

Exhibit M.1.
see notes, highlights and
arrows below.



Maritime Communications/Land Mobile, LLC

August 14, 2006

Jeffrey A. Mitchell
Associate General Counsel
Universal Service Administrative Company
2000 L Street, N.W., Suite 200
Washington, DC 20036

Re: Letter of June 30, 2006

Dear Jeff,

Thanks for your letter of June 30th. Over the past weeks, I have worked with our personnel in our network operations center to gather information to respond to your request; I hope this response is helpful.

While I note from the outset that, as you informed us, filers need only retain records for the past three years, your request covers the past six years. Therefore, it's hopefully understandable that some of the data may be incomplete or offsite in storage from the years 2000 through 2003.

Regardless of how much was billed and paid to USF by Watercom and its parent, Mobex Communications, the fact remains that *these amounts were paid to USF* and should not have been. Thus, we believe that our central premise renders irrelevant much of the data which USF requested: operators of Automated Maritime Telecommunications Systems are specifically authorized under 47 C.F.R. Part 80 as providers of Maritime radio service. As Maritime licensees, they are exempt from USF contribution requirements.

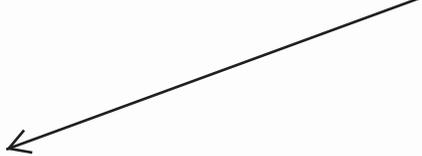
However, in the spirit of cooperation and providing as much information as we can for you, we have prepared the following responses. To assist you, the responses below are organized in the same sequence as the questions posed in your letter.

Item One. Description of Services.

Watercom provides Maritime Communications Services to the towboat and barge industry. Based out of Jeffersonville, Indiana, and situated along the Ohio River, Watercom's network operations center is the hub of the over 4,000 mile long Watercom Maritime Communications system.

Watercom provides ship to shore and shore to ship communications including data, fax, and interconnected calling. Operators of vessels have a pilot's cabin atop which is normally mounted an antenna to receive and send signals.

This Maritime August 2006 letter signed by John Reardon states that MCLM has a network operations center and that it has data off-site in storage re: operations going back to 2000-2003. However, MCLM said in the hearing that the records were left with Mobex and a storage company and destroyed. Yet, in this letter John Reardon does not mention any of that to the FCC person, and in fact, he gathers together information and records regarding Maritime's site-based licenses to respond to the FCC inquiry.



Call Sign KAE889 and WRV374 were previously held by Regionet (prior to Mobex acquiring Regionet in 2000-2001) that only had a "few dozen customers and little revenue."

Within the pilot-house is the Watercom receiver and transmitter. This equipment typically resides in the electronics room of the vessel, and is vibration resistant. For the user, the experience is like a normal telephone or fax machine: they see a desktop-type phone with a dial pad and an adjacent fax machine.

When calls are made to or from the vessel, the call goes out to the nearest Watercom site location along the Ohio and Mississippi River System. That call then is routed through the PSTN to its final destination. If the vessel operator needs assistance, he contacts Watercom operator assistance in Jeffersonville at the NOC.

To send a fax, the operator simply dials the number and sends, like a regular office environment fax. This type of automated maritime connectivity allows vessels to keep moving on the river. They can fax ahead to the next port of call to order supplies, repairs or personnel changes. The crew can phone loved ones at home. The captain can report on his location. The Watercom system was designed specifically for use above maritime vessels and provides user-friendly capabilities which pocket cellular phones cannot.

In the event of emergency, the Watercom system allows communication to shore-based authorities. Working on the water is very hazardous, and this is an excellent tool where cellular phones do not always work.

Mobex Communications purchased Watercom in September 2000. Mobex also acquired Regionet, a company with limited operations using Automated Maritime Telecommunications System Licenses on the East Coast and West Coast. Regionet offered similar services, i.e. voice, fax and two way communications, but had only a few dozen customers and little revenue. The previous owners were not terribly successful in selling service to anyone, Jeff. Nonetheless, this minimal Regionet service revenue was included in the USF filings and remains part of the Maritime Services under which Mobex operated its Automated Maritime Telecommunications Services.

As part of the FCC's requirements for Part 80 AMTS licenses like this, a system must be capable of being interconnected to the PSTN in order to fulfill the automated portion of the FCC's rules for AMTS. Mobex has performed that, even where customers no longer demanded interconnection, the capability exists within every system.

In sum, the service and revenue are Maritime-centric. Attached is a document which further details how calls were made on the Watercom system, and includes diagrams of the calling process.

Item Two: Line 413 Operator Assistance and Line 414 Long Distance.

The FCC's rules state that AMTS licenses must provide the capability of interconnection to maritime users. Watercom did just that in the period 2000-2004, when these rules existed. Revenues which were reported on Lines 413 and Line 414 were derived from the provision of Maritime radio communications service. We terminated calls to our

Mobex charged nothing in 2005 for USF--de minimis revenues (under \$10,000, so that shows no service and customers for vast majority of licenses as of 2005). Mobex also pulled down its interconnection for most stations, and thus was not operating its AMTS CMRS licenses as CMRS.

mobile subscribers which originated on the Public Switched Telephone Network. The PSTN terminated calls which were originated by our mobile subscribers. Calls from one of our subscribers' mobiles to another of our subscribers' mobiles transited the PSTN.

You asked for a customer list, attached is a customer list from 2002. You will see that for the period in question, i.e. 2000-2004, Watercom serviced about 90% of the towboat and barge industry on the Mississippi River, its tributaries (like the Ohio and Illinois) and along the Gulf of Mexico shoreline. Petrochemicals, grain, bauxite, coal, gravel, sand and other basic commodities are moved over this inland waterway system, from Pittsburgh and Minneapolis in the North down through St. Louis to New Orleans in the South, and along the Gulf of Mexico coastline from the Florida panhandle to the Brownsville border of Texas. Watercom allows vessels to move throughout this vast area and communicate with the shore and with each other.

The billing process was based on a mixture of flat rate pricing for airtime in the case of American Commercial Barge Lines, LLC, the largest user, and airtime billing for others, like Ingram Barge Lines, Inc. USF and other taxes would be added to the invoices and clearly labeled as such. Attached is a sample invoice. Please keep customer information confidential, as you indicated you would in your letter. Our customers appreciate having their cost and service level records kept confidential from their competitors in the towboat and barge industry.

Item Three

You requested information on Form 403 responses, including the nature of revenue amounts. You also wondered why Mobex charged nothing in 2005 for USF. That is because mobile satellite companies took the majority of the Watercom business in the years 2004 and early 2005. Mobex pulled down most of its interconnection POTS lines and restricted services to cut costs. Mobex billed customers a flat rate, and did not charge USF. Instead, Mobex realized that its revenue was *de minimus* under any USF standards and that customers were not interconnected. This view has been justified by the resultant refund of monies which Mobex paid into USF in 2005, despite not collecting from the end user for those taxes. Again, Mobex now recognizes that it should never have needed to pay USF fees, or charge customers, because those fees were not due and payable by Part 80 licensees like Mobex.

You also ask whether Mobex would contact customers and inform them of the refund so they may collect their pro rated share. It is my understanding from discussing this with Dave Predmore, Mobex's current chief officer, that Mobex would indeed contact customers and invite them to submit a refund request. Mobex would ask them to submit invoices from the relevant period of time in which they are requesting a refund. This is mainly due to the fact that not all records have been retained by Mobex for the billing periods of 2000-2002. Again, USAC rules seem to support the fact that operators do not need to keep records indefinitely. Nonetheless, we know who the customers were and would contact them.. Mobex and MCLM would be pleased to provide upon request a copy to USAC of each letter sent and any responses received, as well as refunds paid.

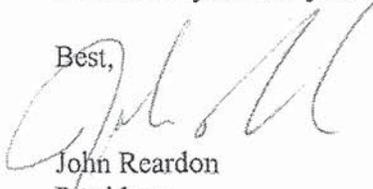
Item Four

Mobex Communications sold the assets of those six entities in November 2001 to CTA, LLC, an unrelated third party based out of Ft. Wayne, Indiana. Those six Mobex legal entities have been dissolved, with the exception of Mobex South Carolina, which is itself an empty shell corporation with no assets. Mobex will take any proper action to inform USAC officially so that these entities are removed from its database.

* * * *

Jeff, I hope this information is helpful. If you have additional questions, I suggest we follow up with a meeting to go over any other items of inquiry you may have. If so, please let me know if you are available for lunch sometime, I am based in Alexandria and could meet you near your offices.

Best,



John Reardon
President
MCLM, LLC



Cc: Dennis C. Brown, Esq.