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

In the Matter of	)	
Federal-State Joint Board on Universal Service	)	WC Docket No. 09-197
Lifeline and Link Up Reform Modernization	)	WC Docket No. 11-42

REVISED COMPLIANCE PLAN OF TELSCAPE COMMUNICATIONS, INC.

Telscape Communications, Inc. dba Telscape Wireless ("Telscape"), by its attorneys, respectfully submits this Revised Compliance Plan ("Plan"). Telscape's original Compliance Plan was filed July 2, 2012, and an initial revised version of the plan was filed September 24, 2012.

In the *Lifeline Reform Order,*[1] the Commission adopted rules and procedures through which it instituted "blanket forbearance" from the applications of the facilities requirement to all telecommunications carriers seeking a limited ETC designation to provide wireless Lifeline services. In order to qualify for this blanket forbearance, the Commission requires carriers to comply with certain 911 requirements and file and receive approval of a compliance plan providing specific information about its service offerings and procedures to safeguard against waste, fraud and abuse.

[1] *In the Matter of Lifeline and Link Up Reform and Modernization Lifeline and Link Up, Federal-State Joint Board on Universal Service, Advancing Broadband Availability Through Digital Literacy Training,* WC Docket No. 11-42, WC Docket No. 03-109, CC Docket No. 96-45, WC Docket No. 12-23, Report and Order and Further Notice of Proposed Rulemaking, FCC 11-12, ¶ 172 (rel. Feb. 6, 2012) ("*Lifeline Reform Order*").

Therefore, Telscape respectfully submits this Plan in accordance with the Lifeline Reform Order and instructions set forth in the Wireline Competition Bureau *Public Notice* issued on February 29, 2012.[2] Telscape seeks approval of this compliance plan only for the provision of Lifeline support to provide wireless services nationwide, as the company offers wireline service as a facilities-based carrier under the approval of state commissions. This Plan sets forth Telscape's service offerings and the procedures and measures it will use to safeguard against waste, fraud and abuse. In support of this request, Telscape provides the following information:

(1) Information about the carrier and the Lifeline plans it intends to offer:

(a) names and identifiers used by the carrier, its holding company, operating company and all affiliates;

Telscape is a competitive local exchange carrier ("CLEC") based in Los Angeles, California. The company has provided traditional wireline service since 1996 and wireless service in California as a non-ETC carrier since 2007. Telescape is also a provider of broadband Internet services. Telscape's service primarily focuses on offering specialized services to meet the needs of the Spanish-speaking market, as well as low-income consumers. Telscape is also an ETC in California, having provided wireline service to low income consumers under California's state low income support program. Telscape has authority to operate as a wireless ETC from the California PUC as well.

Telscape is a Delaware corporation with offices located at 355 South Grand Avenue, Ste. 3100, Los Angeles, CA 90071. Telscape has authority to provide local exchange and interstate

---

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

telecommunications services in California and seven other states.[3] On October 6, 2011, the California Public Utilities Commission designated Telscape as an ETC for both wireless and wireline services in the state of California for purposes of participating in the Lifeline program. Telscape provides its wireless service under the name "Telscape Wireless" and does not offer wireless services under any other brand or company names.

Telscape is wholly-owned by TSC Acquisition Corporation ("TSC"). On July 2, 2012, TSC completed its acquisition of Sage Telecom, Inc. ("Sage"), a CLEC that provides service in numerous states including Arkansas, California, Connecticut, Illinois, Kansas, Michigan, Missouri, Ohio, Oklahoma, Nevada, Texas and Wisconsin. Sage's service to customers in these 12 states complements, in part, Telscape's focus on the southwestern United States. As a result of the acquisition, Telscape, through its common ownership with Sage, has gained collective access to a broader market and combined subscriber growth. The majority of Sage's current customers are non-Lifeline customer, but Sage currently has wireline Lifeline customers in five states for which it is reimbursed through both state and federal programs, depending upon the state and the customer.[4] In addition, through this combined ownership, Telscape has also gained access to the expertise of Sage's managers and operations.[5]

Telscape is also affiliated with TruConnect Mobile, LLC ("TruConnect"), through partial common ownership. TruConnect is 40% owned by TSC, Telscape's parent company as described above. TruConnect provides mobile broadband data services and does not provide any services supported by the low income program.

---

[3] These states are Arizona, Florida, Illinois, Nevada, New York, New Jersey and Texas.

[4] In California, Sage receives support only from the CPUC's Low Income Programs. Sage also receives support from state programs in Kansas, Texas and Wisconsin.. Sage receives support on a federal level for service in these three states and Oklahoma.

[5] Additional information concerning TSC ownership structure and qualifications is set forth in its application to acquire Sage Telecom, Inc. filed in WC Docket No. 12-119.

(b) detailed information demonstrating the carrier is financially and technically capable of providing the supported Lifeline services in compliance with the Commission's rules;

As a long-time provider of both wireline and wireless services in California, Telscape has a proven record of technical and financial qualifications. For example, Telscape owns and operates its own switching facilities back-office and operations support systems ("OSS"), which allows it to operate at lower costs and pass those savings on to its subscribers. Throughout the years, Telscape has invested substantial revenue to develop, integrate and maintain its systems.

As a carrier who has provided service in California for over 15 years, Telscape possesses the financially viability, as well as the expertise to continue to provide affordable and quality service to customers and has the proven experience to maintain its compliance with all applicable federal and state regulatory guidelines. Telscape derives the majority of its revenue from the telecommunications services it provides to its customers. Telscape does not and will not rely exclusively on the Universal Service Fund ("USF") disbursements to operate, but rather relies on revenues it receives from providing non-Lifeline wireline and wireless service, the payment for service by Lifeline customers,[6] as well as high-speed Internet services. In addition, Telscape is a fully audited corporation and has not been subject to any type of enforcement action or ETC revocation proceeding by the FCC or California.

Telscape is already working with Sprint Spectrum and resells Sprint's wireless services to its non-Lifeline customers in California. As a Lifeline service provider, Telscape will continue to work with Sprint, who provides the necessary network infrastructure and wireless facilities necessary for the operation of Telscape's services as a Mobile Virtual Network Operator ("MVNO"). As the Commission is aware, Sprint is a large, nationwide carrier who provides

---

[6] All of Telscape's Lifeline wireline customers currently pay a monthly fee for the discounted service.

similar service to other wireless Lifeline providers operating as MVNOs. Telscape's agreement and partnership with Sprint further demonstrates its financial and technical capability to provide these services.

(c) detailed information, including geographic locations, of the carrier's current service offerings if the carrier currently offers service;

As detailed in response to Question 1(a) above, Telscape currently provides local and interstate wireline and wireless services in California as well as broadband Internet services in that state.

(d) the terms and conditions of each Lifeline service plan offering, including rates, the number of minutes provided and additional charges, if any, for toll calls;

At this time, Telscape plans to offer the following Lifeline plans and services to customers in California and eventually similar plans nationwide. The California service plans are listed below and were approved by the CPUC as part of the ETC application process. The basic plan provides 300 minutes a month to Lifeline customers for $2.50 a month. A similar plan is marketed to non-lifeline customers at $15.00, but would be discounted to $2.50 for Lifeline eligible customers (after reimbursement). All plans require a monthly payment by the customer.

Plan 1 – 300 Minutes $2.50 a month

Call Waiting	Included
3 Way Calling	Included
Caller ID	Included
Voicemail	Included
911	Free
611 (Customer Service)	Free
Directory Assistance	$1.50 per call

Plan 2 – 1,100 Minutes $20.00 a month

Call Waiting	Included
3 Way Calling	Included
Caller ID	Included
Voicemail	Included

911	Free
611 (Customer Service)	Free
Directory Assistance	$1.50 per call

Additional Minutes. For both Plans above, if the subscriber wishes to purchase additional minutes, they may do so at any time during a given month and such minutes will be available at $0.03 per minute, with a minimum purchase of 200 minutes. For example, 200 additional minutes will cost $6.00 and 500 additional minutes will cost $15.00.

Text Messages. Plans above include text messaging and text messages will be assessed at a rate of 1 minute per text message sent and 1 minute per text message received. In other words, each text message is the equivalent of one minute of calling.

Other. Telscape's plans will include a free handset and the customer calling features listed above. Customers are not limited by a local calling area and may use the minutes for any type of call other than international calls. Calls to 911 are free and customers may call 911 regardless of the availability of minutes. There is a $30.00 activation fee for Telscape wireless service.

Outside of California, Telscape will offer plans similar to the following, subject to state specific requirements or requests from state PUCs. As with California, these plans are offered to both Lifeline and non-Lifeline subscribers, with a discount applied to the Lifeline customer. Services will be offered on a prepaid basis, and potentially also on a postpaid basis, as is done in California. All services will normally have an activation fee and will likely require a monthly payment from the customer. The pieces listed below show the basic, non-Lifeline price and the price to the consumer with the $9.25 Lifeline credit applied. All plans require a monthly payment by the customer.

Plan 1 - ValuMobile Price: $12.25 per month/Lifeline Price: $3.00

Features	**Cost**
100 minutes Voice/Text	Included
Call Waiting	Included
3 Way Calling	Included
Caller ID	Included
VoiceMail	Included
911	Free
611 (Customer Service)	Free
Directory Assistance	$1.50

Activation Fee: $25.00

Plan 2- ValuMobile Preferred Price: $15.25 per month/Lifeline Price: $6.00

Features	Cost
200 minutes Voice/text	Included
Call Waiting	Included
3 Way Calling	Included
Caller ID	Included
VoiceMail	Included
911	Free
611 (Customer Service)	Free
Directory Assistance	$1.50

Activation Fee: $25.00

Plan 3- ValuMobile Plus Price: $24.25 per month/Lifeline Price: $15.00

Features	Cost
500 minutes Voice/Text	Included
Call Waiting	Included
3 Way Calling	Included
Caller ID	Included
VoiceMail	Included
911	Free
611 (Customer Service)	Free
Directory Assistance	$1.50

Activation Fee: $25.00

Plan 4- ValuMobile Unlimited Price: $44.25 per month/Lifeline Price: $35.00

Features	Cost
Unlimited minutes Voice	Included
Unlimited minutes Text	Included
Call Waiting	Included
3 Way Calling	Included
Caller ID	Included
VoiceMail	Included
911	Free
611 (Customer Service)	Free
Directory Assistance	$1.50

Activation Fee: $25.00

Additional Minutes: For all service plans listed above the customer can purchase additional voice, data, MMS, text minutes for $0.05 per minute with a minimum purchase of $5.00. For example, 100 additional minutes will cost $5.00. The customer will have the ability to purchase 100 minutes ($5.00); 200 minutes ($10.00); 300 minutes ($15.00) and 500 minutes ($25.00). For Unlimited service plans the customer will not need additional voice or text but will need to

purchase additional minutes for data and MMS. MMS is priced at $0.15 per minute and Data is $0.05 per MB.

Text Messages: The service plans above include text messaging; text messaging rates are assessed at 1 minute per text message sent and 1 minute per text message received.

Other: Plans do not permit rollover minutes. Top Ups are available for a 30 day period as long as the customer renews the service at the normal plan rate. Plans do not allow roaming. The $25.00 Activation Fee includes selection of a basic handset which is activated and provided ready for use. Customers are allowed to call internationally but will be assessed the international rates. International text rates are $0.20 per minute for messages sent or received. Special Promotional offer: 10 MB data FREE for 3 months with the selection of a data capable phone. .

(e) all other certifications required under newly amended section 54.202 of the Commission's rules.

Section 54.202 requires ETCs to (1) certify that it will comply with the applicable service requirements; (2) file a five-year plan detailing proposed improvements or upgrades in the network unless the ETC is receiving only Lifeline support; (3) demonstrate that it will continue to function in emergency situations including reasonable back-up backup power and emergency traffic management; (4) demonstrate that the carrier will comply with applicable consumer protection and service quality standards; (5) demonstrate that it is financially and technical qualified to provide Lifeline services that comply with the applicable rules; and (6) provide information concerning the terms and conditions of the service plans offered to Lifeline customers.

In response to item (1), Telscape certifies that it will comply with applicable service requirements and regulations for Lifeline support.

In response to item (2), Telscape is not required to submit a five year plan since it is seeking to obtain only Lifeline support for its eligible customers.

In response to item (3), as a CLEC provider in California for over 15 years, Telscape has significant experience with emergency preparedness. Telscape has detailed Emergency Action

and Disaster Recovery Plans in place to respond to emergencies.. In addition, Telscape's agreement with Sprint provides for the continuation of services during emergencies and sets forth obligations for the service to remain functioning during disasters and similar emergency situations. In addition, as a nationwide carrier and provider of wireless service, Sprint also remains subject to the Commission's authority and must, and does, comply with federal outage reporting requirements.

In response to item (4), Telscape certifies that it will comply with the applicable consumer protection and service quality standards. As a CLEC operating in California, Telscape is already subject to that state's consumer protection and service quality requirements. Telscape's Lifeline customers will also receive the same quality service and protections.

Telscape's response to items (5) and (6) are provided above and in the provided exhibits

(2) A detailed explanation of how the carrier will comply with the Commission's new rules relating to determinations of subscriber eligibility for Lifeline services, including all consumer eligibility, consumer enrollment and re-certification procedures as required by Section VI and Appendix C of the Lifeline Reform Order, and a copy of the carrier's certification form;

Under the *Lifeline Reform Order*, ETCs must comply with eligibility rules for Lifeline services, including initial eligibility, certification, and annual re-certification procedures. In addition to the Commission's rules, Telscape must also comply with all certification and verification requirements for Lifeline eligibility established by states where Telscape is designated as an ETC. For states that do not have a Lifeline administrator or state agency responsible for determining eligibility and initial certifications and annual certifications, Telscape certifies it will comply with the Commission's certification and verification requirements and will follow the procedures outlined below until such time as the Commission implements its planned National Lifeline Accountability Database.

Procedures for Initial Eligibility Determination and Certification of Lifeline Subscribers.

With respect to determining eligibility certification procedures, the rules provide that an ETC must determine a Lifeline applicant's eligibility and provide and receive certification forms with proper documentation from Lifeline subscribers, except where there is a state Lifeline administrator or a state agency responsible for eligibility verification.

In states where there is a third party entity acting as the Lifeline administrator (also referred to as the "Certifying Agent" in California) who is responsible for determining the eligibility of consumers seeking to subscribe to Lifeline service, sending out certification forms, reviewing documentation and providing ETCs with the appropriate approval of a potential subscriber's eligibility for Lifeline, Telscape will comply with the program rules established in those states and will cooperate fully with any state Lifeline administrator.

Based on Telscape's history of providing Lifeline and non-Lifeline customers in wireline products, Telscape's primary source of signing up Lifeline customers will be via telephone, although some customers (entirely in California at this point) will be signed up in person at the retail locations staffed by Telscape employees. Visitors to Telscape's website will be given information about the program but are required to contact Telscape directly via telephone to complete the sign-up process. These callers speak to Telscape employees who are specially trained on the Lifeline programs. Telscape's customer services representatives will review income- and program-based requirements with applicants via telephone contact or point of sale contact at one of Telscape's retail locations.[7] During the initial sign up for service, Telscape will (a) require the applicant to confirm that he or she is not already receiving a Lifeline service and

[7] For example, Telscape has retail store locations called "Telemercados" throughout its service areas in the Los Angeles and San Diego, California areas to provide it subscribers the opportunity to walk in and deal with a Telscape representative directly, as well as over 380 authorized payment locations throughout all of Southern California.

that no one else in the applicant's household is subscribed to a Lifeline service in order to avoid providing duplicate services; and (b) inform the applicant of both the income- and program-based eligibility requirements to determine initial eligibility and any state-specific requirements.

Customers are offered the choice to either sign up for service as a non-Lifeline customer pending confirmation of eligibility, or to have their application for service held pending confirmation of eligibility. In the event the customer chooses to proceed, they are processed as a new non-Lifeline customer and the verification process continues as described below. If, after the verification process is completed, the customer is deemed eligible, they are credited with the Lifeline discount back to the date service was initiated. If the customer is eventually deemed ineligible, they receive no credit. Where the customer chooses to wait for confirmation of eligibility before starting service, the employee will take down the relevant information from the consumer, including payment information, but the order is then held pending verification of eligibility. Only if the customer is determined to be eligible is the order processed.

The Verification process varies by state, in states with a Lifeline administrator, if a new applicant indicates that he or she is eligible for Lifeline service, Telscape will provide the applicant's relevant information to the administrator in conformance with any state or Lifeline administrator specific rules. The Lifeline administrator will provide the requisite forms and will be responsible for processing those forms when returned and ensuring the documentation is satisfactory as set forth in state regulations. Telscape will not provide Lifeline service or seek reimbursement for providing services to such applicant until it receives a certification of eligibility from the Lifeline administrator.

In states where there is no Lifeline administrator or state agency responsible for determining initial eligibility and certifying Lifeline applicants, Telscape will require all

applicants to demonstrate either: (1) the applicant's household income is at or below 135% of the Federal Poverty Guidelines based on the income-eligibility criteria set forth in Sections 54.409(a)(1) or (a)(3) or (2) the applicant participates in Medicaid, Food Stamps, Supplemental Security Income, Federal Public Housing Assistance, Low-Income Home Energy Assistance Program, National School Lunch Program or Temporary Assistance for Needy Families. As required to prevent suspected duplications, Telscape will also require the customer to complete the Lifeline Household Worksheet issued by USAC to ensure that duplicate support is not provided to any household. Telscape will inform the applicant that any information provided will be submitted to USAC as necessary under the Commission's rules to verify the household is not receiving duplicate Lifeline support.

After confirming initial eligibility either in person or over the phone, Telscape will provide the individual with an application via mail requiring him or her to provide certain information and certify that they meet either the income-based eligibility requirements or the program-based requirements, make certain certifications and submit documentation. Specifically, Telscape's Lifeline application form will collect the following information from the potential Lifeline customers: (i) the subscriber's full name; (ii) the subscriber's full residential street address (P.O. Boxes will not be acceptable); (iii) whether the residential address is permanent or temporary; (iv) the subscriber's billing address, if different; (v) the subscriber's date of birth; (vi) the last four digits of the subscriber's Social Security number (or Tribal identification number if the subscriber is a member of a Tribal nation and does not have a Social Security number); (vii) if the subscriber is seeking to qualify for Lifeline under the program-based criteria, the name of the qualifying assistance program from which the subscriber, or his or her dependents, or his or her household receives benefits; and (viii) if the subscriber is seeking to

qualify for Lifeline under the income-based criterion, the number of individuals in his or her household.

In addition, as part of the Lifeline application, Telscape will require all Lifeline applicants to certify, under penalty of perjury, that:

- the applicant meets the income-based or program-based eligibility criteria for receiving Lifeline either because the household receives benefits from a state or federal assistance program (and list the name of the program) or has income at or below 135% of the Federal Poverty Guidelines;
- the applicant has provided documentation to Telscape that correctly and accurately confirms the subscriber's household income or participation in the above-listed program(s);
- the applicant will notify its carrier within thirty (30) days if, for any reason, he or she no longer satisfies the criteria for receiving Lifeline including, as relevant, if the applicant no longer meets the income-based or program-based criteria for receiving Lifeline support, the applicant is receiving more than one Lifeline benefit, or another member of the subscriber's household is receiving a Lifeline benefit;
- if the applicant moves to a new address, he or she will provide that new address to the eligible telecommunications carrier within thirty (30) days;
- if the applicant provided a temporary residential address to the eligible telecommunications carrier, he or she will be required to verify his or her temporary residential address every ninety (90) days;
- the applicant acknowledges that the subscriber will be required to re-certify his or her continued eligibility for Lifeline at any time, and the applicant's failure to re-certify as to his or her continued eligibility will result in de-enrollment and the termination of the applicant's Lifeline benefits;
- the applicant's household will receive only one Lifeline service and, to the best of his or her knowledge, the subscriber's household is not already receiving a Lifeline service;
- the information contained in the applicant's certification form is true and correct to the best of his or her knowledge, that providing false or fraudulent documentation or information in order to receive assistance if punishable by fines, imprisonment, de-enrollment or being barred from the program;
- That a violation of the one-per-household rule constitutes a violation of FCC rules and will result in their de-enrollment from the Lifeline program
- the applicant understands that Lifeline is a non-transferable benefit and the service may not be transfers to anyone else; and

- the applicant understands their information, including name, telephone number and address, will be given to the Universal Service Administrative Company (USAC) and/or its agents for the purpose of verifying the applicant and the applicant's household do not receive more than one Lifeline benefit and consenting to the inclusion of that information into a Lifeline database.

A sample Telscape application is attached hereto as Exhibit A.

This application is mailed by Telscape to the customer for completion and is returned to Telscape for review and certification. All applications are reviewed by Telscape employees. This review includes a review to determine eligibility as well as a duplicate review process described below. Telscape will make itself available as a direct point of contact with all Lifeline applicants, either in person through its employees, or by telephone. In addition, all Telscape employees who have contact with potential Lifeline customers will be fully trained on the state and Commission Lifeline eligibility rules.

If Telscape cannot determine a prospective subscriber's eligibility through a review of an appropriate federal or state database, Telscape personnel will require the submission of appropriate documentation required to establish income-based and program-based eligibility and will review each subscriber's documentation for compliance with the eligibility criteria. If documentation is not sufficient or if the application is incomplete, then Telscape will deny the application and inform the applicant of the reason for such rejection. For applicants submitting proof of income-eligibility or program-based eligibility, Telscape will not retain copies of such documentation but will maintain accurate records detailing how the customer demonstrated his or her eligibility.[8] In addition, if the subscriber provides Telscape with a temporary address, it will verify with the subscriber every 90 days that this address remains valid. If the subscriber

[8] 47 C.F.R. §§ 54.410(b)(1)(ii)-(iii) and 54.410(c)(1)(ii)-(iii).

fails to respond to the Telscape within 30 days, the subscriber will be de-enrolled from the Lifeline program.

Procedures for Annual Re-Certification. Similar to the initial certification process, an ETC must annually certify all subscribers, unless there is a Lifeline administrator that is responsible for re-certification. In states where a Lifeline administrator is responsible for completing annual re-certifications, Telscape will rely on such administrator completing the annual certification. If the Lifeline administrator provides notice to Telscape that a current subscriber did not re-certify, then Telscape will comply with the de-enrollment requirements required by the FCC's rules. Telscape will cooperate fully with any Lifeline administrator and take any necessary steps to ensure it is in compliance with both state and federal re-certification procedures.

In states where there is not a Lifeline administrator, Telscape will require its Lifeline subscriber to annually re-certify their eligibility as set forth in Rules 54.410(f)(2) and (f)(5) and 54.405(e)(4). Telscape may complete the re-certification process on a rolling basis throughout the year. If Telscape cannot determine on-going eligibility by accessing a qualifying database, Telscape will re-certify the continued eligibility of its subscribers by contacting them in person, in writing (by mail), by phone, by text message, by email or otherwise through the Internet.[9] Alternatively, beginning in 2013, Telscape may elect to have the USAC administer the annual self-certification process.[10]

As part of the re-certification process, Telscape will inform its Lifeline subscribers that they must confirm eligibility to retain Lifeline benefits, when Lifeline benefits will be terminated if confirmation of eligibility is not provided and how to contact Telscape for more information or

---

9 *Lifeline Reform Order*, ¶ 130.

10 *Id.*, ¶ 133.

assistance. If a Lifeline subscriber does not respond to the notice within 30 days, Telscape will send a notice of impending termination. Subscribers who do not respond to the impending termination notice will be de-enrolled from the Lifeline program within five business days.[11]

(3) A detailed explanation of how the carrier will comply with the forbearance conditions relating to public safety and 911/E-911 access;

The Commission conditioned its grant of forbearance on an ETC (a) providing its Lifeline subscribers with 911 and E911 access, regardless of activation status and availability of minutes; (b) providing its Lifeline subscribers with E911-compliant handsets and replacing, at no additional charge to the subscriber, noncompliant handsets of Lifeline-eligible subscribers who obtain Lifeline-supported services.[12] Telscape's wireless service currently complies with these requirements and will continue to comply with these conditions.

Specifically, Telscape provides its wireless subscribers with 911/E911 access at the time their service is initiated, regardless of activation status and availability of minutes and provides its subscribers with E911-compliant handsets. It is the company's practice to provide access to 911/E911 to the extent these services are available from the underlying carrier, Sprint. Telscape also enables 911 emergency calling from all properly activated handsets regardless of whether the account associated with the handset is active, suspended to terminated. Telscape will transmit all 911 calls initiated from any of its handsets even if the associated account has no remaining minutes.

In addition, all phones provided by Telscape are 911/E911 compliant. Telscape uses phones from Sprint that, based on representations made to Telscape by Sprint, have been through the applicable certification process in the company's labs. In the event that a customer does not

---

11 47 C.F.R. § 54.405(e)(4).

12 *Lifeline Reform Order*, ¶ 373.

have an E911-complaint handset, Telscape will replace it with a compliant handset at no charge. All new customers who qualify for Lifeline services with Telscape will receive a 911/E911-compliant handset free of charge.

(4) A detailed explanation of how the carrier will comply with the Commission's marketing and disclosure requirements for participation in the Lifeline program;

Telscape has experience in providing clear, concise and consistent marketing and disclosure information to its wireline Lifeline to its customers. Given the make-up of its customer base, primarily limited English speaking consumers, some of whom are of lower income, Telscape strives to use language that is easily understandable so as to avoid customer confusion. With respect to its wireless services, Telscape will emphasize in clear, easily understood language: (a) that the service is a Lifeline-supported service; (b) that only eligible consumers may enroll in the program; (c) what documentation is necessary for enrollment; and (d) that the benefit is limited to one per household consisting of either wireline or wireless service and is non-transferrable. Telscape will also explain that Lifeline is a government benefit program and willfully making false statements to obtain Lifeline benefits may be punished by fine or imprisonment or result in being barred from the program. Telscape has and will continue to clearly disclose its name (Telscape or Telscape Wireless) on all marketing materials. A sample advertisement that was approved for use in California by the California PUC is attached hereto as Exhibit B. A sample advertisement to be used as a model for creation of state-specific advertisements outside of California is attached hereto as Exhibit C. Please note that the two pages of the exhibit represents the front and back of single page document.

(5) A detailed explanation of the carrier's procedures and efforts to prevent waste, fraud and abuse in connection with Lifeline funds, including but not limited to, procedures the carrier has in place to prevent duplicate Lifeline subsidies within its own subscriber base, procedures the carrier undertakes to de-enroll subscribers receiving more than one Lifeline subsidy per household, information regarding the carrier's toll limitation service, if applicable, and the carrier's non-usage policy, if applicable.

Telscape fully understand and shares the Commission's commitment to minimize waste, fraud and abuse with respect to the Lifeline program. This is part of the reason that Telscape has focused on providing excellent service for low-income customers, many of whom speak only Spanish. Moreover, Telscape has taken a focused approach and offering service initially only in California, as compared to launching services into several states or on a nationwide basis. This approach has allowed Telscape to refine its business practices and to implement policies consistent with the Commission's goal of minimizing waste, fraud and abuse before launching its service nationwide at some time in the future.

Prevention of Duplicates In Telscape's Subscriber Base. At time of initial sign up of a new subscriber, the subscriber's service address is validated for accuracy against the USPS ("United States Postal Service") database and saved in the USPS-approved format, which permits the Telscape subscriber database to more accurately prevent duplicates by preventing variations of the same address from appearing multiple times in the database. Once the address is validated for accuracy and format, Telscape can check it in available databases or provide it to the Lifeline administrator, where applicable, to be checked against addresses for all Lifeline customer addresses for the entire state. For example, if an existing Lifeline subscriber, regardless of the carrier providing service, is receiving service at the same address, Telscape understands that the California Lifeline administrator will provide Telscape with a denial and

that Lifeline applicant will be denied. Telscape further understands, for example purposes, that the California Lifeline administrator also has a process to check its database for the same subscriber name, date of birth and the last four digits of the person's social security number.

In addition, while it is anticipated that Telscape and its affiliate, Sage will only operate in different states, to the extent that they have Lifeline customers in the same state, customers can be checked against each company's records to further avoid duplication.

Activation and Non-Usage Policy. In California, Telscape does not consider a wireless subscriber activated until the customer has chosen a *non-Lifeline* service plan, activates their service by paying the activation fee, and then applies for and is approved for a Lifeline service plan. Adhering to this "prequalification guideline" prevents waste, fraud and abuse by requiring customers to first sign up for service at regular rates and then only provide discounted service once the customer's eligibility has been confirmed and approved by the Lifeline administrator. As such, Telscape will not seek reimbursement for any wireless subscriber until the subscriber activates service and is approved by the Lifeline administrator or by Telscape, in states without a third party Lifeline administrator. Customers who wish to be confirmed as an eligible Lifeline subscriber prior to commencing service can place a non-Lifeline order and have the order held pending verification of eligibility as described above. Because customers do not receive their handset and service until they have an order processed and the activation fee is paid, customers receive activated handsets. Thus, there is no possibility of Telscape receiving reimbursement for a customer who does not have an active handset. After the order is processed, Telscape personnel activate, configure and test the handsets before they are sent to the consumer. Thus all customers receive an activated handset.

As required by the *Lifeline Reform Order*, Telscape has implemented a non-usage policy under which it will de-enroll Lifeline customers that have not used the Telscape's Lifeline service for 60 consecutive days. When consumers sign-up for Telscape's service, Telscape will inform them about the usage requirement. If a Telscape Lifeline customer's account does not reflect any usage during any consecutive 60-day period, Telscape will deactivate the customer's Lifeline service. Accounts will be deemed active if the Lifeline subscriber: (a) completes an outbound call; (b) purchases minutes or an additional month of service to add to the subscriber's Lifeline service plan; (c) answers an incoming call from a party other than Telscape, its agent or representative; or (d) responds to a direct contact from Telscape and confirms that he or she wants to continue receiving the Lifeline service.[13]

For Lifeline subscribers failing to use their Lifeline service for a 60-day consecutive period as described above, Telscape will provide a clear, easily understood notice that the subscriber's failure to use the Lifeline service within the 30-day notice period will result in service termination for non-usage. Telscape will not terminate service to Lifeline subscribers that use their Lifeline service within 30 days of Telscape providing said notice.[14]

Cooperate with Federal and State Regulators and Lifeline Administrators. Telscape will cooperate with the Commission and has and will continue to cooperate with state regulators and Lifeline administrators to prevent waste, fraud and abuse. Telscape will, for example:

- As applicable, participate in industry working groups conducted by or in coordination with state commissions and Lifeline administrators;
- Respond to requests from the Commission, USAC or state commissions concerning consumers' eligibility to be enrolled in Lifeline service, among other matters;
- Upon having a reasonable basis and/or upon any notification from federal or state commissions and/or Lifeline administrators, timely investigate issues concerning a

---

13 See *Lifeline Reform Order*, ¶ 261; 47 C.F.R. § 54.407(c)(2).

14 47 C.F.R. § 54.405(e)(3).

Telscape Lifeline customer receiving service from another carrier or customers receiving more than one Lifeline subsidy per household;

- As applicable and when available, access the National Lifeline Accountability 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; and
- Comply with federal and state audit requirements.

CONCLUSION

Telscape respectfully submits that the foregoing Compliance Plan fully satisfies the conditions set forth in the *Lifeline Reform Order*. Accordingly, Telscape respectfully requests approval of this Compliance Plan so that Telscape can provide essential Lifeline wireless service to eligible low-income customers nationwide.

Respectfully submitted,

/s/ electronically signed

Douglas D. Orvis II
Kimberly A. Lacey
Bingham McCutchen LLP
2020 K Street, N.W.
Washington, DC 20006

Date: October 19, 2012

Exhibits

Exhibit A

Lifeline Application Forms

TELSCAPE

FEDERAL LIFELINE CERTIFICATION FORM

Lifeline Information

- Lifeline is a federal benefit and that willfully making false statements to obtain the benefit can result in fines, imprisonment, de-enrollment or being barred from the program.
- Only one Lifeline service is available per household.
- A household is defined, for purposes of the Lifeline program, as any individual or group of individuals who live together at the same address and share income and expenses.
- A household is not permitted to receive Lifeline benefits from multiple providers.
- You must use your phone every 60 days to maintain service. Usage includes making an outbound call, answering an incoming call. Usage can also include the purchase of additional minutes or payment of your monthly bill. If there is no usage on your account for 60 days you will be de-enrolled from the program.
- Lifeline is a non-transferable benefit and the subscriber may not transfer his or her benefit to any other person.

Lifeline Certification Instructions

Step 1. Fill out the Customer Information Section. You must provide the last four digits of your Social Security Number and Date of Birth.

Step 2. Indicate How You Qualify for Lifeline. Choose whether you participate in a qualifying program or if you household income falls within the guidelines. You MUST send photocopies demonstrating that you participate in the qualifying program or if you qualify based on your household income, you must provide documentation of income that covers one full year. Documentation that does not cover a full year, such as paystubs, the customer must present the same type of documentation covering Three Consecutive Months within the previous twelve months.

Step 3. Determine If You Qualify for Tribal Land. Not all customers will be eligible for the Tribal Land benefit. To be eligible for Tribal Lands a customer must reside on Tribal Lands and participate in one of the following programs: Tribally Administered Free School Lunch Program, Tribally Administered Temporary Assistance for Needy Families, Food Distribution Program on Indian Reservations, Head Start (those meeting income standard), and Bureau of Indian Affairs General Assistance.

Step 4. Certify Customer Eligibility. Each customer must certify, under penalty of perjury, for receiving Lifeline support, by initialing ALL areas under this section.

Step 5. Sign Certification Form. You must print your name and sign the certification form indicating that you are complying with the Lifeline rules.

Step 6. Supporting Documentation. Don't forget that you must include supporting documentation which can include a copy of an award letter or card in the qualifying program based. Income documentation could include the prior year's state or federal tax return, paycheck stubs for the most recent 3 months, social security statement of benefits, child support document, retirement/pension statement of benefits, unemployment/workmen's compensation statement of benefits, Federal notice letter of participation in General Assistance, and other official document.

Step 7. Send the Certification Form. When completed, you may mail the form to:

Telscape Communications Inc.
355 South Grand Avenue
Suite 3100
Los Angeles, CA 90071.

TELSCAPE

FEDERAL LIFELINE CERTIFICATION FORM

Step 1. Customer Information Section

Name of Applicant: _____ Telephone Number: _____

Account Number: _____ Date of Birth: _____

Applicant's Service Address: _____

□ Please check this box if the above is a Temporary Address. Last Four Digits of SSN: _____

City:_____ State:_____ Zip:_____

Billing Address (if different from Service Address): _____

Step 2. Determine How You Qualify For Lifeline (Choose either #1 or #2)

If the person who receives the benefit is not the Telscape account holder, then please provide the name of the person in your household who is receiving the benefits: _____.

(#1). I qualify for Lifeline under **Program-Based Criteria** because I participate in the following program.

Check only **ONE** box below:

- □ Medicaid (not Medicare)
- □ Low-Income Home Energy Assistance Program (LIHEAP)
- □ National School Lunch Program (Free Lunch Program)
- □ Supplemental Nutrition Assistance Program (SNAP)
- □ Supplemental Security Income (SSI)
- □ Temporary Assistance for Needy Families (TANF)
- □ Federal Public Housing Assistance (Section 8)

(#2). I qualify for Lifeline under the **Income-Based Criteria** because my annual household income is at or below 135% of the federal poverty level guidelines. The number of individuals in my residential household is: _____. (Number in household)

Annual Income 135% of Federal Poverty Level Thresholds Based on Household Size					
1	2	3	4	5	For each additional person
$15,080	$20,426	$25,772	$31,118	$36,464	+$5,346 per person

Step 3. Determine If You Qualify for Tribal Lands (If Applicable, Choose either #1 or #2)

My Tribal ID Number: _____ Check ONE box below:

(#1) □ I qualify for Tribal Lifeline service as an eligible resident on federally recognized tribal land.

(#2) I participate in the following tribally administered program.

- □ Tribally Administered Free School Lunch Program
- □ Food Distribution Program on Indian Reservations
- □ Bureau of Indian Affairs General Assistance
- □ Tribally Administered Temporary Assistance for Need Families
- □ Head Start (those meeting income standard)

Step 4. CERTIFY APPLICANT'S ELIGIBILITY

Please **Check** or **Initial All** the statements below to certify your eligibility.

I certify, under penalty of perjury, that:

____: I meet the income-based or program-based eligibility criteria.

____: I must notify Telscape within 30 days if for any reason I no longer satisfy the criteria for receiving Lifeline including, as relevant, if I no longer meet the income-based or program-based criteria for receiving Lifeline support, I am receiving more than one Lifeline benefit, or another member of my household is receiving a Lifeline benefit.

____: When I move to a new address, I must provide that my new address to Telscape within 30 days.

____: I acknowledge that a household is eligible to receive only one Lifeline service and, to the best of my knowledge, no other member in my household is currently receiving wireline or wireless Lifeline service.

____: The information contained in this Lifeline certification form is true and correct to the best of my knowledge.

____: I acknowledge that providing false or fraudulent information on this certification form, to receive Lifeline benefits, is punishable by law.

____: I acknowledge that I may be required to recertify my eligibility for Lifeline at any time, and failure to recertify as to my continued eligibility will result in the de-enrollment and termination of my Lifeline benefits pursuant to the Code of Federal Regulation Section 54.405(e)(4).

____: I understand that violation of the one-per-household rule constitutes a violation of FCC rules and will result in my de-enrollment from the Lifeline program.

____: If I provided a temporary address, I will be required to verify my temporary address every 90 days.

____: I authorize Telscape to release information concerning my service necessary to administer the Lifeline program (such as name, address, telephone number) to the Universal Service Administrative Company. I give consent to Telscape to verify with the National Lifeline Accountability Database my eligibility in certain low-income assistance programs or verify my income to qualify me for Lifeline service. Telscape shall maintain the information in this form and any information received about me from the National Lifeline Accountability Database as confidential customer account information. Failure to provide consent will result in being denied the Lifeline service.

Step 5. Sign Certification Form. You must print your name and sign the certification form indicating that you are complying with the Lifeline rules.

_____	_____	_____
Signature	Printed Name	Date

You may mail the completed Lifeline form to:

Telscape Communications Inc.
355 S Grand Ave
Suite 3100
Los Angeles, CA 90071

For Telscape Communications Inc.'s Use Only!

Lifeline Certification Approval / Denial _____ Service Order Provisioned By _____ Date _____

Supporting Documentation Provided _____

TELSCAPE

FEDERAL LIFELINE RECERTIFICATION FORM

Lifeline Information

- All Lifeline subscribers must annually recertify their continued eligibility in the Lifeline program.
- Lifeline is a Federal benefit and willfully making false statements to obtain the benefit can result in fines, imprisonment, de-enrollment or being barred from the program.
- Only one Lifeline service is available per household. A household is defined, for purposes of the Lifeline program, as any individual or group of individuals who live together at the same address and share income and expenses.
- A household is not permitted to receive Lifeline benefits from multiple providers (wireline or wireless).
- You must use your phone every 60 days to maintain service. Usage includes making an outbound call, answering an incoming call. Usage can also include the purchase of additional minutes or payment of your monthly bill. If there is no usage on your account for 60 days you will be de-enrolled from the program.
- Lifeline is a non-transferable benefit and the subscriber may not transfer his or her benefit to any other person.
- Failure to recertify will result in being de-enrolled from the program and loss of the Lifeline credits.

Instructions for Completing the Attached Lifeline Recertification Form

Step 1. Fill out the Customer Information Section. You must provide the last four digits of your Social Security Number and date of birth.

Step 2. Indicate How You Continue to Qualify for Lifeline. Choose whether you continue to participate in a qualifying program or if your annual household income remains at or below the income guidelines. Please choose **Program-Based or Income-Based eligibility**, but not both.

Step 3. Determine If You Continue to Qualify for Tribal Lifeline. **(If Applicable)** Not all customers will be eligible for the Tribal Land benefit. To be eligible for Tribal Lifeline service, the applicant must reside on Federally recognized Tribal Land.

Step 4. Certify Customer Eligibility. Each applicant must certify, under penalty of perjury, to receive Lifeline service, by initialing or checking ALL items under this section.

Step 5. Sign Certification Form. You must print your name and sign the certification form indicating that you are complying with the Lifeline rules.

Step 6. Send in the Certification Form. Upon completion, please mail the completed form to:

Telscape Communications Inc.
355 South Grand Avenue
Suite 3100
Los Angeles, CA 90071

All steps are required except Step 3 above for processing of your recertification form.

Please send the completed Lifeline Recertification Form to Telscape within **30** days upon receipt.

TELSCAPE

FEDERAL LIFELINE RECERTIFICATION FORM

Step 1. Customer Information Section

Name of Applicant: _____ Telephone Number: _____

Account Number: _____ Date of Birth: _____

Applicant's Service Address: _____

□ Please check this box if the above address is a temporary address. Last Four Digits of SSN: _____

City: _____ State: _____ Zip: _____

Billing Address (if different from Service Address): _____

Step 2. Indicate How You Qualify For Lifeline (Choose either #1 or #2)

If the person who receives the benefit is not the Telscape account holder, then please provide the name of the person in your household receiving the benefits: _____.

(#1). I qualify for Lifeline under the **Program-Based Criteria** because I participate in the following program(s):

Check only **ONE** box below:

□ Medicaid (not Medicare)
□ Supplemental Security Income (SSI)
□ Low Income Heat Energy Assistance Program (LIHEAP)
□ National School Lunch Program (Free Lunch Program)
□ Supplemental Nutrition Assistance Program (SNAP)
□ Federal Public Housing Assistance (Section 8)
□ Temporary Assistance for Needy Families (TANF)

(#2). I qualify for Lifeline under the **Income-Based Criteria** because my annual household income is at or below 135% of the federal poverty level guidelines. The number of individuals in my residential household is: _____. (Number in household)

Annual Income 135% of Federal Poverty Level Thresholds Based on Household Size					
1	2	3	4	5	For each additional person
$15,080	$20,426	$25,772	$31,118	$36,464	+$5,346 per person

Step 3. Determine If You Qualify for Tribal Lifeline (If Applicable, Choose either #1 or #2)

My Tribal ID Number is: _____. Check ONE box below:

(#1) □ I qualify for Tribal Lifeline service as an eligible resident on federally recognized tribal land.

(#2) I qualify for Tribal Lifeline service as I participate in the following tribally administered program.

□ Tribally Admin Free School Lunch Program
□ Head Start (those meeting income standards)
□ Food Distribution Program on Indian Reservations (FDPIR)
□ Tribally administered Temporary Assistance for Needy Families
□ Bureau of Indian Affairs General Assistance

Step 4. CERTIFY APPLICANT'S ELIGIBILITY

Please **Check** or **Initial All** the statements below to certify your continued eligibility.

I certify, under penalty of perjury, that:

____: I continue to meet either the income-based or program-based eligibility criteria.

____: I must notify Telscape within 30 days if, for any reason, I no longer satisfy the criteria for receiving Lifeline including, as applicable, if I no longer meet the income-based or program-based criteria, I am receiving more than one Lifeline service, or another member of my household is receiving a Lifeline service.

____: When I move to a new address, I must provide my new address to Telscape within 30 days.

____: I knowledge that my household is eligible to receive only one Lifeline service and, to the best of my knowledge, no other member in my household is currently receiving wireline or wireless Lifeline service.

____: The information contained in this Lifeline certification form is true and correct to the best of my knowledge.

____: I acknowledge that providing false or fraudulent information on this certification form, to receive Lifeline service, is punishable by law.

____: I understand that I may be required to recertify my eligibility for Lifeline at any time, and failure to recertify my continued eligibility will result in the de-enrollment and termination of my Lifeline service, pursuant to the Code of Federal Regulation 47 Section 54.405(e)(4).

____: I understand that violation of the one-per-household rule constitutes a violation of FCC rules and will result in my de-enrollment from the Lifeline program.

____: If I provided temporary address, I will be required to verify my temporary address every 90 days.

____: I authorize Telscape to release information concerning my service necessary to administer the Lifeline program (such as name, address, telephone number) to the Universal Service Administrative Company. I give my consent for Telscape to verify with the National Lifeline Accountability Database whether I participate in certain low-income assistance programs or verify my income to qualify me for Lifeline service. Telscape shall maintain the information in this form and any information received about me from the National Lifeline Accountability Database as confidential customer account information. Failure to provide consent will result in being denied the Lifeline service.

Step 5. Sign Certification Form.

You must print your name and sign the certification form indicating you are complying with the Lifeline rules.

_____	_____	_____
Signature	Printed Name	Date

You may mail the completed Lifeline form to:

Telscape Communications Inc.
355 South Grand Avenue
Suite 3100
Los Angeles, CA 90071

For Telscape Communications Inc.'s Use Only!

Lifeline Recertification Approval. / Denial _____ Service Order Provisioned By _____ Date _____

Lifeline Participating Program / Income Based Criteria _____

Exhibit B

Telscape Lifeline Ad (California)

MOBILE PHONE SERVICE at a SUPER DISCOUNT!

Get a lot for a little TELSCAPE®

$2.50 | 300 minutes per month!

• No contract • No credit check

FREE Mobile phone when you sign up!

Only one Federal Lifeline service per household regardless of type of phone.

See qualification details below.

2 ways to qualify:

Method 1 "Program Based" eligibility: You qualify for the Federal Lifeline discount if you OR another member of your household is currently enrolled in any one of the following public assistance programs:

- Medicaid/Medi-Cal
- Supplemental Security Income (SSI)
- Low Income Home Energy Assistance Program (LIHEAP)
- Federal Public Housing Assistance or Section 8
- CalFresh, Food Stamps or Supplemental Nutrition Assistance Program (SNAP)
- Women, Infants and Children Program (WIC)
- Healthy Families Category A
- National School Lunch Program (NSLP)
- Temporary Assistance for Needy Families (TANF)
- California Work Opportunity and Responsibility to Kids (CalWORKs)
- Stanislaus County Work Opportunity and Responsibility to Kids (StanWORKs)
- Welfare-to-Work (WTW)
- Greater Avenues for Independence (GAIN)
- Tribal TANF
- Bureau of Indian Affairs General Assistance
- Head Start Income Eligible (Tribal Only)
- Food Distribution Program on Indian Reservations (FDPIR)

Method 2 "Income-Based" eligibility: You may also qualify if your total annual household income is at or less than the following income guidelines:

Household Size	Annual Income Limits
1-2 members	$24,700
3 members	$28,800
4 members*	$34,800

* Add an additional $6,000 for each additional member of your household.

Sign up NOW, call: 1-855-717-8383

Lifeline is a Federal benefit program, and any person who knowingly makes false statements in order to obtain Lifeline service will be subject to fines or imprisonment or can be barred from the program. Monthly standard rate of $15 will apply until approved. Discounted monthly $2.50 rate will start after getting approved for Federal Lifeline. There is an activation fee, but payment plans are available. Free telephone model may vary.

www.telscape.com

Exhibit C

Telscape Lifeline Ad (Generic)

TELSCAPE®

MAKE THE RIGHT CALL
SWITCH TO TELSCAPE

- ✔ No Contract
- ✔ No Credit Check

- 100 ANYTIME MINUTES FOR ONLY $3.00 PER MONTH*
- GET AN AFFORDABLE MOBILE PHONE

PLUS THIS BONUS:

SIGN UP FOR WIRELESS LIFELINE SERVICE AND GET AN ADDITIONAL 100 MINUTES FREE!

CALL TODAY
888-888-8888

SEE DETAILS ON BACK ▶

WE'VE GOT A PLAN FOR YOU
CALL TODAY (888)888-8888

We make it affordable for you to get low-cost talk and text through a government assistance program called Lifeline. Now you can keep in touch with your family and friends. Qualified customers simply prepay $3.00 per month and get 100 anytime talk and text.

YOU GET A GREAT DEAL MORE INCLUDING:

- FREE Call Waiting
- FREE Caller ID
- FREE Voice Mail
- Nationwide Service

Don't wait. Call today (888) 888-8888 to see if you qualify for Wireless Lifeline Service. Telscape Sales Reps are available to take to your call and help you affordable mobile phone service.

HOW TO GET THE DEAL

To qualify of amazing Wireless Lifeline Service, all you have to do is participate in one of the following:

- Medicaid
- Federal Public Housing Assistance (Section 8)
- Health Benefit Coverage under the Children's Health Insurance Plan (CHIP)
- Low Income Housing Energy Assistance (LIHEAP)
- Food Stamps or Supplemental Nutrition Assistance Program (SNAP)
- Supplemental Security Income (SSI)
- National School Lunch Program (NSLP)
- Temporary Assistance for Needy Families (TANF)
- Tribal TANF
- Bureau of Indian Affairs General Assistance
- Head Start Income Eligible (Tribal Only)
- Food Distribution Program on Indian Reservations (FDPIR)

You may also qualify if your total household income is at or below the Federal Poverty Guideline.

*Lifeline is a government assistance program, the service, is non-transferable, only eligible consumers may enroll in the program, and the program is limited to one discount per household. Any person who knowingly makes false statements in order to obtain Lifeline service will be subject to fines or imprisonment or can be barred from the program. 100 minutes can be for either talk or text. Monthly standard rate of $12.25 will apply until you are certified. Discounted monthly rate of $3.00 will start upon approval of Federal Lifeline. Payment plans are available for the $25.00 activation fee that includes selection of a basic mobile phone which is activated and provided ready for use. Mobile phone may be data enabled.