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

In the Matter of the )  
 )  
Telecommunications Carriers Eligible for ) WC Docket No. 09-197  
Universal Service Support )  
 ) WC Docket No. 11-42  
Lifeline and Link Up Reform and Modernization )  
 )  
PhoneAid Communications Corp. )  
dba PhoneAid Wireless )  
Compliance Plan )

**PHONEAID COMMUNICATIONS CORP.'S SECOND AMENDED COMPLIANCE PLAN**

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**PHONEAID COMMUNICATIONS CORP.’S SECOND AMENDED COMPLIANCE PLAN**

**I. INTRODUCTION**

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

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

forbearance outlined in the *Order*.<sup>2</sup> This Second Amended Compliance Plan replaces in its entirety the Company's Amended Compliance Plan filed on December 17, 2012, and all other previously filed Compliance Plans. Given the severe economic environment that is forcing many low-income customers to forego wireless service, PhoneAid respectfully requests expeditious approval of this plan so that the Company, upon designation as an ETC, may quickly deploy much-needed Lifeline services to qualified low-income customers.

## **II. BACKGROUND**

PhoneAid is a Florida corporation with its principal office located at 3200 Gulf Breeze Parkway, Gulf Breeze, Florida 32563. PhoneAid is certified to provide retail wireline service in Alabama, Kentucky, Louisiana, and North Carolina. PhoneAid is certified to provide Lifeline wireline service in Alabama, Kentucky, and Louisiana. PhoneAid was designated as a wireline ETC in Alabama on August 25, 2010, in Kentucky on November 24, 2009, and in Louisiana on November 8, 2010. PhoneAid serviced a total of 16,569 customers, consisting of 4,619 retail customers and 11,950 Lifeline customers. Because PhoneAid has opted to terminate its wireline ICA with AT&T effective December 1, 2012, the current customer count is now zero (0). PhoneAid will be moving forward with its Sprint Wireless Retail Service Agreement.

In the *Order*, the Commission granted forbearance from the "own-facilities" requirement contained in Section 214(e)(1)(A) for carriers that are, or seek to become, Lifeline-only ETCs, subject to the following conditions:<sup>3</sup>

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<sup>2</sup> Although the Company qualifies for and seeks to avail itself of the Commission's grant of forbearance from the facilities requirement of section 214(e)(1)(A), the Company reserves the right to demonstrate to a state public utilities commission that it provides service using its own facilities in a state, particularly for purposes of state universal service funding under state program rules and requirements. The Company will follow the requirements of the Commission's Lifeline rules and this Compliance Plan in all states in which it provides Lifeline service and receives reimbursements from the federal Low-Income fund.

<sup>3</sup> See *Order* at ¶¶ 368, 373 and 379.

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

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

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

PhoneAid will comply with all conditions set forth in the *Order*, the provision of this Compliance Plan, and all laws and regulations governing its provision of Lifeline-supported prepaid wireless service to customers throughout the United States.<sup>4</sup>

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

In the *Order*, the Commission requires PhoneAid to provide its Lifeline customers with access to 911 and E911 services, regardless of activation status and availability of minutes.<sup>5</sup> The Commission and consumers are hereby assured that all PhoneAid customers will have available access to emergency calling services at the time that Lifeline service is initiated, and that such 911 and E911 access will be available from PhoneAid handsets even if the account associated with the handset has no minutes remaining.

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<sup>4</sup> To the extent that future changes in federal regulations render the commitments herein invalid, the Company reserves the right to modify its operations in accordance with federal regulations in effect at that time.

<sup>5</sup> See *Order* at ¶ 373.

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

The Commission also conditioned its grant of forbearance determination on PhoneAid providing only E911-compliant handsets to its Lifeline customers.<sup>6</sup> PhoneAid will ensure that all handsets used in connection with the Company's Lifeline service offering are E911-compliant. In the event that an existing PhoneAid customer does not have an E911-compliant handset, the Company will replace it with a 911/E911-compliant handset at no charge to the customer. Any new customer that qualifies for and enrolls in the Lifeline program is assured of receiving a 911/E911-compliant handset as well.

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

PhoneAid will certify and verify consumer eligibility for Lifeline in accordance with the requirements set forth in the *Order*. In instances where a state agency or third-party administrator is responsible for the initial determination and annual recertification of consumer eligibility, PhoneAid will rely on the state identification or database.<sup>7</sup> In instances where PhoneAid is responsible for the initial determination and annual recertification of consumer eligibility, the Company will follow the procedures set forth below.

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

PhoneAid understands that Lifeline is limited to a single subscription per household, and that the Commission has defined household as "any individual or group of individuals who are living together at the same address as one economic unit."<sup>8</sup> Upon receiving an application for Lifeline support, PhoneAid will check the National Lifeline Accountability Database ("NLAD"),

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<sup>6</sup> *See id.*

<sup>7</sup> *See Order* at ¶ 98.

<sup>8</sup> *See Order* at ¶ 74.

once in place, to determine whether an individual at the applicant's residential address is currently receiving Lifeline-supported service. PhoneAid will also search its own internal database of active customers, real-time, pre-sale, to ensure that it does not already provide Lifeline-supported service to someone at that residential address. If PhoneAid determines that an individual at the applicant's address is currently receiving Lifeline-supported service, PhoneAid will take an additional step to ensure that the applicant and the current subscriber are part of different households. To enable applicants to make this demonstration, PhoneAid will require applicants to complete and submit to the Company USAC's one-per-household template, which will contain the following: (1) an explanation of the Commission's one-per-household rule; (2) a check box that an applicant can mark to indicate that he or she lives at an address occupied by multiple households; (3) a space for the applicant to certify that he or she shares an address with other adults who do not contribute income to the applicant's household and share in the household's expenses or benefit from the applicant's income; and (4) the penalty for a consumer's failure to make the required one-per-household certification (i.e., de-enrollment).<sup>9</sup> PhoneAid will deny the Lifeline application of any individual residing at the same address as a current Lifeline subscriber who is part of the same household, and will advise the applicant of the basis for the denial.

On its certification forms, a draft sample of which is attached,<sup>10</sup> PhoneAid will obtain a consumer's permanent residential address (which cannot be a P.O. Box or General Delivery address), unless they only have a temporary address, and a billing address for the service, if

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<sup>9</sup> See *Order* at ¶ 78.

<sup>10</sup> See Exhibit A. The draft form remains subject to change, but substantially reflects the content of the Company's application.

different (which may include a P.O Box or General Delivery address).<sup>11</sup> PhoneAid will inquire on its certification forms whether or not the applicant's address is a temporary one.<sup>12</sup> If and when the 90-day verification rules become effective, PhoneAid will notify the consumer that if they have a temporary address, the Company will contact the consumer every 90 days, by phone or text, to verify that he or she continues to rely on that address, and that if the consumer fails to respond within 30 days of PhoneAid's attempt to verify the temporary address, he or she will be de-enrolled from the Lifeline program.<sup>13</sup> Also on its certification forms, PhoneAid will explain that if the subscriber moves, they must provide their new address to the Company within 30 days of moving.<sup>14</sup> If the subscriber has moved, PhoneAid will update the NLAD, once in place, with the information within 10 business days of receipt of the information.<sup>15</sup>

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

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

Consumers will be signed up in person or directed, via company literature, collateral or advertising, to a toll-free telephone number and to the Company website, which will provide information regarding the Company's Lifeline service plans, including a detailed description of the program and state-specific eligibility criteria. PhoneAid's application form will identify that it is a

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<sup>11</sup> See Order at ¶ 85.

<sup>12</sup> See Order at ¶ 89.

<sup>13</sup> See *id.* As of the date of filing of this Compliance Plan, this requirement has not been approved pursuant to the Paperwork Reduction Act.

<sup>14</sup> See Order at ¶ 85.

<sup>15</sup> See *id.*

“Lifeline” application. PhoneAid will provide Lifeline-specific training to all personnel, whether employees, agents or representatives, that interact with actual or prospective consumers with respect to obtaining, changing or terminating Lifeline services.

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

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

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

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

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

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

Applicants will also be required to initial a number of disclosure statements intended to ensure that the applicant understands applicable eligibility requirements. Consumers who do not complete the application process in person must return the signed application and support documentation to the Company by mail, fax, email or other electronic transmission. The Company will accept electronic signatures, including Interactive Voice Response (IVR) recordings, that meet the requirements of the Electronic Signatures in Global and National Commerce Act, 15 USC 7001-7006.<sup>16</sup>

Enrollment by phone. The Company will primarily enroll Lifeline applicants over the phone and online. With respect to those enrolling via the phone, Company employees, agents or representatives ("personnel") are able to verbally explain the Lifeline program and its eligibility

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<sup>16</sup> See Order at ¶ 168.

requirements, including required information and disclosures, as well as collect and input electronically the application form information and obtain the applicant's signature via IVR. Company personnel will obtain applicant's verbal confirmation of each required certification.

As part of its enrollment process, PhoneAid will process all enrollments through a common validation process that will perform five relevant verification checks in real-time before approving qualifying subscribers for Lifeline service. These five verification checks are: 1) Service Availability Verification (validates the availability of service to qualifying subscribers through a database of approved PhoneAid service areas, underlying carrier service ability); 2) Service Address Verification (validates the service address of qualifying subscribers through USPS and/or Melissa databases); 3) Non-Duplicate Subscriber Verification (confirms internal non-duplicate status of qualifying subscribers by a combination of name, address, telephone number, date of birth and last four digits of Social Security number); 4) Identity Verification (validates the identity of qualifying subscribers through viewing government issued identification); and 5) Eligibility Verification (where available, validates the eligibility of qualifying subscribers through state-specific and program specific Internet databases).

In the event that such web services are unavailable or the qualifying subscriber shows proof of eligibility via physical documentation, PhoneAid will note the type of documentation presented, the timestamp of presentation, and the PhoneAid personnel to whom the documentation was presented. As an additional safeguard, until the availability of the National Lifeline Accountability Database, PhoneAid will use third party services of CGM, LLC ("CGM"); the Company will input the name/address combination into CGM's aggregate duplicate database (see section III.D below) to confirm that the applicant is not already receiving a Lifeline subsidy from PhoneAid or any other CGM client that has agreed to share their data.

If the applicant indicates on the application form that their address is a multi-household residence, personnel will require the applicant to complete USAC's one-per-household template. If no eligibility database is available, personnel will advise the applicant that they are required to provide proof of identity verification of benefits before their Lifeline service can be activated; applicants will be made aware of how to submit the required documentation to the Company as well as what documentation qualifies as proof of benefits. Also, if no eligibility database is available, the application will be placed in a "hold" status until the Company receives copies of the applicant's proof documentation and government-issued ID, at which point Company personnel will review the documentation and complete the "Office Use Only" section of the application form, which must be completely filled out and signed by personnel in order to record a description about the specific documentation reviewed as part of the eligibility verification process, including type of documentation (i.e. Food Stamps), timestamp of presentation, and to whom the document was presented, and, where available, a unique identifier (i.e. last 4 digits of document ID). PhoneAid will destroy copies of proof documentation in accordance with state and federal rules and will mail the phone to eligible customers once verification of eligibility is complete. PhoneAid will notify the customer upon verification of eligibility and enroll the customer in their requested service plan. At this time, the customer will receive a unique customer identification number. PhoneAid will then send the customer the handset with activation instructions. The customer must dial an activation number using their phone's key pad; the customer will then be prompted to enter their unique customer identification number. The customer's account is not activated until completion of this activation process. If an issue arises, the customer can contact PhoneAid Customer Service to activate services. For purposes of enrollment in PhoneAid's Lifeline program, PhoneAid will use the date of this activation from its call records as the customer's effective start date.

Enrollment online. When enrolling via the Internet, prospective customers will be able to fill out an application form online and sign electronically. PhoneAid will require consumers to acknowledge each certification before moving on to the next field.<sup>17</sup> If the customer indicates that their address is a multi-household residence, online interface will require the applicant to complete USAC's one-per-household template as well. If no eligibility database is available, the online interface will advise the applicant that they are required to provide proof of identity verification of benefits before their Lifeline service can be activated; applicants will be made aware of how to submit the required documentation to the Company as well as what documentation qualifies as proof of benefits. The Company will qualify the applicant through a common validation process that will perform the five relevant verification checks in real-time before approving qualifying subscribers for Lifeline service, as described above.

If no eligibility database is available, the application will be placed in a "hold" status until the Company receives copies of the applicant's proof documentation and government-issued ID, at which point Company personnel will review the documentation and complete the "Office Use Only" section of the application form, which must be completely filled out and signed by personnel in order to record a description about the specific documentation reviewed as part of the eligibility verification process, including type of documentation (i.e. Food Stamps), timestamp of presentation, and to whom the document was presented, and, where available, a unique identifier (i.e. last 4 digits of document ID). PhoneAid will destroy copies of proof documentation and deliver phones to eligible customers by mail.

Assuming the applicant has successfully completed the online application process, PhoneAid will verify that the applicant is only receiving one Lifeline subsidy for their

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<sup>17</sup> See *Order* at ¶ 123.

household. The customer provides his/her electronic signature for each requisite certification. PhoneAid's method of accepting electronic signatures, on all of its online certifications and re-certifications, is to allow the customer to create a unique electronic signature by typing their name and providing their date of birth and social security number.

If the applicant fails to qualify for Lifeline service, PhoneAid will contact the applicant and explain why the request was rejected. However, if the applicant's eligibility is verified, PhoneAid will notify the applicant, and enroll him/her in the requested service plan. At the time of eligibility notification, the customer will receive a unique customer identification number. PhoneAid will then send the customer the handset with activation instructions. The customer must dial an activation number using their phone's key pad; the customer will then be prompted to enter their unique customer identification number. The customer's account is not activated until completion of this activation process. If an issue arises, the customer can contact PhoneAid Customer Service to activate services. For purposes of enrollment in PhoneAid's Lifeline program, PhoneAid will use the date of this activation from its call records as the customer's effective start date.

Enrollment in person. The Company will occasionally enroll Lifeline applicants in person at Company events. The Company estimates that at most 10% of enrollment will be through these Company events. These events will be structured in partnership with community outreach organizations, such as civic organizations, churches, and food banks, to host events in the communities it serves. All Company personnel that conduct in person enrollments are trained on eligibility and certification requirements, including acceptable documentation required to establish income-based and program-based eligibility, as well as the one-per-household requirement. All Company personnel will verbally inform applicants of these requirements. When a prospective

customer applies at an event, Company personnel will ask to see a government issued ID and proof of eligibility documentation. Prospective customers will fill out the Company's Lifeline certification form (see Exhibit A). If the customer indicates on the application form that their address is a multi-household residence, personnel will require the applicant to complete USAC's one-per-household template as well. All paper forms will then be processed using the common validation process that will perform the five relevant verification checks, as described above. In cases where an eligibility database exists, personnel will query the database to determine eligibility. In states where eligibility databases are not available, the applicant is required to provide proof of participation in one of the Lifeline eligible programs or proof that their annual household income is at or below 135% of the federal poverty guidelines. PhoneAid's Lifeline application contains an "Office Use Only" section, which must be completely filled out and signed by Company personnel in order to record a description about the specific documentation reviewed as part of the eligibility verification process, including type of documentation (i.e. Food Stamps), timestamp of presentation, and to whom the document was presented, and, where available, a unique identifier (i.e. last 4 digits of document ID). Eligibility documents are returned to the customer after review.

Finally, PhoneAid personnel will verbally review all certifications and disclosures with the applicant before they sign the application form, making sure the applicant verbally acknowledges each required certification before moving on to the next. Upon successful completion of the certification process, the customer is allowed to receive their free phone in person. The customer will activate his/her phone in the presence of Company personnel at the event in order to ensure proper functioning of the phone. In instances where eligibility databases cannot be accessed in real-time, PhoneAid will mail the phone to eligible customers once verification of eligibility is complete. The customer's account is then activated via the Company's activation process, as described above.

PhoneAid plans to enroll customers at retail stores in the future as part of their partnership outreach program, in which case the protocol for signing up customers closely resembles the process at an event. PhoneAid employees will be required to verify eligibility, and review eligibility based on proof of income or program participation. All Company employees are trained on eligibility and certification requirements, including acceptable documentation required to establish income-based and program-based eligibility, as well as the one-per-household requirement. All employees will verbally inform applicants of these requirements. PhoneAid employees will process all enrollments using the common validation process using the five relevant verification checks, as described above. Employees are able to verbally review the required disclosures with applicants and obtain the completed application form in person. Phones are delivered by mail upon successful completion of the certification process, as detailed above, and the customer's account is activated via the Company's activation process, as described above.

PhoneAid will determine eligibility utilizing the income and program criteria currently utilized by federal default states (47 C.F.R. § 54.409(a),(b)), as well as any additional state-specific criteria. Prior to enrolling a new subscriber, PhoneAid will check the eligibility of low-income consumers first by accessing state or federal social services electronic eligibility databases, where available.<sup>18</sup> If a database is used to establish eligibility, PhoneAid will not require documentation of the consumer's participation in a qualifying federal program; instead, PhoneAid or its representative will note in its records what specific data was relied upon to confirm the consumer's initial eligibility for Lifeline.<sup>19</sup> However, in states where there is no state administrator, the state commission or other state agency is not making eligibility

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<sup>18</sup> See Order at ¶ 97.

<sup>19</sup> See Order at ¶ 98.

determinations, and there is no automated means for PhoneAid to check electronic databases for eligibility, PhoneAid will review documentation to determine eligibility for new subscribers until such time as a qualifying eligibility database is available.<sup>20</sup> PhoneAid will require acceptable documentation both for income eligibility and for program eligibility. The Company will not retain copies of the documentation but rather will establish policies and procedures to review such documentation and keep accurate records detailing how the consumer demonstrated his or her eligibility.<sup>21</sup> PhoneAid understands that it may permit agents or representatives to review documentation of consumer program eligibility for Lifeline, and in such cases PhoneAid remains liable for ensuring the agent or representative's compliance with the Lifeline program rules.<sup>22</sup> PhoneAid will provide Lifeline-specific training to all personnel, employees, agents, and representatives designed to give them an understanding of Lifeline program requirements and permit them to review customer documentation and determine whether it is sufficient to establish a customer's eligibility to participate in the Lifeline program under the Commission's rules. No Company employee, agent, or representative may accept a Lifeline application unless he or she has first completed this training program and demonstrated an understanding of the underlying material. Among other things, the Lifeline program training discusses the Company's Lifeline application form (see Exhibit A) on a section-by-section basis. The training explains what sections of the form must be completed by the customer and reviews the form disclosures in detail, to facilitate the ability of employees, agents, or representatives to explain each item contained therein and answer any customer questions. Because the Company is responsible for the actions of all its personnel,

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<sup>20</sup> See *Order* at ¶ 99.

<sup>21</sup> See *Order* at ¶ 101.

<sup>22</sup> See *Order* at ¶ 110.

including those enrolling customers in any Company-owned or agent retail locations, and a Company employee will be responsible for overseeing and finalizing every Lifeline enrollment prior to including that customer on an FCC Form 497 for reimbursement, the Company always “deals directly” with its customers to certify and verify customers’ Lifeline eligibility.

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

PhoneAid understands that it must re-certify the eligibility of its entire Lifeline subscriber base as of June 1, 2012 by the end of 2012 and report the results to USAC by January 31, 2013, and the Company may elect to perform this re-certification on a rolling basis throughout the year.<sup>23</sup> By December 31, 2012, PhoneAid will re-certify the continued eligibility of all of its subscribers by contacting them—either in person, in writing, by phone, by text message, by email, or otherwise through the Internet—to confirm their continued eligibility.<sup>24</sup> PhoneAid’s current annual re-certification method has a success/return rate of approximately 90%. The re-certification notice explains the actions the customer must take to retain Lifeline benefits, when Lifeline benefits may be terminated, and how to contact the Company. PhoneAid will obtain a signed certification from the subscriber that meets the certification requirements of 47 C.F.R. § 54.410(d), as amended, as detailed in section C.2 above. The Company will provide written notice of impending service termination to subscribers who do not respond to the annual re-certification within 30 days. PhoneAid understands that such certifications may be obtained through a written format, an IVR system, or a text message, and will use one or more of such options for its certifications.<sup>25</sup>

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<sup>23</sup> See Order at ¶ 130.

<sup>24</sup> See *id.*

<sup>25</sup> See Order at ¶ 132.

Alternatively, where a database containing consumer eligibility data is available, PhoneAid (or state agency or third-party, where applicable) will instead query the database by the end of 2012 and maintain a record of what specific data was used to re-certify eligibility and the date of re-certification. If a subscriber's address cannot be verified through the state data, PhoneAid will contact the subscriber every year during the annual certification process to obtain a valid address.<sup>26</sup> After 2012, PhoneAid will continue to annually certify the continued eligibility of its entire subscriber base, either by accessing a qualifying database, or by electing to have USAC administer the self-certification process on the Company's behalf.<sup>27</sup>

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

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

(2) that the Company is in compliance with all federal Lifeline certification procedures.<sup>28</sup>

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<sup>26</sup> See Order at ¶ 131.

<sup>27</sup> See Order at ¶ 133.

<sup>28</sup> See Order at ¶ 126-27.

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

PhoneAid shares the Commission's concern about abuse of the Lifeline program and is thus committed to the safeguards stated herein, with the belief that the procedures it will implement will prevent Company customers from engaging in such abuse of the program, inadvertently or intentionally.

PhoneAid has implemented enrollment procedures designed to prevent subsidies for duplicate, ineligible, or inactive subscribers. To supplement its verification and certification procedures, and to better ensure that customers understand the Lifeline service restrictions with respect to duplicates, the Company will implement measures and procedures to prevent duplicate Lifeline benefits being awarded to the same household. These measures entail additional emphasis in written disclosures as well as live due diligence. In addition to checking NLAD, when it becomes available, Company personnel will emphasize the one-per-household restriction in direct sales contacts with potential customers. Company training materials will include a discussion of the one-per-household limitation, as well as the need to ensure that the customer is informed of this limitation. All Company personnel interacting with existing and potential Lifeline customers will undergo training on eligibility and certification and personnel will be required to sign an acknowledgment of this training. Company personnel will ask each customer under penalty of perjury whether they are receiving Lifeline service from another Lifeline provider in the state. Company personnel will also check the Company's database for duplicate applications for both its wireless and wireline services. Additionally, the Company contracts with a third party Lifeline service bureau, currently CGM, LLC of Roswell, Georgia, to edit all subsidy request data. CGM will process and validate the Company's subsidy data to prevent: (1) Duplicate Same-Month Lifeline Subsidies (Double Dip): any name/address that is already

receiving a lifeline subsidy from the Company will be automatically prevented from receiving a second lifeline subsidy in that same month; and (2) Inactive lines receiving subsidy: CGM's systems compare all subsidy requests to underlying network status to ensure that subsidies are requested only for active lines. Through the processes described herein, PhoneAid ensures that it does not over-request from support funds.

As detailed in section III.C.2, PhoneAid first validates each applicant's identity via a government issued ID card, passport, etc. Additionally, as mentioned above, PhoneAid requires the applicant to provide their date of birth (DOB) and last four digits of their social security number (SSN). Requiring DOB and SSN ensures that neither the applicant nor the Company representative can forge certification forms based on false names and addresses. Once the applicant's identity is confirmed, PhoneAid verifies that the applicant is eligible to receive the Lifeline subsidy. To do this, PhoneAid checks any available eligibility database. If one is not available, the applicant is required to provide proof of eligibility. This prevents ineligible applicants from receiving the subsidy.

PhoneAid validates the applicant's address via a USPS/Melissa Database to ensure the address is correct. The Company will check the NLAD, once it is available; until that time, the Company will dip the name/address combination into CGM's aggregate duplicate database to confirm that the applicant is not already receiving a Lifeline subsidy from PhoneAid or any other CGM client that has agreed to share their data. This is done through an API connection between the Company's provisioning platform and CGM. This prompts the representative to detail the one-per-household rule with the applicant.

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

PhoneAid will participate in the National Lifeline Accountability Database, once it is

established. As required by the *Order*, PhoneAid will provide to the NLAD subscriber name, address, phone number, the last four digits of Social Security number, date of birth, Lifeline service initiation and de-enrollment date (when applicable), and amount of federal Lifeline support being sought for that subscriber.<sup>29</sup> PhoneAid will provide the information listed above for existing subscribers within 60 days of Commission notice that the NLAD is capable of accepting subscriber information.<sup>30</sup>

Furthermore, on its certification form, PhoneAid will obtain acknowledgement and consent from each of its subscribers that is written in clear, easily understandable language that the subscriber's name, telephone number, and address will be divulged to USAC (the administrator of the program) and/or its agents for the purpose of verifying that the subscriber does not receive more than one Lifeline benefit.<sup>31</sup>

Within 30 days following Commission notice that the NLAD is capable of accepting queries, PhoneAid will query the NLAD to check to see if a prospective subscriber is already receiving service from another ETC at a residential address prior to seeking reimbursement from the Fund.<sup>32</sup>

## **2. Subscriber Usage**

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

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<sup>29</sup> See *Order* at ¶ 189.

<sup>30</sup> See *Order* at ¶ 190.

<sup>31</sup> See *Order*, Appendix C.

<sup>32</sup> See *Order* at ¶ 203.

subscribers who have not used the service for a consecutive 60-day period.<sup>33</sup> PhoneAid will notify its subscribers at service initiation, via the certification form and via script that is reviewed with every customer, about the non-transferability of the phone service, its usage requirements, and the de-enrollment and deactivation that will result following non-usage in any 60-day period of time.<sup>34</sup> An account will be considered active if during any 60-day period the authorized subscriber does at least one of the following: makes a monthly payment; purchases minutes from the Company to add to an existing pre-paid Lifeline account; completes an outbound call; answers an incoming call from anyone other than the Company, its representative, or agent; or affirmatively responds to a direct contact from the Company confirming that he or she wants to continue.<sup>35</sup> PhoneAid utilizes BeQuick software to notify the customer if the customer has not used their service for more than 30 or 60 consecutive days. Furthermore, a third party contractor validates the Company's subsidy data to prevent a subsidy request for customers that are inactive under the Company's non-usage policy.<sup>36</sup> After 60 days of non-use, the Company will provide notice to the subscriber that failure to use the Lifeline service within a 30-day notice period will result in de-enrollment. After the notice period expires, if the customer fails to use the phone, he/she is automatically de-enrolled pursuant to the procedures outlined in section E below. PhoneAid will continue to comply with applicable public safety, including transmitting 911 calls to the appropriate PSAP even if the Company is no longer providing Lifeline service to a consumer.<sup>37</sup>

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<sup>33</sup> See Order at ¶ 257.

<sup>34</sup> See *id.*

<sup>35</sup> See Order at ¶ 261.

<sup>36</sup> CGM, LLC is currently the Company's third party contractor.

<sup>37</sup> See Order at ¶ 262. 911 transmissions will actually be performed by the Company's underlying facilities-based

### 3. Marketing & Outreach

PhoneAid will implement the measures outlined herein to help ensure that only eligible consumers enroll in the program and that those consumers are fully informed of the limitations of the program, so as to prevent duplicative or otherwise ineligible service as well as other forms of waste, fraud, and abuse. PhoneAid will explain in clear, easily understood language the following disclosures in all marketing materials related to the supported service:<sup>38</sup> (1) the offering is a Lifeline-supported service; (2) only eligible consumers may enroll in the program; (3) the program is limited to one benefit per household, consisting of either wireline or wireless service; and (4) Lifeline is a government benefit program. PhoneAid's website and printed collateral will explain the documentation necessary for enrollment, and the details of PhoneAid's plans. Such collateral and website information, as well as its application, will make clear that consumers who willfully make false statements in order to obtain the benefit can be punished by fine or imprisonment or can be barred from the program.<sup>39</sup> For broadcast advertisements and outdoor signs, and any other situation in which inclusion of documentation information and warnings against willful false statements are not practicable, PhoneAid will include the URL link for its website where disclosures will be listed. Additionally, PhoneAid will disclose the company name under which it does business.<sup>40</sup>

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CMRS provider.

<sup>38</sup> See Exhibit B for a sample advertisement. The Company understands the term "marketing materials" includes materials in all media, including but not limited to print, audio, video, Internet (including email, web, and social networking media), and outdoor signage, that describe the Lifeline-supported service offering, including application and certification forms. *See Order* at ¶ 275.

<sup>39</sup> *See Order* at ¶ 275.

<sup>40</sup> *See id.*

#### **4. Audits**

The *Order* requires ETCs that draw \$5 million or more in the aggregate on an annual basis from the low-income program, as determined on a holding company basis taking into account all operating companies and affiliates, to hire an independent licensed certified public accounting firm to conduct a biennial audit according to government accounting standards to assess the ETC's overall compliance with the program's requirements.<sup>41</sup> PhoneAid will comply with this requirement if and when it is approved, including applicable rules regarding the dissemination of audit findings to the Commission, USAC, and relevant state and Tribal governments within 30 days upon issuance.<sup>42</sup>

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

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

Ineligibility. Any subscriber who indicates that he or she is receiving more than one Lifeline-supported service per household, or neglects to make the required one-per-household certification on his or her certification form, will be de-enrolled from Lifeline pursuant to the process for resolving duplicative Lifeline subscriptions described in section 54.405(e)(2).<sup>43</sup>

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<sup>41</sup> See *Order* at ¶ 291.

<sup>42</sup> See *Order* at ¶ 294. As of the date of filing of this Compliance Plan, the audit requirement has not been approved pursuant to the Paperwork Reduction Act.

<sup>43</sup> See *Order* at ¶ 122.

If a customer does not respond to the Company's annual verification survey within 30 days, or if PhoneAid has reasonable basis to believe that the subscriber no longer meets the Lifeline-qualifying criteria (including instances where a subscriber informs the Company or the state that he or she is ineligible for Lifeline), PhoneAid will provide a written notice of impending service termination to the subscriber and then give the subscriber 30 days after the date of the letter to demonstrate that his or her Lifeline service should not be terminated.<sup>44</sup> Similarly, PhoneAid will de-enroll a subscriber if they fail to respond to the Company's attempt to verify a temporary address within 30 days.<sup>45</sup>

Duplicative Support. Subject to USAC's Duplicate Resolution Process and anticipated Duplicate Scrubbing Process,<sup>46</sup> PhoneAid will de-enroll a subscriber within 5 business days if the Company is informed by USAC that the subscriber is receiving Lifeline service from another ETC or that more than one member of a subscriber's household is receiving Lifeline service.

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

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<sup>44</sup> *See id.* In states that have dispute resolution procedures applicable to Lifeline termination, the Company will comply with the state requirements.

<sup>45</sup> *See Order* at ¶ 89.

<sup>46</sup> *See Order* at ¶ 214-16.

USAC.<sup>47</sup>

## **F. Additional Rule Amendments**

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

PhoneAid has attached as Exhibit C its Lifeline terms and conditions of service. The Company's Lifeline offering is summarized in section IV.C below. These terms and conditions are subject to change as needed, and the most current version may be found at [www.freephoneaid.com](http://www.freephoneaid.com). The terms and conditions of the Company's retail plans, as generally available to the public and to which a Lifeline customer can apply their Lifeline discount, can also be found at [www.freephoneaid.com](http://www.freephoneaid.com).

### **2. Reporting Requirements**

PhoneAid will report all information required by section 54.422, including as it may heretofore be amended. This includes the names of the Company's holding company, operating companies and affiliates, and any branding ("doing-business-as company" or brand designation), and provide to the Commission and USAC general information regarding the terms and conditions of the Lifeline plans for voice telephony service offered specifically for low income consumers through the program offered during the previous year, including the number of minutes provided, and whether there are additional charges to the consumer for service, including minutes of use and/or toll calls.<sup>48</sup>

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

In seeking reimbursement for Lifeline, PhoneAid will comply with the requirements of

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<sup>47</sup> See Order at ¶ 257.

<sup>48</sup> See Order at ¶ 296, 390. Section 153 of the Communications Act defines "affiliate" as "a person that (directly or indirectly) owns or controls, is owned or controlled by, or is under common ownership or control with, another person.

C.F.R § 54.407, as revised by the *Order*.<sup>49</sup> PhoneAid will certify when seeking reimbursement that the Company has obtained a valid certification form for each consumer for whom the Company seeks Lifeline reimbursement,<sup>50</sup> and the Company will seek reimbursement for actual lines served, not projected lines.<sup>51</sup>

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

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

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

PhoneAid is a Florida corporation incorporated on April 2, 2009 with its principal office located at 3200 Gulf Breeze Parkway, Gulf Breeze, Florida 32563. PhoneAid will provide prepaid wireless telecommunications services to consumers by using the network of its underlying carriers, currently Sprint Spectrum L.P. (“Sprint”) and Verizon Wireless (“Verizon”). Sprint and Verizon are nationwide carriers that provide wholesale capacity on its wireless network to resellers like PhoneAid.

PhoneAid has been in business since 2009. PhoneAid is certified as a CLEC in Alabama, Kentucky, Louisiana, and North Carolina. PhoneAid also has IXC certifications in Alabama, Kentucky, and Louisiana. PhoneAid has wireline ETC designations in Alabama, Kentucky, and Louisiana. PhoneAid currently offers both retail and Lifeline wireline services in Alabama,

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<sup>49</sup> See *Order* page 221.

<sup>50</sup> See *Order* at ¶ 128.

<sup>51</sup> See *Order* at ¶ 302.

Kentucky, and Louisiana. PhoneAid serviced a total of 16,569 customers, consisting of 4,619 retail customers and 11,950 Lifeline customers. Because PhoneAid has opted to terminate its wireline ICA with AT&T effective December 1, 2012, the current customer count is now zero (0). As previously mentioned, PhoneAid will be moving forward with its Sprint Wireless Retail Service Agreement.

**A. Operations**

The Company's legal name is PHONEAID COMMUNICATIONS CORP. PhoneAid does not have any holding companies, operating companies, or affiliates. The Company identifies itself as PhoneAid Communications Corp., PhoneAid Communications, PhoneAid Wireless, or PhoneAid on its marketing and advertising materials.

PhoneAid will obtain from Sprint and Verizon, via 321 Communications, Inc. and Affinity Network Incorporated, the network infrastructure and transmission facilities to allow PhoneAid to operate as a Mobile Virtual Network Operator ("MVNO"). The Company handles the following operations in-house: accounting, regulatory compliance, marketing, and customer service.

**B. Financial and Technical Capability**

PhoneAid is financially and technically capable of providing Lifeline-supported services.<sup>52</sup> PhoneAid has been successfully servicing customers since 2009 and has a steady company revenue stream and customer base. The Company provides service to both Lifeline and non-Lifeline customers. As a part of its fundamental marketing plan and in addition to Lifeline customers, PhoneAid actively markets to non-Lifeline customers targeting the prepaid consumer sector, with a strong emphasis on the credit-challenged and credit-poor consumer segments. PhoneAid is financially able to provide Lifeline-supported services and will not rely exclusively on USF

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<sup>52</sup> See Order at ¶ 387.

disbursements to operate. In the event that USAC ceases disbursements for a period of time, the Company will still be able to provide service to its customers. The Company will continue to rely on its successful business model and service offerings to sustain and grow its business, independent of USF disbursements that provide discounts for qualifying Lifeline subscribers. PhoneAid has not been subject to enforcement action or ETC revocation proceedings in any state. Furthermore, the senior management of PhoneAid has great depth in the telecommunications industry and offers extensive telecommunications business technical and managerial expertise to the Company.<sup>53</sup> PhoneAid will be providing resold wireless service, and therefore will also rely upon the managerial and technical expertise of its underlying carrier.

### **C. Customer Service**

PhoneAid is dedicated to quality customer service and care. Lifeline customers can reach the Company's Customer Service department via phone, mail, e-mail, or fax. PhoneAid's Customer Service department is available Monday through Friday 8:30am to 6:00pm CST. The Company has a dedicated Customer Service staff that will handle all service requests, including elective de-enrollments as outlined in Section III.E above.

### **D. Lifeline Offering**

PhoneAid will offer its Lifeline service in the states where it is designated as an ETC and throughout the coverage area of its underlying carriers.<sup>54</sup> As summarized in Exhibit E attached hereto, the Company's Lifeline offering will provide customers with its Platinum Lifeline 250 Plan.<sup>55</sup> Under this plan, eligible Lifeline customers will receive a free phone and enjoy 250 anytime

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<sup>53</sup> See Exhibit D for key management resumes.

<sup>54</sup> The Company reserves the right to alter the proposed Lifeline rate plans on a state-by-state basis, particularly as required by state public utility commissions (PUC). The Company commits to pass through the entire Lifeline subsidy amount directly to the consumer.

<sup>55</sup> The Company may alter its Lifeline offering as necessary on a state-by-state basis, particularly as required by state

minutes at a discount off the Company's retail Platinum 250 Plan. The discount is equal to the Federal Lifeline credit. These minutes do not rollover and text messaging is at the rate of one minute (1 incoming or outgoing text = 1 minute of voice).

The Company will provide eligible Tribal Lifeline customers with its Tribal 1000 Lifeline Plan. Under this plan, eligible Tribal Lifeline customers will receive a free phone and enjoy 1000 anytime minutes at a discount. The discount is equal to the Federal Lifeline credit plus the Federal Tribal Lifeline credit. These minutes do not rollover and text messaging is at the rate of one minute (1 incoming or outgoing text = 1 minute of voice).

Customers have the capability of purchasing additional minutes in denominations as low as \$10, \$15, and \$20.<sup>56</sup> Additional airtime can be purchased by calling Customer Service, visiting the Company's website [www.freephoneaid.com](http://www.freephoneaid.com), or at merchant retail locations. In addition to free voice services, PhoneAid Lifeline Plans will include the following custom calling features: Caller ID, Call Waiting, and Voicemail. Customers are not bound by a local calling area requirement; the Company's Lifeline Plans comes with domestic long distance at no extra per minute charge and exceptional nationwide digital coverage on the Sprint and Verizon networks. Calls to 911 emergency services are always free, regardless of service activation or availability of minutes. PhoneAid does not impose burdensome credit checks or long-term service contracts on its customers. Full terms and conditions of the Company's Lifeline program are attached as Exhibit C and can also be found at [www.freephoneaid.com](http://www.freephoneaid.com).

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public utility commissions.

<sup>56</sup> \$10.00 = 100 minutes; \$15.00 = 150 minutes; \$20.00 = 250 minutes.

V. **CONCLUSION**

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

Respectfully submitted,

**PhoneAid Communications Corp.**

/s/ Lance J.M. Steinhart

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Lance J.M. Steinhart  
Lance J.M. Steinhart, P.C.  
1725 Windward Concourse  
Suite 150  
Alpharetta, Georgia 30005  
(770) 232-9200

*Its Counsel*

Dated: February 6, 2013

**Exhibit A**

Sample Lifeline Certification Form



# Lifeline Application and Certification

AL

**This form must be signed and returned - per your agreement with PhoneAid Communications.**

**Consent to provide Information:** I understand and consent that PhoneAid, may use my name, telephone number, address, date of birth, ssn, tribal id number, and usage history to verify with the Universal Service Administration Company (USAC) that I (subscriber) do not receive more than one lifeline subsidy per household, described as an economic unit sharing household expenses and income. A household is not permitted to receive multiple Lifeline discounts from multiple telephone providers. This includes both wireline and wireless.

In instances where multiple households reside at an address, program applicants must further certify under penalty of perjury that they are part of a separate economic household.

Last Name		First		Middle Initial
Address (No PO Boxes)		City	Apt/Lot	State
Last 4 Digits of SSN or Full Tribal Number	Date of Birth (MM/DD/YY)	Telephone # / Contact #		Zip
Billing Address (if different from above)(PO Box Allowed)		City	State	Zip
Do you or any member in your household currently receive Lifeline assistance?			YES <input type="checkbox"/>	NO <input type="checkbox"/>
This is my permanent address: <input type="checkbox"/> YES <input type="checkbox"/> NO		Is this a Multi – Family Dwelling / Household <input type="checkbox"/> YES <input type="checkbox"/> NO		

**ELIGIBILITY REQUIREMENTS: I currently participate in or receive benefits from one of the following programs**

<input type="checkbox"/> Supplemental Nutrition Assistance Program (SNAP)	<input type="checkbox"/> Supplemental Security Income (SSI)
<input type="checkbox"/> Temporary Assistance to Needy Families (TANF)	<input type="checkbox"/> Low Income Home Energy Assistance Program (LIHEAP)
<input type="checkbox"/> Medicaid	<input type="checkbox"/> National School Lunch Program's Free Lunch Program
<input type="checkbox"/> Federal Public Housing Assistance (Section 8)	<input type="checkbox"/> Resident of a Federally Recognized Tribal Land
<input type="checkbox"/> Income at or below 135 percent Federal Poverty Guidelines	

**Income Guidelines:** Even though you may not qualify for any of the programs above, you may be eligible for Lifeline assistance if your income is at or below the Poverty guidelines.

A household is defined as a group of individuals who live together at the same address, and share income and expenses.

I certify that my household income is at or below 135% of the federal Poverty Guidelines as indicated below:

Please check the corresponding box below if you are eligible based on your household income being at or below 135% of the Federal poverty Guidelines. You must provide proof of eligibility based on income, which can include:

- Last year's State, Federal, or Tribal tax return
- Current income statement from an employer or paycheck stub
- A Social Security statement of benefits
- A Veterans Administration statement of benefits
- A retirement/pension statement of benefits
- An Unemployment/Workmen's Compensation statement of benefits
- Federal or Tribal notice letter of participation in General Assistance
- Divorce decree, child support award, or other official document containing income information

Number in Household	135% of Federal Poverty Level
<input type="checkbox"/> 1	\$15,080
<input type="checkbox"/> 2	\$20,426
<input type="checkbox"/> 3	\$25,772
<input type="checkbox"/> 4	\$31,118
<input type="checkbox"/> 5	\$36,464
For each additional Household member (add)	\$5,346



**I Hereby Certify, under Penalty of Perjury (Check or Initial):**

- I meet the income-based or program-based eligibility criteria for receiving Lifeline service and have provided documentation of eligibility.
- I will notify PhoneAid within 30 days if I no longer satisfy the criteria for receiving Lifeline services, if I no longer meet the income-based or program-based eligibility criteria, if I begin receiving more than one Lifeline benefit, or another member of my household is receiving a Lifeline benefit
- I am not listed as a dependent on another person's tax return.
- The address listed above is my primary residence, not a second home or business
- If I move to a new address, I will provide the new address to PhoneAid within 30 days
- If I provided a temporary address, I will verify my temporary residential address every 90 days
- I acknowledge that providing false or fraudulent information to receive Lifeline benefits is punishable by law
- I acknowledge that I may be required to re-certify my continued eligibility for Lifeline at any time, and my failure to re-certify as to my continued eligibility within 30 days will result in de-enrollment and the termination of my Lifeline benefits
- I understand that only one lifeline service is available per household, and to the best of my knowledge, no other person(s) in my household are receiving lifeline service
- I acknowledge that a household is not permitted to receive Lifeline benefits from multiple providers (wired and wireless) and that violation of this limitation constitutes a violation of the rules of the Federal Communication commission and will result in de-enrollment from the lifeline program, and possible prosecution by the United States government
- If I am participating in a lifeline program with another provider, I agree to cancel my service with the other provider in favor of PhoneAid.
- I authorize the PhoneAid to access any records required to verify my statements on this form and to confirm my eligibility for the Lifeline program. I also authorize PhoneAid to release any records required for the administration of the Lifeline program (e.g., name, telephone number, address, date of birth, ssn, tribal id number, and usage history), including to the Universal Service Administrative Company, to be used in a Lifeline eligibility database and to ensure the proper administration of the Lifeline Program. Failure to consent will result in denial of service.
- I certify under penalty of Perjury the information contained in this certification form is true and correct to the best of my knowledge.

\_\_\_\_\_  
Applicant's Signature:

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

**Agent/Office Use Only (Check the appropriate boxes for proof of eligibility; do not retain any documentation)**

**Acceptable Proof for Income - Eligibility:**

- The prior year's state, federal, or Tribal tax return
- Current income statement from an employer or paycheck stub
- A Social Security statement of benefits
- A Veterans Administration statement of benefits
- A retirement or pension statement of benefits
- An Unemployment or Workmen's Compensation statement of benefits
- Federal or Tribal notice letter of participation in General Assistance, or
- A divorce decree, child support award, or other official document containing income information for at least three consecutive months

Expiration Date of Documents: ____/____/____
Agent Signature:  _____

**Acceptable Proof for Program-Eligibility:**

- Choose all that Apply:
- Supplemental Nutrition Assistance Program (Snap)
  - Supplemental Security Income (SSI)
  - Federal Public Housing Assistance (Section 8)
  - Low- Income Home Energy Assistance Program (LIHEAP)
  - Temporary Assistance to Needy Families (TANF)
  - National School Lunch Program's Free Lunch Program
  - Bureau of Indian Affairs General Assistance
  - Tribally – Administered TANF (TTANF)
  - Food Distribution Program on Indian Reservations (FDPIR)
  - Head Start (Income Eligibility)
- Choose 1: \_\_\_\_\_ Last 4 Digits
- Program participation card/document (\_\_\_\_\_)
  - Prior year's statement of benefits (\_\_\_\_\_)
  - Notice letter of participation (\_\_\_\_\_)
  - Other official document evidencing participation:
  - Type: \_\_\_\_\_ (\_\_\_\_\_)

PhoneAid Communications  
3200 Gulf Breeze Pkwy  
Gulf Breeze, FL 32563

Customer Service: 877-895-4050  
Fax: 877-900-0199  
E-mail: lifeline@freephoneaid.com

## **Exhibit B**

Sample Advertisements

# FREE CELL PHONE

**Includes 250 Free Monthly Minutes!**

**CALL NOW! 1-877-404-0029**

If you receive **Government Assistance**, you may qualify for

### Government Assisted Cell Phone Service!

- Food Stamps
- Medicaid
- SSI
- Federal Public Housing
- Temporary Assistance to Needy Families
- Low Income Energy Assistance
- National School Free Lunch
- 135% at or below Federal Poverty Guidelines



**NO CREDIT CHECK • NO DEPOSIT • NO CONTRACT**

# FREE CELL PHONE

**Includes 250 Free Monthly Minutes!**

**Limited Time Offer!** **CALL NOW 1-877-404-0029**

or Sign up at [www.FreePhoneAid.com](http://www.FreePhoneAid.com)

PRESORTED  
FIRST CLASS  
U.S POSTAGE  
PAID  
LITTLE ROCK, AR  
PERMIT NO. 368

**\$0 Gets You Started**

**A Trendy New Cell Phone  
for qualified customers!**

Local and state taxes apply.

PhoneAid   
Lifeline Program

3200 Gulf Breeze Pkwy  
Gulf Breeze, FL 32563

Offer subject to change and cancellation without notice. Lifeline is a government benefit program. Customers are required to submit proof of eligibility. Proof of eligibility is required based off of qualified program participation. Only one lifeline discount is available per economic household, consisting of either wireline or wireless service. Consumers violating these rules are subject to criminal and/or civil penalties. For more information on qualification requirements, please visit [www.FreePhoneAid.com](http://www.FreePhoneAid.com) or call toll-free at 1-877-404-0029. Some Restrictions Apply.



## **Exhibit C**

### Lifeline Terms and Conditions

**PHONEAID COMMUNICATIONS CORP. dba PHONEAID WIRELESS  
TERMS AND CONDITIONS OF SERVICE**

Existing PhoneAid Communications Corp. tariffs, which are officially on file with the various state public utilities commissions and the Federal Communication Commission (“FCC”) supersede any terms related to the Services.

The following Terms and Conditions of Service as stated by PhoneAid Communications Corp. contain important information about your rights as a subscriber. By subscribing to wireless service provided by PhoneAid, you are agreeing to the following Terms and Conditions of Service. PhoneAid Lifeline Service requires that you meet eligibility requirements in your state for Lifeline. Any changes or modifications to these PhoneAid Terms and Conditions of Service will be binding once posted on the PhoneAid website found at [www.FreePhoneAid.com](http://www.FreePhoneAid.com).

The terms ‘You’, ‘Your’, ‘Client’, ‘Customer’, ‘Applicant’, and ‘Consumer’ apply to the ‘Subscriber’ of wireless service, obtained through the federal government’s Lifeline Program. The terms “PhoneAid”, “PhoneAid Wireless”, “Us”, “We”, “Our” and “PhoneAid Communications” refers to ‘PhoneAid Communication Corp’.

**WIRELESS PLAN:**

PhoneAid Communications offers cell phone service through a variety of mobile plans. The features of each individual plan are determined by PhoneAid. A customer selecting a wireless plan must abide by its offering of features included, but not limited to, cellular minutes and text messaging.

The calculation of cellular minutes begin when a customer establishes a call with the network, and ends when that connection is broken, whether or not that call was successful. Cellular minutes are measured in whole minutes, and any partial minutes are rounded up to the nearest whole minute.

The calculation of text messages includes all messages, sent or received, including unsolicited text messages.

**ACTIVATION AND USE OF YOUR WIRELESS PHONE:**

Upon enrollment in the Lifeline program and verification of eligibility; you will receive your PhoneAid Wireless 911 compliant handset delivered to the home address noted in the application.

You must accept the telephone number assigned to your PhoneAid Wireless phone at the time of activation and you will acquire no proprietary interest in any number assigned to you. The wireless telecommunications networks used to transmit calls for PhoneAid Wireless and PhoneAid Wireless lifeline service are owned and operated by various licensed commercial mobile radio service providers ("Carriers"). PhoneAid’s Network Service Coverage area reflects that of its underlying network carriers: Sprint or Verizon Wireless.

The number assigned to your PhoneAid Wireless phone at the time of activation will not be changed for any reason unless required by a Carrier, or if the number is lost following the deactivation of your phone. You may not select a number to be assigned to your PhoneAid Wireless phone. Your PhoneAid Wireless handset can only be used through PhoneAid Wireless, and cannot be activated with any other WIRELESS or cellular service.

Once you receive your handset, you will want to follow the instructions provided to activate your handheld device. Activate your phone by dialing the activation number provided with your handset; and follow the activation prompts; using the phone's keypad you will be prompted to enter your unique customer identifier that was given to you. Consumers may elect to call PhoneAid Wireless Customer Service to activate Services at 1-877-895-4050.

Date of activation will count as the effect start date of service.

PhoneAid Wireless Lifeline Services are provided at PhoneAid's discretion. Some functions and features referenced in the Manufacturer's manual provided with your phone may not be available on your handset. PhoneAid wireless may cancel Lifeline Service or take corrective action at any time to violators of the Lifeline Reform Order and to abusers of these terms and conditions of service.

### **SURCHARGES AND TAXES:**

PhoneAid subscribers are solely responsible for paying all charges including, but not limited to all applicable surcharges, fees, taxes, and regulatory charges. PhoneAid subscribers are responsible for all charges applicable to Customer. Changes to a surcharge, fee or tax will become effective as provided by the taxing authority and change to applicable contribution amounts for the Federal Universal Service Fund ("FUSF"). Other regulatory charges may become effective immediately.

Taxes are not assessed to charges incurred on lifeline plans that are covered by the amount of the eligible discount. Additional minute plans are subject to tax and regulatory fees.

### **INDEMNITY:**

To the full extent allowed by law, you hereby release, indemnify, and hold PhoneAid and its officers, directors, employees and agents harmless from and against any and all claims of any person or entity for damages of any nature arising in any way from or relating to, directly or indirectly, service provided by PhoneAid or any person's use thereof (including, but not limited to, and personal injury), INCLUDING CLAIMS ARISING IN WHOLE OR IN PART FROM THE ALLEGED NEGLIGENCE OF PHONEAID. This obligation shall survive termination or expiration of your service with PhoneAid.

### **BINDING ARBITRATION.**

PLEASE READ THIS SECTION CAREFULLY AS IT AFFECTS RIGHTS THAT YOU MAY OTHERWISE HAVE. IT PROVIDES FOR RESOLUTION OF ALL DISPUTES AND CLAIMS (INCLUDING ONES THAT ALREADY ARE THE SUBJECT OF LITIGATION), EXCEPT FOR CLAIMS CONCERNING THE UNAUTHORIZED RESALE, EXPORT, ALTERATION, AND/OR TAMPERING OF YOUR PHONEAID WIRELESS PHONE, ITS SOFTWARE, THE SERVICE AND/OR PIN NUMBERS, THROUGH ARBITRATION INSTEAD OF SUING IN COURT IN THE EVENT THE PARTIES ARE UNABLE TO RESOLVE A DISPUTE OR CLAIM. ARBITRATION IS BINDING AND SUBJECT TO ONLY A VERY LIMITED REVIEW BY A COURT. THIS ARBITRATION CLAUSE SHALL SURVIVE TERMINATION OF PHONEAID WIRELESS™ AGREEMENT WITH YOU.

### **COVERAGE AVAILABILITY**

PhoneAid Wireless mobile services are subject to coverage and quality restrictions, including, but not limited to: atmospheric, geographic, or topographic conditions. If a problem with coverage is present, please contact PhoneAid Wireless Customer Service at 1-877-895-4050 for further instruction.

**SERVICE RESTRICTIONS:**

PhoneAid Wireless service blocks access to certain categories of numbers (e.g. 976, 900 and international destinations) at no additional charge, and at the sole discretion of PhoneAid. PhoneAid also reserves the right to change or modify any of these PhoneAid and Conditions of Service at any time and at PhoneAid's sole discretion. Your PhoneAid account is non-transferrable. Your lifeline subsidy is nontransferable.

Additionally, PhoneAid subscribers acquire no proprietary interest in any telephone number assigned to their PhoneAid account. PhoneAid subscribers must accept the telephone number assigned to the PhoneAid account at the time of activation, which shall be assigned at the sole discretion of PhoneAid. PhoneAid rates and services are subject to change without notice in accordance to their active tariff for your service area.

PhoneAid may modify or cancel any service or take corrective action at any time in connection to your violation of PhoneAid Terms and Conditions. PhoneAid customer service can be reached by dialing 1-877-895-4050.

**USE OF SERVICES**

You agree not to use PhoneAid Wireless services in any prohibited, abusive, or deceptive manner. PhoneAid does not authorize the resale of its services to any outside party. The customer agrees not to use service that will impede another customer's use of service. Any non-personal use of PhoneAid services is strictly prohibited, and can be subject to suspension or termination of services.

**CHARGES YOU ARE RESPONSIBLE FOR:**

PhoneAid services are prepaid in nature; customers are responsible for paying for all ordered service in advance of its usage with the exception of 411: and directory assistance calls which cannot be billed in advance, and are therefore deemed posted paid after their usage occurs. All applicable taxes and surcharges are the customer's responsibilities on additional services rendered, and or additional airtime minutes, or text minutes ordered.

**LOST OR STOLEN EQUIPMENT:**

Once the device is activated by the customer, all risk of loss, theft, destruction, or loss is the responsibility of the customer. If a device is lost or stolen, it is necessary to report the loss or theft to PhoneAid. If customer does not notify PhoneAid of loss or theft, the customer will be responsible for any charges incurred from the time of loss/theft to the time it is reported to PhoneAid. PhoneAid's handset distributors and manufactures may offer variable warranties to warrant their equipment. This is not a PhoneAid warranty. Please visit PhoneAid's website at [www.freephoneaid.com](http://www.freephoneaid.com) for any additional information on handset specifications for phones available in your area, or refer to the manufacturer's manual you received with your handset. You agree to cooperate with us regarding investigations into theft or loss.

**WARRANTIES:**

PHONEAID COMMUNICATIONS OFFERS NO EXPRESSED OR IMPLIED (BOTH OF MERCHANTABILITY OR FITNESS) WARRANTIES TO THE EXTENT PERMITTED BY LAW. SERVICES AND DEVICES ARE PROVIDED TO THE CUSTOMER "AS IS". PHONEAID DOES NOT AUTHORIZE ANYONE TO MAKE ANY WARRANTIES ON OUR BEHALF. WE CANNOT PROMISE UNINTERRUPTED OR ERROR-FREE SERVICE AND DO NOT AUTHORIZE ANYONE TO MAKE ANY WARRANTIES ON OUR BEHALF. WE DO NOT GUARANTEE THAT YOUR COMMUNICATIONS WILL BE PRIVATE OR SECURE; IT IS ILLEGAL FOR UNAUTHORIZED PEOPLE TO INTERCEPT YOUR COMMUNICATIONS, BUT SUCH INTERCEPTIONS CAN OCCUR.

**ACCOUNT ACCESS:**

Your caller identification information (such as your name and phone number) may be displayed on the equipment of the person receiving your call; technical limitations may, in some circumstances, prevent you from blocking the transmission of caller identification information. You hereby consent to the use by PhoneAid or our authorized agents of regular mail, predictive or autodialing equipment, email, text messaging, facsimile or other reasonable means to contact you, the PhoneAid subscriber, to advise you about our services or other matters PhoneAid may believe to be of interest to you, the PhoneAid subscriber. PhoneAid reserves the right to contact you, the PhoneAid subscriber, by any means regarding customer service related notifications, or other such information in compliance with the Lifeline reform order, and in compliance with Customer Proprietary Network Information (“CPNI”) rules and regulations.

**OVERVIEW OF THE LIFELINE PROGRAM:**

PhoneAid participates in the Lifeline program which derives from the Universal Service Fund. PhoneAid offers service to qualified subscribers as part of the Lifeline program. Lifeline provides discounts that make wired and wireless telephone service more affordable for more than 7 million Americans. The wire line and wireless companies that provide Lifeline are approved to participate in the low income program of the Universal Service Fund for the revenue they forgo by providing discounted service to eligible consumers.

Lifeline is essentially monthly support that lowers the cost of monthly local wire line or wireless telephone service. An eligible customer may receive the Lifeline discount on either a wire line or wireless connection, but the discount is available for only one telephone connection per economic household. Lifeline support is essentially a monthly support amount of \$9.25 per month in Federal Lifeline subsidies.

Approved applicants will receive a discount off their monthly service. A discount of \$9.25 is available for approved applicants. PhoneAid Wireless reserves the right to determine at its sole discretion whether or not an applicant meets the eligibility requirements to participate. In order to qualify for, and participate in, the PhoneAid Lifeline service offering, a person must meet certain state and federal eligibility requirements that can be unique to the particular state where the subscriber resides and the Service is to be provided.

Eligible subscribers can qualify for the Lifeline program one of two ways; either through what is known as 1) Program Based Eligibility or 2) Income Based Eligibility.

**PROGRAM BASED ELIGIBILITY:**

Generally under the Program Based Eligibility criteria, subscribers are eligible to receive the Lifeline discounts if they participate in one or more of the following programs (default states):

- Medicaid
- Supplemental Nutrition Assistance Program (SNAP/Food Stamps)
- Supplemental Security Income (SSI)
- Federal Public Housing Assistance (Section 8)
- Low-Income Home Energy Assistance Program (LIHEAP), or state’s equivalent energy program
- National School Lunch program’s Free Lunch Program
- Temporary Assistance for Needy Families Program (TANF)

(Please see Tribal Lands Lifeline Requirements section below for customers residing on tribal land)

Program Based Eligibility criteria vary by state. To determine if PhoneAid provides service in your area you should refer to the PhoneAid website found at [www.FreePhoneAid.com](http://www.FreePhoneAid.com), or your state's Public Service Commission.

**Tribal Lands Lifeline Requirements:**

Enhanced lifeline benefits are available to low-income residents of tribal lands. These enhanced benefits are not to exceed \$34.25 in discounts (varying by state) and a one-time discount not to exceed \$100 on initial installation or activation of wire line or wireless service for qualified residents. Subscribers who reside on tribal lands and participate in one of the following are eligible.

- Bureau of Indian Affairs General Assistance
- Tribally-Administered Temporary Assistance for Needy Families (TTANF)
- Food Distribution Program on Indian Reservations (FDPIR)

Please note that limitations placed on lifeline subscribers (ex. one per household rule) also apply to the Tribal Lands Lifeline Program.

**INCOME BASED ELIGIBILITY:**

Generally under the Income Based Eligibility criteria, subscribers are eligible to receive the Lifeline discount if their total combined household income meets the Income Poverty Guidelines as defined by the U.S. Government. To qualify for the program through income based eligibility, consumers residing in a default state must have an income that is at or below 135% of the Federal Poverty Guidelines (FPG percentages vary by state). Contact PhoneAid Wireless Customer Service for Income based eligibility requirements.

To show eligibility based upon Income Based Eligibility criteria only, you may be asked to provide additional information. This includes a signed and dated PhoneAid Lifeline Self Certification Form accompanied with documentation demonstrating proof of income and total amount of household income for last year. For example, an income tax return form or a W2 form may be requested and must be provided in order to qualify via Income Based Eligibility. Please review the state specific requirements for Income Based Eligibility criteria before submitting an Income Based Eligibility application.

**LIMITATIONS/RESTRICTIONS:**

PhoneAid Lifeline Service offering is limited to one (1) per household, defining ‘household’ as any individual or group of individuals living together at the same address as one economic unit; ‘economic unit’ is defined as all adult individuals contributing to and sharing in the income and expenses of a household. All potential subscribers applying for the PhoneAid Lifeline Service offering must declare under penalty of perjury that:

- Applicant authorizes PhoneAid Communications Corp. or its duly appointed representative(s) to access records relating to applicant, applicant’s family, that may reside in any state or federal database to verify applicant’s eligibility for the Lifeline program in compliance with the FCC Lifeline Reforms.
- Applicant authorizes representatives of any state or federal assistance programs to discuss with and/or provide copies of records relating to applicant if requested by PhoneAid.
- Applicant authorizes representatives of any state or federal assistance programs to verify applicant’s participation in any state or federal assistance programs and applicant’s eligibility for Lifeline service.
- Applicant will notify PhoneAid Communications Corp if and when applicant no longer participates in at least one of the qualifying state or federal assistance programs.
- Applicant certifies that applicant does not currently have Lifeline Service and no other resident within their economic unit at their household participates in the Lifeline program. If Applicant has Lifeline service now, applicant agrees to cancel applicant’s current Lifeline support in favor of PhoneAid Communications Corp.
- Applicant affirms that applicant is over eighteen, is head of household and that applicant is not claimed as a dependent on another person’s federal or state income tax return.

- Applicant agrees to notify PhoneAid if applicant has a change of address.
- Applicant affirms under penalty of perjury, that the foregoing representations are true and correct to the best of applicant's knowledge and belief. Upon written request, applicants who do not meet the eligibility requirements will be provided with the reason for non-eligibility.

**DESCRIPTION OF ANNUAL RECERTIFICATION/VERIFICATION:**

PhoneAid Wireless reserves the right to determine at its sole discretion whether or not an applicant meets the eligibility requirements to participate.

All PhoneAid Lifeline Subscribers will be required to re-certify on an annual basis to remain eligible to receive benefits under the PhoneAid program. Each PhoneAid Lifeline subscriber is required to re-certify for the Lifeline program pursuant to the appropriate federal and/or state rules associated with verification of Lifeline.

PhoneAid reserves the right to determine at its sole discretion if a PhoneAid subscriber meets the annual Recertification/Verification requirements and if the subscriber fails to re-qualify for PhoneAid Service the subscriber will be disqualified from receiving the Lifeline benefit but may remain as a PhoneAid customer. A PhoneAid customer's enrollment may be cancelled if so requested by a state and/or federal authority, or program administrator. PhoneAid reserves the right to cancel the enrollment of any customer and /or deactivate any PhoneAid service for any fraud related reasons.

**PRIVACY POLICY SCOPE:**

PhoneAid respects the privacy of all of its subscribers. Privacy is a matter of trust and PhoneAid Communications Corp. will work to make sure subscribers' information is protected, and follow all CPNI regulations as required. However personal information will be sent to the lifeline administrators and or government agencies in compliance with the Lifeline Reform Order to verify eligibility, and reduce waste and fraud.

**Information We Collect, How We Collect It, And How We Use It**

We collect your information through various avenues including information you provide us during transactions, customer service, surveys, online registration for service, and contact information you provide us. We may collect your information so that we may better provide you our service. We may use the information collected to:

- Provide you with the best customer experience possible;
- Respond to your questions;
- Communicate with you regarding service updates, offers, and promotions;
- Address network integrity and security issues;
- Investigate, prevent or take action regarding illegal activities, violations of our Terms of Service or Acceptable Use Policies; and

**How we use/share your Information**

Subject to applicable legal restrictions, PhoneAid Wireless may share your Personal Information to make sure we provide you with the best service possible. We share your Personal Information only with non-Phone Aid companies that perform services on our behalf (ex. Billing), and only as necessary for them to perform those services.

We do not provide Personal Information to non-PhoneAid companies for the marketing of their own products and services without your consent. We may provide Personal Information to non-PhoneAid companies or other third parties for purposes such as:

- Responding to 911 calls and other emergencies;
- Complying with court orders and other legal process;
- To assist with identity verification; to prevent fraud and identity theft.
- Personal information will be sent to the lifeline administrators and or government agencies in compliance with the Lifeline reform order to verify eligibility, and reduce waste and fraud.

## **Exhibit D**

### Key Management Resumes

**Angela Lemke | President, CEO of PhoneAid Communications Corp.**  
**850-602-9494 x 8020 | [Angela@freephoneaid.com](mailto:Angela@freephoneaid.com)**

With more than 10 years of Professional Business Experience covering a wide range of client based industries, and 7 years of CEO experience it is easy to understand Angela's leadership role in developing PhoneAid's "Excellence in Service" approach to the Telecom Industry. With an educational background in Business Finance from Hamilton Business College, Angela brings a wide array of operational and management experience.

Mrs. Lemke's key areas of expertise include:

- Business Finance and Budget Development
- Business Forecasting
- Telecom Regulations
- Telecom Tariff and Regulatory Compliance
- Carrier Interconnection Negotiations
- Sales
- Marketing
- Web Development
- Competitive Retail Analysis
- Product Development including Patents and Trademarks
- Community Outreach Communications and Public Relations

Angela's ability to provide business forecasts, develop and implement business strategies, has played a vital role in both the development and success of PhoneAid Communications Corp, in which she has owned and operated successfully for 4 years. Her daily involvement in the oversight of PhoneAid's operations is attributed to her expertise, knowledge, and experience in the development of startup companies.

She has worked diligently with community leaders and consumers to build a reputable Competitive Local Exchange Carrier; providing service to low income families that may not otherwise have access to home telephone and emergency services they need.

In addition to being the Founder and CEO of PhoneAid Communications Corp., Mrs. Lemke is also the CEO and Founder of Inspired By You, a manufacturing and retail company that provides hair loss products for women and children undergoing chemotherapy and radiation treatment. Her revolutionary invention holds a patent and retails internationally. With a strong commitment to raise money for cancer research and cancer support programs, Angela's dedicated to making a difference in the lives of those less fortunate, by donating products and volunteering her time to nonprofit fundraising organizations, Gulf Coast Wings of Hope, American Cancer Society and Look Good Feel Better programs.

An active community leader, Angela also plays a leading role in her community as former VP and current Board of Director member with UPA, a nonprofit organization whose primary function is to act as liaison between citizens and Local/State Government officials in the Florida Panhandle to develop and communicate community improvement projects. Her communications experience and business development background has played a vital role in the organizations ability to reach out to govt officials and close the communications gap within the community.

**Joseph Lemke | Vice President and COO of PhoneAid Communications Corp.**  
**850-602-9494 x 8021 | [Joe@freephoneaid.com](mailto:Joe@freephoneaid.com)**

With a 12 year background in Operational and Management Experience, and 8 years as Vice President, Joe provides PhoneAid Communications the technical experience and knowledge contributing to the success of PhoneAid's day to day operations for the past 4 years. He manages the VoIP call processing components for PhoneAid's call center operations. Joseph oversees the development and maintenance of PhoneAid's OSS system operations. He links the company's communications between its call center and software systems; including our ILEC systems for operational readiness. From the consumer side, his responsibilities include the establishment of strong relationships with all divisions in support of voice services, including our CLEC vendors, and underlying ILEC carriers. He has a strong understanding of the telecommunications processes, and offers extensive experience and knowledge in his areas of expertise. He oversees PhoneAid's provisioning division from both its ILEC and consumer usage platforms.

With a Technical and Operational Management background in Media Communications and Service Industries, his areas of expertise are:

- Maintaining relationships and planning with vendors and suppliers concerning all network elements used by the CLEC organization
- Facilities Oversight
- Development and Maintenance of performance standards; procedures and best practices in the day to day operations
- Call Center Management
- Establish strong relationships with all divisions in support of Voice Services for consumers
- Maintain close relationships with the CEO and internal divisions of PhoneAid to coordinate the deployment of updates, network changes and software upgrades; and package offerings.
- Establishing relationships with vendors of services, software and hardware to ensure production systems are operating according to specification
- Operational and Facility Budgets

Joseph brings expertise and knowledge to the PhoneAid Communications Team, with a strong work ethic developed in his former military career in the United States Army Branch. His attention to detail and interest in consumer rights has been vital in the development of PhoneAid's Policies and development of our Consumer Outreach Network Programs; that help low income families to offset the growing costs of living expenses by educating them about phone service subsidies.

## **Exhibit E**

### Proposed Lifeline Rate Plans

#### **Platinum Lifeline 250 Plan – includes 250 talk and text anytime minutes**

**Package Price:**

Lifeline: Free

(\$9.25 package price less \$9.25 Federal Lifeline Credit Applied)

Plan includes, at no extra charge:

- Free Handset
  - Caller ID and Call Waiting
  - Balance Inquiries
  - Calls to 911 emergency services
  - Domestic Long Distance
- 
- Voicemail calls count against the voice minutes provided by the plan.
  - Text messaging will be assessed at a rate of 1 minute per text message for sending and 1 minute per text message for receiving text messages.
  - There are no rollover minutes with this plan. Unused minutes will expire each month on the service expiration date.

#### **Tribal 1000 Lifeline Plan – includes 1000 talk and text anytime minutes**

**Package Price:**

Lifeline: \$1.00

(\$35.25 package price less \$9.25 Federal Lifeline Credit Applied and less \$25.00 Federal Lifeline Tribal Credit Applied)

Plan includes, at no extra charge:

- Free Handset
  - Caller ID and Call Waiting
  - Balance Inquiries
  - Calls to 911 emergency services
  - Domestic Long Distance
- 
- Voicemail calls count against the voice minutes provided by the plan.
  - Each month tribal customers will receive 1,000 talk and text anytime minutes for \$1.00 per month plus fees and taxes.
  - Text messaging will be assessed at a rate of 1 minute per text message for sending and 1 minute per text message for receiving text messages.
  - There are no rollover minutes with this plan. Unused minutes will expire each month on the service expiration date.
  - This plan will only be available to Tribal residents.

**Additional Minutes** - additional talk time or text minute options

**Package Price:**

100 minutes \$10.00

150 minutes \$15.00

250 minutes \$20.00

**Service Period for all plans**

All airtime (talk time associated with a particular plan, as well as additional purchased minutes including text messages), expires at the end of each 30-day cycle whether subscriber uses the airtime or not. No airtime (whether associated with a particular plan or purchased separately) is carried over to the next 30-day period.

**Additional Costs**

411/Directory Assistance: the rate per directory assistance call is \$2.00 per request, airtime charges apply.

PhoneAid blocks international calls for its Lifeline subscribers at no additional charge.