

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

In the Matter of	)	
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Request for Waiver of May 499-Q 45-	)	
Day Revision Deadline	)	WC Docket No. 06-122
	)	
By	)	
	)	
STS Media, Inc.		

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**Emergency Request for Waiver of  
May Form 499-Q 45-Day Revision Deadline**

STS Media, Inc. ("STS Media"), through its undersigned regulatory consultants and pursuant to Section 1.3 of the Commission's rules, requests that the Wireline Competition Bureau ("Bureau") (1) waive the 45-day Form 499-Q revision filing deadline to permit STS Media to correct a substantial error in its May 2017 499-Q and (2) require the Universal Service Administrative Company ("USAC") to credit charges resulting from the error. STS Media requests that the Commission take such action on an expedited basis so that STS Media's pending FCC International 214 license application is not jeopardized and that STS Media is not required to make incorrect and unduly extreme burdensome; if not actually jeopardizing the existence of the business.

**I. Background**

STS Media is a telecommunications provider that makes USF contributions. On May 9, 2017, STS Media filed its FCC Form 499-Q reporting projected revenues for the third quarter 2017. The form as submitted included a significant clerical error which resulted in grossly inflated interstate end user revenues being reported on its May 2017 499-Q, STS Media inadvertently

reported revenues on Line 120 of an amount nearly 29 times the amount of interstate revenues that should have been projected. The difference in the assessment amount is roughly \$180,000.00 that is erroneously owed. STS Media did not discover this error until it received its July 21, 2017 invoice from USAC, well beyond the 45-day deadline of June 15, 2017 for making corrections to its Form 499-Q. A revision was filed for the May 2017 499-Q on 9/13/2017, and formerly rejected by USAC.

Because of this inadvertent yet consequential error; the erroneous amount of revenue reported on its May 2017 Form 499-Q, increased STS Medias' quarterly contribution base nearly 1000%.

STS Media has taken steps to ensure that this type of error is not repeated in future Form 499 filings. The Form 499 review process has been documented with the accounting department and outside regulatory consultant. Both entities have established checks and balances for data entry, quality checking, and certification of the data.

STS Media cannot comply with the Commission's pay-and-dispute policy as submitting the payment in full for invoices based on the erroneous May 499-Q filing could have lasting detrimental effects to the financial health of the company. If the Bureau declines to waive the Form 499-Q revision deadline, STS Media will be unable to receive credit until the completion of the annual true-up process during the second quarter of 2018 which would cause erroneous debt to be sent to Treasury and a forfeit of the 214 license.

## **II. Good Cause Exists to Waive the 45-Day Revision Deadline.**

The Commission may waive its rules for good cause shown. A rule may be waived where the facts make strict compliance with the rule inconsistent with the public interest per 47 C.F.R. – 0.91(b).

STS Media requests a waiver of the 45-day revision deadline for Form 499-Q and asks the Bureau to direct USAC to accept the revised (2) May 2017 Form 499-Q. The Bureau has waived the 45-day Form 499-Q revision deadline rule and directed UAC to accept corrected forms submitted outside the revision window when clerical errors have resulted in invoiced contribution obligations that vastly exceed the amount a carrier should have owed. See *Aventure Order*, See WC Docket No. 06-122, Order, 28 FCC Rcd. 6150 (*Ascent Order*), See WC Docket No. 06-122, Order, 28 FCC Rcd. 10358 (*American Broadband Order*), See WC Docket No. 06-122, Order, 29 FCC Rcd. 7546 (*Peerless Order*), See WC Docket No. 06-122, Order, 29 FCC Rcd. 9668 (*Peak Communications Order*).

The facts on the above referenced cases are nearly identical to STS Medias' situation. Just as the Bureau found good cause to justify a waiver of the 45-day revision deadline in the above cases, good cause exists here because a minor yet consequential clerical error resulted in STS Media's owing a USF contribution amount for third quarter that exceeds its likely USF contribution for the entirety of 2017. The clerical error resulted in a quarterly contribution obligation of approx. \$180,000.00 which is more than the net universal service base contribution revenues STS Media should have reported for the third quarter of 2017. STS Media has taken steps to ensure the mistakes leading up to the erroneous May 2017 499-Q will not happen again. Good Cause exists to grant of a one-time waiver of the 45-day revision deadline because it would correct an inadvertent yet significantly consequential clerical error that resulted in an unjustifiably large USF contribution obligation.

### **III. Neither the Universal Service Fund nor the Public Interest Will Be Adversely Impacted.**

Waiver of the 45-day revision deadline in this instance will not disserve the rule's purpose and would better serve the public interest than requiring strict compliance. The 45-day revision deadline is intended to "eliminate incentives for carriers to revise their revenue projections after the announcement of the contribution factor for the upcoming quarter to reduce their contribution

obligations and to otherwise reduce the likelihood of a shortfall in universal service funding in each calendar quarter.” Rather than attempting to reduce its contribution obligation, STS Media seeks to correct an inadvertent clerical error that resulted in an unreasonably large, and inaccurate, contribution obligation owed. If the Bureau grants the waiver, STS Media will pay the revised third quarter USF contribution based on accurate projections. Furthermore, the Fund will not be harmed by permitting the revision to the May 2017 499-Q because STS Media would ultimately be entitled to a refund for overpayment through the true-up process in 2018.

Strict compliance with the 45-day revision deadline is inconsistent with the public interest when inadvertent typographical or clerical errors on Form 499-Q result in significantly overstated assessable telecommunications revenue. (See Peak Communications Order, P3, n.9) Absent a waiver of the revision deadline, STS Media faces third quarter contribution obligations based on significantly overstate assessable telecommunications revenue. Grant of the instant waiver request would be consistent with the Commission precedent and better serve the public interest by ensuring that an inadvertent clerical error does not result in a grossly disproportionate USF contribution burden on STS Media.

#### **IV. Conclusion**

STS Media requests that the Bureau waive the 45-day revision deadline to permit acceptance of the revised May 2017 Form 499-Q filed on September 13, 2017.

Respectfully submitted,

/s/ Beth I. Brandenstein

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Beth I. Brandenstein  
Global Strategic Accountants, LLC  
1595 Peachtree Parkway  
Suite 204-337  
Cumming, GA 30041  
[beth@gsaudits.com](mailto:beth@gsaudits.com)  
678-203-0276 (P)  
678-329-3329 (F)  
Regulatory Consultants & Attorney-in-Fact to STS Media

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