

**FCC Form 499-Q Telecommunications Reporting Worksheet**

Quarterly Filing for Universal Service Contributors

>>> Please read instructions before completing <<<

Approval by OMB  
3060-0855

**Block 1: Contributor Identification Information** 101 Filer 499 ID 825928

102	Legal name of reporting entity	PROGRESS INTERNATIONAL LLC
103	IRS employer identification number	742720257
104	Name telecommunications provider is doing business as	PROGRESS
105	Holding company [All affiliated companies should show same name here.]	IXC INTERNATIONAL LLC
106	FCC Registration Number (FRN)	00058885090
107	Complete mailing address of reporting entity's corporate headquarters	1090 OLD KATY RD HOUSTON, TX 07669

**Block 2: Contact Information**

108	Person who completed this worksheet	First LUIS MI J Last MONTES
109	Telephone number of this person	52 ( 81 ) - 1247 7717
110	Fax number of this person	52 ( 81 ) - 1247 7701
111	Email of this person	lmontes@marcatel.net
112	Billing address and billing contact person: [Bills for Universal Service contributions will be sent to this address.]	

**Block 3: Contributor Historical and Projected Revenue Information**

113	Year of historical revenue information			
114	Indicate which quarterly filing this represents	<input type="checkbox"/> February 1 <input checked="" type="checkbox"/> May 1 <input type="checkbox"/> August 1 <input type="checkbox"/> November 1	Filing due Historical revenues for October 1 - December 31 (prior year) January 1 - March 31 April 1 - June 30 July 1 - September 30	Projected revenues for April 1 - June 30 July 1 - September 30 October 1 - December 31 January 1 - March 31 (following calendar year)
Historical billed revenues with no allowance or deductions for uncollectibles. See instructions.		Total Revenues (a)	Interstate Revenues (b)	International Revenues (c)
115	Telecommunications provided to other universal service contributors for resale as telecommunications or as interconnected VoIP			
116	End-user telecommunications revenues including any pass-through charges for universal service contributions, but excluding international-to-international revenues			
117	All other goods and services		Column (b) and (c) not requested	
118	Gross-billed revenues from all sources [sum of above]		for Lines 117 and 118	
119	Projected gross-billed end-user interstate and international telecommunications revenues including any pass-through charges for universal service contributions, but excluding international-to-international revenues			
120	Projected collected end-user interstate and international telecommunications revenues including any pass-through charges for universal service contributions, but excluding international-to-international revenues			

**Block 4: CERTIFICATION: to be signed by an officer of the reporting entity**

121 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, that said Worksheet is an accurate statement of the affairs of the above-named company for the quarter and that the projections of gross-billed and collected revenues represent a good-faith estimate based on company procedures and policies.

122 Signature *[Signature]*

123 Printed name of officer First CESAR MI E Last SANTACRUZ

124 Position with reporting entity GENERAL COUNSEL

125 Email of officer [Required if available] csantacruz@marcatel.net

126 Date February 27, 2008

127 This filing is:  Original filing  Revised filing [revisions due within 45 days of original filing deadline]

Do not mail checks with this form. Send this form to: Form 499 Data Collection Agent c/o USAC 2000 L Street, N.W. Suite 200 Washington DC, 20036  
For additional information regarding this worksheet contact: Telecommunications Reporting Worksheet Info: (888) 641-8722 or via e-mail: Form499@universalservice.org

PERSONS WILLFULLY MAKING 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

**FCC Form 499-Q Telecommunications Reporting Worksheet**

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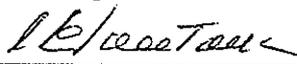
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	<input type="checkbox"/> February 1		October 1 - December 31 (prior year)	April 1 - June 30
	<input type="checkbox"/> May 1		January 1 - March 31	July 1 - September 30
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122	Signature 
123	Printed name of officer First CESAR Mi E Last SANTACRUZ
124	Position with reporting entity GENERAL COUNSEL
125	Email of officer    Required if available    csantacruz@marcatel.net
126	Date February 27, 2008
127	This filing is: <input type="checkbox"/> Original filing <input checked="" type="checkbox"/> Revised filing [revisions due within 45 days of original filing deadline]

Do not mail checks with this form. Send this form to: Form 499 Data Collection Agent c/o USAC 2000 L Street, N.W. Suite 200 Washington DC, 20006  
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122	Signature			
123	Printed name of officer	First CESAR	MI E	Last SANTACRUZ
124	Position with reporting entity	GENERAL COUNSEL		
125	Email of officer    Required if available	csantacruz@marcatel.net		
126	Date	February 27, 2008		
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Save time, avoid problems - file electronically at

<http://forms.universalservice.org>

FCC Form 499-Q  
February 2007

**EXHIBIT D**

**(REDACTED VERSION)**

## Steven Chernoff

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**From:** Fred Theobald [ftheobald@usac.org]  
**Sent:** Monday, July 14, 2008 3:48 PM  
**To:** Steven Chernoff  
**Subject:** RE: Progress International, LLC (499 Filer ID 825928)

Dear Mr. Chernoff,

Thank you for your email. I have researched the issue and like Ken stated I did not see the revised filings that were received by USAC on April 8, 2008. Thank you for providing the copy of your date copy. I am currently having my 499 analyst reject all of the submitted 499Q filings for they are downward revisions submitted past the 45 day revision window of each filing. An official rejection letter will be sent out today for your records.

Upon review of the account, it appears that the submitted 2008 499A for Progress International shows that they are de minimis for calendar year 2007. If correct the credits for the May 2007 and August 2007 499Q filings will be issued on Progress International July 2008 invoice. This will potentially leave only the charges for the November 2007 499Q (which forecasts 1Q 2008 revenues) outstanding on the account. These charges will not be trued up until the 2009 499A process. Details regarding USAC and FCC appeals are available on our website and will also be included in the official rejection letters.

If you have any questions please feel free to give me a call at 202-263-1613.

Sincerely

Fred Theobald  
USAC

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**From:** Steven Chernoff [mailto:SChernoff@fcclaw.com]  
**Sent:** Monday, July 14, 2008 2:10 PM  
**To:** Fred Theobald  
**Subject:** Progress International, LLC (499 Filer ID 825928)

Dear Mr. Theobald:

I am writing to inquire about the status of the Form 499-Q revisions submitted recently on behalf of Progress International, LLC (499 Filer ID 825928). The revisions were submitted to Mr. Ken Fiscus on April 8, 2008, following a phone conversation in which he assured me that upon receiving them, he would give them to the appropriate person for processing. He also stated that USAC would make a prompt decision on whether to accept the late-filed revisions. On Friday, July 11, not having heard of any USAC decision, I contacted Mr. Fiscus to inquire about the status of the revisions. Mr. Fiscus said that he did not see the revisions in the system as having been received or processed. Friday afternoon, I retrieved a date-stamped copy from our files that demonstrated the revisions and accompanying cover letter had indeed been received by him on April 8, 2008.

Progress International is deeply concerned about the status of its revisions. Progress International continues to receive past-due notices from USAC for erroneous contribution amounts that it should not be required to pay, and the company considers the processing of these revisions to be a matter of the utmost urgency.

At your earliest convenience, please advise me of the status of these revisions.

Thank you for your attention to this matter.

Sincerely,

Steven M. Chernoff  
Lukas, Nace, Gutierrez & Sachs, Chtd.  
1650 Tysons Blvd., Suite 1500  
McLean, VA 22102  
703-584-8670 (Direct)  
703-584-8694 (Fax)  
703-254-4054 (Mobile)

If you have received this message in error, please contact me because it may contain information that is confidential or protected by the attorney-client privilege.

**EXHIBIT E**

**(REDACTED VERSION)**

July 14, 2008

Attn: Luis Montes  
Progress International, L.L.C.  
1090 Old Katy Road  
Houston, TX 07669

Form 499 Filer ID: 825928

**RE: May 2007 FCC Form 499-Q Revision Rejection**

Federal Communications Commission (FCC) regulations require carriers to file an FCC Form 499-A annually and an FCC Form 499-Q quarterly and require the Universal Service Administrative Company (USAC) to bill contributors based on reported revenues. See generally 47 C.F.R. Part 54. The May 2007 FCC Form 499-Q was due Tuesday, May 01, 2007, with revisions due by Friday, June 15, 2007 (45 days later). This 45 day form revision window is clearly noted in the instructions for the FCC Form 499 Q, is discussed in a document entitled "Helpful Hints" that was included with the form, and is posted on USAC's website [www.universalservice.org](http://www.universalservice.org). In addition, questions concerning forms and revisions can be addressed to USAC via email at [Form499@universalservice.org](mailto:Form499@universalservice.org).

Because USAC received the May 2007 FCC Form 499-Q submitted by the above-referenced Form 499 Filer ID 825928 Progress International, L.L.C. after the due date and outside of the 45-day revision window, the form was untimely and will not be processed.

If this submission was intended to revise revenue reported on a previously filed original Form 499-Q, please note USAC has relied upon the revenue previously projected by you for the purposes of calculating your universal service charges for July, August and September 2007. If you failed to timely file an original Form 499-Q, please note USAC has relied on revenue previously reported by you for the purpose of calculating your universal service charges for July, August and September 2007.

When a carrier fails to file an FCC Form 499 by the due date, in order to calculate universal service charges for the relevant period, FCC regulations require USAC to estimate that carrier's revenue based upon previously reported revenue information.

Please note that although you missed the revision window for submission of the Form 499-Q, the annual/quarterly (A/Q) true-up will provide a remedy. USAC's 2008 A/Q true-up will reconcile and revise contributor's account accordingly. The 2008 Form 499 A, reporting annual 2007 revenue, has a due date of April 1, 2008. Upon receipt of contributor's 2008 Form 499-A, USAC will perform the A/Q true-up and post appropriate credits or adjustments to your account.

**If you wish to appeal this decision with USAC, your appeal must be postmarked no later than 60 days after the date of USAC's rejection letter. Appeals postmarked after 60 days from the date of this letter will be automatically dismissed.**

In the event that you choose to appeal the decision, you should follow these guidelines:

- Write a "Letter of Appeal to USAC" explaining why you disagree with this Form 499-Q rejection letter and identify the outcome that you request.
- Be sure to refer to CC Docket No. 96-45 on all communication with the FCC.
- The appeal must identify the "Legal Reporting Name" and "Filer 499 ID".
- Provide necessary contact information. Please list the name, address, telephone number, fax number, and e-mail address (if available) of the person who can most readily discuss this appeal with USAC.
- Explain the appeal to the USAC. Please provide documentation to support your appeal.

- Attach a photocopy of this Revised Form 499-Q Rejection decision that you are appealing.
- Mail your letter to:  
Letter of Appeal  
USAC  
2000 L Street, NW, Suite 200  
  
Washington, DC 20036
- Appeals submitted by fax, telephone call, and e-mail will not be

The response will indicate whether USAC:

- Agrees with your letter of appeal, and approves an outcome that is different from the Revised Form 499-Q Rejection Letter; or
- Disagrees with your letter of appeal, and the reasons therefore.

If you disagree with USAC's response to your "letter of appeal," you may file an appeal with the FCC within 60 days of the date USAC issued its decision in response to your "Letter of Appeal." Again, please note your appeal must be postmarked no later than 60 days after the date of the Appeal Decision. Appeals postmarked after 60 days from the date of USAC's response to your appeal will be automatically dismissed. The FCC rules governing the appeals process (Part 54 of Title 47 of the Code of Federal Regulations 54.719 – 54.725) are available on the FCC web site ([www.fcc.gov](http://www.fcc.gov)).

Please be sure to refer to CC Docket No. 96-45 on all communication with the FCC. The appeal must also provide your company's name and Filer ID, plus necessary contact information, including the name, address, telephone number, fax number, and e-mail address of the person filing the appeal. Unless the appeal is by ECFS, please include a copy of the decision at issue.

Appeals submitted via the United States Postal Service, should be sent to the address below (For security purposes, hand-delivered or messenger-delivered documents will not be accepted at this Washington, DC address):

Federal Communications Commission

Office of the Secretary  
445 – 12th Street, SW  
Room TW-A325

Documents sent by hand-delivery or messenger should be sent to the following address:

Federal Communications Commission

Office of the Secretary  
9300 East Hampton Drive  
Capitol Heights, MD 20743  
(8:00 A.M. – 5:30 P.M. ET)

Appeals may also be submitted to the FCC electronically, either by the Electronic Comment Filing System (ECFS) or by fax. The FCC recommends filing with the ECFS to ensure timely filing. Instructions for using ECFS can be found on the ECFS page of the FCC web site. Appeals to the FCC filed by fax must be faxed to 202-418-0187. Electronic appeals will be considered filed on a business day if they are received at any time before 12:00 A.M. (midnight), Eastern Standard Time. Fax transmissions will be considered filed on a business day if the complete transmission is received at any time before 12:00 A.M.

If you have questions or concerns regarding this letter, please contact USAC Customer Service at (888) 641-8722 Option 1, Option 2.

Sincerely,

USAC

Washington, DC 20554

July 14, 2008

Attn: Luis Montes  
Progress International, L.L.C.  
1090 Old Katy Road  
Houston, TX 07669

Form 499 Filer ID: 825928

**RE: August 2007 FCC Form 499-Q Revision Rejection**

Federal Communications Commission (FCC) regulations require carriers to file an FCC Form 499-A annually and an FCC Form 499-Q quarterly and require the Universal Service Administrative Company (USAC) to bill contributors based on reported revenues. See generally 47 C.F.R. Part 54. The August 2007 FCC Form 499-Q was due Wednesday, August 01, 2007, with revisions due by Monday, September 17, 2007 (45 days later). This 45 day form revision window is clearly noted in the instructions for the FCC Form 499 Q, is discussed in a document entitled "Helpful Hints" that was included with the form, and is posted on USAC's website [www.universalservice.org](http://www.universalservice.org). In addition, questions concerning forms and revisions can be addressed to USAC via email at [Form499@universalservice.org](mailto:Form499@universalservice.org).

Because USAC received the August 2007 FCC Form 499-Q submitted by the above-referenced Form 499 Filer ID 825928 Progress International, L.L.C. after the due date and outside of the 45-day revision window, the form was untimely and will not be processed.

If this submission was intended to revise revenue reported on a previously filed original Form 499-Q, please note USAC has relied upon the revenue previously projected by you for the purposes of calculating your universal service charges for October, November and December 2007. If you failed to timely file an original Form 499-Q, please note USAC has relied on revenue previously reported by you for the purpose of calculating your universal service charges for October, November and December 2007.

When a carrier fails to file an FCC Form 499 by the due date, in order to calculate universal service charges for the relevant period, FCC regulations require USAC to estimate that carrier's revenue based upon previously reported revenue information.

Please note that although you missed the revision window for submission of the Form 499-Q, the annual/quarterly (A/Q) true-up will provide a remedy. USAC's 2008 A/Q true-up will reconcile and revise contributor's account accordingly. The 2008 Form 499 A, reporting annual 2007 revenue, has a due date of April 1, 2008. Upon receipt of contributor's 2008 Form 499-A, USAC will perform the A/Q true-up and post appropriate credits or adjustments to your account.

**If you wish to appeal this decision with USAC, your appeal must be postmarked no later than 60 days after the date of USAC's rejection letter. Appeals postmarked after 60 days from the date of this letter will be automatically dismissed.**

In the event that you choose to appeal the decision, you should follow these guidelines:

- Write a "Letter of Appeal to USAC" explaining why you disagree with this Form 499-Q rejection letter and identify the outcome that you request.
- Be sure to refer to CC Docket No. 96-45 on all communication with the FCC.
- The appeal must identify the "Legal Reporting Name" and "Filer 499 ID".
- Provide necessary contact information. Please list the name, address, telephone number, fax number, and e-mail address (if available) of the person who can most readily discuss this appeal with USAC.
- Explain the appeal to the USAC. Please provide documentation to support your appeal.

- Attach a photocopy of this Revised Form 499-Q Rejection decision that you are appealing.
- Mail your letter to:  
Letter of Appeal  
USAC  
2000 L Street, NW, Suite 200  
  
Washington, DC 20036
- Appeals submitted by fax, telephone call, and e-mail will not be

The response will indicate whether USAC:

- Agrees with your letter of appeal, and approves an outcome that is different from the Revised Form 499-Q Rejection Letter; or
- Disagrees with your letter of appeal, and the reasons therefore.

If you disagree with USAC's response to your "letter of appeal," you may file an appeal with the FCC within 60 days of the date USAC issued its decision in response to your "Letter of Appeal." Again, please note your appeal must be postmarked no later than 60 days after the date of the Appeal Decision. Appeals postmarked after 60 days from the date of USAC's response to your appeal will be automatically dismissed. The FCC rules governing the appeals process (Part 54 of Title 47 of the Code of Federal Regulations 54.719 – 54.725) are available on the FCC web site ([www.fcc.gov](http://www.fcc.gov)).

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Sincerely,

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Attn: Luis Montes  
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- Attach a photocopy of this Revised Form 499-Q Rejection decision that you are appealing.
- Mail your letter to:  
Letter of Appeal  
USAC  
2000 L Street, NW, Suite 200  
  
Washington, DC 20036
- **Appeals submitted by fax, telephone call, and e-mail will not be**

The response will indicate whether USAC:

- Agrees with your letter of appeal, and approves an outcome that is different from the Revised Form 499-Q Rejection Letter; or
- Disagrees with your letter of appeal, and the reasons therefore.

If you disagree with USAC's response to your "letter of appeal," you may file an appeal with the FCC within 60 days of the date USAC issued its decision in response to your "Letter of Appeal." Again, please note your appeal must be postmarked no later than 60 days after the date of the Appeal Decision. Appeals postmarked after 60 days from the date of USAC's response to your appeal will be automatically dismissed. The FCC rules governing the appeals process (Part 54 of Title 47 of the Code of Federal Regulations 54.719 – 54.725) are available on the FCC web site ([www.fcc.gov](http://www.fcc.gov)).

Please be sure to refer to CC Docket No. 96-45 on all communication with the FCC. The appeal must also provide your company's name and Filer ID, plus necessary contact information, including the name, address, telephone number, fax number, and e-mail address of the person filing the appeal. Unless the appeal is by ECFS, please include a copy of the decision at issue.

Appeals submitted via the United States Postal Service, should be sent to the address below (For security purposes, hand-delivered or messenger-delivered documents will not be accepted at this Washington, DC address):

Federal Communications Commission

Office of the Secretary  
445 – 12th Street, SW  
Room TW-A325

Documents sent by hand-delivery or messenger should be sent to the following address:

Federal Communications Commission

Office of the Secretary  
9300 East Hampton Drive  
Capitol Heights, MD 20743  
(8:00 A.M. – 5:30 P.M. ET)

Appeals may also be submitted to the FCC electronically, either by the Electronic Comment Filing System (ECFS) or by fax. The FCC recommends filing with the ECFS to ensure timely filing. Instructions for using ECFS can be found on the ECFS page of the FCC web site. Appeals to the FCC filed by fax must be faxed to 202-418-0187. Electronic appeals will be considered filed on a business day if they are received at any time before 12:00 A.M. (midnight), Eastern Standard Time. Fax transmissions will be considered filed on a business day if the complete transmission is received at any time before 12:00 A.M.

If you have questions or concerns regarding this letter, please contact USAC Customer Service at (888) 641-8722 Option 1, Option 2.

Sincerely,

**USAC**

Washington, DC 20554

**EXHIBIT F**

**(REDACTED VERSION)**

## Steven Chernoff

---

**From:** Fred Theobald [ftheobald@usac.org]  
**Sent:** Tuesday, July 15, 2008 8:20 AM  
**To:** Steven Chernoff  
**Subject:** RE: Progress International, LLC (499 Filer ID 825928)

Dear Mr. Chernoff,

I response to your questions:

1. The revised February 2008 499Q was able to be processed in time for the 2Q 2008 billing cycle, so Progress International was assessed no support mechanism charges in the 2Q 2008.

2 & 3. Progress International should expect the following credits to their account as a result of the 2008 True Up process (please remember this is only an estimate).

May 2007 499Q - \$
Aug 2007 499Q - .
<u>Late Payment - \$</u>
Total \$

All of these credits will be issued on Progress International's July 2008 invoice.

4. Outstanding Items (this does not include any new late payment fees, dcia penalties, or charges that could be potentially assessed on Progress International's July Invoice.)

Nov 2007 499Q - \$
<u>Late Payment - \$</u>
Total \$

All data above is an estimate, the actual invoice for Progress International will be processed and mail out on July 22, 2008.

If you have any questions please feel free to give me a call at 202-263-1613. Hope you are having a great day.

Sincerely

Fred Theobald  
USAC

---

**From:** Steven Chernoff [mailto:SChernoff@fcclaw.com]  
**Sent:** Monday, July 14, 2008 4:47 PM  
**To:** Fred Theobald  
**Subject:** RE: Progress International, LLC (499 Filer ID 825928)

Dear Mr. Theobald:

Thank you for your courteous response. The company will most likely appeal at least the rejection of the November 2007 499-Q revision.

With regard to the May and August 499-Q revisions, I understand that even though they are being rejected, the outstanding amounts are being wiped out in the ordinary course because of the 2008 499-A true-up process.

It would be most helpful at this point if you could provide the following information:

1. What is the amount of the outstanding funds that were credited as a result of the company's revision of its February 2008 499-Q, which was accepted (by USAC notice dated April 7, 2008) and which reduced the company's assessable revenue by 100%?
2. What is the amount of the outstanding funds that will be credited as a result of the 2008 Form 499-A true-up process?
3. Will the "late payment fees" also be credited, given that they resulted entirely from erroneous information?

4. What is the amount of the outstanding funds that will remain outstanding after the application of all credits set forth above? Are all of those amounts connected to the November 2007 Form 499-Q revision?

Thank you again for your kind attention to this matter.

Sincerely,

Steven M. Chernoff  
Lukas, Nace, Gutierrez & Sachs, Chtd.  
1650 Tysons Blvd., Suite 1500  
McLean, VA 22102  
703-584-8670 (Direct)  
703-584-8694 (Fax)  
703-254-4054 (Mobile)

If you have received this message in error, please contact me because it may contain information that is confidential or protected by the attorney-client privilege.

**From:** Fred Theobald [mailto:ftheobald@usac.org]  
**Sent:** Monday, July 14, 2008 3:48 PM  
**To:** Steven Chernoff  
**Subject:** RE: Progress International, LLC (499 Filer ID 825928)

Dear Mr. Chernoff,

Thank you for your email. I have researched the issue and like Ken stated I did not see the revised filings that were received by USAC on April 8, 2008. Thank you for providing the copy of your date copy. I am currently having my 499 analyst reject all of the submitted 499Q filings for they are downward revisions submitted past the 45 day revision window of each filing. An official rejection letter will be sent out today for your records.

Upon review of the account, it appears that the submitted 2008 499A for Progress International shows that they are de minimis for calendar year 2007. If correct the credits for the May 2007 and August 2007 499Q filings will be issued on Progress International July 2008 invoice. This will potentially leave only the charges for the November 2007 499Q (which forecasts 1Q 2008 revenues) outstanding on the account. These charges will not be trued up until the 2009 499A process. Details regarding USAC and FCC appeals are available on our website and will also be included in the official rejection letters.

If you have any questions please feel free to give me a call at 202-263-1613.

Sincerely

Fred Theobald  
USAC

---

**From:** Steven Chernoff [mailto:SChernoff@fcclaw.com]  
**Sent:** Monday, July 14, 2008 2:10 PM  
**To:** Fred Theobald  
**Subject:** Progress International, LLC (499 Filer ID 825928)

Dear Mr. Theobald:

I am writing to inquire about the status of the Form 499-Q revisions submitted recently on behalf of Progress International, LLC (499 Filer ID 825928). The revisions were submitted to Mr. Ken Fiscus on April 8, 2008, following a phone conversation in which he assured me that upon receiving them, he would give them to the appropriate person for processing. He also stated that USAC would make a prompt decision on whether to accept the late-filed revisions. On Friday, July 11, not having heard of any USAC decision, I contacted Mr. Fiscus to inquire about the status of the revisions. Mr. Fiscus said that he did not see the revisions in the system as having been received or processed. Friday

afternoon, I retrieved a date-stamped copy from our files that demonstrated the revisions and accompanying cover letter had indeed been received by him on April 8, 2008.

Progress International is deeply concerned about the status of its revisions. Progress International continues to receive past-due notices from USAC for erroneous contribution amounts that it should not be required to pay, and the company considers the processing of these revisions to be a matter of the utmost urgency.

At your earliest convenience, please advise me of the status of these revisions.

Thank you for your attention to this matter.

Sincerely,

Steven M. Chernoff  
Lukas, Nace, Gutierrez & Sachs, Chtd.  
1650 Tysons Blvd., Suite 1500  
McLean, VA 22102  
703-584-8670 (Direct)  
703-584-8694 (Fax)  
703-254-4054 (Mobile)

If you have received this message in error, please contact me because it may contain information that is confidential or protected by the attorney-client privilege.

**EXHIBIT G**

**(REDACTED VERSION)**

DIVERSIFIED COLLECTION SERVICES, INC.  
A PERFORMANT COMPANY

233 NORTH CANYONS PARKWAY  
SUITE 100  
LIVERMORE, CA 94551

925 960 4800 MAIN  
925 960 4880 FAX  
PERFORMANTCORP.COM

**DCS****WARNING SBU INFORMATION ATTACHED**

The Sensitive but Unclassified (SBU) information attached to this cover sheet is the property of Performant Financial Corp. If you are not the intended recipient of this information, then disclose, reproduction, distribution, or use of this information is prohibited. Please notify the originator immediately to arrange for proper disposition.

**FACSIMILE COVER**

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TO:	Steve Chernoff, Atty	FROM:	Donna Tesi
COMPANY:		COMPANY:	DCS, A Performant Company
PHONE:		PHONE:	209-858-3698
FAX:	703-584-8694	FAX:	
EMAIL:		EMAIL:	
DATE:	SEPTEMBER 5, 2008	PAGES:	

---

**PLEASE DELIVER IMMEDIATELY**

If incomplete transmission please call: Donna Tesi @ 209-858-3698

---

**CONFIDENTIAL**

This facsimile transmittal is confidential and may be legally privileged. If you have received this message in error, you are notified of its status. Please inform the sender immediately, shred the document and /or delete from your system. State and Federal law prohibit copying, dissemination, disclosure or other use of the contents of this facsimile transmittal by anyone other than the intended recipient.

**COMMENTS**

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RE: Progress International, LLC

Overnight Courier Address:  
Wachovia QLP Wholesale Lockbox -NC0810  
Lockbox 70949  
1525 West WT Harris Blvd.  
Charlotte, NC 28262

**WARNING SBU INFORMATION ATTACHED**

The Sensitive but Unclassified (SBU) information attached to this cover sheet is the property of Performant Financial Corp. If you are not the intended recipient of this information, then disclose, reproduction, distribution, or use of this information is prohibited. Please notify the originator immediately to arrange for proper disposition.

DIVERSIFIED COLLECTION SERVICES, INC.  
A PERFORMANT COMPANY

**DCS**

P.O. Box 9046, Pleasanton, CA 94566-9046

Toll free: 888-310-2006

September 5, 2008

\*5-23740073\*

STEVE CHERNOFF, ATTY  
1650 TYSONS BLVD  
MCLEAN VA 22102-4856

Re: Diversified Collection Services, Inc.  
Treasury Acct No: 2008139334A  
Account No: 90203981676  
Balance: as of: September 5, 2008

Claim of: FEDERAL COMMUNICATIONS COMMISSION  
RE: PROGRESS INTERNATIONAL, L.L.C.

Dear STEVE CHERNOFF:

Enclosed are copies of the document(s) that you requested. Please review these document(s) with your client and notify us within the next ten (10) days whether your client intends to retire the obligation listed above. If you should have any questions regarding this matter, please do not hesitate to call your client's account representative at 888-310-2006.

As of the date of this letter, your client owes the balance reflected. Because of interest and other charges that may vary from day to day, the amount due on the day you pay may be greater. Hence, if your client pays the amount shown above, an adjustment may be necessary after we receive your client's check, in which event we will inform you. For further information on your balance, write to DCS or call the toll-free number shown above.

This is an attempt to collect a debt by a debt collector, and any information obtained will be used for that purpose.

Enclosure

**SEE THE REVERSE SIDE FOR THE FEDERAL VALIDATION NOTICE  
AND OTHER REQUIRED STATE COMPLIANCE INFORMATION.**

LR100/TR03

**PLEASE DETACH THIS STUB AND RETURN WITH PAYMENT**

U.S. Department of the Treasury - FMS  Check here for change of address and complete the reverse side.

Identification Number: 2008139334A

Due Date: September 5, 2008

Please check payment type:

Amount Due: \_\_\_\_\_  
Amount Enclosed: \_\_\_\_\_  
Make check payable to: U.S. Department of the Treasury

- Check / Money Order
- MasterCard
- VISA
- Discover
- American Express
- Diners Club

Credit Card Number:  Expiration Date:

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

Remit To:

PROGRESS INTERNATIONAL, L.L.C.  
1650 TYSONS BLVD  
MCLEAN VA 22102-4856

U.S. Department of the Treasury - FMS  
Diversified Collection Services, Inc.  
P.O. Box 70949  
Charlotte, NC 28272-0949

DIVERSIFIED COLLECTION SERVICES, INC.  
A PERFORMANT COMPANY

**DCS**

P.O. Box 9046, Pleasanton, CA 94566-9046

Toll free: 888-310-2006

September 5, 2008

\*5-23610102\*

PROGRESS INTERNATIONAL, L.L.C.  
C/O STEVE CHERNOFF, ATTY  
1650 TYSONS BLVD  
MCLEAN VA 22102-4856

Re: Diversified Collection Services, Inc.  
Account No: 90203981676  
Treasury Acct No: 2008139334A  
Balance: as of: September 5, 2008

As of the date of this statement, you owe the balance reflected. Because of interest and other charges that may vary from day to day, the amount due on the day you pay may be greater. Hence, if you pay the amount shown above, an adjustment may be necessary after we receive your check, in which event we will inform you. For further information on your balance, write to DCS or call toll-free number shown above.

**Claim of: FEDERAL COMMUNICATIONS COMMISSION**

This letter serves as formal notice that your delinquent debt has been placed with Diversified Collection Services, Inc. (DCS), a private collection firm, contracted by the U.S. Department of the Treasury, Financial Management Service (FMS) to begin collection efforts on your delinquent balance owed to FEDERAL COMMUNICATIONS COMMISSION.

Due to your failure to repay this obligation, the entire unpaid balance of your debt is now due and payable. Your delinquent debt(s) may have been reported to all national credit bureaus which could inhibit your ability to obtain future credit. Additionally, the Department of the Treasury and other government agencies may be authorized to withhold or offset government payments you receive such as income tax refunds, federal retirement benefits, and/or financial assistance, if your debt is not paid. Further, should you continue to refuse to resolve this debt, your debt may be reviewed for possible referral by FMS to the U.S. Department of Justice for legal action.

You are legally responsible to repay this debt, including any accrued interest, penalty charges, fees and collection costs. Under federal law, you are liable for the costs incurred by FMS to collect your debt. These costs include fees paid by FMS to DCS. The "Total Balance" shown above includes the amount needed to satisfy your entire debt including the collection fees.

To avoid further collection action, you must either arrange to repay this debt by sending payment in full (payable to the U.S. Department of the Treasury, along with the attached coupon in the return envelope provided) or contacting your DCS account representative, toll-free at 888-310-2006 or via e-mail at [treasury@dcswins.com](mailto:treasury@dcswins.com). This is an attempt to collect a debt by a debt collector, and any information obtained may be used for that purpose.

**SEE THE REVERSE SIDE FOR THE FEDERAL VALIDATION NOTICE AND OTHER REQUIRED STATE COMPLIANCE INFORMATION.**

LR084/TR03

**PLEASE DETACH THIS STUB AND RETURN WITH PAYMENT**

U.S. Department of the Treasury - FMS  Check here for change of address and complete the reverse side.

Identification Number:

2008139334A

Due Date:

September 5, 2008

Please check payment type:

Check / Money Order

MasterCard

VISA

Discover

American Express

Diners Club

Amount Enclosed: \_\_\_\_\_

Make check payable to: U.S. Department of the Treasury

Credit Card Number: \_\_\_\_\_

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

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

Remit To:

PROGRESS INTERNATIONAL, L.L.C.  
C/O STEVE CHERNOFF, ATTY  
1650 TYSONS BLVD  
MCLEAN VA 22102-4856

U.S. Department of the Treasury - FMS  
Diversified Collection Services, Inc.  
P.O. Box 70949  
Charlotte, NC 28272-0949

**IMPORTANT NOTICE OF RIGHTS**

***If this is the first notice you receive, be advised that:***

UNLESS YOU NOTIFY THIS OFFICE WITHIN 30 DAYS AFTER RECEIVING THIS NOTICE THAT YOU DISPUTE THE VALIDITY OF THIS DEBT OR ANY PORTION THEREOF, THIS OFFICE WILL ASSUME THIS DEBT IS VALID. IF YOU NOTIFY THIS OFFICE IN WRITING WITHIN 30 DAYS FROM RECEIVING THIS NOTICE, THIS OFFICE WILL OBTAIN VERIFICATION OF THE DEBT OR OBTAIN A COPY OF A JUDGMENT AND MAIL YOU A COPY OF SUCH JUDGMENT OR VERIFICATION. IF YOU REQUEST THIS OFFICE IN WRITING WITHIN 30 DAYS AFTER RECEIVING THIS NOTICE, THIS OFFICE WILL PROVIDE YOU WITH THE NAME AND ADDRESS OF THE ORIGINAL CREDITOR, IF DIFFERENT FROM THE CURRENT CREDITOR.

***We are required under state law to notify consumers of the following rights. This list does not contain a complete list of the rights consumers have under state and federal law.***

**California** – The state Rosenthal Fair Debt Collection Practices Act and the federal Fair Debt Collection Practices Act require that, except under unusual circumstances, collectors may not contact you before 8:00 a.m. or after 9:00 p.m. PST. They may not harass you by using threats of violence or arrest or by using obscene language. Collectors may not use false or misleading statements or call you at work if they know or have reason to know that you may not receive personal calls at work. For the most part, collectors may not tell another person, other than your attorney or spouse, about your debt. Collectors may contact another person to confirm your location or enforce a judgment. For more information about debt collection activities, you may contact the Federal Trade Commission at 1-877-FTC-HELP or [www.ftc.gov](http://www.ftc.gov).

**Colorado** – FOR INFORMATION ABOUT THE COLORADO FAIR DEBT COLLECTION PRACTICES ACT, SEE [WWW.AGO.STATE.CO.US/CADC/CADCMAIN.CFM](http://WWW.AGO.STATE.CO.US/CADC/CADCMAIN.CFM). A consumer has the right to request in writing that a debt collector or collection agency cease further communication with the consumer. A written request to cease communication will not prohibit the debt collector or collection agency from taking any other action authorized by law to collect the debt. Colorado residents may contact our office by telephone at 800-866-5317.

**Maine** – Maine residents may contact our office by telephone at 800-866-5317 between the hours of 9:00 a.m. to 6:00 p.m. PST.

**Massachusetts** – Massachusetts residents may contact our office by telephone at 800-866-5317 between the hours of 9:00 a.m. to 6:00 p.m. PST. The business address is: 333 North Canyons Parkway, Suite 100, Livermore, CA 94551-7661. Massachusetts Law requires that we inform you:

**NOTICE OF IMPORTANT RIGHTS**

YOU HAVE THE RIGHT TO MAKE A WRITTEN OR ORAL REQUEST THAT TELEPHONE CALLS REGARDING YOUR DEBT NOT BE MADE TO YOU AT YOUR PLACE OF EMPLOYMENT. ANY SUCH ORAL REQUEST WILL BE VALID FOR ONLY TEN (10) DAYS UNLESS YOU PROVIDE WRITTEN CONFIRMATION OF THE REQUEST POSTMARKED OR DELIVERED WITHIN SEVEN (7) DAYS OF SUCH REQUEST. YOU MAY TERMINATE THIS REQUEST BY WRITING TO THE DEBT COLLECTOR.

**Minnesota** – Minnesota Law requires that we inform you that "This collection agency is licensed by the Minnesota Department of Commerce."

**New York** – Diversified Collection Services, Inc. is licensed to operate in New York City under License Number 0958746.

**North Carolina** – Diversified Collection Services, Inc. is licensed to operate under Permit number 3142.

**Tennessee** – Diversified Collection Services, Inc. is licensed by the Collection Service Board, State Department of Commerce and Insurance, 500 James Robertson Parkway, Nashville, Tennessee 37243.

**Wisconsin** – Wisconsin Law requires that we inform you that "This collection agency is licensed by the Office of the Administrator of the Division of Banking, P.O. Box 7876, Madison, WI 53707."