

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

In the Matter of

Lifeline and Link Up Reform and
Modernization

Telecommunications Carriers Eligible to
Receive Universal Service Support

Express Cash and Phone, Inc. dba Talk Now
Telco (Talk Now Telco)

WC Docket No. 11-42

WC Docket No. 09-197

**COMPLIANCE PLAN OF EXPRESS CASH AND PHONE, INC.
DBA TALK NOW TELCO**

Express Cash and Phone, Inc. dba Talk Now Telco (“Talk Now Telco” or the “Company”) through its undersigned counsel, hereby seeks to avail itself of the Federal Communications Commission’s (“Commission’s”) grant of forbearance from the “own facilities” requirement set forth in 47 U.S.C. § 214(e)(1)(A) by submission of this Compliance Plan. Talk Now Telco’s Compliance Plan is filed in accordance with the procedures established in the *Lifeline Reform Order*¹ and clarified in the *Public Notice* issued by the Wireline Competition Bureau on February 29, 2012.²

Talk Now Telco respectfully requests expeditious approval of its Compliance Plan so that the Company may continue to provide essential Lifeline service to eligible low-income

¹ *Lifeline and Link Up Reform and Modernization et al.*, WC Docket No. 11-42 *et al.*, Report and Order and Further Notice of Proposed Rulemaking, FCC 12-11 (FCC rel. Feb. 6, 2012) (“*Lifeline Reform Order*”).

² *Wireline Competition Bureau Provides Guidance for the Submission of Compliance Plans Pursuant to the Lifeline Reform Order*, Public Notice, DA 12-314 (WCB rel. Feb. 29, 2012) (“*Public Notice*”).

customers in states where it has been designated an eligible telecommunications carrier (“ETC”) and so that it may provide service to additional eligible low-income consumers in the various states for which it may file ETC petitions.

As set forth below, Talk Now Telco will fully comply with all conditions set forth in the Commission’s recently amended Lifeline rules and with all pertinent conditions set forth in the *Lifeline Reform Order*. This Compliance Plan describes the measures Talk Now Telco has already implemented or intends to implement to achieve full compliance with the Commission’s Lifeline rules and policies. For the convenience of the Commission, this Compliance Plan follows the format established by the Wireline Competition Bureau in the *Public Notice*.

I. INFORMATION ABOUT TALK NOW TELCO ITS LIFELINE PLANS

A. Company Information

Talk Now Telco, Inc. is a Texas corporation, with headquarters in Fort Worth, Texas. The Company’s President is Brandon Young. The Company has no subsidiaries and operates under the name “Talk Now Telco.” Mr. Young also has indirect ownership interests in New Talk, Inc., which is a competitive local exchange carrier designated as an ETC in Alabama, Kentucky and Texas; Assist Wireless, LLC which is a competitive local exchange carrier designated as an ETC in Arkansas, Maryland, Missouri, and Oklahoma; and Telecom Ventures, LLC, which is a competitive local exchange carrier in New York and Oklahoma.

B. Talk Now Telco’s Financial and Technical Capabilities to Provide Lifeline Service

Talk Now Telco was designated as a wireline ETC and Eligible Telecommunications Provider in the state of Texas on December 4, 2007³ in the SBC Texas (aka AT&T Texas)

³ Talk Now Telco was granted this designation by the Public Utility Commission of Texas in PUC Docket No. 34881 on December 4, 2007.

certificated service area.⁴ Talk Now Telco's management has access to the expertise of the management of New Talk, a successful wireline ETC operating in Texas for several years and currently serving approximately 13,000 subscribers in Texas. Talk Now Telco will benefit from this directly relevant experience when serving its Lifeline subscribers. Talk Now Telco did not seek, and will not accept, High Cost support in any of the states for which it has been designated an ETC or for which it may have a pending ETC application.

Talk Now Telco is financially stable and fully capable of honoring service obligations to customers, as well as federal and state regulatory obligations. Although Talk Now Telco will derive revenues from the sale of Lifeline services, the Company will not rely exclusively on USF disbursements to operate. The Company has access to the financial resources of its parent company, BBY, Ltd. Consequently, Talk Now Telco will not be relying exclusively on Lifeline reimbursements for its operating revenues. Finally, Talk Now Telco has not been subject to any enforcement action or ETC revocation proceeding in any state.

C. Geographic Area of Talk Now Telco's Service Offerings

Talk Now Telco is a wireline Lifeline-only ETC designated as such by the Public Utility Commission of Texas in the study areas of SBC Texas (aka AT&T Texas) and, specifically, in AT&T Texas wire centers identified in the application in Texas PUC Project No. 33524.

⁴ 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) for purposes of the federal Lifeline program, the Company reserves the right to demonstrate to a state public utilities commission that it provides service using its own facilities in a state 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, including in any state where the public utilities commission determines that Talk Now Telco provides service using its own facilities for purposes of a state universal service program.

D. Talk Now Telco's Lifeline Service Plans

Exhibit 1 to this Compliance Plan contains the Company's Lifeline offerings.

E. Other Certifications Required by 47 C.F.R. § 54.202

The *Public Notice* requires carriers to include certifications required under newly amended 47 C.F.R. § 54.202. Talk Now Telco hereby certifies that it will comply with the service requirements applicable to the support it receives.⁵ Specifically, Talk Now Telco's Lifeline services will: (i) include voice telephony services that provide voice grade access to the public switched network or its functional equivalent; (ii) provide subscribers with a defined number of minutes of usage for local service at no additional charges (as described above in Section I(D)); (iii) provide subscribers with access to the emergency services provided by local government or other public safety organizations, such as 911/E911, to the extent the local government in Talk Now Telco's service area has implemented 911/E911 systems (as described below in Section III); and (iv) toll limitation for qualifying low-income consumers.⁶

II. TALK NOW TELCO'S PLANS FOR COMPLIANCE WITH NEW COMMISSION RULES RELATING TO DETERMINATIONS OF SUBSCRIBER ELIGIBILITY FOR LIFELINE SERVICES

Talk Now Telco will comply with the requirements pertaining to consumer qualifications for Lifeline set forth in new section 54.409 of the Commission's rules⁷ and any state-specific

⁵ 47 C.F.R. § 54.202(a)(1)(i).

⁶ 47 C.F.R. § 54.101(a); Toll limitation means both toll blocking and toll control, or, if a carrier is not capable of providing both toll blocking and toll control, then toll limitation is defined as either toll blocking or toll control. Talk Now Telco commits to meeting this requirement by offering service on a prepaid, or pay-as-you-go, basis. Moreover, Talk Now Telco's calling plans will include unlimited nationwide long distance, so no customer will have their service turned off or see additional charges for long distance calling. Talk Now Telco will provide this toll control to qualifying low-income consumers at no additional charge.

⁷ 47 C.F.R. § 54.409.

requirements in the various states in which Talk Now Telco has been (or will be) designated an ETC.

A. Talk Now Telco's Procedures to Determine Consumer Eligibility for the Lifeline Program

Section 54.410(b)(1) of the Commission's rules states that, when complying with the requirement to determine a subscriber's initial eligibility for participation in the Lifeline program, an ETC may rely on the determination of a state agency or administrator if that agency or administrator is responsible for the initial determination of a Lifeline subscriber's eligibility. The Texas Lifeline program is administered by Solix, Inc. which conducts the initial eligibility and subsequent verification of a consumer's eligibility for participation in the Lifeline program. Applicants contact Talk Now Telco to request service and, after collecting limited information including the applicant's name, address and date of birth, the Company will direct the applicants to LiteUp Texas, a program administered by Solix, to apply for participation in the Lifeline program. Each month, Talk Now Telco will provide applicant information to Solix. Solix will then identify which consumers are eligible for Lifeline and send a file to Talk Now Telco detailing which of the Company's applicants are eligible to receive Lifeline discounts.⁸

Talk Now Telco will rely on the subscriber eligibility determinations of Solix to comply with its obligation to satisfy subscriber Lifeline eligibility requirements.

B. Talk Now Telco's Procedures for Subscriber Certifications

In the *Lifeline Reform Order*, the Commission established a path for a transition to a national database that will be used to confirm the initial and continued eligibility of a Lifeline

⁸ See, e.g., Solix, Inc.'s Comments in Response to the Federal Communications Commission Notice of Proposed Rulemaking, WC Docket Nos. 11-42, 03-109 and CC Docket No. 96-45, at 2-3 (filed April 21, 2011).

customer.⁹ Talk Now Telco will utilize that database when it becomes operational unless Texas provides a valid certification regarding its database pursuant to Section 54.404(a) of the Commission's rules. Until that time, however, Talk Now Telco will rely on the initial and continued Lifeline eligibility verifications conducted by the Texas USF administrator.¹⁰

In addition to administering the Lifeline eligibility confirmation and enrollment process, Solix conducts semiannual verifications of Lifeline subscribers' continued eligibility for participation in the Lifeline program. Talk Now Telco will rely on Solix's determination of a subscriber's continued eligibility to satisfy the Company's requirement to confirm initial and continued eligibility of Lifeline subscribers.

C. Talk Now Telco's Procedures for Annual Verification of Lifeline Customers

The *Lifeline Reform Order* and 47 C.F.R. § 54.410(f), require ETCs to annually re-certify all of their Lifeline subscribers by either (1) querying the appropriate eligibility or income databases, confirming that the subscriber continues to meet the program- or income-based eligibility requirements for Lifeline and documenting the results of that review, or (2) obtaining a signed certification from the subscriber that meets the certification requirements set forth in 47 C.F.R. § 54.410(d). However, ETCs are not required to conduct this annual re-certification in states where a state lifeline administrator is responsible for re-certifications of subscriber Lifeline eligibility.¹¹ Solix is the USF administrator in Texas and is responsible for conducting eligibility re-certifications. Consequently, Talk Now Telco will not be required to conduct its own re-

⁹ See *Lifeline Reform Order*, ¶ 403.

¹⁰ 47 C.F.R. §§ 54.410(b)(1), 54.410(f)(1).

¹¹ 47 C.F.R. § 54.410(f)(1).

certification. Talk Now Telco will rely on any notice from Solix that a customer has failed to meet the re-certification requirements and should be de-enrolled.

III. TALK NOW TELCO'S PLANS FOR COMPLIANCE WITH THE FORBEARANCE CONDITIONS RELATING TO PUBLIC SAFETY AND 911/E911 ACCESS

Talk Now Telco's practices will comply with the 911/E911 access conditions set forth in paragraph 373 of the *Lifeline Reform Order*. Specifically, Talk Now Telco will provide its Lifeline subscribers with 911/E911 access at the time Lifeline service is initiated. Talk Now Telco is aware that applicants for forbearance are required to provide Lifeline subscribers with E911-compliant handsets and replace, at no additional charge to the subscriber, noncompliant handsets of Lifeline-eligible subscribers who obtain Lifeline-supported services. This handset requirement is not applicable to Talk Now Telco's wireline services. Talk Now Telco intends to provide access to 911 and E911 services and commits to the following practices.

Talk Now Telco will provide its Lifeline customers with access to 911 and E911 services immediately upon initiation of service. The Commission and consumers are hereby assured that all Company 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 using the Company's services at all times until service is disconnected.

Talk Now Telco will provide access to 911 and E911 services for all customers. The Company will use AT&T as its underlying network provider/carrier pursuant to its interconnection agreement with AT&T. AT&T will route 911 calls from Talk Now Telco's customers in the same manner as 911 calls from their own retail customers.

IV. TALK NOW TELCO'S PLANS FOR COMPLIANCE WITH THE COMMISSION'S MARKETING AND DISCLOSURE REQUIREMENTS FOR PARTICIPATION IN THE LIFELINE PROGRAM

Talk Now Telco's marketing materials¹² for its Lifeline services will state in clear, easily understood language: (1) that the service is supported by Lifeline; (2) that Lifeline is a government assistance program; (3) that the service is non-transferable; (4) that only eligible consumers may enroll in the program; (5) that the program is limited to one discount per household; (6) that documentation is necessary for enrollment; and (7) the Company's Lifeline Application will state that consumers who willfully make a false statement in order to obtain the Lifeline benefit can be punished by fine or imprisonment or can be barred from the program.¹³ Talk Now Telco also will disclose its name on all marketing materials.¹⁴ See Exhibit 2.

V. TALK NOW TELCO'S PROCEDURES AND EFFORTS TO PREVENT WASTE, FRAUD AND ABUSE IN CONNECTION WITH LIFELINE FUNDS

Talk Now Telco shares the Commission's commitment to minimize waste, fraud and abuse of Lifeline benefits. Accordingly, Talk Now Telco commits to implementing a variety of measures and procedures intended to prevent duplicate Lifeline benefits from being awarded to the same household or individual.

Prevention of Duplicates within Talk Now Telco's Subscriber Base. Talk Now Telco will rely on the determinations of Solix regarding a customer's eligibility for participation in the Lifeline program, including any determination that a customer's service address is not already

¹² "Marketing materials" includes, but is 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 *Lifeline Reform Order*, ¶ 276; 47 C.F.R. § 54.405(c).

¹³ *Lifeline Reform Order*, ¶ 275; 47 C.F.R. § 54.405(c).

¹⁴ 47 C.F.R. § 54.405(d).

receiving Lifeline service. Solix’s review and determination of a subscriber’s eligibility helps prevent Talk Now Telco from providing duplicate service to a Lifeline applicant.

Talk Now Telco will also conduct real-time scans of its internal subscriber database to flag any duplicate addresses, dates of birth, etc. in addition to conducting manual reviews of its subscriber lists prior to filing its FCC Form 497s in order to ensure that it does not claim subsidies for any duplicate addresses.

Service Activation and Non-Usage Policy. Talk Now Telco will assess and collect a monthly fee from each wireline subscriber. Customers must pay the fee each month for the services they select and service will be disconnected if the fee is not paid. Customers can make payments at retail store locations, online, by mail or by telephone. Consequently, Talk Now Telco will have a regular billing relationship with its Lifeline subscribers and the service activation and non-usage requirements will not apply.¹⁵

One Per Household Rule. Talk Now Telco will implement policies and practices in accordance with the Commission’s rules and the *Lifeline Reform Order* to ensure that it provides only one Lifeline service per household. As described above, Talk Now Telco will rely on Solix’s subscriber review and eligibility determinations when offering service to Lifeline subscribers.¹⁶ When the National Lifeline Accountability Database becomes available, Talk Now Telco will fully comply with the requirements of 47 C.F.R. § 54.404 and will utilize the

¹⁵ See *Lifeline Reform Order*, ¶¶ 257, 263. See also, 47 C.F.R. 54.407(c).

¹⁶ A “household” is any individual or group of individuals who are living together at the same address as one economic unit. A household may include related and unrelated persons. An “economic unit” consists of all adult individuals contributing to and sharing in the income and expenses of a household. An adult is any person eighteen years or older. If an adult has no or minimal income, and lives with someone who provides financial support to him/her, both people shall be considered part of the same household. Children under the age of eighteen living with their parents or guardians are considered to be part of the same household as their parents or guardians. See *Lifeline Reform Order*, ¶ 74; section 54.400(h).

database to determine if an applicant is currently receiving Lifeline service from another carrier or if another person residing at the applicant's residential address is receiving Lifeline service unless Texas has provided an approved certification to the Commission pursuant to Section 54.404(a) of the Commission's rules.

In addition to relying on Solix's eligibility determinations, Talk Now Telco personnel will emphasize the "one Lifeline phone per household" restriction in their direct sales contacts with potential customers. Training materials will include a discussion of the limitation to one Lifeline phone per household, and the need to ensure that the customer is informed of this restriction. All customer-facing employees and agents must demonstrate understanding of the Commission's and Talk Now Telco's rules and policies by completing the Company's Lifeline training.

Finally, if Talk Now Telco has a reasonable basis to believe that a Lifeline subscriber no longer meets the eligibility criteria, for example, due to a violation of the one-per-household rule, Talk Now Telco will initiate its termination process in accordance with the procedures set forth in 47 C.F.R. § 54.405(e)(1).

Company Reimbursements from the Fund. To ensure that the Company does not seek reimbursement from the Fund without a subscriber's consent, Talk Now Telco will certify, as part of each reimbursement request, that it is in compliance with all of the Commission's Lifeline rules and, to the extent required, has confirmed with Solix that Solix has obtained valid certification and verification forms from each of the subscribers for whom Talk Now Telco is seeking reimbursement.¹⁷ Further, the Company will submit its FCC Forms 497 by the eighth

¹⁷ See *Lifeline Reform Order*, ¶ 128; 47 C.F.R. § 54.407(d).

day of each month in order to be reimbursed the same month.¹⁸ In addition, the Company will keep accurate records as directed by USAC¹⁹ and as required by new section 54.417 of the Commission's rules.

Annual Company Certifications. Talk Now Telco will submit an annual certification to USAC, signed by a Company officer under penalty of perjury, that the Company: (1) has policies and procedures in place to ensure that all Lifeline subscribers are eligible to receive Lifeline services including making an annual attestation that the Company relied upon eligibility information obtained from Solix, Texas' USF administrator with responsibility for making eligibility determinations;²⁰ (2) is in compliance with all federal Lifeline certification procedures;²¹ and (3) has confirmed with Solix that Solix has obtained a valid certification form for each subscriber for whom the carrier seeks Lifeline reimbursement.²²

Talk Now Telco will rely on Solix to provide the results of Solix's annual re-certifications/verifications on an annual basis to the Commission, USAC, the applicable state commission and the relevant Tribal governments (for subscribers residing on Tribal lands).²³

The Company will also annually report to the Commission, USAC, and relevant state commissions and the relevant authority in a U.S. territory or Tribal government as appropriate,²⁴ the company name, names of the company's holding company, operating companies and

¹⁸ See *Lifeline Reform Order*, ¶¶ 302-306.

¹⁹ See 47 C.F.R. § 54.407(e).

²⁰ See *Lifeline Reform Order*, ¶ 126; 47 C.F.R. §54.416(a)(1).

²¹ See *Lifeline Reform Order*, ¶ 127; 47 C.F.R. §54.416(a)(2).

²² See 47 C.F.R. §54.416(a)(3).

²³ See *Lifeline Reform Order*, ¶¶ 132,148; 47 C.F.R. §54.416(b).

²⁴ See 47 C.F.R. §54.422(c).

affiliates, and any branding (such as a “dba” or brand designation) as well as relevant universal service identifiers for each entity by Study Area Code.²⁵ The Company will report annually information regarding the terms and conditions of its Lifeline plans for voice telephony service offered specifically for low-income consumers 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.²⁶ Finally, the Company will annually provide detailed information regarding service outages in the previous year, the number of complaints received and certification of compliance with applicable service quality standards and consumer protection rules, as well as a certification that the Company is able to function in emergency situations.²⁷

Cooperation with State and Federal Regulators. Talk Now Telco will cooperate with federal and state regulators to prevent waste, fraud and abuse. More specifically, the Company will:

- Make available state-specific subscriber data, including the names and addresses of Lifeline subscribers, to USAC and to each state public utilities commission where the Company operates for the purpose of determining whether an existing Lifeline subscriber receives Lifeline service from another carrier;²⁸
- Assist the Commission, USAC, state commissions, and other ETCs in resolving instances of duplicative enrollment by Lifeline subscribers, including by providing to USAC and/or any state commission, upon request, the necessary information to detect and resolve duplicative Lifeline claims;

²⁵ See *Lifeline Reform Order*, ¶¶ 296, 390; 47 C.F.R. §54.422(a).

²⁶ See *Lifeline Reform Order*, ¶ 390; 47 C.F.R. §54.422(b)(5).

²⁷ See *Lifeline Reform Order*, ¶ 389; 47 C.F.R. §54.422(b)(1)-(4).

²⁸ The Company anticipates that the need to provide such information will sunset following the implementation of the national duplicates database.

- Promptly investigate any notification that it receives from the Commission, USAC, or a state commission to the effect that one of its customers already receives Lifeline services from another carrier; and
- Immediately de-enroll any subscriber whom the Company has a reasonable basis to believe²⁹ is receiving Lifeline-supported service from another ETC or is no longer eligible – whether or not such information is provided by the Commission, USAC, or a state commission.

²⁹ See 47 C.F.R. § 54.405(e)(1).

VI. CONCLUSION

Talk Now Telco submits that the foregoing Compliance Plan fully satisfies the conditions set forth in the *Lifeline Reform Order*, the *Public Notice* and the Commission's rules pertaining to Lifeline. Accordingly, Talk Now Telco respectfully requests expeditious approval of this Compliance Plan so that Talk Now Telco will be permitted to provide essential Lifeline service to eligible low-income customers in states where it has previously been designated an ETC and may provide service to additional eligible low-income consumers in the various states for which it may have pending ETC petitions.

Respectfully submitted,



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Exhibit 1

Lifeline Offering

Plan Description	Retail Price
BRONZE Service	\$32.49 -- No Features
SILVER Service	\$37.49 – Includes Call Waiting & Caller ID
GOLD Service	\$40.49 – Includes 3 Way Calling, Speed Calling, Selective Call Forwarding, Priority Call, Caller ID, Call Waiting ID, Call Waiting, Call Return, Call Forwarding & Call Blocker

Non-recurring Activation\Connection Fee, Transfer Fee, or Conversion Fee charge applies on all packages.

All rate packages (Bronze, Silver, and Gold) include Talk Now Telco Unlimited Nationwide 800 Access Long Distance*.

*Talk Now Telco Unlimited Nationwide 800 Access Long Distance is included in all Talk Now Telco Bronze, Silver, and Gold local service plans. Talk Now Telco Unlimited Nationwide 800 Access Long Distance plans are for residential customers using normal residential long distance usage patterns (approximately 300 minutes a month), non-business use only, and cannot be used for long distance or local toll access to the Internet or for business purposes such as telemarketing, auto-dialing, or commercial or broadcast facsimile (FAX) where any of these calls would be long distance or local toll calls. Talk Now Telco Unlimited Nationwide 800 Access Long Distance may be accessed by dialing a toll free number. If plan is used for unauthorized purposes, or if qualifying services are removed from the account, the Company may immediately suspend, restrict or cancel the Customer's Service. Talk Now Telco Nationwide 800 Access Long Distance is not a 1 plus toll long distance toll product. Access to 1 plus interexchange carriers may be blocked by Talk Now Telco based on defined criteria.

Exhibit 2

Sample Marketing Materials

HOME PHONE SERVICE

NO PRE-PAYMENT OR DEPOSIT REQUIRED!
START TALKING IN AS LITTLE AS 24 HRS.

Rates from \$8.49 per month**
(\$18.50/mo including approximate taxes & fees)

\$0 Money Down

- Caller ID & Call Waiting
Included in Packages*

1-866-549-9557

9am - 6pm Mon - Sat

Talk Now Telco***

DISTRIBUTOR WANTED, CALL OR GO ONLINE
Initial investment required, ask if there are any exceptions.

*Requires silver or gold package.

**\$8.49 per month with auto pay.

***a DBA of Express Cash & Phone, Inc.

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

