



**Universal Service Administrative Company**

Billing and Collections Department  
1-888-641-8722

January 31, 2006

*Intellicall Operator Services, Inc.*  
5000 Sawgrass Village Cir.  
Ponte Vedra Beach, FL, 32082

**RE: Contributor Revenue Audit- Intellicall Operator Services, Inc., Filer ID: 807204**

Dear Jeffrey L. Smith:

USAC's Internal Audit Division (IAD) has completed the audit of Intellicall Operator Services, Inc. Filer ID:807204 filed FCC Form 499-A – Telecommunications Reporting Worksheet for 2003/2004<sup>1</sup>. The audit final report detailing the findings was sent by IAD in a separate package. As a result of the audit findings, we have determined that Intellicall Operator Services, Inc. revenues are inaccurately reported on the FCC Form 499-A(s) presently on file for the years 2003/2004. Accordingly, *Intellicall Operator Services, Inc.* must revise its FCC 499-A revenue reports for these years.

**The required FCC Form 499-A revisions must be received by USAC no later than 60 days from the date of this letter.** Please attach a cover letter to the Form 499-A revisions that reference the audit performed by USAC IAD, and mail your forms to:

USAC  
Attn: FCC Form 499 Data Collection Agent  
2000 L Street, N.W. Suite 200  
Washington, DC 20036

USAC will review the submitted Form (s) under the regular Form 499 revision process. USAC will process Intellicall Operator Services, Inc. revised Form(s) and apply the appropriate contribution adjustment during the first quarter following any accepted form revision.

All billed contributions must be paid by the invoice due date to avoid late payment fees and Red Light action.<sup>2</sup> Billed contributions over 90 days delinquent are subject to the Debt

<sup>1</sup> Pursuant to 47 C.F.R. §§ 54.707, 54.711(a).

<sup>2</sup> *Amendment of Parts 0 and 1 of the Commission's Rules; Implementation of the Debt Collection and Improvement Act of 1996 and Adoption of Rules Governing Applications or Requests for Benefits by*

Collection Improvement Act (DCIA),<sup>3</sup> and will be transferred to the FCC for further collection.

In accordance with 47 C.F.R. Sections 54.719(c) and 54.720(a), *Intellicall Operator Services, Inc.* may appeal this action and the audit findings on which it is based. You may send your written appeal and supporting documentation to the Federal Communications Commission (FCC) at:

Federal Communications Commission  
Office of the Secretary  
445 12<sup>th</sup> Street, SW, Room TW-A325  
Washington, DC 20554

Please be sure to indicate the following information on all communications with the FCC: "Docket Nos. 96-45 and 97-21." To ensure your appeal receives proper consideration by the FCC, we strongly recommend that, before you submit your appeal to the FCC, you carefully review the requirements set forth in 47 C.F.R. § 54.721.

Should you have any questions, please contact USAC at (888) 641-8722

Sincerely,  
USAC Billing and Collections  
Financial Analyst: Chang-Hua Chen



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*Delinquent Debtors, Report and Order*, MD Docket No. 02-339, FCC 04-72, at ¶ 4 (rel. April 13, 2004)  
(*Red Light Rule Order*).  
<sup>3</sup> *Debt Collection Improvement Act of 1996*, Pub. L. No. 104-134, 110 Stat. 1321, 1358 (1996).

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2000 L Street, N.W., Suite 200, Washington, DC 20036 Voice: 202.776.0200 Fax: 202.776.0080  
Visit us online at: <http://www.universalservice.org>

# **EXHIBIT 8**



Universal Service Administrative Company

Billing and Collections Department  
1-888-641-8722

March 2, 2006

Intellicall Operator Services, Inc.  
5000 Sawgrass Village Cir.  
Suite 30  
Ponte Vedra Beach, FL, 32082

**RE: Contributor Revenue Audit-Intellicall Operator Services, Inc., Filer ID: 807204**

Dear: Jeffrey L. Smith

On Feb 1, 2006, the Universal Service Company (USAC) sent a letter to Intellicall Operator Services, Inc. regarding the requirement to revise its FCC Form 499-A within 60 days in accordance with USAC's Internal Audit Division (IAD) audit of the contributor revenue filings for the years 2003/2004 (audit). As of the date of this letter, USAC has not received a form revision from your company.

**The required FCC Form 499-A revisions must be received by USAC no later than 30 days from the date of this letter.** Please attach a cover letter to the FCC Form 499-A revision(s) that reference the audit performed by USAC IAD, and mail your forms to:

**USAC  
Attn: FCC Form 499 Data Collection Agent  
2000 L Street, N.W. Suite 200  
Washington, DC 20036**

USAC will review the submitted Form(s) under the regular FCC Form 499 revision process. In the event that *Carrier* fails to submit revised FCC Form 499 (s) that adhere to the audit findings within 30 days, USAC will prepare FCC Form 499(s) on your behalf. USAC will process *Carrier's* revised Form(s) and apply the appropriate contribution adjustment to the first USF invoice following expiration of the 30 day filing period.

All billed contributions must be paid by the invoice due date to avoid late payment fees and Red Light action.<sup>1</sup> Billed contributions over 90 days delinquent are subject to the Debt

<sup>1</sup> *Amendment of Parts 0 and 1 of the Commission's Rules; Implementation of the Debt Collection and Improvement Act of 1996 and Adoption of Rules Governing Applications or Requests for Benefits by Delinquent Debtors, Report and Order, MD Docket No. 02-339, FCC 04-72, at ¶ 4 (rel. April 13, 2004) (Red Light Rule Order).*

Collection Improvement Act (DCIA),<sup>2</sup> and will be transferred to the FCC for further collection.

In accordance with 47 C.F.R. Sections 54.719(c) and 54.720(a), *Carrier* may appeal this action and the audit findings on which it is based. You may send your written appeal and supporting documentation to the Federal Communications Commission (FCC) at:

Federal Communications Commission  
Office of the Secretary  
445 12<sup>th</sup> Street, SW, Room TW-A325  
Washington, DC 20554

Please be sure to indicate the following information on all communications with the FCC: "Docket Nos. 96-45 and 97-21." To ensure your appeal receives proper consideration by the FCC, we strongly recommend that, before you submit your appeal to the FCC, you carefully review the requirements set forth in 47 C.F.R. § 54.721.

Should you have any questions, please contact USAC at (888) 641-8722.

Sincerely,  
USAC Billing and Collections

cc:

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<sup>2</sup> *Debt Collection Improvement Act of 1996*, Pub. L. No. 104-134, 110 Stat. 1321, 1358 (1996).

# **EXHIBIT 9**

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

<b>In the Matter of</b>	)	
	)	
<b>Request for Review by</b>	)	<b>CC Docket Nos. 96-45 and 97-21</b>
<b>ILD Telecommunications, Inc. and</b>	)	
<b>Intellicall Operator Services, Inc.</b>	)	
	)	
<b>of Decision of the</b>	)	<b>USAC Audit Report No. CR2004CP019</b>
<b>Universal Service Administrator</b>	)	
	)	

**DECLARATION OF  
H. EDWARD BROOKS, JR.**

I, H. Edward Brooks, Jr., do hereby depose and state as follows:

1. I am the Executive Vice President and Chief Financial Officer of ILD Telecommunications, Inc. I understand that this declaration is being submitted to the Federal Communications Commission ("FCC") in support of a Request for Review being filed by ILD Telecommunications, Inc. and Intellicall Operator Services, Inc.

2. The Request seeks FCC review of: (a) a decision by the Universal Service Administrative Company ("USAC"), reflected in a letter dated January 31, 2006 from USAC to Intellicall requiring Intellicall to refile its FCC Form 499-A forms for 2003 and 2004 (for operating years 2002 and 2003, respectfully; and (b) the audit findings contained in an Audit Report prepared by the USAC Internal Audit Division ("USAC-IAD").

3. I have read the Request, and the "Factual Background" set forth therein is true and correct to the best of my knowledge, information and belief. Exhibits 1-8 to the Request are true and correct copies of correspondence and e-mails referenced therein.

4. Based on an email from USAC-IAD, I understand that USAC approved the final audit report (USAC Audit Report No. CR2004CP019) on January 24, 2006. I further understand, based on a January 31, 2006 letter from USAC, that USAC-IAD was supposed to send a copy of the final audit report to ILD and/or Intellicall.

5. To the best of my knowledge, after due inquiry, neither ILD nor Intellicall has received the final Audit Report. The only audit report received to date was attached to an email from USAC-IAD on January 30, 2006. However, that Audit Report, a copy of which is included in Exhibit 5 to the Request, is dated October 31, 2005 and indicates on the last page that it is a "DRAFT."

6. When ILD received the detailed exception worksheets ("DEWs") from USAC-IAD in August, 2005, USAC-IAD initially set September 9, 2005 as the deadline for us to provide detailed responses to the DEWs. Because USAC-IAD continued to revise the DEWs after August 25, and one of the key staff people was out of the office for an extended period due to the terminal illness and death of his father, we requested additional time to prepare our responses to the DEWs. USAC extended the deadline by five additional business days, from September 9 to September 16, but refused to extend it any further.

7. By letters dated November 2, 2004 and January 30, 2006, USAC-IAD also demanded that ILD execute certain "Representation Letters," copies of which are included in Exhibits 1 and 6 to the Request.

8. ILD maintains its financial books and records on an accrual basis and in accordance with generally accepted accounting principles.

9. ILD sold prepaid calling cards to wholesalers and other distributors who then resold them to other distributors and retailers. As a result, ILD has no way to know who the "end-user" purchaser was or how much the end-user paid for the card. In many cases, prepaid cards sold by ILD were used as promotional give-aways, for which the "end-user" paid nothing.

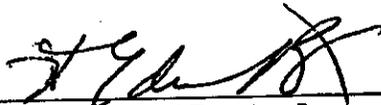
10. ILD offered certain wholesalers and other customers a discount on the amount invoiced for services if the customer paid promptly. In cases where the customers took advantage of these "prompt payment discounts," ILD received revenues that were less than the amount "billed" to the customer.

11. ILD also sold certain services to customers who incorporated the ILD services into their own telecommunications offerings. When such customers identified themselves as resellers, ILD did not include USF charges in the amounts billed to those customers. ILD did take steps to determine that such resellers reasonably could be expected to make USF contributions on the revenues that they received from their telecommunications offerings, including contractual provisions, sending letters to certain customers and verbal communication to other customers. ILD also determined that some wholesalers, including FBN, had obtained USF filer identification numbers. ILD also provided USAC with a list of the names, addresses, telephone numbers and contact persons for these companies.

12. ILD also collected and remitted to the appropriate taxing authorities certain federal excise taxes and state sales taxes, which it has referred to as contra taxes.

13. ILD is not a local exchange carrier, does not provide local exchange services, and does not file or maintain access tariffs.

14. I declare under penalty of perjury that the foregoing statements are true, accurate and correct to the best of my knowledge, information and belief.



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Name: H. Edward Brooks, Jr.  
Title: Executive Vice President and Chief  
Financial Officer  
ILD Telecommunications, Inc.

**EXHIBIT 10**

**2004 FCC Form 499-A Telecommunications Reporting Works**

Approval by OMB  
3060-0855

>>> Please read instructions before completing. <<<

Annual Filing -- due April 1.

**Block 1: Contributor Identification Information**

During the year, carriers must refile Blocks 1, 2 and 6 if there are any changes in Lines 104 or 112. See instructions.

101 Filer 499 ID [If you don't know your number, contact the administrator at (973)-560-4460.  
If you are a new filer, write "new" in this block and a Filer 499 ID will be assigned to you.]

102 Legal name of reporting entity

103 IRS employer identification number

104 Name telecommunications service provider is doing business as

105 Telecommunications activities of filer [Select up to 5 boxes that best describe the reporting entity. Enter numbers starting with "1" to show the order of importance -- see directions.]

<input type="checkbox"/> All Distance	<input type="checkbox"/> CAP/CLEC	<input type="checkbox"/> Cellular/PCS/SMR (wireless telephony incl. by resale)	<input type="checkbox"/> Coaxial Cable
<input type="checkbox"/> Incumbent LEC	<input type="checkbox"/> Interexchange Carrier (IXC)	<input type="checkbox"/> Local Reseller	<input type="checkbox"/> Operator Service Provider (OSP)
<input type="checkbox"/> Payphone Service Provider	<input type="checkbox"/> Prepaid Card	<input type="checkbox"/> Private Service Provider	<input type="checkbox"/> Paging & Messaging
<input type="checkbox"/> Shared-Tenant Service Provider / Building LEC	<input type="checkbox"/> SMR (dispatch)	<input type="checkbox"/> Toll Reseller	<input type="checkbox"/> Satellite Service Provider
If Other Local, Other Mobile or Other Toll is checked, describe carrier type / services provided: -->		<input type="checkbox"/> Other Local	<input type="checkbox"/> Other Mobile
		<input type="checkbox"/> Other Toll	

106 a Holding company name (All affiliated companies must show the same name on this line.)

106 b Holding company IRS employer identification number

107 FCC Registration Number (FRN) [ <https://svartifoss2.fcc.gov/cores/CoresHome.html> ]  
[For assistance, contact the CORES help desk at 877-480-3201 or CORES@fcc.gov]

108 Management company [if carrier is managed by another entity]

109 Complete mailing address of reporting entity  
corporate headquarters

110 Complete business address for customer inquiries and complaints  
[if different from address entered on Line 109]

111 Telephone number for customer complaints and inquiries [Toll-free number if available] ( ) -

112 All trade names that you have used in the past 3 years in providing telecommunications.  
This should include all names by which you are identified on customer bills.

a	g
b	h
c	i
d	j
e	k
f	l
	m

Use an additional sheet if necessary. Each reporting entity must provide all names used for carrier activities.

PERSONS MAKING WILLFUL FALSE STATEMENTS IN THE WORKSHEET CAN BE PUNISHED BY FINE OR IMPRISONMENT UNDER TITLE 18 OF THE UNITED STATES CODE, 18 U.S.C. §1001

**2004 FCC Form 499-A Telecommunications Reporting Worksheet**

**Block 2-A: Regulatory Contact Information**

201 Filer 499 ID [from Line 101]	
202 Legal name of reporting entity [from Line 102]	
203 Person who completed this Worksheet	
204 Telephone number of this person	( ) -
205 Fax number of this person	( ) -
206 E-mail of this person	
207 Corporate office, attn. name, and mailing address to which future Telecommunications Reporting Worksheets should be sent	
208 Billing address and billing contact person: [Plan administrators will send bills for contributions to this address. Please attach a written request for alternative billing arrangements.]	

**Block 2-B: Agent for Service of Process**

All carriers must complete Lines 209 through 213.

During the year, carriers must refile Blocks 1, 2 and 6 if there are any changes in this section. See Instructions.

209 D.C. Agent for Service of Process per 47 U.S.C. §413	
210 Telephone number of D.C. agent	( ) -
211 Fax number of D.C. agent	( ) -
212 E-mail of D.C. agent	
213 Complete business address of D.C. agent for hand service of documents	
214 Local/alternate Agent for Service of Process (optional)	
215 Telephone number of local/alternate agent	( ) -
216 Fax number of local/alternate agent	( ) -
217 E-mail of local/alternate agent	
218 Complete business address of local/alternate agent for hand service of documents	

PERSONS MAKING WILLFUL FALSE STATEMENTS IN THE WORKSHEET CAN BE PUNISHED BY FINE OR IMPRISONMENT UNDER TITLE 18 OF THE UNITED STATES CODE, 18 U.S.C. §1001

**2004 FCC Form 499-A Telecommunications Reporting Worksheet**

**Block 2-C: FCC Registration and Contact Information**

Carriers must refile Blocks 1, 2 and 6 if there are any changes in this section. See Instructions.

219 Filer 499 ID [from Line 101]	
220 Legal name of reporting entity [from Line 102]	
221 Chief Executive Officer (or, highest ranking company officer if the filing entity does not have a chief executive officer)	
222 Business address of individual named on Line 221	check if same as Line 109 <input type="checkbox"/>
223 Second ranking company officer, such as Chairman (Must be someone other than the individual listed on Line 221)	
224 Business address of individual named on Line 223	check if same as Line 109 <input type="checkbox"/>
225 Third ranking company officer, such as President or Secretary (Must be someone other than individuals listed on Lines 221 or 223)	
226 Business address of individual named on Line 225	check if same as Line 109 <input type="checkbox"/>

227 Indicate jurisdictions in which the filing entity provides telecommunications service. Include jurisdictions in which telecommunications service was provided in the past 15 months and jurisdictions in which telecommunications service is likely to be provided in the next 12 months.

- |   |   |  |   |  |
|---|---|--|---|--|
| <input type="checkbox"/> Alabama              | <input type="checkbox"/> Guam           | <input type="checkbox"/> Massachusetts | <input type="checkbox"/> New York                 | <input type="checkbox"/> Tennessee           |
| <input type="checkbox"/> Alaska               | <input type="checkbox"/> Hawaii         | <input type="checkbox"/> Michigan      | <input type="checkbox"/> North Carolina           | <input type="checkbox"/> Texas               |
| <input type="checkbox"/> American Samoa       | <input type="checkbox"/> Idaho          | <input type="checkbox"/> Midway Atoll  | <input type="checkbox"/> North Dakota             | <input type="checkbox"/> Utah                |
| <input type="checkbox"/> Arizona              | <input type="checkbox"/> Illinois       | <input type="checkbox"/> Minnesota     | <input type="checkbox"/> Northern Mariana Islands | <input type="checkbox"/> U.S. Virgin Islands |
| <input type="checkbox"/> Arkansas             | <input type="checkbox"/> Indiana        | <input type="checkbox"/> Mississippi   | <input type="checkbox"/> Ohio                     | <input type="checkbox"/> Vermont             |
| <input type="checkbox"/> California           | <input type="checkbox"/> Iowa           | <input type="checkbox"/> Missouri      | <input type="checkbox"/> Oklahoma                 | <input type="checkbox"/> Virginia            |
| <input type="checkbox"/> Colorado             | <input type="checkbox"/> Johnston Atoll | <input type="checkbox"/> Montana       | <input type="checkbox"/> Oregon                   | <input type="checkbox"/> Wake Island         |
| <input type="checkbox"/> Connecticut          | <input type="checkbox"/> Kansas         | <input type="checkbox"/> Nebraska      | <input type="checkbox"/> Pennsylvania             | <input type="checkbox"/> Washington          |
| <input type="checkbox"/> Delaware             | <input type="checkbox"/> Kentucky       | <input type="checkbox"/> Nevada        | <input type="checkbox"/> Puerto Rico              | <input type="checkbox"/> West Virginia       |
| <input type="checkbox"/> District of Columbia | <input type="checkbox"/> Louisiana      | <input type="checkbox"/> New Hampshire | <input type="checkbox"/> Rhode Island             | <input type="checkbox"/> Wisconsin           |
| <input type="checkbox"/> Florida              | <input type="checkbox"/> Maine          | <input type="checkbox"/> New Jersey    | <input type="checkbox"/> South Carolina           | <input type="checkbox"/> Wyoming             |
| <input type="checkbox"/> Georgia              | <input type="checkbox"/> Maryland       | <input type="checkbox"/> New Mexico    | <input type="checkbox"/> South Dakota             |  |

PERSONS MAKING WILLFUL FALSE STATEMENTS IN THE WORKSHEET CAN BE PUNISHED BY FINE OR IMPRISONMENT UNDER TITLE 18 OF THE UNITED STATES CODE, 18 U.S.C. §1001

**2004 FCC Form 499-A Telecommunications Reporting Worksheet**

**Block 3: Carrier's Carrier Revenue Information**

301 Filer 499 ID [from Line 101]	302 Legal name of reporting entity [from Line 102]	Report billed revenues for January 1 through December 31, 2003. Do not report any negative numbers. Dollar amounts may be rounded to the nearest thousand dollars. However, report all amounts as whole dollars.	Total Revenues (a)	If breakouts are not book amounts, enter whole percentage estimates		Breakouts	
				Interstate (b)	International (c)	Interstate Revenues (d)	International Revenues (e)
				See instructions regarding percent interstate & international.			
<b>Revenues from Services Provided for Resale by Other Contributors to Federal Universal Service Support Mechanisms</b>							
<i>Fixed local service</i>							
303	Monthly service, local calling, connection charges, vertical features, and other local exchange service including subscriber line and PICC charges to IXCs						
a	Provided as unbundled network elements (UNEs)						
b	Provided under other arrangements						
304	Per-minute charges for originating or terminating calls						
a	Provided under state or federal access tariff						
b	Provided as unbundled network elements or other contract arrangement						
305	Local private line & special access service						
306	Payphone compensation from toll carriers						
307	Other local telecommunications service revenues						
308	Universal service support revenues received from Federal or state sources						
<i>Mobile services (including wireless telephony, paging &amp; messaging, and other mobile services)</i>							
309	Monthly, activation, and message charges except toll						
<i>Toll services</i>							
310	Operator and toll calls with alternative billing arrangements (credit card, collect, international call-back, etc.)						
311	Ordinary long distance (direct-dialed MTS, customer toll-free (800/888 etc.) service, "10-10" calls, associated monthly account maintenance, PICC pass-through, and other switched services not reported above)						
312	Long distance private line services						
313	Satellite services						
314	All other long distance services						

PERSONS MAKING WILLFUL FALSE STATEMENTS IN THE WORKSHEET CAN BE PUNISHED BY FINE OR IMPRISONMENT UNDER TITLE 18 OF THE UNITED STATES CODE, 18 U.S.C. §1001

2004 FCC Form 499-A Telecommunications Reporting Worksheet

Block 4-A: End-User and Non-Telecommunications Revenue Information

401 Filer 499 ID [from Line 101]	402 Legal name of reporting entity [from Line 102]	Report billed revenues for January 1 through December 31, 2003. Do not report any negative numbers. Dollar amounts may be rounded to the nearest thousand dollars. However, report all amounts as whole dollars. See instructions regarding percent interstate & international.	Total Revenues (a)	If breakouts are not book amounts, enter whole percentage estimates		Breakouts	
				Interstate	International	Interstate Revenues	International Revenues
				(b)	(c)	(d)	(e)
<b>Revenues from All Other Sources (end-user telecom. &amp; non-telecom.)</b>							
403 Surcharges or other amounts on bills identified as recovering State or Federal universal service contributions							
<i>Fixed local services</i>							
404 Monthly service, local calling, connection charges, vertical features, and other local exchange service charges except for federally tariffed subscriber line charges and PICC charges							
a Provided at a flat rate including interstate toll service							
b Provided without interstate toll included (see instructions)							
405 PICC charges levied by a local exchange carrier on a no-PIC customer and tariffed subscriber line charges							
406 Local private line and special access service							
407 Payphone coin revenues (local and long distance)							
408 Other local telecommunications service revenues							
<i>Mobile services (including wireless telephony, paging &amp; messaging, and other mobile services)</i>							
409 Monthly and activation charges							
410 Message charges including roaming, but excluding toll charges							
<i>Toll services</i>							
411 Prepaid calling card (including card sales to customers and non-carrier distributors) reported at face value of cards							
412 International calls that both originate and terminate in foreign points							
413 Operator and toll calls with alternative billing arrangements (credit card, collect, international call-back, etc.) other than revenues reported on Line 412							
414 Ordinary long distance (direct-dialed MTS, customer toll-free (800/888 etc.) service, "10-10" calls, associated monthly account maintenance, PICC pass-through, and other switched services not reported above)							
415 Long distance private line services							
416 Satellite services							
417 All other long distance services							
418 Revenues other than U.S. telecommunications revenues. Information services, inside wiring maintenance, billing and collection customer premises equipment, published directory, dark fiber, Internet access, cable TV program transmission, foreign carrier operations, and non-telecommunications revenues (See instructions.)							

PERSONS MAKING WILLFUL FALSE STATEMENTS IN THE WORKSHEET CAN BE PUNISHED BY FINE OR IMPRISONMENT UNDER TITLE 18 OF THE UNITED STATES CODE, 18 U.S.C. §1001

**2004 FCC Form 499-A Telecommunications Reporting Worksheet**

**Block 4-B: Total Revenue and Uncollectible Revenue Information**

	Total Revenues (a)	Breakouts	
		Interstate Revenues (d)	International Revenues (e)
419 Gross billed revenues from all sources [incl. reseller & non-telecom.] [Lines 303 through 314 plus Lines 403 through 418]			
420 Universal service contribution base amounts [Lines 403 through 411 & Lines 413 through 417] See Figure 4 in instructions.			
421 Uncollectible revenue/bad debt expense associated with gross billed revenues amounts shown on Line 419			
422 Uncollectible revenue/bad debt expense associated with universal service contribution base amounts shown on Line 420			
423 Net universal service contribution base revenues [Line 420 minus line 422]			

**Block 5: Additional Revenue Breakouts**

501 Filer 499 ID [from Line 101]

502 Legal name of reporting entity [from Line 102]

Most filers must contribute to LNP administration and must provide the percentages requested in Lines 503 through 510. Filing entities that use Line 603 to certify that they are exempt from this requirement need not provide this information.

Percentage of revenues reported in Block 3 and Block 4 billed in each region of the country. Round or estimate to nearest whole percentage. Enter 0 if no service was provided in the region.

	Block 3 Carrier's Carrier (a)	Block 4 End-User Telecom. (b)
503 Southeast: Alabama, Florida, Georgia, Kentucky, Louisiana, Mississippi, North Carolina, Puerto Rico, South Carolina, Tennessee, and U.S. Virgin Islands	%	%
504 Western: Alaska, Arizona, Colorado, Idaho, Iowa, Minnesota, Montana, Nebraska, New Mexico, North Dakota, Oregon, South Dakota, Utah, Washington, and Wyoming	%	%
505 West Coast: California, Hawaii, Nevada, American Samoa, Guam, Johnston Atoll, Midway Atoll, Northern Mariana Islands, and Wake Island.	%	%
506 Mid-Atlantic: Delaware, District of Columbia, Maryland, New Jersey, Pennsylvania, Virginia, and West Virginia	%	%
507 Mid-West: Illinois, Indiana, Michigan, Ohio, and Wisconsin	%	%
508 Northeast: Connecticut, Maine, Massachusetts, New Hampshire, New York, Rhode Island, and Vermont	%	%
509 Southwest: Arkansas, Kansas, Missouri, Oklahoma, and Texas	%	%
510 Total [Percentages must add to 0 or 100.]	%	%

511 Revenues from resellers that do not contribute to Universal Service support mechanisms are included in Block 4-B, Line 420 but may be excluded from a filer's TRS, NANPA, LNP, and FCC interstate telephone service provider regulatory fee contribution bases. To have these amounts excluded, the filer has the option of identifying such revenues below.

	(a) Total Revenues	(b) Interstate and International
Revenues from resellers that do not contribute to Universal Service	\$	\$

PERSONS MAKING WILLFUL FALSE STATEMENTS IN THE WORKSHEET CAN BE PUNISHED BY FINE OR IMPRISONMENT UNDER TITLE 18 OF THE UNITED STATES CODE, 18 U.S.C. §1001

2004 FCC Form 499-A Telecommunications Reporting Worksheet

Block 6: CERTIFICATION: to be signed by an officer of the filer

601 Filer 499 ID [from Line 101]

602 Legal name of reporting entity [from Line 102]

Section IV of the instructions provides information on which types of reporting entities are required to file for which purposes. Any entity claiming to be exempt from one or more contribution requirements should so certify below and attach an explanation. [The Universal Service Administrator will determine which entities meet the de minimis threshold based on information provided in Block 4, even if you fail to so certify, below.]

603 I certify that the reporting entity is exempt from contributing to: Universal Service [ ] TRS [ ] NANPA [ ] LNP Administration [ ]

Provide explanation below:

Blank lines for providing explanation below.

604 Please indicate whether the reporting entity is State or Local Government Entity [ ] I.R.C. § 501 Tax Exempt [ ] PUHCA § 34 (a)(1) Exempt [ ]

605 I certify that the revenue data contained herein are privileged and confidential and that public disclosure of such information would likely cause substantial harm to the competitive position of the company. I request nondisclosure of the revenue information contained herein pursuant to Sections 0.459, 52.17, 54.711 and 64.604 of the Commission's Rules. [ ]

I certify that I am an officer of the above-named reporting entity, that I have examined the foregoing report and, to the best of my knowledge, information and belief, all statements of fact contained in this Worksheet are true and that said Worksheet is an accurate statement of the affairs of the above-named company for the previous calendar year. In addition, I swear, under penalty of perjury, that all requested identification registration information has been provided and is accurate. If the above-named reporting entity is filing on a consolidated basis, I certify that this filing incorporates all of the revenues for the consolidated entities for the entire year and that the filer adhered to and continues to meet the conditions set forth in Section II-B of the instructions.

606 Signature

607 Printed name of officer

608 Position with reporting entity

609 Business telephone number of officer

610 E-mail of officer

611 Date

612 Check those that apply: [ ] Original April 1 filing for year [ ] New filer, registration only [ ] Revised filing with updated registration [ ] Revised filing with updated revenue data

Do not mail checks with this form. Send this form to: Form 499 Data Collection Agent c/o NECA, 80 South Jefferson Road, Whippany, New Jersey 07981 For additional information regarding this worksheet contact: Telecommunications Reporting Worksheet information: (973) 560-4460 or via e-mail: Form499@universalservice.org

PERSONS MAKING WILLFUL FALSE STATEMENTS IN THE WORKSHEET CAN BE PUNISHED BY FINE OR IMPRISONMENT UNDER TITLE 18 OF THE UNITED STATES CODE, 18 U.S.C. §1001

# TJF

 [http://www.universalservice.org/\\_res/doc](http://www.universalservice.org/_res/doc)  
 03/31/06 01:18 PM



Instructions to the Telecommunications Reporting Worksheet, Form 499-A

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FCC Form 499, April 2004  
Approved by OMB 3060-0855

Estimated Average Burden Hours Per Response: 13.5 Hours

**Telecommunications Reporting Worksheet, FCC Form 499-A**

**Instructions for Completing the  
Worksheet for Filing Contributions  
to Telecommunications Relay Service,  
Universal Service, Number Administration,  
and Local Number Portability Support Mechanisms**

\* \* \* \* \*

NOTICE: Section 52.17 of the Federal Communications Commission's rules provides that all telecommunications carriers in the United States shall contribute on a competitively neutral basis to meet the costs of establishing numbering administration, and directs that contributions shall be calculated and paid in accordance with this Telecommunications Reporting Worksheet (FCC Form 499-A or Worksheet). 47 C.F.R. § 52.17. Section 52.32 provides that the local number portability administrators shall recover the shared costs of long-term number portability from all telecommunications carriers. 47 C.F.R. § 52.32. Sections 54.706, 54.711, and 54.713 require all telecommunications carriers providing interstate telecommunications services, providers of interstate telecommunications that offer interstate telecommunications for a fee on a non-common carrier basis, and payphone providers that are aggregators to contribute to universal service and file this Worksheet once a year and the Telecommunications Reporting Worksheet (FCC Form 499-Q) four times a year. 47 C.F.R. §§ 54.706, 54.711, 54.713. Section 64.604 requires that every common carrier providing interstate telecommunications services contribute to the Telecommunications Relay Services (TRS) Fund on the basis of its relative share of interstate end-user telecommunications revenues, with the calculation based on information provided in this Worksheet. 47 C.F.R. § 64.604(c)(5)(iii)(B). Section 64.1195 requires all telecommunications carriers to register using the FCC Form 499-A. 47 C.F.R. § 64.1195(a).

This collection of information stems from the Commission's authority under Sections 225, 251, 254, and 258 of the Communications Act of 1934, as amended (Communications Act or Act), 47 U.S.C. §§ 225, 251, 254, and 258. The data in the Worksheet will be used to calculate contributions to the universal service support mechanisms, the telecommunications relay services support mechanism, the cost recovery mechanism for numbering administration, and the cost recovery mechanism for shared costs of long-term number portability. Selected information provided in the Worksheet will be made available to the public in a manner consistent with the Commission's rules.

We have estimated that each response to this collection of information will take, on average, 13.5 hours. Our estimate includes the time to read the instructions, look through existing records, gather and maintain the required data, and actually complete and review the form or response. If you have any comments on this estimate, or how we can improve the collection and reduce the burden it causes you, please write the Federal Communications Commission, AMD-PERM, Washington, D.C. 20554, Paperwork Reduction Project (3060-0855). We also will accept your comments via the Internet if you send them to [jbherman@fcc.gov](mailto:jbherman@fcc.gov). Please DO NOT SEND COMPLETED WORKSHEETS TO THIS ADDRESS.

Remember -- You are not required to respond to a collection of information sponsored by the Federal government, and the government may not conduct or sponsor this collection, unless it displays a currently valid Office of Management and Budget (OMB) control number. This collection has been assigned an OMB control number of 3060-0855.

The Commission is authorized under the Communications Act to collect the information we request on this form. We will use the information that you provide to determine contribution amounts. If we believe there may be a violation or potential violation of a statute or a Commission regulation, rule, or order, your Worksheet may be referred to the Federal, state, or local agency responsible for investigating, prosecuting, enforcing, or implementing the statute, rule, regulation, or order. In certain cases, the information in your Worksheet may be disclosed to the Department of Justice, court, or other adjudicative body when (a) the Commission; or (b) any employee of the Commission; or (c) the United States government, is a party to a proceeding before the body or has an interest in the proceeding.

With the exception of your employer identification number, if you do not provide the information we request on the Worksheet, the Commission may consider you in violation of sections 1.47, 52.17, 52.32, 54.713, 64.604, and 64.1195 of the Commission's rules. 47 C.F.R. §§ 1.47, 52.17, 52.32, 54.713, 64.604, and 64.1195.

The foregoing Notice is required by the Paperwork Reduction Act of 1995, P.L. No. 104-13, 44 U.S.C. § 3501, *et seq.*

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File FCC Form 499-A online. Check out: <http://form499.universalservice.org/>

## I. Introduction

As required under the Communications Act,<sup>1</sup> the Commission has established, in a series of separate proceedings, procedures to finance interstate telecommunications relay services (TRS), universal service support mechanisms, administration of the North American Numbering Plan (NANPA), and shared costs of local number portability administration (LNPA). To accomplish these Congressionally directed objectives, contributions are collected from all telecommunications carriers providing interstate telecommunications services and certain other providers of interstate telecommunications. On July 14, 1999, the Commission amended its rules so that contributors to these mechanisms need only file one Telecommunications Reporting Worksheet for the purpose of determining their contribution(s).<sup>2</sup> This Worksheet sets forth the information that the filer must submit, so that the administrators of these mechanisms may calculate and assess contributions.<sup>3</sup>

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<sup>1</sup> 47 U.S.C. §§ 151, 225, 251, 254.

<sup>2</sup> On March 9, 2001, the Commission modified its rules to base universal service contributions on information reported on quarterly Telecommunications Reporting Worksheet filings, with an annual true-up based on information reported on annual Telecommunications Reporting Worksheets. *Federal-State Joint Board on Universal Service, Petition for Reconsideration filed by AT&T, Report and Order and Order on Reconsideration*, CC Docket No. 96-45, 16 FCC Rcd 5748 (2001) (*Quarterly Reporting Order*). See also *1998 Biennial Regulatory Review -- Streamlined Contributor Reporting Requirements Associated with Administration of Telecommunications Relay Services, North American Numbering Plan, Local Number Portability, and Universal Service Support Mechanisms*, Report and Order, CC Docket 98-171, 14 FCC Rcd 16602 (1999) (*Consolidated Reporting Order*).

<sup>3</sup> In addition, common carriers use data filed on the Form 499-A to calculate their Interstate Telecommunications

While some entities that file the Telecommunications Reporting Worksheet may not need to contribute to each of the support and cost recovery mechanisms, in general, all telecommunications carriers and certain additional telecommunications providers must complete and file this Worksheet.<sup>4</sup> These instructions contain an explanation of which carriers must contribute to particular mechanisms (see Section IV.A.), but filers should consult the specific rules that govern contributions for each of the mechanisms.<sup>5</sup> In general, contributions are calculated based on contributors' end-user telecommunications revenue information, as filed in this Worksheet.

By filing this Worksheet, carriers may also satisfy their obligations under section 413 of the Act to designate an agent in the District of Columbia for service of process<sup>6</sup> and their obligations to register with the Federal Communications Commission.<sup>7</sup>

## II. Filing Requirements and General Instructions

### A. Who Must File

All intrastate, interstate and international providers of telecommunications within the United States,<sup>8</sup> with very limited exceptions, must file the FCC Form 499-A Telecommunications Reporting Worksheet.<sup>9</sup>

For purposes of determining whether an entity provides telecommunications, please note that the term "telecommunications" means the transmission, between or among points specified by the user, of information of the user's choosing, without change in the form or content of the information as sent and received. For the purpose of filing, the term "interstate telecommunications" includes, but is not limited to, the following types of services: wireless telephony, including cellular and personal communications services (PCS); paging and messaging services; dispatch services; mobile radio services; operator services; access to interexchange service; special access; wide area

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Service Provider (ITSP) fees. See *Assessment and Collection of Regulatory Fees for Fiscal Year 2003*, MD Docket No. 03-83, Report and Order, 18 FCC Rcd 15985 (2000). Section 6003(a) of the Omnibus Budget Reconciliation Act of 1993 (Public Law 103-66) added Section 9(a) to the Communications Act, which authorizes the Commission to collect annual regulatory fees to recover the annual costs of its enforcement, policy and rulemaking, user information, and international activities. 47 U.S.C. § 159(a), (b)(1)(A), and (g).

<sup>4</sup> Please note that this Worksheet refers to "filers," "reporting entities," and "contributors" interchangeably, except where specifically distinguished.

<sup>5</sup> See 47 C.F.R. §§ 52.17 (numbering administration), 52.32 (local number portability), 54.706 (universal service), and 64.604 (TRS).

<sup>6</sup> 47 U.S.C. § 413. See also 47 C.F.R. § 1.47.

<sup>7</sup> 47 C.F.R. § 64.1195.

<sup>8</sup> For this purpose, the United States is defined as the contiguous United States, Alaska, Hawaii, American Samoa, Baker Island, Guam, Howland Island, Jarvis Island, Johnston Atoll, Kingman Reef, Midway Island, Navassa Island, the Northern Mariana Islands, Palmyra, Puerto Rico, the U.S. Virgin Islands, and Wake Island.

<sup>9</sup> Section 254(d) applies not only to "every telecommunications carrier that provides interstate telecommunications services" but also to certain "other provider[s] of interstate telecommunications." 47 U.S.C. § 254(d) (emphasis added). Solely for the purposes of these Instructions, we use the terms "telecommunications services" and "telecommunications" interchangeably, unless otherwise specified. For more information on these terms, see 47 U.S.C. §§ 153(43), (46); *Federal-State Joint Board on Universal Service*, Report and Order, CC Docket No. 96-45, 12 FCC Rcd 8776 (1997) (*Universal Service Order*).

telecommunications services (WATS); subscriber toll-free services; 900 services; message telephone services (MTS); private line; telex; telegraph; video services; satellite services, resale services, and frame relay and ATM services. Note, for example, that all incumbent and competitive local exchange carriers provide access services and, therefore, provide interstate telecommunications. There are no exemptions for data or non-voice services.

Note also that entities must file this Worksheet, and are subject to the universal service contribution requirement, if they offer interstate telecommunications for a fee to the public even if only a narrow or limited class of users could utilize the services. Included are entities that provide interstate telecommunications to entities other than themselves for a fee on a private, contractual basis. In addition, owners of pay telephones, sometimes referred to as "pay telephone aggregators," must file this Worksheet. Most telecommunications carriers must file this Worksheet even if they qualify for the *de minimis* exemption under the Commission's rules for universal service.<sup>10</sup>

The following three sections list types of (non-common carrier) telecommunications providers that are not required to file FCC Form 499-A. Note that some carriers and telecommunications providers are required to file this Worksheet, but may not be required to contribute to all support mechanisms. For example, some carriers may be exempt from contributing directly to the universal service support mechanisms (e.g., because they are *de minimis*), but nevertheless must file because they are required to contribute to TRS, NANPA, or LNPA. These non-contributors must be treated as end users by their underlying carriers and therefore may end up contributing indirectly as a result of pass-through charges.

1. Universal service exemption for *de minimis* telecommunications providers

Section 54.708 of the Commission's rules states that telecommunications carriers and telecommunications providers are not required to contribute to the universal service support mechanisms for a given year if their contribution for that year is less than \$10,000.<sup>11</sup> Thus, providers that offer telecommunications for a fee exclusively on a non-common carrier basis need not file this Worksheet if their contribution to the universal service support mechanisms would be *de minimis* under the universal service rules. Note: Entities that provide solely private line service may nevertheless be considered common carriers if they offer their services directly to the public or to such classes of users as to be effectively available directly to the public. In contrast, telecommunications carriers (i.e., entities providing telecommunications services on a common-carriage basis) that meet the *de minimis* standard must file this Worksheet (because they must contribute to other support and cost recovery mechanisms), but need not contribute to the universal service mechanisms. (See Figure 3 "Which telecommunications carriers and telecommunications providers must contribute for which purposes" at page 28, below.)

Telecommunications providers (i.e., entities providing telecommunications on a non-common carrier basis) should complete the table contained in Figure 1 to determine whether they meet the *de minimis* standard. To complete Figure 1, potential filers must first complete Block 4 of the Telecommunications Reporting Worksheet and enter the amounts from Line 423(d) and 423(e) in Figure 1. Telecommunications providers whose estimated contributions to universal service support mechanisms would be less than \$10,000 are considered *de minimis* for universal service contribution purposes and will not be required to contribute directly to universal service support mechanisms. Use Figure 1 to calculate estimated universal service contributions for the period January 2003 through December 2003.

Telecommunications providers that do not file this Worksheet because they are *de minimis* for purposes of universal service contributions (and need not file for any other purpose) should retain Figure 1 and documentation of their contribution base revenues for 3 calendar years after the date each Worksheet is due.

**Figure 1: Table to determine if a filer meets the *de minimis* standard**

<sup>10</sup> See 47 C.F.R. § 54.708.

<sup>11</sup> *Id.*

for purposes of universal service contribution

1	Net interstate contribution base for filer (amount reportable on filer's FCC Form 499-A; Line 423(d))	\$
2	Net international contribution base for filer (amount reportable on filer's FCC Form 499-A; Line 423(e))	\$
3	Net interstate contribution base for all affiliates* (total of amounts reportable on FCC Form 499-A; Line 423(d) for all affiliates of the filer)	\$
4	Net international contribution base for all affiliates (total of amounts reportable on FCC Form 499-A; Line 423(e) for all affiliates of the filer)	\$
5	Consolidated interstate contribution base: Line (1) + Line (3)	\$
6	Consolidated international contribution base: Line (2) + Line (4)	\$
7	Total potential contribution base for filer and its affiliates: Line (5) + Line (6)	\$
8	Combined interstate contribution base as a percentage of total potential contribution base: Line (5) / Line (7)	%
9	Interstate contribution base for filer from Line (1)	\$
10	If the amount on line (8) is equal to or greater than 12%, enter into Line (10) the international contribution base for the filer from Line (2). If the amount on Line (8) is less than 12%, enter \$0	\$
11	Contribution base for the filer for determining contributions to universal service support mechanisms: Line (9) + Line (10)	\$
12	Estimation factor for determining whether to file a FCC Form 499-A on April 1, 2004	0.091**
13	Estimated annual contribution: amount on Line (11) multiplied by Line (12)	\$

\* Unless otherwise specifically provided, an affiliate is a "person that (directly or indirectly) owns or controls, is owned or controlled by, or is under common ownership or control with, another person." For this purpose, the term 'owns' means to own an equity interest (or the equivalent thereof) of more than 10 percent. See 47 U.S.C. § 153(1).

\*\* The estimation factor is based on a contribution factor of .100, which is higher than the contribution factor announced for the first quarter of 2004, and a corresponding circularity factor of .090909. Actual contribution and circularity factors for 2004 may increase or decrease depending on quarterly changes in program costs and the projected contribution base. Filers whose actual contribution requirements total less than \$10,000 for the calendar year will be treated as *de minimis* and will receive refunds, if necessary. Filers whose actual contribution requirements total \$10,000 or more are required to contribute to the universal service support mechanisms. Note that telecommunications carriers must file this Worksheet regardless of whether they qualify for the *de minimis* exemption unless they qualify for one of the exemptions detailed in Sections II-A-2 or II-A-3, below.