where they live.”¹⁴ The FCC also stated that grant of TracFone’s petition for forbearance “serves the public interest in that it should expand participation of qualifying consumers” in the under-utilized low-income program.¹⁵ The Lifeline program is part of the low-income program supported by the USF.

¹⁴ TracFone Forbearance Order, ¶ 23.

¹⁵ Id., ¶ 24.

17. The FCC's grant of forbearance was subject to certain conditions, including TracFone (a) providing Lifeline customers with basic 911 and enhanced 911 ("E911") access regardless of activation status and availability of prepaid minutes; (b) providing its new Lifeline customers with E911-compliant handsets and replacing any existing customers' non-compliant handsets at no additional charge; (c) obtaining a certification from each Public Service Answering Point ("PSAP") where TracFone provides Lifeline service confirming that TracFone complies with 911 service condition; (d) requiring its customers to self-certify at the time of service activation and annually thereafter that they are the heads of the households and receive Lifeline-supported service only from TracFone; and (e) establishing safeguards to prevent its customers from receiving multiple TracFone Lifeline subsidies at the same address.

18. On March 5, 2009, the FCC issued an Order modifying one of the conditions imposed in the TracFone Forbearance Order requiring that TracFone obtain a certification from each PSAP where TracFone provides Lifeline service confirming that it provides its customers with access to basic and E911 service.¹⁶ The FCC modified the PSAP certification to require the following: TracFone must still request such certification from each PSAP within its Lifeline service area; however, if within 90 days of TracFone's request, a PSAP has not provided the certification and the PSAP has not made an affirmative finding that TracFone does not provide its customers with access to 911 and E911 service within the PSAP's service area, TracFone may self-certify that it meets the basic and E911 requirements. In the Lifeline Reform Order, the FCC stated that to the extent that any conditions in carrier-specific forbearance orders, such as the TracFone Forbearance Order, are inconsistent with the rules adopted in the Lifeline Reform Order, the newly adopted rules shall prevail. The Lifeline Reform Order, consistent with the

¹⁶ Federal-State Joint Board on Universal Service; TracFone Wireless, Inc. et al., CC Dkt. No. 96-45, Order, 24 FCC Rcd 3375 (2009).

PSAP requirement as modified in the March 5, 2009 Order, does not require ETCs to obtain a certification from each PSAP in the carrier's service area.

C. TracFone Offers All Required Services and Functionalities.

19. In accordance with section 214(e)(1) of the Communications Act, an ETC must, throughout the service area for which the designation is received, provide the services identified by the FCC to be supported by federal universal service support mechanisms.¹⁷ The FCC recently eliminated its former list of nine supported services and amended Section 54.101 of the FCC's rules (47 C.F.R. § 54.101) to specify that "voice telephony service" is supported by federal universal service support mechanisms.¹⁸ The FCC further revised Section 54.101(a) to eliminate certain former service requirements now deemed obsolete. Section 54.101(a) of the FCC's rules currently reads as follows:

§ 54.101 Supported services for rural, insular and high cost areas.

(a) *Services designated for support.* Voice Telephony services shall be supported by federal universal service support mechanisms. Eligible voice telephony services must provide voice grade access to the public switched network or its functional equivalent; minutes of use for local service provided at no additional charge to end users; access to the emergency services provided by local government or other public safety organizations, such as 911 and enhanced 911, to the extent the local government in an eligible carrier's service area has implemented 911 or enhanced 911 systems; and toll limitation services to qualifying low-income consumers as provided in subpart E of this part.

TracFone offers all of the services and functionalities required by the FCC.

1. Voice Grade Access to the Public Switched Network.

20. The FCC previously defined voice grade access to the public switched network as the ability to make and receive voice phone calls between the approximately 500 Hertz and 4,000

¹⁷ 47 U.S.C. § 214(e)(1); see also 47 C.F.R. § 54.201(d).

¹⁸ See In the Matter of Connect America Fund et al., WC Docket No. 10-90 et al., Report and Order and Further Notice of Proposed Rulemaking, FCC 11-161 (rel. Nov. 18, 2011) ("Connect America Fund Order").

Hertz for a bandwidth of approximately 3,500 Hertz.¹⁹ Under the FCC's rules, as amended by the Connect America Fund Order, the FCC does not provide a definition for voice grade access and instead relies on certifications from ETC applicants that they provide such access.²⁰ TracFone certifies that it provides voice grade access to its end users so that they are able to transmit and receive voice communications.

2. Minutes of Use for Local Service Provided at No Additional Charge.

21. The FCC has "noted that many providers do not distinguish between local and long distance usage, and [has] concluded that carriers may satisfy the obligation to provide local usage via service offerings that bundle local and long distance minutes."²¹ The FCC has further determined that Lifeline service offerings can meet the local usage requirement in the same manner.²²

22. TracFone provides customers the ability to send and receive local calls wherever it provides service and does not distinguish between local and long distance calling. TracFone's Lifeline offering will allow customers to use their free monthly airtime minutes (68, 125 or 250 minutes depending on the Lifeline plan in which the customer is enrolled) to send and receive local calls at no additional charge.

3. Access to Emergency Services.

23. An ETC must provide "access to the emergency services provided by local government or other public safety organizations, such as 911 and enhanced 911, to the extent the

¹⁹ See USF Order, at 8810-11, ¶¶ 63-64.

²⁰ See 47 C.F.R. § 54.101(a); see, e.g., In the Matter of Telecommunications Carriers Eligible for Universal Service Support et al., WC Docket No. 09-197, Order, 27 FCC Rcd 6263, 6265-67, ¶¶ 7, 13 (2012).

²¹ Lifeline Reform Order, ¶ 49 (citing Connect America Fund Order).

²² Id.

local government in an eligible carrier's service area has implemented 911 or enhanced 911 systems.”²³ TracFone provides universal access to the 911 calling system for its customers through the networks of its underlying carriers. TracFone has implemented and will continue to implement E911 services consistent with the FCC’s rules and orders applicable to wireless resellers. Throughout its years of operation TracFone has never received a complaint about a 911 system failure.

4. Toll Limitation for Qualifying Low-Income Customers.

24. In the Lifeline Reform Order, the FCC eliminated the requirement that ETCs offer toll limitation services for Lifeline customers where the ETC offers “Lifeline calling plan that includes a set number of calling minutes available for either local or domestic long distance calls.”²⁴ TracFone’s Lifeline service provides customers with specified quantities of all-distance calling minutes at no charge, so customers will not incur toll charges. TracFone treats long distance minutes of use as any other usage and customers are not charged for toll services. Each of TracFone’s Lifeline service offerings provides a set number of calling minutes that may be used for either local or long distance calling. Therefore, TracFone does not need to offer toll limitation under this requirement.

D. TracFone Will Advertise the Availability of Supported Services.

25. TracFone will aggressively advertise the availability of its Lifeline service and the associated charges using media of general distribution, in accordance with the requirements of Section 214(e)(1)(A) of the Communications Act and Section 54.201(d)(2) of the FCC’s rules (47 C.F.R. § 54.201(d)(2)). TracFone plans to utilize such marketing and outreach efforts as necessary and appropriate to ensure that as many eligible consumers as possible avail themselves

²³ 47 C.F.R. § 54.101(a)(1).

²⁴ Lifeline Reform Order, ¶ 230.

of TracFone's prepaid wireless Lifeline offering. TracFone understands that it will be competing with other ETCs in Kansas, including the ILECs, to be chosen by consumers to be their Lifeline service provider. TracFone will utilize traditional means for promoting the availability of its Lifeline program. These means will include broadcast advertising in media outlets most likely to reach consumers eligible for Lifeline. These would include commercial broadcast stations, especially those stations whose programming is targeted to significant lower income communities including, for example, Spanish language stations in areas with significant Spanish-speaking populations.

E. TracFone Will Comply with the Lifeline Certification and Verification Requirements in 47 C.F.R. § 54.410 and the Lifeline Reform Order.

26. Section 54.410 of the FCC's rules (47 C.F.R. § 54.410) requires ETCs to comply with certification of eligibility and verification of continued eligibility requirements for Lifeline participation. The FCC's rules were substantially overhauled in the recent FCC Lifeline Reform Order.²⁵ The Lifeline Reform Order adopts a number of measures intended to standardize Lifeline enrollment and compliance on a nationwide basis. TracFone will certify and verify consumer eligibility in accordance with the FCC's requirements and with Commission rules that apply to ETCs seeking funds from the federal USF. A copy of TracFone's SafeLink Wireless® Lifeline Certification Form used in Kansas is attached as Exhibit 2.

F. Additional Requirements for Designation of Eligible Telecommunications Carriers.

27. In the Lifeline Reform Order, the FCC amended 47 C.F.R. § 54.202 to clarify certain additional requirements for ETC designation that apply to carriers seeking Lifeline-only designation. Section 54.202 requires an ETC applicant to demonstrate the following: (1) its

²⁵ See Lifeline Reform Order, ¶ 97, et seq.

ability to remain functional in emergency situations; (2) that it will satisfy applicable consumer protection and service quality standards; (3) that it is financially and technically capable of providing the Lifeline service; and, (4) it has submitted information describing the terms and conditions of any voice telephony service plans offered to Lifeline subscribers.²⁶

28. TracFone has the ability to remain functional in emergency situations. As a reseller of other carriers' wireless services, TracFone's service is of the same quality and reliability as that of its underlying vendors. TracFone's underlying vendors have implemented state-of-the-art network reliability standards and TracFone and its customers benefit from their high standards. Thus, TracFone's service is as reliable as that of any other wireless provider serving the Kansas market. Throughout its operating history, TracFone's service reliability has compared favorably with that of any facilities-based operator in the wireless telecommunications industry.

29. TracFone represents that it will comply with the CTIA - The Wireless Association Consumer Code for Wireless Service in accordance with 47 C.F.R. § 54.202(a)(3).

30. TracFone has been an ETC in a number of states since 2008 and currently provides Lifeline service to 4 million customers in 39 states. TracFone's success as an ETC demonstrates that it is financially and technically capable of providing Lifeline service. TracFone service is available nationwide and the company currently has more than 20 million total customers.

31. TracFone provides service in Kansas by reselling services of underlying wireless network carriers, including AT&T Mobility, T-Mobile, and Verizon Wireless, each of which has a record of providing reliable service.

²⁶ 47 C.F.R. § 54.202(a)(2)-(5).

32. TracFone's financial stability is ensured by the fact that it is a 98%-owned subsidiary of America Movil, the fourth largest wireless telecommunications carrier in the world. Moreover, TracFone, which has been in business since 1999, offers non-Lifeline service in all fifty states, including Kansas. TracFone is currently the leading prepaid wireless carrier, and the fifth largest carrier overall.

33. TracFone began offering Lifeline supported service in 2008, after authorization by the Federal Communications Commission. TracFone currently provides Lifeline service to 4 million customers in 39 states. However, TracFone does not rely exclusively on federal USF disbursements to operate. TracFone has more than 20 million subscribers nationwide, of whom only 4 million are Lifeline subscribers. TracFone currently provides service through five brands, each offering a different product. Only one of TracFone's brands is a Lifeline product. Thus, the large majority of TracFone's revenue is derived from sources other than the federal USF. TracFone has not been subject to an enforcement action or an ETC revocation proceeding in any state.

34. TracFone's Lifeline customers in all states, including Kansas, have the option to select from three monthly plans. The three plans are described in the SafeLink Wireless[®] Terms and Conditions of Service. A copy of those terms and conditions is provided as Exhibit 3.

G. TracFone Requests Expanded Designation Throughout the Areas of Kansas Served by Verizon Wireless and for Certain Additional Areas Served by AT&T Mobility and T-Mobile.

35. TracFone requests the Commission to expand its designation as an ETC to include those areas in Kansas served by Verizon Wireless, as well as a few additional areas served by AT&T Mobility and T-Mobile. A list of the rural LEC exchanges that TracFone seeks to include in its designated service area in Kansas is provided as Exhibit 1. TracFone reiterates the fact that it is seeking an expanded ETC designation solely to utilize USF funding to provide Lifeline

service to qualified low-income consumers. It does not seek and will not accept high-cost support. Therefore, expansion of TracFone's ETC designation to include additional portions of its service area in Kansas will cause no growth in the high-cost portions of the USF and will not erode high-cost support from any rural telephone company.

III. Expansion of TracFone's Designation as an ETC to Include Additional Portions of Its Service Area in the State of Kansas Would Serve the Public Interest.

36. In this Application to expand its designation as an ETC, TracFone seeks certification as an ETC in areas served by rural telephone companies. Consequently, the Communications Act requires that the Commission determine that expansion of TracFone's designation as an ETC would serve the public interest.²⁷

37. The FCC has determined that "designation of competitive ETCs promotes competition and benefits consumers in rural and high-cost areas by increasing customer choice, innovative services, and new technologies."²⁸ Expansion of TracFone's designation as an ETC will provide a valuable alternative to the existing telecommunications services available in Kansas. Those public interest benefits include larger local calling areas, the convenience and security afforded by mobile telephone service, the opportunity for customers to control their costs by purchasing in advance only the volumes of service which they need and supplementing those quantities on an "as needed" basis after exhausting their monthly supply of free service, and, availability of E911 service in accordance with the FCC's E911 requirements. In addition,

²⁷ 47 U.S.C. § 214(e)(2); see Federal-State Joint Board on Universal Service, CC Dkt. No. 96-45, Report and Order, 20 FCC Rcd 6371, 6389, ¶ 42 (2005) ("We find that before designating an ETC, we must make an affirmative determination that such designation is in the public interest, regardless of whether the applicant seeks designation in an area served by a rural or non-rural carrier.").

²⁸ See Federal-State Joint Board on Universal Service; Western Wireless Corporation Petition for Designation as an Eligible Telecommunications Carrier in the State of Wyoming, CC Dkt. No., 96-45, Memorandum Opinion and Order, 16 FCC Rcd 48, 55, ¶ 17 (2000).

TracFone's inclusion of toll calling within its calling plans will enable consumers to avoid the risk of becoming burdened with large and unanticipated charges for toll calling.

38. According to data from the Universal Service Administrative Company ("USAC"), only between 10 and 20 percent of eligible Kansas households participated in Lifeline in 2010.²⁹ In other words, between 80 and 90 percent of low-income Kansas households which are eligible to participate in Lifeline are not doing so. TracFone expects that many more qualified consumers will elect to participate in Lifeline, if a free wireless option is available.

39. The availability of a mobile telephone is critical to unemployed Kansans' efforts to search for other employment opportunities. Without a mobile telephone, unemployed individuals face extreme difficulty in finding a job. A mobile telephone allows individuals to be reached at any time and location and enables unemployed individuals to respond to potential employers immediately. In addition, a mobile telephone assists employed low-wage individuals by allowing those individuals to stay in contact with employers, manage relationships with supervisors, and respond to requests to work additional shifts or hours. TracFone's SafeLink Wireless[®] Lifeline service will allow low-income Kansans, including many who have been adversely impacted by the failing economy or job loss, to have access to free wireless service to assist in emergency situations, facilitate job search efforts, and to maintain contact with family members.

40. Expansion of TracFone's designation as an ETC will also provide an incentive to the ILECs serving those portions of the state to improve their existing networks in order to remain competitive, resulting in improved services to consumers. Expansion of TracFone's designation as an ETC will also benefit consumers because support to services provided by

²⁹ See 2010 Participation Rates by State, available at http://www.usac.org_res/documents/li/pdf/participation-rates/li-participation-rate-map-2010.pdf.

TracFone will help assure that quality services are available at “just, reasonable, and affordable rates” as envisioned in the Communications Act.³⁰

41. The FCC has identified factors to be considered in determining whether designation of an additional ETC would serve the public interest. These factors require the Commission to weigh whether the benefits of an additional ETC would outweigh potential harms. The factors to be considered include: 1) the benefits of increased competitive choice; and 2) the unique advantages of the applicant company’s service offerings.³¹ As described in the following paragraphs, TracFone meets these criteria for purposes of expanding its ETC designation to include additional portions of its service area in Kansas..

A. The Benefits of Increased Competitive Choice.

42. The benefits to consumers of being able to choose from among a variety of telecommunications service providers have been acknowledged by the FCC for more than three decades.³² However, the benefits of competitive choice are especially valuable in situations in which wireless providers like TracFone seek to provide service to rural communities and elsewhere. As the FCC recognized in Highland Cellular, some households in rural communities do not have access to the public switched network through the incumbent local exchange carrier. Moreover, the availability of a wireless competitive alternative benefits those rural consumers who often must drive significant distances to work, schools, stores, and other community

³⁰ 47 U.S.C. § 254(b)(1).

³¹ See 47 C.F.R. § 54.202(c).

³² See, e.g., Specialized Common Carrier Services, First Report and Order, 29 FCC2d 870 (1971).

locations.³³ TracFone's wireless Lifeline service alternative will provide consumers with convenient and affordable telecommunications service, both from their residences and when they are away from their homes.

43. TracFone believes that many consumers, including qualified Lifeline customers, view the portability and convenience of wireless service as a modern necessity, not a luxury. Parents need to be able to reach their children wherever they may be; persons seeking work need to be reachable by potential employers; persons need to call for emergency assistance while away from home.

B. Unique Advantages of TracFone's Service Offerings.

44. As described elsewhere in this Application, TracFone's entire business model is predicated on providing easy-to-use, pay-as-you-go, affordable wireless telecommunications service to consumers to whom wireless service would be otherwise unavailable or unaffordable. TracFone offers consumers an opportunity to acquire wireless service using state-of-the-art handsets and such features as caller ID, voice mail, text messaging, and long distance calling without toll charges. Because TracFone's service requires no term contracts, no minimum service periods or volume commitments, no credit checks, and no early termination fees, the service is available to everyone – irrespective of age; irrespective of residency; irrespective of creditworthiness. Moreover, TracFone's service is unique in that usage information and remaining balance information is stored in the handsets and is thus available to consumers on a “real-time” basis. TracFone's Lifeline service offers qualified customers access, quality and

³³ Federal-State Joint Board on Universal Service; Highland Cellular, Inc. Petition for Designation as an Eligible Telecommunications Carrier in the Commonwealth of Virginia, CC Dkt. No. 96-4519, Memorandum Opinion and Order, FCC Rcd 6422, 6432, ¶ 23 (2004).

price. None of the incumbent providers nor those other non-incumbent ETCs serving the areas covered by TracFone in Kansas offer service to consumers under comparable conditions.

45. Under TracFone's Lifeline plan, Lifeline customers will receive free monthly service, free airtime each month, and a free handset. TracFone will offer three plan options for Lifeline consumers: (1) 250 free minutes each month, which do not carry over to the next month if unused (unless additional minutes are purchased); (2) 125 free minutes each month, which carry over to the following month if unused; and (3) 68 free minutes each month, which carry over to the following month if unused, plus International Long Distance calling to over 60 destinations.³⁴ All offerings include voicemail and other features, national long distance at no additional charge, and no charge for roaming. A complete description of the service offering is included in the SafeLink Wireless[®] Terms and Conditions, attached as Exhibit 3.

C. Impact on the Universal Service Fund.

46. The FCC has considered the impact on the USF when determining whether to grant TracFone's petitions for designation as an ETC.³⁵ Whatever impact classification of TracFone as an ETC will have on the USF will be negligible. TracFone seeks an expansion of its ETC designation solely to enable it to offer Lifeline benefits to eligible low-income consumers in additional portions of TracFone's service area in Kansas. TracFone does not seek access to funds from the federal USF for the purpose of obtaining high-cost support. As noted in the FCC's TracFone Forbearance Order, "the potential growth of the fund associated with high-cost support distributed to competitive ETCs" is not relevant to carriers seeking support

³⁴ TracFone reserves the right to modify its Lifeline plan based on changes in market conditions or the amount of USF support available. However, under the Lifeline plan, 100 percent of federal and state required Lifeline support will be provided to Lifeline customers in the form of free usage.

³⁵ TracFone ETC Order, ¶ 16 n.47

associated with the low-income program.³⁶ In 2008, low-income support accounted for only 11.5 percent of the distribution of the total universal service fund, while high-cost support accounted for 63.0 percent.³⁷ “Any increase in the size of the fund [associated with granting TracFone’s ETC petition] would be minimal and would be outweighed by the benefit of increasing eligible participation in the Lifeline program, furthering the statutory goal of providing access to low-income consumers.”³⁸ Indeed, the FCC has acknowledged the benefits of designating a carrier as an ETC, when the carrier only seeks to participate in the USF’s low-income programs. The FCC included the following statement in a May 1, 2008 Order in which it established an interim cap on high-cost support:

Moreover, there are advantages to obtaining and maintaining an ETC designation regardless of whether a competitive ETC receives high-cost support. In particular, the ability of competitive ETCs to receive low-income universal service support shows value in obtaining and maintaining ETC designation separate and apart from high-cost support. Indeed, TracFone Wireless, Inc. (TracFone) sought forbearance from section 214(e)(1) of the Act so that it could seek designation as an ETC eligible only to receive universal service Lifeline support. TracFone took this step because “offering prepaid plans which make wireless service available to low income users ... has been a critical component of TracFone’s business strategy since the company’s inception.” Other ETCs may have similar business strategies. Further, by offering Lifeline and Link Up service, a competitive ETC may attract new subscribers that may not otherwise have taken telephone service. This would increase a competitive ETC’s base of subscribers and, consequently, lower its average cost of serving all of its subscribers. Moreover, competitive ETCs may be eligible for separate universal service support at the state level.³⁹

Furthermore, it is important to recognize the differences between low-income funding for the Lifeline program and high-cost funding. With Lifeline, ETCs only receive USF support for

³⁶ TracFone Forbearance Order, ¶ 17.

³⁷ Wireline Competition Bureau, Federal Communications Commission, Trends in Telephone Service, Table 19.1 and Chart 19.1 (2010).

³⁸ TracFone Forbearance Order, ¶ 17.

³⁹ High-Cost Universal Service Support et al., WC Dkt. No. 05-337 *et al.*, Order, 23 FCC Rcd 8834, 8847-48, ¶ 30 (2008).

customers they obtain. If TracFone acquires Lifeline customers currently served by other ETCs, TracFone will gain the Lifeline support for those customers, but the ETCs losing the customers will lose the support. TracFone will only increase the amount of USF Lifeline funding in situations where it obtains new Lifeline customers, i.e., customers not currently enrolled in other ETCs' Lifeline programs. In contrast, with high-cost support, when new ETCs enter the market and capture customers from the existing ETCs, both the incumbent ETCs and the new ETCs receive high-cost support -- based on the ILECs' costs, thereby increasing the size of the USF. TracFone currently projects approximately 26,000 Lifeline subscribers in Kansas 12 months after rollout in the state (that figure assumes approximately 10 percent market penetration after 12 months). Subscribership at that level would result in approximately \$240,000 per month in support from the federal USF. However, some of these customers may be current Lifeline subscribers with other carriers who switch service to TracFone (resulting in no net effect on the federal USF). In any event, the effect will be negligible on a low income program which was estimated at \$2.4 billion in 2012.

47. The FCC has adopted stringent new requirements to reduce waste, fraud and abuse in the low-income program, and has set a target objective of saving \$200 million in 2012 through its reform efforts. These measures include the elimination of the Link Up program and other reforms to reduce the burden of the low-income program on the USF. As a result, TracFone believes future growth in the Lifeline program will be controlled to ensure proper stewardship of USF resources. In fact, the FCC recently issued a press release stating that its

reform efforts have saved the USF \$15 million so far, and are on track to save \$2 billion over the next three years.⁴⁰

D. Expansion of TracFone's Designation as an ETC to Include Additional Portions of Its Service Area Will Benefit the Public Interest of Consumers Throughout Kansas.

48. The expansion of TracFone's designation as an ETC to include additional portions of its service area will also serve the public interest because TracFone will participate in the Lifeline program as required by the FCC's rules and will comply with all FCC and Commission rules governing universal service programs, which are designed to ensure that the public interest standards of the Communications Act are achieved. As a national leader in prepaid wireless services, TracFone has done much to advance the availability of wireless service for those portions of the population for whom wireless service is otherwise unavailable or, if available, is too costly and requires term duration and volume commitments which are beyond the means of many consumers.

49. Moreover, expansion of TracFone's designation as an ETC will serve the public interest by further promoting the extensive role TracFone plays in the provision of communications services to lower income and lower volume users, transient users, as well as other consumers who either choose not to enter into long-term service commitments or who are unable to meet the credit requirements necessary to obtain service from other wireline or wireless carriers. TracFone's "pay-as-you-go" wireless service enables consumers to enjoy the convenience and security of wireless telecommunication without being subject to extensive credit reviews and long-term service commitments which historically have limited the

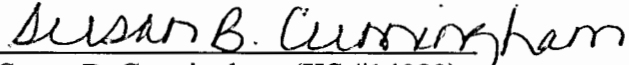
⁴⁰ Update - FCC Releases Results of Latest Review of Lifeline Program Reforms to Cut Waste, Fraud & Abuse: 135,000 More Duplicate Subscriptions to Be Eliminated, Generating \$15 Million of Savings, May 16, 2012, available at <http://www.fcc.gov/document/more-duplicate-lifeline-subscriptions-be-eliminated-saving-15-m>.

availability of wireless service to many Americans, including many Kansas residents. For all the reasons described herein, expanding this Commission's designation of TracFone as an ETC, as described in this Application, will serve the public interest.

CONCLUSION

50. Based on the foregoing, TracFone contends that the requirements for eligibility for designation as an ETC have been met. Accordingly, TracFone requests that the Kansas Corporation Commission promptly grant its application to expand its designation as an ETC.

Respectfully submitted,


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Counsel for TracFone Wireless, Inc.

March 14, 2013


VERIFICATION OF TRACFONE WIRELESS, INC.

Javier Rosado, after first being sworn on oath, states as follows:

1. I am Senior Vice President Lifeline Services of TracFone Wireless, Inc. ("TracFone"). My business address is 9700 N.W. 112th Avenue, Miami, FL 33178.

2. In my capacity as Senior Vice President Lifeline Services of TracFone, I am an authorized representative of TracFone. I have read the Application of TracFone Wireless, Inc. to Expand Designation as an Eligible Telecommunications Carrier. I solemnly, sincerely and truly declare and affirm that the information contained therein is true and correct to the best of my knowledge.

I hereby certify under the penalties of perjury that, to the best of my knowledge, the foregoing is true and accurate.



Javier Rosado

3-5-2013
Date

Sworn to and subscribed before me this 5 day of March, 2013.

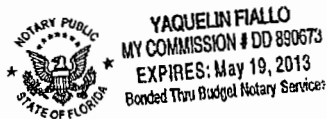


Exhibit 1

TracFone Wireless, Inc.
Lifeline Services Department
Requested Kansas Service Areas

Request Area (ILEC area fully covered)
CENTURYLINK - SOUTHEAST STUDY AREA
Baxter Springs
Galena
Riverton
Scammon
CRAW-KAN TEL COOP.
Arcadia
Arma
Asbury MO
Bartlett
Brazilton
Bronson
Cherokee
Colony
Columbus Rural
Crestline
Devon
Edna
Farlington
Foster MO
Fulton
Galesburg
Girard
Hallowell
Hepler
Hiattville
McCune
Mulberry
Pleasanton
Prescott
Savonburg
South Mound
Uniontown
Walnut
Weir
West Mineral

HAVILAND TELEPHONE CO.
Argonia
Coats
Conway Springs
Cullison
Haviland
Isabel
Mullinville
Nashville
Norwich
Riverdale
Sawyer
Wilmore
MADISON TEL. LLC
Lamont
Madison
PIONEER TEL. ASSN.
Big Bow
Coolidge
Deerfield
Hugoton
Johnson City
Kendall
Lakin
Manter
Moscow
Richfield
Rolla
Ryus
Satanta
Syracuse
Ulysses
S&A TEL. CO.
Allen
Scranton
S&T TEL. COOP.
Brewster
Dighton
Grinnell
Healy
Kanorado
Levant
Menlo
Russell Springs
Winona

SOUTHERN KANSAS TEL. CO.
Atlanta
Beaumont
Burden
Cambridge
Clearwater
Dexter
Elk Falls
Grenola
Latham
Longton
Piedmont
Reece
Rosalia
TOTAH COMMUNICATIONS
Elgin
Elk City
Havana
Hewins
Liberty
Tyro
UNITED TEL. ASSN.
Ashland
Cimarron
Copeland
Englewood
Ensign
Ford
Hanston
Ingalls
Montezuma
Spearville

Exhibit 2



SafeLink

WIRELESS™

GVMDFSLUGDBLUP OIBQQMDBLUP OIGP SIL BOTBTIMGFMOFIBTTJULBODFIQSPHSBN

Confirm your correct home address and select if you live at a temporary address. Provide mailing address if different.

Rvbjg: johl pn f Beesf t t Op/QP/Kpy*
Tf rhdjgboesf t t j t n qpsbz:

Mailing Address if different from your Qualifying Home Address (P.O. Box Allowed)

Beesf t t Bqu/Op/
Ujuz
Tubf [j q k p e f

Qrbf f kspwef P Q N V M E k f s p o b j o g s n b j p o l p s B M M * S R V S F F G F M E T U L k j n b f v b j o u e l h i b j o t u v c j r e f d p s e l b o e b o z e j t d f q b o d f t k j n f l v r d j o S E F U P O p g z v s b q q j b u p o /

+Qsu uObn f NJ +MtuObn f
+Qsu iEbu f N pou eEbz d b s * +MtuQp v s E j h u p g T T O D p o u b d Q p o f l O v n c f s

Fn b j r B e e s f t t

Plan Features

Choose your plan (check one)

- Local Calls
- National Long Distance
- Voice Mail
- Nationwide Texting (Unlimited)
- Roaming at no Additional Cost
- Free 911
- 411 Directory Assistance at no Additional Cost
- Carry-Over Minutes from Month to Month
- 100+ International Long Distance Destinations*

68 FREE Monthly Minutes

125 FREE Monthly Minutes

250 FREE Monthly Minutes



* List of destinations available at www.safelink.com

** If you choose this plan, your unused minutes will be removed/wiped out and will not carry-over on your next monthly minutes delivery. However, if you purchase and redeem additional minutes cards, all unused minutes will carry over for three consecutive months.

Tf rhdjgboesf t t j t n qpsbz: C a p p g p g f r j h c j r j z ! N V T U k f t v c n j u f e l p s f j u f s p q j p o - l o b n f b o e b e e s f t t h v t u n b u d i b q q j b u o u /

Rvbjg: z l d f d j o h l f l o v n c f s p o b j o g s n b j p o l p s B M M * S R V S F F G F M E T U L k j n b f v b j o u e l h i b j o t u v c j r e f d p s e l b o e b o z e j t d f q b o d f t k j n f l v r d j o S E F U P O p g z v s b q q j b u p o /

Rvbjg: z l d f d j o h l f l o v n c f s p o b j o g s n b j p o l p s B M M * S R V S F F G F M E T U L k j n b f v b j o u e l h i b j o t u v c j r e f d p s e l b o e b o z e j t d f q b o d f t k j n f l v r d j o S E F U P O p g z v s b q q j b u p o /

- N f e j d b e
- T v q q r i n f o u b r t D v u j u p o ! B t t j u b o d f l Q a p h s n ! T O B C Q P e l T u b n q t
- T v q q r i n f o u b r t t d v s j z l b d p n f ! T T J
- Q e f s r t Q v c j a l p v t j o h ! B t t j u b o d f ! T d j p o l 9 *
- M p x . b d p n f l p n f l F o f s h z l B t t j u b o d f l Q a p h s n ! M I F B C
- O b j u p o b r t d i p r i t M o d i l Q a p h s n i l g f f l q s p h s n l p o r z
- U n q p s b z ! B t t j u b o d f l p s O f e z l Q n j i t t ! L B O G
- H f o f s r t B t t j u b o d f ! H B *
- Q p e l E j t u j c v j u p o l Q a p h s n

Q s p o t j o Q n j r t p a l p v t f i p r e	B o o v r t b d p n f	N p o u m l b d p n f
2	%27-8661	%2-4: 71
3	%63-7: 61	%2-9: 21
4	%69-7461	%8-4971
5	%85-686	%8-9921
6	%61-6261	%4-4871
7	%67-6661	%4-9821
8	%63-4: 61	%6-4771
9	%69-446	%6-972
Q s f b d i b e e j u p o b r t d i s p o - b e e :	%6: 51	%6: 6



Boxes MUST be checked off

T b d M o l e t t M j r o f l v q p s f e l f s y d f M j r o f t b d e f s t a t o f g u b o e b o z e j t d f q b o d f t k j n f l v r d j o S E F U P O p g z v s b q q j b u p o /

M j r o f t b d e f s t a t o f g u b o e b o z e j t d f q b o d f t k j n f l v r d j o S E F U P O p g z v s b q q j b u p o /

Check this box if you would like to receive pre-recorded special offers and promotional offers from TracFone at the Contact Telephone number provided above.
 I s r f s s f e i c z i b g s f o e : D v t u p n f a l l Q a u O b n f l T b g M o l Q p o f l O v n c f s

You MUST check off (✓) I b r i t u b n f o u t - l i f o ! T j h o b o e E b u f b q q j b u p o / Z p v s b q q j b u p o l b o o p u l f b q q s w e x j u p v u i t f f j u f n * J d f s j g : l v o e f s q t o b r a z l p g q f s k v s z l u p f b d i l p g u f l q p m p x j o h ;

- I participate in the above designated qualifying program OR have income at or below the level specified above.
- J v o e f s t b o e l u b u l n v t u p o j g : T b g M o l e x j u j o 4 1 l e b z t l j g J o p l p o h f s q b s j d q b f l j o l u f l r v b j g j o h l q s p h s n l p s n f f u l u f l j o d n f l f r i n c j r z l u s f t i p r e j g l p s b o p u f s n f n c f s p g n z l i p v t f i p r e l p c u b j o t M j r o f l v q p s f e l f s y d f g p n ! b o p u f s d o e s f s p s q s b o z l u f s s b t p o - J o p l p o h f s r v b n e l p s M j r o f l v q p s u l
- J v o e f s t b o e l u b z l c f l s r v j s e l p s d f s j g : l n z l o p o j o v f e i f r i n c j r z l p s M j r o f l u b o z l i j n f - b o e l d j m s l u p l e p t p x j m t r e s u l t i n t e r m i n a t i o n o f m y L i f e l i n e b e n e f i t s .
- J d i b o h f n z l b e e s t t - l x j m t s p w e f l n z l o f x l b e e s t t l u p ! T b g M o l e x j u j o 4 1 l e b z t /
- M y h o u s e h o l d w i l l r e c e i v e o n l y o n e L i f e l i n e b e n e f i t a n d t o t h e b e s t o f m y k n o w l e d g e , m y h o u s e h o l d i s n o t a l r e a d y ! s f d f j w o h b ! M j r o f l f s y d f /
- U f l j o g s n b j p o l p o b j o f e l j o l u j t l b q q j b u p o j t l u s f l b o e l b d v s u f l u l u f l c f t u p g n z l i o p x r e h e f - b o e l b d l o p x r e h e f ! t h a t p r o v i d i n g f a l s e o r f r a u d u l e n t i n f o r m a t i o n t o o b t a i n L i f e l i n e b e n e f i t s i s p u n i s h a b l e b y l a w .

J b v u p s f f T b g r o l X j s f r i t t e p s j u l e v r z l b q q j o u e l s f q s f t o u b j w l u p ! 2 * b d d f t t b o z l s f o p s e t l s r v j s f e l u p w f s g : l n z l t u b n f o u t ! h e r e i n ; (2) t o c o n f i r m m y c o n t i n u e d e l i g i b i l i t y f o r L i f e l i n e a s s i s t a n c e ; (3) t o u p d a t e m y a d d r e s s t o a p r o p e r m a i l i n g a d d r e s s o s n b u s * l u p q s w e f l n z l o b n - l u f r h a i p o f l o v n c f s b o e b e e s t t l u l u f l v o j w f s t b r i t t s y d f l B e n j o i t u s b y w f ! D o n q b o z ! V T B D ! J u f l b e n j o i t u s b y w f l q s p h s n * b o e l p s j u l h f o u t l p s u f l q v s p o t l p g w f s g : l o h u b u l e p o p u s d f j w f l n p s l u b o l p o f M j r o f l b e n e f i t ; a n d (5) a u t h o r i z e s o c i a l s e r v i c e a g e n c y r e p r e s e n t a t i v e s t o d i s c u s s w i t h a n d / o r p r o v i d e i n f o r m a t i o n t o S a f e l i n k W i r e l e s s * v e r i f y i n g m y p a r t i c i p a t i o n i n b e n e f i t p r o g r a m s t h a t q u a l i f y m e f o r L i f e l i n e a s s i s t a n c e .

By signing below, I separately affirm and agree to each of the above statements.
B q q j b u o u T j h o b u s f l E b u f

Q s r v f t j u p o t k r i n t f l k b n t 2 . 9 1 1 . T b g M o l ! 2 . 9 1 1 . 8 3 4 . 4 6 5 7 * Q y l b q q j b u p o l u p ; 2 . 9 7 7 . : 1 3 . 6 8 6 7 ! Q a p n p l D p e f ; ! N b j r t b q q j b u p o l u p ; T b g M o l X j s f r i t t e * Q P l C p y ! 3 3 1 1 1 ; l e N j m b v l j f - P S T : 8 3 7 . : 1 1 1 ;

Exhibit 3

SAFELINK WIRELESS™ Terms and Conditions of Service

Please read these SAFELINK WIRELESS Terms and Conditions of Service carefully. SAFELINK WIRELESS is a service of TracFone Wireless, Inc. ("TracFone Wireless"). These SAFELINK WIRELESS Terms and Conditions of Service are a legally binding agreement between you and TracFone Wireless. They contain important information about your legal rights and require that certain disputes be resolved through Arbitration instead of a court trial. TracFone Wireless reserves the right to change or modify any of these SAFELINK WIRELESS Terms and Conditions of Service at any time and at its sole discretion. Any changes or modifications to these SAFELINK WIRELESS Terms and Conditions of Service will be binding upon you once posted on the SAFELINK WIRELESS website at www.safelinkwireless.com. You should check the SAFELINK website regularly for updates to these terms.

By enrolling in the SAFELINK WIRELESS Program (the "SAFELINK WIRELESS Program" or "SAFELINK Program") and by using the SAFELINK WIRELESS service (the "SAFELINK WIRELESS Service" or "SAFELINK Service"), you ("You"), the participant, acknowledge and agree to the following terms and conditions:

1. SAFELINK WIRELESS PROGRAM DESCRIPTION.

SAFELINK WIRELESS Service is funded by the Universal Service Fund Lifeline program and administered by the Universal Service Administrative Company. In order to qualify for enrollment in the SAFELINK WIRELESS Program, a person must meet certain eligibility requirements set by each state where the SAFELINK Program is offered. These requirements are based on a person's participation in a state or federal support program(s) or by meeting certain income requirements based upon the Income Poverty Guidelines as defined by the US Government. Federal law limits the availability of the Lifeline Benefits. Federal law permits only one Lifeline benefit per household (which is defined as any individual or group of individuals who live together at the same address and share income and expenses). Applicants for the SAFELINK Program must complete an application form, provide supporting documentation that they meet the eligibility requirements and certify, under penalty of perjury, that they:

- Are eligible for and currently receive benefits from the public assistance program(s) identified in the application form, or that they have income at or below the designated eligibility level.
- Understand they may be required to recertify their continued eligibility at any time, and that failure to recertify will result in the loss of their benefits.
- Do not currently receive Lifeline support for a telephone line serving their household and no other resident in their household participates in the Lifeline program.
- Will notify SAFELINK Wireless by calling 1-800-SAFELINK within 30 days if they no longer qualify for any of the public assistance programs identified in their application form, no longer meet the criteria for income eligibility, if another member of their household receives Lifeline benefits, or if they no longer qualify for Lifeline for any other reason.
- Will notify SAFELINK Wireless of any change of address within 30 days by calling 1-800-SAFELINK.
- Reviewed the information contained in their application and it is true and correct to the best of their knowledge and belief, and that they understand that providing false or fraudulent information to obtain Lifeline benefits is punishable by law.

Applicants who qualify and are enrolled in the SAFELINK Program will receive a free cellular phone provided by TracFone Wireless together with a free allotment of airtime minutes each month for up to one year. TracFone Wireless will determine at its sole discretion whether or not an applicant meets the eligibility requirements to participate in the SAFELINK Program. The monthly airtime minutes provided by the SAFELINK Program will vary from state to state (in Washington state, the number of monthly airtime minutes is 68 under Plan Option 1) and will be based upon the Plan Option selected. Please call SAFELINK WIRELESS at 1-800-SAFELINK or visit our website at www.safelinkwireless.com for further information.

Applicants who do not meet the eligibility requirements will receive written notification, via US Mail, of the reason for their non-eligibility. Upon enrollment in the SAFELINK Program, You will be qualified to participate for up to one (1) year. To continue your enrollment in the SAFELINK Program after the initial

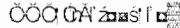
year, you must re-certify annually that you are qualified for continued enrollment in the SAFELINK Program as required by your state Public Service Commission, Public Utility Commission or other agency administering the SAFELINK Program in Your state. TracFone Wireless will also conduct re-certification drives for each state according to its rules. If TracFone Wireless determines during its re-certification drive, or at any other time, that a customer fails to continue to qualify for the SAFELINK Program, such customer will immediately be deemed ineligible to participate in the SAFELINK Program, will be de-enrolled from the SAFELINK Program and will no longer receive the free monthly minutes. SAFELINK Customers who are no longer eligible (for any reason) for enrollment in the SAFELINK Program must, within 30 days, notify SAFELINK Wireless that they no longer meet the eligibility requirements for enrollment. A SAFELINK customer's enrollment may also be cancelled upon the request of a state and/ or federal authority.

TracFone Wireless and SAFELINK WIRELESS reserve the right to cancel the enrollment of any customer and/ or permanently deactivate any customer's SAFELINK WIRELESS phone for fraud, misrepresentation or other misconduct as determined solely by TracFone Wireless. While participating in the SAFELINK Program, a customer shall not be permitted to sell, rent, give away or in any way allow another person to use the cellular phone or SAFELINK Service provided to him/ her by SAFELINK WIRELESS. IT IS A VIOLATION OF FEDERAL AND STATE LAW TO SELL OR GIVE AWAY THE SAFELINK CELLULAR PHONE OR SAFELINK SERVICE PROVIDED TO YOU BY SAFELINK WIRELESS. Any violation of this prohibition will be reported to the appropriate legal authorities for prosecution. In addition, if TracFone determines, in its sole discretion, that a SAFELINK WIRELESS customer has violated these prohibitions, TracFone Wireless will permanently de-enroll the customer from the SAFELINK Program, their phone will be permanently deactivated and the customer's personal information will be permanently flagged so that the customer may not re-enroll in the SAFELINK Program in the future. If you have any questions, concerns, comments or complaints regarding the SAFELINK Program or Service, offerings or products, please call SAFELINK WIRELESS Customer Care at 1-800-SAFELINK. You may also contact your state's Public Service Commission/ Public Utility Commission.

2. ACTIVATION AND USE OF YOUR SAFELINK WIRELESS PHONE

Upon enrollment in the SAFELINK Program, you will receive a SAFELINK WIRELESS phone delivered to your home address noted in the application. You must accept the SAFELINK WIRELESS telephone number assigned to your SAFELINK WIRELESS phone at the time of activation and you will acquire no proprietary interest in any number assigned to you. The wireless telecommunications networks used to transmit calls for the SAFELINK WIRELESS Service are owned and operated by various licensed commercial mobile radio service providers ("Carriers"), not SAFELINK WIRELESS or TracFone Wireless. The number assigned to your SAFELINK WIRELESS phone at the time of activation will not be changed for any reason unless required by a Carrier or if the number is lost following the deactivation of your phone. You may not select a number to be assigned to your SAFELINK WIRELESS phone. Your SAFELINK WIRELESS phone can only be used through TracFone Wireless, and cannot be activated with any other wireless or cellular service. SAFELINK WIRELESS Services are provided at TracFone Wireless' discretion. Some functions and features referenced in the Manufacturer's manual provided with your SAFELINK WIRELESS phone may not be available on your SAFELINK WIRELESS handset. TracFone Wireless may modify or cancel any SAFELINK Service or take corrective action at any time without prior notice and for any reason, including but not limited to your violation of these terms and conditions of service.

3. AIRTIME RATES, USAGE AND INCLUDED MONTHLY MINUTES

While you are enrolled in the SAFELINK Program, you will receive a free monthly allotment of airtime minutes as provided for the SAFELINK Program approved in your state and the minute Plan that you select. SAFELINK WIRELESS airtime is issued in minute (or unit) increments. Units are deducted from the SAFELINK WIRELESS phone at a rate of one (1) unit per minute or partial minute of use. There is no additional charge for nationwide long distance. If you are on Plan 1, there is no additional charge for international long distance to countries designated at . SAFELINK offers three plans that are currently available to all new and existing SAFELINK customers. Each plan offers different benefits, features and carryover options. The 3 Plans that are currently available are:

	Free Monthly Minutes Included in Plan	Unused Minutes Carryover Each Month	Text Message Charge*	Free International Long Distance	Voicemail Caller ID Call Waiting
Plan 1	68 in all states (80 in MA)	Yes	Unlimited Text	Yes	Yes
Plan 2	125	Yes	10 Text/1 Minute	No	Yes
Plan 3	250	No**	5 Text/1 Minute	No	Yes

*These text messaging rates will apply even if a different text messaging rate is stated on an airtime card.

**With Plan 3, your phone will reset to 250 minutes each month when your monthly minutes are delivered. Unused minutes will not automatically carry over to the next month. You may carry over unused airtime minutes on this plan for up to 3 consecutive months if you purchase and add airtime from a TracFone Airtime Card before the 25th day of the month. By purchasing and adding a TracFone airtime card before the 25th of the month, your unused airtime minutes (including your free monthly allotment and any additional TracFone Airtime cards) will carry over for 3 consecutive months from the date of your last TracFone Airtime Card redemption. If you purchase and redeem a TracFone Airtime Card on or after the 26th day of any month, your airtime balance will be reset and not be carried over to the next month. The minutes you purchased will be carried over together with your next three allotments of free monthly minutes. Adding more than one Airtime Card at the same time will NOT extend your airtime carry over for more than the 3 consecutive months. The 3 month carry over is effective from the date of redemption of the last airtime card redeemed to your phone.

New SAFELINK customers must choose a plan upon enrollment. Existing SAFELINK customers who wish to switch plans may do so at www.safelink.com or by calling 1-800-SAFELINK. If you switch plans before the 25th day of any given month, the change will be effective the following month. If you switch plans on or after the 25th day of the month, the change will be effective in the second month following your request to switch plans. You may use your free monthly allotment of airtime minutes to place or receive calls, to send or read text messages or multi-media messages and to access the internet (with certain models of phones). In order to receive your monthly allotment of minutes, you will need to leave your SAFELINK WIRELESS phone powered "on" during the first few days of each month. If you DO NOT receive your monthly allotment of minutes because your phone was not "ON" at the beginning of the month or your phone does not automatically retrieve minutes when powered "ON." You may self-retrieve by following the instructions below. If for any reason these instructions do not work on your handset, please call us at 1-800-378-1684.

Airtime minutes will be deducted for all time during which your SAFELINK WIRELESS phone is connected to, or using, the wireless system of any Carrier. Use of a wireless system typically begins when you press the "send," "call" or other key to initiate or answer a call and does not end until you press the "end" key or the call is otherwise terminated. Airtime minutes are deducted for all incoming and outgoing calls, including incoming call waiting calls, simultaneous calls, calls to toll free numbers including Customer Care, 411 and to access your voice mail. For simultaneous calls, such as incoming call waiting and 3-way calling (where available) airtime minutes will be deducted for each call. Airtime minutes are not deducted for calls to 911, and all handsets will be able to call 911 even if they have no airtime remaining. Customers will not be charged for calls to Customer Care if they dial 611 directly from their handset. For outbound calls, you may be charged airtime for incomplete and/or busy-no answer calls. Airtime minutes will be deducted for use of other services such as text messaging and accessing the TracFone Wireless Mobile Web ("WAP"). No credit or refund is given for dropped calls. Customers in the State of Washington who have a problem with their SAFELINK Wireless service and are unable to resolve it by contacting Customer Care, may contact the Washington State Attorney General, Consumer Protection Division, by calling 1-800-551-4636.

4. SELF-RETRIEVAL AND ADDING AIRTIME

Self-Retrieve Your Monthly Minutes by following these instructions:

- Press the MENU key located in the center of the navigation keys or arrow keys. "Prepaid" will be displayed across your screen. Press SELECT.

- Using the arrow keys on your phone, go to "Redeem Airtime" or "Add Airtime." If your screen displays a message, scroll down and press OK until you see "Card #" or "Airtime PIN."

- To Self Retrieve your Monthly Minutes, enter 555 and press OK. Add or Redeem an Airtime Card by following these instructions:

- Press the MENU key located in the center of the navigation keys or arrow keys. "Prepaid" will be displayed across your screen. Press SELECT.

- Using the arrow keys on your phone, go to "Redeem Airtime" or "Add Airtime." If your screen displays a message, scroll down and press OK until you see "Card #" or "Airtime PIN."

If you do NOT have a Promotional Code:

- Enter your 15 digit Airtime PIN number (located on the back of your airtime card or on your register receipt) and press OK.

If you have a Promotional Code, follow the instructions for your model of phone:

- For Motorola C139, C155 or Nokia 1112: Enter your 15 digit Airtime PIN plus your 5 digit promotional code and press OK.

- For Motorola W175 and all other models: Enter your 15 digit Airtime PIN and press OK. You should see the phrase "Have a promotional code?" displayed on your SAFELINK phone screen. Press the key below YES and follow the prompts.

Make sure to keep your SAFELINK phone ON until you receive your Minutes!

If your phone does not allow you to self-retrieve, your phone does not automatically retrieve your monthly airtime, if you are having difficulty receiving your monthly allotment of minutes or you are having difficulty loading an airtime card, please call Technical Customer Care at 1-800-378-1684.

5. TEXT MESSAGING.

You may use your free monthly allotment of minutes to send and/or open text messages. Text messages sent to you by SAFELINK WIRELESS are free of charge. The charge to send or open an incoming text message using your SAFELINK WIRELESS phone will vary depending upon your plan. Under Plan 1, you will not be charged minutes for text messaging (however, see important limitations below). Under Plan 2, you will be charged 0.1 minutes per text message for sending and 0.1 minute per text message for opening a received text message. Under Plan 3, you will be charged 0.2 minutes per text message for sending and 0.2 minute per text message for opening a received text message. If you have exhausted your free monthly allotment of minutes, you will need to purchase and redeem additional airtime minutes in order to continue to send text messages and open incoming text messages and to place and receive voice calls. If you do not want minutes deducted from your SAFELINK WIRELESS phone for text messaging, then do not send text messages or open incoming text messages. SAFELINK WIRELESS does not allow international text messages. Attempting to send international messages could result in service deactivation and de-enrollment from the SAFELINK Program. Please note that SAFELINK WIRELESS does not generally participate in Premium SMS services or campaigns. Premium SMS refers to text messages that are sent to a designated "short code" or buying or attempting to buy SMS services from anyone other than SAFELINK WIRELESS. Premium SMS campaigns include activities such as casting a vote, expressing your opinion, playing a game, subscribing to a service, or interactive television programs. You should not attempt to participate in Premium SMS campaigns unless it is a SAFELINK WIRELESS authorized campaign. Any text message you send to a "short code" will in all likelihood not go through. Any charges you may incur as a result of any attempts to participate in Premium SMS services or campaigns not authorized by SAFELINK WIRELESS are not refundable whether you incur charges as deductions from your SAFELINK WIRELESS phone or from your credit card. You may purchase from SAFELINK WIRELESS ring tones, graphics and certain information services. You may utilize multi-media services with certain SAFELINK WIRELESS models of phones. See SAFELINK WIRELESS Data Services below for more information.

Unlimited Text Messaging provided by SafeLink may only be used for ordinary consumer purposes, and may not be used for any unauthorized purpose, including automated text messaging to another mobile device or email address. SafeLink reserves the right to terminate service to any customer whose usage may adversely impact SafeLink's service. SafeLink will presume you are engaging in an unauthorized use in violation of these Terms and Conditions if in SafeLink's sole opinion, your text usage is harmful or disruptive to the Carrier's network or service levels. If we determine, at our sole discretion, that you are using an unlimited service in violation of the SafeLink Terms and Conditions of Service, or in any other manner that we deem to be unreasonable or excessive, then we may terminate your service, decline to renew your service, or offer you a different service plan with no unlimited usage component.

6. INTERNATIONAL CALLING

International calling is available only if you are enrolled in Plan 1. If you selected Plan Option 1, you may use your SAFELINK WIRELESS phone to make international calls to landlines and some cellular phones in some countries at no additional charge (see [COUNTRY CODES](#) for available countries and details). The countries where international calling is available under Plan 1 are subject to change at any time without prior notice. In order to place an international call, you will need to dial 1-800-706-3839 (the International Long Distance ("ILD") access number) and follow the instructions. If you are calling from Alaska, Hawaii or the US Virgin Islands, the ILD Access number you should dial is 305-938-5673. Airtime deductions for international calls begin the moment the ILD access number is dialed and apply to dropped calls, misdialed numbers and busy destination numbers. When placing international calls, you may experience connection failures more frequently than calls made within the United States. SAFELINK WIRELESS will not credit airtime minutes deducted for unsuccessful calls. You will not be able to make or receive calls on your SAFELINK WIRELESS phone when you are located outside of the United States, Puerto Rico or the U.S. Virgin Islands (the "Coverage Area"). Any attempt to make or receive calls when you are located outside of the Coverage Area could result in service deactivation and de-enrollment from the SAFELINK Program. International calling is not available under Plan Option 2 or 3.

7. AIRTIME CARDS

Your SAFELINK WIRELESS phone will only operate when you have airtime minutes available on the SAFELINK WIRELESS phone. If you run out of your free monthly allotment of airtime, you may purchase and add additional airtime to your phone. See the instructions above for adding airtime. SAFELINK WIRELESS customers may purchase and use any SAFELINK WIRELESS or TracFone Wireless airtime cards for their SAFELINK WIRELESS phone. PLEASE NOTE: TracFone Wireless markets Double Minutes cards for TracFone users. All SafeLink customers automatically receive Double Minute benefits on any purchases of additional airtime. SafeLink users will not receive any additional benefit by purchasing a Double Minute card. The free monthly minutes provided to customers enrolled in the SAFELINK Program and any Bonus or Promotional Minutes WILL NOT DOUBLE.

Each TracFone Wireless airtime card includes a set number of minutes and service days that begin to run from the date you add the airtime to your SAFELINK WIRELESS phone. Bonus and promotional minutes will not double with any TracFone Wireless Double Minute airtime cards. TracFone reserves the right to modify, adjust and/or eliminate the extra Bonus minutes at any time in its discretion. SAFELINK customers may purchase airtime at the rate of 10¢ or less per unit. TracFone reserves the right to adjust its airtime rates at any time in its sole discretion.

For each TracFone Wireless airtime card or PIN purchased at our regular price and added to a SAFELINK phone, the SAFELINK customer will receive the following:

Minutes on Face of TracFone Card (Purchased at Regular Price)	Total Minutes Provided	Service Days	Price of Card	Other
30	100	30 or 45	\$9.99	N/A
60	200	90	\$19.99	N/A

90	250	90	\$24.99	N/A
120	300	90	\$29.99	N/A
200	400	90	\$39.99	N/A
450	900	90	\$79.99	N/A
One Year Service Card	500 or 800	365	\$99.99	N/A

8. SERVICE END DATE, DEACTIVATION AND REACTIVATION.

As a SAFELINK WIRELESS customer, You will receive 425 service days upon Your enrollment and activation in the SAFELINK Program and another 365 service days following each successful annual Re-certification for your continued program eligibility in the SAFELINK Program. If you fail to complete your annual Re-certification within 120 days of the required verification date, you will be de-enrolled from the SAFELINK Program. Upon de-enrollment from the SAFELINK Program, you will cease receiving the free monthly allotment of airtime. If you are de-enrolled, your phone will remain active and you may continue to use your phone so long as you have available airtime minutes and service days remaining on your phone. You may purchase airtime and service days to keep your phone service active. If you are de-enrolled from the SAFELINK Program and you allow your remaining service days to expire or go "past due," your phone service will be deactivated, you may lose your unused minutes and you will lose your wireless telephone number. If you choose to reactivate your phone by completing the annual Re-certification within 60 days after your Re-certification due date, you will be re-enrolled in the program and continue receiving the free monthly allotment of airtime.

If your service is deactivated, you may reactivate your service by either re-enrolling in the SAFELINK Program (if eligible) or purchasing and redeeming a TracFone Wireless airtime card with service days. Upon reactivation of your phone, you may be assigned a new telephone number. Any airtime remaining on your handset at the time of deactivation will be reinstated if your phone is reactivated within 60 days from the deactivation date. If your phone remains inactive for more than 60 days, you will lose any remaining airtime.

If you have been de-enrolled from the SAFELINK Program and are not eligible to re-enroll but you wish to keep your service active, You must purchase and redeem additional airtime and service days before the "Service End Date" displayed on your phone. To prevent any interruption in your phone service, please keep your handset service active by timely completing your annual Re-certification as required by the SAFELINK Program or, if no longer eligible, by purchasing and adding TracFone airtime cards before your Service End Date.

"No Usage" De-Enrollment and Deactivation: Regardless of the Service End Date displayed on your handset, if you exceed 2 months without any Usage (as defined in this section), You will be de-enrolled from the SAFELINK Program. "Usage" is defined as any transaction including, but not limited to, making a call to anyone or receiving a call from anyone other than Safelink, adding airtime, or completing a Re-certification. You may also prevent disconnection for non-usage by responding to a direct contact from SafeLink and stating that you want to continue your service. Upon de-enrollment for non-Usage, You will have up to a 30 day grace period to reenroll in the SAFELINK Program by using your SafeLink phone or calling 1-800-SAFELINK. If you do not re-enroll, use your phone or call SAFELINK Customer Care within 30 days of your de-enrollment, your phone service will be deactivated. In order to reactivate your SAFELINK phone and re-enroll in the SAFELINK Program, you will need to call SAFELINK Customer Care. Upon successful re-enrollment, you will receive the monthly minutes that you were entitled to receive through the date your enrollment was cancelled. You will not, however, receive any airtime for the period of time you were not enrolled in the SAFELINK Program. In addition, you will be assigned the service days displayed on your handset, which are the days you were granted when first enrolled in the program.

9. OUR RIGHT TO TERMINATE YOUR SAFELINK WIRELESS SERVICE

You agree not to give away, resell or offer to resell the SAFELINK Phone or Service provided by the SAFELINK Program. You also agree your SAFELINK Phone will not be used for any other purpose that is not allowed by this agreement or that is illegal. WE CAN, WITHOUT NOTICE, LIMIT, SUSPEND, OR END YOUR SERVICE AND DE-ENROLL YOU FROM THE SAFELINK PROGRAM FOR VIOLATING THIS PROVISION OR FOR ANY OTHER GOOD CAUSE, including, but not limited to, if You: (a) violate any of the terms and conditions of

service; (b) lie to us or attempt to defraud us; (c) allow anyone to tamper with your SAFELINK Phone; (d) threaten or commit violence against any of our employees or customer service representatives; (e) use vulgar and/or inappropriate language when interacting with our representatives; (f) steal from us; (g) harass our representatives; (h) interfere with our operations; (i) engage in abusive messaging, emailing or calling; (j) modify your device from its manufacturer's specification; or (k) use the service in a way that adversely affects our network or the service available to our other customers. We reserve the right to, without notice, limit, suspend or end your service for any other operational or governmental reason. In addition to permanently terminating your Service, criminal offenses (i.e., selling or giving away your Service; threatening violence, etc.) will be reported to the appropriate legal authorities for prosecution.

10. UNAUTHORIZED USAGE, TAMPERING.

The SAFELINK WIRELESS handset is provided exclusively for use by you, the end consumer with the SAFELINK WIRELESS Service available solely in the United States, Puerto Rico and the U.S. Virgin Islands. Any other use of your SAFELINK WIRELESS handset, including without limitation, any resale, unlocking and/or re-flashing of the handset is unauthorized and constitutes a violation of your agreement with TracFone Wireless. You agree not to unlock, re-flash, tamper with or alter your SAFELINK WIRELESS phone or its software, enter unauthorized PIN*s, engage in any other unauthorized or illegal use of your SAFELINK WIRELESS phone or the Service, or assist others in such acts, or to sell and/or export SAFELINK WIRELESS handsets outside of the United States. These acts violate TracFone Wireless+ rights and state and federal laws. Improper, illegal or unauthorized use of your SAFELINK WIRELESS phone is a violation of this agreement and may result in immediate discontinuance of Services and legal action against you. TracFone Wireless will prosecute violators to the full extent of the law. You agree that any violation of this agreement through your improper, illegal or unauthorized use or sale of your SAFELINK WIRELESS phone shall entitle TracFone Wireless to recover liquidated damages from you in an amount of not less than \$5,000 per SAFELINK WIRELESS handset purchased, sold, acquired or used in violation of this agreement.

Some SAFELINK WIRELESS handsets have SIM cards. If your SAFELINK WIRELESS phone has a SIM card, then you agree to safeguard your SIM card and not to allow any unauthorized person to use your SIM card. You agree not to allow any other person to, directly or indirectly alter, bypass, copy, deactivate, remove, reverse-engineer or otherwise circumvent, or reproduce the encoded information stored on, or the encryption mechanisms of, your SIM card. You may not remove your SIM Card from your phone nor place the SIM Card in any other phone. Doing so could result in the immediate termination of your service and de-enrollment from the SAFELINK Program. The Carriers, TracFone Wireless, or its service providers, may, from time to time, remotely update or change the encoded information on your SIM card. Your SAFELINK WIRELESS phone is restricted from operating when you are located anywhere outside of the United States, Puerto Rico or the U.S. Virgin Islands, including offshore or in international waters. Any such calls are considered unauthorized usage by TracFone Wireless for which your service will be immediately suspended. In the event of suspension for this or any other unauthorized usage, you will not be entitled to receive any refunds for unused airtime.

11. COVERAGE MAPS AND ROAMING.

You will find coverage maps on our website at www.tracfone.com. These maps are for general informational purposes only. Actual coverage and service areas may vary from the maps and may change without notice. TracFone Wireless does not guarantee coverage or service availability. Even within a coverage area, factors such as terrain, weather, structures, foliage, signal strength, traffic volumes, service outages, network changes, technical limitations, and your equipment may interfere with actual service, quality and availability. "Roaming" occurs when a subscriber of one wireless service provider uses the facilities of another wireless service provider. Roaming most often occurs when you make and receive calls outside of the network coverage area of your service provider. When your SAFELINK WIRELESS phone is roaming, an indicator light on your handset may display the word "Roam" or "RM" on the screen while the phone is not in use. There are no additional charges for roaming calls for the SAFELINK WIRELESS phone you were provided. Availability, quality of coverage and Services while roaming are not guaranteed.

12. LIMITATIONS OF SERVICE AND USE OF EQUIPMENT.

Service is subject to transmission limitations caused by certain equipment and compatibility issues, atmospheric, topographical and other conditions. Further, service may be temporarily refused, limited,

interrupted or curtailed due to system capacity limitations, technology migration or limitations imposed by the Carrier, or because of equipment modifications, upgrades, repairs or relocations or other similar activities necessary or proper for the operation or improvement of the Carrier's radio telephone system.

At anytime, TracFone Wireless reserves the right to substitute and/or replace any SAFELINK WIRELESS equipment (including handsets) with other SAFELINK WIRELESS equipment including handsets of comparable quality. Some functions and features referenced in the Manufacturer's manual for a particular SAFELINK WIRELESS handset may not be available on your phone. TracFone Wireless does not warrant or guarantee availability of network or of any Services at any specific time or geographic location or that the Services will be provided without interruption. Neither TracFone Wireless, nor any Carrier, shall have any liability for service failures, outages or limitations of Service. Because of the risk of being struck by lightning, you should not use your SAFELINK WIRELESS phone outside during a lightning storm. You should also unplug the SAFELINK WIRELESS phone power cord and charger to avoid electrical shock and/or fire during a lightning storm.

13. WARRANTY EXCHANGE AND LOST OR STOLEN PHONE POLICY.

Limited Warranty Exchange Policy: SAFELINK WIRELESS customers shall have up to one year from the activation date of their phone to return any defective phone to TracFone Wireless. TracFone Wireless will exchange a defective phone for a new or refurbished phone, at TracFone's discretion, during this period of time only pursuant to the terms of the Limited Warranty set forth below. For a defective phone replacement, call SAFELINK WIRELESS Technical Customer Care at 1-800-378-1684.

Lost or Stolen Phone Policy: For any lost or stolen SAFELINK WIRELESS phone, you may request and receive only one replacement phone per customer. The replacement phone will be a refurbished phone. All reported lost and stolen phones will be permanently deactivated. The replacement phone will include only 10 minutes of lost airtime. Any additional airtime that you may have had on your lost phone will not be replaced. In the event you lose your replacement phone or it is stolen, you will need to purchase an additional phone. If a phone is lost or stolen while in transit to the customer before the customer receives the phone, the lost phone and airtime may be replaced as a onetime courtesy in TracFone's sole discretion.

14. DISCLAIMER OF WARRANTIES

EXCEPT FOR THE LIMITED WARRANTY SET FORTH IN THESE TERMS AND CONDITIONS, AND TO THE EXTENT PERMITTED BY LAW, THE SERVICES AND DEVICES ARE PROVIDED ON AN "AS IS" AND "WITH ALL FAULTS" BASIS AND WITHOUT WARRANTIES OF ANY KIND. WE MAKE NO REPRESENTATIONS OR WARRANTIES, EXPRESS OR IMPLIED, INCLUDING ANY IMPLIED WARRANTY OF MERCHANTABILITY OR FITNESS FOR A PARTICULAR PURPOSE CONCERNING YOUR SERVICE OR YOUR DEVICE. WE CANNOT PROMISE UNINTERRUPTED OR ERROR-FREE SERVICE AND DO NOT AUTHORIZE ANYONE TO MAKE ANY WARRANTIES ON OUR BEHALF. WE DO NOT GUARANTEE THAT YOUR COMMUNICATIONS WILL BE PRIVATE OR SECURE; IT IS ILLEGAL FOR UNAUTHORIZED PEOPLE TO INTERCEPT YOUR COMMUNICATIONS, BUT SUCH INTERCEPTIONS CAN OCCUR.

15. HEARING; VISUAL OR SPEECH IMPAIRED ACCOMMODATIONS

Any hearing, visual or speech impaired persons interested in applying for a specially equipped SAFELINK WIRELESS must call SAFELINK WIRELESS at 1-800-378-1684 and specify the need(s) to an agent and TracFone Wireless will make every effort to assist such customer in obtaining a handset that is in compliance with all applicable laws, rules, and regulations.

16. EMERGENCY CALLS

SAFELINK Wireless customers have access to 911. Occasionally, however, callers may attempt to call 911 in areas where there is no wireless coverage. If there is no wireless coverage, your call to 911 may not go through and You should dial 911 from the nearest landline phone.

17. DATA SERVICES

With certain SAFELINK WIRELESS phone models, you can download ring tones, graphics, access information services such as news, weather and sports ("Information Services") and utilize multi-media messaging services ("MMS") (ringtones, graphics, Information Services and MMS are collectively referred to as "Data

Services") through our Wireless Mobile Web ("WAP"). Data Services are additional Services offered by us at an additional charge in the form of a debit of minutes for Your use of such services.

Accessing and Purchasing Data Services. In order to purchase, download or access Data Services, your handset must have active service and sufficient available airtime minutes. Your handset will not let you open the WAP browser without an airtime balance of at least 10 minutes. Each time you access our Wireless WAP with your handset's browser, 0.5 units per minute will be deducted from your handset ("Access Charges"). Access Charges are deducted in full minute increments. WAP access of less than 60 seconds is rounded up to the next full minute. Access Charges begin when your handset makes a data connection. This should occur shortly after you open your browser, send or receive a multi-media message (e.g., a picture), initiate a content download, view subscribed Information Services or if WAP access is initiated for any other purpose. Access Charges end when the data connection terminates. This should occur shortly after you close your browser, successfully receive or send a multi-media message (e.g., a picture), after a successful content download or after any other closure of a WAP session. The WAP access duration and the related Access Charges are NOT determined from the exact moment you press a button on your handset to open or close the browser.

In addition to the Access Charges, there will be an additional one-time charge for any content you select to download ("Content Charge"). The Content Charges vary depending on the type of content. You will be advised of the Content Charges prior to finalizing your purchase. The Data Services you purchase and download may only be used or viewed on the handset for which they were purchased and cannot be transferred to any other device, including a new or replacement handset. Data Services are non-refundable and non-transferable.

Purchase Options for Data Services: You may purchase Data Services either through your handset's WAP browser or through the Internet (accessed with a personal computer) at www.safelink.com. When you purchase Data Services from the Internet at www.safelink.com, the Content Charge will be shown in both U.S. Dollars and in minutes. You will have the opportunity to select one of two payment options: (1) using a credit card to pay the purchase price shown, or (2) a direct deduction of minutes from your SAFELINK WIRELESS handset. If you buy a TracFone card the number of minutes to be charged is based on the last airtime card added to your handset. See Purchasing Data Services With Airtime Minutes below.

How to purchase from the Internet (www.safelink.com): Go to "Downloads and More" at www.safelink.com and enter your SAFELINK WIRELESS serial number (ESN / IMEI) and SAFELINK Wireless Number. This will take you to the Wireless Data Services content catalog where you can browse, sample and purchase ringtones and/or graphics. After you find a title and select "Buy," you will be presented with the two purchase options described above.

How to purchase through your handset's WAP browser: Select "BROWSER" on your handset then select "Start Browser" and you will be presented with a menu. When you use your handset's WAP browser to purchase Data Services, only the unit charge purchase option is available. You may not purchase Data Services through your handset using a Credit card. Note: Ringtones can only be sampled at www.safelink.com.

Purchasing Data Services With Airtime Minutes: If you add TracFone airtime cards, the charges for Data Services purchases are determined by the last airtime card added to your handset. The chart below details the number of minutes you will be charged for each dollar you spend for the Data Services you purchase. Your phone will be assigned the appropriate dollar-to-minute conversion factor each time an airtime card is added to your handset. The charges for Data Services in U.S. Dollars and/or minutes and the dollar-to-minute conversion factor(s) are subject to change without prior notice.

Dollar-To-Minute Conversion Factors for Data Services

If the last airtime card you added to your handset was:	You will have this number of minutes deducted for every \$1 you spend on Data Services:
TRACFONE Airtime Cards	
30, 40 or 60 minute cards	3.00
90 minute card	3.60
100 or 120 minute cards	4.00
200, 250 or 400 minute cards	5.00

450 minute card	5.62
200, 250 or 400 minute cards with Double Minutes	3.00
Annual Plan and Double Minute Prepaid Plan Cards	
150 unit Annual Plan card	1.66
250 unit Annual Plan card	2.50
400 minute Annual Plan Card	4.00
800 minute Annual Plan Card	5.71
300 minute Double Minute Annual Prepaid Plan Card	2.30
400 minute Double Minute Annual Prepaid Plan Card	3.07
Regular Airtime Cards Added to TRACFONE's with active Double Minute Benefit	
30, 40 or 60 minute cards	6.00
90 minute card	7.20
100 or 120 minute cards	8.00
200, 250 or 400 minute cards	10.00
450 minute card	11.24
Other (not listed above)	6.00

Charges for MMS (e.g., picture messaging). You will be charged 1.0 unit to send or receive a multi-media message (the "MMS Charge"). In addition to the 1.0 unit MMS Charge, there will also be an additional WAP Access Charge of 0.5 units per minute for the time it takes to send or receive the multi-media message. The total WAP Access Charge will vary depending on the size of the multi-media message being sent or received. Partial minutes will be rounded up.

Additional Access Charges for Data Services. In addition to the Content Charges and MMS Charges, and regardless of the payment option you use, there is always an additional Access Charge of 0.5 units per minute associated with downloading content, accessing/viewing Information Services or utilizing MMS. Total Access Charges will vary depending on the size of the content and the actual time it takes to download the content, access/view the Information Service or utilize MMS.

Modifications, Interruptions, or Discontinuation of Data Service. SAFELINK WIRELESS does not guarantee the availability of Data Services on all of its phone models nor does it guarantee the availability of Data Services at all times. SAFELINK WIRELESS reserves the right to modify, suspend, interrupt, discontinue or permanently cancel Data Services, or portions thereof, without notice. Data Services are not available in certain areas. SAFELINK WIRELESS is not responsible and will not be liable for any modifications, interruptions or discontinuation of the Data Services or for any failure in receipt of the purchased Data Services. If the Data Services, or any part thereof, for which you subscribe, are modified, interrupted, discontinued or canceled, you will not receive a refund or credit from SAFELINK WIRELESS for any remaining used or unused subscription time. If you cancel or attempt to cancel a Data Service download, a subscription purchase or a multi-media message in progress, or if this process is otherwise interrupted through no action on your part, you may nevertheless be charged in accordance with the terms and conditions set forth herein.

Non-Rated Content. SAFELINK WIRELESS and TracFone Wireless strive to present and offer only generally acceptable content. However, it is impossible to proof all content, titles and news articles for appropriate content. Our wireless content is NOT rated and you are solely responsible for the use of such material, which may be offensive or objectionable to you or to others. You agree not to hold SAFELINK WIRELESS or TracFone Wireless liable for any offensive or objectionable content.

By sending your enrollment proof by MMS to 60856, you are not opting in to future messages from Safelink Wireless. This is a one-time message. Upon delivery of your MMS, you will receive a confirmation text message.

Depending on the terms of your mobile calling plan, Message and Data Rates May Apply.

If you are having issues with sending a MMS to 60856, you can text HELP to 60856 at any time. Text STOP to 60856 to cancel. You may also call us at 1-800-Safelink.

The following carriers are currently supported: AT&T, Sprint, T-Mobile, Verizon, Alltel, US Cellular, and Cricket.

18. LIMITATION OF LIABILITY.

SAFELINK WIRELESS and TracFone Wireless are not liable to you for any direct or indirect, special, incidental, consequential, exemplary or punitive damages of any kind, including lost profits (regardless of whether it has been notified such loss may occur) by reason of any act or omission in its provision of equipment and/or Services. SAFELINK WIRELESS and TracFone Wireless will not be liable for any act or omission of any other company furnishing a part of our Services or any equipment or for any damages that result from any service or equipment provided by or manufactured by third parties. When your SAFELINK WIRELESS phone is returned to SAFELINK WIRELESS for any reason, TracFone Wireless is not responsible and shall not be liable to you or anyone else for any personal information such as user names, passwords, contacts, pictures, SMS, MMS and/or additional downloads you may have stored on your phone or which may remain on your phone.

19. INDEMNIFICATION.

You agree to indemnify and hold harmless SAFELINK WIRELESS and TracFone Wireless from any and all liabilities, penalties, claims, causes of action, and demands brought by third parties (including the costs, expenses, and attorneys' fees on account thereof) resulting from your use of a SAFELINK WIRELESS phone and/or use of the SAFELINK WIRELESS Services, whether based in contract or tort (including strict liability) and regardless of the form of action.

20. BINDING ARBITRATION.

PLEASE READ THIS SECTION CAREFULLY AS IT AFFECTS RIGHTS THAT YOU MAY OTHERWISE HAVE. IT PROVIDES FOR RESOLUTION OF ALL DISPUTES AND CLAIMS (INCLUDING ONES THAT ALREADY ARE THE SUBJECT OF LITIGATION), EXCEPT FOR CLAIMS CONCERNING THE UNAUTHORIZED RESALE, EXPORT, ALTERATION, AND/OR TAMPERING OF YOUR SAFELINK WIRELESS PHONE, ITS SOFTWARE, THE SERVICE AND/OR PIN NUMBERS, THROUGH ARBITRATION INSTEAD OF SUING IN COURT IN THE EVENT THE PARTIES ARE UNABLE TO RESOLVE A DISPUTE OR CLAIM. ARBITRATION IS BINDING AND SUBJECT TO ONLY A VERY LIMITED REVIEW BY A COURT. THIS ARBITRATION CLAUSE SHALL SURVIVE TERMINATION OF TRACFONE WIRELESS™ AGREEMENT WITH YOU. This provision is intended to encompass all disputes or claims arising out of your relationship with TracFone Wireless, arising out of or relating to the SAFELINK Service or any equipment used in connection with the SAFELINK Service (whether based in contract, tort, statute, fraud, misrepresentation or any other legal theory). Nothing contained in this arbitration provision shall preclude TracFone Wireless from bringing claims concerning the unauthorized resale, export, alteration, and/or tampering of your SAFELINK WIRELESS phone, its software, the SAFELINK Service and/or PIN numbers, in state or federal court. References to you and TracFone Wireless include our respective subsidiaries, affiliates, predecessors in interest, successors, and assigns. All claims, except those excluded above, will be resolved by binding arbitration where permitted by law. You must first present any claim or dispute to TracFone Wireless by contacting Customer Care to allow an opportunity to resolve the dispute prior to initiating arbitration. The arbitration of any dispute or claim shall be conducted in accordance with the American Arbitration Association ("AAA") under the Commercial Dispute Resolution Procedures and the Supplementary Procedures for Consumer Related Disputes (collectively, "AAA Rules"), as modified by this agreement. The AAA Rules are available online at www.adr.org or by calling the AAA at 1-800-778-7870. You and TracFone Wireless agree that use of the SAFELINK Service evidences a transaction in interstate commerce and this arbitration provision will be interpreted and enforced in accordance with the Federal Arbitration Act and federal arbitration law. All issues are for the arbitrator to decide, including the scope of this arbitration clause, but the arbitrator is bound by the terms of this agreement. You and TracFone Wireless agree that any arbitration will be conducted on an individual basis and not on a consolidated, class wide or representative basis. Further, you agree that the arbitrator may not consolidate proceedings or more than one person's claims, and may not otherwise preside over any form of a representative or class proceeding, and if this preclusion of consolidated, class wide or representative proceedings is found to be unenforceable, then this entire arbitration clause shall be null and void. All fees and expenses of arbitration will be divided between you and TracFone Wireless in accordance with the AAA Rules, except that TracFone Wireless will reimburse you for the amount of the filing fee in the event you prevail in the arbitration. Each party will bear the expenses of its own counsel, experts, witnesses, and preparation and presentation of evidence. If for any reason this arbitration provision is deemed inapplicable or invalid, or to the extent this arbitration provision allows for litigation

of disputes in court, you waive to the fullest extent permitted by law, (i) the right to a trial by jury and (ii) any claims for punitive or exemplary damages. Unless TracFone Wireless and you agree otherwise, the location of any arbitration shall be Miami, Florida. Except where prohibited by law, TracFone Wireless and you agree that no arbitrator has the authority to award punitive damages or any other damages not measured by the prevailing party's actual damages. Neither you nor TracFone Wireless shall disclose the existence, contents, or results of any arbitration, except to the extent required by law. Judgment on the award rendered may be entered by any court of competent jurisdiction.

This Agreement shall be construed under the laws of Florida, without regard to its choice of law rules, except for the arbitration provision contained in these Terms and Conditions, which will be governed by the Federal Arbitration Act. This governing law provision applies no matter where You reside, or where You use or pay for the Services.

21. PRIVACY POLICY.

To view the SAFELINK WIRELESS Privacy Policy please refer to the SAFELINK WIRELESS website found at [www.safelink.com](#)

22. LIMITED WARRANTY.

Your SafeLink phone is covered by a one year limited warranty, set forth below, administered by SafeLink. A reconditioned SafeLink phone also has a one year limited warranty provided by SafeLink and all SafeLink accessories have a 90-day limited warranty against defects in materials and workmanship under normal use by the purchaser. You may obtain warranty service directly from SafeLink. How to obtain Warranty Service. To obtain warranty service from SafeLink on a new or reconditioned phone or SafeLink accessories, please contact Technical Support at 1-800-378-1684 from a landline or another phone in order to avoid using up your minutes. If your problem cannot be resolved over the phone, our SafeLink technicians will provide you with a Ticket Number, which you will use to send your phone and/or accessories to the designated SafeLink Service Center for repair or replacement, at SafeLink's discretion.

Terms of Limited Warranty. SafeLink warrants to you, the Customer, that your SafeLink cellular phone ("Product") is free from defects in material and workmanship that result in Product failure during normal usage, according to the following terms and conditions:

(1) The limited warranty for the Product extends for one (1) year beginning on the first date of activation of your phone.

(2) The limited warranty extends only to the original customer ("Consumer") of the Product.

(3) The limited warranty is not assignable or transferable to any subsequent end-user.

(4) During the limited warranty period, SafeLink will replace or repair, at SafeLink's sole option, any defective Products or parts (except as excluded below), or any Products or parts that will not properly operate for their intended use (except as excluded below) with new or refurbished replacement Products or parts if such replacement or repair is needed because of Product malfunction or failure during normal usage. SafeLink may, at its sole discretion, replace the Product with a refurbished phone of the same model if available, or if not available, of a comparable model of phone. The limited warranty does not cover loss of personal information, passwords, contacts, music, ringtones, pictures, videos, applications or other content, memory cards, software, defects in appearance, cosmetic, decorative or structural items, including framing, and any non-operative parts. SafeLink's limit of liability under this limited warranty is the actual cash value of the Product at the time the Consumer returns the Product to SafeLink for repair, determined by the price paid by the Consumer for the Product less a reasonable amount for usage. SafeLink shall not be liable for any other losses or damages. These remedies are the Consumer's exclusive remedies for breach of warranty.

(5) The Consumer shall have no coverage or benefits under this limited warranty if any of the following conditions are applicable:

a) The Product has been subjected to abnormal use, abnormal conditions, improper storage, exposure to moisture or dampness, unauthorized modifications, unauthorized connections, unauthorized repair,

misuse, neglect, abuse, accident, alteration, improper installation, or other acts which are not the fault of SafeLink, including damage caused by shipping.

b) The Product has been damaged from external causes such as collision with an object, or from fire, flooding, sand, dirt, windstorm, lightning, earthquake or damage from exposure to weather conditions, an Act of God, or battery leakage, theft, blown fuse, or improper use of any electrical source, damage caused by computer or internet viruses, bugs, worms, Trojan Horses, cancelbots or damage caused by the connection to other products not recommended for interconnection by SafeLink.

c) SafeLink was not advised in writing by the Consumer of the alleged defect or malfunction of the Product within fourteen (14) days after the expiration of the applicable limited warranty period.

d) The Product serial number plate or the enhancement data code has been removed, defaced or altered.

e) The defect or damage was caused by the defective function of the cellular system or by inadequate signal reception by the external antenna, or viruses or other software problems introduced into the Product.

f) The Product is outside of the one (1) year Limited Warranty period. (6) SafeLink does not warrant uninterrupted or error-free operation of the Product or service. SafeLink cannot and does not guarantee that your communications will be private or secure; it is illegal for unauthorized people to intercept your communications, but such interceptions can occur.

(7) If a problem develops during the limited warranty period, the Consumer shall contact SafeLink Customer Care for repair or replacement processing of the Product. SafeLink shall, at its discretion, provide a replacement product that may consist of a refurbished phone of the same model if available, or of a comparable model.

(8) You (the Consumer) understand that the product may consist of refurbished equipment that contains used components, some of which have been reprocessed. The used components comply with Product performance and reliability specifications.

(9) SAFELINK EXPRESSLY DISCLAIMS ANY IMPLIED WARRANTY OF MERCHANTABILITY, OR FITNESS FOR A PARTICULAR PURPOSE OR USE. THE FOREGOING LIMITED WARRANTY IS THE CONSUMER'S SOLE AND EXCLUSIVE REMEDY AND IS IN LIEU OF ALL OTHER WARRANTIES, EXPRESS OR IMPLIED. SAFELINK SHALL NOT BE LIABLE FOR SPECIAL, INCIDENTAL, PUNITIVE OR CONSEQUENTIAL DAMAGES, INCLUDING BUT NOT LIMITED TO LOSS OF ANTICIPATED BENEFITS OR PROFITS, LOSS OF SAVINGS OR REVENUE, LOSS OF DATA, PUNITIVE DAMAGES, LOSS OF USE OF THE PRODUCT OR ANY ASSOCIATED EQUIPMENT, COST OF CAPITAL, COST OF ANY SUBSTITUTE EQUIPMENT OR FACILITIES, DOWNTIME, THE CLAIMS OF ANY THIRD PARTIES, INCLUDING CUSTOMERS, AND INJURY TO PROPERTY, RESULTING FROM THE PURCHASE OR USE OF THE PRODUCT OR ARISING FROM BREACH OF THE WARRANTY, BREACH OF CONTRACT, NEGLIGENCE, STRICT TORT, OR ANY OTHER LEGAL OR EQUITABLE THEORY, EVEN IF SAFELINK KNEW OF THE LIKELIHOOD OF SUCH DAMAGES. SAFELINK SHALL NOT BE LIABLE FOR DELAY IN RENDERING SERVICE UNDER THE LIMITED WARRANTY, LOSS OF USE DURING THE PERIOD THAT THE PRODUCT IS RETURNED FOR REPLACEMENT OR WARRANTY SERVICE OR FOR THE LOSS OR UNAUTHORIZED USE OF CUSTOMER PASSWORDS, PERSONAL INFORMATION, CONTACTS, PICTURES, VIDEOS, APPLICATIONS, MUSIC, RINGTONES OR OTHER CONTENT.

(10) Some states do not allow the exclusion or limitation of incidental and consequential damages, so certain of the above limitations or exclusions may not apply to you (the Consumer). This limited warranty gives the Consumer specific legal rights and the Consumer may also have other rights which vary from state to state.

(11) SafeLink neither assumes nor authorizes any authorized service center or any other person or entity to assume for it any other obligation or liability beyond that which is expressly provided for in this limited warranty including the provider or seller of any extended warranty or service agreement.

(12) This is the entire warranty between SafeLink and the Consumer, and supersedes all prior and contemporaneous agreements or understandings, oral or written, relating to the Product, and no representation, promise or condition not contained herein shall modify these terms.

(13) This limited warranty allocates the risk of failure of the Product between the Consumer and SafeLink. The allocation is recognized by the Consumer and is reflected in the purchase price.

Certain mobile phone features may not be available throughout the entire network or their functionality may be limited. All plan rates, features, functionality and other product specifications are subject to change without notice or obligation. Color of phones may vary. All talk and standby times are quoted in Digital Mode and are approximate.

SafeLink, SafeLink Wireless, TracFone and TracFone Wireless are registered trademarks of TracFone Wireless, Inc. a subsidiary of América Móvil (NYSE: AMX).