

BEFORE THE STATE CORPORATION COMMISSION  
OF THE STATE OF KANSAS



Received  
on

APR 17 2012

Before Commissioners: Mark Sievers, Chairman  
Thomas E. Wright  
Ward Loyd

by  
State Corporation Commission  
of Kansas

In the Matter of the Application of )  
**YourTel America, Inc.** )  
To Amend its Designation as an Eligible ) Docket No. \_\_\_\_\_  
Telecommunications Carrier in the State of )  
Kansas )

**APPLICATION OF YOURTEL AMERICA, INC. TO AMEND ITS DESIGNATION AS AN  
ELIGIBLE TELECOMMUNICATIONS CARRIER IN THE STATE OF KANSAS**

COMES NOW YourTel America, Inc. ("YourTel" or "Company") and makes application to the Kansas Corporation Commission ("Commission") to amend its Designation as an Eligible Telecommunications Carrier ("ETC") pursuant to Section 214(e)(1)-(2) of the Federal Communications Act of 1934, as amended (the Act)<sup>1</sup>, Section 54.201 *et seq.* of the rules of the Federal Communications Commission ("FCC")<sup>2</sup>, and the rules and regulations of the Commission, including K.S.A. 66-2008(b). By this Application, the Company requests that its wireless ETC designation be amended and expanded to include the requested telephone exchanges of the Kansas Incumbent Local Exchange Carriers ("ILECs") listed in **Exhibit A** as well as the list of the remaining Kansas telephone exchanges of Southwestern Bell Telephone Company d/b/a AT&T Kansas ("AT&T Kansas") for which YourTel is seeking to provide ETC service.

YourTel seeks to amend its wireless ETC designation solely to provide Lifeline service to qualifying Kansas customers in the expanded ETC service area. It will not seek access to funds

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<sup>1</sup> 47 U.S.C. § 214(e)(2).

<sup>2</sup> 47 C.F.R. § 54.201 *et seq.*

from the Federal Universal Service Fund (“FUSF”) for the purpose of providing service to high-cost areas.<sup>3</sup> The Company satisfies all of the statutory and regulatory requirements for designation as an ETC in the requested, expanded designated service area, including the recently issued Lifeline Reform Order by the FCC<sup>4</sup>. As explained herein, the public interest would be served by granting this Application.

In support of its Application, YourTel states the following:

## **I. BACKGROUND**

1. ***YourTel America.*** YourTel America, Inc. is a Missouri corporation whose principal offices are located at 401 E Memorial Road, Suite 500, Oklahoma City, OK 73114. The Company’s telephone number is 855-299-2990. The nature of YourTel’s business is telecommunications, including the provision of prepaid wireless services on a common carrier basis.

2. YourTel America (f/k/a The Pager Company d/b/a The Pager & Phone Company) is certificated by this Commission to provide competitive local exchange services in Kansas. (Docket No. 00-TPCT-638-COC).

3. By Commission order dated April 7, 2003, the Company obtained ETC status for receipt of Lifeline and Link-Up benefits from the FUSF for certain areas of Kansas served by AT&T Kansas (Docket No. 03-TPCT-355-ETC).<sup>5</sup> The Commission approved the change of name

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<sup>3</sup> Given that YourTel only seeks Lifeline support from the low-income program and does not seek any high-cost support, YourTel seeks a waiver of ETC certification requirements for the high-cost program.

<sup>4</sup> *Lifeline and Link Up Reform and Modernization*, WC Docket No. 11-42, *Lifeline and Link Up*, WC Docket No. 03-109, Federal-State Joint Board on Universal Service, CC Docket No. 96-45, *Advancing Broadband Availability Through Digital Literacy Training*, WC Docket No. 12-23, Report and Order and Further Notice of Proposed Rulemaking, FCC 12-11 (rel. Feb. 6, 2012) (“Lifeline Reform Order”).

<sup>5</sup> The exchanges in which the Pager Company was approved for ETC designation are: Wichita,

from The Pager Company d/b/a The Pager & Phone Company to YourTel America, Inc. in Docket No. 07-TPCT-708-CCN, by order dated February 6, 2007.

4. By order dated October 6, 2009, in Docket No. 09-TPCT-596-ETC, the Commission granted YourTel's petition for ETC designation in the same AT&T Kansas exchanges as approved in Docket No. 03-TPCT-355-ETC, for the purpose of receiving low-income FUSF and Kansas Universal Service Fund ("KUSF") support when providing universal service via wireless technology. Through this instant Application, YourTel seeks to expand the area in which it is authorized to provide FUSF and KUSF low-income support for wireless service through the Lifeline program.

5. The following company contact information is provided to the Commission for complaints and/or billing dispute issues:

Matt Connolly  
YourTel America, Inc.  
401 E Memorial Rd  
Oklahoma City, OK 73114  
Telephone: (816) 388-1066  
Toll-Free Number for Customer Inquiries: 1-855-299-2990  
Email: mconnolly@yourtel.com

The Company commits to resolve complaints received by the Commission against the Company. The above-identified contact person will work with the Commission Staff for complaint resolution.

6. A Certificate of Authority to transact business in Kansas, issued by the Kansas Secretary of State, was attached to the Application in Docket No. 09-TPCT-596-ETC, and is hereby incorporated by reference herein. YourTel remains in "Good Standing" status with the Kansas Secretary of State.

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Cheney, Parsons, Hutchinson, Ottawa, Topeka, Eudora, Lawrence, Kansas City, Leavenworth-Lansing and Paola.

7. **Exhibit A** is a list of the telephone exchanges of Kansas ILECs and a list of the additional Kansas telephone exchanges of AT&T Kansas (for which YourTel does not currently have designation as an ETC) in which YourTel proposes to provide ETC service. Additionally, Exhibit A includes a map of the certified areas of telephone exchanges in Kansas that graphically depicts the exchanges for which YourTel seeks to provide ETC service.

8. **Exhibit B** is an officer's affidavit concerning YourTel's technical, financial and managerial resources and abilities.

9. Upon grant of this amendment to its designation as an ETC, the Company will provide the supported services throughout the requested designated service areas and offer Lifeline service to qualified low-income consumers.

10. **Contact Information.** All correspondence, communications, pleadings, notices, orders and decisions relating to this Application should be addressed to:

Rose Mulvany Henry, Esq.  
BRADLEY ARANT BOULT CUMMINGS LLP  
1600 Division Street  
Suite 700  
Nashville, TN 37203  
Telephone: 615-252-4634  
Facsimile: 615-252-4713  
Email: [rhenry@babco.com](mailto:rhenry@babco.com)

With a copy to:

Dale R. Schmick  
Vice President  
YourTel America, Inc.  
401 E Memorial Rd  
Oklahoma City, OK 73114  
Telephone: 816-388-1000  
Facsimile: 816-388-1044  
Email: [dschmick@yourtel.com](mailto:dschmick@yourtel.com)

Your Tel respectfully requests the Commission to permit service in this proceeding to be accomplished through electronic mail service, for efficiency and in the interest of environmental consciousness.

11. **Waivers.** The Commission previously granted YourTel a waiver of the requirement to provide service even if the facilities it uses are put out of commission by power loss, for the reason that it will not own the network over which its wireless traffic will be carried. (*See* Order dated November 19, 2007 in Docket No. 06-GIMT-446-GIT). For the reasons set forth in that waiver, as approved by the Commission, YourTel requests the same waiver for its wireless service for the amended designation sought herein.

12. Additionally, the Commission previously granted YourTel a waiver of the requirement to provide the two-year service quality improvement plans. (*See* Order dated June 7, 2007 in Docket No. 06-GIMT-446-GIT). For the reasons set forth in that waiver, YourTel requests the same waiver for its wireless service for the amended designation sought herein.

13. **Compliance with Rules.** YourTel commits to comply with all applicable rules of the Kansas Corporation Commission and of the FCC unless waived by this Commission or the FCC.

14. **Designation of Eligible Telecommunications Carriers.** Title 47 U.S.C. § 214(e)(2) of the Act provides that a state commission shall upon request designate a common carrier as an eligible telecommunications carrier for a service area designated by the state commission. Title 47 U.S.C. § 214(e)(1) provides that an ETC shall be eligible to receive universal service support in accordance with section 254 of the Act and shall, in the service area for which the designation is received, offer the services that are supported by federal universal service support mechanisms under section 254(c), either using its own facilities or a combination of its

own facilities and resale of another carrier's services, and shall advertise the availability of such services and their costs using media of general distribution. The Federal Communications Commission has promulgated a list of the services or functionalities that shall be supported by federal universal service support mechanisms at 47 C.F.R. § 54.101.

15. The FCC's rules, as well as the rules and orders of the Kansas Corporation Commission, impose additional requirements on a common carrier seeking designation as an ETC. As demonstrated below, and as previously determined by this Commission, YourTel satisfies each of these requirements.

16. **Scope of YourTel Designation Request.** YourTel seeks an expanded ETC designation for the purpose of receiving available support from the FUSF for low-income customers only (*i.e.*, Lifeline support). The Company requests ETC designation in the requested service areas listed in **Exhibit A**.

17. For the reasons set forth below, expanding YourTel's designation as an ETC throughout the requested service areas would serve the public interest, convenience and necessity.<sup>6</sup>

## **II. YOURTEL SATISFIES THE STATUTORY AND REGULATORY PREREQUISITES FOR DESIGNATION AS AN ETC IN KANSAS**

18. YourTel continues to satisfy each of the statutory and regulatory prerequisites set forth in the Act, the FCC's rules and K.S.A. 66-2008(b):

The Company is regulated as a common carrier under 47 C.F.R. § 20.9(a)(10) which provides that mobile satellite service involving the provision of commercial mobile radio service (by licensees or resellers) directly to end users shall be treated as common carriage services. The

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<sup>6</sup> Pursuant to FCC precedent, no "cream-skimming" analysis is necessary because YourTel is seeking to amend its ETC designation only with respect to low-income support mechanisms. *See Virgin Mobile USA, L.P.*, Order, 24 FCC Rcd 3381, at ¶ 39 n.101 (2009).

Company continues to provide the required services via a combination of its own facilities and those of other network providers.

**19. YourTel Offers the Services and Functionalities Supported by the Federal Low-Income Universal Service Program.**

Section 254(a) of the Act requires that the Federal-State Joint Board on Universal Service recommend, and thereafter the FCC identify and define, the services to be supported by federal universal service support mechanisms. 47 U.S.C. § 254(a). To that end, the FCC, by regulation, had previously identified and defined nine core services supported by the federal universal service mechanism, including the low income program. See 47 C.F.R. § 54.101(a)(1)-(9) (prior to amendment by the USF/ICC Transformation Order)<sup>7</sup>. However, in its USF/ICC Transformation Order, 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.

In order to be designated as an ETC, a carrier must be a common carrier and offer and provide the supported services throughout the designated service area. See 47 U.S.C. § 214(e)(1). YourTel will provide each of the required voice telephony services supported by federal universal service support mechanisms under C.F.R. Section 54.101(a). See 47 U.S.C. § 254(a). As set forth in C.F.R. Section 54.101(a), eligible voice telephony services must provide the following:

**20. Voice Grade Access to the Public Switched Network.** “Voice grade access” is defined as a functionality that enables a user of telecommunications services to transmit voice

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<sup>7</sup> *Connect America Fund; A National Broadband Plan for Our Future; Establishing Just and Reasonable Rates for Local Exchange Carriers; High-Cost Universal Service Support; Developing a Unified Intercarrier Compensation Regime; Federal-State Joint Board on Universal Service; Lifeline and Link Up*; WC Docket Nos. 10-90, 07-135, 05-337, 03-109, CC Docket Nos. 01-92, 96-45, GN Docket No. 09-51, Report and Order and Further Notice of Proposed Rulemaking (rel. November 18, 2011) (“USF/ICC Transformation Order”).

communications, including signaling the network that the caller wishes to place a call, and to receive voice communications, including receiving a signal indicating there is an incoming call. For the purposes of this part, bandwidth for voice grade access should be, at a minimum, 300 to 3,000 Hertz. 47 C.F.R. § 54.101(a)(1). YourTel will meet this requirement through its provision of mobile voice communications service and interconnection to the public switched telecommunications network ("PSTN"). YourTel's customers will be able to make and receive calls on the public switched network within the frequency range specified by the FCC above.

21. **Local Usage.** The Company's current local usage plan (i.e., Lifeline service offering), is summarized in **Exhibit C**. The Company's plan offers consumers numerous benefits, including minutes for free local usage, larger "local" calling areas, the availability of mobile service, and local and long-distance calling options. In addition, this plan incorporates value-added features, such as caller ID, call waiting, three-way calling, and voicemail; and domestic text messaging at 1.0 minutes per text.

22. The Company acknowledges a continued commitment to provide Lifeline and KUSF discounts at rates, terms and conditions comparable to the Lifeline and KUSF offerings of the ILEC providing service in the ETC service area. With the receipt of additional KUSF support, YourTel will offer 400 free minutes of use to new wireless Lifeline subscribers in Kansas.

23. **Access to Emergency Services.** "Access to emergency services" includes access to services, such as 911 and enhanced 911, provided by local governments or other public safety organizations. 911 is defined as a service that permits a telecommunications user, by dialing the three-digit code "911," to call emergency services through a Public Service Access Point ("PSAP") operated by the local government. "Enhanced 911" or E911 is defined as 911 service that includes the ability to provide automatic numbering information ("ANI"), which enables the



PSAP to call back if the call is disconnected, and automatic location information (“ALI”), which permits emergency service providers to identify the geographic location of the calling party. “Access to emergency services” includes access to 911 and enhanced 911 services to the extent the local government in an eligible carrier’s service area has implemented 911 or enhanced 911 systems. 47 C.F.R. § 54.101(a)(5). YourTel will meet this requirement by providing 911 service and meeting all requests for E911 service from local PSAPs.

24. **Toll Limitation.** Toll limitation for qualifying low-income consumers is described in the applicable federal regulations. See 47 C.F.R. § 54.400. Toll limitation means both toll blocking and toll control, or, if a carrier is not capable of providing both toll blocking and toll control, then toll limitation is defined as either toll blocking or toll control. See 47 C.F.R. § 54.400(d). YourTel wireless qualifying subscribers will have the option to use their wireless service to complete long distance calls or toll calls in an amount of service that limits the amount of toll service to that which the subscriber has already paid. Therefore, YourTel will meet this requirement.

In addition, though no longer required, YourTel will continue to make available the following services to Lifeline customers in the expanded service areas just as it does today for its existing Lifeline customers in the State of Kansas:

**Dual Tone Multi-Frequency Signaling or its Functional Equivalent.** YourTel will use out-of-band digital signaling and in-band multi-frequency signaling that is the functional equivalent to DTMF signaling throughout its expanded ETC service area.

**Single-Party Service or its Functional Equivalent.** The Company will continue to meet this requirement with respect to each of its wireless service offerings.

**Directory Assistance.** Subscribers to YourTel's wireless services will be able to dial "411" or "555-1212" to reach directory assistance from their mobile phones.

**Access to Operator Services.** Subscribers to YourTel's wireless services will be able to dial "0" to reach operator assistance from their mobile phones.

**Access to Interexchange Service.** YourTel has interconnection arrangements with interexchange carriers which enable YourTel to provide its customers access to interexchange services. The Company shall provide this required service throughout its expanded ETC service area.

25. **The Company Shall Use Its Own Facilities, Or a Combination of Its Own Facilities and Resale of Another Carrier's Services.** Pursuant to 47 U.S.C. § 214(e)(1)(A) and 47 C.F.R. § 54.201(d)(1), the Company shall use a combination of its own facilities and resale of another carrier's services to offer the services that are supported by federal universal service support mechanisms. YourTel meets the minimum facilities requirements prescribed by the FCC and has for many years. YourTel is a facilities-based wireless telecommunications carrier that owns and operates two Class 4/5 switches located in Kansas City, Missouri, and Oklahoma City, Oklahoma, and proprietary call management intelligence located in Kansas City, Missouri, as well as numerous interconnections for both wireline and wireless services. YourTel carries a significant percentage of traffic from its wireless partners over its own facilities and terminates it to the PSTN via dedicated trunks. In addition, YourTel operates a data center including the physical components used in the signaling and in the provision and routing of telecommunications services and databases to manage subscriber numbers used in the provision of telecommunications services and to track subscriber call minutes. The data center provides services critical to the provision of "voice telephony services".

While YourTel meets the minimum facilities requirements as noted above and respectfully requests that the Commission determine as such, in an abundance of caution, YourTel has requested from the FCC coverage under the blanket forbearance from applying the “own-facilities” requirement to telecommunications carriers, such as YourTel, that seek limited ETC designation to participate in the Lifeline program.<sup>8</sup> This blanket forbearance option is described in the Lifeline Reform Order at ¶¶ 368-381.

YourTel’s FCC-filed Compliance Plan details its compliance with the new requirements of the Lifeline Reform Order and a copy of the entire filing is attached hereto as **Exhibit D**.

**26. YourTel Will Advertise the Availability of and Charges for its Universal Service Qualifying Offerings** [47 C.F.R. § 54.201(d)(2); 47 CFR §§ 54.405(b) and 54.411(d)]. Pursuant to 47 U.S.C. § 214(e)(1)(B), 47 C.F.R. § 54.201(d)(2) and 47 C.F.R. § 54.405(b), the Company shall advertise the availability of the services that are supported by federal universal service support mechanisms and the charges for such services using media of general distribution designed to reach those likely to qualify for the service. The Company may advertise, among other means, via television, radio, newspaper, magazine, direct mailings, public exhibits and displays, bill inserts and telephone directory advertising. The Company will advertise, as it has in the past, in accordance with Commission rules. In addition, YourTel will advertise the availability of Lifeline benefits throughout its service area by including mention of such benefits in advertising and continued outreach efforts to members of the community likely to qualify for Lifeline benefits. **Exhibit E** contains sample planned advertising.

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<sup>8</sup> In accordance with the Lifeline Reform Order, the FCC will forbear from enforcing the “own-facilities” requirement for carriers that are, or seek to become, Lifeline-only ETCs, subject to the following conditions: (1) the carrier must comply with certain 911 requirements, as explained below; and (2) the carrier must file, and the Wireline Competition Bureau must approve, a compliance plan providing specific information regarding the carrier’s service offerings and outlining the measures the carrier will take to implement the obligations contained in the 2012 Decision and Order as well as further safeguards against waste, fraud and abuse the Bureau may deem necessary. (Lifeline Reform Order at ¶ 368).

27. **The Company Will Satisfy its Additional Obligations as an ETC.** In addition to those requirements set forth in 47 C.F.R. § 54.201 of the FCC's rules, YourTel will satisfy other ETC requirements adopted by this Commission and the FCC. In particular:

28. **Commitment to Provide Service Upon Reasonable Request** [47 C.F.R. § 54.202(a)(1)]. Pursuant to 47 U.S.C. § 214(e)(1) and 47 C.F.R. § 54.201(d), the Company shall offer the services that are supported by federal universal service support mechanisms throughout the service area for which designation is received. In addition, the Company commits to provide service throughout its expanded designated service area to all customers making a reasonable request for service. See 47 C.F.R. § 54.202(a)(1)(i). The Company certifies that it will provide service on a timely basis to requesting customers within the Company's service area where the Company's network already passes the potential customer's premises. See 47 C.F.R. § 54.202(a)(1)(i)(A). The Company certifies that it will continue to provide service within a reasonable period of time, throughout the expanded ETC service area, if the potential customer is within the Company's licensed service area but outside its existing network coverage, if service can be provided at reasonable cost by: 1) modifying or replacing the requesting customer's equipment; 2) deploying a roof-mounted antenna or other equipment; 3) adjusting the nearest cell tower; 4) adjusting network or customer facilities; 5) reselling services from another carrier's facilities to provide service; or 6) employing, leasing or constructing an additional cell site, cell extender, repeater, or other similar equipment. See 47 C.F.R. § 54.202(a)(1)(i)(B). Because the Company seeks only low-income support, as opposed to high-cost funding to support the

construction of network facilities, it is not submitting a network improvement plan under 47 C.F.R. § 54.202(a)(1)(ii).<sup>9</sup>

**29. Ability to Remain Functional in an Emergency [47 C.F.R. § 54.202(a)(2)].**

Pursuant to 47 C.F.R. § 54.202(a)(2), a carrier seeking ETC designation must demonstrate its ability to remain functional in emergency situations, including a demonstration that it has a reasonable amount of back-up power to ensure functionality without an external power source, is able to reroute traffic around damaged facilities, and is capable of managing traffic spikes resulting from emergency situations.

30. Through a combination of its own facilities and those of other carriers, the Company will continue to be able to remain functional in emergency conditions, 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.

**31. Satisfaction of Applicable Consumer Protection and Service Quality Standards**

[47 C.F.R. § 54.202(a)(3)]. Pursuant to 47 C.F.R. § 54.202(a)(3), a carrier seeking ETC designation must demonstrate that it will satisfy applicable consumer protection and service quality standards. The Company commits to comply with the Cellular Telecommunications and Internet Association's (CTIA) Consumer Code for Wireless Service. **Exhibit F** contains a copy of the consumer code for wireless service most recently recognized by CTIA, to which the Company commits to abide.

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<sup>9</sup> The FCC has made clear that this requirement applies only to carriers receiving high-cost support. See *2005 ETC Order* at ¶ 23.

32. **Equal Access** [47 C.F.R. § 54.202(a)(5)]; Pursuant to 47 C.F.R. § 54.202(a)(5), the Company certifies that it may be required to provide equal access to long distance carriers in the event that no other ETC is providing equal access within the service area.

33. **Lifeline Certification and Verification** [47 C.F.R. § 54.410]. **Exhibit G** contains the certification and verification procedure that the Company will implement to comply with 47 C.F.R. § 54.409 and 47 C.F.R. § 54.410.

34. **Regulatory Fees.** The Company shall continue to pay all applicable federal, state, and local regulatory fees, including but not limited to universal service and E911 fees,

35. **Annual Reporting Requirements.** The Company shall continue to comply with all annual reporting requirements for designated ETCs listed in 47 C.F.R. § 54.209, as applicable.

36. **Service Deposits.** Pursuant to 47 C.F.R. § 54.401(c), the Company acknowledges that as an ETC the Company may not collect a service deposit in order to initiate Lifeline service. If the qualifying low-income consumer voluntarily elects toll limitation service from the Company, where available, and if toll limitation services are unavailable, the Company may charge a service deposit.

37. **Number-Portability Charge.** Pursuant to 47 C.F.R. § 54.401(e), the Company acknowledges that consistent with § 52.33(a)(1)(i)(C), the Company may not charge Lifeline customers a monthly number-portability charge.

38. **YourTel Lifeline Discounts.** The Company commits to provide all federal and state Lifeline discounts consistent with 47 CFR 54.401, 47 C.F.R. § 54.403, and K.S.A. 66-2008(b).

### **III. DESIGNATING YOURTEL AS A COMPETITIVE ETC WILL SERVE THE PUBLIC INTEREST**

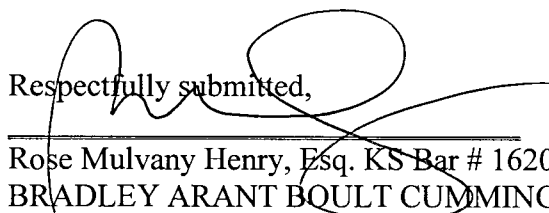
39. Competition furthers the goals of telecommunications service and provides the consumer with a greater choice of providers and service choices, which will in turn result in market-driven prices and quality. Expanding the Company's ETC status will advance principles of customer service by providing increased competition and is therefore in the public interest. In addition, as a wireless provider, the Company can often serve a larger local calling area than a traditional wireline provider and afford the customer the convenience of telephone mobility.

40. The expansion of the Company's ETC service area will offer more Lifeline-eligible customers a greater choice of providers for accessing telecommunications services not available to such customers today and should likely expand participation of qualifying customers in the Lifeline program.

### **IV. Conclusion**

41. WHEREFORE, YourTel America, Inc. respectfully submits that it continues to meet the requirements for designation as an ETC in the State of Kansas. YourTel requests that the Kansas Corporation Commission issue an Order amending YourTel's wireless ETC designation by expanding YourTel's ETC service area for wireless Lifeline services in Kansas, as requested herein.

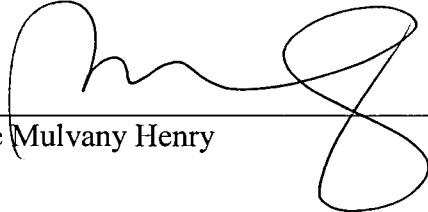
Respectfully submitted,

  
Rose Mulvany Henry, Esq. KS Bar # 16209  
BRADLEY ARANT BOULT CUMMINGS LLP  
1600 Division Street  
Suite 700  
Nashville, TN 37203  
Telephone: 615-252-4634  
Facsimile: 615-252-4713  
Email: [rmulvany@babco.com](mailto:rmulvany@babco.com)

Date: April 16, 2012

### **CERTIFICATE OF SERVICE**

I do hereby certify that on April 16, 2012, a true and correct copy of the foregoing document has been served on the following via U.S. mail and electronic mail.



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Rose Mulvany Henry

Christine Aarnes  
Director of Telecommunications  
Kansas Corporation Commission  
1500 SW Arrowhead Road  
Topeka, KS 66604

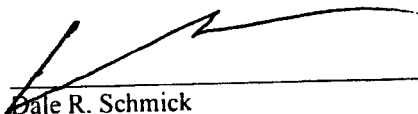


## **LIST OF EXHIBITS**

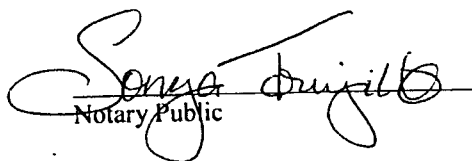
Exhibit A	List of Kansas Incumbent Local Exchange Carriers
Exhibit B	Officer's Affidavit
Exhibit C	Lifeline Service Offerings
Exhibit D	FCC-Filed Compliance Plan
Exhibit E	Sample Advertisement
Exhibit F	CTIA Consumer Code for Wireless Service
Exhibit G	Customer Certification and Verification Procedure

### VERIFICATION

I, Dale Schmick, first being duly sworn, hereby state that I am Vice President of YourTel America, Inc. that I am authorized to make this verification on behalf of YourTel America, Inc. that I have read the foregoing Application for amendment of its designation as an Eligible Telecommunications Carrier, that have knowledge of the facts stated therein, and that the same are true and correct to the best of my knowledge, information and belief.

  
Dale R. Schmick  
Vice President  
YourTel America, Inc.

Subscribed and sworn before me this 13<sup>th</sup> day of April 2012.  
2012.

  
Notary Public



SONYA TRUJILLO  
My Commission Expires  
August 6, 2013  
Jackson County  
Commission #09381650

## EXHIBIT A

### YOURTEL AMERICA REQUESTED SERVICE AREA

The complete service areas of the following Kansas Incumbent Local Exchange Carriers, with exceptions as noted below:

AT&T KANSAS  
BLUE VALLEY TELE-COMMUNICATIONS, INC.  
BLUESTEM TELEPHONE COMPANY, INC  
CASS COUNTY TELEPHONE COMPANY  
COLUMBUS TELEPHONE CO. INC.  
COUNCIL GROVE TELEPHONE COMPANY  
CRAW-KAN TELEPHONE COOPERATIVE, INC.  
CUNNINGHAM TELEPHONE COMPANY, INC.  
ELKHART TELEPHONE COMPANY, INC.  
GOLDEN BELT TELEPHONE ASSOCIATION  
GORHAM TELEPHONE COMPANY  
H&B COMMUNICATIONS, INC.  
HAVILAND TELEPHONE COMPANY, INC.  
HOME TELEPHONE COMPANY, INC.  
J.B.N. TELEPHONE COMPANY, INC.  
KAN-OKLA TELEPHONE ASSN., INC.  
LAHARPE TELEPHONE COMPANY, INC.  
MADISON TELEPHONE LLC  
MO-KAN DIAL, INC.  
MOUNDRIDGE TELEPHONE COMPANY  
MUTUAL TELEPHONE COMPANY  
PEOPLES TELECOMMUNICATIONS, LLC  
PIONEER TELEPHONE ASSN., INC  
RAINBOW TELECOMMUNICATIONS ASSOCIATION, INC.  
RURAL TELEPHONE SERVICE COMPANY, INC.  
S&A TELEPHONE COMPANY, INC.  
S&T TELEPHONE COOPERATIVE ASSOCIATION, INC. except the exchange of Winona  
SOUTH CENTRAL TELEPHONE ASSN. INC.  
SOUTHERN KANSAS TELEPHONE COMPANY, INC.  
SUNFLOWER TELEPHONE COMPANY, INC.  
TOTAH COMMUNICATIONS, INC. except the exchanges of Hewins and Elgin  
TRI-COUNTY TELEPHONE ASSOCIATION, INC.  
TWIN VALLEY TELEPHONE, INC.  
UNITED TELEPHONE ASSN., INC.  
UNITED TELEPHONE CO. OF KANSAS except the exchanges of Easton, Effingham, White Cloud and Highland  
WAMEGO TELECOMMUNICATIONS COMPANY, INC.  
WHEAT STATE TELEPHONE COMPANY, INC.  
WILSON TELEPHONE COMPANY, INC.  
ZENDA TELEPHONE COMPANY, INC.

and

## EXHIBIT A

### YOURTEL AMERICA REQUESTED SERVICE AREA

The following additional Southwestern Bell Telephone Company d/b/a AT&T Kansas exchanges:

Abilene	Emporia	Lincoln	Reading
Almena	Erie	Lindsborg	Salina
Andale	Eudora	Lola	Savetha
Anthony	Eureka	Lyons	Scambia
Arkansas City	Florence	Manhattan	Scott City
Atchison	Ft. Scott	Mankato	Seneca
Attica	Fowler	Marion	Severy
Atwood	Frankfort	Marquette	Smith Center
Basehor	Garden City	Marysville	Solomon
Belleville	Garden Plain	McDonald	St. Francis
Beloit	Goodland	McPherson	St. Paul
Bird City	Great Bend	Meade	Stafford
Blue Rapids	Greensburg	Medicine Lodge	Stockton
Bucklin	Gypsum	Minneapolis	Sublette
Burns	Halstead	Minneola	Tonganoxie
Caney	Hamilton	Moline	Washington
Canton	Hanover	Mount Hope	Wellington
Chanute	Harper	Neodesha	Williamsburg
Chapman	Harrington	Newton	Winfield
Chase	Hartford	Nickerson	Yates Center
Cherryvale	Hays	Norcatour	
Chetopa	Howard	Norton	
Cheyenne	Hoxie	Oakley	
Clay Center	Humboldt	Oberlin	
Clinton	Hutchinson	Ottawa	
Coffeyville	Independence	Paola	
Colby	Jewell	Parsons	
Coldwater	Kingman	Pawnee Rock	
Concordia	Kinsley	Peabody	
Cottonwood Falls	LaCrosse	Phillipsburg	
De Soto	Larned	Pittsburg	
Dodge City	Lawrence	Plains	
Douglas	Leavenworth	Plainville	
El Dorado	Leon	Pratt	
Ellsworth	Liberal	Protection	

**EXHIBIT B**

**OFFICER'S AFFIDAVIT**

1. My name is Dale Schmick. I am the Vice President and Chief Strategy Officer ("CSO") of YourTel America, Inc. ("YourTel"). As part of my duties, I am in charge of ensuring that YourTel is in compliance with all applicable regulations and laws. My business address is 401E Memorial Road, Suite 500, Oklahoma City, OK 73114. YourTel provides over 350,000 combined wireless and wireline lines to low income subscribers through the Universal Service Administrative Company's ("USAC's") Lifeline program. YourTel sells its wireless and wireline services through 12 wholly-owned retail stores and through inbound online sales. YourTel has been in business for over almost 17 years and employs approximately 104 people.

2. The purpose of my declaration is to satisfy the requirements of new rule §54.202(a)(4), which requires carriers seeking ETC designation to provide Lifeline-only service to demonstrate, with detailed information, that they are financially and technically capable of providing Lifeline-only wireless services. Consistent with the *Lifeline Reform Order*, and the rule implementing this obligation, I will provide more than sufficient information to satisfy the Kansas Commission ("Commission") that YourTel meets these requirements.

3. I will first address YourTel's technical capability to provide Lifeline-only service. While a fair amount of YourTel's total wireless service offering is satisfied by its underlying carriers' existing certifications that they have sufficient back up power to remain functional in an emergency, there are portions of YourTel's wireless service—as consumed by YourTel's customers—that are provided over YourTel owned, or controlled, facilities. In compliance with rule §54.202(a)(3), YourTel certifies that it does maintain sufficient back up power for its own

facilities to ensure that the total YourTel customer experience will be preserved in the case of an emergency situation. In other words, YourTel has sufficient power to keep its facilities running in tandem with its wireless wholesale partners in the case of an emergency, as it has already been doing since becoming a wireline ETC in Kansas in April of 2003 and a wireless ETC in Kansas in August of 2009.

4. With respect to the detailed financial information the FCC has requested in the *Lifeline Reform Order*,<sup>1</sup> the FCC explained that a carrier seeking ETC designation could prove that it is financially and technically capable of becoming a Lifeline-only ETC by addressing certain factors. Specifically, in order to demonstrate its financial ability to provide service, YourTel can certify that: 1) it offers service to low-income customers—all low income customers, and not just those customers that are eligible to receive reimbursements from the Lifeline program; 2) YourTel has been in business for almost 17 years, nine of which have been spent successfully providing valuable Lifeline customer service (wireline and wireless) and growing its business as a Lifeline-only ETC; 3) YourTel has never been exclusively dependent on receiving Lifeline subsidies to operate, and to ensure that all its consumers will receive the service they have been promised; 4) YourTel has never been subject to state or federal enforcement sanctions, and YourTel has never been the subject of a state revocation proceeding.

5. While not specifically requested, YourTel has decided to offer up a little more financial information designed to assure the Commission that it is financially capable of providing good quality, reliable service to customers. First, YourTel is a financially stable and liquid service provider. This fact is relevant in assessing YourTel's lack of reliance on Universal Service Fund reimbursements in order to continue providing service to end users.

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<sup>1</sup> *Lifeline Reform Order*, ¶388.

6. The most significant piece of information that YourTel can possibly convey to assure the Commission of its ability to successfully provide service (aside from YourTel's long track record of successfully providing Lifeline service) is its good commercial relationship with all of its vendor partners. I can certify that YourTel is current in all of its accounts with all relevant vendors who contribute to the provision of YourTel's wireless service. This provides the Commission with the additional assurance that other market participants—parties who will lose money if YourTel is not financially capable of providing wireless service—are confident in YourTel's ability to continue to provide service to its customers.

7. Additionally, I submit below short biographies of YourTel's officers to assure the Commission that YourTel has the managerial resources and abilities to provide effective leadership to oversee Lifeline operations and compliance in the State of Kansas.

Richard Yurich

Richard Yurich will bring his 10 years of telecommunications experience to YourTel America leading the company into its new growth phase. His expertise ranges from Operations to Sales and Marketing.

Mr. Yurich has 15 start-up companies under his belt with enterprises ranging from Oil & Gas to Telecommunications. He holds a Bachelor's of Science Degree in History from Oklahoma Christian University.

Dale Schmick

Dale Schmick's telecommunications career began working for PageNet in New York City selling wireless products. He has been with YourTel America since 1997 in various leadership

positions. He led the migration of the company from a reseller of paging products to a full-fledged switch-based CLEC and ISP.

Dale holds a Bachelors of Business Administration degree from Pace University in New York City where he graduated Summa Cum Laude.

As an active member of the community, Dale serves as President of the Board of COMPTTEL and currently serves on the Board of Kansas City Friends of Alvin Ailey and is a former board member of the Kansas City Hispanic Chamber of Commerce. Dale is also a Fire Captain with the Southern Platte Fire Protection District.

Taking all certifications together, YourTel has more than demonstrated—within the financial and technical capability requirement—that it has addressed all of the questions raised in the Order, and provided additional assurances to the Commission regarding YourTel's ability to satisfy this requirement. Then, of course, there is the simpler demonstration contained herein, which shows that YourTel's long history of providing service in compliance with all relevant state and federal rules—and at no cost to the Fund (to the best of YourTel's knowledge)—for the past 16 years is more than ample demonstration that YourTel meets the Commission's new requirements for demonstrating financial and technical capability to be a service provider.

This concludes my declaration.

A handwritten signature in black ink, appearing to read 'Dale Schmick', written over a horizontal line.

Dale Schmick

Dated: 4/13/12



**EXHIBIT C**  
**LIFELINE SERVICE OFFERINGS**

**YOURTEL AMERICA**  
**KANSAS LIFELINE WIRELESS CALLING PLAN**

YourTel Lifeline Wireless Calling Plan  
400 free anytime minutes per month  
Includes Caller ID, Call Waiting, Three-Way Calling and Voicemail  
Unused minutes do not rollover  
Nationwide calling included  
Domestic Long Distance included  
Text available; 1 text = 1.0 minute  
MRC is \$16.57 prior to applicable Lifeline discounts

Each eligible wireless customer will receive a new or refurbished basic voice, texting and E911 compatible handset at no cost to the subscriber or have the option of purchasing a E911 compatible higher end model if they choose to do so.

Additional minutes and texts are available at:

\$5.00 - 60 Minutes/Texts  
\$10.00 - 200 Minutes/Texts  
\$15.00 - 300 Minutes/Texts  
\$20.00 - 400 Minutes/Texts  
\$25.00 - 500 Minutes/Texts  
\$30.00 - 600 Minutes/Texts  
\$50.00 - 1300 Minutes/Texts  
\$60.00 - 1700 Minutes/Texts

Roaming is blocked by default for Lifeline customers and is only available upon specific request from the customer. Roaming charges, should they occur, will be billed at a rate of \$0.59 per minute of use and will be deducted from the available minutes.

Directory assistance calls will be provided for no additional fee; however, applicable airtime charges are assessed as minutes of usage.

Data Subscription Rates are available at:

\$5.00 for 5MB  
\$10.00 for 20MB  
\$20.00 for 50MB

# **EXHIBIT D**

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

_____	)	
In the Matter of	)	
	)	
Telecommunications Carriers Eligible for	)	WC Docket No. 09-197
Universal Service Support	)	
	)	
Lifeline and Link Up Reform and Modernization	)	WC Docket No. 11-42
	)	
YourTel America, Inc. Revised Blanket	)	
Forbearance Compliance Plan	)	
_____	)	

**REVISED COMPLIANCE PLAN OF YOURTEL AMERICA, INC.**

**YOURTEL AMERICA, INC.**

Jonathan D. Lee  
J.D. Lee Consulting, LLC  
1776 I Street, N.W.  
Suite 900  
Washington, DC 20006  
(202) 257-8435

*Its Attorney*

March 16, 2012

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## SUMMARY

YourTel America, Inc. ("YourTel") submits the instant Revised Compliance Plan in order to replace its Compliance Plan, filed March 5, 2012, and to demonstrate how it plans to comply with the new obligations imposed on Lifeline-only ETCs as part of the Commission's recently released *Lifeline Reform Order*. In submitting this Revised Compliance Plan, YourTel seeks to benefit from the Commission's grant of "blanket forbearance" from Section 214(e)(1)(A) of the Communications Act of 1934, as amended (the "Act"), to all telecommunications carriers seeking limited ETC designation to offer Lifeline services.

In this submission, YourTel explains that in many instances, it is already operating largely in compliance with the Commission's new rules. Nonetheless, YourTel will describe (for all the major rule changes the Commission adopted in this *Order*) how it plans to comply with the Commission's new rules.

YourTel has considerable experience operating as both a wireline and wireless Lifeline-only ETC. It is currently in compliance with all federal and state rules in the states of Illinois, Kansas, Maine, Missouri, Oklahoma, Pennsylvania, Rhode Island and Washington, where it has been designated an ETC by the state commissions. As a Lifeline-only ETC, operating successfully within the Commission's existing rules, YourTel has given considerable thought towards how it will comply with the Commission's recently-adopted new rules for Lifeline-only ETCs.

In its *Lifeline Reform Order*, the FCC imposed a number of changes to its existing rules in order to ensure that Lifeline consumers receive all the same public safety benefits that are available to other telecommunications services consumers, and to ensure that carriers operate in a manner that facilitates prudent Fund administration by the USAC. Among other obligations

imposed, the Commission explicitly requires all Lifeline-only ETCs to 1) provide 911/E911-compliant handsets to all their customers, 2) describe their service offerings and the areas in which these services are available, and 3) explain how the ETC plans to comply with the other major rule changes adopted in this *Order*.

YourTel believes that it is already in compliance with the 911/E911 handset obligations imposed by the *Order*, and it will continue to comply with these obligations. Moreover, YourTel also describes its company-wide, and state-specific, Lifeline service offerings in this document.

The most significant information provided in this Revised Compliance Plan explains how YourTel will implement the many major rule changes in this *Order*. Among these rule changes, one of the largest involves how YourTel enrolls customers, specifically how it plans to obtain customer information, and consent to use this information pre-enrollment for the purposes of determining that the customer's household does not already receive any other Lifeline-supported services, and to verify whether the customer is eligible for Lifeline enrollment under either a supported program, or by virtue of income qualification.

To this end, YourTel has adopted a new customer certification form, a copy of which is attached as Exhibit 1. This new customer certification form will be the focus of all initial customer contact, regardless of how the customer chooses to initiate contact with YourTel—whether through a YourTel retail store, online, or over the phone. Additionally, YourTel has adopted a new eligibility certification practice in order to comply with the Commission's new rules designed to protect the integrity of the Fund. YourTel will, as the Commission's new rules require, first check the National Lifeline Accountability Database to determine that the customer's household is not already receiving a Lifeline-supported service. YourTel will then

continue to use (where available) state eligibility databases or employee verification of the customer's program/income-based eligibility.

For successfully enrolled customers, and for all its existing customers, YourTel has adopted new procedures to ensure that a customer re-certifies eligibility as required (either every 90 days for customers enrolling using a temporary address, after 60 consecutive days of non-usage, or annually), by contacting YourTel through a number of convenient channels (in-person, over the phone, via return text, email, or online, using YourTel's website. Correspondingly, YourTel has also developed procedures to promptly de-enroll Lifeline customers when notified by the Administrator that the customer's household is receiving duplicative supported services, or when a customer fails to timely recertify ongoing eligibility.

YourTel is also modifying its internal data collection/customer account databases in order to be able to comply with the many new record keeping requirements imposed by the Commission's *Order*. The Commission has specified a number of new requirements that will better facilitate an ETC's ability to respond to an audit request, or to conduct its own internal audits periodically. YourTel is also modifying its customer-specific, and company-wide, databases so as to facilitate quicker and easier retrieval of the information necessary to comply with the Commission's new reporting requirements.

The Commission's new rules also impose several other "new" requirements on ETCs, which YourTel is already in compliance with, or with which YourTel can easily comply. These new requirements include providing additional information on Lifeline eligibility and terms of receiving the federal assistance on all new marketing materials. To demonstrate compliance with this new obligation, YourTel has included a sample of the information it will include on all new marketing materials used to sell its service.

The Commission, in its *Order* and new rules, also changed and standardized the Lifeline reimbursement procedures for all ETCs. Under the new rules, all carriers must limit requests for reimbursement to those customers that they actually served in the past month—also known as “actual” reimbursement (vs. the previously-acceptable scheme of allowing carriers to receive advance reimbursement for “projected” customers). YourTel already operates on an “actual” reimbursement schedule.

Finally, the Commission also imposes a requirement that service providers seeking to receive Lifeline subsidies be able to demonstrate that they are technically and financially capable of providing Lifeline-supported service. YourTel has been providing service to, primarily, low income customers since first being designated an ETC in 2003. YourTel is a profitable firm, a liquid firm, is in good standing with all its vendors so as to ensure its ability to provide customers with safe and reliable service, and—as previously noted—has been providing telecommunications services to its customers, in compliance with applicable federal and state regulations for over 16 years.

Accordingly, upon the demonstrated intent and ability to comply with the Commission’s newly-adopted Lifeline obligations described in the foregoing Revised Compliance Plan, YourTel asks that the Commission promptly approve this Plan and allow YourTel to operate as a beneficiary of the “blanket forbearance” grant extended to all qualifying providers under the *Lifeline Reform Order*.



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

In the Matter of	)	
	)	
	)	
Telecommunications Carriers Eligible for Universal Service Support	)	WC Docket No. 09-197
	)	
	)	
Lifeline and Link Up Reform and Modernization	)	WC Docket No. 11-42
	)	
YourTel America, Inc. Revised Blanket Forbearance Compliance Plan	)	
	)	

**REVISED COMPLIANCE PLAN OF YOURTEL AMERICA, INC.**

**I. INTRODUCTION**

YourTel America, Inc. (“YourTel”), by its undersigned counsel, hereby submits this revised plan<sup>1</sup> to comply with the new legal obligations imposed on telecommunications carriers by the Federal Communications Commission (“FCC” or the “Commission”) in its Order reforming and modernizing the Lifeline and Link Up programs of the Universal Service Fund (“USF”).<sup>2</sup> In its *Lifeline Reform Order*, the Commission granted “blanket forbearance” from

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<sup>1</sup> YourTel filed a Compliance Plan in the above-referenced docket numbers on March 5, 2012, which it now seeks to amend with this Revised Compliance Plan. Accordingly, YourTel wishes to withdraw its previously-filed Compliance Plan of March 5, 2012.

<sup>2</sup> *In the Matter of Lifeline and Link Up Reform and Modernization; Lifeline and Link Up; Federal-State Joint Board on Universal Service; Advancing Broadband Availability Through Digital Literacy Training, Report and Order and Further Notice of Proposed Rulemaking*, Docket Nos. 96-45, 03-109, 11-42, and 12-23, January 31, 2012 [rel. February 6, 2012]. (“*Lifeline Reform Order*” or “*Order*”).

Section 214(e)(1)(A) of the Communications Act of 1934, as amended (the “Act”), to all telecommunications carriers seeking limited ETC designation to offer Lifeline services.<sup>3</sup>

All telecommunications carriers are eligible to receive blanket forbearance on the condition that the carriers seeking the blanket forbearance agree to submit a compliance plan, subject to the approval of the Wireline Competition Bureau (“the Bureau”), describing how they intend to comply with the Commission’s new requirements for participating in the Lifeline program.<sup>4</sup> As explained below, YourTel will fully comply with the conditions imposed in the *Lifeline Reform Order* to ensure that the Commission’s concerns regarding consumer safety and the fiscal integrity of the Universal Service Fund (“the Fund”) are completely satisfied. Accordingly, and because YourTel has several state Lifeline-only ETC applications pending (and which are now dependent on the Commission’s approval of YourTel’s Revised Compliance Plan<sup>5</sup>), it is YourTel’s sincere desire that the Commission act expeditiously to approve its Revised Compliance Plan.

## **II. YOURTEL BACKGROUND**

YourTel, originally incorporated as “The Pager Co.”, is a Missouri corporation with headquarters in Oklahoma City, Oklahoma, and has been in business since 1995. YourTel began providing retail landline telecommunications service shortly after passage of the Telecommunications Act of 1996. In 2010, YourTel accepted an investment from the shareholders of another competitive wireline/wireless service provider called TerraCom, Inc. (“TerraCom”), which was based in Oklahoma City, Oklahoma. YourTel and TerraCom exist as

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<sup>3</sup> See, *Lifeline Reform Order*, at ¶¶ 368-391.

<sup>4</sup> *Id.*

<sup>5</sup> *Id.* ¶ 380.

separate companies with some common shareholders. YourTel and TerraCom are not owned wholly in common. Neither TerraCom, nor YourTel, operates as a holding company, and neither firm has affiliate companies.

With YourTel's years of experience focusing on providing high quality telecommunications services to low income consumers, YourTel became arguably one of the first competitive ETCs in 2003. Today, YourTel provides both landline and wireless service to well over 300,000 customers as an ETC in Illinois, Kansas, Maine, Missouri, Oklahoma, Washington, Rhode Island and Pennsylvania. While YourTel specializes in providing superior service at affordable rates to low income consumers, and is a "Lifeline-only" ETC, its customers are not exclusively Lifeline-supported. In most states, YourTel's service territory is limited to the area served by the large incumbent LECs (which are required under the Act to lease pieces of their networks to competitive carriers at cost-based rates).

YourTel sells most of its Lifeline-supported service (about 76%) through company-owned, or affiliated, retail stores and YourTel sales representatives (company employees who meet potential customers in the "field"). YourTel sells the remainder of its service through Internet sales/inbound telemarketing (where a customer is seeking to initiate service with YourTel).

Consistent with Commission and industry trend data, YourTel has found that consumers—including low income consumers—are migrating away from wireline telecommunications service and towards mobile wireless services. In its existing service territories, YourTel offers wireless service to consumers by using a combination of its own facilities, leased wireline facilities, and the wholesale wireless services of Sprint Spectrum, LLC and Cellco Partnership d/b/a Verizon Wireless.

As an ETC, and provider of telecommunications services to its customers, YourTel has an impeccable reputation. It pays all applicable fees to state authorities, including state 911 fees. It has never been the subject of an enforcement action by a state or the FCC, and—while no carrier is without its mistakes or errors—YourTel has auditing systems in place, has been diligent in performing its obligations as an ETC, and has caught its few errors before they were ever submitted to USAC for reimbursement. This information, coupled with certain other detailed demonstrations made, *infra*, helps to establish YourTel's financial and technical capability to provide the supported service.<sup>6</sup>

Moreover, as part of the overall carrier certifications required by the Order and its rules, YourTel commits to comply with the Cellular Telecommunications and Internet Industry Association's Code for Wireless Service.<sup>7</sup> Thus, YourTel has the intention and demonstrated ability to fastidiously comply with the Commission's new requirements for Lifeline-only ETCs.

### **III. OBLIGATIONS IMPOSED ON ETCs BY THE *LIFELINE REFORM ORDER***

In order to continue to offer low income service and qualify for state and/or federal Lifeline-only ETC designations, YourTel wishes to avail itself of the Commission's conditional grant of blanket forbearance and obtain approval of its Revised Compliance Plan. In its *Lifeline Reform Order*, the Commission explains that carriers seeking Lifeline-only ETC designation must, as part of their compliance plans, describe how they intend to implement certain conditions specified in the *Order*, as well as explain how the carrier plans to comply with the new rules, generally. The conditions (both broadly and specifically) established by the Commission tend to

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<sup>6</sup> See, e.g., *Lifeline Reform Order*, ¶388 (whether a carrier has been the subject of an enforcement action is relevant to financial/technical capability to provide Lifeline service under new rule §54.202(a)(4).)

<sup>7</sup> See, *Id.*, Appendix A, §54.202(a)(3).

focus on ensuring that consumers are protected, and that carriers will do their best to ensure that they (and their customers) cooperate fully in assisting with prudent, efficient administration of the Low Income Fund by the Universal Service Administrative Company.

In paragraphs 368 through 391, the FCC sets forth the conditions that carriers must satisfy in order to receive approval of their Compliance Plans, and the corresponding blanket forbearance allowing them to be granted Lifeline-only ETC designation by the states or the Commission. The conditions established by the Commission range from the very specific, such as requiring carriers to provide all customers receiving Lifeline-supported service with access to 911 and E911 service (regardless of activation status or available minutes) as well as E911-compliant handsets<sup>8</sup>, to the ubiquitously general (requiring compliance plans to describe “the measures the carrier will take to implement the obligations contained in this *Order*”).<sup>9</sup>

In this Revised Compliance Plan, YourTel will describe in detail how it plans to comply with the rule changes made in the *Lifeline Reform Order*. Specifically, YourTel will address the Commission’s concerns regarding how it intends to comply with: 1) the Commission’s 911/E911 service requirements<sup>10</sup>, 2) providing a detailed description of its Lifeline-supported service offerings<sup>11</sup>, and 3) outlining the measures it will take to implement the more significant changes in the *Order*.<sup>12</sup>

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<sup>8</sup> See, e.g., *Lifeline Reform Order*, ¶ 373.

<sup>9</sup> *Id.* at ¶ 379.

<sup>10</sup> *Id.* at ¶ 373.

<sup>11</sup> *Id.* at ¶ 368.

<sup>12</sup> *Id.*

The large majority of changes imposed by the *Order*, and the Commission's new rules implementing the *Order*, are addressed in this Revised Compliance Plan, which will describe the way YourTel plans to: a.) enroll customers, including a description of how YourTel will: i) initially qualify customers' eligibility to prevent duplicate subsidies being awarded to the same household, ii) initially qualify customers' eligibility to make sure that only program, or income, eligible customers are able to receive service; iii) how YourTel intends to annually certify its customers continued eligibility, including procedures for annual re-certification<sup>13</sup>, b) YourTel's procedures to de-enroll customers who no longer meet the eligibility requirements to receive Lifeline service, customers who have failed to use a free service within a continuous 60 day period, and customers who have failed to re-certify their continued Lifeline eligibility as part of an annual (or 90 day, for customers initially enrolling with temporary addresses) re-certification process<sup>14</sup>, c) the records that YourTel will keep to facilitate efficient audits of YourTel's customer base<sup>15</sup>, as well as the customer data YourTel will collect to satisfy its reporting requirements to USAC (and to allow it to further cooperate with USAC should additional information be needed); d) YourTel's proposed procedures for submitting and collecting reimbursements from USAC; e) providing copies of its marketing materials that describe the customer eligibility requirements for Lifeline (both income and one per household), the continued obligation of customers to notify YourTel of changes in their address, changes effecting eligibility, the customer's obligation to initially certify eligibility and to annually re-

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<sup>13</sup> *Lifeline Reform Order*, at ¶¶379, 383, n.1004. YourTel will, of course, also re-certify those customers that enrolled using temporary addresses every 90 days.

<sup>14</sup> See, *Id.*, Appendix A, § 54.405(e)

<sup>15</sup> *Lifeline Reform Order* at ¶379.

certify eligibility under penalty of perjury; and f) YourTel's technical and financial capability to provide Lifeline-supported services to low income customers.<sup>16</sup>

**A. Customers of YourTel Lifeline-Supported Services Will Have Access to 911/E911 Service and Will Receive E911 Compatible Handsets**

In its *Lifeline Reform Order*, the Commission (as it has in all of its previous forbearance grants) requires carriers seeking “blanket forbearance” to provide—as a condition to the forbearance grant—911 and (where available) E911 service to customers regardless of the activation status of their service plans.<sup>17</sup> Thus, regardless of whether the customer has any remaining minutes on their monthly service plan, the customer must be able to use emergency services.

YourTel supports the Commission's reasoning in requiring this condition, and, is aware that this requirement—that customers always have access to the technologically-mandated emergency access on all active mobile phones—is a current obligation the Commission imposes on all wireless providers for their customers.<sup>18</sup> YourTel understands that mobile wireless service is much less valuable to its customers if the customer cannot rely on their YourTel mobile service for emergency situations, and YourTel already complies with this obligation.

Another public safety-related condition, routinely required by the Commission, is for carriers receiving forbearance to ensure that all Lifeline-only customers have access to E911-capable handsets.<sup>19</sup> This is another condition that is already a YourTel policy, and comes with

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<sup>16</sup> *Lifeline Reform Order* at ¶¶379, 383, and 390.

<sup>17</sup> *Id.*, at ¶373.

<sup>18</sup> See, generally, 47 C.F.R. § 20.18.

<sup>19</sup> *Lifeline Reform Order* at ¶373.

all YourTel mobile wireless services (both Lifeline-supported, and non-Lifeline-supported). YourTel currently complies with this condition and automatically provides each new customer with an E911-capable handset. In fact, YourTel has no non-E911-compliant handsets in its inventory. Nonetheless, if YourTel discovers any Lifeline-supported customers that do not have a handset that is E911-capable, YourTel will promptly replace that handset with a compliant handset. Similarly, if YourTel has any non-Lifeline-supported customers that are eligible for, and wish to convert their service to, mobile wireless Lifeline service, YourTel will provide these customers with E911-capable handsets.

Finally, the Commission requires Lifeline-supported carriers to comply with both of these conditions as of the effective date of the *Order*. YourTel is currently in compliance with both 911/E911-related conditions, and will still be in compliance when the *Order* becomes effective.

**B. Description of YourTel's Lifeline Service Offerings**

The Commission requires that every carrier seeking blanket forbearance, submit a compliance plan containing detailed information regarding its Lifeline-supported service offerings, including terms of service and the geographic areas where the services are available.<sup>20</sup> YourTel offers all supported services, throughout the Sprint Wireless Service Area footprint and the Verizon Wireless service areas of Illinois, Kansas, Maine, Missouri, Oklahoma, Pennsylvania, Rhode Island, and Washington. All 611 and 911 calls are free, and do not count against the customer's airtime. Directory assistance calls (411) are "free"; however, applicable airtime charges are assessed as minutes of usage.

YourTel offers three basic Lifeline service packages throughout all of its service territories. Currently, the Lifeline Free Plan 68 and the Lifeline Free Plan 125 are only available

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<sup>20</sup> *Lifeline Reform Order*, at ¶368.



to existing customers on these plans and any customer who wishes to upgrade to the Lifeline Free Plan 250 may do so free of charge. In addition, YourTel offers two additional plans for Oklahoma and one for Washington State Tribal residents. YourTel's basic Lifeline programs are listed below. These plans are taken directly from the YourTel Wireless website.<sup>21</sup>

**Lifeline Free Plan 68:**

Each month you will receive 68 free voice minutes. Text messaging will be assessed at a rate of 0.3 minutes per text message for sending and 0.3 minutes per text message for receiving text messages. Unused minutes will rollover from month to month and are available for a maximum of sixty (60) days.

**Lifeline Free Plan 125:**

Each month you will receive 125 free voice minutes. Text messaging will be assessed at a rate of 1 minute per text message for sending and 1 minute per text message for receiving text messages. Unused minutes will rollover from month to month and are available for a maximum of sixty (60) days.

**Lifeline Free Plan 250:**

Each month you will receive 250 free voice minutes. Text messaging will be assessed at a rate of 1 minute per text message for sending and 1 minute per text message for receiving text messages. There are no rollover minutes with this plan. Unused minutes will expire each month on the service expiration date.

***Oklahoma Lifeline Unlimited Plan:***

Each month you will receive unlimited voice minutes for \$6.20 per month plus fees and taxes.

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<sup>21</sup> [http://www.yourtelwireless.com/terms/#javelin\\_faq35\\_20](http://www.yourtelwireless.com/terms/#javelin_faq35_20)

Text messaging will not be available with the unlimited talk plan. There are no rollover minutes with this plan. Unused minutes will expire each month on the service expiration date.

***Oklahoma Lifeline 1000 Plan:***

Each month you will receive 1000 voice minutes or 1000 text messages for \$1.00 per month plus fees and taxes. Text messaging will be assessed at a rate of 1 minute per text message for sending and 1 minute per text message for receiving text messages. There are no rollover minutes with this plan. Unused minutes will expire each month on the service expiration date.

***Washington Lifeline Tribal Plan 2000***

Customer must be a qualified resident of federally recognized Tribal lands. Plan includes 2000 free voice minutes. Text messaging will be assessed at a rate of 1 minute per text message for sending and 1 minutes per text message for receiving text messages. Unused minutes will not rollover.

With all YourTel Lifeline service plans, additional minutes are available for as low as \$.05/minute. This low per minute rate does not require the customer to purchase an unreasonably large amount of minute, but can be obtained with a purchase of only 200 additional minutes for \$10.00. The lowest incremental purchase of minutes is 60 minutes for \$5.00. Moreover, data can be added to any phone plan starting at \$1.25/megabyte—a price that can be reduced on a “per/megabyte” basis when the customer purchases multiple megabytes of data.

Thus, YourTel has demonstrated that it offers a number of “no contract” plans for Lifeline users that provide for flexibility based on the particular consumer’s usage pattern. YourTel also allows low income customers to add affordable data usage to these free voice/text minutes—facilitating greater smartphone utilization, consistent with the Commission’s goal of promoting broadband access to all Americans.

### **C. YourTel's Plans To Implement New Lifeline Provider Obligations**

As previously noted one of the Commission's requirements, for all compliance plans it requires to be submitted in order to benefit from the grant of "blanket forbearance" in the *Order*, is for the carrier to describe how it will comply with the remainder of the new obligations imposed on Lifeline participants in the *Order*. In this section, YourTel will explain how it plans to implement the new obligations in the *Order*, and incorporate those obligations into YourTel's existing processes for enrollment, de-enrollment, record keeping/re-certification, seeking reimbursement from USAC, and marketing service to eligible consumers. YourTel will also demonstrate that it is technically and financially capable of providing Lifeline service to consumers.

#### **1. Enrollment**

By way of background, the *Order* requires each prospective customer to apply for Lifeline service. The Commission has changed its procedures for how carriers must qualify customers for enrollment in the Lifeline program, and how customers must certify their eligibility. The Commission, for the first time, has established uniform eligibility and application criteria for enrolling low-income customers in the Lifeline program. In the *Lifeline Reform Order*, the FCC integrated and standardized the eligibility and certification criteria through the establishment of what may be called a uniform application process. Each new prospective customer will have to provide certain information and eligibility certifications as part of an overall application to receive benefits under the Lifeline program.

However, before submitting an application to receive Lifeline-supported service under the Commission's new rules, the ETC providing the Lifeline service must obtain consent from each of its new and existing subscribers to transmit the subscriber's information to the program

Administrator. The carrier must explain in clear, and easy-to-understand, language the information that the carrier will have to transmit to the Administrator.<sup>22</sup> If the subscriber refuses to grant the carrier permission to transmit this information to the Administrator, the subscriber will not be eligible to receive Lifeline service.

The application will require each prospective customer to provide all of the information required in revised rule 47 C.F.R. § 54.410(d)(2): the subscriber's full name; the subscriber's residential address; whether the subscriber's residential address is permanent or temporary; the subscriber's billing address (if different from the residential address); the subscriber's date of birth; the last four digits of the subscriber's social security number, or the subscriber's tribal identification number in lieu of a social security number; whether the subscriber is seeking to demonstrate eligibility to receive Lifeline service under the program-based criteria, or based on income.

Moreover, as part of the application (and pursuant to proposed revised rule 47 C.F.R. § 410(d)(3)) the prospective subscriber will have to certify under penalty of perjury that: the subscriber meets the income-based or program-based eligibility criteria for receiving Lifeline, explained in § 54.409; the subscriber will notify the carrier within 30 days if for any reason the subscriber no longer satisfies the eligibility criteria, or if the subscriber no longer satisfies the "one subsidy per household" qualification; if the subscriber is seeking to qualify for Lifeline as an eligible resident of Tribal lands, that they actually live on Tribal lands; if the subscriber moves to a new address, they will notify the carrier of their address change within 30 days; if the subscriber provided a temporary address upon sign-up, the subscriber will verify their correct address every 90 days or face de-enrollment; the subscriber's household will receive only on

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<sup>22</sup> See *Lifeline Reform Order*, Appendix A, §54.404(b)(9).

Lifeline service and, to the best of the subscriber's knowledge, their household is not already receiving a Lifeline service; the subscriber's information on their application is true and accurate to the best of their knowledge; the subscriber understands that providing false information to obtain Lifeline benefits is punishable by law; and the subscriber acknowledges that they may be required to re-certify continued eligibility for Lifeline at any time, and that the subscriber's failure to re-certify will result in de-enrollment and termination of the subscriber's Lifeline benefits pursuant to § 54.405(e)(4).

#### YourTel-Specific Enrollment

As an initial matter, in those few states—such as California and Oregon—that have a state administrator, YourTel will fully cooperate with the state Lifeline administrators to ensure that it does everything necessary to ensure it is in compliance with both state and federal enrollment, verification, and re-certification procedures. YourTel does not currently operate in any states that have a Lifeline administrator, but YourTel does have pending requests for ETC designation in the states of California and Oregon.

For all states that do not have a Lifeline administrator, YourTel will perform the same first step in the process of enrollment. Regardless of how the customer applies—whether in a retail store, online, or over the phone, each customer will end up supplying the same information via YourTel's standard customer certification form. Attached as **Exhibit 1**. This form contains all relevant information required by the Commission's new rules, and requires the customer to certify, under penalty of perjury, that to the best of the customer's knowledge all of the information supplied is correct. The customer will also agree to contact YourTel in the event any information regarding the customer's ongoing eligibility, or household information, should change.

YourTel enrolls Lifeline customers through several different marketing channels: 1) in person, through company-owned and affiliated retail stores, 2) in person, through company employees that are retail sales representatives, and 3) through customer-initiated contact, either through inbound telemarketing or (more frequently) through online sales over the Internet. The large majority of YourTel's sales are through its "in person" channels.

What is significant is that all of YourTel's retail sales are the result of direct contact with the potential Lifeline consumer. The manner in which the sales will be made will be slightly different, but the obligations imposed by the new rules will be addressed directly by YourTel. Before examining each new enrollment obligation, it will be helpful to explain how YourTel will interact directly with its customers through each sales channel.

**Retail Stores.** These sales are the most "direct" and easiest to explain how YourTel will comply with the Commission's new Lifeline obligations. The prospective customer comes into the store, and is asked the basis for his or her claim to Lifeline eligibility; participation in a qualifying program, or earning household income below 135% of the Federal Poverty Guidelines. The store employee can verify the customer's program, or income, based eligibility in person.

YourTel provides excellent training materials to its employees—an example of which is attached as **Exhibit 2**—which allows the employees to verify the most common forms of documentation for each federal, and state-specific, eligible program and/or income verification (based on the Commission's definition of "income" in §54.400(f)). The store employee will then ask the prospective customer for additional documentation proving identity, and/or address verification. The final program/income eligibility-specific step is for the customer to provide the required information and make the certifications required by new rule §54.410(d)(3).

If the customer appears to be eligible, the employee will explain the Commission's definition of "household", defined in new rule §54.400(h), as an "economic unit" where related or unrelated people share income and expenses. In the case of multiple applicants at the same mailing address, the customer will then make the "one per household" certification required by §54.410(d)(1). Finally, YourTel will collect the necessary customer-specific information required by new rule §54.401(d)(2) so that YourTel can report the information to USAC to be used to populate the National Lifeline Accountability Database ("duplicates database"), defined in §54.400(i) of the Commission's new rules.

The retail store employee then enters the customer's information into YourTel's OSS systems, where the information is checked against available databases (the duplicates database, and YourTel's own list of existing customers). The retail store rep quickly determines whether the customer is eligible to receive Lifeline service. In cases where a state program eligibility database exists the retail store personnel will contact YourTel's internal group dedicated to verifying eligibility who will query the state database and either approve or deny the applicant. Where proof of eligibility is needed, the retail personnel, who are trained on what is eligible documentation will witness the documentation, sign the application demonstrating they have witnessed the documentation.

Upon successful completion of the certification process, the customer is allowed to choose a service plan, and select a phone—either a free phone (choices include refurbished phones, as well as refurbished smartphones such as the Blackberry Curve® and in the future new phones), or purchase an upgraded phone from a wide inventory. The customer then receives

their phone right at the store, upon payment of a YourTel's customary activation fee. The customer's account is activated upon completion of an outbound call.<sup>23</sup>

**Field Representatives.** Frequently, YourTel will dispatch employees as "field representatives" to underserved communities, where the "field rep" focuses on traditionally underserved low income customers. Opportunities for field reps to reach those customers not on the network range from educational sessions at low income housing, or nursing homes, to sponsoring booths at community events.

The protocol for signing up customers in the field is similar to that of signing up customers in a store, in the sense that the field rep can personally see whether the customer is eligible based on program participation or income qualification. The customer can also provide the requisite information, and sign the required eligibility verifications, from the field. Should a customer in the field be determined to be ineligible but feels that the determination is incorrect, the order can be submitted to YourTel for review and investigation. In such a case the phone would be mailed to the customer upon approval and the customer can personally activate their service – as in the manner of all YourTel phones – by completing an outbound call. For purposes of "enrollment" in the Lifeline program, TerraCom will use the date of this first completed outbound call from its call records as the customer's effective start date.

**Inbound Channel Marketing.** Prospective customers can also apply for, and obtain, Lifeline service from YourTel either over the phone or through the Internet. Customers choosing to obtain service through inbound channels must either fill out an application online, or provide the relevant information to the customer sales rep over the telephone. In these cases, YourTel will

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<sup>23</sup> See, *Lifeline Reform Order*, Appendix A, §54.407(c)(2)(i).



verify eligibility via a state database or by reviewing documentation of eligibility submitted by the applicant in advance of receiving service.

Online Sales. To apply for YourTel Lifeline service online, a customer will fill out an application, provide the necessary information that all prospective Lifeline customers must provide, and be taken through successive screens, which clearly explain all relevant legal eligibility requirements. If the customer is seeking to qualify for Lifeline service based on their participation in a particular program (or income level), the prospective customer may be able to be qualified by an inbound sales rep who inputs the prospective customer's information into an eligibility database (if available for the relevant state). However, in most cases, the prospective customer will fill out the relevant eligibility forms on the computer, and then send in copies of the records needed by YourTel to verify the customer's eligibility to participate in Lifeline. Once the prospective customer is successfully verified by YourTel, the customer can be enrolled in the service plan they have chosen, and then mailed their handset.

Assuming the customer has successfully completed the online application process, YourTel will have all the information it needs to verify the customer is only receiving one Lifeline subsidy for their household, to verify eligibility, to satisfy its record-keeping obligations, and to send to USAC in order to populate the duplicates database. The requisite certifications needed by YourTel to establish service with the prospective customer can be obtained as electronic signatures.<sup>24</sup>

YourTel's proposed method of accepting electronic signatures—on all of its online certifications and re-certifications—is to allow the customer to create a unique electronic signature by typing their name, and providing their date of birth and their social security number.

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<sup>24</sup> See, *Lifeline Reform Order*, Appendix A, §54.419.

The customer's name, combined with their date of birth and their social security number, is sufficiently unique to satisfy the Commission's new rules for accepting electronic signatures.

*Inbound Telemarketing.* To obtain YourTel Lifeline service, a customer can call YourTel to initiate service. The process is very similar to online enrollment, except that instead of being taken through successive screens, the customer is asked a series of qualifying questions by a customer service representative. The questions will all be designed to elicit true and accurate information that is necessary for YourTel to obtain a complete standard certification form. See Exhibit 1. If, at any time during the conversation, it becomes apparent to the customer service rep that the prospective customer is unlikely to qualify for YourTel Lifeline service, the customer service rep will explain the issue to the customer and offer to allow the customer to sign up for one of YourTel's non-Lifeline service plans.

On the other hand, if the customer provides information indicating that the customer would be eligible to obtain Lifeline service, the customer service rep will take the customer as far as possible in trying to qualify the customer. For example, if there are no other Lifeline subscribers in the customer's household, and the customer participates in a Lifeline-eligible program (or is income-qualified), the customer service rep will try to verify the customer's information through a state database (if available). If the customer seems to qualify (through a database query), then the customer service rep will open a file for the customer, take the customer's information that is required to be collected from each customer, send the customer the requisite certification forms for verification of eligibility (or allow the customer to certify eligibility through an IVR recorded and associated with the customer's account), and request copies of the evidence that would prove eligibility in cases where a state database is not available.

As always, if the prospective customer fails to qualify for Lifeline service, YourTel will explain to the customer why the request was rejected. On the other hand, if the prospective customer sends in sufficient evidence to qualify for Lifeline eligibility, and adequately certifies eligibility, YourTel will notify the customer, and enroll the customer in their requested service plan, and send the customer the phone they have requested/purchased (if the customer has expressed a handset preference

## **2. De-Enrollment**

In order to most efficiently use funds set aside for Lifeline customers, the FCC has adopted rules to ensure that only customers eligible to participate in the Lifeline program receive the benefit of the Lifeline subsidy. These rules require that Lifeline ETCs “de-enroll” customers who are no longer eligible to receive Lifeline benefits from the carrier’s list of customers for whom Lifeline reimbursement is sought from USAC.<sup>25</sup> The Commission’s new rule requires carriers to “de-enroll” customers from Lifeline enrollment for several reasons: the carrier has reason to believe that the customer no longer participates in a Lifeline-eligible program, or no longer meets the income-based criteria for Lifeline eligibility, and the customer fails to prove eligibility within 30 days<sup>26</sup>; the Fund Administrator notifies the ETC that either the customer is receiving Lifeline support from more than one carrier, or that more than one person in the customer’s household is receiving a Lifeline subsidy<sup>27</sup>, the customer has failed to “use” a free service for more than 60 consecutive days<sup>28</sup>; or, the customer has either failed to perform their

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<sup>25</sup> See, *Lifeline Reform Order*, Appendix A, §54.405(e)(1)-(4).

<sup>26</sup> *Id.* §54.405(e)(1).

<sup>27</sup> *Id.* §54.405(e)(2).

<sup>28</sup> *Id.* §54.405(e)(3).

required annual recertification of continued eligibility, the annual re-certification that the customer is not in violation of the one-per-household rule, or (for customers who provided a temporary address upon enrollment) the customer has failed to re-certify their temporary address within the 90 day window (or failed to provide the carrier with a permanent address within the same time period).<sup>29</sup>

With the exception of the situation where an ETC is notified by the Administrator that a customer/customer's household is receiving duplicate support, each basis for de-enrollment requires the carrier to notify the customer that their support is in jeopardy, and provide the customer with 30 days to either refute or cure their apparent ineligibility to receive Lifeline support.<sup>30</sup> When an ETC is notified that they are receiving duplicative support for a customer that has been confirmed to be ineligible by the Administrator, the ETC has 5 days to remove the ineligible Lifeline recipient from its reimbursement list.

Customers receiving duplicative support not only present a risk to the Fund, but they present a financial risk to YourTel if customers not eligible for reimbursement are allowed to continue to use their phones, and thereby raise YourTel's unrecoverable costs. Because it is in YourTel's self-interest to immediately remove from its Lifeline roles those customers identified by the Administrator as disqualified from receiving Lifeline service, YourTel will (as explained below) diligently comply with this new obligation.

Putting aside those subscribers recovering duplicative support, *every* qualifying Lifeline subscriber is subject to de-enrollment for reasons both completely outside the ETC's control

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<sup>29</sup> *Lifeline Reform Order*, Appendix A, §54.405(e)(4).

<sup>30</sup> *Id.*, at §54.405(g).

(e.g., customers neglecting to use their service for 60 consecutive days and customers no longer qualifying for the subsidy), and for reasons that can be avoided if the customer has sufficient notice to comply with the rules. For this reason, YourTel has adopted procedures to help deserving customers to avoid undeserved de-enrollment, and procedures for quickly removing subscribers that the Administrator has determined to be wasting Lifeline funds.

When YourTel establishes a customer account, it also places a Lifeline start date on the account, consistent with the date of the customer's first outbound call, based on the potential vulnerabilities of the customer to undeserved de-enrollment. For example, every Lifeline account is subject to recertification on an annual basis that: the subscriber still meets the criteria to be considered a qualifying low-income customer under §54.409, and that the subscriber's household is not receiving more than one Lifeline subsidy.

Thus, every Lifeline subscriber should receive (through multiple channels) an advance reminder that they must re-certify annually, along with an explanation of the many convenient ways that YourTel offers customers to re-certify. YourTel allows customers to re-certify via dialing a toll free number (IVR), return text, email, regular mail, and online through YourTel's website. Moreover, once the duplicate database is up and working, YourTel will be able to perform certifications for its customers that have qualified through a database query. Regardless, though, it is clear that YourTel, and many other Lifeline-only ETCs, will be sending out annual re-certification requests on a daily basis.

Annual re-certifications are required for all customers, but YourTel also creates an advance reminder for customers that have established their accounts using a temporary address. Customers establishing service with a temporary address are potentially difficult to remain in contact with, so YourTel sends out text notifications to these customers on a monthly basis.

Similarly, since many—if not most—of YourTel’s Lifeline customers do not pay a regular monthly bill, YourTel has tracking software to notify the customer if the customer has not used their service for more than 60 consecutive days . These notifications are not only helpful to ensure that the customer does not risk losing their phone by failing to use their phone, but the notifications also help the customer become more aware of their own usage patterns, which might cause the customer to choose a different plan (for example, a plan with less monthly minutes, but minutes that “rollover” to the next month). After notification, if the customer fails to use the phone, it is automatically disconnected by the system.

### **3. Recordkeeping Requirements**

In adopting the *Lifeline Reform Order* the Commission, to paraphrase Commissioner McDowell’s separate statement, takes the large step of imposing accountability on a government entitlement program. In its directives for what should be included in a carrier’s compliance plan, as described in Paragraphs 368-391, the Commission frequently states that it would like carriers to explain and describe how they will comply with the rule changes in the *Order*. If accountability equals recordkeeping, then this section is perhaps the most challenging and comprehensive of this entire Revised Compliance Plan.

While only one section of the new rules, §54.417 is specifically entitled “record keeping”, most of the rule changes either create new records and/or create new recordkeeping requirements. For purposes of organizing YourTel’s explanation of how it intends to comply with the new recordkeeping obligations imposed under the *Order*, YourTel will divide records into “individual account records” and “company-wide records”. The theory behind this organization of YourTel’s explanation of how it will meet the Order’s recordkeeping requirements is that, for reporting purposes, YourTel is required to report on both individual

account compliance (on a company-wide basis), company wholesale compliance, and company-wide performance compliance.

i. Individual Account Records

For each individual Lifeline account, YourTel will keep customer records for the entire length of time the customer remains in the Lifeline program, and for certain records within the individual accounts, YourTel will keep customer records for 10 years following customer de-enrollment from the Lifeline program.<sup>31</sup> YourTel will keep the following records for each subscriber's individual Lifeline account:

- date that YourTel queried the duplicates database<sup>32</sup>;
- date and information that YourTel transmitted to Database<sup>33</sup>;
- date of transmission of updated customer information to Database<sup>34</sup>;
- date of transmission of customer de-enrollment to Database<sup>35</sup>;
- date of customer service activation and method of activation<sup>36</sup>;
- certification and re-certification forms for each subscriber<sup>37</sup>;
- per customer records of revenues forgone by providing Lifeline services in the form requested by the Administrator for periodic reporting to the Administrator upon request<sup>38</sup>;

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<sup>31</sup> See generally, *Lifeline Reform Order*, Appendix A, new rule §54.417, and Appendix B, proposed rule §54.417.

<sup>32</sup> *Id.*, Appendix A, new rule §54.404(b)(1).

<sup>33</sup> *Id.* §54.404(b)(6).

<sup>34</sup> *Id.* §54.404(b)(8).

<sup>35</sup> *Id.* at §54.404(b)(10).

<sup>36</sup> See generally, *Id.* §54.407(c).

<sup>37</sup> *Id.* §54.407(d).

--date and database upon which the ETC determined income-based eligibility<sup>39</sup>;

--date and documentation/data source used to determine income-based eligibility when no database was available to determine subscriber eligibility<sup>40</sup> which include the following forms of acceptable documentation:

- 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/Workers' Compensation statement of benefit
- federal or Tribal notice letter of participation in General Assistance
- a divorce decree
- child support award
- other official document containing income information;

--state Lifeline administrator documentation of customer eligibility, and subscriber's certification of eligibility<sup>41</sup>;

--date, database, and program on which ETC determined subscriber eligibility<sup>42</sup>;

--keep and maintain accurate records detailing data source a carrier used to determine a subscriber's program-based eligibility or the documentation a subscriber provided to demonstrate Lifeline eligibility<sup>43</sup>;

--notice of program-certification and customer self-certification, when performed by a state agency or state Lifeline administrator<sup>44</sup>;

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<sup>38</sup> *Lifeline Reform Order*, Appendix A, §54.407(e).

<sup>39</sup> *Id.* at §54.410(b)(1)(A).

<sup>40</sup> *Id.* at §54.410(b)(1)(B)(iii).

<sup>41</sup> *Id.* at §54.410(b)(2).

<sup>42</sup> *Id.* at §54.410(c)(1)(A).

<sup>43</sup> *Id.* §54.410(c)(1)(iii).

<sup>44</sup> *Id.* at §54.410(c)(2).



--prospective subscriber certification, where subscriber acknowledges 1) Lifeline qualifications in terms of one benefit per household and the requirement that a violation of the rules could result in de-enrollment, 2) require each prospective subscriber to provide certain information with which to populate the duplicates database, 3) require each prospective subscriber to certify, under penalty of perjury, that the subscriber meets the income-based, program-based, or Tribal Lands criteria for receiving Lifeline, and the subscriber knows the Lifeline program rules, and will notify the carrier if the subscriber ceases to qualify<sup>45</sup>;

--maintain records re-certifying all subscribers remain Lifeline eligible under a qualifying program or income eligibility, and re-certification by the subscriber that they can confirm their original certification under §54.410(d), except those subscribers that are required to be re-certified by state agencies or administrators<sup>46</sup>;

--where a state administrator or agency is responsible for re-certification, the carrier has to: 1) maintain re-certification results from the state, 2) maintain the results of each state administrator's certification efforts for each subscriber in that state, and 3) where a state has been unable to re-certify a subscriber, the ETC must keep the record and comply with the relevant de-enrollment procedures<sup>47</sup>;

--maintain a record of each subscriber's re-certification (or failure to re-certify) a temporary address every 90 days<sup>48</sup>;

## ii. Company-wide Records

The Commission requires ETCs to maintain some "company" records, but it also requires the ETC to make annual reports, certified by an officer of the company, to the Commission. The company reporting obligations require company officers to certify company procedures for maintaining compliance with the rules regarding ETCs participating in the Lifeline program. The records, on an aggregate basis, that companies have to collect are primarily required to be

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<sup>45</sup> *Lifeline Reform Order*, Appendix A §54.410(d).

<sup>46</sup> *Id.* at §54.410(f)(1)-(2).

<sup>47</sup> *Id.* at §54.410(f)(3)-(5).

<sup>48</sup> *Id.* at §54.410(g).

collected for reporting purposes. YourTel will collect the following data, and report it to the requisite authorities.

--provide, on an annual basis, the results of the ETC's annual re-certification efforts to the Commission and the Administrator. For states where the YourTel has been granted state ETC designation, it must report the results of its annual re-certification efforts to the proper state regulators, and, for Tribal Lands<sup>49</sup>, the ETC must collect and report the results of its Tribal re-certification process to the appropriate tribal government officials<sup>50</sup>;

--if the ETC provides Lifeline discounted services to a reseller, it must obtain a certification from the reseller that it is complying with all relevant Lifeline rules<sup>51</sup>;

--collect certain outage information for areas in which the carrier owns facilities, the failure of which, results in an outage lasting greater than 30 minutes in any calendar year and which affects critical services<sup>52</sup>;

--collect data on the number of complaints per 1,000 connections in the prior calendar year<sup>53</sup>;

--certification of compliance with applicable service quality standards and consumer protection rules<sup>54</sup>;

--certification that the carrier is able to function in emergency situations<sup>55</sup>;

--information regarding the terms and conditions of any service plans, and the terms and conditions of any non-Lifeline plans available to the public<sup>56</sup>.

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<sup>49</sup> YourTel will report to the appropriate governing body with respect to Tribal Lands re-certification efforts/results. In some states, like Oklahoma, the type of tribal government officials (which would regulate service providers) do not exist. In these states YourTel will file its results with the proper local regulator such as the state commission.

<sup>50</sup> *Lifeline Reform Order*, Appendix A, at §54.416(b).

<sup>51</sup> *Id.* at §54.417(b).

<sup>52</sup> *Id.* at §54.422(b)(1).

<sup>53</sup> *Id.* at §54.422(b)(2).

<sup>54</sup> *Id.* at §54.422(b)(3).

<sup>55</sup> *Id.* §54.422(b)(4).

#### **4. Reimbursement from USAC**

In the Lifeline Reform Order, the FCC eliminated Lifeline reimbursement based on “projected” lines for which the carrier expects to be compensated based on past growth. Instead, in the Order, the Commission changed the method of Lifeline reimbursements to “actual” lines served.<sup>57</sup> As explained previously, TerraCom considers a customer “enrolled”, for Lifeline reimbursement purposes, as of the date the customer completes their first outbound call. YourTel already does, and will continue to, comply with the Commission’s new reimbursement scheme, based on actual lines served.

#### **5. Marketing Materials**

In its *Lifeline Reform Order*, the FCC imposed certain obligations on ETCs to clearly disclose on all of their marketing and advertising materials that the service they are offering is a Lifeline service, that Lifeline is a government assistance program, that it is only available to qualifying eligible customers, it is not transferable, and the program is limited to one discount per household.<sup>58</sup> Moreover, all materials describing the service must disclose the name of the ETC providing the service.

YourTel will include all of this required information on all of its marketing materials describing its service. YourTel is in the process of changing its marketing materials to comply with the new rules. While YourTel will not change its existing advertisements until it is sure it is

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<sup>56</sup> *Lifeline Reform Order*, at §54.422(b)(5).

<sup>57</sup> *Id.* at §54.407.

<sup>58</sup> *Id.* at §54.405.

in compliance with the Commission's rules, it has supplied sample proposed advertising copy. See **Exhibit 3**, attached.

#### **6. Financial and Technical Capability to Provide Service**

In its *Order*, the FCC includes a new qualification for carriers seeking to become ETCs: that they demonstrate they are financially and technically capable of providing the supported Lifeline service in compliance with the Commission's rules.<sup>59</sup> While this document is intended to demonstrate that YourTel will be able to comply with the Commission's rule changes for offering Lifeline supported service, and is not—as such—a Petition for ETC Designation, YourTel understands that it must demonstrate its ability to completely comply with all of the new Commission rules governing Lifeline ETCs.

YourTel can demonstrate that it is financially and technically capable of providing both wireless and wireline Lifeline service, because it is already successfully providing both services as a designated Lifeline ETC in eight states, serving over 300,000 lines. YourTel is not only capable of providing Lifeline-supported service; it is successfully providing Lifeline-supported services in the states where it is designated an ETC. In these states, YourTel is growing its customer base, has no disproportionate consumer complaints, and offers high quality service at affordable rates to all its customers.

Nonetheless, YourTel will demonstrate, through Exhibit 4 (Declaration of Dale Schmick) that it is financially capable of providing Lifeline-only service. YourTel's business model is to serve low-income customers, who may, or may not, be eligible to receive Lifeline-supported service. So, YourTel does not, and does not intend to, offer exclusively Lifeline-supported services—and is therefore not exclusively dependent on USAC for its revenue. The result of

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<sup>59</sup> *Lifeline Reform Order*, Appendix A, at §54.201(h), and §54.202(a)(4).

YourTel's efforts is that it is a profitable, liquid company, fully capable of honoring all its service obligations to customers and regulatory obligations to state and federal regulators.

YourTel also can explain that it is on good terms with all of its wholesale vendors, and is profitable, such that it can afford to keep a customer's service active without depending upon immediate reimbursement from USAC in order to continue to provide service to its customers.<sup>60</sup> Thus, it is clear that YourTel—with its years as a Lifeline-only service provider in good standing since first being designated an ETC in 2003—has only become a more capable and qualified provider of Lifeline-supported services.

\* \* \*

As required by the *Lifeline Reform Order*, in order to take advantage of the Commission's conditional grant of blanket forbearance, YourTel has hereby submitted a Revised Compliance Plan that effectively outlines the measures it will take to address each specific concern elaborated by the Commission, and every significant rule change to the Lifeline program addressed in its *Order*. The Commission should find that this Revised Compliance Plan addresses all of its concerns and grant YourTel the conditional "blanket forbearance" from Section 214(e)(1)(A) of the Act by approving the instant Revised Compliance Plan. Accordingly, the public interest is best served by the Commission's expeditious approval of this Plan. For these reasons, YourTel respectfully requests that the FCC approve this Revised Compliance Plan.

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<sup>60</sup> See, *Lifeline Reform Order*, at ¶388.

Respectfully submitted,

**YOURTEL AMERICA, INC.**

A handwritten signature in cursive script that reads "Jonathan D. Lee".

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Jonathan D. Lee

JD Lee Consulting, LLC  
1776 I Street, NW  
Suite 900  
Washington, DC 20006  
(202) 257-8435

*Its Attorney*

March 16, 2012

# EXHIBIT 1: YOURTEL AMERICA LIFELINE COMPLIANCE PLAN



## SECTION 1 – RULES

**IMPORTANT:** Please read all of this form carefully and fill it out completely. If you have questions, please ask for help. Forms that are not completed accurately will be rejected resulting in a delay in your service or rejection of your application.

Lifeline is a Federal government benefit program that offers a discount from your monthly phone service. Lifeline service is available for only one line per household; a household is defined as any individual or group of individuals who live together at the same address and share income and expenses. Households are not permitted to receive benefits from multiple providers and you 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.

Violation of the one-per-household requirement is a violation of Federal Rules will result in your removal from the program and potential prosecution by the United States government. Applicants who willfully make false statements in order to obtain Lifeline benefits can be punished by fine or imprisonment or can be barred from the Lifeline program.

You will be required to annually re-certify that you continue to qualify for Lifeline benefits.

## SECTION 2 – ELIGIBILITY BY PROGRAM (complete either Section 2 or 3)

If you or a dependent residing in your household are receiving benefits from one or more of the programs listed below, please check all that apply. You must show proof of eligibility unless we are able to certify your participation through a state database.

- ☐ Temporary Assistance for Needy Families   
 ☐ State Supplemental Security Income (SSI)   
 ☐ Medicaid   
 ☐ Federal Public Housing Assistance  
☐ Supplemental Nutrition Assistance Program (SNAP), f/a Food Stamps   
 ☐ Low Income Home Energy Assistance Program (LIHEAP)   
 ☐ National School Lunch Program's Free Lunch Program  
☐ State Program 1   
 ☐ State Program 2   
 ☐ State Program 3   
 ☐ State Program 4  
☐ Bureau of Indian Affairs General Assistance   
 ☐ Head Start (must meet income qualifying standard)   
 ☐ Tribally Administered Temporary Assistance for Needy Families   
 ☐ Food Distribution Program on Indian Reservations

## SECTION 3 – ELIGIBILITY BY INCOME (complete either Section 2 or 3)

If your income is at or below 135% of the federal poverty guidelines, as shown below, you can qualify for Lifeline.

How many people are in your Household? \_\_\_\_\_

Number of people in household	Total Annual Income at:	Number of people in household	Total Annual Income at:	Number of people in household	Total Annual Income at:
1 person	\$14,702	3 people	\$25,016	5 people	\$35,330
2 people	\$19,859	4 people	\$30,173	Each additional person	\$5,157

TO QUALIFY FOR INCOME ELIGIBILITY, YOU MUST PROVIDE COPIES OF ONE OR MORE OF THE DOCUMENTS LISTED BELOW. IF YOU PROVIDE DOCUMENTATION THAT DOES NOT COVER A FULL YEAR (SUCH AS CURRENT PAY STUBS), YOU MUST SUBMIT THREE (3) CONSECUTIVE MONTHS OF THE SAME TYPE OF DOCUMENT WITHIN THE CURRENT CALENDAR YEAR.

- Prior year's state, federal or tribal tax return
- Divorce decree or child support document
- Federal or tribal notice letter of participation in Bureau of Indian Affairs General Assistance
- Retirement/Pension benefit statement
- Social Security benefits statement
- Unemployment/Workers Compensation benefits statement
- Current income statement from employer or paycheck stub
- Veterans Administration benefits statement

## SECTION 4 – CUSTOMER INFORMATION

FIRST NAME  MIDDLE INITIAL  LAST NAME

**RESIDENTIAL/PERMANENT ADDRESS** (PO BOX NOT ACCEPTABLE)

STREET  CITY  STATE  ZIP

**TEMPORARY ADDRESS** (IF NO PERMANENT ADDRESS)(PO BOX NOT ACCEPTABLE)

STREET  CITY  STATE  ZIP

**BILLING ADDRESS** (IF DIFFERENT FROM RESIDENTIAL/PERMANENT ADDRESS)

STREET  CITY  STATE  ZIP

LAST 4 DIGITS OF YOUR SOCIAL SECURITY NUMBER  TRIBAL ID NUMBER  DATE OF BIRTH

CONTACT TELEPHONE NUMBER  EMAIL ADDRESS

## SECTION 5 – QUALIFYING BENEFICIARY (Complete if Section 2 benefits are in a name other than applicant - ie Free Lunch Program)

First Name: \_\_\_\_\_ MI \_\_\_\_\_ Last Name \_\_\_\_\_

## SECTION 6 – STATE REQUIRED CUSTOMER INFORMATION

[State Specific Required ID Number \_\_\_\_\_]



## SECTION 7 – ONE PER HOUSEHOLD

\_\_\_\_\_ I acknowledge that, to the best of my knowledge, no one at my household is receiving a Lifeline-supported service from any other provider.  
(Customer Initials)

## SECTION 8 – CUSTOMER SIGNATURE

PLEASE READ AND INITIAL THE FOLLOWING. BY SIGNING & INITIALING BELOW, YOU ARE AGREEING TO THE FOLLOWING PROGRAM RULES :

\_\_\_\_\_ I certify under penalty of perjury that I either participate in the indicated qualifying federal program or I meet the income qualification to establish my eligibility for Lifeline. If required to do so, I have provided accurate documentation of my eligibility.

\_\_\_\_\_ I certify I am head of the household, I am not listed as a dependent on another person's tax return (unless over the age of 60) and the address listed is my primary residence.

\_\_\_\_\_ I confirm local voice service discounts under the low income programs are limited to one per household and that my household is receiving no more than one Lifeline supported service. If I am participating in another Lifeline program at the time I apply for YourTel America Lifeline service, I agree to cancel that Lifeline service with any other provider. I certify that I will only receive one Lifeline connection, will not have simultaneous or multiple Lifeline discounts with another provider. I understand that I must inform YourTel America within 30 days if I (1) no longer participate in a federal qualifying program or programs or my annual household income exceeds 135% of the Federal Poverty Guidelines; (2) I am receiving more than one Lifeline-supported service per household; or (3) I, for any other reason, no longer satisfy the criteria for receiving Lifeline support. I attest under penalty of perjury that I understand this notification requirement, and that I may be subject to penalties if I fail to follow this rule.

\_\_\_\_\_ I acknowledge that I may be required to re-certify my continued eligibility for Lifeline at any time, and that failure to do so will result in the termination of the my Lifeline benefits.

\_\_\_\_\_ I understand that Lifeline service is a non-transferable benefit, and that I may not transfer my service to any other individual, including another eligible low-income consumer.

\_\_\_\_\_ I acknowledge and consent to the use of my name, telephone number, and address to be given to the Universal Service Administrative Company (USAC) (the administrator of the program) and/or its agents for the purpose of verifying that I do not receive more than one Lifeline benefit. I understand that refusal to grant this permission will mean I am not eligible for Lifeline service. I also authorize YourTel America to access any records required to verify my statements herein and to confirm my continued eligibility for Lifeline assistance.

\_\_\_\_\_ I understand that if I move, I must provide a new address to YourTel America within 30 days of my move. I understand that if I provided a Temporary Address, I must verify with YourTel America every 90 days that I am using the same address. I understand that if I fail to do so, I will lose my Lifeline discount.

By my signature below, I certify under penalty of perjury that I have read and understood this form and that I attest that the information contained in this application that I have provided is true and correct to the best of my knowledge and that I acknowledge that providing false or fraudulent information to receive Lifeline benefits is punishable by law.

Signature \_\_\_\_\_ Today's Date \_\_\_\_\_

## SECTION 9 – TRIBAL CERTIFICATION

\_\_\_\_\_ BY CHECKING HERE AND MY SIGNATURE ABOVE I CERTIFY THAT MY ADDRESS IS ON FEDERALLY RECOGNIZED TRIBAL LANDS

## SECTION 10 – INSTRUCTIONS

Mail or Fax completed form to: YourTel America, Inc.  
Fax: 1-877-221-0011 Attention: Lifeline Department  
401 E Memorial Road, Suite 500, Oklahoma City, OK 73114-2287

### COMPANY USE ONLY

I hereby certify that I have reviewed and verified the required documentation for the program(s) indicated by the applicant for the use of Lifeline eligibility or verified the applicants eligibility via the available state database. I also certify that I have reviewed the necessary documentation to verify identity and address of the applicant, and I am aware that falsification of this is subject to termination or legal action by the company.

Company Representative - Print Full Name (No Initials)

Company Representative Signature

ESN

Account Number

Mobile Number

Date



# Supplemental Lifeline Training

YourTel America, Inc.

## **YourTel America**

### **Supplemental Lifeline Training**

In addition to your standard Lifeline training documents please refer to this information, which will be updated as needed as we expand our markets. If you have any questions about this material or Lifeline policies and procedures please see your supervisor. In addition the audit and compliance departments are always available for questions and clarifications. Remember however that YourTel America maintains an open door policy and should you have any concerns you are always welcome to bring them to any member of management, senior management or executive management.

### **Customer Eligibility**

To help you discuss and explain the Lifeline/Link Up application with the applicant, we have put together a checklist of items which can be used to help determine a customer's eligibility as outlined below. Please go through this checklist with each applicant.

Potential applicants:

- ☐ can only qualify for one Lifeline assistance program per household
- ☐ cannot receive Lifeline service from more than one company
- ☐ cannot receive both Lifeline wireline and Lifeline wireless service
  - ☐ At the same time
  - ☐ At the same address
  - ☐ From more than one company at the same time
- ☐ can only qualify if they participate in one of the eligible low income programs listed on the application for Lifeline/Linkup
- ☐ must certify that they are the head of household
- ☐ must notify YourTel immediately if they are no longer eligible for discounted service.

*As a YourTel representative, you are the first line of responsibility to ensure that the customer is an eligible participant and that applications are filled in accurately.*

## **Important Things to Remember:**

### Social Security Numbers

Some states will require a social security number or another customer identifying number (i.e., DSHS number). These are listed in each state mandated form and must be obtained. Please refer to the matrix below for the correct way to handle a social security number in a particular state.

### Duplicate Address

The rules of the Lifeline program only allow one Lifeline service per household. For example, this means the customer can have either a Lifeline discount on one wireless or one wireline service, but not both.

In the case where multiple households may be using the same address (i.e., a group home) you are responsible for informing the customer of the rule. In most cases there will be a unit number, bed number or apartment number. These must be included in the address. Should an applicant claim they are separate households it is your responsibility to know your neighborhoods and customers and reject an applicant where you believe they are not properly meeting the rules. Similarly, applicants with the same name and address must also be rejected.

### Beneficiary Name

An applicant may use the benefits of a dependent to qualify for the Lifeline program should the dependent reside in the household. In many states the state mandated form has a field for name of the Qualifying Beneficiary and should be completed if the situation applies.

## **LIFELINE POLICIES**

### **Usage Non - Activity Policy**

A customer will no longer be eligible for a Lifeline discount if they do not use the service for a specified period of time, usually 60 or 90 days.

Once an account has been moved to a non-usage status, the subscriber has up to 30 days to re-enroll by contacting the company. If a customer does not re-enroll or call a customer service representative within 30 days of the de-enrollment, the phone service will be deactivated (any airtime will be lost). Note: A subscribers must provide proof of eligibility and pay an activation fee to re-enroll in the wireless Lifeline program. Usage can be: making or receiving a call, making or receiving a text message, checking a voicemail message, checking airtime balance, downloading content, data usage, or adding airtime.

### **Link Up Discount**

A customer may only receive the Link Up discount once at any address. For example, should a customer receive a Link Up discount for Lifeline wireline service then disconnect that service and subsequently sign up for a Lifeline wireless account at the same address, they are responsible for paying the full amount of the service activation fee.

They can only receive the Link Up discount again if they have moved and are starting new service and that new address.

Please note that subscribers are responsible to pay any remaining portion of the activation fee not covered by Link-Up. Subscribers are solely responsible to pay for the entire activation fee if they are not eligible for Link-Up. Activation fees due by the subscriber may be deferred over a period of 12 months (balance at time of activation divided by 12 and billed monthly).

*The matrix below is to be used as a quick reference guide for the applicable rules by state:*

State	In Service Date	Tribal Areas Served/Rate Plan	Rate Plan	Certification	Social Security Number Required	Verification	Usage Non-Activity Policy (defined below)	Notes
Oklahoma	8/18/2011	Yes	Unlimited - \$6.20 1000 - \$1	SP	NR	Annually contact the customer for re-certification	Not applicable as we are billing customers	
Illinois	3/24/2011	No	250	S	9	Annually contact the customer for re-certification	60 days without usage	
Kansas	6/10/2009	No	250	SP	NR	Annually contact the customer for re-certification	60 days without usage	
Maine	9/14/2011	No	68,125,250	S	O = Either Welfare ID number or 9 digit SSN	See Notes	60 days without usage	Annually we will need to generate a list of our customers who are receiving Lieline or Link Up benefits and submit that list to the Maine Department of Human Services for eligibility verification.
Missouri	7/16/2011	No	250	SP	NR	Annually contact the customer for re-certification	60 days without usage	
Pennsylvania	9/14/2011	No	68, 125, 250	O	O	See Notes	60 days without usage	<b>Certification:</b> Via the Department of Public Welfare for Low Income programs <i>other than</i> the Free Lunch Program ( <u><b>SS# Required</b></u> ). If signed up via Free Lunch program then KP. If sign up via Income Based then SP. <b>Verification:</b> Verify the continued eligibility of a statistically valid sample of customers by first cross checking DPW's database of eligible customers. Recertify in accordance with FCC 47 CFR Section 54.410 (sampling procedures).
Rhode Island	7/26/2011	No	250	KP	NR	See Notes	90 days without usage	Can request a SS in this State but can not deny service if customer chooses not to provide.
Washington	6/16/2011	Yes	205, 1000-Tribal Plan	S	NR	Annually contact the customer for re-certification <u>See Notes</u>	60 days without usage	An annual statistically valid random sample with collection of copies of proof documents. Results of the survey will go to USAC as well as the Washington Commission.
				S = Self-Certification, SP=See Proof, KP=Keep Proof, O = Other see notes	NR = Not Required, 9 = Full 9 Digits, 4 = Last 4 Digits, O= Other see notes			

## STATE ELIGIBLE PROGRAMS

The following is a current list of eligible programs by state:

### ILLINOIS

Federal Housing Assistance or Section 8  
IL Health Connect a/k/a Medicaid  
Low Income Home Energy Assistance Program (LIHEAP)  
National School Lunch Program  
Supplemental Nutrition Assistance Program (SNAP) f/ka Food Stamps  
Supplemental Security Income  
Temporary Assistance for Needy Families

### KANSAS

Bureau of Indian Affairs General Assistance  
General Assistance  
Head Start (must meet income qualifying standard)  
Low Income Home Energy Assistance Program (LIHEAP)  
Medicaid  
National School Lunch Program's Free Lunch Program  
Supplemental Nutrition Assistance Program (SNAP) Food Stamps  
Temporary Assistance for Needy Families  
Tribal Administered Temporary Assistance for Needy Families  
Section 8 Housing Assistance  
Supplemental Security Income  
United Tribes Food Distribution Program  
Income Based - 150% of the Federal Poverty Guidelines

### MAINE

Emergency Assistance Program  
Home Energy Assistance Program (HEAP)  
Medicaid (including expanded Maine Medicaid)  
Supplemental Nutrition Assistance Program (SNAP) Food Stamps  
Supplemental Security Income (SSI)  
Temporary Assistance for Families (TANF)

### MISSOURI

Supplemental Security Income  
MO Healthnet f/k/a Medicaid  
Temporary Assistance for Needy Families  
Supplemental Nutrition Assistance Program (SNAP) Food Stamps  
National School Lunch Program  
Low Income Home Energy Assistance Program (LIHEAP)  
Federal Housing Assistance or Section 8

### OKLAHOMA

Supplemental Security Income (SSI)  
Food Distribution Program on Indian Reservations  
Vocational Rehabilitation (including aid to the hearing impaired)  
Tribal Administered Temporary Assistance for Needy Families  
Temporary Assistance for Needy Families  
Oklahoma Sales Tax Relief  
National School Lunch Program's Free Lunch Program  
Medical Assistance (Medicaid/Sooner Care)  
Low Income Home Energy Assistance Program  
Head Start (must meet income qualifying standard)  
Food Stamps / SNAP  
Federal Public Housing Assistance  
Bureau of Indian Affairs General Assistance

### PENNSYLVANIA

Temporary Assistance for Families (TANF or Cash)  
Supplemental Security Income (SSI)  
Supplemental Nutrition Assistance Program (SNAP) f/k/a Food Stamps  
National School Lunch Program's Free Lunch Program  
Low Income Home Energy Assistance Program (LIHEAP)  
General Assistance (Cash Program)  
Medical Assistance  
Federal Public Housing Assistance  
Income Based - 135% of the Federal Poverty Guidelines

### RHODE ISLAND

Temporary Assistance for Needy Families  
Supplemental Security Income  
Supplemental Nutrition Assistance Program (SNAP) Food Stamps  
Rhode Island Pharmaceutical Assistance to the Elderly  
Medicaid  
Low-Income Home Energy Assistance Program (LIHEAP)  
General Assistance  
Family Independence Program  
Aid from the Rhode Island Medical Assistance Program

WASHINGTON

Tribally Administered Temporary Assistance for Needy Families

Temporary Assistance for Needy Families

State Supplemental Security Income

State Family Assistance

Refugee Assistance

National School Lunch Program's Free Lunch Program

Medical Assistance (Including Medicare cost sharing programs)

Medicaid

Head Start Program (must meet income qualifying standard)

Food Assistance (Including SNAP)

Disability Lifeline( formerly General Assistance )

Community Options Programs Entry System (COPES)

CHORE Services

Bureau of Indian Affairs General Assistance

Income Based - 135% of the Federal Poverty Guidelines



**WIRELESS SERVICE**

- ☒ Free Wireless Phone\*
- ☒ Free Voicemail\*
- ☒ Free Long Distance\*
- ☒ Free 411\*

- ☒ No Deposit
- ☒ No Credit Check
- ☒ No Contract

<b>WIRELESS</b> REFILLS AVAILABLE*	<b>\$5*</b> 60 <small>ANYTIME/MINUTES/TEXTS</small>	<b>\$10*</b> 200 <small>ANYTIME/MINUTES/TEXTS</small>	<b>\$15*</b> 300 <small>ANYTIME/MINUTES/TEXTS</small>	<b>\$20*</b> 400 <small>ANYTIME/MINUTES/TEXTS</small>	<b>\$25*</b> 500 <small>ANYTIME/MINUTES/TEXTS</small>	<b>\$30*</b> 600 <small>ANYTIME/MINUTES/TEXTS</small>	<b>\$50*</b> 1300 <small>ANYTIME/MINUTES/TEXTS</small>
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\* Wireless coverage and availability not guaranteed. Service not available in all areas. Free wireless devices may require activation at the time of receiving equipment. Deferred installation fees may apply. Includes 911 access where available but not guaranteed. Wireless refills expire in 30 days from activation. Other terms, conditions & restrictions apply. Service provided by YourTel America, Inc. For complete wireless terms or conditions, please visit [yourtelwireless.com](http://yourtelwireless.com).

DO YOU RECEIVE  
**FOOD STAMPS**  
OR OTHER  
**GOVERNMENT ASSISTANCE?**

THEN YOU MAY QUALIFY FOR DISCOUNTED  
WIRELESS PHONE SERVICE THROUGH **LIFELINE**,  
A GOVERNMENT BENEFIT PROGRAM.  
PARTICIPATION IS LIMITED TO ONE BENEFIT PER HOUSEHOLD.

Sign up online

[WWW.YOURTELWIRELESS.COM](http://WWW.YOURTELWIRELESS.COM)

Lifeline is a government benefit program. Only eligible customers may participate in the Lifeline program and **participation is limited to one benefit per household** consisting of either wireline or wireless service. Documented proof of participation in a government assisted program or income qualification is required for enrollment. Lifeline service is non-transferable.



**FREE WIRELESS  
PHONE\***



**250 FREE MINUTES  
EVERY MONTH\***

**1.855.299.9990**

**[WWW.YOURTELWIRELESS.COM](http://WWW.YOURTELWIRELESS.COM)**

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

_____	)	
In the Matter of	)	
	)	
Telecommunications Carriers Eligible for	)	WC Docket No. 09-197
Universal Service Support	)	
	)	
Lifeline and Link Up Reform and Modernization	)	WC Docket No. 11-42
	)	
YourTel America, Inc. Blanket Forbearance	)	
Compliance Plan	)	
_____	)	

**Exhibit 4**

**DECLARATION OF DALE SCHMICK**

**VP and CSO, YourTel America, Inc.**

1). My name is Dale Schmick. I am the Vice President and Chief Strategy Officer ("CSO") of YourTel America, Inc. ("YourTel"). As part of my duties, I am in charge of ensuring that YourTel is in compliance with all applicable regulations and laws. My business address is 401E Memorial Road, Suite 500, Oklahoma City, OK 73114. YourTel provides over 350,000 combined wireless and wireline lines to low income subscribers through the Universal Service Administrative Company's ("USAC's") Lifeline program. YourTel sells its wireless and wireline services through 12 wholly-owned retail stores and through inbound online sales. YourTel has been in business for over almost 17 years and employs approximately 104 people.

*PS*

2.) The purpose of my declaration is to satisfy the requirements of new rule §54.202(a)(4), which requires carriers seeking “blanket forbearance” to provide Lifeline-only service to demonstrate, with detailed information, that they are financially and technically capable of providing Lifeline-only wireless services. Consistent with the *Lifeline Reform Order*, and the rule implementing this obligation, I will provide more than sufficient information to satisfy the Commission that YourTel meets these requirements.

3.) I will first address YourTel’s technical capability to provide Lifeline-only service. While a fair amount of YourTel’s total wireless service offering is satisfied by its underlying carriers’ existing certifications that they have sufficient back up power to remain functional in an emergency, there are portions of YourTel’s wireless service—as consumed by YourTel’s customers—that are provided over YourTel owned, or controlled, facilities. In compliance with rule §54.202(a)(3), YourTel certifies that it does maintain sufficient back up power for its own facilities to ensure that the total YourTel customer experience will be preserved in the case of an emergency situation. In other words, YourTel has sufficient power to keep its facilities running in tandem with its wireless wholesale partners in the case of an emergency.

4.) With respect to the detailed financial information the Commission has requested in the *Lifeline Reform Order*,<sup>1</sup> the Commission explained that a carrier seeking “blanket forbearance” (from the Act’s facilities requirement) could prove that it is financially and technically capable of becoming a Lifeline-only ETC by addressing certain factors. Specifically, in order to demonstrate its financial ability to provide service, YourTel can certify that: 1) it offers service to low-income customers—all low income customers, and not just those customers that are

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<sup>1</sup> *Lifeline Reform Order*, ¶388.

eligible to receive reimbursements from the Lifeline program; 2) YourTel has been in business for almost 17 years; 3) YourTel has never been exclusively dependent on receiving Lifeline subsidies to operate, and to ensure that all its consumers will receive the service they have been promised; 4) YourTel has never been subject to state or federal enforcement sanctions, and YourTel has never been the subject of a state revocation proceeding. Thus, YourTel has almost 9 years of successfully providing valuable customer service (wireline and wireless) and growing its business as a Lifeline-only ETC.

5.) Finally, while not specifically requested, YourTel has decided to offer up a little more financial information designed to assure the Commission that it is financially capable of providing good quality, reliable service to customers. First, YourTel is a financially stable and liquid service provider. This fact is relevant in assessing YourTel's lack of reliance on Universal Service Fund reimbursements in order to continue providing service to end users.

6.) Finally, the most significant piece of information that YourTel can possibly convey to assure the Commission of its ability to successfully provide service (aside from YourTel's long track record of successfully providing Lifeline service) is its good commercial relationship with all of its vendor partners. I can certify that YourTel is current in all of its accounts with all relevant vendors who contribute to the provision of YourTel's wireless service. This provides the Commission with the additional assurance that other market participants—parties who will lose money if YourTel is not financially capable of providing wireless service—are confident in YourTel's ability to continue to provide service to its customers.

7.) Taking all certifications together, YourTel has more than demonstrated—within the financial and technical capability requirement—that it has addressed all of the questions raised in

the Order, and provided additional assurances to the Commission regarding YourTel's ability to satisfy this requirement. Then, of course, there is the simpler demonstration contained herein, which shows that YourTel's long history of providing service in compliance with all relevant state and federal rules—and at no cost to the Fund (to the best of YourTel's knowledge)—for the past 16 years is more than ample demonstration that YourTel meets the Commission's new requirements for demonstrating financial and technical capability to be a service provider.

8.) This concludes my declaration.

A handwritten signature in black ink, appearing to read 'Dale Schmick', is written over a horizontal line.

Dale Schmick

Dated: 3/2/12

# **EXHIBIT E**

# WIRELESS SERVICE KANSAS



- ☒ Free Wireless Phone\*
- ☒ Free Voicemail\*
- ☒ Free Long Distance\*
- ☒ Free 411\*

- ☒ No Deposit
- ☒ No Credit Check
- ☒ No Contract

WIRELESS REFILLS AVAILABLE*	\$5*	\$10*	\$15*	\$20*	\$25*	\$30*	\$50*
	60	200	300	400	500	600	1300
	MINUTES/TEXTS	MINUTES/TEXTS	ANYTIME/TEXTS MINUTES	ANYTIME/TEXTS MINUTES	ANYTIME/TEXTS MINUTES	ANYTIME/TEXTS MINUTES	ANYTIME/TEXTS MINUTES

\* Wireless coverage and availability not guaranteed. Service not available in all areas. Free wireless devices may require activation at the time of receiving equipment. Deferred installation fees may apply. Includes 911 access where available but not guaranteed. Wireless refills expire in 30 days from activation. Other terms, conditions & restrictions apply. Service provided by YourTel America, Inc. For complete wireless terms or conditions, please visit [yourtelwireless.com](http://yourtelwireless.com).

As a designated telecommunications carrier eligible to receive universal service support, YourTel America is proud to offer the Lifeline program in the state of Kansas. We will provide free monthly minutes on basic wireless phone service for residential customers who qualify for certain medical, energy, or income-assisted programs. To determine if you qualify for Kansas Lifeline service, new and existing customers may call 1.855.299.9990.

For unresolved questions or complaints you may contact the Kansas Corporation Commission, Office of Public Affairs and Consumer Protection, at KCC-Consumer Protection, 1500 S.W. Arrowhead Road, Topeka, KS 66604 or toll-free 1.800.662.0027 or in Topeka 785.271.3140. Hearing or speech impaired TDD Kansas Relay Center 1.800.766.3777.

## DO YOU RECEIVE FOOD STAMPS OR OTHER GOVERNMENT ASSISTANCE?

THEN YOU MAY QUALIFY FOR DISCOUNTED  
WIRELESS PHONE SERVICE THROUGH **LIFELINE**,  
A GOVERNMENT BENEFIT PROGRAM.

PARTICIPATION IS LIMITED TO ONE BENEFIT PER HOUSEHOLD.

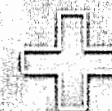
Sign up online

[WWW.YOURTELWIRELESS.COM](http://WWW.YOURTELWIRELESS.COM)

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# FREE WIRELESS PHONE\*



# 250 FREE MINUTES EVERY MONTH\*

**1.855.299.9990**

[WWW.YOURTELWIRELESS.COM](http://WWW.YOURTELWIRELESS.COM)

# **EXHIBIT F**



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# CTIA

## Consumer Code *for* Wireless Service

To provide consumers with information to help them make informed choices when selecting wireless service, to help ensure that consumers understand their wireless service and rate plans, and to continue to provide wireless service that meets consumers' needs, 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.

### THE WIRELESS CARRIERS THAT ARE SIGNATORIES TO THIS CODE WILL:

#### ONE

#### DISCLOSE RATES AND TERMS OF SERVICE TO CONSUMERS

**F**or each rate plan offered to new consumers, wireless carriers will make available to consumers in collateral or other disclosures at point of sale and on their web sites, at least the following information, as applicable: (a) the calling area for the plan; (b) the monthly access fee or base charge; (c) the number of airtime minutes included in the plan; (d) any nights and weekend minutes included in the plan or other differing charges for different time periods and the time periods when nights and weekend minutes or other charges apply; (e) the charges for excess or additional minutes; (f) per-minute long distance charges or whether long distance is included in other rates; (g) per-minute roaming or off-network charges; (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) whether a fixed-term contract is required and its duration; (k) any activation or initiation fee; and (l) any early termination fee that applies and the trial period during which no early termination fee will apply.

#### TWO

#### MAKE AVAILABLE MAPS SHOWING WHERE SERVICE IS GENERALLY AVAILABLE

**W**ireless carriers will make available at point of sale and on their web sites maps depicting approximate voice service coverage applicable to each of their rate 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 an appropriate legend concerning limitations and/or variations in wireless coverage and map

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usage, including any geographic limitations on the availability of any services included in the rate 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.

### T H R E E

#### **PROVIDE CONTRACT TERMS TO CUSTOMERS AND CONFIRM CHANGES IN SERVICE**

**W**hen a customer initiates service with a wireless carrier or agrees to a change in service whereby the customer is bound to a contract extension, the carrier will provide or confirm the material terms and conditions of service with the subscriber.

### F O U R

#### **ALLOW A TRIAL PERIOD FOR NEW SERVICE**

**W**hen a customer initiates 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 airtime usage, may still apply.

### F I V E

#### **PROVIDE SPECIFIC DISCLOSURES IN ADVERTISING**

**I**n advertising of prices for wireless service or devices, wireless carriers will disclose material charges and conditions related to the advertised prices, including if applicable and to the extent the advertising medium reasonably allows: (a) activation or initiation fees; (b) monthly access fees or base charges; (c) any required contract term; (d) early termination fees; (e) the terms and conditions related to receiving a product or service for "free;" (f) the times of any peak and off-peak calling periods; (g) whether different or additional charges apply for calls outside of the carrier's network or outside of designated calling areas; (h) for any rate plan advertised as "nationwide," (or using similar terms), the carrier will have available substantiation for this claim; (i) whether prices or benefits apply only for a limited time or promotional period and, if so, any different fees or charges to be paid for the remainder of the contract term; (j) whether any additional taxes, fees or surcharges apply; and (k) the amount or range of any such fees or surcharges collected and retained by the carrier.

### S I X

#### **SEPARATELY IDENTIFY CARRIER CHARGES FROM TAXES ON BILLING STATEMENTS**

**O**n 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.

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S E V E N

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

Carriers will not modify the material terms of their subscribers' contracts in a manner that is materially adverse to subscribers without providing a reasonable advance notice of a proposed modification and allowing subscribers a time period of not less than 14 days to cancel their contracts with no early termination fee.

E I G H T

**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.

N I N E

**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.

T E N

**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.

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**CUSTOMER CERTIFICATION AND VERIFICATION PROCEDURE**

**Customer Certification Process**

The FCC requires each prospective customer to apply for Lifeline service. The FCC has recently changed its procedures for how carriers must qualify customers for enrollment in the Lifeline program, and how customers must certify their eligibility. The Commission, for the first time, established uniform eligibility and application criteria for enrolling low-income customers in the Lifeline program. In the Lifeline Reform Order, the FCC integrated and standardized the eligibility and certification criteria through the establishment of what may be called a uniform application process. Each new prospective customer will have to provide certain information and eligibility certifications as part of an overall application to receive benefits under the Lifeline program.

However, before submitting an application to receive Lifeline-supported service under the Commission's new rules, YourTel will obtain consent from each of its new and existing subscribers to transmit the subscriber's information to the program Administrator. YourTel will explain in clear, and easy-to-understand, language the information that YourTel will have to transmit to the Administrator.<sup>1</sup> If the subscriber refuses to grant YourTel permission to transmit this information to the Administrator, the subscriber will not be eligible to receive Lifeline service.

The application will require each prospective customer to provide all of the information required in revised rule 47 C.F.R. § 54.410(d)(2): the subscriber's full name; the subscriber's residential address; whether the subscriber's residential address is permanent or temporary; the subscriber's billing address (if different from the residential address); the subscriber's date of birth; the last four digits of the subscriber's social security number, or the subscriber's tribal identification number in lieu of a social security number; whether the subscriber is seeking to demonstrate eligibility to receive Lifeline service under the program-based criteria, or based on income.

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<sup>1</sup> See *Lifeline Reform Order*, Appendix A, §54.404(b)(9).

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Moreover, as part of the application (and pursuant to proposed revised rule 47 C.F.R. § 410(d)(3)) the prospective subscriber will have to certify under penalty of perjury that: the subscriber meets the income-based or program-based eligibility criteria for receiving Lifeline, explained in § 54.409; the subscriber will notify YourTel within 30 days if for any reason the subscriber no longer satisfies the eligibility criteria, or if the subscriber no longer satisfies the “one subsidy per household” qualification; if the subscriber is seeking to qualify for Lifeline as an eligible resident of Tribal lands, that they actually live on Tribal lands; if the subscriber moves to a new address, they will notify YourTel of their address change within 30 days; if the subscriber provided a temporary address upon sign-up, the subscriber will verify their correct address every 90 days or face de-enrollment; the subscriber’s household will receive only on Lifeline service and, to the best of the subscriber’s knowledge, their household is not already receiving a Lifeline service; the subscriber’s information on their application is true and accurate to the best of their knowledge; the subscriber understands that providing false information to obtain Lifeline benefits is punishable by law; and the subscriber acknowledges that they may be required to re-certify continued eligibility for Lifeline at any time, and that the subscriber’s failure to re-certify will result in de-enrollment and termination of the subscriber’s Lifeline benefits pursuant to § 54.405(e)(4).

Regardless of how the customer applies—whether in an authorized retail store, online, or over the phone, each customer will end up supplying the same information via YourTel’s standard customer certification form. This form contains all relevant information required by the Commission’s new rules, and requires the customer to certify, under penalty of perjury, that to the best of the customer’s knowledge all of the information supplied is correct. The customer will also agree to contact YourTel in the event any information regarding the customer’s ongoing eligibility, or household information, should change.

YourTel enrolls Lifeline customers through several different marketing channels: 1) in person, through company-owned and affiliated retail stores, 2) in person, through company employees that are

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retail sales representatives, and 3) through customer-initiated contact, either through inbound telemarketing or (more frequently) through online sales over the Internet. The large majority of YourTel's sales are through its "in person" channels.

What is significant is that all of YourTel's retail sales are the result of direct contact with the potential Lifeline consumer. Before examining each new enrollment obligation, it will be helpful to explain how YourTel will interact directly with its customers through each sales channel.

**Retail Stores.** These sales are the most "direct" and easiest to explain how YourTel will comply with the Lifeline obligations. The prospective customer comes into the store, and is asked the basis for his or her claim to Lifeline eligibility; participation in a qualifying program, or earning household income below 135% (or 150% as it is in Ohio) of the Federal Poverty Guidelines. The store employee can verify the customer's program, or income, based eligibility in person. The store employee will then ask the prospective customer for additional documentation proving identity, and/or address verification. The final program/income eligibility-specific step is for the customer to provide the required information and make the certifications required by new rule §54.410(d)(3).

If the customer appears to be eligible, the employee will explain the Commission's definition of "household", defined in new rule §54.400(h), as an "economic unit" where related or unrelated people share income and expenses. In the case of multiple applicants at the same mailing address, the customer will then make the "one per household" certification required by §54.410(d)(1). Finally, YourTel will collect the necessary customer-specific information required by new rule §54.401(d)(2) so that YourTel can report the information to USAC to be used to populate the National Lifeline Accountability Database ("duplicates database"), defined in §54.400(i) of the Commission's new rules.

The retail store employee then enters the customer's information into YourTel's OSS systems, where the information is checked against available databases (the duplicates database, and YourTel's own

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list of existing customers). The retail store rep quickly determines whether the customer is eligible to receive Lifeline service. Where proof of eligibility is needed, the retail personnel, who are trained on what is eligible documentation will witness the documentation, sign the application demonstrating they have witnessed the documentation.

Upon successful completion of the certification process, the customer is allowed to choose a service plan, and select a phone—either a free phone or purchase an upgraded phone from a wide inventory. The customer then receives their phone right at the store. The customer's account is activated upon completion of an outbound call.<sup>2</sup>

**Field Representatives.** Frequently, YourTel will dispatch employees as “field representatives” to underserved communities, where the “field rep” focuses on traditionally underserved low income customers. Opportunities for field reps to reach those customers not on the network range from educational sessions at low income housing, or nursing homes, to sponsoring booths at community events.

The protocol for signing up customers in the field is similar to that of signing up customers in a store, in the sense that the field rep can personally see whether the customer is eligible based on program participation or income qualification. The customer can also provide the requisite information, and sign the required eligibility verifications, from the field. Should a customer in the field be determined to be ineligible but feels that the determination is incorrect; the order can be submitted to YourTel for review and investigation. In such a case the phone would be mailed to the customer upon approval and the customer can personally activate their service – as in the manner of all YourTel phones – by completing an outbound call. For purposes of “enrollment” in the Lifeline program, YourTel will use the date of this first completed outbound call from its call records as the customer's effective start date.

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<sup>2</sup> See, *Lifeline Reform Order*, Appendix A, §54.407(c)(2)(i).

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**Inbound Channel Marketing.** Prospective customers can also apply for, and obtain, Lifeline service from YourTel either over the phone or through the Internet. Customers choosing to obtain service through inbound channels must either fill out an application online, or provide the relevant information to the customer sales rep over the telephone. In these cases, YourTel will verify eligibility by reviewing documentation of eligibility submitted by the applicant in advance of receiving service.

**Online Sales.** To apply for YourTel Lifeline service online, a customer will fill out an application, provide the necessary information that all prospective Lifeline customers must provide, and be taken through successive screens, which clearly explain all relevant legal eligibility requirements. The prospective customer will fill out the relevant eligibility forms on the computer, and then send in copies of the records needed by YourTel to verify the customer's eligibility to participate in Lifeline. Once the prospective customer is successfully verified by YourTel, the customer can be enrolled in the service plan they have chosen, and then mailed their handset.

Assuming the customer has successfully completed the online application process, YourTel will have all the information it needs to verify the customer is only receiving one Lifeline subsidy for their household, to verify eligibility, to satisfy its record-keeping obligations, and to send to USAC in order to populate the duplicates database. The requisite certifications needed by YourTel to establish service with the prospective customer can be obtained as electronic signatures.<sup>3</sup>

YourTel's proposed method of accepting electronic signatures—on all of its online certifications and re-certifications—is to allow the customer to create a unique electronic signature by typing their name, and providing their date of birth and their social security number. The customer's name, combined with their date of birth and their social security number, is sufficiently unique to satisfy the Commission's new rules for accepting electronic signatures.

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<sup>3</sup> See, *Lifeline Reform Order*, Appendix A, §54.419.



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**Inbound Telemarketing.** To obtain YourTel Lifeline service, a customer can call YourTel to initiate service. The process is very similar to online enrollment, except that instead of being taken through successive screens, the customer is asked a series of qualifying questions by a customer service representative. The questions will all be designed to elicit true and accurate information that is necessary for YourTel to obtain a complete standard certification form. If, at any time during the conversation, it becomes apparent to the customer service rep that the prospective customer is unlikely to qualify for YourTel Lifeline service, the customer service rep will explain the issue to the customer and offer to allow the customer to sign up for one of YourTel's non-Lifeline service plans.

On the other hand, if the customer provides information indicating that the customer would be eligible to obtain Lifeline service, the customer service rep will take the customer as far as possible in trying to qualify the customer. If the customer seems to qualify then the customer service rep will open a file for the customer, take the customer's information that is required to be collected from each customer, send the customer the requisite certification forms for verification of eligibility (or allow the customer to certify eligibility through an IVR recorded and associated with the customer's account), and request copies of the evidence that would prove eligibility in cases where a state database is not available.

As always, if the prospective customer fails to qualify for Lifeline service, YourTel will explain to the customer why the request was rejected. On the other hand, if the prospective customer sends in sufficient evidence to qualify for Lifeline eligibility, and adequately certifies eligibility, YourTel will notify the customer, and enroll the customer in their requested service plan, and send the customer the phone they have requested/purchased (if the customer has expressed a handset preference).

**Customer Verification Process**

In order to most efficiently use funds set aside for Lifeline customers, the FCC has adopted rules to ensure that only customers eligible to participate in the Lifeline program receive the benefit of the

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Lifeline subsidy. These rules require that YourTel “de-enroll” customers who are no longer eligible to receive Lifeline benefits from the list of customers for whom Lifeline reimbursement is sought from USAC.<sup>4</sup> The Commission’s new rule requires YourTel to “de-enroll” customers from Lifeline enrollment for several reasons: YourTel has reason to believe that the customer no longer participates in a Lifeline-eligible program, or no longer meets the income-based criteria for Lifeline eligibility, and the customer fails to prove eligibility within 30 days<sup>5</sup>; the Fund Administrator notifies the ETC that either the customer is receiving Lifeline support from more than one carrier, or that more than one person in the customer’s household is receiving a Lifeline subsidy<sup>6</sup>, the customer has failed to “use” a free service for more than 60 consecutive days<sup>7</sup>; or, the customer has either failed to perform their required annual recertification of continued eligibility, the annual re-certification that the customer is not in violation of the one-per-household rule, or (for customers who provided a temporary address upon enrollment) the customer has failed to re-certify their temporary address within the 90 day window (or failed to provide YourTel with a permanent address within the same time period).<sup>8</sup>

With the exception of the situation where an ETC is notified by the Administrator that a customer/customer’s household is receiving duplicate support, each basis for de-enrollment requires YourTel to notify the customer that their support is in jeopardy, and provide the customer with 30 days to either refute or cure their apparent ineligibility to receive Lifeline support.<sup>9</sup> When an ETC is notified that they are receiving duplicative support for a customer that has been confirmed to be ineligible by the Administrator, the ETC has 5 days to remove the ineligible Lifeline recipient from its reimbursement list.

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<sup>4</sup> See, *Lifeline Reform Order*, Appendix A, §54.405(c)(1)-(4).

<sup>5</sup> *Id.* §54.405(e)(1).

<sup>6</sup> *Id.* §54.405(e)(2).

<sup>7</sup> *Id.* §54.405(e)(3).

<sup>8</sup> *Lifeline Reform Order*, Appendix A, §54.405(e)(4).

<sup>9</sup> *Id.*, at §54.405(g).

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Customers receiving duplicative support not only present a risk to the Fund, but they present a financial risk to YourTel if customers not eligible for reimbursement are allowed to continue to use their phones, and thereby raise YourTel's unrecoverable costs. Because it is in YourTel's self-interest to immediately remove from its Lifeline roles those customers identified by the Administrator as disqualified from receiving Lifeline service, YourTel will (as explained below) diligently comply with this new obligation.

Putting aside those subscribers recovering duplicative support, every qualifying Lifeline subscriber is subject to de-enrollment for reasons both completely outside the ETC's control (e.g., customers neglecting to use their service for 60 consecutive days and customers no longer qualifying for the subsidy), and for reasons that can be avoided if the customer has sufficient notice to comply with the rules. For this reason, YourTel has adopted procedures to help deserving customers to avoid undeserved de-enrollment, and procedures for quickly removing subscribers that the Administrator has determined to be wasting Lifeline funds.

When YourTel establishes a customer account, it also places a Lifeline start date on the account, consistent with the date of the customer's first outbound call, based on the potential vulnerabilities of the customer to undeserved de-enrollment. For example, every Lifeline account is subject to recertification on an annual basis that: the subscriber still meets the criteria to be considered a qualifying low-income customer under §54.409, and that the subscriber's household is not receiving more than one Lifeline subsidy.

Thus, every Lifeline subscriber should receive (through multiple channels) an advance reminder that they must re-certify annually, along with an explanation of the many convenient ways that YourTel offers customers to re-certify. YourTel allows customers to re-certify via dialing a toll free number (IVR), return text, email, regular mail, and online through YourTel's website. Moreover, once the duplicate database is up and working, YourTel will be able to perform certifications for its customers that

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have qualified through a database query. Regardless, though, it is clear that YourTel, and many other Lifeline-only ETCs, will be sending out annual re-certification requests on a daily basis.

Annual re-certifications are required for all customers, but YourTel also creates an advance reminder for customers that have established their accounts using a temporary address. Customers establishing service with a temporary address are potentially difficult to remain in contact with, so YourTel sends out text notifications to these customers on a monthly basis.

Similarly, since many—if not most—of YourTel’s Lifeline customers do not pay a regular monthly bill, YourTel has tracking software to notify the customer if the customer has not used their service for more than 60 consecutive days . These notifications are not only helpful to ensure that the customer does not risk losing their phone by failing to use their phone, but the notifications also help the customer become more aware of their own usage patterns, which might cause the customer to choose a different plan (for example, a plan with less monthly minutes, but minutes that “rollover” to the next month). After notification, if the customer fails to use the phone, it is automatically disconnected by the system.



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April 16, 2012

Received  
on

APR 17 2012

by  
State Corporation Commission  
of Kansas

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

**Re: In the Matter of the Application of YourTel America, Inc. to Amend its  
Designation as an Eligible Telecommunications Carrier in the State of  
Kansas.**

Dear Ms. Klein,

Enclosed, on behalf of YourTel America, Inc. please find the original and eight (8) copies of the *Application of YourTel America, Inc. to Amend its Designation as an Eligible Telecommunications Carrier in the State of Kansas*.

Please date stamp the additional copy and return to the undersigned in the postage prepaid envelope.

If you have questions regarding this matter, please do not hesitate to contact me.

Very truly yours,

Rose Mulvany Henry