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**Before the  
Federal Communications Commission  
Washington, D.C. 20554**

In the Matter of the	)	
	)	
Telecommunications Carriers Eligible for	)	WC Docket No. 09-197
Universal Service Support	)	
	)	WC Docket No. 11-42
Lifeline and Link Up Reform and Modernization	)	
	)	
Cellspan Inc.'s Compliance Plan	)	
	)	

**CELLSPAN INC.'S**

**AMENDED COMPLIANCE PLAN**

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**I. INTRODUCTION**

Cellspan Inc. (“Cellspan” or the “Company”) is a prepaid wireless telecommunications carrier seeking designation as an Eligible Telecommunications Carrier (“ETC”) solely for the purpose of participating in the Lifeline program.<sup>1</sup> Although Section 214(e)(1)(A) of the Act requires an ETC to offer USF-supported services to some extent over its own facilities, the Federal Communications Commission (“FCC” or “Commission”) has forborne from that requirement for carriers that are, or seek to become, Lifeline-only ETCs.<sup>2</sup> Cellspan will avail itself of the FCC’s conditional grant of forbearance and, by its attorney, hereby files its Amended Compliance Plan outlining the measures it will take to implement the conditions of forbearance outlined in the

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<sup>1</sup> Cellspan Inc. is a New York corporation; Cellspan Wireless, Inc., a California corporation, and Cellspan Wireless, Inc., a Nevada corporation have been dissolved and are no longer commonly-owned and operated.

<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*, WC Docket No. 11-42, WC Docket No. 03-109, CC Docket No. 96-45, WC Docket No. 12-23, Report and Order and Further Notice of Proposed Rulemaking, FCC 12-11 (rel. Feb. 6, 2012) (“*Order*”).

*Order*.<sup>3</sup> For the Commission’s convenience, this Amended Compliance Plan replaces, in its entirety, the Compliance Plan as originally filed on June 19, 2012. Given the severe economic environment that is forcing many low-income customers to forego wireless service, Cellspan respectfully requests expeditious approval of this plan so that the Company, upon designation as an ETC, may quickly deploy much-needed Lifeline services to qualified low-income customers.

## **II. BACKGROUND**

In the *Order*, the Commission granted forbearance from the “own-facilities” requirement contained in Section 214(e)(1)(A) for carriers that are, or seek to become, Lifeline-only ETCs, subject to the following conditions:<sup>4</sup>

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

(2) the carrier must file, and the Bureau must approve, a compliance plan that: (a) outlines the measures the carrier will take to implement the obligations contained in this Order, including but not limited to the procedures the ETC follows in enrolling a subscriber in Lifeline and submitting for reimbursement for that subscriber from the Fund, materials related to initial and ongoing certifications and sample marketing materials, as well as further safeguards against waste, fraud and abuse the Bureau may deem necessary; and (b) provides a detailed description of how the carrier offers service, the geographic areas in which it offers service, and a description of the carrier’s various Lifeline service plan offerings, including subscriber rates, number of minutes included and types of plans available.

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<sup>3</sup> Although the Company qualifies for and seeks to avail itself of the Commission’s grant of forbearance from the facilities requirement of section 214(e)(1)(A), the Company reserves the right to demonstrate to a state public utilities commission that it provides service using its own facilities in a state, particularly for purposes of state universal service funding under state program rules and requirements. The Company will follow the requirements of the Commission’s Lifeline rules and this Compliance Plan in all states in which it provides Lifeline service and receives reimbursements from the federal Low-Income fund.

<sup>4</sup> See *Order* at ¶¶ 368, 373 and 379.

### **III. CELLSPAN WILL COMPLY WITH THE REQUIREMENTS SET FORTH IN THE ORDER**

Cellspan will comply with all conditions set forth in the *Order*, the provision of this Compliance Plan, and all laws and regulations governing its provision of Lifeline-supported prepaid wireless service to customers throughout the United States.<sup>5</sup>

#### **A. Access to 911 and E911 Services**

In the *Order*, the Commission requires Cellspan to provide its Lifeline customers with access to 911 and E911 services, regardless of activation status and availability of minutes.<sup>6</sup> The Commission and consumers are hereby assured that all Cellspan customers will have available access to emergency calling services at the time that Lifeline service is initiated, and that such 911 and E911 access will be available from Cellspan handsets even if the account associated with the handset has no minutes remaining.

#### **B. E911-Compliant Handsets**

The Commission also conditioned its grant of forbearance determination on Cellspan providing only E911-compliant handsets to its Lifeline customers.<sup>7</sup> Cellspan will ensure that all handsets used in connection with the Company's Lifeline service offering are E911-compliant. In the event that an existing Cellspan customer does not have an E911-compliant handset, the Company will replace it with a 911/E911-compliant handset at no charge to the customer. Any new customer that qualifies for and enrolls in the Lifeline program is assured of receiving a 911/E911-compliant handset as well.

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<sup>5</sup> To the extent that future changes in federal regulations render the commitments herein invalid, the Company reserves the right to modify its operations in accordance with federal regulations in effect at that time.

<sup>6</sup> See *Order* at ¶ 373.

<sup>7</sup> See *id.*

## **C. Consumer Eligibility and Enrollment**

Cellspan will certify and verify consumer eligibility for Lifeline in accordance with the requirements set forth in the *Order*. In instances where a state agency or third-party administrator is responsible for the initial determination and annual recertification of consumer eligibility, Cellspan will rely on the state identification or database.<sup>8</sup> In instances where Cellspan is responsible for the initial determination and annual recertification of consumer eligibility, the Company will follow the procedures set forth below.

### **1. One-Per-Household**

Cellspan understands that Lifeline is limited to a single subscription per household, and that the Commission has defined household as “any individual or group of individuals who are living together at the same address as one economic unit.”<sup>9</sup> Upon receiving an application for Lifeline support, Cellspan will check the National Lifeline Accountability Database (“NLAD”) to determine whether an individual at the applicant’s residential address is currently receiving Lifeline-supported service. Cellspan will also search its own internal database of active customers, real-time, pre-sale, to ensure that it does not already provide Lifeline-supported service to someone at that residential address. If Cellspan determines that an individual at the applicant’s address is currently receiving Lifeline-supported service, Cellspan will take an additional step to ensure that the applicant and the current subscriber are part of different households. To enable applicants to make this demonstration, Cellspan will require applicants to complete and submit to the Company USAC’s one-per-household template, which will contain the following: (1) an explanation of the Commission’s one-per-household rule; (2) a check box that an applicant can mark to indicate that he or she lives at an address occupied by multiple

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<sup>8</sup> See *Order* at ¶ 98.

<sup>9</sup> See *Order* at ¶ 74.

households; (3) a space for the applicant to certify that he or she shares an address with other adults who do not contribute income to the applicant's household and share in the household's expenses or benefit from the applicant's income; and (4) the penalty for a consumer's failure to make the required one-per-household certification (i.e., de-enrollment).<sup>10</sup> Cellspan will deny the Lifeline application of any individual residing at the same address as a current Lifeline subscriber who is part of the same household, and will advise the applicant of the basis for the denial.

On its certification forms, a draft sample of which is attached,<sup>11</sup> Cellspan will obtain a consumer's permanent residential address (which cannot be a P.O. Box or General Delivery address), unless they only have a temporary address, and a billing address for the service, if different (which may include a P.O. Box or General Delivery address).<sup>12</sup> Cellspan will inquire on its certification forms whether or not the applicant's address is a temporary one.<sup>13</sup> If and when the 90-day verification rules become effective, Cellspan will notify the consumer that if they have a temporary address, the Company will contact the consumer every 90 days, by phone or text, to verify that he or she continues to rely on that address, and that if the consumer fails to respond within 30 days of Cellspan's attempt to verify the temporary address, he or she will be de-enrolled from the Lifeline program.<sup>14</sup> Also on its certification forms, Cellspan will explain that if the subscriber moves, they must provide their new address to the Company within 30 days of moving.<sup>15</sup> If the subscriber has moved, Cellspan will update the NLAD, with the information

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<sup>10</sup> See Order at ¶ 78.

<sup>11</sup> See Exhibit A. The draft form remains subject to change, but substantially reflects the content of the Company's application.

<sup>12</sup> See Order at ¶ 85.

<sup>13</sup> See Order at ¶ 89.

<sup>14</sup> See *id.* As of the date of filing of this Compliance Plan, this requirement has not been approved pursuant to the Paperwork Reduction Act.

<sup>15</sup> See Order at ¶ 85.

within 10 business days of receipt of the information.<sup>16</sup>

As detailed below, Cellspan's certification form will clearly explain the one-per-household requirement and all consumers must certify that they receive Lifeline support for a single subscription per household.

## **2. Initial and Annual Certification**

Consumers will be signed up in person or directed, via company literature, collateral or advertising, to a toll-free telephone number and to the Company website, which will provide information regarding the Company's Lifeline service plans, including a detailed description of the program and state-specific eligibility criteria. Cellspan's application form will identify that it is a "Lifeline" application. Cellspan will provide Lifeline-specific training to all personnel, whether employees, agents or representatives, that interact with actual or prospective consumers with respect to obtaining, changing or terminating Lifeline services.

Cellspan's initial and annual certification forms will conform to the list of requirements provided in the *Order*, Appendix C and with C.F.R. § 54.410(d), as amended. Cellspan's Lifeline certification forms, a draft sample of which is attached as Exhibit A, will require each prospective subscriber to provide the following information:

- (i) The subscriber's full name;
- (ii) The subscriber's full residential address;
- (iii) Whether the subscriber's residential address is permanent or temporary;
- (iv) The subscriber's billing address, if different from the subscriber's residential address;
- (v) The subscriber's date of birth;
- (vi) The last four digits of the subscriber's social security number, or the subscriber's Tribal identification number, if the subscriber is a member of a Tribal nation and does not have a social security number;
- (vii) If the subscriber is seeking to qualify for Lifeline under the program-based criteria, as set forth in § 54.409, the name of the qualifying assistance program from which the subscriber, his or her dependents, or his or her household receives benefits; and
- (viii) If the subscriber is seeking to qualify for Lifeline under the income-based criterion, as set forth in § 54.409, the number of individuals in his or her household.

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<sup>16</sup> *See id.*

The certification forms will also explain in clear, easily understandable language that:

- (i) Lifeline is a federal benefit;
- (ii) Lifeline service is available for only one line per household;
- (iii) a household is defined, for purposes of the Lifeline program, as any individual or group of individuals who live together at the same address and share income and expenses;
- (iv) households are not permitted to receive benefits from multiple providers;
- (v) that violation of the one-per-household requirement would constitute a violation of the Commission's rules and would result in the consumer's de-enrollment from the program, and potentially, prosecution by the United States government; and
- (vi) a Lifeline subscriber may not transfer his or her service to any other individual, including another eligible low-income consumer.

Cellspan will require all consumers, at sign up and annually thereafter, to certify under penalty of perjury that:

- (i) The subscriber meets the income-based or program-based eligibility criteria for receiving Lifeline, provided in § 54.409;
- (ii) The subscriber will notify the carrier within 30 days if for any reason he or she no longer satisfies the criteria for receiving Lifeline including, as relevant, if the subscriber no longer meets the income-based or program-based criteria for receiving Lifeline support, the subscriber is receiving more than one Lifeline benefit, or another member of the subscriber's household is receiving a Lifeline benefit.
- (iii) If the subscriber is seeking to qualify for Lifeline as an eligible resident of Tribal lands, he or she lives on Tribal lands, as defined in 54.400(e);
- (iv) If the subscriber moves to a new address, he or she will provide that new address to the eligible telecommunications carrier within 30 days;
- (v) If the subscriber provided a temporary residential address, he or she will be required to verify his or her temporary residential address every 90 days;
- (vi) The subscriber's household will receive only one Lifeline service and, to the best of his or her knowledge, the subscriber's household is not already receiving a Lifeline service;
- (vii) The information contained in the subscriber's certification form is true and correct to the best of his or her knowledge,
- (viii) The subscriber acknowledges that providing false or fraudulent information to receive Lifeline benefits is punishable by law; and
- (ix) The subscriber acknowledges that the subscriber may be required to re-certify his or her continued eligibility for Lifeline at any time, and the subscriber's failure to re-certify as to his or her continued eligibility will result in de-enrollment and the termination of the subscriber's Lifeline benefits pursuant to § 54.405(e)(4).

Applicants will also be required to initial a number of disclosure statements intended to

ensure that the applicant understands applicable eligibility requirements. Consumers who do not complete the application process in person must return the signed application and support documentation to the Company by mail, fax, email or other electronic transmission. The Company will accept electronic signatures, including Interactive Voice Response (IVR) recordings, that meet the requirements of the Electronic Signatures in Global and National Commerce Act, 15 USC 7001-7006.<sup>17</sup>

Enrollment in person. The Company will primarily enroll Lifeline applicants in person at Company events using third party agents. The Company is held responsible for the work of the agents, and Cellspan provides training to the agents ahead of time. Cellspan anticipates that at least 90% of its Lifeline customers will enroll at events, with the remaining customers enrolling either by phone or online. At a typical event, agents will set up an enrollment station where they will be available to assist the customer in filling out an electronic application form on a Company computer or tablet. In an effort to save time for both the Company and potential subscribers, there will also be agents available to educate prospects waiting in line on the Lifeline program and its requirements, including what constitutes eligibility and what documentation is necessary for enrollment, as well as clearly communicate the one-per-household requirement and the penalties that may result from providing false or fraudulent information.

When a prospective customer applies at an event, Company employees, agents or representatives (“personnel”) will ask to see a government issued ID, and will validate the address via a USPS/Melissa Database and simultaneously check the NLAD to confirm that the applicant is not already receiving a Lifeline subsidy from Cellspan or any other ETC. If the customer indicates on the application form that their address is a multi-household residence, personnel will require the applicant to complete USAC’s one-per-household template as well. In cases where an eligibility

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<sup>17</sup> See *Order* at ¶ 168.

database exists, personnel will query the database to determine eligibility. In states where eligibility databases are not available, the applicant is required to provide proof of participation in one of the Lifeline eligible programs or proof that their annual household income is at or below 135% of the federal poverty guidelines. Cellspan's Lifeline application contains an "Office Use Only" section, which must be completely filled out and signed by Company personnel in order to record a description about the specific documentation reviewed as part of the eligibility verification process, including type of documentation (i.e. Food Stamps) and a unique identifier (last 3 digits of document ID). Eligibility documents are returned to the customer after review. Finally, Cellspan personnel will verbally review all certifications and disclosures with the applicant before they sign the application form, making sure the applicant verbally acknowledges each required certification before moving on to the next. Upon successful completion of the certification process, the customer is allowed to choose a service plan and receive their free phone in person. In instances where eligibility databases cannot be accessed in real-time, Cellspan will mail the phone to the eligible customers once verification of eligibility is complete. The customer's account is then activated upon the customer's personal initiation or actual use of the phone. Customers will be instructed to call the Company in order to activate their account; this activation call will capture the customer's name and last four digits of SSN in order to verify that the person activating the phone is the intended recipient.

Enrollment by phone. Customers will be able to apply for the Company's Lifeline program over the phone. When a prospective customer contacts Cellspan, Company personnel are able to verbally explain the Lifeline program and its eligibility requirements, including required information and disclosures, as well as collect and input electronically the application form information and obtain the applicant's signature via IVR. Company personnel will obtain

applicant's verbal confirmation of each required certification. If the applicant indicates on the application form that their address is a multi-household residence, personnel will require the applicant to complete USAC's one-per-household template as well. If no eligibility database is available, personnel will advise the applicant that they are required to provide proof of identity verification of benefits before their Lifeline service can be activated; applicants will be made aware of how to submit the required documentation to the Company as well as what documentation qualifies as proof of benefits. The Company will qualify the applicant by accessing necessary databases (USPS/Melissa, NLAD, eligibility databases). If no eligibility database is available, the application will be placed in a "hold" status until the Company receives copies of the applicant's proof documentation and government-issued ID, at which point Company personnel will review the documentation and complete the "Office Use Only" section of the application form, which must be completely filled out and signed by personnel in order to record a description about the specific documentation reviewed as part of the eligibility verification process, including type of documentation (i.e. Food Stamps) and a unique identifier (last 3 digits of document ID). Cellspan will destroy copies of proof documentation and deliver phones to eligible customers by mail. The customer's account is activated upon the customer's personal initiation or actual use of the phone. Customers will be instructed to call the Company in order to activate their account; this activation call will capture the customer's name and last four digits of SSN in order to verify that the person activating the phone is the intended recipient.

Enrollment online. Customers will also be able to apply for the Company's Lifeline program online. When enrolling via the Internet, prospective customers will be able to fill out an application form online and sign electronically. Cellspan will highlight the certifications that are required, for example, by requiring consumers to acknowledge each certification before moving

on to the next field.<sup>18</sup> If the customer indicates that their address is a multi-household residence, online interface will require the applicant to complete USAC's one-per-household template as well. If no eligibility database is available, the online interface will advise the applicant that they are required to provide proof of identity verification of benefits before their Lifeline service can be activated; applicants will be made aware of how to submit the required documentation to the Company as well as what documentation qualifies as proof of benefits. The Company will qualify the applicant by accessing necessary databases (USPS/Melissa, NLAD, eligibility databases). If no eligibility database is available, the application will be placed in a "hold" status until the Company receives copies of the applicant's proof documentation and government-issued ID, at which point Company personnel will review the documentation and complete the "Office Use Only" section of the application form, which must be completely filled out and signed by personnel in order to record a description about the specific documentation reviewed as part of the eligibility verification process, including type of documentation (i.e. Food Stamps) and a unique identifier (last 3 digits of document ID). Cellspan will destroy copies of proof documentation and deliver phones to eligible customers by mail. The customer's account is activated upon the customer's personal initiation or actual use of the phone. Customers will be instructed to call the Company in order to activate their account; this activation call will capture the customer's name and last four digits of SSN in order to verify that the person activating the phone is the intended recipient.

General Enrollment Procedures. Cellspan will determine eligibility utilizing the income and program criteria currently utilized by federal default states (47 C.F.R. § 54.409(a),(b)), as well as any additional state-specific criteria. Prior to enrolling a new subscriber, Cellspan will check the eligibility of low-income consumers first by accessing state or federal social services

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<sup>18</sup> See *Order* at ¶ 123.

electronic eligibility databases, where available.<sup>19</sup> If a database is used to establish eligibility, Cellspan will not require documentation of the consumer's participation in a qualifying federal program; instead, Cellspan or its representative will note in its records what specific data was relied upon to confirm the consumer's initial eligibility for Lifeline.<sup>20</sup> However, in states where there is no state administrator, the state commission or other state agency is not making eligibility determinations, and there is no automated means for Cellspan to check electronic databases for eligibility, Cellspan will review documentation to determine eligibility for new subscribers until such time as a qualifying eligibility database is available.<sup>21</sup> Cellspan will require acceptable documentation both for income eligibility and for program eligibility.<sup>22</sup> The Company will not retain copies of the documentation but rather will establish policies and procedures to review such documentation and keep accurate records detailing how the consumer demonstrated his or her eligibility.<sup>23</sup> Cellspan understands that it may permit agents or representatives to review documentation of consumer program eligibility for Lifeline, and in such cases Cellspan remains liable for ensuring the agent or representative's compliance with the Lifeline program rules.<sup>24</sup>

Cellspan will provide Lifeline-specific training to all personnel – employees, agents, and representatives – designed to give them an understanding of Lifeline program requirements and permit them to review customer documentation and determine whether it is sufficient to establish a customer's eligibility to participate in the Lifeline program under the Commission's rules. No Company employee, agent, or representative may accept a Lifeline application unless he or she has

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<sup>19</sup> See Order at ¶ 97.

<sup>20</sup> See Order at ¶ 98.

<sup>21</sup> See Order at ¶ 99.

<sup>22</sup> Agents will be provided with an income eligibility worksheet, attached in Exhibit A, to aid them in the eligibility verification process.

<sup>23</sup> See Order at ¶ 101.

<sup>24</sup> See Order at ¶ 110.

first completed this training program and demonstrated an understanding of the underlying material. Among other things, the Lifeline program training discusses the Company’s Lifeline application form (see Exhibit A) on a section-by-section basis. The training explains what sections of the form must be completed by the customer and reviews the form disclosures in detail, to facilitate the ability of employees, agents, or representatives to explain each item contained therein and answer any customer questions. Because the Company is responsible for the actions of all its personnel and a Company employee will be responsible for overseeing and finalizing every Lifeline enrollment prior to including that customer on an FCC Form 497 for reimbursement, the Company always “deals directly” with its customers to certify and verify customers’ Lifeline eligibility.

### **3. Annual Re-Certification**

Cellspan understands that it must annually re-certify the eligibility of its entire Lifeline subscriber base and report the results to USAC by January 31 each year, and the Company may elect to perform this re-certification on a rolling basis throughout the year.<sup>25</sup> Cellspan will re-certify the continued eligibility of all of its subscribers by contacting them—either in person, in writing, by phone, by text message, by email, or otherwise through the Internet—to confirm their continued eligibility.<sup>26</sup> The re-certification notice will explain the actions the customer must take to retain Lifeline benefits, when Lifeline benefits may be terminated, and how to contact the Company. Cellspan will obtain a signed certification from the subscriber that meets the certification requirements of 47 C.F.R. § 54.410(d), as amended, as detailed in section C.2 above. The Company will provide written notice of impending service termination to subscribers who do not respond to the annual re-certification within 30 days. Cellspan understands that such certifications may be obtained through a written format, an IVR system, or

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<sup>25</sup> *See Order* at ¶ 130.

<sup>26</sup> *See id.*

a text message, and will use one or more of such options for its certifications.<sup>27</sup>

Alternatively, where a database containing consumer eligibility data is available, Cellspan (or state agency or third-party, where applicable) will instead query the database and maintain a record of what specific data was used to re-certify eligibility and the date of re-certification. If a subscriber's address cannot be verified through the state data, Cellspan will contact the subscriber every year during the annual certification process to obtain a valid address.<sup>28</sup> Cellspan understands that it has the option to elect USAC to administer the self-certification process on the Company's behalf.<sup>29</sup>

Cellspan will certify its compliance with Commission rules on an annual Lifeline eligible telecommunications carrier certification form and when submitting FCC Forms 497 to USAC for reimbursement. As part of Cellspan's submission of re-certification data pursuant to 47 C.F.R. § 54.416, an officer of the Company will certify annually to USAC:

(1) that the Company has procedures in place to review consumers' documentation of income-and program-based eligibility. In instances where the Company confirms consumer eligibility by relying on official program eligibility data, such as a state or federal database, an officer of the Company will attest to what data the Company uses to confirm consumer eligibility in each state, and

(2) that the Company is in compliance with all federal Lifeline certification procedures.<sup>30</sup>

#### **D. Other Reforms to Eliminate Waste, Fraud and Abuse**

Cellspan shares the Commission's concern about abuse of the Lifeline program and is thus

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<sup>27</sup> See Order at ¶ 132.

<sup>28</sup> See Order at ¶ 131.

<sup>29</sup> See Order at ¶ 133.

<sup>30</sup> See Order at ¶ 126-27.

committed to the safeguards stated herein, with the belief that the procedures it will implement will prevent Company customers from engaging in such abuse of the program, inadvertently or intentionally.

Cellspan has implemented enrollment procedures designed to prevent subsidies for duplicate, ineligible, or inactive subscribers. The Company contracts with a third party Lifeline service bureau, currently CGM, LLC of Roswell, Georgia, to edit all subsidy request data. CGM will process and validate the Company's subsidy data to prevent: (1) Duplicate Same-Month Lifeline Subsidies (Double Dip): any name/address that is already receiving a lifeline subsidy from the Company will be automatically prevented from receiving a second lifeline subsidy in that same month; and (2) Inactive lines receiving subsidy: CGM's systems compare all subsidy requests to underlying network status to ensure that subsidies are requested only for active lines. Through the processes described herein, Cellspan ensures that it does not over-request from support funds.

During the Lifeline application process, the Company details all required disclosures with the applicant, including the one-per-household rule. As detailed in section III.C.2, Cellspan validates each applicant's identity via a government issued ID card, passport, etc. Additionally, as mentioned above, Cellspan requires the applicant to provide their date of birth (DOB) and last four digits of their social security number (SSN). Requiring DOB and SSN ensures that neither the applicant nor the Company representative can forge certification forms based on false names and addresses. Cellspan validates the applicant's address via a USPS/Melissa Database to ensure the address is correct. Once the applicant's identity is confirmed, Cellspan verifies that the applicant is eligible to receive the Lifeline subsidy. To do this, Cellspan checks the NLAD and any available eligibility database. If an eligibility database is not available, the applicant is required to provide

proof of eligibility. This prevents ineligible applicants or duplicate subscribers from receiving the subsidy.

### **1. National Lifeline Accountability Database**

Cellspan will participate in the NLAD, and will query the database to check to see if a prospective subscriber is already receiving service from another ETC at a residential address prior to seeking reimbursement from the Fund.<sup>31</sup> As required by the *Order*, Cellspan will provide to the NLAD subscriber name, address, phone number, the last four digits of Social Security number, date of birth, Lifeline service initiation and de-enrollment date (when applicable), and amount of federal Lifeline support being sought for that subscriber.<sup>32</sup>

Furthermore, on its certification form, Cellspan will obtain acknowledgement and consent from each of its subscribers that is written in clear, easily understandable language that the subscriber's name, telephone number, and address will be divulged to USAC (the administrator of the program) and/or its agents for the purpose of verifying that the subscriber does not receive more than one Lifeline benefit.<sup>33</sup>

Within 30 days following Commission notice that the NLAD is capable of accepting queries, Cellspan

### **2. Subscriber Usage**

Cellspan will not seek reimbursement from the USF for new subscribers until they have personally activated the service, either by initiation and/or actual use of the service by the subscriber. Furthermore, Cellspan will not seek reimbursement from the USF for inactive

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<sup>31</sup> See *Order* at ¶ 203.

<sup>32</sup> See *Order* at ¶ 189.

<sup>33</sup> See *Order*, Appendix C.

subscribers who have not used the service for a consecutive 60-day period.<sup>34</sup> Cellspan will notify its subscribers at service initiation, via the certification form and via script that is reviewed with every customer, about the non-transferability of the phone service, its usage requirements, and the de-enrollment and deactivation that will result following non-usage in any 60-day period of time.<sup>35</sup> An account will be considered active if during any 60-day period the authorized subscriber does at least one of the following: makes a monthly payment; purchases minutes from the Company to add to an existing pre-paid Lifeline account; completes an outbound call; answers an incoming call from anyone other than the Company, its representative, or agent; or affirmatively responds to a direct contact from the Company confirming that he or she wants to continue.<sup>36</sup> Cellspan will utilize tracking software to notify the customer if the customer has not used their service for more than 30 or 60 consecutive days. Furthermore, a third party contractor will validate the Company's subsidy data to prevent a subsidy request for customers that are inactive under the Company's non-usage policy.<sup>37</sup> After notification, if the customer fails to use the phone, it is automatically de-enrolled pursuant to the procedures outlined in section E below. Cellspan will continue to comply with applicable public safety, including transmitting 911 calls to the appropriate PSAP even if the Company is no longer providing Lifeline service to a consumer.<sup>38</sup>

### **3. Marketing & Outreach**

Cellspan will implement the measures outlined herein to help ensure that only eligible consumers enroll in the program and that those consumers are fully informed of the limitations

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<sup>34</sup> See Order at ¶ 257.

<sup>35</sup> See *id.*

<sup>36</sup> See Order at ¶ 261.

<sup>37</sup> CGM, LLC is currently the Company's third party contractor.

<sup>38</sup> See Order at ¶ 262. 911 transmission will actually be performed by the Company's underlying facilities-based CMRS provider.

of the program, so as to prevent duplicative or otherwise ineligible service as well as other forms of waste, fraud, and abuse. Cellspan will explain in clear, easily understood language the following disclosures in all marketing materials related to the supported service:<sup>39</sup> (1) the offering is a Lifeline-supported service; (2) only eligible consumers may enroll in the program; (3) the program is limited to one benefit per household, consisting of either wireline or wireless service; and (4) Lifeline is a government benefit program. Cellspan’s website and printed collateral will explain the documentation necessary for enrollment, and the details of Cellspan’s plans. Such collateral and website information, as well as its application, will make clear that consumers who willfully make false statements in order to obtain the benefit can be punished by fine or imprisonment or can be barred from the program.<sup>40</sup> For broadcast advertisements and outdoor signs, and any other situation in which inclusion of documentation information and warnings against willful false statements are not practicable, Cellspan will include the URL link for its website where disclosures will be listed. Additionally, Cellspan will disclose the company name under which it does business.<sup>41</sup>

#### **4. Audits**

The *Order* requires ETCs that draw \$5 million or more in the aggregate on an annual basis from the low-income program, as determined on a holding company basis taking into account all operating companies and affiliates, to hire an independent licensed certified public accounting firm to conduct a biennial audit according to government accounting standards to

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<sup>39</sup> See Exhibit B for a sample advertisement. The Company understands the term “marketing materials” includes materials in all media, including but not limited to print, audio, video, Internet (including email, web, and social networking media), and outdoor signage, that describe the Lifeline-supported service offering, including application and certification forms. *See Order* at ¶ 275.

<sup>40</sup> *See Order* at ¶ 275.

<sup>41</sup> *See id.*

assess the ETC's overall compliance with the program's requirements.<sup>42</sup> Cellspan will comply with this requirement, including applicable rules regarding the dissemination of audit findings to the Commission, USAC, and relevant state and Tribal governments within 30 days upon issuance.<sup>43</sup>

#### **E. De-Enrollment**

If at any time a Cellspan Lifeline customer wishes to de-enroll from the Company's Lifeline program, Company customer service representatives will handle such elective de-enrollment requests. Cellspan Lifeline customers simply call the Company, via 611 or the toll-free customer service number, and they can speak to a live operator to de-enroll from Cellspan's Lifeline program. Cellspan will de-enroll consumers from the Company's Lifeline program in the following instances, according to C.F.R. § 54.405(e):

Ineligibility. Any subscriber who indicates that he or she is receiving more than one Lifeline-supported service per household, or neglects to make the required one-per-household certification on his or her certification form, will be de-enrolled from Lifeline pursuant to the process for resolving duplicative Lifeline subscriptions described in section 54.405(e)(2).<sup>44</sup>

If a customer does not respond to the Company's annual verification survey within 30 days, or if Cellspan has reasonable basis to believe that the subscriber no longer meets the Lifeline-qualifying criteria (including instances where a subscriber informs the Company or the state that he or she is ineligible for Lifeline), Cellspan will provide a written notice of impending service termination to the subscriber and then give the subscriber 30 days after the date of the letter to demonstrate that his or her Lifeline service should not be terminated.<sup>45</sup> Similarly, Cellspan will

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<sup>42</sup> See Order at ¶ 291.

<sup>43</sup> See Order at ¶ 294.

<sup>44</sup> See Order at ¶ 122.

<sup>45</sup> See *id.* In states that have dispute resolution procedures applicable to Lifeline termination, the

de-enroll a subscriber if they fail to respond to the Company's attempt to verify a temporary address within 30 days.<sup>46</sup>

Duplicative Support. Subject to USAC's Duplicate Resolution Process and anticipated Duplicate Scrubbing Process,<sup>47</sup> Cellspan will de-enroll a subscriber within 5 business days if the Company is informed by USAC that the subscriber is receiving Lifeline service from another ETC or that more than one member of a subscriber's household is receiving Lifeline service.

Non-Usage. Cellspan will de-enroll any subscriber that has not used the Company's Lifeline service for 60 consecutive days, as discussed in section IV.B above. Cellspan will provide the subscriber 30 days' notice, using clear, easily understood language, that the subscriber's failure to use the Lifeline service within the 30-day notice period will result in service termination for non-usage; such notice may be initiated after 30-days of non-usage. Cellspan will update the NLAD within one business day of de-enrolling a subscriber for non-use and will submit a non-usage de-enrollment report annually to USAC.<sup>48</sup>

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Company will comply with the state requirements.

<sup>46</sup> See Order at ¶ 89.

<sup>47</sup> See Order at ¶ 214-16.

<sup>48</sup> See Order at ¶ 257.

## **F. Additional Rule Amendments**

### **1. Terms and Conditions of Service**

Cellspan has attached as Exhibit C its Lifeline terms and conditions of service. The Company's Lifeline offering is summarized in section IV.C below. These terms and conditions are subject to change as needed, and the most current version will be maintained on the Company's website.

### **2. Reporting Requirements**

Cellspan will report all information required by section 54.422, including as it may heretofore be amended. This includes the names of the Company's holding company, operating companies and affiliates, and any branding ("doing-business-as company" or brand designation), and provide to the Commission and USAC general information regarding the terms and conditions of the Lifeline plans for voice telephony service offered specifically for low income consumers through the program offered during the previous year, including the number of minutes provided, and whether there are additional charges to the consumer for service, including minutes of use and/or toll calls.<sup>49</sup>

### **3. Reimbursement from USAC**

In seeking reimbursement for Lifeline, Cellspan will comply with the requirements of C.F.R § 54.407, as revised by the *Order*.<sup>50</sup> Cellspan will certify when seeking reimbursement that the Company has obtained a valid certification form for each consumer for whom the Company seeks Lifeline reimbursement,<sup>51</sup> and the Company will seek reimbursement for actual lines

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<sup>49</sup> See *Order* at ¶ 296, 390. Section 153 of the Communications Act defines "affiliate" as "a person that (directly or indirectly) owns or controls, is owned or controlled by, or is under common ownership or control with, another person."

<sup>50</sup> See *Order* page 221.

<sup>51</sup> See *Order* at ¶ 128.

served, not projected lines.<sup>52</sup>

#### **4. Section 54.202 Certifications**

Cellspan certifies the following in accordance with newly amended C.F.R. § 54.202: (1) Cellspan will comply with the service requirements applicable to the support that it receives; (2) Cellspan is able to remain functional in emergency situations; (3) Cellspan will satisfy applicable consumer protection and service quality standards.

#### **IV. COMPANY INFORMATION**

Cellspan will provide prepaid wireless telecommunications services to consumers by using the network of its underlying carrier(s), currently Sprint Spectrum L.P. (“Sprint”). Sprint is a nationwide carrier that provides wholesale capacity on its wireless network to resellers like Cellspan. Cellspan obtains from Sprint, via an agreement with Boomerang Wireless, LLC d/b/a Ready Mobile, the network infrastructure and transmission facilities to allow Cellspan to operate as a Mobile Virtual Network Operator (“MVNO”).

##### **A. Names and Identifiers**

Cellspan Inc. is a New York corporation; Cellspan Wireless, Inc., a California corporation, and Cellspan Wireless, Inc., a Nevada corporation, have been dissolved and are no longer commonly-owned and operated. The Company is currently designated as an ETC in Arkansas, Maryland and West Virginia. The Company does not have any holding company, operating company or affiliates.

##### **B. Financial and Technical Capability**

Cellspan is financially and technically capable of providing Lifeline-supported services.<sup>53</sup> Cellspan has not been subject to enforcement action or ETC revocation proceedings in any state.

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<sup>52</sup> See Order at ¶ 302.

<sup>53</sup> See Order at ¶ 387.

Cellspan will not rely exclusively on USF disbursements to operate – the Company will offer both Lifeline and non-Lifeline services. Cellspan is a relatively new company and has not yet begun providing services. However, the Company has private capital set aside for the first year of operations and has access to substantial private capital in the event that it takes longer than one year to become a self-sustaining business. Furthermore, the senior management of Cellspan has great depth in the telecommunications industry and offers extensive telecommunications business technical and managerial expertise to the Company.<sup>54</sup> Cellspan will benefit from the expertise and accountability provided by CGM, LLC, a well-known and respected Lifeline service bureau; Cellspan has contracted with CGM to ensure the integrity of Cellspan’s subsidy data and to assist the Company in maintaining compliance with industry regulations and best practices. Cellspan will be providing resold wireless service, and therefore will also rely upon the managerial and technical expertise of its underlying carrier.

### **C. Customer Service**

Cellspan is dedicated to quality customer service and care. Lifeline customers will be able to reach the Company’s Customer Service department via phone, mail, and online. The Company has a dedicated Customer Service staff that will handle all service requests, including elective de-enrollments as outlined in Section III.E above.

### **D. Lifeline Offering**

Cellspan will offer its Lifeline service in the states where it is designated as an ETC and throughout the coverage area of its underlying carrier, currently Sprint. Cellspan is currently designated as an ETC in Arkansas, Maryland and West Virginia, but has postponed the launch of its Lifeline service to ensure the Company is in complete compliance with the *Order* before

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<sup>54</sup> See Exhibit D for key management resumes.

doing so.<sup>55</sup> As summarized in Exhibit E attached hereto, the Company's Lifeline offering will provide customers with a choice of a free plan with 250 minutes each month, or four unlimited plans to which the Lifeline discount (currently \$9.25) may be applied. The Company's Lifeline plans will include a free handset and access to Caller ID, Call Waiting, and Voicemail features. Customers will have the capability of purchasing additional bundles of minutes in denominations as low as \$5, \$10 and \$20.<sup>56</sup> Additional airtime can be purchased by calling Customer Service, at no decrement in minutes, or by contacting Customer Service via the Company's website. Customers are not bound by a local calling area requirement; all Cellspan plans come with domestic long distance at no extra per minute charge and exceptional nationwide digital coverage on the Nationwide Sprint PCS Network. Calls to 911 emergency services are always free, regardless of service activation or availability of minutes. Calls to Cellspan Customer Service are also free. Cellspan does not impose burdensome credit checks or long-term service contracts on its prepaid customers

## V. CONCLUSION

Cellspan submits that its Compliance Plan fully satisfies the conditions of forbearance set forth in the Commission's *Order*. Implementation of the procedures described herein will promote public safety and should ensure that Lifeline customers have access to 911 and E911 services while safeguarding against misuse of the Company's Lifeline services. Accordingly, Cellspan respectfully requests that the Commission expeditiously approve its Compliance Plan so that the Company may begin providing the benefits of much-needed Lifeline service to qualifying low-income consumers as quickly as possible.

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<sup>55</sup> Cellspan Inc. received facilities-based ETC designation in Maryland and West Virginia prior to December 29, 2011.

<sup>56</sup> \$5 = 100 minutes; \$10 = 200 minutes; \$20 = 400 minutes; \$30 = 600 minutes; and \$50.00 = 1000 minutes.

Respectfully submitted,

Cellspan Inc.

*/s/ Lance J.M. Steinhart*

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Suite 150  
Alpharetta, Georgia 30005  
(770) 232-9200

*Its Counsel*

Dated November 10, 2014

**Exhibit A**

Sample Lifeline Certification Form and Income Eligibility Worksheet

# CELLSPAN, INC.

## LIFELINE APPLICATION

This signed authorization is required in order to enroll you in Cellspan Inc.'s Lifeline Program in your state. This authorization is only for the purpose of verifying your participation in these programs and will not be used for any purpose other than the Lifeline program. Service requests will not be processed until this form has been received and verified by Company. I authorize the company to access any records required to verify my statements on this form and to confirm my eligibility for the Lifeline program.

### Things to know about the Lifeline Program:

- (1) Lifeline is a federal benefit.
- (2) Lifeline Service is available for only one line per household. A household cannot receive benefits from multiple providers; and
- (3) A household is defined, for purposes of the Lifeline Program, as any individual or group of individuals who live together at the same address and share income and expenses.

### Applicant Information:

First Name: \_\_\_\_\_ MI: \_\_\_\_\_ Last Name: \_\_\_\_\_ Date of Birth: Month \_\_\_ Day \_\_\_ Year \_\_\_\_\_

Social Security Number or Tribal ID Number (Last 4 digits): \_\_\_\_\_ Contact Telephone Number: \_\_\_\_\_

Residence Address (No P.O. Boxes, Must be your principal address): This address is  Permanent  Temporary  Multi-Household  
\_\_\_\_\_ APT/ Floor/ Other \_\_\_\_\_ City: \_\_\_\_\_ State: \_\_\_\_\_ ZIP Code: \_\_\_\_\_

Billing Address (May Contain a P.O. Box)  
\_\_\_\_\_ APT/ Floor/ Other \_\_\_\_\_ City: \_\_\_\_\_ State: \_\_\_\_\_ ZIP Code: \_\_\_\_\_

\_\_\_\_\_ I hereby certify that I participate in at least one of the following programs: (Check all that apply)

Initial Here

- \_\_\_\_\_ Supplemental Nutrition Assistance Program (SNAP)
- \_\_\_\_\_ Supplemental Security Income (SSI)
- \_\_\_\_\_ Federal Public Housing Assistance
- \_\_\_\_\_ Low- Income Home Energy Assistance Program (LIHEAP)
- \_\_\_\_\_ National School Lunch Program (free program only)
- \_\_\_\_\_ Temporary Assistance for Needy Families (TANF)
- \_\_\_\_\_ Medicaid

\_\_\_\_\_ I certify that my household income is at or below 135% of the Federal Poverty Guidelines (FPG). There are \_\_\_\_\_ individuals in my household.

Initial Here

I certify, under penalty of perjury: (*Initial by Each Certification*)

- \_\_\_\_\_ (1) The information contained in my application remains true and correct to the best of my knowledge and I acknowledge that willfully providing false or fraudulent information to receive Lifeline benefits is punishable by law and may result in me being barred from the program.
- \_\_\_\_\_ (2) I am a current recipient of the program checked above, or have an annual household income at or below 135 percent of the Federal Poverty Guidelines.
- \_\_\_\_\_ (3) I have provided documentation of eligibility if required to do so.
- \_\_\_\_\_ (4) I understand that I and my household can only have one Lifeline-supported telephone service. Cellspan has explained the one-per household requirement. I understand that violation of the one-per-household requirement constitutes a violation of the FCC's rules and will result in my de-enrollment from the lifeline program, and could result in criminal prosecution by the United States Government.
- \_\_\_\_\_ (5) I attest to the best of my knowledge, that I and no one in my household is receiving a Lifeline supported service from any other land line or wireless company such as Safelink, Assurance, or Reachout Wireless.
- \_\_\_\_\_ (6) I understand my Cellspan Lifeline service is a non-transferable. I may not transfer my service to any individual, including another eligible low-income consumer.
- \_\_\_\_\_ (7) I understand that if my service goes unused for sixty (60) days, my service will be suspended, subject to a thirty (30) day period which I may use the service or contact Cellspan to confirm that I want to continue receiving their service.
- \_\_\_\_\_ (8) I will notify Cellspan within thirty (30) days if I no longer qualify for Lifeline. I understand this requirement and may be subject to penalties if I fail to notify my phone company. Specifically, I will notify my company if my household:
  - (1) ceases to participate in the above federal or state program, or my annual household income exceeds 135% Federal Poverty Guidelines.
  - (2) is receiving more than one Lifeline supported service;
  - (3) no longer satisfies the criteria for receiving Lifeline support.
- \_\_\_\_\_ (9) I will notify Cellspan within thirty (30) days of moving. Additionally, if my address listed above is a temporary address, I understand that I must verify my address with Cellspan every ninety (90) days. If I fail to respond to Cellspan's address verification attempts within thirty (30) days, my Cellspan Lifeline service may be terminated.
- \_\_\_\_\_ (10) Cellspan has explained to me that I am required each year to re-certify my continued eligibility for Lifeline. If I fail to do so within thirty (30) days, it will result in the termination of my Cellspan Lifeline service.
- \_\_\_\_\_ (11) I authorize and understand that Cellspan may provide to state and Federal agencies, as required by law, for the purposes of complying with the Lifeline program all the information related to my account including but not limited to my name, date of birth, social security, usage history, address and phone number.
- \_\_\_\_\_ (12) I understand that my name, telephone number, date of birth, last four digits of my social security number, and address will be divulged to the Universal Service Administrative Company (USAC) and/or its agents for the purpose of verifying that I do not receive more than one Lifeline subsidy.
- \_\_\_\_\_ (13) I understand that if USAC identifies I am receiving more than one Lifeline subsidy, all carriers involved may be notified so that I may select one service and be de-enrolled from the other.

### FOR OFFICE USE ONLY:

Company Representative: \_\_\_\_\_

Documentation Verified: (description) \_\_\_\_\_

Representative Signature: \_\_\_\_\_

Date: \_\_\_\_\_

Is this a multi-family dwelling? \_\_\_\_\_

\_\_\_\_\_  
APPLICANT'S SIGNATURE

\_\_\_\_\_  
DATE

## INCOME ELIGIBILITY GUIDELINES

The following chart can be used to determine eligibility for the Lifeline discount program based solely on income level. You may qualify for the Lifeline discount program if your household annual income is at or below 135% of the Federal Poverty Guidelines. A household is defined as any individual or group of individuals who live together at the same address and share income and expenses.

The chart below lists the annual income amount that cannot be exceeded in order to qualify based on household size. If the annual income amount for your household size is more than the amount shown on the chart below you do not qualify for the Lifeline discount based solely on income.

Household Size	135% of Federal Poverty Levels
1	\$15,755
2	\$21,236
3	\$26,717
4	\$32,198
5	\$37,679
6	\$43,160
Each additional person after 6	\$5,481

**Please indicate the number of individuals in your household:** \_\_\_\_\_

If your household qualifies based on the above income chart, please attach or fax a photocopy (do not send an original) of the following applicable documents. If you provide documentation that does not cover a full year (such as current pay stubs), you must submit three (3) consecutive months' worth of the same type of document from the previous 12 months.

- your 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 or pension statement of benefits
- an Unemployment or Workmen's Compensation statement of benefits
- federal or Tribal notice letter of participation in General Assistance
- a divorce decree
- a child support award
- other official document containing income information

**Exhibit B**

Sample Advertisement

Call now and you could get a

# FREE CELL PHONE



**INCLUDES:  
MONTHLY MINUTES & TEXT  
NATIONWIDE LONG DISTANCE  
CALLER ID & VOICE MAIL**

**IF YOU RECEIVE GOVERNMENT ASSISTANCE LIKE SSI,  
FOOD STAMPS AND MEDICAID, YOU COULD QUALIFY FOR  
CELLSPAN'S LIFELINE PROGRAM AND RECEIVE A  
FREE CELL PHONE WITH FREE MONTHLY MINUTES!**

**CALL NOW 1-855-957-2330**

**cellspanwireless.com**

**NO MONTHLY BILL  
NO CREDIT CHECK  
NO CONTRACT**



RESTRICTIONS APPLY  
LIFELINE IS A GOVERNMENT BENEFIT PROGRAM  
ONLY ELIGIBLE CONSUMERS MAY ENROLL IN THE PROGRAM  
THE LIFELINE PROGRAM IS LIMITED TO ONE BENEFIT PER HOUSEHOLD  
(EITHER WIRELINE OR WIRELESS SERVICE)

## **Exhibit C**

### Lifeline Terms and Conditions

# TERMS OF SERVICE

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CellSpan provides a discount to qualifying low-income households through the federal government's Lifeline Assistance program supported by the federal Universal Service Fund program ("Lifeline Assistance"). These Terms of Service apply to CellSpan Wireless services and mobile phones activated to use CellSpan Wireless services. Please read these terms carefully.

These Terms of Service become effective by doing any of the following: activating a CellSpan Wireless phone or using your CellSpan Wireless phone after you make a change to your account. If you do not want to accept these terms, don't do either of these things and contact CellSpan Wireless at 1-855-957-2330. When you accept these Terms of Service, you represent that you are at least 18 years of age and that you meet the eligibility standards for CellSpan Wireless service.

## **Our Right to Make Changes**

Our service is provided at our discretion. We may change our Terms of Service, including pricing for paid service options, from time to time. Unless expressly prohibited by law, we reserve the right to modify or cancel this service or your account or take corrective action at any time and for any reason, including, but not limited to, your violation of any provision of these Terms of Service. Check the CellSpan Wireless website, [www.CellSpanWireless.com](http://www.CellSpanWireless.com), for the most recent pricing. Your right to use our service is subject to our business policies, practices and procedures, rates and these Terms of Service, which we may change at any time. We will notify you of any change to these Terms of Service that are determined to be materially adverse to you 30 days in advance of such change. If you do not terminate your service within 30 days of receiving the notice of a change in these Terms of Service, you agree to accept any such changes.

## **Mobile Telecommunications Services**

CellSpan Wireless is not available for use with Mobile smartphones. You cannot use our service with any other mobile phone or device or on any other network, and you may not use your CellSpan Wireless phone or device with any other service or network. Airtime may be used for domestic and international calling from the United States and for related services as provided in these Terms of Service.

The CellSpan Wireless service is for personal use only. You may not use our service in a manner that interferes with another CellSpan Wireless customer's use of our service. We have determined that our ability to provide good service may be impaired when customers place abnormally high numbers of calls, send or receive unusually high numbers of messages, or repeatedly place calls of unusually long duration, relative to typical usage by other CellSpan Wireless customers on similar service plans. Such atypical usage suggests that a mobile phone is being used other than for personal use in violation of these Terms of Service. Unlimited voice services are provided solely for live dialogue between two individuals. Unlimited voice services may not be used for monitoring services, data transmissions, or other connections that do not consist of uninterrupted live dialogue between two individuals. CellSpan Wireless phones and mobile phone numbers may not be used for pager or voicemail-only service, and CellSpan Wireless may terminate any account if usage is limited to pager service or voicemail retrieval service.

You agree not to use CellSpan Wireless services in any way that is illegal, fraudulent or abusive, as determined by

CellSpan Wireless in its sole discretion. You may not alter any of the hardware or software on your CellSpan Wireless phone for any purpose. We may change your mobile phone's software, applications or programming remotely and without notice. This may affect stored data or other personal information or programming on your mobile phone for which we are not responsible. CellSpan Wireless phones may not be purchased in bulk or sold to third parties.

The software and Data Content on the CellSpan Wireless phones, including the operating system, applications, data, information, music, games, images, text and other material, are owned by CellSpan Wireless' network service provider or its business partners. You are permitted to use this software and Data Content solely in connection with your use of the CellSpan Wireless phone with our service as expressly authorized under these Terms of Service. You may not distribute or upload any pre-loaded software or content to another device or transmit or broadcast the software or content, or otherwise copy or use the software or content in any manner not expressly authorized under these Terms of Service or any other governing terms of use relating to any downloaded content or applications. If you violate these Terms of Service, including without limitation by using a CellSpan Wireless phone or device on another network without our prior written consent by modifying any hardware or software on a CellSpan Wireless phone or device, or by distributing, copying or otherwise using any of the software or content on an CellSpan Wireless phone in a manner that is not authorized by these Terms of Service or any other governing terms of use relating to any downloaded content or applications, your license to the software and content shall terminate immediately and your continued use will constitute copyright infringement.

CellSpan Wireless service is only available in geographic areas covered by the digital service network footprint of our Providers' Network. Local phone numbers may not be available in certain markets. Wireless services use radio transmissions and are therefore affected by limitations. Coverage is not available everywhere. Quality of service may be affected by conditions beyond our control, including atmospheric, geographic, or topographic conditions, or by your damaging your mobile phone. We do not warrant or guarantee that service will be available at any specific time or geographic location, or that service will be provided without interruption. We may give credit for continuous service interruption of more than 24 hours on a case-by-case basis, if such interruption was reasonably within our control, and you notify CellSpan Wireless at 1-855-957-2330 within seven days of the interruption. Any statements or maps provided by us, our agents, or dealers about coverage are only intended to provide high-level estimates of our coverage areas when using our service outdoors under optimal conditions and do not mean that service will be available under all circumstances, at all times or without interruption. Estimating wireless coverage and signal strength is not an exact science. There are gaps in coverage within our estimated coverage areas that, along with other factors both within and beyond our control, may result in service interruptions, slower data speeds, or lower quality of service. You should therefore never solely rely on your mobile phone for emergency calls, such as to 911.

Airtime usage is measured from the time the network begins to process the call (before the phone rings or the call is answered) through the network's termination of the call (after you hang up). Therefore, call time data displayed on your mobile phone may be inaccurate and may not be relied upon for billing purposes.

### **Eligibility**

To be eligible for CellSpan Wireless service, you must meet the applicable eligibility standards for Lifeline Assistance, which may be amended from time to time. Eligibility for CellSpan Wireless service varies by state. You may qualify for CellSpan Wireless if you participate in any of the government programs listed on your CellSpan Wireless application or based on household income eligibility standards. If you seek to qualify for CellSpan Wireless based upon

participation in a qualifying federal or state program, you may be required to provide proof of program participation such as program identification card or other social service agency document that shows you currently participate in one of the programs enumerated above. If you seek to qualify for CellSpan Wireless under the household income eligibility standards, you are required to provide written documentation of your household income. CellSpan Wireless shall retain all such certifications and documentation to furnish proof of your eligibility as may be required by applicable law. By completing the CellSpan Wireless application, you consent to the release of your information (including financial information) to our designated agent as required for the administration of your CellSpan Wireless service. This consent survives the termination of this Agreement. CellSpan Wireless reserves the right to review your eligibility status at any time and require you to provide CellSpan Wireless with written documentation of either your household income or your participation in a qualifying federal or state program. You may only receive Lifeline Assistance for a single landline or wireless telephone account at your principal residence.

### **Non-Transferable and Non-Assignable**

Eligibility for CellSpan Wireless is personal to you. You may not transfer to any third party (including another eligible low-income consumer) any of your rights or benefits received under the CellSpan Wireless service, including, but not limited to, any voice minutes received under the CellSpan Wireless service. Similarly, you may not assign your rights or delegate any of your duties under these terms without the prior written consent of CellSpan Wireless, and any attempted assignment or delegation without such consent shall be void. CellSpan Wireless may assign all or part of these terms or your debts under these terms without notice.

### **Account Status**

Your account will remain active as long as you meet the applicable eligibility standards for CellSpan Wireless service and you use your phone at least once every 60 days. You are responsible for notifying CellSpan Wireless if you no longer meet the applicable eligibility standards for CellSpan Wireless within five days of becoming aware of your ineligibility by calling CellSpan Wireless at 1-855-957-2330 or sending a written notice to CellSpan Wireless, 1529 43rd Street, Brooklyn, NY 11219. In addition, if you receive a notice from CellSpan Wireless requesting that you confirm your eligibility status, you must do so within 30 days after you receive such notice either on the CellSpan Wireless website at [www.CellSpanWireless.com](http://www.CellSpanWireless.com) or by sending a written notice to CellSpan Wireless, 1529 43rd Street, Brooklyn, NY 11219 along with required proof of eligibility.

If CellSpan Wireless has determined that you are no longer eligible for CellSpan Wireless service either because 1) you have notified us of your ineligibility; 2) you have failed to respond to a request by CellSpan Wireless to confirm your eligibility by the response date; or 3) you have responded to a request by CellSpan Wireless to confirm your eligibility but failed to submit adequate proof of your eligibility status; or 4) CellSpan Wireless learns you are no longer eligible through communication with a state agency, CellSpan Wireless will notify you that you are no longer eligible for CellSpan Wireless service. You must confirm eligibility by submitting adequate proof of your eligibility status within 30 days following notification of ineligibility in order to have your eligibility restored. In addition, if you do not use your service at least once during any 60-day period, CellSpan Wireless may notify you that you are no longer eligible for CellSpan Wireless service. Usage includes: making a monthly payment; purchasing minutes from the Company to add to an existing pre-paid Lifeline account; completing an outbound call; answering an incoming call from anyone other than the Company, its representative, or agent; or affirmatively responding to a direct contact from the Company confirming that you want to continue Lifeline service. If you receive a notice of inactivity, you must use your service at least once during the 30-day period following such notification in order to have your eligibility restored.

## **Messaging**

You can send and receive text messages of up to 160 characters, including the address and subject line, or picture messages with audio and up to 500 characters on your CellSpan Wireless phone. There is no character limit for email and instant messages ("IM"). Certain types of messages are device dependent. Standard message rates apply when a message is sent or received, whether it is read or viewed.

## **Unsolicited Messages**

If you intentionally send spam from your CellSpan Wireless phone, we may terminate your service without further notice.

## **Additional Charges**

There is a charge of \$1.75 for each call to directory assistance plus airtime charges for minutes used. This charge is subject to change.

Calls are billed in one-minute increments, with a minimum time per call of one minute. Call times are rounded up to the nearest whole minute.

## **Mobile Phone Number**

The mobile phone number we provide for your use is and will remain under the control of CellSpan Wireless. We may give the mobile phone number to another customer without telling you if you cancel your service with CellSpan Wireless in order to use another mobile service (unless you transfer the mobile phone number to another telecommunications provider in accordance with applicable regulations), or if your account expires and is deactivated. We may also change your mobile phone number at any time, although we will notify you prior to any change. You can request to change your mobile phone number up to three times each year.

## **Keeping Your Old Mobile Phone Number**

Depending on where you live, you may transfer an existing wireless or wireline carrier telephone number to your CellSpan Wireless service for use as your mobile phone number. To switch an existing phone number to CellSpan Wireless, contact CellSpan Wireless at 1-855-228-8638. Before you call, please have a bill from your existing wireless or wireline carrier available.

When you switch from another wireless carrier to CellSpan Wireless, you may have to pay a termination penalty to your former carrier if you terminate your contract early. CellSpan Wireless will not reimburse you for any termination fees imposed by other carriers.

## **Acceptable Use of CellSpan Wireless Products and Services**

You may not use CellSpan Wireless's service for any illegal purpose, including to harass, threaten, abuse, defame, or slander any individual or entity. You may not use our service in a manner that interferes with another CellSpan Wireless customer's use of our service. You may not use, or attempt to use, CellSpan Wireless's service for profit or any other gain, including, but not limited to, selling, attempting to sell, or in any way transferring to a third party any service from CellSpan Wireless.

## **Safety and Security**

CellSpan Wireless is not responsible for the content or security of voicemail, messages or contact lists you create. We urge you to create a password to access your voicemail.

Always use your device in a safe manner that does not create a risk to your safety or the safety of others around you. While driving, always use a hands-free device and never use your mobile phone to send text messages. Always use your CellSpan Wireless phone in accordance with all applicable laws and regulations.

To comply with appropriate legal process, CellSpan Wireless may disclose to law enforcement authorities and governmental agencies any information, including your name, account history, account information, or other transmission data properly requested by law enforcement.

### **Limitation of Liability**

Unless prohibited by law, CellSpan Wireless and you agree to limit claims for damages or other monetary relief against each other to direct and actual damages. You agree that CellSpan Wireless and its business partners are not liable to you or any third party for any indirect, special, incidental, consequential, exemplary or punitive damages of any kind, including lost profits (regardless of whether we have been notified that such loss may occur) by reason of any act or omission in our provision of products or services or under any legal theory, including fraud, misrepresentation, breach of contract, personal injury, product liability or any other theory. CellSpan Wireless assumes no risk or responsibility for your use of any of the content provided as part of our services. We are not liable for (1) any act or omission of any other company furnishing a part of our service or any equipment provided for such service, (2) errors or omissions of any vendors participating in offers made through us, (3) any damages that result from any product or service provided by or manufactured by third parties. You acknowledge that no fiduciary or other special relationship exists between you and CellSpan Wireless, by virtue of these Terms of Service or your use of CellSpan Wireless phones and services. You also agree we are not liable for missed voice mails, deletion of contacts from you address book, or data content or messages from your voicemail system.

### **Indemnification**

You agree to indemnify and hold harmless CellSpan Wireless and its affiliates and their respective officers, agents, partners and employees, from any and all liabilities, settlements, penalties, claims, causes of action and demands brought by third parties (including any costs, expenses or attorneys' fees on account thereof) resulting from your use of CellSpan Wireless products and services, or another person whom you authorize to use your products or services, whether based in contract or tort (including strict liability) and regardless of the form of action.

### **Warranties**

We do not manufacture our mobile phones or other equipment. The only warranties applicable to such devices or equipment are those extended by the manufacturers. We have no liability, therefore, in connection with mobile phones and other equipment or for manufacturers' acts or omissions.

WE MAKE NO WARRANTIES OR REPRESENTATIONS, EXPRESS OR IMPLIED, REGARDING THE PRODUCTS AND SERVICES PROVIDED HEREUNDER OR ANY SOFTWARE REQUIRED TO BE USED IN CONNECTION THEREWITH, INCLUDING, BUT NOT LIMITED TO, AND TO THE EXTENT PERMITTED BY LAW, WARRANTY OF TITLE, WARRANTY THAT A PRODUCT OR SERVICE IS FIT FOR A PARTICULAR USE OR WARRANTY OF MERCHANTABILITY. WE EXPRESSLY DISCLAIM ANY AND ALL IMPLIED WARRANTIES. WE DON'T PROMISE

ERROR-FREE OR UNINTERRUPTED SERVICE AND DON'T AUTHORIZE ANYONE TO MAKE WARRANTIES ON OUR BEHALF.

#### **Effect of Terms of Service**

These Terms of Service supersede all oral or written communications and understandings between you and CellSpan Wireless with respect to our products and services to you and the terms under which they are offered and provided to you. If any part of these Terms of Service is declared invalid or unenforceable, all other parts of these Terms of Service are still valid and enforceable. Such invalidity or non-enforceability will not invalidate or render unenforceable any other portion of these Terms of Service. No provision of these Terms of Service provides any person or entity not a party to these Terms of Service with any remedy, claim, liability, reimbursement, or cause of action, or creates any other third-party beneficiary rights.

Unless otherwise specified herein, any disputes of a legal nature, whether a claim, complaint, arbitration demand or otherwise, shall be subject to the exclusive jurisdiction of the federal or state courts located within the State of New York, except in the case of a customer resident in the State of California, in which case such disputes shall be within the exclusive jurisdiction of the federal or state courts of or in the California county in which the customer primarily uses CellSpan Wireless's service.

## **LIFELINE IS A GOVERNMENT BENEFIT PROGRAM**

Offer is limited to eligible customers and is non-transferable. Proof of eligibility is required. Only One Lifeline benefit per household.

**Exhibit D**

Key Management Resumes

**JOHN LIEBERMANN - Telecommunications Specialist**  
**1529 43<sup>rd</sup> Street, Brooklyn, NY**

**OPERATIONS MANAGER ~ PROJECT MANAGER ~ SALES ENGINEER ~ SALES**

Have installed over 100 systems, including Meridian, Avaya, Wave, Televantage, Panasonic and others. Performed numerous system upgrades. Strong project management and supervisory skills, able to oversee activities of large groups of contractors and deliver quality results on time. A self-starter, abler to work independently or as a valued team member.

Accomplished Telecommunications Professional practiced in all aspects of:

Sales

Design

Installation

Support of voice

Data transmission

PBX switching technologies

Collaborating with business leaders

Configuration

Design

Pricing

Troubleshooting

Maintenance

Support management

**EDUCATION & TRAINING**

Viener Elementary School

Bobover Yeshiva Rabbinical College

Verizon CLEC Training

## **EXPERIENCE**

### **-PAYPHONE INDUSTRY**

NYCTI

Noble Communications

Designed, managed, supported, and operated, numerous payphone routes across New York state. Extensive knowledge in all areas of payphone related telecommunications

### **-CLEC**

Levy Associates, Inc.

Prayztel Communications

Talkspan Inc.

Managed numerous CLEC operations, to include all aspects of the business, including sales, support, provisioning, intercommunication between carriers and providers, and cabs billing.

### **-MOBILE PHONE INDUSTRY**

Extensive experience in sales, technical and billing aspects of the cell phone industry. Responsible for controlling and networking the company, planning and delegating business strategies, overseeing finances and all customer service.

**Exhibit E**

Proposed Lifeline Rate Plans

## Cellspan Inc.'s Proposed Lifeline Offering

Product	Retail Price	Lifeline Price	Phone	Text	Data	Rollover
250 Minutes	\$9.25	\$0.00	Feature Phone Free	1 minute = 2 texts	N/A	No
Unlimited Talk & Text	\$39.25	\$30.00	Feature Phone Free	Unlimited	N/A	N/A
Unlimited Talk, Text & Data 1G	\$49.25	\$40.00	Feature Phone Free	Unlimited	Unlimited	N/A
Smartphone Unlimited Talk & Text	\$39.25	\$30.00	Smart Phone Free with Activation	Unlimited	N/A	N/A
Smartphone Unlimited Talk, Text & Data 1G	\$49.25	\$40.00	Smart Phone Free with Activation	Unlimited	Unlimited	N/A

### **Included in all Plans:**

- Free handset
- Access to Voicemail, Caller-ID, & Call Waiting features
- Free calls to Customer Service
- Free calls to 911 emergency services
- Nationwide calling

### **Additional Minutes available:**

\$ 5.00    100 Minutes/Texts  
 \$10.00    200 Minutes/Texts  
 \$20.00    400 Minutes/Texts  
 \$30.00    600 Minutes/Texts  
 \$50.00    1000 Minutes/Texts