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May 17, 2012

*Via Hand-Delivery*

Mr. Jeff DeRouen, Executive Director  
Kentucky Public Service Commission  
211 Sower Boulevard  
Frankfort, Kentucky 40602

RECEIVED

MAY 18 2012

PUBLIC SERVICE  
COMMISSION

RE: *Case No. 2009-00110*

Dear Mr. DeRouen:

Please find enclosed for filing an original and ten (10) copies of Nexus Communications, Inc.'s Status Report.

Please place the documents of file. Should you have any questions regarding the enclosed, please contact me at your convenience.

Regards,



Matthew Malone

C: File

**COMMONWEALTH OF KENTUCKY  
BEFORE THE PUBLIC SERVICE COMMISSION**

**RECEIVED**

Petition of Nexus Communications, Inc. for  
Additional Designation as an Eligible  
Telecommunications Carrier in Kentucky

Case No. 2009-00110

MAY 18 2012  
PUBLIC SERVICE  
COMMISSION

**STATUS REPORT OF NEXUS COMMUNICATIONS, INC.**

Nexus Communications, Inc. (“Nexus”) respectfully submits this Status Report pursuant to the request of the Kentucky Public Service Commission (“Commission”). On September 27, 2011, the Commission granted Nexus’ motion to hold the above-captioned proceeding in abeyance. In that Order, the Commission also directed Nexus to file a written status report every 60 days detailing Nexus’ progress in other states.

Over the past 60 days, Nexus has received one new designation of Exempt Telecommunications Carrier (“ETC”) status.<sup>1</sup> Specifically, Nexus received wireless ETC authority in Oklahoma on March 21, 2012. Nexus has pending wireless ETC designation applications before the public utility commissions of Idaho, Indiana, Minnesota, Pennsylvania, Vermont and Washington. Nexus also has an application pending with the Federal Communications Commission (“FCC”) for authority to operate as a wireless ETC in Alabama, Connecticut, the District of Columbia, Delaware, Florida, New Hampshire, New York, North Carolina, Tennessee and Virginia.

On April 24, 2012, Nexus filed its proposed Compliance Plan with the FCC Wireline Competition Bureau in accordance with the provisions of the FCC’s Report and Order in its

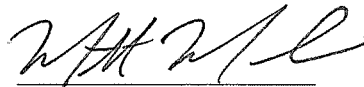
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<sup>1</sup> Nexus previously has been granted ETC status for wireless services, wireline services or both by the state commissions of Alabama, Arkansas, California, Florida, Georgia, Illinois, Iowa, Kansas, Kentucky, Louisiana, Maine, Maryland, Michigan, Mississippi, Missouri, Nevada, New Jersey, North Carolina, Ohio, Oklahoma, Rhode Island, South Carolina, Tennessee, Texas, West Virginia and Wisconsin.

*Lifeline Reform* docket.<sup>2</sup> A copy of the Compliance Plan is attached hereto as Exhibit 1. Nexus is awaiting feedback from Wireline Competition Bureau staff about its proposed Compliance Plan, but it is reasonable to anticipate that this process will be completed within the next one to two months. Under these circumstances, Nexus believes it is appropriate for the Commission to continue to hold Nexus' application in abeyance until the FCC has approved Nexus' Compliance Plan, at which time Nexus will work with the Commission to finalize the application process.

Pursuant to the September 27, 2011 Order, Nexus will again apprise the Commission of its progress again within 60 days.

Respectfully submitted,



Bill May  
Matt Malone

Danielle Frappier  
James W. Tomlinson

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*Counsel for Nexus Communications, Inc.*

May 18, 2012

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<sup>2</sup> *Lifeline and Link Up Reform and Modernization*, WC Docket Nos. 11-42, *et al.*, Report and Order and Further Notice of Proposed Rulemaking, FCC 12-11 (adopted Jan. 31, 2012, released Feb. 6, 2012), available at: [http://transition.fcc.gov/Daily\\_Releases/Daily\\_Business/2012/db0207/FCC-12-11A1.pdf](http://transition.fcc.gov/Daily_Releases/Daily_Business/2012/db0207/FCC-12-11A1.pdf).

**Exhibit 1**  
**Compliance Plan of Nexus Communications, Inc.**  
**Filed with the FCC Wireline Competition Bureau**  
**on April 24, 2012**



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Washington, D.C. 20006-3401

**Danielle Frappier**  
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*VIA ECFS*

April 24, 2012

Marlene H. Dortch  
Secretary  
Federal Communications Commission  
445 12th Street, S.W.  
Washington, DC 20554

**Re: WC Dockets 09-197 and 11-42  
Compliance Plan of Nexus Communications, Inc.**

Dear Secretary Dortch:

Pursuant to the Commission's recent *Lifeline Reform Order* and Public Notice, attached please find the compliance plan of Nexus Communications, Inc. ("Nexus").<sup>1</sup> Nexus is also filing today an amendment to its Petitions for Designation as an Eligible Telecommunications Carrier for Low Income Support Only, which currently are pending before the Commission.

Nexus respectfully requests expedited approval of its Compliance Plan and its Petitions for ETC designation.

Respectfully submitted,

A handwritten signature in black ink that reads "Danielle Frappier".

Danielle Frappier

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<sup>1</sup> *Lifeline and Link Up Reform and Modernization et al.*, WC Docket No. 11-42 *et al.*, Report and Order and Further Notice of Proposed Rulemaking, FCC 12-11 (rel. Feb. 6, 2012); *Wireline Competition Bureau Provides Guidance for the Submission of Compliance Plans Pursuant to the Lifeline Reform Order*, Public Notice, DA 12-314 (WCB rel. Feb. 29, 2012).

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

In the Matter of

Lifeline and Link Up Reform and  
Modernization

Telecommunications Carriers Eligible to  
Receive Universal Service Support

Nexus Communications, Inc. Petition for  
Designation as an Eligible Telecommunications  
Carrier for Low Income Support Only

WC Docket No. 11-42

WC Docket No. 09-197

**COMPLIANCE PLAN OF NEXUS COMMUNICATIONS, INC.**

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*Counsel to Nexus Communications, Inc.*

April 24, 2012

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## SUMMARY

Nexus Communications, Inc. (“Nexus”) hereby seeks to avail itself of the Commission’s grant of forbearance from the “own facilities” requirement by submission of this Compliance Plan. Nexus is submitting simultaneously with this Compliance plan an Amendment to its pending Petitions for designation as an ETC. Nexus will fully comply with all conditions of the recently-amended Lifeline rules and all pertinent conditions in the *Lifeline Reform Order*.

Nexus is technically and financially qualified to provide Lifeline service. Nexus became a CLEC in 2001 and received its first ETC designation in 2006. Nexus is designated as an ETC in 26 states and provides wireline service as an ETC in 13 states, and wireless service in 18 states. Nexus is successfully providing Lifeline supported services and has a steadily increasing customer base. Nexus is financially stable and is fully capable of honoring its service obligations. Nexus offers Lifeline subscribers multiple wireless calling plans to choose from, which are detailed herein.

Nexus will comply with the requirements pertaining to consumer qualifications for Lifeline set forth in new 47 C.F.R. § 54.409 and any state-specific requirements. More specifically, unless otherwise required under applicable state law, Nexus will require all subscribers to demonstrate eligibility based at least on: (1) household income at or below 135% of the Federal Poverty Guidelines; or (2) the household’s participation in one of the federal assistance programs listed in the Commission’s rules. Nexus will confirm that neither the subscriber nor anyone else in the subscriber’s household is subscribed to a Lifeline service. This Compliance Plan describes the procedures by which Nexus will: (1) analyze the eligibility of applicants to obtain Lifeline service; (2) obtain proof of eligibility from applicants; (3) certify the eligibility of applicants (4) collect the necessary information from applicants; (5) require applicants to certify as to their eligibility to receive Lifeline benefits; and (6) annually re-certify



all Lifeline subscribers. Nexus has included as an exhibit its Lifeline applications forms for wireline and wireless services.

Nexus' existing practices comply with the 911/E911 access conditions set forth in the *Lifeline Reform Order*. Specifically, Nexus provides its Lifeline subscribers with 911/E911 access at the time Lifeline service is initiated – regardless of activation status and availability of minutes – and provides its Lifeline subscribers with E911-compliant handsets. Nexus' existing practices provide access to 911/E911 services to the extent these services have been deployed by its underlying carrier. Nexus commits to continue these practices going forward.

Nexus will incorporate in its marketing materials for its Lifeline services, in clear, easily understood language, the various disclosures required by 47 C.F.R. § 54.405. Nexus has attached a representative sample of its marketing materials incorporating these disclosures.

Nexus shares the Commission's commitment to minimize waste, fraud and abuse of Lifeline benefits. Accordingly, Nexus will implement procedures intended to prevent duplicate Lifeline benefits from being awarded to the same household or individual. These measures include practices intended to: (1) prevent duplicates within Nexus' subscriber base; (2) avoid reimbursement for any subscriber until the subscriber activates the service; (3) ceasing reimbursement for subscribers who fail to use the service for a 60-day period; and (4) ensuring that Nexus provides only one Lifeline service per household.

Nexus respectfully requests expeditious approval of its pending Petitions and this Compliance Plan.

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

In the Matter of

Lifeline and Link Up Reform and  
Modernization

Telecommunications Carriers Eligible to  
Receive Universal Service Support

Nexus Communications, Inc. Petition for  
Designation as an Eligible Telecommunications  
Carrier for Low Income Support Only

WC Docket No. 11-42

WC Docket No. 09-197

**COMPLIANCE PLAN OF NEXUS COMMUNICATIONS, INC.**

Nexus Communications, Inc. (“Nexus”), through its undersigned counsel, hereby seeks to avail itself of the Federal Communications Commission’s (“Commission”) grant of forbearance from the “own facilities” requirement set forth in 47 U.S.C. § 214(e)(1)(A) by submission of this Compliance Plan. Nexus’ Compliance Plan is filed in accordance with the procedures established in the *Lifeline Reform Order*<sup>1</sup> and clarified the *Public Notice* issued by the Wireline Competition Bureau on February 29, 2012.<sup>2</sup> Nexus is submitting simultaneously with this

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<sup>1</sup> *Lifeline and Link Up Reform and Modernization et al.*, WC Docket No. 11-42 et al., Report and Order and Further Notice of Proposed Rulemaking, FCC 12-11 (FCC, rel. Feb. 6, 2012) (“*Lifeline Reform Order*”). Nexus believes that there may still exist a good faith basis for it to continue to operate as a facilities-based carrier. Under the Commission’s recently amended regulations governing the Lifeline program, however, it appears that retaining its facilities-based status no longer provides any material benefits to Nexus or its subscribers. Should this change in the future, Nexus reserves the right to seek relief from the Commission to reinstate its status as a facilities-based carrier under applicable federal law.

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

Compliance plan an Amendment<sup>3</sup> to its pending Petitions for designation as an eligible telecommunications carrier (“ETC”).<sup>4</sup>

Nexus respectfully requests expeditious approval of its Petition and its Compliance Plan so that the Company may continue to provide essential Lifeline service to eligible low-income customers in states where it currently operates and may provide eligible low income consumers Lifeline wireless service options in additional states in the future.

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

## **I. INFORMATION ABOUT NEXUS AND THE LIFELINE PLANS IT OFFERS**

### **A. Company Information**

Nexus Communications, Inc. (“Nexus”) is a privately-held company. It is organized under Ohio law and is headquartered in Columbus, Ohio. Nexus has no holding company. Nexus owns 100% of Telecom Services, Inc., but that company does not provide telecommunications services.

Nexus operates its wireline business under the names TSI and TSI Telephone Company, and operates its wireless business under the name ReachOut Wireless.<sup>5</sup>

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<sup>3</sup> *Nexus Communications, Inc. Petition for Designation as an Eligible Telecommunications Carrier for Low Income Support Only*, Amendment to Petition, WC Docket No. 09-197 (filed April 24, 2012).

<sup>4</sup> *Petition of Nexus Communications, Inc. for Designation as an Eligible Telecommunications Carrier for Low Income Support Only*, Petition, WC Docket No. 09-197 (filed April 5, 2011; amended April 24, 2012); *Petition of Nexus Communications, Inc. for Designation as an Eligible Telecommunications Carrier for Low Income Support Only*, Petition, WC Docket No. 09-197 (filed June 3, 2011; amended April 24, 2012).

## **B. Nexus' Financial and Technical Capabilities to Provide Lifeline Service**

Nexus has been in business since 2000. Nexus became a competitive local exchange carrier in 2001 and received its first ETC designation in June 2006. Nexus now focuses on providing service to low income consumers. Nexus has been designated as an ETC in a total of 26 states.<sup>6</sup> It provides wireline service as an ETC in 13 states,<sup>7</sup> and wireless service in 18 states.<sup>8</sup> Nexus does not seek, and will not accept, High Cost support in any of those states. Nexus is successfully providing Lifeline supported services in these states and has a steadily increasing customer base. Nexus' management has many years of experience in the telecommunications industry and Nexus has very good relationships with the commissions in the states in which it operates.

Nexus owns and operates its own network facilities, back-office and operations support systems that are ideally suited to serve lower revenue subscribers. Nexus has made a significant financial investment to evaluate, design, develop and integrate these systems.

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<sup>5</sup> Nexus' wireline facilities differ from its wireless operations and Nexus believes that its wireline facilities continue to meet the "own facilities" requirements of 47 U.S.C. § 214(e)(1)(A) even after the recent Commission orders and amendments to the statute implementing regulation found at 47 C.F.R. § 54.101. Nevertheless, there is now little practical difference between having facilities-based and forbearance status. In light of the foregoing and the fact that Nexus is a single entity with both wireline and wireless operations, Nexus has determined that for purposes of its own administrative convenience, it seeks forbearance for all of Nexus' operations—both wireline and wireless.

<sup>6</sup> Nexus has been designated an ETC in the following states: Alabama, Arkansas, California, Florida, Georgia, Illinois, Iowa, Kansas, Kentucky, Louisiana, Maine, Maryland, Michigan, Mississippi, Missouri, Nevada, New Jersey, North Carolina, Ohio, Oklahoma, Rhode Island, South Carolina, Tennessee, Texas, West Virginia and Wisconsin.

<sup>7</sup> Those states are Alabama, Arkansas, Illinois, Kansas, Louisiana, Michigan, Mississippi, North Carolina, Oklahoma, South Carolina, Tennessee, Texas and Wisconsin. Although Nexus has been designated a wireline ETC in Florida and Kentucky, it currently only provides services on a resold basis in these states. In other words, Nexus resells the wireline services of an ILEC, which passes through a Lifeline discount on the wholesale line it sells to Nexus. Nexus does not file FCC Form 497s for its wireline operations in these states. Nevertheless, Nexus seeks forbearance for its ETC designations in Florida and Kentucky.

<sup>8</sup> Those states are Arkansas, California, Georgia, Iowa, Illinois, Kansas, Louisiana, Maine, Maryland, Michigan, Mississippi, Missouri, Nevada, New Jersey, Ohio, Rhode Island, West Virginia and Wisconsin.

With respect to its network investment, Nexus owns and operates its own switching and other facilities located in the state of Ohio, which are housed in a Tier IV co-location facility.<sup>9</sup>

Nexus is financially stable and fully capable of honoring its service obligations to customers and federal and state regulatory obligations. Although Nexus currently derives the majority of its revenue from the sale of prepaid wireless services, Nexus does not rely exclusively on disbursements from the Lifeline program to operate. For example, Nexus derives additional revenue from the sale of wireline and wireless services to non-Lifeline customers, and the sale of optional replenishment airtime and text minutes.

### **C. Geographic Area of Nexus' Service Offerings**

Nexus first began providing wireline ETC service in the second quarter of 2006 and the company now provides this service in the following states: Alabama, Arkansas, Illinois, Kansas, Louisiana, Michigan, Mississippi, North Carolina, Oklahoma, South Carolina, Tennessee, Texas and Wisconsin. Further, it provides wireline Lifeline service on a resold basis in Florida and Kentucky.<sup>10</sup>

In the second quarter of 2009, Nexus began to offer wireless services in recognition of the high demand for such services in the communities it services. Consumers indicated a strong preference for mobile wireless services and Nexus has worked to satisfy this demand by growing and investing in wireless technology. Nexus' wireless offerings have been very successful with low income consumers and the company now provides prepaid wireless ETC service in the following states: Arkansas, California, Georgia, Iowa, Illinois, Kansas, Louisiana, Maine,

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<sup>9</sup> Because Nexus owns and operates its own network facilities, Nexus reserves the right to demonstrate to a state public utilities commission that it provides service using its own facilities in a state for purposes of a state-level universal service funding under state program rules and requirements.

<sup>10</sup> See *supra* note 7. Nexus will comply with the requirements listed at the newly-revised 47 C.F.R. § 54.417(c) for resellers for its resale operations in Florida and Kentucky. To the extent that Nexus avails itself of its ETC status in these states, it will comply with all applicable Commission rules.

Maryland, Michigan, Mississippi, Missouri, Nevada, New Jersey, Ohio, Rhode Island, West Virginia and Wisconsin.

**D. Nexus' Lifeline Service Plans**

Nexus offers the following prepaid wireless service plans for its Lifeline subscribers:

250 Minute Plan (non-rollover) (all states except California): Minutes are “anytime” minutes and can be used for domestic calls, including local or intrastate/interstate long distance calls. Unused minutes or domestic Short Message Service ("SMS") text messages do not carry over to the following month. SMS text messaging is available at a rate of one text per minute of airtime.

125 Minute Plan (rollover) (all states except California): Minutes are “anytime” minutes and can be used for domestic calls, including local or intrastate/interstate long distance calls. Unused minutes or domestic SMS text messages carry over to the following month. SMS text messaging is available at a rate of one text per minute of airtime.

68 Minute Plan (rollover) (all states except California): Minutes are “anytime” minutes and can be used for domestic calls, including local or intrastate/interstate long distance calls. Unused minutes or domestic SMS text messages carry over to the following month. Domestic SMS text messaging is available at a rate of two text messages per each minute of airtime.<sup>11</sup>

California 250 Minute Plan: Minutes are “anytime” minutes and can be used for domestic calls, including local or intrastate/interstate long distance calls. Unused minutes or SMS text messages do not carry over to the following month. Domestic SMS text messaging is available at a rate of one text message per each minute of airtime. There is a minimum out-of-pocket charge of \$2.50 per month.

California 500 Minute Plan: Minutes are “anytime” minutes and can be used for domestic calls, including local or intrastate/interstate long distance calls. Unused minutes or SMS text messages do not carry over to the following month. Domestic SMS text messaging is available at a rate of one text message per each minute of airtime. There is a minimum out-of-pocket charge of \$5.00 per month.

California 1000 Minute Plan: Minutes are “anytime” minutes and can be used for domestic calls, including local or intrastate/interstate long distance calls. Unused minutes or SMS text messages do not carry over to the following month. Domestic SMS text messaging is available at a rate of one text message per each minute of airtime. There is a minimum out-of-pocket charge of \$20.00 per month.

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<sup>11</sup> The 68 minute plan is an older plan which, while technically still available, is not a plan that subscribers typically select given that they may obtain other plans with more minutes for similar rates, terms and conditions.

All plans include at no extra charge: free 911-compliant handset; “anytime” nationwide minutes that can be used for domestic calls, including local or intrastate/interstate long distance calls.

Nexus’ Lifeline customers in states other than California may purchase additional minutes on a prepaid basis in denominations of \$3.00 (20 minutes), \$5.00 (40 minutes), \$10.00 (120 minutes), \$20.00 (300 minutes), \$30.00 (500 minutes), and \$50.00 (950 minutes). Nexus also offers an unlimited talk and text additional airtime card. This card provides unlimited local and domestic long distance calling, and unlimited text messaging for thirty (30) calendar days. The cost to Lifeline subscribers is \$26.50.

Nexus’ California subscribers may purchase additional minutes on a prepaid basis in denominations of \$3.00 (91 minutes), \$5.00 (152 minutes), \$10.00 (304 minutes), \$20.00 (607 minutes), \$30.00 (910 minutes), and \$50.00 (1,516 minutes), all billed at \$0.033 per minute. All minutes are valid for 30 days from date of replenishment. Nexus’ California subscribers may also purchase the unlimited talk and text additional airtime card.

International SMS text messaging is available at a rate of \$0.20 for each international text sent or received. The rate for directory assistance calls is \$1.50 per request. Nexus permits Lifeline subscribers to block international calls at no additional charge. There is no deduction of minutes for calls to 911 or Nexus' customer service department.

Calls from the handset checking or retrieving voicemails count against the voice minutes provided by the plan. Calls from a source other than the handset checking or retrieving voicemail messages and incoming calls that leave a voicemail message are free to the Nexus end user. Calls to 911 emergency services are always free, and may be made regardless of service activation or availability of minutes.

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

The *Public Notice* requires carriers to include certifications required under newly amended 47 C.F.R. § 54.202. Nexus hereby certifies that it will comply with the service requirements applicable to the support it receives.<sup>12</sup> Specifically, Nexus' Lifeline services: (i) include voice telephony services that provide voice grade access to the public switched network or its functional equivalent; (ii) provide subscribers with a defined number of minutes of usage for local service at no additional charges (as described above in Section I(D)); (iii) provide subscribers with access to the emergency services provided by local government or other public safety organizations, such as 911/E911 to the extent the local government in Nexus' service area has implemented 911/E911 systems (as described below in Section III); and (iv) toll limitation for qualifying low-income consumers.<sup>13</sup>

**II. NEXUS' PLANS FOR COMPLIANCE WITH NEW COMMISSION RULES RELATING TO DETERMINATIONS OF SUBSCRIBER ELIGIBILITY FOR LIFELINE SERVICES**

Nexus will comply with the requirements pertaining to consumer qualifications for Lifeline set forth in new section 54.409 of the Commission's rules<sup>14</sup> upon its effective date and any state-specific requirements in the various states in which Nexus has been (or will be) designated an ETC. More specifically, Nexus will require all subscribers to demonstrate eligibility based at least on: (1) household income at or below 135% of the Federal Poverty Guidelines for a household of that size; or (2) the household's participation in one of the federal

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<sup>12</sup> 47 C.F.R. § 54.202(a)(1).

<sup>13</sup> Toll limitation means both toll blocking and toll control, or, if a carrier is not capable of providing both toll blocking and toll control, then toll limitation is defined as either toll blocking or toll control. Nexus will meet the requirement to provide toll limitation to Lifeline subscribers by offering service on a prepaid, or pay-as-you-go, basis, as well as toll blocking for international calls. As the Commission found in its grant of ETC designation to Virgin Mobile, "the prepaid nature of [a prepaid wireless carrier's] service offering works as an effective toll control." *Virgin Mobile USA, L.P. Petition for Forbearance from 47 U.S.C. § 214(e)(1)(A)*, Order, 24 FCC Rcd. 3381, 3394 at ¶ 34 (2009). Moreover, Nexus will provide traditional toll blocking for international calls to qualifying low income consumers at no additional charge. Nexus also provides its users with the ability to monitor their minute usage and balance as an additional means of controlling their communications budget.

<sup>14</sup> 47 C.F.R. § 54.509.



assistance programs listed in new 47 C.F.R. § 54.409(a)(2) or 47 C.F.R. § 54.409(a)(3). Nexus also will confirm that the subscriber is not already receiving a Lifeline service and that no one else in the subscriber's household is subscribed to a Lifeline service.<sup>15</sup>

**A. Nexus' Procedures to Determine Consumer Eligibility for the Lifeline Program**

**Analysis of Lifeline Eligibility.** If Nexus cannot determine an applicant's eligibility for Lifeline by accessing income databases or program eligibility databases, Nexus personnel (either employees or third party customer service representatives) will review documents to establish eligibility in accordance with the criteria set forth in 47 C.F.R. § 54.409. All Nexus personnel who interact with existing Lifeline customers or Lifeline applicants will be fully trained in assisting Lifeline applicants with Lifeline eligibility. All Nexus personnel will be trained to answer questions about Lifeline requirements, and how to review required documentation to determine whether it satisfies the *Lifeline Reform Order* and state-specific eligibility requirements using state specific checklists. All Nexus personnel involved in enrolling Lifeline applicants will be trained on the Commission's revised Lifeline eligibility rules and Nexus' practices and policies designed to implement these new rules.

**Proof of Lifeline Eligibility.** Nexus will follow the Commission's requirements pertaining to acceptable documentation to establish eligibility based either on income level or participation in a qualified government assistance program. Specifically, acceptable documentation of program eligibility will include: (1) the current or prior year's statement of benefits from a qualifying state, federal or Tribal program; (2) a notice letter of participation in a qualifying state, federal or Tribal program; (3) program participation documents (*e.g.*, the consumer's Supplemental Nutrition Assistance Program ("SNAP") electronic benefit transfer

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<sup>15</sup> 47 C.F.R. § 54.409(c).

card or Medicaid participation card (or copy thereof); or (4) another official document evidencing the consumer's participation in a qualifying state, federal or Tribal program.<sup>16</sup> Acceptable documentation of income eligibility will include: (1) the prior year's state, federal, or Tribal tax return; (2) current income statement from an employer or paycheck stub; (3) a Social Security statement of benefits; (4) a Veterans Administration statement of benefits; (5) a retirement/pension statement of benefits; (6) an Unemployment/Workers' Compensation statement of benefit; (7) federal or Tribal notice letter of participation in General Assistance; (8) or a divorce decree, child support award, or other official document containing income information. If the prospective subscriber presents Nexus with documentation of income that does not cover a full year, the prospective subscriber must present the same type of documentation covering three consecutive months within the previous twelve months.<sup>17</sup> Nexus will keep and maintain accurate records detailing the data source used to determine a subscriber's eligibility or the documentation the subscriber provided to demonstrate eligibility for Lifeline. Nexus' personnel will examine and record the type of documentation presented by each prospective Lifeline subscriber.<sup>18</sup> If an applicant is unable to provide documentary proof of eligibility based on either household income level or current participation in a qualified program, Nexus will deny that application.

#### **B. Nexus' Procedures for Subscriber Certifications**

In the *Lifeline Reform Order*, the Commission established a path for a transition to a national, governmental database that will be used to confirm the initial and continued eligibility of a Lifeline customer.<sup>19</sup> Nexus will utilize that database when it becomes operational. Until

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<sup>16</sup> *Lifeline Reform Order* at ¶ 101.

<sup>17</sup> 47 C.F.R. § 54.410(b)(1)(i)(B).

<sup>18</sup> 47 C.F.R. § 54.410(b)(1)(ii) - (iii); 47 C.F.R. § 54.410(c)(1)(ii)-(iii).

<sup>19</sup> See *Lifeline Reform Order* at ¶ 403.

that time, however, Nexus will adhere to the following procedures for enrolling prospective customers into the Lifeline program.

Nexus will implement certification procedures that will enable prospective customers to demonstrate their eligibility by contacting Nexus either in person or by telephone, facsimile, over the Internet, or other electronic transmission. Nexus personnel involved in enrolling Lifeline applicants will verbally recite the certifications to Lifeline applicants where when enrolling in person or over the phone. Prospective customers who do not complete Nexus' Lifeline Application in person must return the signed document and eligibility documentation to Nexus by mail, facsimile, electronic mail or other electronic transmission. Nexus will accept electronic signatures that meet the requirements of the Electronic Signatures in Global and National Commerce Act, 15 U.S.C. §§ 7001-7006 and any applicable state laws.<sup>20</sup>

Every prospective subscriber will be required to complete and sign a Nexus' revised "Lifeline Application." A sample of this document is provided as Exhibit 1. Nexus will modify its Lifeline Application as necessary for use in certain states that have specific requirements, such as additional qualifying programs, but the operative language of Exhibit 1 will remain constant. Nexus's Lifeline Application conforms to the requirements of the *Lifeline Reform Order*, 47 C.F.R. § 54.410(d) and 47 C.F.R. § 54.405.

**Information Collected.** Nexus will collect the following information from prospective subscriber in its Lifeline Application form: (1) the subscriber's full name; (2) the subscriber's full residential address (P.O. Boxes are not permitted); (3) whether the residential address is permanent or temporary; (4) the subscriber's billing address, if different; (5) the subscriber's date of birth; (6) the last four digits of the subscriber's Social Security number (or Tribal identification number if the subscriber is a member of a Tribal nation and does not have a Social

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<sup>20</sup> See *Lifeline Reform Order* at ¶ 168; 47 C.F.R. § 54.419.

Security number<sup>21</sup>); (7) if the subscriber is seeking to qualify for Lifeline under the program-based criteria, the name of the qualifying assistance program from which the subscriber, or his or her dependents, or his or her household receives benefits; and (8) if the subscriber is seeking to qualify for Lifeline under the income-based criterion, the number of individuals in his or her household.<sup>22</sup>

**Applicant Certification.** In accordance with 47 C.F.R. § 54.410(d), in its Lifeline Application, Nexus will require all Lifeline applicants to certify, under penalty of perjury, that: (1) the subscriber meets the income-based or program-based eligibility criteria for receiving Lifeline; (2) the subscriber will notify Nexus within 30 days if, for any reason, he or she no longer satisfies the criteria for receiving Lifeline including, as relevant, if the applicant no longer meets the income-based or program-based criteria for receiving Lifeline support, the subscriber is receiving more than one Lifeline benefit, or another member of the subscriber's household is receiving a Lifeline benefit; (3) if the subscriber is seeking to qualify for Lifeline as an eligible resident of Tribal lands, that he or she lives on Tribal lands;<sup>23</sup> (4) if the subscriber moves to a new address, that he or she will provide that new address to Nexus within 30 days; (5) if the subscriber provided a temporary residential address to Nexus, the subscriber will be required to verify his or her temporary residential address every 90 days; (6) the subscriber's household will receive only one Lifeline service and, to the best of the applicant's knowledge, the subscriber's household is not already receiving a Lifeline service; (7) the information contained in the subscriber's application/certification form is true and correct to the best of the subscriber's knowledge; (8) the subscriber acknowledges that providing false or fraudulent information to

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<sup>21</sup> Nexus will only include language regarding a Tribal identification number on forms used in states with Tribal areas.

<sup>22</sup> 47 C.F.R. § 54.410(d)(2).

<sup>23</sup> Because Nexus' designated service includes only one state with Tribal lands (Oklahoma), only Nexus' Lifeline Application specifically for Oklahoma will include this certification.

receive Lifeline benefits is punishable by law; and (9) the subscriber acknowledges that he or she may be required to re-certify his or her continued eligibility for Lifeline at any time, and that his or her failure to re-certify as to continued eligibility will result in de-enrollment and the termination of the subscriber's Lifeline benefits.<sup>24</sup>

In accordance with 47 C.F.R. § 54.410(d)(1), Nexus' Lifeline Application will disclose the following information: (1) Lifeline is a federal benefit and willfully making false statements to obtain the benefit can result in fines, imprisonment, de-enrollment or being barred from the program; (2) only one Lifeline service is available per household; (3) 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; (4) a household is not permitted to receive Lifeline benefits from multiple providers; (5) violation of the one-per-household limitation constitutes a violation of the Commission's rules and will result in the subscriber's de-enrollment from the program; and (6) Lifeline is a non-transferable benefit and the subscriber may not transfer his or her benefit to any other person.<sup>25</sup>

Finally, in accordance with 47 C.F.R. § 54.405(c), Nexus' Lifeline Application will indicate, using easily understood language, (1) that the service is a Lifeline service; (2) that Lifeline is a government assistance program; (3) that the service is non-transferrable; (4) that only eligible consumers may enroll in the program; and (5) that the program is limited to one discount per household.<sup>26</sup>

### **C. Nexus' Procedures for Annual Verification of Lifeline Customers**

In accordance with the requirements of the *Lifeline Reform Order* and 47 C.F.R. § 54.410(f), Nexus will annually re-certify all of its Lifeline subscribers by either (1) querying the

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<sup>24</sup> See Exhibit 1.

<sup>25</sup> *Id.*

<sup>26</sup> *Id.*

appropriate eligibility or income databases, confirming that the subscriber continues to meet the program- or income-based eligibility requirements for Lifeline and documenting the results of that review, or (2) obtaining a signed certification from the subscriber that meets the certification requirements set forth in 47 C.F.R. § 54.410(d). Nexus' annual certification will include a confirmation from the subscriber that the applicant's household receives only one Lifeline service and, to the best of the subscriber's knowledge, the subscriber's household is receiving no more than one Lifeline service. Additionally, Nexus' verification materials will inform the subscriber that he or she is being contacted to re-certify his or her continuing eligibility for Lifeline and if the subscriber fails to respond, he or she will be de-enrolled in the program.

For 2012, Nexus will re-certify the eligibility of its Lifeline subscriber base as of June 1, 2012 on a rolling basis by the end of 2012 and report the results to USAC by January 31, 2012.<sup>27</sup> Nexus will notify its subscribers in writing that a failure to respond to the recertification request will result in de-enrollment in the Lifeline program.<sup>28</sup> Nexus will de-enroll subscribers who do not respond to the annual verification or fail to provide proof of continued eligibility in accordance with the procedures set forth in 47 C.F.R. § 54.405(e)(4).

### **III. NEXUS' PLANS FOR COMPLIANCE WITH THE FORBEARANCE CONDITIONS RELATING TO PUBLIC SAFETY AND 911/E911 ACCESS**

Nexus' existing practices comply with the 911/E911 access conditions set forth in paragraph 373 of the *Lifeline Reform Order*. Specifically, Nexus currently: (1) provides its Lifeline subscribers with 911/E911 access at the time Lifeline service is initiated, regardless of activation status and availability of minutes, and (2) provides its Lifeline subscribers with E911-compliant handsets and replaces, at no additional charge to the subscriber, noncompliant handsets of Lifeline-eligible subscribers who obtain Lifeline-supported services. Nexus' existing

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<sup>27</sup> *Lifeline Reform Order* at ¶ 130.

<sup>28</sup> *Id.* at ¶ 142.

practices currently provide access to 911 and E911 services to the extent that these services have been deployed by its underlying wireless carrier. Nexus commits to continue these practices going forward.

**IV. NEXUS' PLANS FOR COMPLIANCE WITH THE COMMISSION'S MARKETING AND DISCLOSURE REQUIREMENTS FOR PARTICIPATION IN THE LIFELINE PROGRAM**

Nexus will incorporate into its marketing materials for its Lifeline services, in clear, easily understood language: (1) that the service and supported by Lifeline, a government program; (2) that only eligible consumers may enroll in the program; (3) what documentation is necessary for enrollment; (4) that the benefit is limited to one per household and is non-transferrable; (5) 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>29</sup> Nexus also will disclose its name (the ETC) on all marketing materials.<sup>30</sup> A representative sample of Nexus' revised marketing materials incorporating these disclosures is attached as Exhibit 2.

**V. NEXUS' PROCEDURES AND EFFORTS TO PREVENT WASTE, FRAUD AND ABUSE IN CONNECTION WITH LIFELINE FUNDS**

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

**Prevention of Duplicates within Nexus' Subscriber Base.** Lifeline applications to Nexus that are preliminarily deemed eligible are submitted to a data entry process, including verifying the address against the USPS database file of valid U.S. addresses. A Lifeline applicant's address, name, and the last four digits of his or her social security number are then

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<sup>29</sup> *Lifeline Reform Order* at ¶ 275; 47 C.F.R. § 54.405(c).

<sup>30</sup> *Lifeline Reform Order* at ¶ 275; 47 C.F.R. § 54.405(d).

queried against all of Nexus' active Lifeline subscribers (both wireline and wireless), in all states in which Nexus operates. If it is found that Nexus is already providing Lifeline service to the same subscriber or household, the application is rejected. Nexus commits to continuing these practices going forward.

**Service Activation.** Nexus will not seek reimbursement for Lifeline service for any subscriber until the subscriber activates the service, which may be done by taking such actions as dialing an outgoing call. Nexus commits to continuing these practices going forward.

**Non-Usage Policy.** From the beginning of its wireless operations in 2009, Nexus voluntarily adopted a policy whereby a subscriber who has not used his or her handset within 60 days is de-enrolled from the Lifeline program (after a 30-day notice period). Upon de-enrollment, Nexus ceases seeking Lifeline reimbursements for that subscriber. Nexus' non-usage policy ensures that only subscribers who actually utilize their wireless service continue to receive Lifeline-subsidized service, and that Nexus only receives Lifeline support for those subscribers who remain enrolled in the program. Nexus commits to continuing this practice in conformance with the requirements of 47 C.F.R. § 54.405(e)(3).

Specifically, after 60 days of non-use,<sup>31</sup> Nexus will provide notice to the subscriber that failure to use the Lifeline service or provide other confirmation to Nexus that the subscriber wishes to retain their Lifeline service within 30 days from the date of the de-enrollment notice will result in de-enrollment from the Lifeline program.<sup>32</sup> Nexus will not request further Lifeline

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<sup>31</sup> Subscribers can "use" the service by: (1) completing an outbound call; (2) purchasing minutes from Nexus to add to the subscriber's plan; (3) answering an incoming call from a party other than Nexus; or (4) responding to a direct contact from Nexus confirming that the subscriber wants to continue receiving the service. 47 C.F.R. § 54.407(c)(2).

<sup>32</sup> 47 C.F.R. § 54.405(e)(3).



reimbursement for any de-enrolled customer and Nexus will report annually to the Commission the number of subscribers de-enrolled for non-usage by month.<sup>33</sup>

**One Per Household Rule.** Nexus will implement policies and practices in accordance with the Commission's rules and the *Lifeline Reform Order* to ensure that it provides only one Lifeline service per household. As described above, Nexus has already implemented procedures to ensure that Nexus itself only provides one Lifeline service per household. When the National Lifeline Accountability Database becomes available, Nexus will fully comply with the requirements of 47 C.F.R. § 54.404 and utilize the database to determine if an applicant is currently receiving Lifeline service from another carrier or if another person residing at the applicant's residential address is receiving Lifeline service. Finally, if Nexus has a reasonable basis to believe that one of its Lifeline subscribers no longer meets the eligibility criteria, for example, due to a violation of the one-per-household rule, Nexus will initiate its termination process in accordance with the procedures set forth in 47 C.F.R. § 54.405(e)(1).

## **VI. CONCLUSION**

Nexus submits that the foregoing Compliance Plan fully satisfies the conditions set forth in the *Lifeline Reform Order*, the *Public Notice* and in the Commission's rules pertaining to Lifeline. Accordingly, Nexus respectfully requests expeditious approval of its pending ETC Petition and this Compliance Plan so that Nexus may continue to provide essential Lifeline service to eligible low-income customers in states where it currently operates and may provide eligible consumers Lifeline wireless service options in additional states.

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<sup>33</sup> 47 C.F.R. § 54.405(e)(3).

Respectfully submitted,



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Danielle Frappier  
James W. Tomlinson  
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1919 Pennsylvania Avenue, N.W., Suite 800  
Washington, D.C. 20006-3401  
(202) 973 - 4200

*Counsel to Nexus Communications, Inc.*

April 24, 2012

Exhibit 1  
Lifeline Applications



Fax to: 1-877-870-9333 Email to: enroll@reachoutmobile.com or  
 Mail to: ReachOut Wireless, PO Box 247168, Columbus, OH 43224-7168



\_\_\_ 125 FREE Rollover Minutes      \_\_\_ 250 FREE Non-Rollover Minutes

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

Eligibility for Lifeline may apply if your household income is at or below 135% of the Federal Poverty Guidelines for a household of that size. Indicate which income range applies to you in the chart. You must provide proof of eligibility based on income, which can include:	Check One	Persons in Household	Annual Income	Monthly Income
<ul style="list-style-type: none"> <li>• Last year's federal or state tax return</li> <li>• Current income statement from an employer or paycheck stub (must cover 3 consecutive months within the previous 12 months)</li> <li>• A Social Security statement of benefits</li> <li>• A retirement/pension statement of benefits</li> <li>• An Unemployment/Workers' Compensation statement of benefit</li> <li>• Federal notice letter of participation in General Assistance</li> <li>• Divorce decree, child support award or other official document containing income information</li> </ul>	<input type="checkbox"/>	1	\$15,080	\$1,257
	<input type="checkbox"/>	2	\$20,426	\$1,702
	<input type="checkbox"/>	3	\$25,772	\$2,148
	<input type="checkbox"/>	4	\$31,118	\$2,593
	<input type="checkbox"/>	5	\$36,464	\$3,039
	<input type="checkbox"/>	6	\$41,810	\$3,484
	<input type="checkbox"/>	7	\$47,156	\$3,930
	<input type="checkbox"/>	8	\$52,502	\$4,375
	<input type="checkbox"/>	For each add'l person, add:	\$5,346	\$446

Last Name: \_\_\_\_\_ First Name: \_\_\_\_\_ Middle Initial: \_\_\_\_\_

Last 4 digits of Soc. Security #: \_\_\_\_\_ Date of Birth: \_\_\_\_\_

Residential Address: \_\_\_\_\_ Apt. \_\_\_\_\_ City: \_\_\_\_\_ State: \_\_\_ Zip: \_\_\_\_\_

(no P.O. Box for res. address) This is my (check one): \_\_\_ Permanent Address \_\_\_ Temporary Address

If you move, you must update your residential address with ReachOut Wireless within 30 days.

Billing Address (if different): \_\_\_\_\_ Apt. \_\_\_\_\_ City: \_\_\_\_\_ State: \_\_\_ Zip: \_\_\_\_\_

I certify that:

- \_\_\_ I acknowledge that Lifeline is a government assistance program and that willfully making false statements to obtain the benefit can result in fines, imprisonment, de-enrollment or being barred from the program.
- \_\_\_ I acknowledge that only Lifeline eligible consumers may enroll in the Lifeline Program.
- \_\_\_ I acknowledge that only one Lifeline service is available per household, and that, to the best of my knowledge, no other person in my household is receiving a Lifeline service. (For purposes of Lifeline, a "household" is any individual or group of individuals who live together at the same address and share income and expenses.)
- \_\_\_ I acknowledge that a household is not permitted to receive Lifeline benefits from multiple providers and that violation of this limitation constitutes a violation of the rules of the Federal Communications Commission and will result in de-enrollment from the Lifeline program. If I am participating in another Lifeline program at the time I apply for ReachOut Wireless Lifeline service, I agree to cancel that Lifeline service with any other provider.
- \_\_\_ I acknowledge that Lifeline is non-transferable and that I may not transfer my benefit to any other person.
- \_\_\_ I acknowledge that providing false or fraudulent information to receive Lifeline benefits is punishable by law.
- \_\_\_ I will notify ReachOut Wireless within 30 days if for any reason I no longer satisfy the criteria for receiving Lifeline services, such as no longer meeting the income levels, or if I or a member of my household receives another Lifeline benefit.
- \_\_\_ I acknowledge that I may be required to re-certify to my continued eligibility for Lifeline at any time, and that my failure to re-certify will result in de-enrollment and termination of my Lifeline benefits.
- \_\_\_ If I move to a new address, I will provide the new address to ReachOut Wireless within 30 days.
- \_\_\_ If I provided a temporary address, I will be required to verify my temporary address every 90 days. If I do not provide verification within 30 days, I will be de-enrolled from the Lifeline program.
- \_\_\_ I authorize Reachout Wireless to access any governmental state or federal records or database located anywhere required to verify my statements herein and to confirm my continued eligibility for Lifeline and authorize social service agency representatives to discuss with and/or provide information to ReachOut Wireless verifying my participation in programs that qualify me for Lifeline. I also authorize ReachOut Wireless to release any records required for the administration of ReachOut Wireless' Lifeline program, including to the Universal Service Administrative Company (USAC) to be used in a Lifeline Program Database. I understand that the records are required to ensure the proper administration of the Lifeline program and that failure to provide consent will result in the applicant being denied the Lifeline service.
- \_\_\_ I certify under penalty of perjury that the information contained in this certification is true and correct to the best of my knowledge.

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

Date \_\_\_\_\_



Fax to: 1-800-700-5576 Email to: enroll@TSIHomePhone.com or
Mail to: TSI Home Phone, PO Box 247168, Columbus, OH 43224-7168

WIRELINELIFELINE APPLICATION – PROGRAM BASED

I certify that I participate in one of the following programs (check one):

- Food Stamps (SNAP) Medicaid
Federal Public Housing Assistance (Section 8) Temporary Assistance to Needy Families (TANF)
National School Lunch Free Lunch Program Supplemental Social Security (SSI)
Low-Income Home Energy Assistance Program (LIHEAP) If you wish to qualify based on income, a different form is required.

You must provide documentation demonstrating your current participation in the program checked above.

Last Name: First Name: Middle Initial:

Last 4 digits of Soc. Security #: Date of Birth:

Residential Address: Apt. City: State: Zip:

(no P.O. Box for res. address) This is my (check one): Permanent Address Temporary Address

If you move, you must update your residential address with TSI Home Phone within 30 days

Billing Address (if different): Apt. City: State: Zip:

I certify that:

- I acknowledge that Lifeline is a government assistance program and that willfully making false statements to obtain the benefit can result in fines, imprisonment, de-enrollment or being barred from the program.
I acknowledge that only Lifeline eligible consumers may enroll in the Lifeline Program.
I acknowledge that only one Lifeline service is available per household, and that, to the best of my knowledge, no other person in my household is receiving a Lifeline service.
I acknowledge that a household is not permitted to receive Lifeline benefits from multiple providers and that violation of this limitation constitutes a violation of the rules of the Federal Communications Commission and will result in de-enrollment from the Lifeline program.
I acknowledge that Lifeline is non-transferable and that I may not transfer my benefit to any other person.
I acknowledge that providing false or fraudulent information to receive Lifeline benefits is punishable by law.
I will notify TSI Home Phone within 30 days if for any reason I no longer satisfy the criteria for receiving Lifeline services, such as no longer participating in any of qualifying program, or if I or a member of my household receives another Lifeline benefit.
I acknowledge that I may be required to re-certify to my continued eligibility for Lifeline at any time, and that my failure to re-certify will result in de-enrollment and termination of my Lifeline benefits.
If I move to a new address, I will provide the new address to TSI Home Phone within 30 days.
If I provided a temporary address, I will be required to verify my temporary address every 90 days. If I do not provide verification within 30 days, I will be de-enrolled from the Lifeline program.
I authorize TSI Home Phone to access any governmental state or federal records or database located anywhere required to verify my statements herein and to confirm my continued eligibility for Lifeline and authorize social service agency representatives to discuss with and/or provide information to TSI Home Phone verifying my participation in programs that qualify me for Lifeline.
I certify under penalty of perjury that the information contained in this certification is true and correct to the best of my knowledge.

Applicant's Signature:

Date:



Fax to: 1-800-700-5576 Email to: enroll@TSIHomePhone.com or  
 Mail to: TSI Home Phone, PO Box 247168, Columbus, OH 43224-7168

**WIRELINELIFELINE APPLICATION – INCOME BASED**

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

Eligibility for Lifeline may apply if your household income is at or below 135% of the Federal Poverty Guidelines for a household of that size. Indicate which income range applies to you in the chart. You must provide proof of eligibility based on income, which can include:	Check One	Persons in Household	Annual Income	Monthly Income
<ul style="list-style-type: none"> <li>Last year’s federal or state tax return</li> <li>Current income statement from an employer or paycheck stub (must cover 3 consecutive months within the previous 12 months)</li> <li>A Social Security statement of benefits</li> <li>A retirement/pension statement of benefits</li> <li>An Unemployment/Workers’ Compensation statement of benefit</li> <li>Federal notice letter of participation in General Assistance</li> <li>Divorce decree, child support award or other official document containing income information</li> </ul>	<input type="checkbox"/>	1	\$15,080	\$1,257
	<input type="checkbox"/>	2	\$20,426	\$1,702
	<input type="checkbox"/>	3	\$25,772	\$2,148
	<input type="checkbox"/>	4	\$31,118	\$2,593
	<input type="checkbox"/>	5	\$36,464	\$3,039
	<input type="checkbox"/>	6	\$41,810	\$3,484
	<input type="checkbox"/>	7	\$47,156	\$3,930
	<input type="checkbox"/>	8	\$52,502	\$4,375
	<input type="checkbox"/>	For each add’l person, add:	\$5,346	\$446

Last Name: \_\_\_\_\_ First Name: \_\_\_\_\_ Middle Initial: \_\_\_\_\_

Last 4 digits of Soc. Security #: \_\_\_\_\_ Date of Birth: \_\_\_\_\_

Residential Address: \_\_\_\_\_ Apt. \_\_\_\_\_ City: \_\_\_\_\_ State: \_\_\_\_ Zip: \_\_\_\_\_

(no P.O. Box for res. address) This is my (check one): \_\_\_\_\_ Permanent Address \_\_\_\_\_ Temporary Address

*If you move, you must update your residential address with TSI Home Phone within 30 days*

Billing Address (if different): \_\_\_\_\_ Apt. \_\_\_\_\_ City: \_\_\_\_\_ State: \_\_\_\_ Zip: \_\_\_\_\_

I certify that:

- \_\_\_ I acknowledge that Lifeline is a government assistance program and that willfully making false statements to obtain the benefit can result in fines, imprisonment, de-enrollment or being barred from the program.
- \_\_\_ I acknowledge that only Lifeline eligible consumers may enroll in the Lifeline Program.
- \_\_\_ I acknowledge that only one Lifeline service is available per household, and that, to the best of my knowledge, no other person in my household is receiving a Lifeline service. (For purposes of Lifeline, a “household” is any individual or group of individuals who live together at the same address and share income and expenses.)
- \_\_\_ I acknowledge that a household is not permitted to receive Lifeline benefits from multiple providers and that violation of this limitation constitutes a violation of the rules of the Federal Communications Commission and will result in de-enrollment from the Lifeline program. If I am participating in another Lifeline program at the time I apply for TSI Home Phone Lifeline service, I agree to cancel that Lifeline service with any other provider.
- \_\_\_ I acknowledge that Lifeline is non-transferable and that I may not transfer my benefit to any other person.
- \_\_\_ I acknowledge that providing false or fraudulent information to receive Lifeline benefits is punishable by law.
- \_\_\_ I will notify TSI Home Phone within 30 days if for any reason I no longer satisfy the criteria for receiving Lifeline services, such as no longer meeting the income levels, or if I or a member of my household receives another Lifeline benefit.
- \_\_\_ I acknowledge that I may be required to re-certify to my continued eligibility for Lifeline at any time, and that my failure to re-certify will result in de-enrollment and termination of my Lifeline benefits.
- \_\_\_ If I move to a new address, I will provide the new address to TSI Home Phone within 30 days.
- \_\_\_ If I provided a temporary address, I will be required to verify my temporary address every 90 days. If I do not provide verification within 30 days, I will be de-enrolled from the Lifeline program.
- \_\_\_ I authorize TSI Home Phone to access any governmental state or federal records or database located anywhere required to verify my statements herein and to confirm my continued eligibility for Lifeline and authorize social service agency representatives to discuss with and/or provide information to TSI Home Phone verifying my participation in programs that qualify me for Lifeline. I also authorize TSI Home Phone to release any records required for the administration of TSI Home Phone’s Lifeline program, including to the Universal Service Administrative Company (USAC) to be used in a Lifeline Program Database. I understand that the records are required to ensure the proper administration of the Lifeline program and that failure to provide consent will result in the applicant being denied the Lifeline service.
- \_\_\_ I certify under penalty of perjury that the information contained in this certification is true and correct to the best of my knowledge.

Applicant’s Signature: \_\_\_\_\_

Date \_\_\_\_\_

Exhibit 2  
Sample Marketing Material



# FREE

CELLULAR PHONE  
FREE MINUTES & TEXTS

# 250

anytime minutes  
every month!

Receive a **FREE Cell Phone** and **250 Minutes** a month for **ALL** qualifying customers!



1-877-870-9444  
www.ReachOutWireless.com

**ReachOut**  
wireless

Complaints concerning Lifeline/Linkup service can be directed to the XXXXX Public Service Commission's Commissions Affairs Unit at XXX-XXX-XXXX.

# FREE

CELLULAR PHONE  
FREE MINUTES & TEXTS

# 125

anytime **ROLLOVER** minutes  
every month!

**All unused minutes rollover to the next month!**

Receive a **FREE Cell Phone** and **125 ROLLOVER Minutes** a month for **ALL** qualifying customers!



1-877-870-9444  
www.ReachOutWireless.com

**ReachOut**  
wireless

Complaints concerning Lifeline/Linkup service can be directed to the XXXXX Public Service Commission's Commissions Affairs Unit at XXX-XXX-XXXX.



### IMPORTANT INFORMATION concerning Lifeline wireless service

Lifeline is a government assistance program. Only one Lifeline service is available per household. A violation of the one per household limitation constitutes a violation of the Federal Communication Commissions rules and will result in your de-enrollment from the program. Your household is not permitted to receive multiple Lifeline benefits whether they be from one or multiple companies. This includes wireline and wireless service. Lifeline is a non-transferable benefit. You may not transfer your benefit to any other person. You must activate your service. You must use your phone to continue to receive service. Should you not use your service for 60 days you will be de-enrolled. Lifeline is a Federal benefit. Willingly making false statements to obtain the benefit can result in fines, imprisonment, de-enrollment or being barred from the program. Proof of eligibility is required and only eligible customers may enroll. Proof may consist of eligible program card or statement benefits.

Nexus Communications Inc.