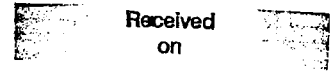


**BEFORE THE
KANSAS CORPORATION COMMISSION**



Before:

**Mark Sievers, Chairman
Thomas E. Wright, Member**

SEP 05 2012

by
State Corporation Commission
of Kansas

**IN THE MATTER OF THE)
APPLICATION OF TELRITE)
CORPORATION D/B/A LIFE)
WIRELESS FOR DESIGNATION AS)
AN ELIGIBLE)
TELECOMMUNICATIONS CARRIER)
ON A WIRELESS BASIS (LOW)
INCOME ONLY))**

No. 13-RITC-181-ETC

**APPLICATION FOR DESIGNATION AS AN
ELIGIBLE TELECOMMUNICATIONS CARRIER ON A WIRELESS BASIS**

COMES NOW Telrite Corporation d/b/a Life Wireless (“Telrite” or the Company”), by its undersigned counsel and, pursuant to the Federal Communications Act of 1934, as amended (the “1996 Act”), 47 U.S.C. § 214(e), as adopted at Kan. Stat. Ann. § 66-2008(b), and Federal Communications Commission (“FCC”) Universal Services Rules, 47 C.F.R. §§ 54.101 through 54.207 (the “FCC Rules”), hereby requests that the Kansas Corporation Commission (the “Commission”) designate Telrite as an Eligible Telecommunications Carrier (“ETC”) throughout the Southwestern Bell Telephone, L.P. d/b/a AT&T Kansas (“AT&T Kansas”) exchanges in Kansas (the “Service Area”) for the purpose of receiving federal universal service support for low income support for its wireless services. At this time Telrite does not seek designation as an ETC on a wireline basis. In further support of its Application, Telrite states as follows:

Background

1. Telrite is a Georgia corporation with its principal offices located at 4113 Monticello Street, Covington, Georgia 30014. Telrite was granted a Certificate of Convenience and Authority to transact business as a reseller of interexchange services within the State of Kansas by Order dated July 16, 2003 in Docket No. 03-RITC-1052-COC.

2. Correspondence or communications pertaining to this Application should be directed to Telrite's attorney of record:

H. Philip Elwood
Cody G. Robertson
Goodell, Stratton, Edmonds & Palmer, LLP
515 S. Kansas Ave.
Topeka, KS 66603
Phone: (785) 233-0593
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with a copy to:

J. Andrew Gipson
Jones, Walker, Waechter, Poitevent, Carrere & Denegre, LLP
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Jackson, Mississippi 39205-0427
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Email: agipson@joneswalker.com

3. Questions concerning the ongoing operations of Telrite following designation should be directed to:

Brian Lisle, President
Telrite Corporation
1480 Terrell Mill Road, SE
Suite 1
Marietta, Georgia 30067
Telephone: 678-202-0812
Email: brian.lisle@telrite.com

Telrite Meets the Requirements set forth in the FCC Rules

4. As a result of the work and cooperation of federal and state regulators, the FCC has adopted a number of cost recovery policies and mechanisms designed to promote and maintain universal service (the “Universal Service Fund” or “USF”). The Universal Service Fund was established, in part, to provide support to qualifying low-income communications end-users such as those serviced by Telrite. Mechanisms were also established in an effort to moderate the amount of costs to be recovered through basic, recurring charges to low-income users, thereby assisting efforts to maintain reasonable basic rate levels.

5. Telrite has the financial and technical capability to provide Lifeline service. As part of the Lifeline Reform Order, the FCC amended its rules to require a carrier seeking designation as a Lifeline-only ETC to demonstrate that it is financially and technically capable of providing the supported Lifeline service in compliance with all of the low-income program rules.¹ Telrite satisfies these criteria as discussed in detail below.

6. A carrier qualifies to receive the universal service support only if it has been designated by a state regulatory agency as an ETC. Telrite respectfully requests that the Commission, by order, designate the company as an ETC throughout the requested Service Area. As described below, Telrite seeks ETC status on a wireless basis beginning as soon as possible upon approval by the Commission.

7. Pursuant to this Application, Telrite requests ETC status solely for the purpose of providing the services supported by, and participating in the Low Income Programs of, the Universal Service Fund. Telrite does not request ETC status for the purpose of participating in

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

any High Cost programs of the Universal Service Fund. Such action is entirely consistent with both the 1996 Act and the public interest of the State of Kansas.

8. ETC designation will enhance Telrite's ability to provide service to low income consumers within the Service Area, and since this Application is solely for the purpose of receiving low income universal service support, Telrite's wireless offering will supplement and not detract from the provision of supported services in such area. Telrite will advertise the availability of those services using media of general distribution. Under Telrite's proposed Low Income wireless offering, each eligible wireless customer will receive a handset at no cost to the subscriber.

9. Consistent with the requirements of the 1996 Act, 47 U.S.C. §214 (e) (6), and Sections 54.101 through 54.207 of the FCC Rules, Telrite, in its provision of wireless services, will rely on a combination of its own facilities and resold services which the Company will obtain from underlying wireless providers that currently operate their own networks, and Company-owned facilities, thus allowing Telrite to meet the FCC's test that requires an ETC to provide services, at least in part, through a "combination of its own facilities and resale of another carrier's services,"²

10. Through its service arrangements, Telrite is able to offer all of the services and functionalities supported by the universal service program, as detailed in Section 54.101(a) of the FCC Rules³, throughout its Service Area.

11. Section 214(e)(1)(A) of the Act⁴ requires an ETC to offer the services that are supported by federal universal service support mechanisms under section 254(c). Effective

² See 47 U.S.C. § 214(e)(1)(A).

³ See 47 C.F.R. § 54.101(a).

⁴ 47 U.S.C. § 214(e)(1).

December 29, 2011, pursuant to the USF/ICC Transformation Order⁵, as further clarified by the USF/ICC Order on Reconsideration⁶, the FCC eliminated its former list of nine supported services and amended section 54.101(a) of its rules to specify that “voice telephony service” is supported by the federal universal service mechanisms. The amended Section 54.101(a) and its list of supported services reads as follows:

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

(a) Services designated for support. Voice telephony service shall be supported by federal universal service support mechanisms. The functionalities of eligible voice telephony services include 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 for qualifying low-income consumers (as described in subpart E of this part).

12. Upon designation as an ETC in Kansas, and consistent with state and federal policies favoring universal service, Telrite will offer voice telephony services as described in the amended Section 54.101 of the FCC Rules.⁷ To the extent that the Commission continues to

⁵ In the Matter of Connect America Fund, A National Broadband Plan for Our Future, Establishing Just and Reasonable Rates for Local Exchange Carriers, High-Cost Universal Service Support, Developing an Unified Intercarrier Compensation Regime, Federal-State Joint Board on Universal Service, Lifeline and Link-Up, Universal Service Reform – Mobility Fund, WC Docket No. 10-90, GN Docket No. 09-51, WC Docket No. 07-135, WC Docket No. 05-337, CC Docket No. 01-92, CC Docket No. 96-45, WC Docket No. 03-109, WT Docket No. 10-208, Report and Order and Further Notice of Proposed Rulemaking, FCC 11-161 (rel. Nov. 18, 2011) (“USF/ICC Transformation Order”).

⁶ In the Matter of Connect America Fund, A National Broadband Plan for Our Future, Establishing Just and Reasonable Rates for Local Exchange Carriers, High-Cost Universal Service Support, Developing an Unified Intercarrier Compensation Regime, Federal-State Joint Board on Universal Service, Lifeline and Link-Up, Universal Service Reform – Mobility Fund, WC Docket No. 10-90, GN Docket No. 09-51, WC Docket No. 07-135, WC Docket No. 05-337, CC Docket No. 01-92, CC Docket No. 96-45, WC Docket No. 03-109, WT Docket No. 10-208, Order on Reconsideration, FCC 11-189 (rel. Dec. 23, 2011) (“USF/ICC Order on Reconsideration”).

⁷ 47 C.F.R. §§ 54.101(a).

require ETCs to provide those services supported by federal universal service support mechanisms previously enumerated in 47 C.F.R. § 54.101(a), Telrite commits to continue to satisfy state voice service requirements.⁸

13. The Company also will provide access to emergency services provided by local government or public safety officials, including 911 and enhanced 911 (“E911”) where available and will comply with any Commission requirements regarding E911-compatible handsets. As discussed above, the Company will comply with the Commission’s forbearance grant conditions relating to the provision of 911 and E911 services and handsets. Telrite also commits to remit 911 revenues to local authorities. The Company commits to pay in a timely manner all applicable federal, state and local regulatory fees, including but not limited to universal service and E911 fees.⁹

14. Telrite will not provide toll limitation service (“TLS”), which allows low-income consumers to avoid unexpected toll charges. However, since the Company is a prepaid service provider, customers cannot be disconnected for failure to pay toll charges, nor are there additional charges for exceeding their minutes. Further, the Company, like most wireless carriers, does not differentiate domestic long distance toll usage from local usage and all usage is paid for in advance. Pursuant to the Lifeline Reform Order, subscribers to such services are not considered to have voluntarily elected to receive TLS.¹⁰

15. Telrite will provide wireless service through a combination of its own facilities and resale. Under Section 214(e)(1)(A) of the Act, an ETC must offer the services supported by

⁸ USF/ICC Transformation Order at ¶ 82.

⁹ See TracFone Wireless, Inc. Petition to Rescind State 911/E911 Condition, FCC Docket No. 96-45 (May 3, 2010).

¹⁰ Lifeline Reform Order at ¶ 230.

federal universal service support mechanisms throughout its designated service area “either using its own facilities or a combination of its own facilities and resale of another carrier’s services.”¹¹

In its Lifeline Reform Order, the FCC decided to forbear, on its own motion, from applying the facilities requirement of Section 214(e)(1)(A) to any telecommunications carrier that seeks limited ETC designation to participate in the Lifeline program, conditioned on the ETC’s compliance with certain 911 requirements and the ETC’s filing with and approval by the FCC of a compliance plan describing the ETC’s adherence to certain protections prescribed by the FCC (“Blanket Forbearance”).

16. Although Telrite seeks Blanket Forbearance at the federal level, Telrite is seeking limited ETC designation in Kansas on a combined facilities/resale basis for the purpose of participating in the Lifeline program. The Company maintains its own facilities within the State of Georgia. These facilities are co-located with other carriers’ facilities, and provide Telrite the ability to provide voice telephony services as described and depicted in the network diagram attached hereto as **Confidential Exhibit “A.”**

17. Telrite, in its provision of wireless services, will offer resold services which Telrite will obtain from its underlying wireless provider, AT&T. This extended footprint allows Telrite to provide expanded coverage throughout otherwise underserved markets.

18. Telrite has developed and implemented a diverse network that delivers all of the services required by the federal Lifeline guidelines, and employs AT&T to ensure ubiquitous coverage.

¹¹ 47 U.S.C. § 214(e)(1)(A).

19. Through its service arrangements, Telrite is able to offer all of the services and functionalities supported by the universal service program, as detailed in Section 54.101(a) of the FCC Rules, throughout its Service Area.

20. Telrite will advertise the availability of the supported services. The FCC adopted specific requirements for Lifeline advertising in its Lifeline Reform Order with which the Company will comply.¹² Within the deadline provided in the Lifeline Reform Order, the Company will include the following information regarding its Lifeline service on all marketing materials describing the service: (1) it is a Lifeline service, (2) Lifeline is a government assistance program, (3) the service is non-transferable, (4) only eligible consumers may enroll in the program, (5) the program is limited to one discount per household; (6) documentation necessary for enrollment; (7) Telrite's name (the ETC); and (8) notice that consumers who willfully make a false statement in order to obtain the Lifeline benefit can be punished by fine or imprisonment or can be barred from the program.¹³ These statements will be included in all print, audio video and web materials (including social networking media) used to describe or enroll customers in the Company's Lifeline service offering, as well as the Company's application forms and certification forms.¹⁴ This specifically includes the Company's website and outdoor signage.¹⁵

21. Telrite is fully prepared to and will comply with federal requirements that it advertise the availability of its services throughout its Service Area using media of general

¹² Lifeline Reform Order at ¶¶ 275-82.

¹³ Lifeline Reform Order at ¶ 275.

¹⁴ Id.

¹⁵ Id.

distribution.¹⁶ Telrite further commits that it will also publicize the availability of Lifeline service in a manner reasonably designed to reach those likely to qualify for the service.¹⁷ Telrite specifically targets its advertising so as to reach its intended market base of low-income consumers who otherwise would be without service, or unaware of the program's availability and benefits. Accordingly, more low-income Kansas residents will be made aware of the opportunities afforded to them under the Lifeline program and will be able to take advantage of those opportunities by subscribing to Telrite's service. The Company will advertise the supported services as set forth in the sample advertisements included in **Exhibit "B."**

22. At the federal level, Telrite has opted to pursue Blanket Forbearance with the FCC. On July 27, 2012, the Company filed a Revised Compliance Plan with the FCC. A copy of the complete Compliance Plan as filed July 27, 2012, is attached hereto as **Exhibit "C"**.¹⁸ Telrite will provide the Commission a copy of the FCC's approval of the Compliance Plan when received. In the State of Kansas, however, Telrite is seeking designation on the basis of combined facilities and resold services as permitted under the FCC Rules. However, the terms and conditions of its voice telephony service plans offered to Lifeline subscribers are detailed in the Compliance Plan attached hereto as **Exhibit "C."**

23. Under Telrite's proposed low-income wireless offering, each eligible wireless customer will receive a 911 compliant handset at no cost to the subscriber. Wireless handsets will be delivered at no charge to qualifying customers, service will be activated, and the requisite number of minutes will be added upon certification of the customer for Lifeline.

¹⁶ 47 C.F.R. § 54.201(d)(2).

¹⁷ 47 C.F.R. §§ 54.405(b).

¹⁸ The Company's Compliance Plan filed with the FCC is a public document and subject to comment at the FCC, which has determined to treat the filing as a "permit-but-disclose" proceeding in accordance with the FCC's *ex parte* rules, found at 47 C.F.R. §§ 1.1200 *et seq.* See, FCC Public Notice DA 12-314, WC Docket Nos. 09-197, 11-42, Released February 29, 2012.

Public Interest Analysis

24. Designation of Telrite as an ETC on a wireless basis is in the public interest of the State of Kansas and its low-income telecommunications end-users. Under the 1996 Act, “[u]pon request and consistent with the public interest, convenience and necessity,”¹⁹ the Commission shall “designate more than one common carrier as an eligible telecommunications carrier for a service area designated”²⁰ by the Commission. In doing so, the Commission “shall find that the designation is in the public interest.”²¹ The FCC Rules require that an ETC application demonstrate that designation would be consistent with the public interest, convenience and necessity, and that prior to designating an ETC pursuant to section 214(e)(6), the Commission “shall consider the benefits of increased consumer choice, and the unique advantages...of the applicant’s service offering.”²² Pursuant to this requirement, Telrite provides the following information which clearly demonstrates that Telrite’s designation as an ETC on a wireless basis is consistent with the public interest, convenience and necessity, providing consumers with increased competitive choice through the offering of a unique service.

25. The FCC has identified factors that should be considered in determining whether designation of additional ETCs will serve the public interest, such that the benefits of an additional ETC would outweigh potential harms. These factors include: 1) the benefits of increased competitive choice; and 2) the unique advantages and disadvantages of the company’s service offerings.²³ Telrite affirms that its ETC designation meets these criteria as described below.

¹⁹ 47 C.F.R. § 54.201(c).

²⁰ *Id.*

²¹ *Id.*

²² 47 C.F.R. § 54.202(c).

²³ *See* 47 C.F.R. § 54.202(c).

Increased Competitive Choice

26. The FCC has determined that while designation of competitive ETCs promotes and benefits consumers by increasing customer choice, designation must include “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.”²⁴ Telrite is seeking ETC designation on a wireless basis and will provide an additional valuable alternative to the existing telecommunications services currently available in these areas and will promote competition and facilitate the provision of advanced communications services to low-income residents of Kansas.

27. The public interest benefits of inclusion of the Company’s wireless service include larger local calling areas (as compared to traditional wireline carriers), the convenience and security afforded by mobile telephone service, the opportunity for customers to control cost by receiving a preset amount of monthly airtime at no charge, the ability to purchase additional usage in the event that included usage has been exhausted, 9-1-1 service and, where available, E 9-1-1 service in accordance with current FCC requirements.

28. The inclusion of toll calling as a part of Telrite’ wireless offering, along with the fact that service is provided without a monthly recurring charge, will allow consumers to avoid the risk of becoming burdened with large and unexpected charges for toll calling and unexpected overage charges.

29. Designation of the Company as an ETC on a wireless basis will motivate other carriers serving the same area to improve their existing networks and service offerings to remain competitive, which will result in improved consumer services and will also benefit consumers by

²⁴ See Federal-State Joint Board on Universal Service. 20 FCC Rcd 6371, ¶ 42 (2005)

allowing Telrite to offer the services designated for support at rates that are “just, reasonable, and affordable.”²⁵

30. As provided by the 1996 Act, the availability of basic telecommunications services to low-income consumers is critical to the provision of public health, safety, and other services. In addition, the FCC has long acknowledged the benefits to consumers of being able to choose from a variety of telecommunications providers and the resulting variety of telecommunications services they provide.²⁶ This is of particular interest in cases where wireless providers, such as Telrite, seek to provide services as alternatives to those of the traditional carriers. In the *Highland Cellular*²⁷ case, the FCC recognized and affirmed that some households may not have access to the public switched network as provided by the incumbent local exchange carrier. The availability of a wireless competitor benefits consumers who routinely drive long distances to work or school, or to accomplish everyday tasks such as shopping or attending community and social events. The wireless service offered by Telrite will provide these consumers with a convenient and affordable alternative to traditional telecommunications service that can be used while at home and away from home.

31. Telrite’s Lifeline program will enable thousands of residents to obtain wireless service which would otherwise be unavailable to them. The economic circumstances indicate that low-income individuals, now more than ever, can greatly benefit from the advantages offered by Telrite’s Lifeline service, thus allowing those adversely impacted by the struggling economy or job loss to have access to a free wireless service to assist in emergency situations, facilitate job search efforts, and to maintain contact with family members.

²⁵ See 47 U.S.C. § 254(b)(1).

²⁶ See e.g., *Specialized Common Carrier Services*, 29 FCC 2d 870 (1971).

²⁷ Federal-State Joint Bd. on Universal Serv., *Highland Cellular, Inc., Memorandum Opinion and Order*, 19 F.C.C.R. 6422 (2004).

32. It is also a commonly accepted fact that in today's market, qualified Lifeline customers view the portability and convenience of wireless service not as a luxury, but as a necessity. Mobile service allows children to reach their parents, wherever they may be, allows a person seeking employment the ability to contact, and be contacted by, potential employers, and provides end users with the ability to contact emergency service providers, regardless of location.

33. Added together, Telrite expects these additional competitive advantages to create an atmosphere that will cause many qualified consumers, at their option, to select the Company's low income wireless Lifeline service in lieu of the more traditional wireline or wireless services.

The Unique Advantages of Telrite Service Offerings

34. Telrite will offer a unique, easy to use, competitive and highly affordable wireless telecommunications service, which it will make available to qualified consumers who either have no other service alternatives or who choose a wireless prepaid solution in lieu of more traditional services.

35. Telrite will announce and advertise telecommunications services as an ETC where it provides service in its Service Area and will publicize the availability of Lifeline services in a manner reasonably designed to reach those likely to qualify for those services. Accordingly, more low-income Kansas residents will be made aware of the opportunities afforded to them under the Lifeline program and will be able to take advantage of those opportunities by subscribing to Telrite's service.

36. Telrite will provide universal service as an ETC in all of its Service Area.

37. Telrite is willing to accept carrier of last resort obligations throughout the universal service areas in which Telrite is designated as an ETC by the Commission.

38. Telrite will provide equal access to long distance carriers, to the extent it is able to do so.

39. Telrite offers a local usage plan comparable to the one offered by the ILEC in the service areas for which it seeks designation.

Telrite Lifeline Plan

40. Telrite will offer qualified consumers their choice of one of three Lifeline Service Plans. Lifeline is a component of one of four separate federal Universal Service Fund mechanisms²⁸ known as the “low-income support mechanism”²⁹ and is defined in 47 C.F.R. § 54.401 as “a non-transferable retail local service offering” “for which qualifying low-income consumers pay reduced charges” and “[t]hat provides voice telephony service as specified in § 54.101(a).”³⁰ Telrite offers customers an alternative plan that permits a customer a specified number of minutes of use to place and receive calls throughout the country. Telrite’s Lifeline offerings will go beyond those of other wireless providers, as well as those of ILECs in a very important respect: Telrite’s Lifeline customers will receive as part of Lifeline service specified amounts of free wireless service and a free handset. That is, Lifeline customers will be able to use Telrite’s service to initiate and receive specified amounts of wireless calling -- local and long distance with no charge to the customers and with no cost for obtaining a handset.

41. Telrite will provide qualified Lifeline customers in Kansas with their choice of 125 or 250 anytime prepaid minutes per month at no charge. Minutes do not expire for 125 minute plan and unused minutes are rolled over to the next month. Unused minutes for the 250 minute plan do not roll over. Text messaging is available at the rate of:

²⁸ 47 C.F.R. § 54.8(a)(1); See “Definitions” at second sentence.

²⁹ 47 C.F.R. § 54.8(a)(1); See “Definitions” at first sentence.

³⁰ 47 C.F.R. §§ 54.401(a); 54.401(a)(1); 54.401(a)(2); 54.405(a).

- (a) 125 Minute Plan: 1/2 minute (*i.e.*, 2 SMS texts per voice minute)
- (b) 250 Minute Plan: 1 minute (*i.e.*, 1 SMS per voice minute)

42. Lifeline customers can purchase additional bundles of minutes in denominations of \$10.00, \$25.00, \$7.95, \$12.95, \$21.49 and \$29.95.³¹ Airtime, when used for standard cellular calls, is valued at and will be decremented at the following rates:

- (c) \$10.00 denomination - \$0.099 per minute of use;
- (d) \$25.00 denomination - \$0.0708 per minute of use;
- (e) \$7.95 denomination - 3 day Unlimited Talk and SMS;
- (f) \$12.95 denomination - 1 week Unlimited Talk and SMS;
- (g) \$21.95 denomination – 2 weeks Unlimited Talk and SMS;
- (h) \$29.95 denomination – 1 month Unlimited Talk and SMS

43. Airtime “top-up” minutes are available for purchase at the Company’s retail locations, through any Money Gram location and on the Company’s website.³² Additional information regarding the Company’s plans, rates and services can be found on its website: www.lifewireless.com. In addition to free voice services, Telrite’s Lifeline plan will include custom calling features at no charge, such as Caller ID, Call Waiting, Call Forwarding, 3-Way Calling, Voice Mail, No Roaming charges and free access to Customer Care by dialing 611 from customers’ Life Wireless handset or by dialing 1-888-543-3620 from any wireline phone. All plans include domestic long-distance at no extra per minute charge. Calls to 911 emergency services are always free, regardless of service activation or availability of minutes.

³¹ The \$29.95 rate for unlimited talk and text is available only to Life Wireless customers that purchase online or by calling Telrite customer service. The retail rate available in stores is \$37.95, which is set to be reduced to a yet undetermined rate.

³² Top-up minutes are provided using the PureTalk USA and Pure Unlimited brands, by Puretalk Holdings, LLC, a sister company of Telrite with common ownership, though not technically an affiliate.

**Designation of Telrite as an ETC Will Benefit
Low Income Consumers in the State of Kansas**

44. Under the FCC Rules, an ETC applicant must demonstrate that it will satisfy applicable consumer protection and service quality standards³³; Telrite will satisfy all such standards. In addition, Telrite will comply with the Cellular Telecommunications and Internet Association's Consumer Code for Wireless Service, attached hereto as **Exhibit "E."** As part of its certification requirements for providing local exchange services, Telrite must abide by the service quality and consumer protection rules. In addition, Telrite commits to reporting information on consumer complaints per 1,000 lines on an annual basis consistent with the FCC's USF Order.³⁴ Telrite in general commits to satisfying all such applicable state and federal requirements related to consumer protection and service quality standards.

45. Under the FCC Rules, an ETC applicant must demonstrate its ability to remain functional in emergency situations.³⁵ Since Telrite is providing service to its customers through the use of facilities obtained from other carriers, at least in part, this arrangement allows Telrite to provide to its customers the same ability to remain functional in emergency situations as currently provided by the carriers to their own customers, including access to a reasonable amount of back-up power to ensure functionality without an external power source, rerouting of traffic around damaged facilities, and the capability of managing traffic spikes resulting from emergency situations.

46. In addition, designation of the Company as an ETC on a wireless basis will make Lifeline discounts available to many more Kansas residents. This provision of Lifeline discounts is particularly valuable to low-income customers in the wireless field because, to Telrite's

³³ 47 C.F.R. §54.202(a)(3), 62 Fed. Reg. 15,978 at Para 28.

³⁴ USF Order at Para 4.

³⁵ 47 C.F.R. § 54.202(a)(2); USF Order at Para 25.

knowledge, there are a limited number of wireless providers offering USF supported service and even fewer offering the same with absolutely no monthly recurring charge to the end-user. As such, the service for which Telrite seeks ETC status is unique.

47. Inclusion of Telrite wireless service will serve the public interest by increasing participation of qualified consumers in the Lifeline program, thereby contributing to an overall increase in the number of Kansas residents receiving Lifeline services.

48. Finally, inclusion of Telrite wireless service will serve the public interest by furthering the extensive role that Telrite believes it will play in the provision of communications service to low-income consumers, transient users, and other consumers who, due to the restrictive credit criteria, deposit requirements, and long-term commitments required by traditional service providers, are off the telecommunications network and, without any viable alternative, are likely to remain so.

**Designation of Telrite on a Wireless Basis Will
Impose a Negligible Impact on the USF**

49. Telrite reiterates that it is applying for ETC designation solely for the purpose to provide Lifeline discounts to qualified low-income consumers. Under the FCC Rules, an ETC applicant must submit a five-year plan that describes with specificity the proposed improvements or upgrades to the applicant's network on a wire-center-by-wire-center basis throughout its proposed Service Area. The only circumstance warranting deviation from this requirement is where an applicant's requested ETC serving territory would qualify it to receive no "high cost" USF support, but only "low income" USF support. Because Telrite seeks ETC designation solely for purposes of reimbursement for provision of subsidized Lifeline services to eligible customers, submission of a Five-Year Network Improvement Plan is not required at this time. Since Lifeline support is designed to reduce the monthly cost of telecommunication services for eligible consumers, is distributed on a per-customer basis, and is directly reflected in the price

that the eligible customer pays, it is assured that all support received by the carrier is used to provide Lifeline services to consumers, thus promoting Lifeline and the availability of telephone service to low-income users, which is clearly in the public interest. In addition, designation of the Company as an ETC will not pose any adverse effect in the growth in the high cost portions of the USF, nor will it create or contribute to an erosion of high cost funding from any rural or non-rural telephone company.

50. The FCC reaffirmed this position when it stated that “the potential growth of the fund associated with high-cost support distributed to competitive ETCs” is not relevant to carriers seeking support associated with the low-income program.³⁶ Accordingly, total low-income support for 2007 accounted for only 11.8 percent of the total distribution of the USF, with high-cost accounting for over 61 percent of the total.³⁷

51. The FCC also recognized that the total effect of additional low-income-only ETC designations would have a minimal impact on the fund when it stated that “any increase in the size of the fund would be minimal and would be outweighed by the benefit of increasing eligible participation in the Lifeline programs, furthering the statutory goal of providing access to low-income consumers.”³⁸

52. It is also vital to recognize that in the case of Lifeline support, an ETC receives USF support *only* for the customers it obtains. In the scenario where a competitive ETC obtains a Lifeline customer from another ETC, only the “capturing” ETC provides Lifeline discounts and as a result, only the “capturing” ETC receives support reimbursement.

³⁶ Petition of TracFone Wireless, Inc. for Forbearance from 47 U.C.S § 214(e)(1)(A) and 47 C.F.R. § 54.201(i), CC Docket No. 96-45, Order, 20 FCC Rcd 15095 (2005) (TracFone Forbearance Order) at ¶ 17.

³⁷ 2008 Wireline Competition Bureau, FCC, *Trends in Telephone Service*, Chart 19.1.

³⁸ TracFone Forbearance Order, at ¶ 17.

53. In addition, all providers are required to contribute a portion of the interstate revenues received from their customers to the Universal Service Fund. In accordance with current federal regulations, Telrite will make contributions based on that portion of its revenue that is determined to be interstate. As such, approving Telrite as an ETC will actually create contributions to the USF that were previously non-existent.

**Telrite Has Internal Controls in Place to Prevent
Subscribers from Receiving More Than One Lifeline Discount**

54. Consistent with federal requirements, Telrite requires customers to certify at the time of service activation and annually thereafter that they: 1) are the head of household; 2) participate in one of the state-approved means tested programs; 3) will be receiving Lifeline-supported services only from Telrite; 4) do not currently receive Lifeline support; and 5) will notify Telrite in the event that they no longer participate in the qualifying program. Verification of continued eligibility is accomplished on a yearly basis in accordance with state specific procedures, including the requirements of the Kansas Corporation Commission.

Telrite will Comply with the FCC's Additional Eligibility Criteria

55. The additional requirements for designation of ETCs were recently amended by the FCC. Effective April 2, 2012, 47 C.F.R. § 54.202 imposes a number of changed requirements in order to be designated an ETC under Section 214(e)(6). Telrite will comply with the requirements of 47 C.F.R. § 54.202, effective April 2, 2012.

56. Telrite will comply with service requirements. Per the requirements of 47 C.F.R. § 202(a)(1)(i) Telrite certifies that it will comply with the service requirements applicable to the low-income support it receives as a result of designation as an ETC for purposes of receiving Lifeline. Telrite not only commits to provide service throughout its Service Area, but also commits to provide universal service in a timely manner to all customers who make a reasonable

request for service pursuant to the FCC Rules.³⁹ If designated as a wireless ETC, Telrite will provide service throughout its Service Area through a combination of its own facilities and the resale of services. Telrite is willing to accept carrier of last resort obligations throughout the universal service areas in which Telrite is designated as an ETC by the Department.

57. Telrite will comply with the consumer protection standards set by the FCC, including:

58. Customer Proprietary Network Information - Telrite will satisfy all consumer privacy protection standards as provided in 47 C.F.R. § 64, Subpart U as applicable and will protect Customer Proprietary Network Information (“CPNI”) as required by state and federal law and will certify compliance with the same on an annual basis.

59. Consumer Code for Wireless Service - Telrite certifies that it will comply with the Cellular Telecommunications and Internet Association’s (“CTIA”) Consumer Code for Wireless Service as required by 47 C.F.R. § 54.202(a)(3).

60. General Compliance - Telrite commits to reporting information on consumer complaints per 1,000 lines on an annual basis consistent with the FCC’s USF Order.⁴⁰ Telrite in general commits to satisfying all applicable state and federal requirements related to consumer protection and service quality standards.

61. As a reseller of other carriers’ wireless services, Telrite is able to offer service of the same quality and reliability as the underlying vendors. Telrite cannot guarantee that customers will never experience service disruptions, however, Telrite’s underlying carrier

³⁹ 47 C.F.R. § 54.202(a)(1) also requires the submission of a five-year plan demonstrating how high-cost universal service support will be used to improve the ETC’s coverage, service quality and capacity. This requirement, however, is inapplicable to this application, since Telrite is not seeking high-cost assistance.

⁴⁰ Federal-State Joint Board on Universal Service, First Report and Order, 12 FCC Rcd 8776 at ¶ 4 (1997) (“USF Order”).

agreements allow its service to be as reliable as any other wireless service that must deal with atmospheric and other conditions that sometimes result in dropped calls.

62. Further, under the FCC Rules, an ETC applicant must demonstrate its ability to remain functional in emergency situations.⁴¹ Since Telrite is providing service to its customers in part through the use of facilities obtained from another carrier it is able to provide to its customers the same ability to remain functional in emergency situations as currently provided by the carriers to their own customers, including access to a reasonable amount of back-up power to ensure functionality without an external power source, re-routing of traffic around damaged facilities, and the capability of managing traffic spikes resulting from emergency situations. Facilities owned by Telrite are capable of remaining fully functional with generator back-up as described above.

63. As described above, qualified ETCs must offer these services either using their own facilities or a combination of their own facilities and the resale of services of another facilities-based carrier. Further, ETCs must advertise the availability of, and the prevailing prices for, the universal services throughout the area in which they have been designated an ETC. Telrite will comply with each of these requirements regarding service provisions and advertisement, and Telrite will utilize all universal service support for the provision, maintenance, and upgrading of the supported services.

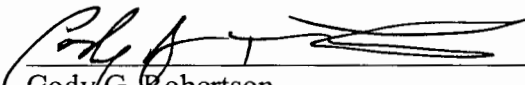
64. Telrite attaches as **Exhibit "F"** the current list of its officers, along with biographical information for each.

⁴¹ 47 C.F.R. § 54.202(a)(2).

Conclusion

Having demonstrated that Telrite satisfies the conditions necessary for designation as an ETC in Kansas, and having shown that the public and universal service interests of the telecommunications consumers of the State of Kansas will be properly served, Telrite respectfully requests that the Commission designate Telrite Corporation d/b/a Life Wireless, as an ETC for the provision of low income support on a wireless basis throughout Telrite's Service Area in the State of Kansas.

Respectfully submitted,

By: 
Cody G. Robertson

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*Attorneys For Telrite Corporation d/b/a Life
Wireless*

VERIFICATION

STATE OF GEORGIA

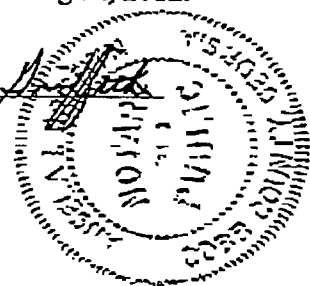
COUNTY OF COBB

PERSONALLY came and appeared before me, the undersigned party in and for the jurisdiction aforesaid, the within named Brian Lisle who after being duly sworn by me stated under oath as follows: that I am President of Telrite Corporation d/b/a Life Wireless ("Telrite"); that I executed the foregoing pleading for and on behalf of Telrite; that I am authorized to execute and file said pleading; and that the matters and things set forth in said pleading are true and correct to the best of my knowledge, information and belief

[Handwritten Signature]
Brian Lisle

SWORN TO AND SUBSCRIBED before me on this the 9th day of August, 2012.

[Handwritten Signature]
NOTARY PUBLIC



My Commission Expires:

Notary Public, Cobb County, Georgia
My Commission Expires July 2, 2015

EXHIBITS

- Exhibit A - Wireless Facilities Information (filed under seal)
- Exhibit B - Advertising Materials
- Exhibit C - Compliance Plan filed with the FCC
- Exhibit D - Handset Information
- Exhibit E - CTIA Consumer Code
- Exhibit F - Officers

Exhibit A

Wireless Facilities Information

These materials contain confidential proprietary and financial information not generally available to the public. Due to the highly competitive nature of the telecommunications marketplace, Telrite deems this material to be proprietary. Accordingly, these materials have been marked as confidential and are being submitted under seal to be maintained by the Commission and the Staff on a confidential basis.

Facility Assignments & Routing

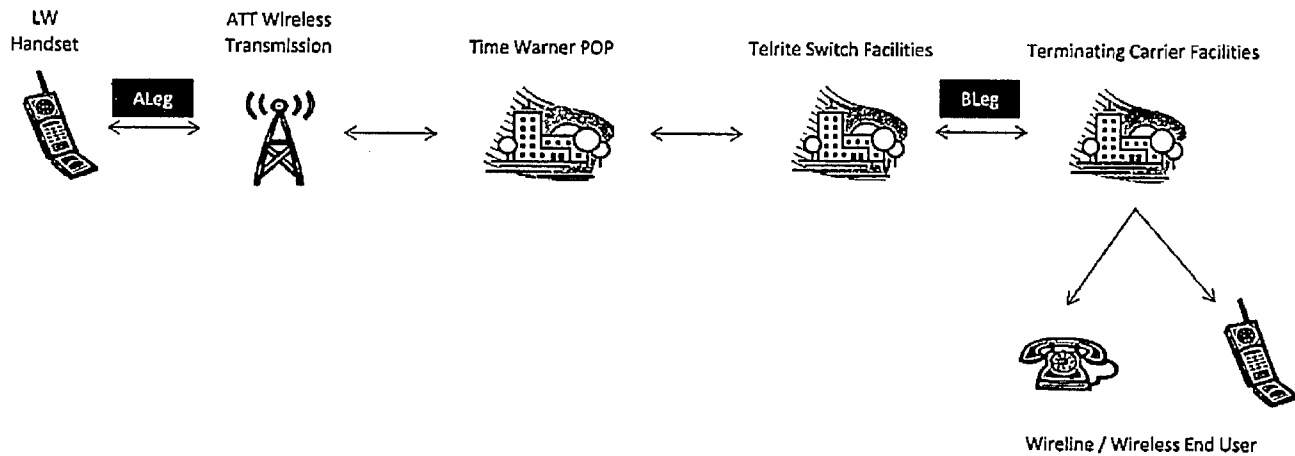
Refer to Network Facility Diagram (NFD) and Wireless Call Flow (WCF) tabs

Routing of each call is determined at the SIM level.

Life Wireless SIM stores customer dialed number (DNIS) and forwards the DNIS to Telrite switch facilities for call completion via Least Cost Routing (LCR).

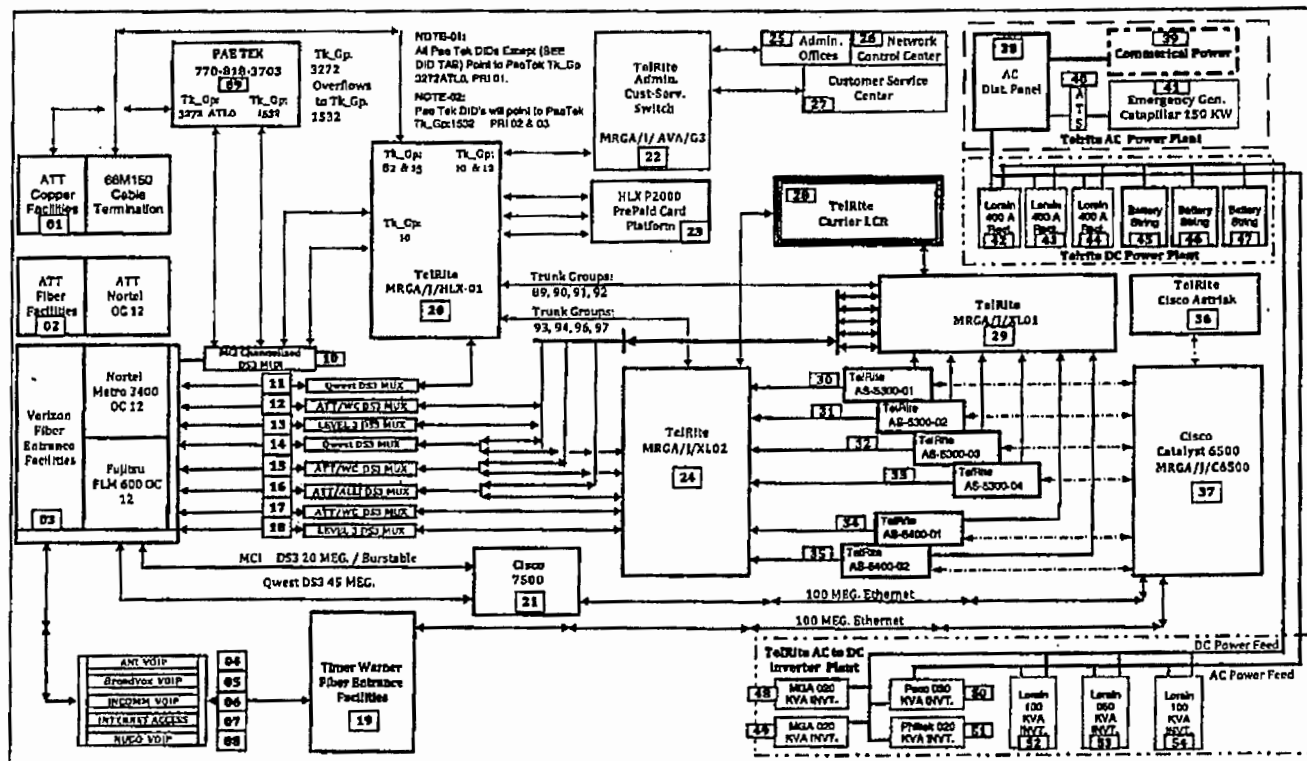
- 1 Call traffic is routed to Telrite switches via DID over Time Warner entrance facilities (NFD-19 / WCF-19)
- 2 Call traffic arrives via local loops (NFD-9 / WCF-A)
- 3 Call is delivered to Harris LX Switch via IMT (NFD-20 / WCF-B)
- 4 Operator Services traffic routes to Lucent Definity ACD platform via IMT (NFD-22)
IMT to Telrite CSR's (NFD-27)
- 5 All other traffic routes to the Lucent XL Switch via IMT (NFD-24 / WCF-C)
Lucent XL Switch performs LCR database dip (NFD-28 / WCF-I)
Lucent XL Switch routes call to preferred Carrier facilities (NFD 11-18 / WCF-J)
Traffic routes to the preferred carrier through Verizon Entrance Facilities (NFD-3 / WCF-K)
Preferred Carrier picks up the call at designated cross connect and proceeds to terminate each call.

CONFIDENTIAL



Telrite Network Facility Diagram

- Equipment by Number**
- 1 At&T Copper Facilities
 - 2 At&T Fiber
 - 3 Verizon OC12 Fiber facilities
 - 4-8 IP Carrier Gateway
 - 9 Local DID Loops
 - 10 Verizon Channelized DS3
 - 11-18 SS7 Carrier DS3 MUX's
 - 19 TW Metro E Facility - Pending
 - 20 Harris LX Switch
 - 21 Cisco 7500 Switch
 - 22 Lucent Definity Switch
 - 23 Protocol 2000 / Debt Platform
 - 24 Lucent XL Switch
 - 29 Lucent XL Switch
 - 30-33 Cisco AS5300 IP switches
 - 34-35 Cisco AS5400 IP switches
 - 36 Asterisk Platform
 - 37 Cisco 6500
 - 38 Power Distribution Panel
 - 40 Transfer Switch
 - 41 Generator
 - 42-54 Rectifier / Inverter / Battery



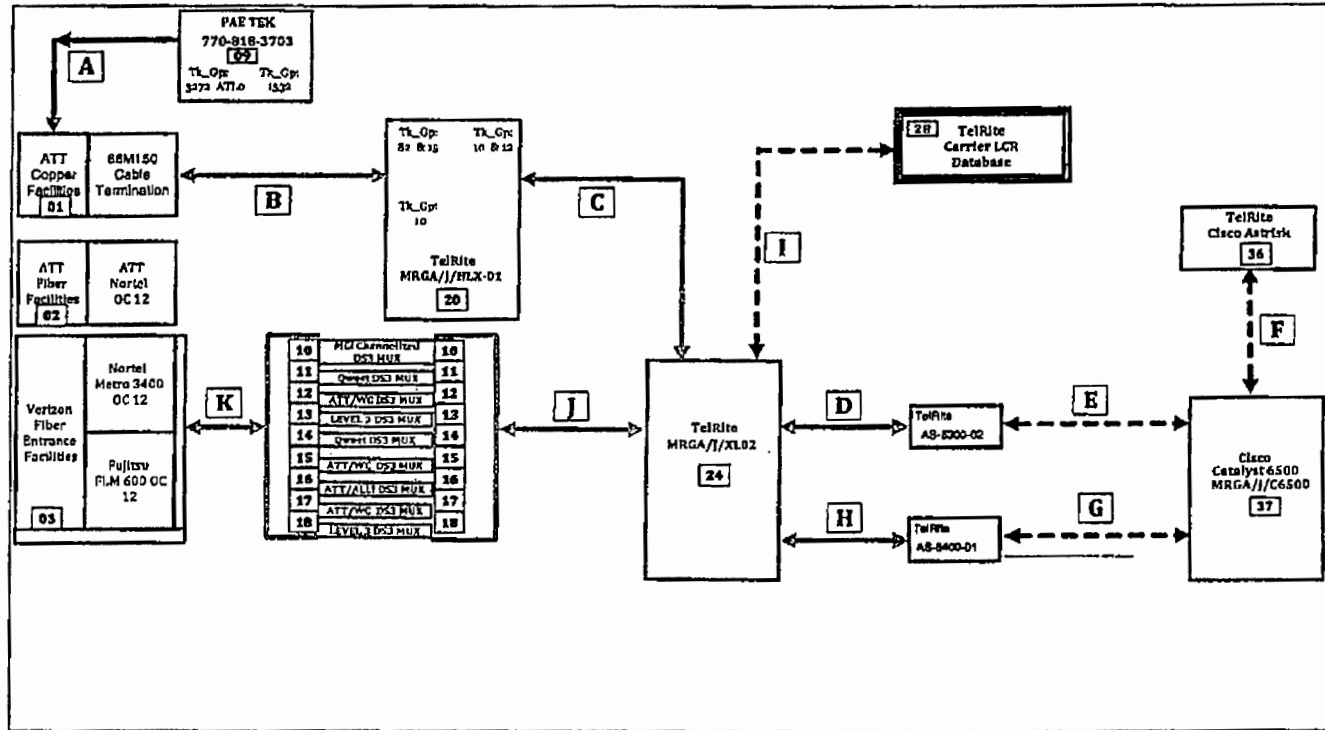
Telrite Wireless Call Flow

Equipment by Number

- 1 AT&T Copper Facilities
- 3 Verizon OC12 Fiber facilities
- 9 Local DID Loops
- 10 Verizon Channelized DS3
- 11 - 18 SS7 Carrier DS3 MUX's
- 20 Harris LX Switch
- 24 Lucent XL Switch
- 30 - 33 Cisco AS5300 IP switches
- 36 Asterisk Platform
- 37 Cisco 6500

Wireless Call Path

- A Inbound Call via Local DID Loops
- B Local Loops Connected to Harris LX
- C Harris LX passes call to the Lucent
- D, E, F Lucent establishes an internal voice path via Cisco AS5300 to the Asterisk.
- Asterisk Platform:
 - Validates MDN
 - Collects Customer dialed digits
 - Account Class of Service
 - Account Balances
- G, H Asterisk Platform passes validated MDN back to the Lucent via AS5300
- I Lucent determines routing selection
- J Lucent hands call to selected SS7 carrier
- K Call is delivered to the destination number over selected SS7 carrier



Directory Assistance

If the subscriber dials a string that corresponds to a directory assistance number then the call is modified to a second number and a version of the original number is sent as a sequence of DTMF tones.

In both cases the DTMF sequence is terminated by a '#' code. The following table summarizes the rules that are applied:

1	411	411 #	Relay Center 2
2	555 1212	555 1212 #	Relay Center 2
3	+1 xxx 555 1212	xxx 555 1212 #	Relay Center 2
4	1 xxx 555 1212	xxx 555 1212 #	Relay Center 2
5	xxx 555 1212	xxx 555 1212 #	Relay Center 2

NOTE: Relay Center 2 Translator to DID of 7708183736

From Wireless Phone using Telrite SIM

Customer dials any of the above dialed strings. The call is re-routed to Telrite Facilities with a forward number equivalent to those listed under 'Forward DTMF'. Call is answered by Telrite Facilities and then routed to Least Cost Termination Carrier.

OS

Customer dials 611 from any Telrite / Life Wireless phone

Call is routed first to an IVR Platform provided by underlying wireless carrier

Customer enters option 9 for customer care

IVR transfers the call to Telrite Customer Service via DID 770-818-3710

** Future SIM runs will direct all 611 traffic direct to Telrite CS by-passing underlying carrier IVR platform

Facility Assignments & Routing

Refer to Network Facility Diagram (NFD) and Wireless Call Flow (WCF) tabs

DA

Telrite SIM captures customer dialed digits, stores this information, places customer on hold and forwards the call to Telrite PRI facilities via DID 770-818-3736

OS

Customer initiates call to Telrite Customer Service by dialing 611 and selecting option 9 for customer care. Caller is routed to Telrite PRI Facilities via DID 770-818-3710

- 1 DID traffic arrives via local PRI DID loops (NFD-9 / WCF-A)
- 2 Call is delivered to Harris LX Switch via IMT (NFD-20 / WCF-B)
- 3 OS traffic routes to Lucent Definity ACD platform via IMT (NFD-22)
IMT to Telrite CSR's (NFD-27)
- 4 DA traffic routes to Lucent XL Switch via IMT (NFD-24 / WCF-C)
Lucent XL Switch performs LCR database dip (NFD-28 / WCF-I)
Lucent XL Switch routes call to preferred SS7 Carrier facilities (NFD 11-18 / WCF-J)
Traffic routes to the preferred SS7 carrier through Verizon Entrance Facilities (NFD-3 / WCF-K)
Preferred Carrier picks up the call at designated cross connect and delivers to DA platform

Exhibit B
Sample Advertising



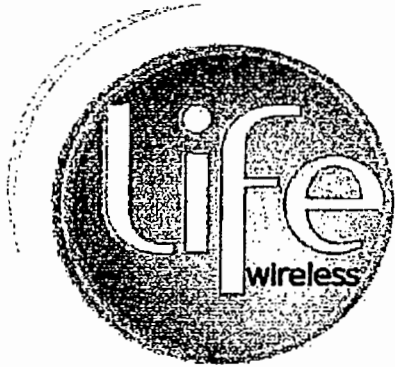
LIFE WIRELESS

LIFE WIRELESS is a government supported program that provides a free cell phone, activation, and monthly minutes to LinkUp & LifeLine eligible customers. Contact us to see if you are eligible today!

- FREE ACTIVATION!
- FREE PHONE!
- FREE MONTHLY MINUTES!
- NO ROAMING!
- FREE LONG DISTANCE!
- REFILL WITH OUR OTHER GREAT CALLING PLANS!
- NATIONWIDE GSM COVERAGE!
- FREE VOICE MAIL
- FREE CALLER ID
- FREE CALL WAITING
- 911 ACCESS



CUSTOMER SERVICE— 1-888-543-3620
ACTIVATION LINE— 888-543-3640
customerservice@lifewireless.com
support@lifewireless.com



LIFE WIRELESS is a government supported service that provides **FREE** cellular service, a **FREE** cell phone, and **FREE** monthly minutes to LinkUp & LifeLine eligible customers.

QUALIFYING GOVERNMENT PROGRAMS:

- Federal Public Housing Assistance or Section 8
- Supplemental Nutrition Assistance Program formerly known as Food Stamps
- Low Income Home Energy Assistance Program
- Medicaid
- National School Lunch Program's free lunch program
- Supplemental Security Income
- Temporary Assistance for Needy Families

LIFE WIRELESS CALLING PLANS

<u>PLAN 1</u>	<u>PLAN 2</u>	<u>PLAN 3</u>	<u>PLAN 4</u>
<ul style="list-style-type: none"> • 68 Free Minutes • 3 Days Unlimited Talk & Text Per Month • .50 (1/2) Minutes Per Text • Rollover 	<ul style="list-style-type: none"> • 125 Free Minutes • 1 Minute Per Text • Rollover 	<ul style="list-style-type: none"> • 250 Free Minutes • 1 Minute Per Text • No Rollover 	<ul style="list-style-type: none"> • Unlimited Talk and Text for 1 month • \$29.45 • No Rollover

*SMS Messages deduct from your Free Minute Balance.

<p>CUSTOMER SERVICE — 1-888-543-3620 www.lifewireless.com EMAIL- info@lifewireless.com</p>	<p>Questions or Concerns? Questions or concerns regarding Lifeline and/or Link-Up or any service issues in the State of Georgia should be directed to the Georgia Public Service Commission Consumer Affairs Division by calling 404-656-4501 or toll free 800-282-5813.</p>
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Exhibit C
Compliance Plan

(JX017078.4)

KELLEY DRYE & WARREN LLP

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July 27, 2012

VIA ECFS

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

Re: Telrite Corporation Compliance Plan; WC Docket Nos. 09-197, 11-42

Dear Ms. Dortch:

On March 12, 2012, Telrite Corporation ("Telrite") submitted its Compliance Plan outlining the measures it will take to implement the conditions imposed by the Commission in its *Lifeline Reform Order*.¹ On April 10, Telrite submitted a revised version with a minor revision to its Model Application/Certification Form, included as Exhibit A to its Compliance Plan. On April 27, based on a meeting with Commission staff, Telrite further revised and supplemented its Compliance Plan. With this submission Telrite further revises its Compliance Plan at the request of FCC Staff to explain that Telrite's customers may de-enroll from Lifeline supported service at any time by simply calling Telrite's toll-free customer service line. Telrite does not require submission of a written request by facsimile or otherwise. In addition, Telrite no longer offers a 68 minute Lifeline plan to new customers and its Compliance Plan has been revised accordingly.

Telrite also submits this letter in order to address and set the record straight with respect to certain local television infotainment program "reporting" on the federal Lifeline program. As the Commission is aware, some of these reports have featured Telrite's Life Wireless branded enrollment stations and field representatives for Life Wireless. FCC Staff

¹ See *Lifeline and Link Up Reform and Modernization, Lifeline and Link Up, Federal-State Joint Board on Universal Service, Advancing Broadband Availability Through Digital Literacy Training*, WC Docket No. 11-42, WC Docket No. 03-109, CC Docket No. 96-45, WC Docket No. 12-23, Report And Order and Further Notice Of Proposed Rulemaking, FCC 12-11 (Feb. 6, 2012).

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July 27, 2012

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recently had occasion to visit and observe Life Wireless field representatives at a Life Wireless branded enrollment station in Annapolis, Maryland. As was demonstrated at that event and at others which are conducted regularly in places within Life Wireless's ETC-designated footprint, Life Wireless conducts its business to the highest standards. Its field representatives are easily among the best trained in the industry. Its event set-up incorporates FCC mandated marketing disclosures informing potential enrollees of eligibility requirements, as well as the consequences of consumer fraud. Its in-person electronic application process incorporates disclosures that exceed FCC requirements. For example, Life Wireless's one-per household disclosure actually names other major Lifeline providers in the particular state. Life Wireless also participates in CGM's pooled database duplicate safeguard program by seeding the database with its customer information and also by dipping the database to ensure it does not enroll in Lifeline a customer who already is receiving a Lifeline supported service from another participating ETC.

Life Wireless spends in excess of \$100,000 a month to ensure that its Lifeline-supported services are offered and provided to eligible low income consumers in a manner that meets or exceeds regulatory requirements. Life Wireless's 2012 compliance budget exceeds \$1.4 million. This budget is used to develop and maintain best-in-class compliance and fraud-prevention controls and training materials. All Life Wireless field representatives complete background checks and intensive training prior to engaging in enrollment operations. All field representatives then participate in periodic and continuing training that can take a number of forms ranging from training alerts and reminders to on-site training. Life Wireless has a senior vice president dedicated exclusively to compliance and to managing a compliance team that conducts approximately 25 site visits per month and 200 photo audits per month. Additional compliance initiatives are described in detail in Life Wireless's training manual filed previously with the Commission.

Because Life Wireless's brightly colored, branded event stations are designed to draw attention, it appears that they have drawn a disproportionate amount of attention from local television station reporters. Local infotainment program coverage of the Lifeline program has typically been negative (focusing on waste, fraud and abuse), inaccurate (describing the program as one that uses federal tax dollars to provide low income consumers with wireless handsets when it actually does neither) and imbalanced (ignoring the importance of the benefit provided to low-income consumers who can use Lifeline supported wireless service to connect to job opportunities, family and public safety). With respect to Life Wireless, which along with TracFone's Safe Link-branded Lifeline service and others has been featured at times in such stories, the media coverage often has been less than flattering – and often less than fair.

Life Wireless has spent tremendous resources to address such negative press coverage. First, with respect to a "series" of stories aired by KMOV in St. Louis, Life Wireless has explained to the Commission Staff that the conduct of the field representatives featured

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Page Three

violated Life Wireless's policies and that those field representatives were terminated (and law enforcement was notified). In the wake of the December 2011 story, Life Wireless recalled all field representatives to its Georgia headquarters for intensive re-training and launched its "Life Wireless University" compliance and training program which is designed and intended to be "best-in-class" quality. Life Wireless also fully investigated the enrollment activities of field representatives featured in KMOV's coverage. This investigation resulted in verification of the eligibility of certain enrollees and repayment to USAC through downward adjustments on Form 497 filings of all subsidies provided to Life Wireless for all accounts for which eligibility could not be verified by Life Wireless. Notably, Life Wireless's fraud prevention controls stopped a substantial number of fraudulent Lifeline self-certification forms from being processed in the first place. Moreover, additional fraud prevention controls were adopted based on what was learned.

As a result of the negative KMOV coverage, Life Wireless recognized a need to better protect its reputation and that of the Lifeline program and it engaged Fleishman Hilliard, a highly regarded international public relations firm, to help in this effort. While Life Wireless has not initiated any press coverage of the Lifeline program or of its own Lifeline supported service, with Fleishman Hilliard's assistance, Life Wireless has been able to make some positive headway toward its goal of getting more fair and balanced media coverage of the Lifeline program and its own operations.

For example, KAAL, an ABC affiliate in Minnesota, ran a story on July 9, 2012 highlighting the importance of Lifeline subsidized service in terms of connecting to job opportunities and family, and for public safety. Both the Lifeline program and Life Wireless were portrayed in a positive manner and one that reflects the program is working as intended under good stewardship provided by the FCC and, in this case, Life Wireless. The story can be found at <http://kaaltv.com/article/stories/S2683084.shtml?cat=10151>.

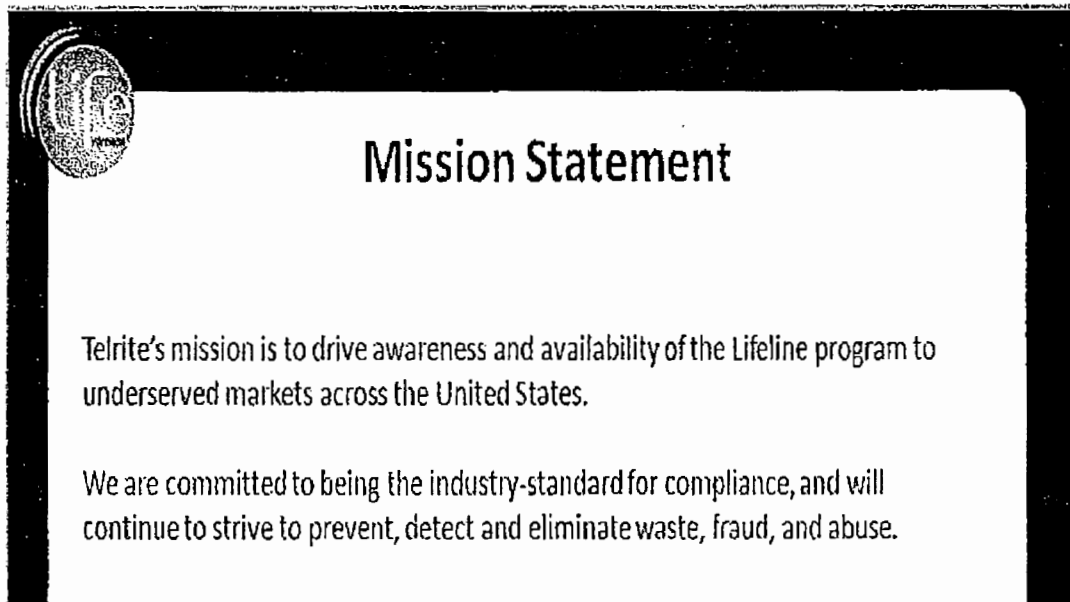
In other examples, however, Life Wireless has not had the opportunity or has been unable to convince reporters to focus on the normal Lifeline customer experience rather than on brazen consumer fraudsters or uninformed/misleading headlines about wasted tax dollars. However, with respect to one of these stories which ran on ABC's Chicago affiliate WLS on June 12, 2012, Life Wireless was able to demonstrate to the reporter that Life Wireless was doing all that it could (all that the rules require *and more*) to combat waste, fraud and abuse and that it would be unfair to include in its report footage depicting Life Wireless branded events and handsets. Life Wireless also has at times succeeded in getting mention and discussion of the FCC's significant reform efforts included in these stories.

More recently, on July 12, 2012, a FOX affiliate in Little Rock ran a negative story featuring a Life Wireless field representative and branded enrollment station, as well as an

Marlene H. Dortch, Secretary
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Page Four

elderly lady who evidently was so intimidated by the reporter that she failed to recall when she enrolled, the program she certified eligibility under, or the proof she showed to the field representative (even though FCC rules requiring proof were not effective at the time this particular customer enrolled, Life Wireless required proof of eligibility pursuant to its own more stringent requirements). The story also showed a Life Wireless field representative refusing to comment and closing-up his enrollment station while being badgered by the reporter. Life Wireless agents are instructed to say "no comment" to the press but to carry-on with their business. In this case, the agent decided to close for the day and he continued to do so while being badgered by the reporter. In the wake of this story, Life Wireless conducted an investigation and, as previously reported to FCC Staff, it found no cause for concern with the customers signed-up by the field representative who appeared in the story. Certification forms for all 22 customers signed-up by the agent that day were reviewed; all indicated that proof had been checked and none contained anything suspicious.

Consistent with its corporate mission statement (adopted in January 2012):



Telrite has been doing more than perhaps any other ETC to raise public awareness regarding the benefits and eligibility requirements of the Lifeline program. Earlier this month, Life Wireless began airing the first in a three-part series of public service announcements (PSAs) it developed

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Marlene H. Dortch, Secretary
July 27, 2012
Page Five

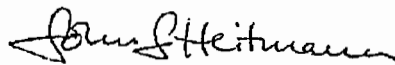
about the Lifeline program.² This Life Wireless-funded initiative can be viewed at <http://youtu.be/7xOCEZvTv9o>. As of July 29, 2012, this thirty-second spot will have aired more than 260 times on broadcast television in multiple markets. Stations on which the PSA has aired or will air this month include KNDL (ABC) in St. Louis, WUCW (CW) in Minneapolis, WUTB (MyNet) in Baltimore, and KLRT (FOX) and KASN (CW) in Little Rock.

In addition, the PSA has been picked up by newswires and by WiMO News <http://wirelessandmobilenews.com/2012/07/free-cell-phones-low-income-ak-md-mn-mo.html>. Roll-out of the second Lifeline PSA is planned for August.

Life Wireless also is working with the state of Minnesota to develop website support for Minnesota's "Lifeline Awareness Week" which presently is scheduled for September 9-15, 2012. This Life Wireless-funded, developed and supported website presents ETC-neutral information about the Lifeline program. The website currently is in BETA and will be available to the public soon. It can be previewed at http://projects.infomedia.net/client_review/life_minn/. Life Wireless has offered and stands ready to partner with additional states in its ETC footprint to engage in similar public outreach and awareness campaigns.

Telrite hereby re-submits its complete Compliance Plan with the revisions described above. Based on the minor nature of these changes, and in consideration of the extraordinary efforts Telrite is undertaking with respect to compliance programs, fraud detection and prevention, and public awareness and education, Telrite reiterates its request for expeditious approval of its Compliance Plan. This letter and revised Compliance Plan are being filed electronically for inclusion in the public record of the above-referenced proceedings. Please feel free to contact the undersigned with any questions.

Respectfully submitted,



John J. Heitmann
Joshua T. Guyan

Counsel to Telrite Corporation

cc: Kim Scardino
Divya Shenoy
Garnet Hanly

² In addition, Life Wireless provides links to the FCC's Lifeline PSAs on its website. <http://www.lifewireless.com/media.php>

**BEFORE THE
FEDERAL COMMUNICATIONS COMMISSION
Washington, D.C. 20554**

In the Matter of	
Telecommunications Carriers Eligible to Receive Universal Service Support	WC Docket No. 09-197
Lifeline and Link Up Reform and Modernization	WC Docket No. 11-42
Telrite Corporation	

TELRITE CORPORATION COMPLIANCE PLAN

Telrite Corporation (“Telrite” or the “Company”),¹ through its undersigned counsel, hereby respectfully submits and requests expeditious approval of its Compliance Plan outlining the measures it will take to implement the conditions imposed by the Commission in its *Lifeline Reform Order*.²

¹ The Company hereby also reports its corporate and trade names, identifiers, and its holding company, operating companies and affiliates as: Telrite Corporation (corporate name), Life Wireless (trade name) and Telrite Holdings, LLC (holding company). Telrite owns 10 percent of Life Wireless Holdings, LLC, which is 50 percent owned by Puretalk Holdings, LLC. Therefore, Puretalk Holdings, LLC is not an affiliate of Telrite, however, Telrite’s “top-up” minutes are sold under the Pure Unlimited brand.

² See *Lifeline and Link Up Reform and Modernization, Lifeline and Link Up, Federal-State Joint Board on Universal Service, Advancing Broadband Availability Through Digital Literacy Training*, WC Docket No. 11-42, WC Docket No. 03-109, CC Docket No. 96-45, WC Docket No. 12-23, Report And Order and Further Notice Of Proposed Rulemaking, FCC 12-11 (Feb. 6, 2012) (“*Lifeline Reform Order*”). The Company herein submits the information required by the Compliance Plan Public Notice. See *Wireline Competition Bureau Provides Guidance for the Submission of Compliance Plans Pursuant to the Lifeline Reform Order*, WC Docket Nos. 09-197, 11-42, Public Notice, DA 12-314 (rel. Feb. 29, 2012).

The Company commends the Commission's commitment to a nationwide communications system that promotes the safety and welfare of all Americans, including Lifeline customers. Telrite will comply with 911 requirements as described below and it is submitting this Compliance Plan in order to qualify for blanket forbearance from the facilities requirement of section 214(e)(1)(A) of the Communications Act and participate as an eligible telecommunications carrier ("ETC") in the Lifeline program.³

The Company will comply fully with all conditions set forth in the *Lifeline Reform Order*, as well as with the Commission's Lifeline rules and policies more generally.⁴ This Compliance Plan describes the specific measures that the Company intends to implement to achieve these objectives. Specifically, this Compliance Plan: (1) describes the specific measures that Telrite will take to implement the obligations contained in the *Lifeline Reform Order*, including the procedures the Company follows in enrolling a subscriber in Lifeline and submitting for reimbursement for that subscriber from the Low-Income Fund, materials related to initial and ongoing certifications and sample marketing materials; and (2) provides a detailed description of how Telrite offers

³ See *Lifeline Reform Order*, ¶ 368. Although the Company qualifies for and seeks to avail itself of the Commission's grant of forbearance from the facilities requirement of section 214(e)(1)(A) for purposes of the federal Lifeline program, the Company reserves the right to demonstrate to a state public utilities commission that it provides service using its own facilities in a state for purposes of state universal service funding under state program rules and requirements. Telrite will follow the requirements of the Commission's Lifeline rules and this Compliance Plan in all states in which it provides Lifeline service and receives reimbursements from the federal Low-Income Fund, including in any state where the public utilities commission determines that Telrite provides service using its own facilities for purposes of a state universal service program.

⁴ In addition, this Compliance Plan is consistent with the compliance plan filed by Global Connection Inc. of America. See Global Connection of America Inc. Compliance Plan, WC Docket Nos. 09-197, 11-42 (Apr. 30, 2012). The Global Connection compliance plan was approved on May 25, 2012. See Public Notice, DA 12-828.

Lifeline services, the geographic areas in which it offers services, and a detailed description of the Company's Lifeline service plan offerings.

ACCESS TO 911 AND E911 SERVICES⁵

Pursuant to the *Lifeline Reform Order*, forbearance is conditioned upon the Company: (1) providing its Lifeline subscribers with 911 and E911 access, regardless of activation status and availability of minutes; and (2) providing its Lifeline subscribers with E911-compliant handsets and replacing, at no additional charge to the subscriber, noncompliant handsets of Lifeline-eligible subscribers who obtain Lifeline-supported services.⁶ Telrite will comply with these conditions starting on the effective date of the *Lifeline Reform Order*.

The Company will provide its Lifeline customers with access to 911 and E911 services immediately upon activation of service. The Commission and consumers are hereby assured that all Telrite customers will have available access to emergency calling services at the time that Lifeline service is initiated, and that such 911 and E911 access will be available from Telrite handsets, even if the account associated with the handset has no minutes remaining.

The Company's existing practices currently provide access to 911 and E911 services for all customers. Telrite uses AT&T as its underlying network provider/carrier. has direct contracts for wireless services from AT&T, as opposed to purchasing minutes through an intermediary. AT&T routes 911 calls from the Company's customers in the same manner as 911 calls from AT&T's own retail customers. To the extent that AT&T is certified in a given PSAP territory, this 911 capability will function the same for the

⁵ See Compliance Plan Public Notice at 3.

⁶ See *Lifeline Reform Order*, ¶ 373.

Company. Telrite also currently enables 911 emergency calling services for all properly activated handsets regardless of whether the account associated with the handset is active or suspended. Finally, the Company transmits all 911 calls initiated from any of its handsets even if the account associated with the handset has no remaining minutes.

E911-Compliant Handsets. Telrite will ensure that all handsets used in connection with the Lifeline service offering are E911-compliant. In point of fact, the Company's phones have always been and will continue to be 911 and E911-compliant. The Company uses phones from AT&T that have been through a stringent certification process with AT&T, which ensures that the handset models used meet all 911 and E911 requirements. As a result, any existing customer that qualifies for and elects Lifeline service will already have a 911/E911-compliant handset, which will be confirmed at the time of enrollment in the Lifeline program. Any new customer that qualifies for and enrolls in the Lifeline program is assured of receiving a 911/E911-compliant handset as well, free of charge.

COMPLIANCE PLAN

I. PROCEDURES TO ENROLL A SUBSCRIBER IN LIFELINE⁷

A. Policy

Telrite complies with the uniform eligibility criteria established in new section 54.409 of the Commission's rules, as well as any additional certification and verification requirements for Lifeline eligibility in states where the Company is designated as an ETC.

⁷ See Compliance Plan Public Notice at 3.

Therefore, all subscribers are required to demonstrate eligibility based at least on: (1) household income at or below 135% of the Federal Poverty Guidelines for a household of that size; or (2) the household's participation in one of the federal assistance programs listed in new sections 54.409(a)(2) or 54.409(a)(3) of the Commission's rules. In addition, through the certification requirements described below, the Company will confirm that the subscriber is not already receiving a Lifeline service and no one else in the subscriber's household is subscribed to a Lifeline service.

B. Eligibility Determination

More than 99 percent of Telrite's customer enrollment is done in-person, as opposed to over the phone or the Internet. Event locations are scheduled using various market or industry data resources. Telrite directs a team of representatives that survey and evaluate potential event locations across its service areas. Additionally, Telrite partners with community organizations, such as civic organizations, churches and food banks to host events in the communities its serves.

All enrollments performed in-person are completed electronically. The use of "paper forms" is prohibited, however, at all times laminated copies of the Lifeline application/certification forms are available for customers to review. Telrite's electronic process uses MiFi hotspots, laptop or net book computers, electronic signature pads and a bar code scanner to complete enrollment in real-time. The electronic order process provides Telrite the opportunity to perform several database checks in real-time during the enrollment process. Specifically, Telrite's systems validate and normalize addresses via "Melissa" data; perform an internal address duplicate check (to ensure that the prospective customer or someone at that address does not currently have Lifeline service

from Telrite); and confirm the customer's identity via Lexis Nexis (using the prospective customer's last name, date of birth and the last four digits of the customer's Social Security number).

As discussed in further detail in Section I.F. below, all employees or representatives ("Company personnel") that conduct such in-person enrollments are trained regarding the eligibility and certification requirements in the *Lifeline Reform Order* and this Compliance Plan, including the one-per-household requirement, and told to inform potential customers of those requirements. New Company personnel undergo an initial mandatory training session where they are given training materials, a field training manual and a compliance manual, as well as shown visual examples of documents acceptable to demonstrate eligibility for the Lifeline program.

If Telrite cannot determine a prospective subscriber's eligibility for Lifeline by accessing income databases or program eligibility databases, Company personnel will review documentation establishing eligibility pursuant to the Lifeline rules.⁸ All personnel who interact with actual or prospective customers will be trained to assist Lifeline applicants in determining whether they are eligible to participate based on the federal and state-specific income-based and/or program-based criteria. These personnel will be trained to answer questions about Lifeline eligibility, and will review required documentation to determine whether it satisfies the *Lifeline Reform Order* and state-specific eligibility requirements using state-specific checklists.

⁸ See *Lifeline Reform Order*, ¶ 100; sections 54.410(b)(1)(i)(B), 54.410(c)(1)(i)(B).

Proof of Eligibility. Company personnel will be trained on acceptable documentation required to establish income-based and program-based eligibility.⁹ Acceptable documentation of program eligibility includes: (1) the current or prior year's statement of benefits from a qualifying state, federal or Tribal program; (2) a notice letter of participation in a qualifying state, federal or Tribal program; (3) program participation documents (*e.g.*, the consumer's Supplemental Nutrition Assistance Program (SNAP) electronic benefit transfer card or Medicaid participation card (or copy thereof)); or (4) another official document evidencing the consumer's participation in a qualifying state, federal or Tribal program.¹⁰

Acceptable documentation of income eligibility includes the prior year's state, federal, or Tribal tax return; current income statement from an employer or paycheck stub; a Social Security statement of benefits; a Veterans Administration statement of benefits; a retirement/pension statement of benefits; an Unemployment/Workmen's Compensation statement of benefits; federal or Tribal notice letter of participation in General Assistance; or a divorce decree, child support award, or other official document containing income information for at least three months time.¹¹

Company personnel will examine this documentation for each Lifeline applicant, and will record the type of documentation used to satisfy the income- or program-based criteria by checking the appropriate box on the application form.¹² In addition, Company personnel will fill in, where available, the last four digits of an account or other

⁹ See *Lifeline Reform Order*, ¶ 101. See also USAC Guidance available at <http://www.usac.org/li/telecom-carriers/step06/default.aspx>.

¹⁰ *Id.* and section 54.410(c)(1)(i)(B).

¹¹ See *Lifeline Reform Order*, ¶101; section 54.410.(b)(1)(i)(B).

¹² See *Lifeline Reform Order*, ¶101; sections 54.410(b)(1)(iii), 54.410(c)(1)(iii).

identifying number on the proof document, the date of the proof document and the expiration of the proof document. The Company will not retain a copy of this documentation, except where state rules require such retention.¹³ Where the Company personnel conclude that proffered documentation is insufficient to establish such eligibility, the Company will deny the associated application and inform the applicant of the reason for such rejection. In the event that Company personnel cannot ascertain whether documentation of a specific type is sufficient to establish an applicant's eligibility, the matter will be escalated to supervisory personnel at the Company's corporate offices in Covington, GA.

De-Enrollment for Ineligibility. If Telrite has a reasonable basis to believe that one of its Lifeline subscribers no longer meets the eligibility criteria, the Company will notify the subscriber of impending termination in writing and in compliance with any applicable state dispute resolution procedures applicable to Lifeline termination, and give the subscriber 30 days to demonstrate continued eligibility.¹⁴ A demonstration of eligibility must comply with the annual verification procedures below and found in new rule section 54.410(f), including the submission of a certification form. If a customer contacts the Company and states that he or she is not eligible for Lifeline or wishes to de-enroll for any reason, the Company will de-enroll the customer within five business days. Customers can make this request by calling the Company's customer service number and will not be required to submit any documents.

¹³ See *Lifeline Reform Order*, ¶101; sections 54.410(b)(1)(ii), 54.410(c)(1)(ii).

¹⁴ See *Lifeline Reform Order*, ¶ 143; section 54.405(e)(1).

C. Subscriber Certifications for Enrollment

The Company will implement certification policies and procedures that enable consumers to demonstrate their eligibility for Lifeline assistance to Company personnel as detailed in the *Lifeline Reform Order*, together with any additional state certification requirements.¹⁵ The Company shares the Commission's concern about abuse of the Lifeline program and is thus committed to the safeguards stated herein, with the belief that these procedures will prevent the Company's customers from engaging in such abuse of the program, inadvertently or intentionally. Every applicant will be required to complete an application/certification form containing disclosures, and collecting certain information and certifications as discussed below.¹⁶ Applicants that seek to enroll based on income eligibility will be referred to a worksheet showing the Federal Poverty Guidelines by household size.¹⁷

Applicants that do not complete the form in person will be required to return the signed application/certification form to the Company by mail, facsimile, electronic mail or other electronic transmission. In addition, Company personnel will verbally explain the certifications to consumers when they are enrolling in person or over the phone.¹⁸

Disclosures. The Company's application and certification forms will include the following disclosures: (1) Lifeline is a federal benefit and willfully making false statements to obtain the benefit can result in fines, imprisonment, de-enrollment or being

¹⁵ *Lifeline Reform Order*, ¶ 61; section 54.410(a).

¹⁶ See Model Application/Certification Form, included as Exhibit A. See Compliance Plan Public Notice at 3.

¹⁷ See Income Eligibility Worksheet, included as Exhibit B.

¹⁸ See *Lifeline Reform Order*, ¶ 123.

barred from the program; (2) only one Lifeline service is available per household; (3) a household is defined, for purposes of the Lifeline program, as any individual or group of individuals who live together at the same address and share income and expenses; (4) a household is not permitted to receive Lifeline benefits from multiple providers; (5) violation of the one-per-household limitation constitutes a violation of the Commission's rules and will result in the applicant's de-enrollment from the program; and (6) Lifeline is a non-transferable benefit and the applicant may not transfer his or her benefit to any other person.¹⁹

Applications and certification forms will also state that: (1) the service is a Lifeline service, (2) Lifeline is a government assistance program, and (3) only eligible consumers may enroll in the program.²⁰

In addition, Telrite will notify the applicant that the prepaid service must be personally activated by the subscriber and the service will be deactivated and the subscriber de-enrolled if the subscriber does not use the service for 60 days.²¹

Information Collection. The Company will also collect the following information from the applicant in the application/certification form: (1) the applicant's full name; (2) the applicant's full residential address (P.O. Box is not sufficient²²); (3) whether the applicant's residential address is permanent or temporary; (4) the applicant's billing address, if different from the applicant's residential address; (5) the applicant's date of birth; (6) the last four digits of the applicant's Social Security number (or the applicant's

¹⁹ See *id.*, ¶ 121; section 54.410(d)(1).

²⁰ See section 54.405(c).

²¹ See *Lifeline Reform Order*, ¶ 257.

²² See *id.*, ¶ 87.

Tribal identification number, if the subscriber is a member of a Tribal nation and does not have a Social Security number); (7) if the applicant is seeking to qualify for Lifeline under the program-based criteria, the name of the qualifying assistance program from which the applicant, his or her dependents, or his or her household receives benefits; and (8) if the applicant is seeking to qualify for Lifeline under the income-based criterion, the number of individuals in his or her household.²³

Applicant Certification. Consistent with new rule section 54.410(d)(3), the Company will require the applicant to certify, under penalty of perjury, in writing or by electronic signature or interactive voice response recording,²⁴ the following: (1) the applicant meets the income-based or program-based eligibility criteria for receiving Lifeline; (2) the applicant will notify the Company within 30 days if for any reason he or she no longer satisfies the criteria for receiving Lifeline including, as relevant, if the applicant no longer meets the income-based or program-based criteria for receiving Lifeline support, the applicant is receiving more than one Lifeline benefit, or another member of the applicant's household is receiving a Lifeline benefit; (3) if the applicant is seeking to qualify for Lifeline as an eligible resident of Tribal lands, he or she lives on Tribal lands; (4) if the applicant moves to a new address, he or she will provide that new address to the Company within 30 days; (5) if the applicant provided a temporary residential address to the Company, the applicant will be required to verify his or her temporary residential address every 90 days; (6) the applicant's household will receive only one Lifeline service and, to the best of the applicant's knowledge, the applicant's household is not already receiving a Lifeline service; (7) the information contained in the

²³ See section 54.410(d)(2).

²⁴ See *Lifeline Reform Order*, ¶¶ 168-69; section 54.419.

applicant's certification form is true and correct to the best of the applicant's knowledge; (8) the applicant acknowledges that providing false or fraudulent information to receive Lifeline benefits is punishable by law; and (9) the applicant acknowledges that the applicant may be required to re-certify his or her continued eligibility for Lifeline at any time, and the applicant's failure to re-certify as to the applicant's continued eligibility will result in de-enrollment and the termination of the applicant's Lifeline benefits pursuant to the de-enrollment policy included below and in the Commission's rules.

In addition, the applicant will be required to authorize the Company to access any records required to verify the applicant's statements on the application/certification form and to confirm the applicant's eligibility for the Company Lifeline credit. The applicant must also authorize the Company to release any records required for the administration of the Company Lifeline credit program, including to USAC to be used in a Lifeline program database.²⁵

D. Annual Verification Procedures

Telrite will annually re-certify all subscribers by querying the appropriate eligibility databases or obtaining a signed certification from each subscriber consistent with the certification requirements above and new section 54.410(d) of the Commission's rules. This certification will include a confirmation that the applicant's household will receive only one Lifeline service and, to the best of the subscriber's knowledge, the

²⁵ See Section 54.404(b)(9). The application/certification form will also describe the information that will be transmitted, that the information is being transmitted to USAC to ensure the proper administration of the Lifeline program and that failure to provide consent will result in the applicant being denied the Lifeline service. See *id.*

subscriber's household is receiving no more than one Lifeline service.²⁶ The Company will notify each participating Lifeline customer annually that he or she must confirm his or her continued eligibility in accordance with the applicable requirements. Further, the verification materials will inform the subscriber that he or she is being contacted to re-certify his or her continuing eligibility for Lifeline and if the subscriber fails to respond, he or she will be de-enrolled in the program.²⁷

2012 Verification. Telrite will re-certify the eligibility of each of its existing subscribers as of June 1, 2012 on a rolling basis by the end of 2012 and report the results to USAC by January 31, 2013.²⁸ The Company will contact its subscribers via text message to their Lifeline supported telephone, or by mail, phone, email or other Internet communication. The notice will explain the actions the customer must take to retain Lifeline benefits, when Lifeline benefits may be terminated, and how to contact the Company.

Verification De-Enrollment. Telrite will de-enroll subscribers that do not respond to the annual verification or fail to provide the required certification.²⁹ The Company will give subscribers 30 days to respond to the annual verification inquiry. If the subscriber does not respond, the Company will send a separate written notice explaining that failure to respond within 30 days will result in the subscriber's de-enrollment from the Lifeline program. If the subscriber does not respond within 30 days, the Company will de-enroll the subscriber within five business days.

²⁶ See *Lifeline Reform Order*, ¶ 120.

²⁷ See *Lifeline Reform Order*, ¶ 145.

²⁸ See *id.*, ¶ 130.

²⁹ See *id.*, ¶ 142; section 54.54.405(e)(4).

E. Activation and Non-Usage

Telrite will not consider a prepaid subscriber activated, and will not seek reimbursement for Lifeline for that subscriber, until the subscriber activates the Company's prepaid service by a method established by Telrite. For activation of a handset provided to a new customer at an event or "in the field", successful applicants are provided a functioning handset and instructed to dial 770-200-1000 to complete the activation process. Such calls are free of charge to the applicant. To activate a handset provided to a successful applicant by mail, upon receipt of the handset, the applicant must contact Telrite customer service at 888-543-3620 or 888-543-3640 to activate the service. The customer must verify their last name, date of birth and last four digits of their Social Security number. The customer must also verify that he or she ordered the Lifeline service. The phone is activated only after that verification process has been completed.

In addition, after service activation, the Company will provide a de-enrollment notice to subscribers that have not used their service for 60 days. After 60 days of non-use, Telrite will provide notice to the subscriber that failure to use the Lifeline service within a 30-day notice period will result in de-enrollment.³⁰ Subscribers can "use" the service by: (1) completing an outbound call; (2) purchasing minutes from the Company to add to the subscriber's plan; (3) answering an incoming call from a party other than the Company; or (4) responding to a direct contact from the Company and confirming that the subscriber wants to continue receiving the service.³¹

³⁰ See *Lifeline Reform Order*, ¶ 257; section 54.405(e)(3).

³¹ See *Lifeline Reform Order*, ¶ 261; section 54.407(c)(2).

If the subscriber does not respond to the notice, the subscriber will be de-enrolled and Telrite will not request further Lifeline reimbursement for the subscriber. The Company will report annually to the Commission the number of subscribers de-enrolled for non-usage by month.³²

F. Additional Measures to Prevent Waste, Fraud and Abuse

To supplement its verification and certification procedures, and to better ensure that customers understand the Lifeline service restrictions with respect to duplicates, the Company will implement measures and procedures to prevent duplicate Lifeline benefits being awarded to the same household. These measures entail additional emphasis in written disclosures as well as live due diligence.

In addition to checking the database when it becomes available, Company personnel will emphasize the “one Lifeline phone per household” restriction in their direct sales contacts with potential customers. Training materials include a discussion of the limitation to one Lifeline phone per household, and the need to ensure that the customer is informed of this restriction.³³ All Company personnel interacting with existing and potential Lifeline customers will undergo training regarding the eligibility and certification requirements in the *Lifeline Reform Order* and this Compliance Plan. New Company personnel undergo an initial mandatory training session where they are given training materials, a field training manual and a compliance manual, as well as shown visual examples of documents acceptable to demonstrate eligibility for the Lifeline program. These training documents are being updated to reflect the

³² See *Lifeline Reform Order*, ¶ 257; section 54.405(e)(3).

³³ See *id.*

requirements of the *Lifeline Reform Order* and this Compliance Plan, and they are provided to existing Company personnel. Telrite also has Compliance and Field Operations teams that investigates possible waste, fraud and abuse by Company personnel or representatives and either resolves the issues or escalates them. Solutions can include additional training, deactivation of credentials, termination and possible legal action.

Finally, on or before May 4, 2012, all Telrite agents and representatives received a Training Bulletin and Fraud Policy, which Telrite also filed with the Commission, designed to remind all Company personnel engaged in enrollment of Lifeline applicants regarding their obligations to explain the one-per-household restriction to Lifeline applicants.

Database. When the National Lifeline Accountability Database (“National Database”) becomes available, Telrite will comply with the requirements of new rule section 54.404. The Company will query the National Database to determine whether a prospective subscriber is currently receiving a Lifeline service from another ETC and whether anyone else living at the prospective subscriber’s residential address is currently receiving Lifeline service.³⁴

³⁴ See *Lifeline Reform Order*, ¶ 203. Company will also transmit to the National Database the information required for each new and existing Lifeline subscriber. See *id.*, ¶¶ 189-195; section 54.404(b)(6). Further, Company will update each subscriber’s information in the National Database within ten business days of any change, except for de-enrollment, which will be transmitted within one business day. See section 54.404(b)(8),(10).

One-Per-Household. Telrite will implement the requirements of the *Lifeline Reform Order* to ensure that it provides only one Lifeline benefit per household³⁵ through the use of its application and certification forms discussed above, database checks and its marketing materials discussed below. Upon receiving an application for the Company's Lifeline service, Telrite validates and normalizes the address provided via the MELISSA database and then the name, address, date of birth and last four digits of the Social Security number are entered into Telrite's internal duplicate database to ensure that it does not already provide Lifeline-supported service to that individual or another person at the same address.³⁶ If so, and the applicant lives at an address with multiple households, the Company will require the applicant to complete and submit a written USAC document containing the following: (1) an explanation of the Commission's one-per-household rule; (2) a check box that an applicant can mark to indicate that he or she lives at an address occupied by multiple households; (3) a space for the applicant to certify that he or she shares an address with other adults who do not contribute income to the applicant's household and share in the household's expenses or benefit from the applicant's income, pursuant to the Commission's definition; and (4) the penalty for a consumer's failure to make the required one-per-household certification (*i.e.*, de-

³⁵ A "household" is any individual or group of individuals who are living together at the same address as one economic unit. A household may include related and unrelated persons. An "economic unit" consists of all adult individuals contributing to and sharing in the income and expenses of a household. An adult is any person eighteen years or older. If an adult has no or minimal income, and lives with someone who provides financial support to him/her, both people shall be considered part of the same household. Children under the age of eighteen living with their parents or guardians are considered to be part of the same household as their parents or guardians. *See Lifeline Reform Order*, ¶ 74; section 54.400(h).

³⁶ *See Lifeline Reform Order*, ¶ 78.

enrollment).³⁷ Further, if a subscriber provides a temporary address on his or her application/certification form collected as described above, the Company will verify with the subscriber every 90 days that the subscriber continues to rely on that address.³⁸

In addition, Company personnel will inform each Lifeline applicant that he or she may be receiving Lifeline support under another name, and facilitate the applicant's understanding of what constitutes "Lifeline-supported services," and ability to determine whether he or she is already benefiting from Lifeline support, by informing the consumer that all Lifeline services may not be currently marketed under the name Lifeline. Telrite also asks each customer whether they are receiving Lifeline service from one of the other major Lifeline providers in the state (*e.g.*, SafeLink, Assurance).

Further, at the time of enrollment, Telrite will check each applicant against a pooled duplicates database established by CGM, LLC. Telrite's subscriber list is currently in the pooled database for other ETCs to check against, and Telrite is building the systems necessary to interface with the pooled database and check for duplicates. Telrite expects to have that application completed in July, 2012.

Finally, Telrite will continue to participate in the In-Depth Validation process with the Commission and USAC to locate and address duplicates between ETCs in various states until the national database is in place.

Marketing Materials. Within the deadline provided in the *Lifeline Reform Order*, the Company will include the following information regarding its Lifeline service on all marketing materials describing the service: (1) it is a Lifeline service, (2) Lifeline is a

³⁷ See *id.* The USAC worksheet is available at <http://www.usac.org/li/tools/news/default.aspx#582>.

³⁸ See *Lifeline Reform Order*, ¶ 89.

government assistance program, (3) the service is non-transferable, (4) only eligible consumers may enroll in the program, (5) the program is limited to one discount per household; (6) that documentation is necessary for enrollment; (7) Telrite's name (the ETC); and (8) the Company's application/certification form will state that consumers who willfully make a false statement in order to obtain the Lifeline benefit can be punished by fine or imprisonment or can be barred from the program.³⁹ These statements will be included in all print, audio video and web materials (including social networking media) used to describe or enroll customers in the Company's Lifeline service offering, as well as the Company's application forms and certification forms.⁴⁰ This specifically includes the Company's website (www.lifewireless.com) and outdoor signage.⁴¹ A sample of the Company's marketing materials is included as Exhibit C.

G. Company Reimbursements From the Fund

To ensure that the Company does not seek reimbursement from the Fund without a subscriber's consent, Telrite will certify, as part of each reimbursement request, that it is in compliance with all of the Commission's Lifeline rules and, to the extent required, has obtained valid certification and verification forms from each of the subscribers for whom it is seeking reimbursement.⁴² Further, the Company will transition the submission of its FCC Forms 497 to the eighth day of each month in order to be reimbursed the same month, and inform USAC, to the extent necessary, to transition its reimbursement process to actual claims rather than projected claims over the course of

³⁹ See *Lifeline Reform Order*, ¶ 275; section 54.405(c).

⁴⁰ *Id.*

⁴¹ *Id.*

⁴² See *Lifeline Reform Order*, ¶ 128; section 54.407(d).

more than one month.⁴³ In addition, the Company will keep accurate records as directed by USAC⁴⁴ and as required by new section 54.417 of the Commission's rules.

H. Annual Company Certifications

Telrite will submit an annual certification to USAC, signed by a Company officer under penalty of perjury, that the Company: (1) has policies and procedures in place to review consumers' documentation of income- and program-based eligibility and ensure that its Lifeline subscribers are eligible to receive Lifeline services;⁴⁵ (2) is in compliance with all federal Lifeline certification procedures;⁴⁶ and (3) has obtained a valid certification form for each subscriber for whom the carrier seeks Lifeline reimbursement.⁴⁷

In addition, the Company will provide the results of its annual re-certifications/verifications on an annual basis to the Commission, USAC, the applicable state commission and the relevant Tribal governments (for subscribers residing on Tribal lands).⁴⁸ Further, as discussed above, the Company will report annually to the Commission the number of subscribers' de-enrolled for non-usage by month.⁴⁹

The Company will also annually report to the Commission, USAC, and relevant state commissions and the relevant authority in a U.S. territory or Tribal government as

⁴³ See *Lifeline Reform Order*, ¶¶ 302-306.

⁴⁴ See *id.*

⁴⁵ See *id.*, ¶ 126; section 54.416(a)(1).

⁴⁶ See *Lifeline Reform Order*, ¶ 127; section 54.416(a)(2).

⁴⁷ See section 54.416(a)(3).

⁴⁸ See *Lifeline Reform Order*, ¶¶ 132,148; section 54.416(b).

⁴⁹ See *Lifeline Reform Order*, ¶ 257; section 54.405(e)(3).

appropriate,⁵⁰ the company name, names of the company's holding company, operating companies and affiliates, and any branding (such as a "dba" or brand designation) as well as relevant universal service identifiers for each entity by Study Area Code.⁵¹ The Company will report annually information regarding the terms and conditions of its Lifeline plans for voice telephony service offered specifically for low income consumers during the previous year, including the number of minutes provided and whether there are additional charges to the consumer for service, including minutes of use and/or toll calls.⁵² Finally, the Company will annually provide detailed information regarding service outages in the previous year, the number of complaints received and certification of compliance with applicable service quality standards and consumer protection rules, as well as a certification that the Company is able to function in emergency situations.⁵³

I. Cooperation with State and Federal Regulators

The Company has cooperated and will continue to cooperate with federal and state regulators to prevent waste, fraud and abuse. More specifically, the Company will:

- Make available state-specific subscriber data, including the names and addresses of Lifeline subscribers, to USAC and to each state public utilities commission where the Company operates for the purpose of determining whether an existing Lifeline subscriber receives Lifeline service from another carrier;⁵⁴
- Assist the Commission, USAC, state commissions, and other ETCs in resolving instances of duplicative enrollment by Lifeline subscribers, including by providing to USAC and/or any state commission, upon

⁵⁰ See *Lifeline Reform Order*, section 54.422(c).

⁵¹ See *Lifeline Reform Order*, ¶¶ 296, 390; section 54.422(a).

⁵² See *Lifeline Reform Order*, ¶ 390; section 54.422(b)(5).

⁵³ See *Lifeline Reform Order*, ¶ 389; section 54.422(b)(1)-(4).

⁵⁴ The Company anticipates that the need to provide such information will sunset following the implementation of the national duplicates database.

request, the necessary information to detect and resolve duplicative Lifeline claims;

- Promptly investigate any notification that it receives from the Commission, USAC, or a state commission to the effect that one of its customers already receives Lifeline services from another carrier; and
- Immediately de-enroll any subscriber whom the Company has a reasonable basis to believe⁵⁵ is receiving Lifeline-supported service from another ETC or is no longer eligible – whether or not such information is provided by the Commission, USAC, or a state commission.

II. Description of Lifeline Service Offerings⁵⁶

Telrite will offer its Lifeline service in the states where it is designated as an ETC⁵⁷ and throughout the coverage area of its underlying provider AT&T. The Company's Lifeline offering in each state where the Company has been designated as an ETC provides customers with their choice of 125 or 250 anytime prepaid minutes per month at no charge. Minutes do not expire for the 125 minute plan and unused minutes are rolled over to the next month. Unused minutes for the 250 minute plan do not roll over. Text messaging is available at the rate of:

- 125 Minute Plan: 1/2 minute (*i.e.*, 2 SMS texts per voice minute)
- 250 Minute Plan 1 minute (*i.e.*, 1 SMS per voice minute)

⁵⁵ See section 54.405(e)(1).

⁵⁶ See Compliance Plan Public Notice at 3.

⁵⁷ The Company is currently designated as an ETC in Arkansas, Illinois, Louisiana, West Virginia, Rhode Island, Puerto Rico, Missouri, Maryland, Georgia & Minnesota.

Lifeline customers can purchase additional bundles of minutes in denominations of \$10.00, \$25.00, \$7.95, \$12.95, \$21.49 and \$29.95.⁵⁸ Airtime, when used for standard cellular calls, is valued at and will be decremented at the following rates:

- 1) \$10.00 denomination - \$0.099 per minute of use;
- 2) \$25.00 denomination - \$0.0708 per minute of use;
- 3) \$7.95 denomination - 3 day Unlimited Talk and SMS;
- 4) \$12.95 denomination - 1 week Unlimited Talk and SMS;
- 5) \$21.95 denomination – 2 weeks Unlimited Talk and SMS;
- 6) \$29.95 denomination – 1 month Unlimited Talk and SMS;

Airtime “top-up” minutes are available for purchase at the Company’s retail locations, through any Money Gram location and on the Company’s website.⁵⁹ Additional information regarding the Company’s plans, rates and services can be found on its website: www.lifewireless.com.

In addition to free voice services, Telrite’s Lifeline plan will include a free handset and custom calling features at no charge, including Caller ID, Call Waiting, Call Forwarding, 3-Way Calling, Voice Mail, No Roaming charges and free access to Customer Care by dialing 611 from customers’ Life Wireless handset or by dialing 1-888-543-3620 from any wireline phone. All plans include domestic long-distance at no extra per minute charge. Calls to 911 emergency services are always free, regardless of service activation or availability of minutes.

⁵⁸ The \$29.95 rate for unlimited talk and text is available only to Life Wireless customers that purchase online or by calling Telrite customer service. The retail rate available in stores is \$42.95, which is set to be reduced to a yet undetermined rate.

⁵⁹ Top-up minutes are provided using the PureTalk USA and Pure Unlimited brands, by Puretalk Holdings, LLC, a sister company of Telrite with common ownership, though not technically an affiliate.

III. Demonstration of Financial and Technical Capabilities and Certifications Required for ETC Designation⁶⁰

Financial and Technical Capabilities. Revised Commission rule 54.202(a)(4), 47 C.F.R. 54.202(a)(4), requires carriers petitioning for ETC designation to demonstrate financial and technical capability to comply with the Commission's Lifeline service requirements.⁶¹ The Compliance Plan Public Notice requires that carriers' compliance plan include this demonstration. Among the factors the Commission will consider are: a carrier's prior offering of service to non-Lifeline subscribers, the length of time the carrier has been in business, whether the carrier relies exclusively on Lifeline reimbursement to operate, whether the carrier receives revenues from other sources and whether the carrier has been the subject of an enforcement action or ETC revocation proceeding.

Telrite has been offering Lifeline service to customers since October, 2010. Telrite also offers several other telecommunication services in addition to its Lifeline service. In 2011, the wireline services offered by Telrite produced substantial net income. This revenue was generated from more than 30,000 customers of Telrite's local and long distance service, which Telrite has been providing for over 10 years. In sum, Telrite has access to sufficient funds to run its business and is not solely dependent on reimbursements from the Fund. Telrite recently entered into a consent decree with the

⁶⁰ See Compliance Plan Public Notice at 3.

⁶¹ See *Lifeline Reform Order*, ¶¶ 387-388 (revising Commission rule 54.202(a)(4)).

Enforcement Bureau relating to an investigation begun in 2004.⁶² The Company has not been subject to enforcement sanctions or ETC revocation proceedings in any state.

Service Requirements Applicable to the Company's Support. The Compliance Plan Public Notice requires carriers to include "certifications required under newly amended section 54.202 of the Commission's rules."⁶³ Telrite certifies that it will comply with the service requirements applicable to the support the Company receives.⁶⁴ Telrite provides all of the telecommunications service supported by the Lifeline program and will make the services available to all qualified consumers throughout the states in which it is designated as an ETC. The Company's services include voice telephony services that provide voice grade access to the public switched network or its functional equivalent. Further, the Company's service offerings provide its customers with minutes of use for local service at no charge to the customer. The Company will offer a set number of minutes of local exchange service free of charge to its subscribers. Telrite's current Lifeline offerings include packages in Section II *supra* that can be used for local and domestic toll service.

The Company also will provide access to emergency services provided by local government or public safety officials, including 911 and E911 where available and will comply with any Commission requirements regarding E911-compatible handsets. As discussed above, the Company will comply with the Commission's forbearance grant conditions relating to the provision of 911 and E911 services and handsets.

⁶² See Telrite Corporation, File No. EB-05-1H-2348, Order and Consent Decree, DA 12-612 (rel. Apr. 18, 2012).

⁶³ Compliance Plan Public Notice at 3.

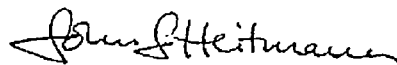
⁶⁴ 47 C.F.R. § 54.202(a)(1).

Finally, Telrite will not provide toll limitation service ("TLS"), which allows low income consumers to avoid unexpected toll charges. However, since the Company is a prepaid service provider, customers cannot be disconnected for failure to pay toll charges, nor are there additional charges for exceeding their minutes. Further, the Company, like most wireless carriers, does not differentiate domestic long distance toll usage from local usage and all usage is paid for in advance. Pursuant to the *Lifeline Reform Order*, subscribers to such services are not considered to have voluntarily elected to receive TLS.⁶⁵

IV. Conclusion

Telrite submits that its Compliance Plan fully satisfies the conditions set forth in the Commission's *Lifeline Reform Order*, the Compliance Plan Public Notice and the Lifeline rules. Accordingly, the Company respectfully requests that the Commission expeditiously approve its Compliance Plan.

Respectfully submitted,



John J. Heitmann
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(202) 342-8544

Counsel to Telrite Corporation

July 27, 2012

⁶⁵ See *Lifeline Reform Order*, ¶ 230.

EXHIBIT A



Life Wireless

Georgia Wireless Lifeline Service Application and Certification

Mail or Fax completed and signed form to

Telrite Corporation / Life Wireless

PO Box 2840 Covington, GA 30015

FAX: 1-866-770-6110 / EMAIL: lwforms@lifewireless.com

A complete and signed Lifeline Service Application and Certification ("Certification") is required to enroll you in Telrite Corporation / Life Wireless' Lifeline service program in your state. This Certification is only for the purpose of verifying your eligibility for Lifeline service and will not be used for any other purpose. Service requests will not be processed until this Form has been received and verified by Company.

One Lifeline service per household disclosures: Lifeline is a government assistance program and willfully making false statements to obtain a Lifeline benefit can result in fines, imprisonment, de-enrollment or being barred from the program. Lifeline benefits are limited to a single line of service per household. A household is defined, for purposes of the Lifeline program, as any individual or group of individuals who live together at the same address and share income and expenses. A household may not receive multiple Lifeline discounts. You may apply your Lifeline discount to either one landline or one wireless number, but you cannot have the discount on both and you cannot receive Lifeline benefits from multiple providers. Note that not all Lifeline services are currently marketed under the name Lifeline. Lifeline is a non-transferable benefit and you may not transfer your benefit to any other person, including another eligible low-income consumer. Violation of the one-per-household limitation constitutes a violation of the Federal Communications Commission's rules and will result in your de-enrollment from the program, and potentially prosecution by the United States Government.

I hereby certify that I have read and understood the disclosures listed above and that, to the best of my knowledge, my household is not already receiving a Lifeline service benefit.

Customer eligibility certification: I hereby certify that I participate in at least one of the following programs (check one):

- | | |
|---|---|
| <input type="checkbox"/> Supplemental Nutrition Assistance Program (SNAP) | <input type="checkbox"/> Income at or below 135% of Federal Poverty Guidelines |
| <input type="checkbox"/> Section 8 Federal Public Housing Assistance (FPHA) | <input type="checkbox"/> Food Distribution Program on Indian Reservations (FDPPIR) |
| <input type="checkbox"/> Medicaid (not Medicare) | <input type="checkbox"/> Bureau of Indian Affairs General Assistance (BIA) |
| <input type="checkbox"/> Supplemental Security Income (SSI) | <input type="checkbox"/> Tribally Administered TANF (TATNF) |
| <input type="checkbox"/> Temporary Assistance for Needy Families (TANF) | <input type="checkbox"/> Head Start (meeting income qualifying standards) |
| <input type="checkbox"/> Low Income Home Energy Assistance Program (LIHEAP) | <input type="checkbox"/> Senior Citizen Low Income Discount Offered by Local Gas or Power Company |
| <input type="checkbox"/> National School Lunch Program's free lunch program | |

Tribal eligibility:

I hereby certify that I reside on Federally-recognized Tribal lands.

Customer Application Information:

First Name: _____ Middle Name: _____ Last Name: _____
Date of Birth: Month: ___ Day: ___ Year: _____ Last Four Digits of Social Security Number (or Tribal ID Number): _____
If Qualifying for Lifeline by Income, number of Individuals in Household: _____
Home Telephone Number (if available): _____

Residential Address (P.O. Box NOT sufficient)

Number: _____ Apt: _____ Street: _____ City: _____
State: _____ Zip Code: _____
Address is (choose one): Permanent Temporary

Billing Address (if different from Residential Address) (P.O. Box IS sufficient)

Number: _____ Apt: _____ Street: _____ City: _____
State: _____ Zip Code: _____

Multiple households sharing and address:

I hereby certify that I reside at an address occupied by multiple households, including adults who do not contribute income to my household and/or share in my household's expenses, and I will complete a separate additional form.

Activation and usage requirement disclosures: This service is a prepaid service and you must personally activate it by calling 770-200-1000. To keep your account active, you must use your Lifeline service at least once during any 60 day period by completing an outbound call, purchasing additional minutes from Company, answering an in-bound call from someone other than

Company, or by responding to a direct contact from Company confirming that you want to continue receiving Lifeline service from Company. If your service goes unused for 60 days, you will no longer be eligible for Lifeline benefits and your service will be suspended (allowing only 911 calls and calls to the Company's customer care center) subject to a 30 day cure period during which you may use the service (as described above) or contact the Company to confirm that you want to continue receiving Lifeline service from Company.

I hereby certify that I have read and understood the disclosures listed above regarding activation and usage requirements.

Authorizations:

I hereby authorize the Company to access any records required to verify my statements on this form and to confirm my eligibility for the Lifeline program. I also authorize the Company to release any records required for the administration of the Lifeline program (e.g., name, telephone number and address), including to the Universal Service Administrative Company, to be used in a Lifeline database and to ensure the proper administration of the Lifeline Program. Failure to consent will result in denial of service.

Additional certifications: I hereby certify, under penalty of perjury, that (check each box):

- I meet the income-based or program-based eligibility criteria for receiving Lifeline service and have provided documentation of eligibility if required
- I will notify the Company within 30 days if for any reason I no longer satisfy the criteria for receiving Lifeline including, as relevant, if I no longer meet the income-based or program-based eligibility criteria, I begin receiving more than one Lifeline benefit, or another member of my household is receiving a Lifeline benefit. I understand that I may be subject to penalties if I fail to follow this requirement
- I am not listed as a dependent on another person's tax return (unless over the age of 60)
- The address listed below is my primary residence, not a second home or business
- If I move to a new address, I will provide that new address to the Company within 30 days
- If I provided a temporary residential address to the Company, I will verify my temporary residential address every 90 days
- I acknowledge that providing false or fraudulent information to receive Lifeline benefits is punishable by law
- I acknowledge that I may be required to re-certify my continued eligibility for Lifeline at any time, and my failure to re-certify as to my continued eligibility within 30 days will result in de-enrollment and the termination of my Lifeline benefits
- The information contained in this certification form is true and correct to the best of my knowledge

Applicant's Signature: _____ Date: _____

For Agent Use Only (check only 1 eligibility category and only 1 box under that category; do not copy or retain documentation):

<p>Documents Acceptable Proof for Income-Eligibility:</p> <ul style="list-style-type: none"> <input type="checkbox"/> The prior year's state, federal, or Tribal tax return <input type="checkbox"/> Current income statement from an employer or paycheck stub <input type="checkbox"/> A Social Security statement of benefits <input type="checkbox"/> A Veterans Administration statement of benefits <input type="checkbox"/> A retirement/pension statement of benefits <input type="checkbox"/> An Unemployment/Workmen's Compensation statement of benefits <input type="checkbox"/> Federal or Tribal notice letter of participation in General Assistance, or <input type="checkbox"/> A divorce decree, child support award, or other official document containing income information for at least three months time <p>Documents Acceptable Proof for Program-Eligibility (choose 1 from each list A and B below)</p> <p>List A - Choose 1</p> <ul style="list-style-type: none"> <input type="checkbox"/> Supplemental Nutrition Assistance Program (SNAP) <input type="checkbox"/> Medicaid <input type="checkbox"/> Section 8 Federal Public Housing Assistance (FPHA) <input type="checkbox"/> Supplemental Security Income (SSI) <input type="checkbox"/> Temporary Assistance for Needy Families (TANF) <input type="checkbox"/> Low Income Home Energy Assistance Program (LIHEAP) <input type="checkbox"/> National School Lunch Program's free lunch program <input type="checkbox"/> Food Distribution Program on Indian Reservations (FDPIR) <input type="checkbox"/> Bureau of Indian Affairs General Assistance (BIA) <input type="checkbox"/> Tribally Administered TANF (TATNF) <input type="checkbox"/> Head Start (meeting income qualifying standards) <input type="checkbox"/> Senior Citizen Low Income Discount Offered by Local Gas or Power Company 	<p>List B - Choose 1</p> <ul style="list-style-type: none"> <input type="checkbox"/> Program Participation card/document <input type="checkbox"/> Prior year's statement of benefits <input type="checkbox"/> Notice letter of participation <input type="checkbox"/> Other official qualifying document: _____ <p>Last 4 digits of Document from List B: _____</p> <p>Date of Proof Document: _____/_____/_____</p> <p>Expiration Date of Proof Document: _____/_____/_____</p>
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Applicant Account Number	Rep./Agent Signature

EXHIBIT B



Life Wireless Lifeline Service Application Income Eligibility Worksheet

Individuals in all states are able to enroll in the Lifeline program by demonstrating that their household's annual income is at or below 135% of the Federal Poverty Guidelines. This table should be used to determine whether a Lifeline applicant is eligible for Lifeline service based on the number of individuals in the applicant's household and the applicant's household annual income:

HOUSEHOLD SIZE	INCOME LEVEL
1	\$15,080
2	\$20,426
3	\$25,772
4	\$31,118
5	\$36,464
6	\$41,810
7	\$47,156
8	\$52,502
For each additional person	Add \$5,346

Applicants must list the number of individuals in the applicant's household on the Lifeline application form. Applicants seeking to qualify for Lifeline service based on their household income must present one of the following documents in order to prove eligibility:

- the prior year's state, federal, or Tribal tax return
- current income statement from an employer or paycheck stub
- a Social Security statement of benefits
- a Veterans Administration statement of benefits
- a retirement/pension statement of benefits
- an Unemployment/Workmen's Compensation statement of benefits
- Federal or Tribal notice letter of participation in General Assistance
- a divorce decree, child support award, or other official document containing income information for at least three months time

This is a Lifeline service provided Telrite Corporaton. Lifeline is a government assistance program. Only one Lifeline service is available per household. Households are not permitted to receive multiple Lifeline benefits whether they are from one or multiple companies, wireless or wireline. Proof of eligibility is required for enrollment and only eligible customers may enroll in Lifeline service. Consumers who willingly make false statements to obtain the benefit can be punished by fine or imprisonment or can be barred from the program. Lifeline is a non-transferable benefit. Lifeline customers may not transfer their benefits to any other person.

EXHIBIT C

Welcome!



Life Wireless Customer you will receive FREE Minutes each month on your anniversary date. Unused minutes will roll-over to the next month and never expire as long as your account remains active. Must make at least one call each 60 days to keep your service active.*

Life Wireless Features:

- Nationwide Calling
- Text Messaging
- Caller ID
- Voicemail
- Rollover Minutes
- Affordable Recharge Plans
- Free 911 Service



Life Wireless is a Lifeline supported service, a government assistance program. Only eligible customers may enroll in the program. See if you qualify for a free phone with free monthly service! Service is limited to one discount per household, consisting of either wireline or wireless service. Forms of documentation necessary for enrollment are listed on reverse. Service is non-transferable.

Recharge With Pure Unlimited

If you need more than the allotted free minutes each month, Life Wireless has partnered with Pure Unlimited to offer you recharge cards in the following denominations.

3 Day Unlimited Talk & Text	1 Week Unlimited Talk & Text	2 Week Unlimited Talk & Text	1 Month Unlimited Talk & Text
\$7.95	\$12.95	\$21.49	\$42.95

\$10 and \$25 Recharge Cards Also Available at 9.9¢ per minute and 5¢ per text.

Pure Unlimited recharge cards are available in many retail establishments or online at

www.lifewireless.com

We Accept MoneyGram International Money Transfer

Receive Code: 7924

Things to know:

- Lifeline benefits are limited to a single line of service per household. You may not receive multiple Lifeline or Link Up discounts. You may apply your Lifeline discount to either one landline or one wireless number, but you cannot have the discount on both.
- Customers must present Photo ID and Proof of Benefit to obtain service.
- **To complete the activation process you must power on your phone and place a call to 770-200-1000.**
- If you have further questions or concerns, Life Wireless Customer Service is ready to help. Agents are available 7 days a week from 8:00 am to Midnight EST at
1-888-543-3620

IMPORTANT: consumers who willfully make a false statement in order to obtain the Lifeline benefit can be punished by fine or imprisonment or can be barred from the program.



www.lifewireless.com

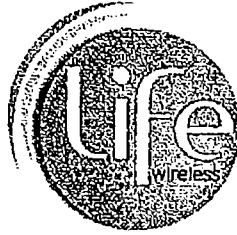
Telrite Corporation is an Eligible Telecommunications Carrier (ETC), doing business as Life Wireless.



*Rollover is contingent upon the minutes program and that not all free minute plans contain rollover minutes

Forms of documentation necessary for enrollment: All subscribers will be required to demonstrate eligibility based at least on (1) Household Income at or below 135% of Fed Poverty guidelines for a household of that size; OR (2) the household's participation in one of the federal assistance programs. 1 - current or prior year's statement of benefits from a qualifying state, federal or Tribal program. 2 - a notice letter of participation in a qualifying state, federal or Tribal program. 3 - program participation documents (eg: consumers SNAP card, Medicaid card, or copy thereof). 4 - other official document evidencing the consumer's participation in a qualifying state, federal or Tribal program. Income eligibility: Prior Year's state, federal or Tribal tax return, current income statement from an employer or paycheck, Social Security statement of benefits, Veterans Administration statement of benefits, Retirement/pension statement of benefits, Unemployment / Workmen's comp statement of benefits, Federal or Tribal notice letter of participation in General Assistance, Divorce decree, child support award, or other official document containing income information for at least three (3) months time. Life Wireless will NOT retain a copy of this documentation. \$42.95 Unlimited cards is good for 1 month of Unlimited Talk & Text. \$21.49 Unlimited card is good for 14 days of Unlimited Talk & Text. \$12.95 Unlimited card is good for 7 days of Unlimited Talk & Text. \$7.95 Unlimited card is good for 3 days of Unlimited Talk & Text. Upon expiration of Unlimited Card, you must add a new recharge card of any denomination to continue service. \$10 and \$25 recharge cards available at a rate of 9.9¢ per minute and 5¢ per text. Pure Unlimited recharge cards valid for Pure Unlimited or Life Wireless phones/service only. Rates and fees subject to change.

FREE PHONE



WITH FREE MONTHLY SERVICE!

Life Wireless is a Lifeline supported service, a government assistance program. Only eligible customers may enroll in the program. See if you qualify for a free phone with free monthly service! Service is limited to one discount per household, consisting of either wireline or wireless service. Forms of documentation necessary for enrollment are listed below. Service is non-transferable.

Life Wireless Features:

- Nationwide Calling
- Text Messaging
- Caller ID
- Voicemail
- Rollover Minutes
- Affordable Recharge Plans



IMPORTANT: consumers who willfully make a false statement in order to obtain the Lifeline benefit can be punished by fine or imprisonment or can be barred from the program.

Need more minutes? Recharge With Pure Unlimited

As Low As **\$7.95**



1 Week Unlimited Talk & Text	2 Week Unlimited Talk & Text	1 Month Unlimited Talk & Text
\$12.95	\$21.49	\$42.95

\$10 and \$25 Recharge Cards Also Available!

1-888-543-3620



Forms of documentation necessary for enrollment: All subscribers will be required to demonstrate eligibility based at least on (1) Household Income at or below 135% of Fed Poverty guidelines for a household of that size; OR (2) the household's participation in one of the federal assistance programs. 1 - current or prior year's statement of benefits from a qualifying state, federal or Tribal program. 2 - a notice letter of participation in a qualifying state, federal or Tribal program. 3 - program participation documents (eg: consumer's SNAP card, Medicaid card, or copy thereof). 4 - other official document evidencing the consumer's participation in a qualifying state, federal or Tribal program. Income eligibility: Prior Year's state, federal or Tribal tax return, current income statement from an employer or paycheck, Social Security statement of benefits, Veterans Administration statement of benefits, Retirement/pension statement of benefits, Unemployment / Worker's comp statement of benefits, Federal or Tribal notice letter of participation in General Assistance, Divorce decree, child support award, or other official document containing income information for at least three (3) months time. Life Wireless will NOT retain a copy of this documentation. \$42.95 Unlimited card is good for 1 month of Unlimited Talk & Text. \$21.49 Unlimited card is good for 14 days of Unlimited Talk & Text. \$12.95 Unlimited card is good for 7 days of Unlimited Talk & Text. \$7.95 Unlimited card is good for 3 days of Unlimited Talk & Text. Upon expiration of Unlimited Card, you must add a new recharge card of any denomination to continue service. \$10 and \$25 recharge cards available at a rate of 9.9¢ per minute and 6¢ per text. Pure Unlimited recharge cards valid for Pure Unlimited or Life Wireless phones/service only. Rates and fees subject to change.

Telrite Corporation is an Eligible Telecommunications Carrier (ETC), doing business as Life Wireless.

FREE CELL PHONE

with FREE Monthly Service



1-888-543-3620

www.LifeWireless.com

Life Wireless is a Lifeline supported service, a government assistance program. Only eligible customers may enroll in the program. See if you qualify for a free phone with free monthly service. Service is limited to one discount per household, consisting of either wireline or wireless service. Forms of documentation necessary for enrollment are listed below. Service is non-transferable.



IMPORTANT: consumers who willfully make a false statement in order to obtain the Lifeline benefit can be punished by fine or imprisonment or can be barred from the program.

Affordable UNLIMITED Recharge Plans



As Low As
\$7.95

Telrite Corporation is an Eligible Telecommunications Carrier (ETC) doing business as Life Wireless.

Forms of documentation necessary for enrollment: All subscribers will be required to demonstrate eligibility based at least on: (1) Household income at or below 135% of Fed Poverty guidelines for a household of that size; OR (2) the household's participation in one of the federal assistance programs: 1. current or prior year's statement of benefits from a qualifying state, federal or tribal program; 2. a notice letter of participation in a qualifying state, federal or tribal program; 3. program participation documents (eg. consumers SNAP card, Medicaid card, or copy thereof); 4. other official document evidencing the consumer's participation in a qualifying state, federal or tribal program; Income eligibility: Prior year's state, federal or tribal tax return; current income statement from an employer or paycheck; Social Security statement of benefits; Veterans Administration statement of benefits; Retirement/pension statement of benefits; Unemployment/Workman's comp statement of benefits; Federal or Tribal notice letter of participation in General Assistance; Divorce decree, child support award, or other official document containing income information for at least three (3) months time. Life Wireless will NOT retain a copy of this documentation.

Come to the LIFE WIRELESS booth for more details!

Your submission has been accepted

ECFS Filing Receipt - Confirmation number: 2012727104465		
Proceedings		
Name	Subject	
09-197	Telecommunications Carriers Eligible to Receive Universal Service Support	
11-42	In the Matter of Federal-State Joint Board on Universal Service Lifeline and Link Up Lifeline and Link Up Reform and Modernization.	
Contact Info		
Name of Filer: Telrite Corporation		
Attorney/Author Name: John Heitmarn		
Lawfirm Name: Kelley Drye & Warren LLP (required if represented by counsel):		
Address		
Address For: Law Firm		
Address Line 1: 3050 K Street NW		
Address Line 2: Suite 400		
City: Washington		
State: DISTRICT OF COLUMBIA		
Zip: 20007		
Details		
Small Business Impact: NO		
Type of Filing: OTHER		
Document(s)		
File Name	Custom Description	Size
Telrite_CompliancePlan.pdf	Compliance Plan	1 MB
Disclaimer		
<p>This confirmation verifies that ECFS has received and accepted your filing. However, your filing will be rejected by ECFS if it contains macros, passwords, redlining, read-only formatting, a virus, or automated links to other documents.</p> <p>Filings are generally processed and made available for online viewing within one business day of receipt. You may use the link below to check on the status of your filing: http://apps.fcc.gov/ecfs/comment/confirm?confirmation=2012727104465</p> <p>For any problems please contact the Help Desk at 202-418-0193.</p>		

Exhibit D
CTIA Consumer Code

CTIA

Consumer Code *for* Wireless Service

To provide consumers with information to help them make informed choices when selecting wireless service, the CTIA and the wireless carriers that are signatories below have developed the following Consumer Code. The carriers that are signatories to this Code have voluntarily adopted the principles, disclosures, and practices here for wireless service provided to individual consumers, including voice, messaging, and data services sold either on a postpaid or prepaid basis.

THE WIRELESS CARRIERS THAT ARE SIGNATORIES TO THIS CODE WILL:

ONE

DISCLOSE RATES AND TERMS OF SERVICE TO CONSUMERS

For each service plan offered to new consumers, wireless carriers will disclose to consumers at point of sale and on their web sites, at least the following information, as applicable: (a) the coverage area for the service; (b) any activation or initiation fee; (c) the monthly access fee or base charge; (d) the amount and nature of any voice, messaging, or data allowances included in the plan (such as night and weekend minutes); (e) the charges for domestic usage in excess of any included allowances or outside of the coverage area; (f) for prepaid service plans, the period of time during which any balance is available for use; (g) whether there are prohibitions on data service usage and whether there are network management practices that will have a material impact on the customer's wireless data experience; (h) whether any additional taxes, fees or surcharges apply; (i) the amount or range of any such fees or surcharges that are collected and retained by the carrier; (j) the amount or nature of any late payment fee; (k) whether a fixed-term contract is required and its duration; (l) the amount and nature of any early termination fee that may apply; and (m) the trial

period during which a consumer may cancel service without any early termination fee, as long as the consumer complies with any applicable return policy.

TWO

MAKE AVAILABLE MAPS SHOWING WHERE SERVICE IS GENERALLY AVAILABLE

Wireless carriers will make available at point of sale and on their web sites maps depicting approximate domestic coverage applicable to each of their service plans currently offered to consumers. To enable consumers to make comparisons among carriers, these maps will be generated using generally accepted methodologies and standards to depict the carrier's outdoor coverage. All such maps will contain or link to an appropriate legend concerning limitations and/or variations in wireless coverage and map usage, including any geographic limitations on the availability of any services included in the plan. Wireless carriers will periodically update such maps as necessary to keep them reasonably current. If necessary to show the extent of service coverage available to customers from carriers' roaming partners, carriers will request and incorporate coverage maps from roaming partners that are generated using similar industry-accepted criteria, or if such information is not available, incorporate publicly available information regarding roaming partners' coverage areas.

THREE

PROVIDE CONTRACT TERMS TO CUSTOMERS AND CONFIRM CHANGES IN SERVICE

When a customer initiates new service or a change in existing service, the carrier will provide or confirm any new material terms and conditions of the ongoing service with the customer.

FOUR

ALLOW A TRIAL PERIOD FOR NEW SERVICE

When a customer initiates postpaid service with a wireless carrier, the customer will be informed of and given a period of not less than 14 days to try out the service. The carrier will not impose an early termination fee if the customer cancels service within this period, provided that the customer complies with applicable return and/or exchange policies. Other charges, including usage charges, may still apply.

FIVE

PROVIDE SPECIFIC DISCLOSURES IN ADVERTISING

In advertising of prices for wireless service plans or devices, wireless carriers will disclose material charges and conditions related to the advertised prices and services, including if applicable and to the extent the advertising medium reasonably allows: (a) whether activation or initiation fees apply; (b) monthly access fees or base charges; (c) the amount and nature of any voice, messaging, or data service allowances included in the plan; (d) the charges for any domestic usage in excess of any included allowances or outside of the coverage area; (e) for prepaid service plans, the period of time during which any balance is available for use; (f) whether there are network management practices that will have a material impact on the customer's wireless data experience; (g) whether any additional taxes, fees or surcharges apply; (h) the amount or range of any such fees or surcharges that are collected and retained by the carrier; (i) whether a fixed-term contract is required and its duration; (j) early termination fees; (k) the terms and conditions related to receiving a product or service for "free;" (l) for any service plan advertised as "nationwide," (or using similar terms), the carrier will have available substantiation for this claim; and (i) whether prices or benefits apply only for a limited time or promotional period and, if so, whether any different fees or charges will apply for the remainder of the contract term.

SIX

SEPARATELY IDENTIFY CARRIER CHARGES FROM TAXES ON BILLING STATEMENTS

On customers' bills, carriers will distinguish (a) monthly charges for service and features, and other charges collected and retained by the carrier, from (b) taxes, fees and other charges collected by the carrier and remitted to federal state or local governments. Carriers will not label cost recovery fees or charges as taxes.

SEVEN

PROVIDE CUSTOMERS THE RIGHT TO TERMINATE SERVICE FOR CHANGES TO CONTRACT TERMS

Carriers will not modify the material terms of their postpaid customers' contracts in a manner that is materially adverse to those customers without providing a reasonable

advance notice of a proposed modification and allowing those customers a time period of not less than 14 days to cancel their contracts with no early termination fee.

EIGHT

PROVIDE READY ACCESS TO CUSTOMER SERVICE

Customers will be provided a toll-free telephone number to access a carrier's customer service during normal business hours. Customer service contact information will be provided to customers online and on billing statements. Each wireless carrier will provide information about how customers can contact the carrier in writing, by toll-free telephone number, via the Internet or otherwise with any inquiries or complaints, and this information will be included, at a minimum, on all billing statements, in written responses to customer inquiries and on carriers' web sites. Each carrier will also make such contact information available, upon request, to any customer calling the carrier's customer service departments.

NINE

PROMPTLY RESPOND TO CONSUMER INQUIRIES AND COMPLAINTS RECEIVED FROM GOVERNMENT AGENCIES

Wireless carriers will respond in writing to state or federal administrative agencies within 30 days of receiving written consumer complaints from any such agency.

TEN

ABIDE BY POLICIES FOR PROTECTION OF CUSTOMER PRIVACY

Each wireless carrier will abide by a policy regarding the privacy of customer information in accordance with applicable federal and state laws, and will make available to the public its privacy policy concerning information collected online. Each wireless carrier will abide by the CTIA Best Practices and Guidelines for Location-Based Services.

ELEVEN

PROVIDE CONSUMERS WITH FREE NOTIFICATIONS FOR VOICE, DATA AND MESSAGING USAGE, AND INTERNATIONAL ROAMING

Each wireless provider will provide, at no charge: (a) a notification to consumers of currently-offered and future domestic wireless plans that include limited data allowances when consumers approach and exceed their allowance for data usage and will incur overage charges; (b) a notification to consumers of currently-offered and future domestic voice and messaging plans that include limited voice and messaging allowances when consumers approach and exceed their allowance for those services and will incur overage charges; and (c) a notification to consumers without an international roaming plan/package whose devices have registered abroad and who may incur charges for international usage. Wireless providers will generate the notifications described above to postpaid consumers based on information available at the time the notification is sent. Wireless consumers will not have to affirmatively sign up in order for these notifications to be sent. Each wireless provider shall provide its customers at least two of these alerts by October 17, 2012 and all of these alerts by April 17, 2013. Wireless providers will clearly and conspicuously disclose tools or services that enable consumers to track, monitor and/or set limits on voice, messaging and data usage.

Exhibit E

Officers

Telrite Corporation Officers and Directors:

Officers:

President - Brian Lisle

Vice President - Brian Rathman

Secretary - Michael Geoffroy

CEO - Reggie McFarland

CFO - Kelly Jesel

Treasurer - Kelly Jesel

Directors:

Reggie McFarland

Kelly Jesel

Michael Geoffroy

Brian Lisle

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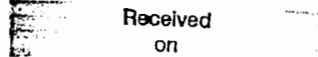
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JOHN A. BAUSCH

RETIRED
GERALD L. GOODELL

DECEASED
ROBERT E. EDMONDS (1932-2001)

*ALSO ADMITTED IN MISSOURI AND NEW YORK
**ALSO ADMITTED IN MISSOURI AND NEBRASKA
***ALSO ADMITTED IN MISSOURI

September 5, 2012



Ms. Patti Petersen-Klein
Executive Director
Kansas Corporation Commission
1500 SW Arrowhead Road
Topeka, Kansas 66604-4027

SEP 05 2012

HAND-DELIVERED

by
State Corporation Commission
of Kansas

RE: In the Matter of the Application of Telrite Corporation d/b/a Life Wireless for Designation as an Eligible Telecommunications Carrier on a Wireless Basis (Low-Income Only)

Dear Ms. Petersen-Klein:

Enclosed, please find an original and eight copies of Telrite Corporation's Application for Designation as an Eligible Telecommunications Carrier on a Wireless Basis (Low-Income Only).

Please note that the four (4) pages of Wireless Facilities Information annexed to Telrite's Application as Exhibit A are marked as "Confidential." As indicated in the Application, these materials contain confidential proprietary and financial information not generally available to the public. Due to the highly competitive nature of the telecommunications marketplace, Telrite deems this material to be proprietary, and would request that it be maintained as such by the KCC and its staff.

Please file this Application and return a filed-stamped copy to this office in the enclosed return envelope. If there is any question regarding this Application, or if additional information is required, please do not hesitate to contact me. Thank you.

Very respectfully,

Cody G. Robertson

CGR/ac
Enclosures