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September 14, 2012

RECEIVED

Jeffrey DeRouen
Executive Director
Kentucky Public Service Commission
211 Sower Boulevard
P.O. Box 615
Frankfort, KY 40601

SEP 1 4 2012

PUBLIC SERVICE COMMISSION

RE: The Application of Boomerang Wireless, LLC for Designation

As an Eligible Telecommunications Carrier in the Commonwealth of Kentucky

Dear Mr. DeRouen:

Enclosed please find the original and ten copies of Boomerang Wireless, LLC's Application for Designation as an Eligible Telecommunications Carrier in the Commonwealth of Kentucky.

Please indicate receipt of this filing by placing your file stamp on the extra copy and returning to me via our runner.

Sincerely yours,

Douglas F. Brent

c: James T. Balvanz

DFB: jms Enclosures

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## COMMONWEALTH OF KENTUCKY

## BEFORE THE PUBLIC SERVICE COMMISSION

IN THE MATTER OF THE APPLICATION OF BOOMERANG WIRELESS, LLC FOR DESIGNATION AS AN ELIGIBLE	) )	Case No. 2012-00
TELECOMMUNICATIONS CARRIER ON A WIRELESS BASIS (LOW INCOME ONLY)	)	RECEIVED
(LOW INCOME ONLY)	)	SEP 1:4 2012
		PUBLIC SERVICE COMMISSION

# APPLICATION FOR DESIGNATION AS AN ELIGIBLE TELECOMMUNICATIONS CARRIER ON A WIRELESS BASIS

COMES NOW Boomerang Wireless, LLC ("Boomerang" or the Company"), by and through its undersigned counsel, and, pursuant to Section 214(e) of the Federal Communications Act of 1934, as amended (the "Act"), 47 U.S.C. § 214(e), and implementing rules of the Federal Communications Commission ("FCC") 57 C.F.R. §§ 54.101 through 54.207 (the "FCC Rules"), hereby requests that the Kentucky Public Service Commission (the "Commission") hereby submits this Application for Designation as an Eligible Telecommunications Carrier ("ETC") in the State of Kentucky, throughout the area defined by any overlap between its wireless coverage area and the exchanges of any Kentucky incumbent local exchange carrier, (the "Service Area") for the purpose of receiving federal low-income universal service support for wireless services, specifically Lifeline. Boomerang does <u>not</u> at this time seek ETC designation (1) for the purpose of receiving federal universal service support for providing service to high cost areas or (2) on a

In its *Tracfone* decision the Commission found that a wireless reseller seeking ETC status can satisfy the requirement to identify its service area by identifying its underlying carrier and providing other information that explains the extent of its service territory. Order, Case No. 2009-00100 (Nov. 24, 2010). Upon satisfying the Commission's identification requirements Tracfone was designated an ETC "in Kentucky" for the limited purpose of offering Lifeline and Link Up Service. Boomerang uses Sprint and Verizon Wireless as its underlying carriers in Kentucky.

wireline basis.<sup>2</sup> Boomerang respectfully requests that the Commission grant this Application and that it do so expeditiously so that Boomerang may begin providing wireless Lifeline service to qualified low-income households at the earliest practicable time. In further support of its Application, Boomerang states as follows:

# INFORMATION REGARDING THE APPLICANT

- 1. Boomerang Wireless, LLC is an Iowa limited liability company with its principal offices located at 955 Kacena Road, Suite A, Hiawatha, Iowa 52233. The Company is qualified to do business in the Commonwealth of Kentucky.
- 2. Boomerang has been granted ETC designation in Maryland, and presently has pending ETC applications in the following jurisdictions: Arkansas, Colorado, Georgia, Iowa, Kansas, Louisiana, Michigan, Missouri, Oklahoma, Pennsylvania, New Jersey, South Carolina, West Virginia and Wisconsin. Further, Boomerang has a petition pending before the FCC for Lifeline only ETC designation in Alabama, Connecticut, Delaware, the District of Columbia, New Hampshire, New York, North Carolina, Tennessee and Virginia.<sup>3</sup>
- 3. Boomerang will market its Lifeline services under the brand "enTouch Wireless." Although the enTouch Wireless brand will be used to market Boomerang's Lifeline services, the service will be provided by Boomerang Wireless, LLC as the ETC. In addition, Boomerang will comply with all applicable rules, including 47 C.F.R. 54.405(d) requiring that ETCs disclose the

Boomerang seeks only Lifeline support from the low-income mechanism of the federal Universal Service Fund ("USF") and is not seeking support from the high-cost support mechanism. ETC certification requirements related to the high-cost program are therefore not applicable to Boomerang's application.

<sup>&</sup>lt;sup>3</sup> See Amended Petition of Boomerang Wireless, LLC for Designation as an Eligible Telecommunications Carrier in Alabama, Connecticut, Delaware, the District of Columbia, New Hampshire, New York, North Carolina, Tennessee and Virginia, WC Docket No. 09-197 (filed June 6, 2012).

name of the ETC on all materials describing the service. Therefore, customers will be notified that the enTouch Wireless services are provided by Boomerang Wireless, LLC as the ETC.

4. Correspondence or communications pertaining to this Application should be directed to Boomerang's attorney of record:

Douglas F. Brent STOLL KEENON OGDEN PLLC 2000 PNC Plaza 500 West Jefferson Street Louisville, Kentucky 40202 Telephone: (502) 568-5734 Facsimile: (502) 568-0934 douglas.brent@skofirm.com

douglas.brent@skofirm.com

5. Questions concerning the ongoing operations of Boomerang following certification should be directed to:

Mr. James T. Balvanz Boomerang Wireless, LLC 955 Kacena Road, Suite A Hiawatha, Iowa 52233

Email: jbalvanz@readywireless.com

Telephone: 319-743-4606 Facsimile: (319) 294-6081

# **BACKGROUND**

As a result of the work and cooperation of federal and state regulators, the FCC has adopted a number of cost recovery policies and mechanisms designed to promote and maintain universal service. One aspect of universal service is the availability of subsidies from the federal Universal Service Fund ("USF"), created by the Act. The USF was created, in part, to provide support to qualifying low-income communications end-users such as those serviced by Boomerang. Mechanisms were also established in an effort to moderate the amount of costs to be recovered through basic, recurring charges to low-income users, thereby assisting efforts to maintain reasonable basic rate levels. Only carriers designated as an ETC may receive subsidies

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from the USF.<sup>4</sup> Moreover, only a common carriers designated as an ETC under 47 U.S.C. § 214 is eligible to receive subsidies from the federal USF.<sup>5</sup> Wireless carriers are common carriers under federal law.<sup>6</sup> Common carriers that provide services consistent with the requirements of Section 214(e) may be deemed ETCs.<sup>7</sup> That include Mobile Virtual Network Operators ("MVNO") like Boomerang.

- 7. The FCC has promulgated rules governing ETC designations, set forth at 47 C.F.R. § 54.101, §§ 54.201-203, and §§ 54.205-207 (the "FCC Rules") to establish various requirements for carriers to obtain ETC status. Applicants seeking ETC status in Kentucky must address and satisfy each of the ETC designation criteria under the FCC Rules.
- 8. Pursuant to 47 U.S.C. § 214(e)(2), the Commission has the statutory authority to designate a common carrier as an ETC that offers the services supported by federal Universal Service Fund support mechanisms and advertises "the availability of such services and the charges therefore using media of general distribution."
- 9. Boomerang is a common carrier within the meaning of federal law and reseller of commercial mobile radio service, and will offer all of the services and functionalities detailed in Section 54.101(a) of the FCC Rules and will provide competitive wireless services throughout its

<sup>&</sup>lt;sup>4</sup> 47 U.S.C. § 254(e) provides that "only an eligible telecommunications carrier designated under section 214(e) shall be eligible to receive specific Federal universal support."

<sup>&</sup>lt;sup>5</sup> 47 U.S.C. § 214(e)(2) provides that a State commission "shall…upon request designate a common carrier that meets the requirements of paragraph 1 as an eligible telecommunications carrier for a service area designated by the State Commission.

<sup>&</sup>lt;sup>6</sup> 47 U.S.C. § 332(c)(1).

<sup>&</sup>lt;sup>7</sup> 47 U.S.C. § 214(e)(6) provides that wireless carriers not otherwise subject to state commission jurisdiction shall be designated as ETCs if they meet the requirements of 47 U.S.C. § 214(e)(1) consistent with applicable federal and state law.

<sup>&</sup>lt;sup>8</sup> 47 C.F.R. § 54.201(d)(2).

Service Area through resale of other carriers' services. The provision of services through resale of other carrier's services will ensure that Boomerang can provide services to customers throughout the Service Area. As discussed in subsequent sections of this Application, the FCC has approved Boomerang's Compliance Plan. Additionally, Boomerang will advertise the availability of such services and the charges for these services using media of general distribution and commits to continue to advertise the availability of its Lifeline program. Accordingly, once Boomerang is approved as an ETC, its qualified customers within the service area will be able to subscribe to supported services, and Boomerang will seek reimbursement from both the federal and Kentucky USF.

10. Finally, designation of Boomerang as an ETC on a wireless basis is in the public interest of the Commonwealth of Kentucky and its low-income telecommunications end-users. Although several entities are now eligible to provide wireless Lifeline service in Kentucky, the market remains underserved, perhaps because many eligible customers do not understand this important federal benefit. It was for this reason that Governor Beshear proclaimed September 13-19, 2010 as Lifeline Awareness Week to focus attention on the program. PSC Chairman Armstrong supported this effort and stated the program is "one of the best ways for eligible households to reduce their monthly costs" while noting that Kentuckians participate at a lower rate than in many neighboring states, suggesting that "there are many eligible Kentuckians who do not participate in the program."

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<sup>&</sup>lt;sup>9</sup> 47 C.F.R. § 54.101(a).

See Order, An Inquiry into Universal Service and Funding Issues, Administrative Case No. 360, at 37 (May 22, 1998) (determining Kentucky USF support of \$3.50 per line per month).

11. One reason for reduced participation is that many eligible customers would prefer a wireless phone due to the unique benefit of mobility it provides. The availability of a mobile telephone may be critical to the efforts of the unemployed to find work. Without a regular paycheck, wireless telephone service is a luxury beyond the means of many of those persons. Designating Boomerang as an ETC will serve the public interest by increasing participation of qualified consumers in the Lifeline program, fulfilling the Governor's objective by contributing to an overall increase in the number of Kentucky residents receiving Lifeline and an increase to the amount of federal USF dollars benefiting Kentucky residents.

# BOOMERANG MEETS THE REQUIREMENTS FOR DESIGNATION AS AN ETC TO SERVE DESIGNATED AREAS IN KENTUCKY

- 12. Pursuant to this Application and in accordance with 47 C.F.R. § 54.202(a)(1), Boomerang requests ETC status solely to provide Lifeline support to qualifying low-income customers throughout its Service Area. ETC designation will enhance Boomerang's ability to provide service to low income consumers within the Service Area.
- 13. Upon designation as an ETC, Boomerang will make Lifeline service available to qualifying customers in the Service Area pursuant to the guidelines and requirements of the universal service program and 47 C.F.R. §§ 54.202(a)(1)-(a)(2).
- 14. Further, as shown herein, Boomerang meets the additional requirements set forth in the FCC Rules for obtaining ETC designation for purposes of receiving Lifeline funding support:<sup>13</sup>
- (a) Certification of Boomerang's compliance with the service requirements applicable to the support that it receives;

<sup>&</sup>lt;sup>11</sup> 47 C.F.R. § 54.202.

- (b) Demonstration of Boomerang's ability to remain functional in emergency situations, including reasonable amount of back-up power to ensure functionality without an external power source, and ability to reroute traffic around damaged facilities, and capability of managing traffic spikes resulting from emergency situations;
- (c) Demonstration that Boomerang satisfies the applicable consumer protection and service quality standards;<sup>12</sup>
- (d) Demonstration of Boomerang's financial and technical capability of providing the Lifeline service in compliance with subpart E of the FCC's rules and regulations.<sup>13</sup>
- (e) Submission of information describing the terms and conditions of any voice telephony service plans offered to Lifeline subscribers, including details on the number of minutes provided as part of the plan, additional charges, if any, for toll calls, and rates for each such plan; and
  - (f) Demonstration that ETC designation is in the public interest.

# BOOMERANG MEETS THE REQUIREMENTS FOR DESIGNATION AS AN ETC TO SERVE DESIGNATED AREAS IN KENTUCKY

14. As demonstrated below, Boomerang meets the requirements for ETC designation by the Commission pursuant to Section 214(e)(2) of the Act.<sup>14</sup> In addition, Boomerang complies with the standards established by the FCC for determining whether applicants for ETC status serve the public interest.<sup>15</sup>

For wireless applicants, compliance with the Cellular Telecommunications and Internet Association's Consumer Code for Wireless Service satisfies this requirement.

<sup>&</sup>lt;sup>13</sup> 47 C.F.R. §§ 54.401 to 422.

<sup>&</sup>lt;sup>14</sup> 47 U.S.C. § 214(e)(2).

See Federal-State Joint Board on Universal Service, Report and Order, CC Docket No. 96-45, 20 FCC Rcd 6371, ¶ 40-43 (Rel. March 17, 2005).

- 15. The Commission has jurisdiction to designate Boomerang as an ETC. Pursuant to the provisions of Section 214(e)(2) of the Act, state commissions, such as this Commission, have primary responsibility for the designation of eligible telecommunications carriers under Section 214(e)(2).
- 16. Boomerang has the financial and technical capability to provide Lifeline service. As part of the *Lifeline Reform Order*, the FCC amended its rules to require a carrier seeking designation as a Lifeline-only ETC to demonstrate that it is financially and technically capable of providing the supported Lifeline service in compliance with all of the low-income program rules.<sup>17</sup> Boomerang satisfies these criteria.
- 17. Boomerang generates substantial revenues from non-Lifeline services and has access to capital from its investors. Boomerang currently provides prepaid wireless services to more than 350,000 subscribers, including more than 50,000 retail customers. Consequently, the Company has not relied, and will not be relying exclusively on Lifeline reimbursement for its operating revenues. The Company has not been subject to enforcement sanctions or ETC revocation proceedings in any state.
- 18. Boomerang will offer all required services and functionalities. Section 214(e)(1)(A) of the Act<sup>18</sup> requires an ETC to offer the services that are supported by federal universal service support mechanisms under section 254(c). Effective December 29, 2011,

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) ("Lifeline Reform Order").

<sup>&</sup>lt;sup>18</sup> 47 U.S.C. § 214(e)(1).

pursuant to the *USF/ICC Transformation Order*<sup>19</sup>, as further clarified by the *USF/ICC Order on Reconsideration*<sup>20</sup>, the FCC eliminated its former list of nine supported services and amended section 54.101(a) of its rules to specify that "voice telephony service" is supported by the federal universal service mechanisms. The amended Section 54.101(a) and its list of supported services reads as follows:

§ 54.101 Supported services for rural, insular and high cost areas.

- (a) Services designated for support. Voice telephony service shall be supported by federal universal service support mechanisms. The functionalities of eligible voice telephony services include voice grade access to the public switched network or its functional equivalent; minutes of use for local service provided at no additional charge to end users; access to the emergency services provided by local government or other public safety organizations, such as 911 and enhanced 911, to the extent the local government in an eligible carrier's service area has implemented 911 or enhanced 911 systems; and toll limitation for qualifying low-income consumers (as described in subpart E of this part).
- 19. Upon designation as an ETC in Kentucky, and consistent with state and federal policies favoring universal service, Boomerang will offer voice telephony services as described

In the Matter of Connect America Fund, A National Broadband Plan for Our Future, Establishing Just and Reasonable Rates for Local Exchange Carriers, High-Cost Universal Service Support, Developing an Unified Intercarrier Compensation Regime, Federal-State Joint Board on Universal Service, Lifeline and Link-Up, Universal Service Reform – Mobility Fund, WC Docket No. 10-90, GN Docket No. 09-51, WC Docket No. 07-135, WC Docket No. 05-337, CC Docket No. 01-92, CC Docket No. 96-45, WC Docket No. 03-109, WT Docket No. 10-208, Report and Order and Further Notice of Proposed Rulemaking, FCC 11-161 (rel. Nov. 18, 2011) ("USF/ICC Transformation Order").

In the Matter of Connect America Fund, A National Broadband Plan for Our Future, Establishing Just and Reasonable Rates for Local Exchange Carriers, High-Cost Universal Service Support, Developing an Unified Intercarrier Compensation Regime, Federal-State Joint Board on Universal Service, Lifeline and Link-Up, Universal Service Reform – Mobility Fund, WC Docket No. 10-90, GN Docket No. 09-51, WC Docket No. 07-135, WC Docket No. 05-337, CC Docket No. 01-92, CC Docket No. 96-45, WC Docket No. 03-109, WT Docket No. 10-208, Order on Reconsideration, FCC 11-189 (rel. Dec. 23, 2011) ("USF/ICC Order on Reconsideration").

in Section 54.101 of the FCC Rules.<sup>21</sup> To the extent that the Commission continues to require ETCs to provide those services supported by federal universal service support mechanisms previously enumerated in 47 C.F.R. § 54.101(a), Boomerang commits to continue to satisfy state voice service requirements.<sup>22</sup>

- 20. The Company also will provide access to emergency services provided by local government or public safety officials, including 911 and enhanced 911 ("E911") where available and will comply with any Commission requirements regarding E911-compatible handsets. As discussed above, the Company will comply with the FCC's forbearance grant conditions relating to the provision of 911 and E911 services and handsets. Boomerang also commits to operate in compliance with any Kentucky statutes applicable to funding of 911 service. The Company commits to pay in a timely manner all applicable regulatory fees, including universal service and E911 fees.
- 21. Pursuant to the toll limitation requirement, none of Boomerang's service plans offered to low-income consumers includes any fee for toll calls. In addition, under the *Lifeline Reform Order*, subscribers to prepaid wireless services are not considered to have voluntarily elected to receive toll limitation services.<sup>24</sup>
- 22. In its *Lifeline Reform Order*, the FCC decided to forbear, on its own motion, from applying the facilities requirement of Section 214(e)(1)(A) to any telecommunications carrier that seeks limited ETC designation to participate in the Lifeline program, conditioned on the ETC's compliance with certain 911 requirements and the ETC's filing with and approval by the

<sup>&</sup>lt;sup>21</sup> 47 C.F.R. §§ 54.101(a).

<sup>&</sup>lt;sup>22</sup> USF/ICC Transformation Order at ¶ 82.

<sup>&</sup>lt;sup>24</sup> Lifeline Reform Order at ¶ 230.

FCC of a compliance plan describing the ETC's adherence to certain protections prescribed by the FCC ("Blanket Forbearance").

- 23. Boomerang opted to pursue forbearance. On August 8, 2012, the FCC approved Boomerang's Compliance Plan ("Compliance Plan").<sup>25</sup> A copy of the approved Plan and the FCC Public Notice of Approval is attached hereto as **Exhibit "A"**.
- 24. Boomerang, in its provision of wireless services, will offer resold services which Boomerang will obtain from its underlying wireless providers, Sprint and Verizon Wireless. This Service Area footprint through multiple carriers allows Boomerang to provide coverage throughout many markets where eligible consumers need service.
- 25. Through its service arrangements, Boomerang is able to offer all of the services and functionalities supported by the universal service program, as detailed in Section 54.101(a) of the FCC Rules, throughout its Service Area.
- 26. The FCC adopted specific requirements for Lifeline advertising in its *Lifeline Reform Order* with which the Company will comply. Within the deadline provided in the *Lifeline Reform Order*, the Company will include the following information regarding its Lifeline service on all marketing materials describing the service: (1) it is a Lifeline service, (2) Lifeline is a government assistance program, (3) the service is non-transferable, (4) only eligible consumers may enroll in the program, (5) the program is limited to one discount per household; (6) documentation necessary for enrollment; (7) Boomerang's name (the ETC); (8) notice that consumers who willfully make a false statement in order to obtain the Lifeline benefit can be

Lifeline and Link Up Reform and Modernization et al., WC Docket No. 11-42 et al., Public Notice, DA 12-1286 (August 8, 2012).

<sup>&</sup>lt;sup>26</sup> Lifeline Reform Order at ¶¶ 275-82.

punished by fine or imprisonment or can be barred from the program; and (9) details of the Lifeline service offerings.<sup>27</sup> These statements will be included in all print, audio video and web materials (including social networking media) used to describe or enroll customers in the Company's Lifeline service offering, as well as the Company's application forms and certification forms.<sup>28</sup> This specifically includes the Company's website and outdoor signage.<sup>29</sup>

27. Boomerang is fully prepared to and will comply with federal requirements that it advertise the availability of its services throughout its designated Service Area using media of general distribution.<sup>30</sup> Boomerang further commits that it will also publicize the availability of Lifeline service in a manner reasonably designed to reach those likely to qualify for the service.<sup>31</sup> Boomerang specifically targets its advertising so as to reach its intended market base of low-income consumers who otherwise would be without service, or unaware of the program's availability and benefits. Accordingly, more low-income Kentucky residents will be made aware of the opportunities afforded to them under the Lifeline program and will be able to take advantage of those opportunities by subscribing to Boomerang's service. A sample of Boomerang's planned advertising is attached hereto as **Exhibit "B."** 

# **ADDITIONAL ELIGIBILITY CRITERIA**

28. In order to be designated as an ETC, a common carrier in its application must "[c]ommit to provide service in its Service Area to all customers making a reasonable request for

<sup>&</sup>lt;sup>27</sup> Lifeline Reform Order at ¶ 275.

<sup>&</sup>lt;sup>28</sup> *Id*.

<sup>&</sup>lt;sup>29</sup> Id.

<sup>&</sup>lt;sup>30</sup> 47 C.F.R. § 54.201(d)(2).

<sup>&</sup>lt;sup>31</sup> 47 C.F.R. §§ 54.405(b).

service" "on a timely basis." Boomerang provides service through facilities owned, controlled and operated by other carriers. The networks of each of these underlying carriers are already operational, thus enabling Boomerang to commence offering Lifeline after it receives approval from the Commission.

- 29. In addition, Boomerang is ready to provide 911 compliant handsets at no charge to qualified low-income consumers. Boomerang has also implemented procedures and internal systems necessary to offer its service programs, which include distribution of point-of-sale materials to authorized agent locations. As a result, Boomerang will be able to meet the requirements of 47 C.F.R. §§ 54.202(a)(1), 54.202(a)(1)(A) and 54.202(a)(1)(B), which require an ETC to provide service to all customers who make a reasonable request for service and to do so on a timely basis or within a reasonable period of time.
- 30. Per the requirements of 47 C.F.R. § 54.202(a)(5), Boomerang certifies that it will "provide equal access to long distance carriers in the event that no other eligible telecommunications carrier is providing equal access within the designated service area" pursuant to section 214(e) of the Act.
- 31. Boomerang will comply with the consumer protection standards set by the FCC, including:
- (a) Customer Proprietary Network Information Boomerang protect Customer Proprietary Network Information ("CPNI") as required by the *Lifeline Reform Order*.
- (b) Consumer Code for Wireless Service Boomerang certifies that it will comply with the Cellular Telecommunications and Internet Association's ("CTIA") Consumer Code for Wireless Service as required by 47 C.F.R. § 54.202(a)(3).

<sup>&</sup>lt;sup>32</sup> 47 C.F.R. §§ 54.202(a)(1).

- (c) General Compliance Boomerang commits to reporting information on consumer complaints per 1,000 lines on an annual basis consistent with the FCC's <u>USF Order</u>.<sup>33</sup> Boomerang in general commits to satisfying all applicable state and federal requirements related to consumer protection and service quality standards.
- 32. As a reseller of wireless services, Boomerang is able to offer service of the same quality and reliability as wireless licensees. Boomerang cannot guarantee that customers will never experience service disruptions, however, Boomerang's carrier agreements allow its service to be as reliable as any other wireless service that must deal with atmospheric and other conditions that sometimes result in dropped calls.
- 33. Further, under the FCC Rules, an ETC applicant must demonstrate its ability to remain functional in emergency situations.<sup>34</sup> Since Boomerang is providing service to its customers through the use of service obtained from other carriers it is able to provide to its customers the same ability to remain functional in emergency situations as currently provided by the carriers to their own customers, including access to a reasonable amount of back-up power to ensure functionality without an external power source, re-routing of traffic around damaged facilities, and the capability of managing traffic spikes resulting from emergency situations.

# DESIGNATION OF BOOMERANG AS AN ETC IN THE STATE OF KENTUCKY SERVES THE PUBLIC INTEREST

34. Boomerang will provide competitive wireless services throughout its Service Area in the State of Kentucky. Boomerang is a reseller of commercial mobile radio service, and will offer all of the services and functionalities detailed in Section 54.101(a) of the FCC Rules

Federal-State Joint Board on Universal Service, First Report and Order, 12 FCC Rcd 8776 at ¶ 4 (1997) ("USF Order").

<sup>&</sup>lt;sup>34</sup> 47 C.F.R. § 54.202(a)(2).

and will provide competitive wireless services throughout its Service Area through resale of other carriers' services. The provision of services through resale of other carriers' services will ensure that Boomerang can provide services to customers throughout the Service Area.<sup>35</sup>

- 35. Wireless ETCs *per se* promote the public interest, as evidenced by the Commission's approval of various wireless ETCs which already compete for eligible customers.
- 36. Designation of Boomerang as an ETC also creates competitive pressure for other wireline and wireless providers within the proposed service areas. In order to remain competitive in low-income markets, therefore, all providers will have greater incentives to improve coverage, increase service offerings and lower prices. This results in improved consumer services and, consistent with federal law, benefits consumers by allowing Boomerang to offer the services designated for support at rates that are "just, reasonable, and affordable." 36

# Advantages of Boomerang's Service Offerings

- 37. Boomerang will offer a unique, easy to use, competitive and highly affordable wireless telecommunications service, which it will make available to qualified consumers who either have no other service alternatives or who choose a wireless prepaid solution in lieu of more traditional services. Boomerang's standard customer terms and conditions in connection with its wireless service offering can be found at www.boomerangwireless.com.
  - 38. Boomerang will provide universal service as an ETC in all of its Service Area.

<sup>&</sup>lt;sup>35</sup> 47 C.F.R. § 54.101(a).

<sup>&</sup>lt;sup>36</sup> 47 U.S.C. § 254(b)(1).

# Boomerang Prepaid Wireless Lifeline Plan

- 39. Lifeline is a component of one of four separate federal universal service fund mechanisms<sup>37</sup> known as the "low-income" support mechanism"<sup>38</sup> and is defined in 47 C.F.R. § 54.401 as "a retail service offering" "for which qualifying low-income consumers pay reduced charges as a result of application of the Lifeline support amount" that includes the services or functionalities enumerated in § 54.401.<sup>39</sup> Boomerang's planned wireless Lifeline offering will provide eligible customers with the following three alternative Lifeline plans: (1) 125 units that rollover where 1 minute and 1 text equals 1 unit, and (2) 250 units without rollover where 1 minutes equals 1 unit and 1 text equals 1 unit.
- 40. All low-income universal service support will be used to allow Boomerang to provide the service with no monthly recurring charge, thus ensuring that the consumer receives 100% of all universal service support funding for which Boomerang will seek reimbursement. In the event that all airtime has been used, Lifeline customers will also have the capability of purchasing additional airtime in the various denominations set forth on pages 22-23 of the Compliance Plan. Attached hereto as **Exhibit "C"** are Boomerang's standard customer terms and conditions in connection with its wireless service offering.
- 41. Airtime replenishment cards will be made available at many retail outlets frequented by low-income customers throughout the Service Area such as CVS, Dollar General, Walgreens, 7-Eleven, Rite Aid, as well as from Boomerang's website.

<sup>47</sup> C.F.R. § 54.8(a)(1); See "Definitions" at second sentence.

<sup>47</sup> C.F.R. § 54.8(a)(1)); See "Definitions" at first sentence.

<sup>&</sup>lt;sup>39</sup> 47 C.F.R. §§ 54.401(a)(1), 54.401(a)(2), 54.401(a)(3), 54.405(a).

- 42. The wireless plan will also include a free handset and the following Custom Calling features:
  - (1) Caller ID;
  - (2) Call Waiting;
  - (3) Call Forwarding;
  - (4) 3-Way Calling; and
  - (5) Voicemail.
- 43. Wireless handsets will be delivered at no charge to qualifying customers, service will be activated, and the requisite number of minutes will be added upon certification of the customer for Lifeline. A sample of handsets is provided hereto as **Exhibit "D"**.
- 44. Because Boomerang seeks ETC designation solely for purposes of reimbursement for provision of subsidized Lifeline services to eligible customers, submission of a Five-Year Network Improvement Plan is not required. 47 C.F.R. § 54.202.
- 45. The FCC reaffirmed this position when it stated that "the potential growth of the fund associated with high-cost support distributed to competitive ETCs" is not relevant to carriers seeking support associated with the low-income program.<sup>40</sup> And the Commission had certified a number of MVNOs seeking Lifeline only status.
- 46. It is also vital to recognize that in the case of Lifeline support, an ETC receives USF support *only* for the customers it obtains. In the scenario where a competitive ETC obtains a Lifeline customer from another ETC, only the "capturing" ETC provides Lifeline discounts and as a result, only the "capturing" ETC receives support reimbursement.
- 47. In addition, all providers are required to contribute a portion of the interstate revenues received from their customers to the Universal Service Fund. In accordance with

Petition of TracFone Wireless, Inc. for Forbearance from 47 U.S.C. § 214(e)(1)(A) and 47 C.F.R. § 54.201(i), CC Docket No. 96-45, Order, 20 FCC Rcd 15095 (2005) ("TracFone Forbearance Order") at ¶ 17.

current federal regulations, Boomerang will make contributions based on that portion of its revenue that is determined to be interstate. As such, approving Boomerang as an ETC will actually create contributions to the USF that were previously non-existent.

- 48. As set forth in the Compliance Plan, Boomerang will comply with the uniform eligibility criteria established in new section 54.409 of the FCC Rules.<sup>41</sup> Therefore, all subscribers will be required 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; (2) the household's participation in one of the federal assistance programs listed in new section 54.409(a)(2); or (3) meeting eligibility criteria established by Kentucky for its residents, provided such criteria are based solely on income or factors directly related to income per new section 54.409(a)(3) of the FCC Rules. In addition, the Company will confirm that the subscriber is not already receiving a Lifeline service and no one else in the subscriber's household is subscribed to a Lifeline service.
- 49. As described in the Compliance Plan, Boomerang will implement certification policies and procedures that enable consumers to demonstrate their eligibility for Lifeline assistance to Company personnel as detailed in the *Lifeline Reform Order*.<sup>42</sup> Consistent with federal requirements, Boomerang requires customers to certify at the time of service activation and annually thereafter that they: 1) are the head of household; 2) participate in one of the state-approved means tested programs; 3) will be receiving Lifeline-supported services only from Boomerang; 4) do not currently receive Lifeline support; and 5) will notify Boomerang in the event that they no longer participate in the qualifying program.

<sup>&</sup>lt;sup>41</sup> 47 C.F.R. § 54.409 (effective June 1, 2012).

<sup>42</sup> Lifeline Reform Order at ¶61; 47 C.F.R. § 54.410(a).

- 50. If Boomerang has a reasonable basis to believe that one of its Lifeline subscribers no longer meets the eligibility criteria, the Company will notify the subscriber of impending termination in writing and in compliance with any state dispute resolution procedures applicable to Lifeline termination, and give the subscriber 30 days to demonstrate continued eligibility.<sup>43</sup> A demonstration of eligibility must comply with the annual verification procedures found in Section 54.410(f), including the submission of a certification form.<sup>44</sup>
- 51. Furthermore, Boomerang commits to comply with the FCC's 60-day non-usage policy, as described in the <u>Lifeline Reform Order</u>.<sup>45</sup>

# BOOMERANG WILL COMPLY WITH ALL ANNUAL REPORTING REQUIREMENTS

52. Consistent with the requirements of 47 C.F.R. § 54.422, Boomerang will comply with the following annual reporting requirements:

# (a) <u>Detailed Information on any Outage</u>

As required by 47 C.F.R. § 54.422(2)(b)(1), Boomerang will report, on an annual basis, "any outage, as that term is defined in 47 C.F.R. 4.5, of at least 30 minutes in duration" that potentially affects 1) at least ten percent of the end users served in a designated service area; or 2) a 911 special facility. The report will include 1) the date and time of the outage; 2) a brief description of the outage and its resolution; 3) the particular services affected 4) the geographic areas affected; 5) the steps taken to prevent a similar situation in the future; and 6 the number of customers affected.

 $<sup>^{43}</sup>$  Lifeline Reform Order at  $\P$  143; 47 C.F.R. § 54.405(e)(1).

<sup>&</sup>lt;sup>44</sup> 47 C.F.R. §54.410 (effective April 2, 2012).

<sup>&</sup>lt;sup>45</sup> Lifeline Reform Order at ¶¶ 257-63.

# (b) Number of Complaints per 1,000 Connections

Consistent with the requirements of 47 C.F.R. § 54.422(b)(2), Boomerang will annually report the number of complaints received by Boomerang from the FCC, this Commission, or the Better Business Bureau, per 1,000 handsets.

# (c) <u>Compliance with Applicable Service Quality Standards and Consumer Protection</u> Rules

As required by 47 C.F.R. § 54.422(b)(3), Boomerang will certify its continuing compliance with all applicable service quality standards and consumer protection rules.

# (d) Certification That Boomerang is Able to Function in Emergency Situations

Consistent with the requirement of 47 C.F.R. § 54.422(b)(4), Boomerang will certify, on an annual basis, its continued ability to remain functional in emergency situations.

# **CONCLUSION**

Having demonstrated that Boomerang satisfies the conditions necessary for designation as an ETC in Kentucky, and having shown that the public and universal service interests of the telecommunications consumers of Kentucky will be properly served, Boomerang respectfully requests that the Commission designate Boomerang Wireless, LLC, as an ETC for the provision of low income support on a wireless basis throughout Boomerang's Service Area.

Respectfully submitted,

BOOMERANG WIREDESS LLC

By:

Douglas F. Brent

STOLL KEENON OGDEN PLLC

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# **VERIFICATION**

STATE OF JOWA COUNTY OF LAND

PERSONALLY came and appeared before me, the undersigned party in and for the jurisdiction aforesaid, the within named Jim Balvanz who after being duly sworn by me stated under oath as follows: that I am Chief Financial Officer of Boomerang Wireless, LLC ("Boomerang"); that I executed the foregoing pleading for and on behalf of Boomerang; that I am authorized to execute and file said pleading; and that the matters and things set forth in said pleading are true and correct to the best of my knowledge, information and belief.

Jim Balvanz

SWORN TO AND SUBSCRIBED before me on this the to day of September,

2012.

My Commission Expires:

June 4,2015

ALEXIS MADREN
Commission Number 773252
My Commission Expires
June 4, 2015

# **EXHIBITS**

Exhibit A - Compliance Plan and FCC Public Notice of Approval

Exhibit B - Sample Advertising

Exhibit C - Terms of Service

Exhibit D - Handset Information

# Exhibit "A" Compliance Plan and FCC Notice of Approval

## KELLEY DRYE & WARREN LLP

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July 26, 2012

## VIA ECFS

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

Re: Boomerang Wireless, LLC Revised Compliance Plan; WC Docket Nos. 09-197, 11-42

Dear Ms. Dortch:

On March 1, 2012, Boomerang Wireless, LLC ("Boomerang") submitted its Compliance Plan outlining the measures it will take to implement the conditions imposed by the Commission in its *Lifeline Reform Order*. On April 12, 2012, May 22, 2012, June 13, 2012 and June 29, 2012 Boomerang submitted revised Compliance Plans to provide additional details.

Boomerang has further revised its Compliance Plan (p. 18) at the request of FCC Staff to explain that Boomerang's customers may de-enroll from Lifeline supported service at any time by simply calling Boomerang's toll-free customer service line. Boomerang does not require submission of a written request by facsimile or otherwise. In addition, Boomerang is no longer offering a 68 minute Lifeline plan and its Compliance Plan and Lifeline application form have been revised accordingly.

Boomerang hereby re-submits its complete Compliance Plan with the above revisions. Based on the minor nature of these changes, Boomerang reiterates its request for expeditious approval of its Compliance Plan.

See 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 (Feb. 6, 2012).

# KELLEY DRYE & WARREN LLP

Marlene H. Dortch, Secretary July 26, 2012 Page Two

This letter and revised Compliance Plan is being filed electronically for inclusion in the public record of the above-referenced proceedings. Please contact the undersigned with any questions.

Respectfully submitted,

Jan Steitmann

John J. Heitmann Joshua T. Guyan

Counsel to Boomerang Wireless, LLC

ce: Kim Scardino Divya Shenoy Garnet Hanly

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

In the Matter of	)	
Telecommunications Carriers Eligible To Receive Universal Service Support	)	WC Docket No. 09-197
Lifeline and Link Up Reform and	) }	WC Docket No. 11-42
Modernization	)	WC DOCKEL NO. 11-42

# **BOOMERANG WIRELESS, LLC REVISED COMPLIANCE PLAN**

Boomerang Wireless, LLC d/b/a Ready Mobile ("Boomerang" or the "Company") is a prepaid wireless telecommunications carrier seeking designation as an eligible telecommunications carrier ("ETC") for the limited purpose of offering service supported by the Lifeline program.<sup>1</sup> Boomerang seeks to avail itself of the Federal Communications Commission's ("Commission") grant of forbearance from the "own-facilities" requirement contained in Section 214(e)(1)(A), <sup>2</sup> subject to certain conditions set forth in the Commission's Order released February 6, 2012.<sup>3</sup> Specifically, the Commission provided that a carrier seeking to become a Lifeline-only ETC must comply with certain 911 requirements and file a compliance plan "providing specific information regarding the carrier's

<sup>&</sup>lt;sup>1</sup> Boomerang currently has pending a petition for designation as a Lifeline-only ETC in certain states. See Amended Petition of Boomerang Wireless, LLC for Designation as an Eligible Telecommunications Carrier in Alabama, Connecticut, Delaware, the District of Columbia, New Hampshire, New York, North Carolina, Tennessee and Virginia, WC Docket No. 09-197 (filed June 6, 2012) ("Petition"). Boomerang seeks authorization to provide Lifeline-only service to residents of Tribal lands as well. Boomerang respectfully requests to incorporate the commitments made herein into the pending Petition.

<sup>&</sup>lt;sup>2</sup> 47 U.S.C. § 214(e)(1)(A).

<sup>&</sup>lt;sup>3</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) ("Lifeline Reform Order").

service offerings and outlining the measures the carrier will take to implement the obligations contained in [the] Order."

Boomerang submits this Revised Compliance Plan ("Compliance Plan") to detail the policies, procedures and training programs it has developed to guard against waste, fraud and abuse in the Lifeline program. This Revised Compliance Plan is intended to replace Boomerang's previously filed compliance plan. Boomerang has continued to refine its planned policies and procedures for enrolling eligible Lifeline customers and providing Lifeline services in accordance with the Commission's Lifeline rules, has formed partnerships and has formulated and adopted internal policies, procedures and training materials in line with the Commission's Lifeline reform. This Compliance Plan discusses in more detail Boomerang's plans for qualifying and enrolling eligible customers, includes more specifics about how Boomerang will review eligibility documentation and guard against households receiving duplicate subsidies, and the process for service activation in compliance with the Commission's new rules.

In this Compliance Plan, Boomerang will describe in more detail the mechanisms and partnerships it already has in place to prevent duplicate benefits to the same household. Above and beyond meeting the Commission's requirements for guarding against duplicates, Boomerang will go a step further in its outreach by targeting currently unserved/underserved populations. A substantial market segment has not yet been reached by current ETCs. As a result, millions of eligible citizens need Lifeline-supported services but are not currently served by the program. Boomerang has partnerships and established marketing outreach experience and future plans to target this underserved population. This effort, together with Boomerang's procedures to prevent duplicate subsidies, will serve the important public policy goals of the program to extend critical services to Americans with the greatest needs.

Boomerang's business model, ethos and objectives support the Lifeline program and its goals. Boomerang's commitments to comply with the Commission's Lifeline rules serve the program

<sup>&</sup>lt;sup>4</sup> Lifeline Reform Order ¶ 368.

and allow the Company to invest its capital in consumers who meet program eligibility requirements now, but who require reliable, innovative, high quality services for the long haul. Boomerang is continuously refining and improving its practices and procedures for satisfying all of the Commission's Lifeline requirements in order to build a successful Lifeline business that serves customers with the greatest needs.

# **Background**

Boomerang is one of three wholly owned subsidiaries of HH Ventures LLC, an Iowa company.<sup>5</sup> The other two subsidiaries are enMarket, LLC ("enMarket") and Ready Wireless, LLC ("Ready Wireless"). HH Ventures LLC ("HH Ventures") is a profitable, cash flow positive wireless telecommunications holding company, which employs forty full-time employees. The company's core management team includes six senior executives with more than 100 years of combined telecom experience.

Boomerang seeks ETC designation in order to provide handsets and domestic and international voice services to low-income customers. Boomerang also intends to provide Lifeline-only service to residents of Tribal lands. Boomerang has direct, network carrier contracts with Sprint and Verizon, and is also negotiating a contract with a national GSM provider. The multi-carrier wireless network platform provides robust wireless service coverage across the entire ETC footprint. Boomerang has direct, in-depth experience with building voice, data and broadband products directly with carriers.

HH Ventures formed enMarket in January 2012 to focus on event marketing and distribution for ETCs. Full time employees create neighborhood events to build awareness of the Lifeline program and to distribute phone services to eligible consumers. Event staff is trained on the program compliance requirements, as detailed more fully below, and creates a positive community experience. The company also diligently implements measures to prevent waste, fraud and abuse.

<sup>&</sup>lt;sup>5</sup> See Exhibit A for HH Holdings structure, ownership and brands.

In addition, the company has a national partnership to participate in Medicaid managed care organization community events in order to reach a population with significant needs for access to services. This unique partnership with organizations who serve Medicaid recipients is designed to reach in person transient consumers and those who otherwise do not have access to the online, telephone, or paper application process unless supported by another person at an in-person event. Again, as detailed below, employees who engage with potential subscribers at these events receive detailed and extensive training in the Commission's Lifeline eligibility, documentation and other requirements, and how to communicate these requirements clearly to potential subscribers.

Ready Wireless offers an MVNE wholesale platform for ETCs and other non-ETC white label partners as well as for the companies' own retail brands Ready Mobile, Ready Broadband and Trumpet. The platform integrates technical, infrastructure and business operations in a scalable, reliable environment. MVNO customers can select the features and capabilities that meet their business needs. Key features include:

- multiple underlying facilities-based wireless carrier networks (Sprint, Verizon, GSM);
- an integrated operating system, which includes provisioning, inventory management,
   interactive voice response ("IVR") systems, billing, reporting;
- device certifications, procurement, warehousing, logistics;
- program management and marketing;
- additional features to enhance user experience, such as free 411 and competitively priced international long distance; and
- access to thousands of reload locations, ensuring that ETC end user customers will be
   able to purchase additional services to complement their subsidized services.

Boomerang has direct control over the databases, systems and processes controlling the customer records, usage records, and reporting. This provides us direct ability to implement current Lifeline guidelines as well as evolve to meet future program policy requirements.

Ready Mobile is a national brand distributed in over 30,000 retail locations.<sup>6</sup> The expertise developed to meet the rigorous operational demands of publicly traded, chain accounts (*i.e.* Walgreens, CVS, Meijers) is foundational to delivering superior services to ETC and other white label partners. Boomerang offers two wireless services under the Ready Mobile brand: ReadyMobilePCS and ReadyBroadband. ReadyMobilePCS offers data access to consumers across the country via smart phone technology using recycled, web-enabled phones with broadband data plans. Under the brand ReadyBroadband, the company also provides data access through devices such as laptops, notebooks, tower computers, and a wide array of other equipment. Both smart phones and access devices are provided with national broadband coverage and distributed through national retail chains as well as sold on the e-commerce site (www.readymobile.com).

Boomerang has direct, network carrier contracts with Sprint and Verizon and is negotiating a contract with a national GSM provider as well. The multi-carrier wireless network platform provides robust wireless service coverage across the entire ETC footprint. HH Ventures and its subsidiaries have direct, in-depth experience with building voice, data and broadband products directly with carriers.

Boomerang is experienced in providing broadband data access to consumers across the country. Boomerang is poised to play a part in achieving the Commission's goal of expanding broadband access to low-income consumers. Boomerang understands that low income consumers are not early technology adopters. Accessibility and ease of use of Boomerang's products, services and systems allows low-income consumers to take advantage of the power of wireless technology so that we can close the digital divide. Adding data to phone plans is a growing trend in the low-income base of customers, but as the Commission recognizes, lags behind the national norm.

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<sup>&</sup>lt;sup>6</sup> The history of the Ready Mobile brand goes back to Ready Mobile LLC. Ready Mobile LLC was formed in 2005 and was focused on retail distribution of prepaid wireless products under the Ready Mobile brand name. In May 2007, Titan Global Holdings purchased certain assets from Ready Mobile LLC that included the Ready Mobile branding. Titan operated several other telecommunications ventures. HH Ventures participated in a transaction by which it purchased certain Titan assets, including the Ready Mobile brand on January 17, 2008. None of the Titan owners are part of the HH Ventures ownership.

Boomerang will have data availability turned on in each handset distributed to Lifeline customers that could become the subscriber's daily access to the Internet if they should choose to add data services to their phone.

Because the Company already has in place nationwide distribution channels and activation processes, it is ready to offer broadband access services to low-income consumers. The Company has competitive billing plans for smart phones and other devices, including the ability to bundle data services on smart phones along with voice and text services. Because of the Company's established multi-channel, multi-partner approach, it has the ability to reach eligible consumers throughout the country. In addition, Boomerang will advertise the availability and prices of its services through a variety of mediums, including online advertising, direct marketing campaigns, print advertising, event-based distribution, seminars, lectures, pamphlet distribution, and meetings with government agencies.

# **Compliance Plan**

This Compliance Plan describes the specific measures that Boomerang intends to implement to achieve the objectives of the Commission's Lifeline rules and policies.

## I. Policy

Boomerang will comply with all certification and verification requirements for Lifeline eligibility set forth in the Lifeline Reform Order; the Commission's Lifeline rules and policies; the requirements, rules and policies governing the provision of Lifeline service to eligible subscribers residing on reservations or Tribal lands; the provisions of this Compliance Plan; and all laws and regulations governing Boomerang's provision of Lifeline-supported prepaid wireless services to customers throughout the United States.

## II. Unrestricted Access to Basic and E911 Services and Certification of Such Access

In the Lifeline Reform Order, the Commission stated that forbearance from the "ownfacilities" requirement is conditioned on a carrier seeking limited ETC designation "providing its Lifeline subscribers with 911 and E911 access, regardless of activation status and availability of minutes [and] 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" starting on the effective date of the order. Moreover, wireless resellers have an independent obligation to provide access to basic and E911 service, to the extent that the underlying facilities-based licensee has deployed the facilities necessary to deliver E911 information to the appropriate Public Safety Answering Point.<sup>8</sup> Resellers also have an independent obligation to ensure that all handsets or other devices offered to their customers for voice communication are location capable.9

The Commission and consumers are hereby assured that all Boomerang Lifeline 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 Boomerang handsets regardless of the activation status and availability of minutes. Further, Boomerang will ensure that all handsets used in connection with the Company's Lifeline service offering are E911-compliant. In the event that an existing Boomerang customer does not have an E911-compliant handset, the Company will replace it with a new 911/E911 compliant handset at no charge to the customer. Any new customer who qualifies for and enrolls in the Lifeline program is assured of receiving a 911/E911 compliant handset as well.

 <sup>&</sup>lt;sup>7</sup> Lifeline Reform Order ¶ 373.
 <sup>8</sup> See 47 C.F.R. § 20.18(m).

# III. Certification and Verification of Lifeline Customers' Eligibility

Boomerang proposes the following Compliance Plan to implement the certification and verification conditions outlined in the Lifeline Reform Order. Boomerang intends to keep these measures in effect until the Commission implements its planned national eligibility database.

#### A. Policy

Boomerang will comply with all certification and verification requirements for Lifeline eligibility established by states where it is designated as an ETC. In states where there are no state-imposed requirements, no established rules or procedures in place, or in states that do not mandate Lifeline support, Boomerang will obtain certification of eligibility at the outset and will verify consumers' Lifeline eligibility in accordance with the Commission's requirements. Boomerang shares the Commission's concerns about the potential abuse of the Lifeline program and is thus committed to the safeguards stated herein, with the belief that these procedures will prevent Boomerang's customers from engaging in such abuse of the program, inadvertently or intentionally.

#### **B.** Certification Procedures

Boomerang will implement certification procedures that enable consumers to demonstrate their eligibility for Lifeline assistance to Boomerang employees or agents by contacting the Company in person or via telephone, facsimile or the Internet. Although the specific process for each means of contact differs slightly, as detailed below, regardless of the means of contact, at the point of sale, consumers will be provided with printed information describing Boomerang's Lifeline program, including eligibility requirements, and with instructions for enrolling. Consumers will be enrolled in person or directed, via company literature, collateral or advertising, to a toll-free number and to the Company's website, which will contain a link to information regarding the Company's Lifeline service plans, including a detailed description of the program and state-specific eligibility criteria. Boomerang's application form will identify that it is a "Lifeline" application. Except in states in which applicants are enrolled through a designated state agency, Boomerang will have direct contact with

all customers applying for Lifeline service, either in person through its employees, agents or representatives, or via the telephone (including facsimile) or mail.

Specifically, at events, Boomerang or enMarket personnel will explain the eligibility requirements for the program, including participation in a qualifying program or earning income below 135% of the Federal Poverty Guidelines and will verify the individual's eligibility. The Boomerang or enMarket employees will also explain the program limitation of one Lifeline service per household. In order to ensure potential customers are fully informed about the Lifeline program and the eligibility process, Boomerang will provide a sufficient number of employees at each event so that, while some individuals are handling the application and eligibility process with applicants, other individuals are available to discuss the requirements with potential customers, answer questions, identify appropriate documents and otherwise assist a customer in preparing for the application/eligibility step. enMarket employees will begin educating potential subscribers as they wait in line at events and explain the application process to prepare them. Employees are instructed that the company has zero tolerance for waste, fraud or abuse, and that they should notify a team lead immediately if they suspect that anyone might be providing false information or attempting to obtain a duplicate Lifeline benefit for themselves or within the same household. At events, when a potential subscriber reaches the front of the line, representatives will again confirm that no member of the individual's household currently receives a Lifeline benefit from another carrier. representative will mention the name of major ETCs to assist applicants in determining whether they already receive a Lifeline benefit. The representative will reiterate that Lifeline is a government benefit, and that providing false information could subject the applicant to consequences including penalty under perjury. After an applicant has completed the enrollment form, a representative will check the CGM database to determine whether anyone at the same residential address currently receives a Lifeline benefit. If so, the applicant will be asked whether the applicant is a member of a separate household residing at the same address and to complete the form created by USAC to certify that he or she resides in a separate household.

At events, upon completion of the application, representatives will photograph the documentation provided by the customer to prove identity and/or address and program- or income-based eligibility. After this information is reviewed and possibly subject to a compliance audit, described in more detail herein, Boomerang will maintain a record of the type of documentation reviewed to determine eligibility, but will not keep the documentation itself. Finally, representatives will review with the customer instructions in the welcome packet for activating the service or, if the customer explicitly requests, will activate the handset at that time. Boomerang will not seek Lifeline reimbursement until the customer has activated the handset.

Boomerang will also be promoting sign up through online outreach. Boomerang will use search engine optimization and targeted ad placement to reach eligible low-income consumers. To apply for a Boomerang Lifeline service online, a customer will fill out an application, provide the necessary information that all prospective Lifeline customers must provide, and be taken through forms and screens that clearly explain all relevant legal eligibility requirements. If the customer is seeking to qualify for Lifeline service based on their participation in a particular program (or income level), the prospective customer may be able to either upload the forms from scanned documents or print off a Document Submission worksheet and submit the documents to Boomerang where a sales representative will input the prospective customer's information into an eligibility database (if available for the relevant state). However, in most cases, the prospective consumer will fill out the relevant eligibility forms on the computer, and then send copies of the records needed by Boomerang to verify the customer's eligibility to participate in Lifeline.

With the CGM database, all applications will be processed against the only national database compiled with over 2 million current ETC Lifeline subscribers. This real time review will identify two types of duplicate applications: individual duplicate (*i.e.* same SSN, Name, DOB, etc) or duplicate residential addresses. If the entire record is a duplicate, the applicant will receive a message that the application has been rejected. If the residential address is a duplicate, the applicant will receive instructions regarding the definition of household and the opportunity to complete a verification that

the applicant is a member of a unique household at that address that does not currently receive a Lifeline benefit.

For all application processes, Boomerang has an in-house Compliance Officer and compliance metrics to further protect against waste fraud and abuse. This includes real time review of application submissions during events and random sampling of online and paper submissions. Boomerang's internal team will provide another layer of review (*i.e.*, handwriting, submission locations, timing) to identify abuse and carry out disciplinary action.

Once the prospective customer is successfully verified by Boomerang, Boomerang will enroll the customer in the service plan selected by the customer, and then mail the selected handset to the customer. Along with the handset comes a welcome packet with instructions for activating the service. Boomerang will not seek Lifeline reimbursement until the customer has activated the handset by following the instructions detailed herein or by making an outgoing call.

For potential subscribers who avail themselves of the toll-free number to apply for service, the IVR script will emphasize the "one Lifeline benefit per household" restriction through its interaction with the activating customer as well as review the 60 day non-usage rule and Annual Recertification requirements. If a customer wants more information, they will be passed to a live call center operator. Boomerang's sales training materials for call centers will include a discussion of the one benefit per household restriction and the need to ensure that the customer is informed of this restriction.

Boomerang will provide Lifeline-specific training to all personnel, whether employees, agents or representatives, who interact with actual or prospective consumers with respect to obtaining, changing or terminating Lifeline services. The training provides an explanation of the creation and purpose of the Lifeline program, the source of funds to provide access to qualified low-income consumers, program- and income-based eligibility determinations, and a detailed explanation of the one-benefit-per-household limitation. The training emphasizes the importance of clearly explaining the eligibility criteria and limitations to applicants as well as the potential consequences for providing

false information on the application. Trainees learn what documentation is acceptable to verify program- or income-based eligibility and that they must be able to communicate this information clearly to applicants. Trainees are instructed to report to a supervisor if for any reason at all they feel that an individual is trying to abuse the program or falsify eligibility. Trainees must ask an applicant directly if they already have a Lifeline service, and more specifically, mention the names of major Lifeline service providers in the geographic area, such as Safelink, Assurance, or Stand Up Wireless. Trainees are given instruction in checking the available duplicates database to confirm whether anyone else at that residential address is receiving a Lifeline benefit, and if so, to ask the applicant if multiple households reside at the same address. Trainees are also given instruction about when to provide the additional household verification form on which the applicant will certify that his or her household is a separate economic unit and does not already receive a Lifeline benefit. Trainees are instructed on activation procedures and restrictions, including that an account may only be activated by the subscriber or upon the subscriber's express authorization to do so.

Boomerang personnel will take steps to ensure that applicants are eligible to participate in the Lifeline program. All personnel who interact with current or prospective customers will be trained to assist Lifeline applicants in determining whether they are eligible to participate based on state-specific income-based or program-based criteria. These personnel will be trained to answer questions about Lifeline eligibility, and will review required documentation to determine whether it satisfies state-specific eligibility requirements using state-specific checklists. Acceptable documentation of program eligibility includes: (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 (SNAP) electronic benefit transfer 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.

Acceptable documentation of income eligibility includes 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/pension statement of benefits; an Unemployment/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 months' time. Boomerang will establish policies and procedures to review such documentation and keep accurate records detailing how the consumer demonstrated his or her eligibility, including collecting information on the enrollment form about what documentation the applicant presented to demonstrate program-based or income-based eligibility. Where Boomerang personnel conclude that proffered documentation is insufficient to establish such eligibility, Boomerang will deny the associated application and inform the applicant of the reason for such rejection. In the event that Boomerang personnel cannot ascertain whether documentation of a specific type is sufficient to establish an applicant's eligibility, the matter will be escalated to supervisory personnel at Boomerang's corporate headquarters.

Consumers who do not complete the application process in person must return the signed application and supporting documentation to the Company by mail, fax, email or other electronic transmission. The Company 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, and may verify consumers' signatures via IVR systems. Processing of consumers' applications, including review of all application forms and relevant documentation, will be performed under the Company's supervision by managers experienced in the administration of the Lifeline program.

The enrollment form will include a place where the applicant must certify by his or her signature under penalty of perjury that the applicant meets the relevant criteria and that the

applicant's representations are true and correct.<sup>10</sup> Applicants will also be required to initial a number of disclosure statements intended to ensure that the applicant understands applicable eligibility requirements—including a statement to the effect that to the best of his or her knowledge, the applicant is not receiving Lifeline-supported service from any other Lifeline provider. Penalties for perjury will be clearly stated on the certification form. The certification will also contain language stating that a violation of the one-per-household requirement constitutes a violation of the Commission's rules and will result in the consumer's de-enrollment from the program, and could result in criminal prosecution by the United States government. Although the exact wording of the disclosure statements described above may vary on a state-by-state basis, depending on state-specific requirements or consultations with relevant state agencies, Boomerang plans for the disclosures to be consistent with the following statements:

The information contained within this application is true and correct. I acknowledge that providing false or fraudulent documentation in order to receive assistance is punishable by law.
I understand that Lifeline is only available for one benefit per household, whether landline or wireless. To the best of my knowledge, no one in my household is receiving Lifeline service. I will only receive Lifeline from Boomerang and no other landline or wireless telephone company.
I am not currently receiving a Lifeline telephone service from any other landline or wireless telephone company.
I will not transfer my service to any other individual, including another eligible low-income consumer.
I understand that I may be required to verify my continued eligibility for Boomerang's Lifeline service at any time and that failure to do so will result in termination of Lifeline benefits.
I will notify Boomerang immediately if I no longer qualify for Lifeline or if I have a question as to whether I would still qualify.

In accordance with the Lifeline Reform Order, Boomerang will not retain copies of eligibility documentation, but rather will maintain accurate records detailing how the customer demonstrated his or her eligibility. Boomerang will check the eligibility of consumers seeking to enroll in Lifeline

<sup>&</sup>lt;sup>10</sup> A copy of Boomerang's proposed enrollment and certification form is attached at Exhibit B.

either by accessing electronic eligibility databases, where available, or by reviewing documentation from the consumer demonstrating his or her eligibility for Lifeline service. Where the Company is able to access a state or federal database to make determinations about customer eligibility, the Company or its representative will note in its records what specific data was relied upon to confirm the consumer's initial eligibility for Lifeline. In instances where a state agency or third-party administrator is responsible for the initial determination of consumer eligibility, Boomerang will rely on the state identification or database.

Boomerang personnel will assist applicants in determining whether they are ineligible to participate in the Lifeline program because a member of the applicant's household already is benefiting from a Lifeline discount. Boomerang will establish safeguards to prevent individual subscribers and households from receiving more than one benefit. Boomerang personnel will explain in prominent, plain, easily comprehensible language to all new and potential subscribers that no consumer is permitted to receive more than one Lifeline subsidy. Boomerang will emphasize the one-per-household restriction in its contacts with potential customers. Boomerang personnel also will inform each Lifeline applicant that he or she may be receiving Lifeline support under another name, and facilitate the applicant's understanding of what constitutes "Lifeline-supported service," and ability to determine whether he or she is already benefiting from Lifeline support by identifying the leading wireline and wireless Lifeline offerings in the relevant market by brand name.

Boomerang's Lifeline application forms will require each applicant to provide his or her name and primary residential address and a billing address for the service if the consumer's billing address differs from his or her residential address. The application form will clearly state that Lifeline participants must provide their new address to the Company within 30 days of moving. Boomerang will incorporate this information into its customer information database.

Prior to initiating service for a customer, the Company will check the address of each Lifeline applicant against the CGM compiled database to determine whether or not it is associated with a customer that already receives Boomerang Lifeline service, and will then review the application to

ascertain whether the applicant is attempting to receive Lifeline-supported service for more than one service associated with the address. Boomerang Wireless has aligned with CGM, LLC of Roswell, Georgia, a Lifeline service bureau, to participate in the only national effort to match ETC applications against current ETC participants. This recognized compliance software provider is working across the industry to help minimize duplicate service to eligible households. CGM's growing database currently includes more than two million of the 15 million current ETC subscribers. As of this writing, it is, to Boomerang's knowledge, the largest pooled national database.

Boomerang has contracted with CGM to check each name/address combination against its aggregate duplicate database to confirm that the applicant is not already receiving a Lifeline subsidy from Boomerang or any other CGM client. The database dip is done simultaneously with customer sign-up through an API connection between Boomerang's provisioning platform and CGM. This check ensures that each applicant is not receiving a duplicate subsidy, as well as identifying those customers who share an address with current Boomerang customers and, therefore, may warrant further review. If Boomerang determines that an individual at the applicant's residential address is currently receiving Lifeline-supported service, the Company will take an additional step to ensure that the applicant and the current subscriber are part of different households. In order to make this demonstration, Boomerang will require applicants to complete and submit to the Company a written document developed by USAC consistent with the Commission's directions in the Lifeline Reform Order.<sup>11</sup> Boomerang will deny the Lifeline application of any such 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.

Prior to requesting a subsidy, Boomerang, in conjunction with CGM, will process and validate its subsidy data to prevent duplicate same-month Lifeline subsidies. Any household that is already receiving a Lifeline subsidy will automatically be prevented from receiving a second Lifeline subsidy in that same month. Boomerang will immediately de-enroll any subscriber whom Boomerang knows

<sup>&</sup>lt;sup>11</sup> See Lifeline Reform Order ¶ 84.

is receiving Lifeline-supported service from another ETC or knows is no longer eligible. Additionally, each month, 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 audits also compare all subsidy requests to Boomerang's underlying carrier invoice to ensure that subsidies are requested only for active lines. This process ensures that Boomerang does not request multiple subsidies from the Universal Service Fund.

In addition, prior to requesting a subsidy, Boomerang will ensure that the customer has activated the service in accordance with the Commission's requirements. Boomerang will provide phone activation instructions in a welcome package provided with the handset and, at events, will review these instructions with the customer. The activation process will allow the end user to proactively establish service and have an opportunity to receive additional training on the device and services available.

### C. Procedures for Verification of Ongoing Consumer Eligibility

As required by the Commission's Lifeline Reform Order, Boomerang will require every customer enrolled in the Lifeline program to verify on an annual basis that he or she receives Lifeline-supported service only from Boomerang and, to the best of his or her knowledge, no one else in the subscriber's household is receiving a Lifeline-supported service. Boomerang will submit all required information to the relevant Tribal governments, as applicable, including its aggregated re-certification data and annual re-certification results for subscribers residing on reservations or Tribal lands. This re-certification may be done on a rolling basis throughout the year. Where ongoing eligibility cannot be determined through access to a qualifying database either by the Company or the state, and there is no state administrator verifying the continued eligibility of Lifeline subscribers, the Company will recertify 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. Such certifications may be obtained through a written format, an IVR system, or a text message, in accordance with the Lifeline Reform Order.<sup>12</sup> In states where a state agency or a third party has implemented a database that carriers may query to recertify the consumer's continued eligibility, the Company (or state agency or third party, where applicable) will instead query the database and maintain a record of what specific data was used to re-certify eligibility and the date of recertification.

Boomerang will notify each of its Lifeline consumers by mail that he or she must confirm his or her continued eligibility in accordance with the applicable requirements. The notice will explain the actions the customer must take to retain Lifeline benefits, when Lifeline benefits may be terminated, and how to contact Boomerang. Boomerang will provide written notice of impending service termination to subscribers who do not respond to the annual re-certification within 30 days. Any subscriber who does not respond to the impending termination letter within 30 days to demonstrate that his or her Lifeline service should not be terminated will be de-enrolled from the Company's Lifeline program.

<u>De-Enrollment for Ineligibility</u>. If Boomerang has a reasonable basis to believe that one of its Lifeline subscribers no longer meets the eligibility criteria, Boomerang will notify the subscriber of impending termination in writing and in compliance with any state dispute resolution procedures applicable to Lifeline termination, and give the subscriber 30 days to demonstrate continued eligibility.<sup>13</sup> A demonstration of eligibility must comply with the annual verification procedures found in new rule section 54.410(f), including the submission of a completed and signed certification form. If a customer contacts the Company and states that he or she is not eligible for Lifeline or wishes to de-enroll for any reason, the Company will de-enroll the customer within five business days. Customers can make this request by calling the Company's customer service number and will not be required to submit any documents.

<sup>12</sup> See Lifeline Reform Order ¶¶ 130, 132.

<sup>&</sup>lt;sup>13</sup> See Lifeline Reform Order, ¶ 143; 47 C.F.R. § 54.405(e)(1).

### IV. Additional Measures to Prevent Waste, Fraud and Abuse

# A. Usage Requirement

Boomerang will implement policies and procedures to ensure that it does not obtain Lifeline support for an inactive subscriber who has failed to use his or her service in the first instance or has discontinued using the service.

Boomerang will not seek universal service support for a qualifying low-income consumer until that individual subscriber uses the supported service to either activate the service or complete an outgoing call. Boomerang will provide phone activation instructions in its event and online or paper product packages. The activation process will allow the end user to proactively activate service and have an opportunity to receive additional training on the device and services available. Specifically, to activate service, customers will be instructed to call the Boomerang IVR, press "2" to activate the phone, and enter a PIN included in the Welcome Instructions the subscriber receives with the phone after the eligibility and enrollment process has been completed as described above. At that point, the IVR will notify the consumer that the Lifeline account is active. The IVR will inform the customer that the customer must use the service in order to keep the account active and provide options through a menu for obtaining additional information about the phone or the service and direct the customer to the Company's website for additional information. At in-person events, Boomerang will assist an individual with account activation upon being expressly authorized by the subscriber to activate the service.

To comply with the Commission's continued usage requirements, Boomerang will implement a non-usage policy whereby it will de-enroll Lifeline customers that have not used the Company's Lifeline service for 60 days. The customer will be given a 30 day cure period before they would be de-enrolled from the Lifeline service. Boomerang will notify its subscribers at service initiation 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. If no usage appears on a Boomerang Lifeline customer's account during any continuous 60-day period, Boomerang will

deactivate Lifeline services for that customer after the 30 day notification & cure period. 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 Boomerang to add to an existing pre-paid Lifeline account; completes an outbound call; answers an incoming call from anyone other than Boomerang, its representative, or agent; or affirmatively responds to a direct contact from Boomerang confirming that he or she wants to continue receiving the Lifeline-supported service.

Boomerang will take measures to continue to communicate with the customer to ensure the customer understands the rules and requirements of the benefits. Boomerang has direct control over customer databases and communication tools including: SMS messaging, outbound calling, IVR messaging and direct mail communications. For example, if a customer has 45 days of non-usage, Boomerang can text them to remind them about the non-usage rules.

# **B.** Consumer Education with Respect to Duplicates

As required by the Lifeline Reform Order, Boomerang will establish safeguards to prohibit more than one supported service for each household. In addition to its verification and certification procedures, and to better ensure that customers understand the Lifeline service restrictions with respect to duplicates, Boomerang will implement measures and procedures to prevent duplicate Lifeline benefits being awarded to the same household, including use and development of an appropriate database.

Specifically, Boomerang personnel will emphasize the one-per-household restriction in their direct sales contacts with potential customers. At the point of sale, potential customers will be provided with printed information describing Boomerang's Lifeline program, including eligibility requirements, and instructions for enrolling. As part of these printed materials, Boomerang will also reinforce the one-Lifeline-benefit-per-household limitation. Materials from USAC, that have been or will be developed pursuant to the Lifeline Reform Order, may also be provided at the point of sale as dictated by a customer's responses. Boomerang will likewise reinforce and explain the one-per-household restriction in its marketing materials. The Company will emphasize in plain, easily

comprehensible language that: (1) Lifeline is a federal benefit; (2) Lifeline service is available for only one benefit or subscription 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; and (4) a household is not permitted to receive Lifeline benefits from multiple providers. Boomerang will also include in its marketing materials (see Exhibit C) substantially the following language in clear, easily understood language: the offering is a Lifeline-supported service; that Lifeline is a government assistance program; that only eligible consumers may enroll in the program; that documentation is necessary for enrollment; and the program is limited to one benefit per household, consisting of either wireline or wireless service. Finally, Boomerang will disclose the company name under which it does business and the details of its Lifeline service offerings.

### C. Internal Audit and Compliance Training for Boomerang Customer Service

In addition to detailed and thorough employee training, Boomerang will impose disciplinary actions on employees who fail to abide by the requirements for determining eligibility for the Lifeline benefit. Beyond the instructions for field and event training, Boomerang with provide its customer service personnel with internal audit and compliance training. For incoming paper applications, Boomerang will have a 100% compliance checklist to check applications for fraud and duplication. The employee must check whether all fields on the certification and enrollment form are complete, whether all necessary eligibility documents are attached, whether the eligibility documents align with the information on the form, whether the handwriting is unique, whether all attestations are initialed, and whether the form is signed.

For in-person and event outreach, in addition to the onsite eligibility determinations, a Boomerang compliance officer will randomly check a representative sample of 3% to 10% of applications as an additional check for errors or omissions or any sign of fraud. If the compliance officer detects potential fraud or abuse in the application process, the affected applications will be denied.

# V. Lifeline Offering

Boomerang's marketing efforts will be focused on finding and serving eligible consumers using distribution models designed to reach the target population on a broad geographic basis. Creating a trusted brand and service through community outreach is a primary methodology for educating and soliciting customers. Boomerang will enroll Lifeline customers through several different marketing channels. Boomerang's current business model and plans for providing Lifeline service are based on reaching about 85% of its subscribers in person, through event marketing targeting currently underserved populations. Boomerang anticipates that, while most of its outreach will succeed via direct contact with consumers, potential subscribers will also be able to avail themselves of a toll-free number (inbound telemarketing) or website to obtain enrollment information. Boomerang also has plans to offer its services through retail stores and agents who understand the underserved consumers in communities Boomerang would service as an ETC. National retail chains have expressed interest in partnering with Boomerang to support the Lifeline service and outreach to underserved eligible populations. Boomerang has partnered with retailers to use parking lots as locations for event-based outreach.

enMarket, Boomerang's sister event marketing and distribution company, will use demographic segmentation information to identify locations of populations with great need. The neighborhood marketing program will reach Tier 3 and Tier 4 and smaller communities where the population has not seen an influx of Lifeline service providers. enMarket will organize positive and informative neighborhood events to create a local presence.

The Company has a long history with retail distribution. If Boomerang is granted ETC designation, it is prepared to work with several national companies to explore unique, focused Lifeline program marketing.

Boomerang will offer its Lifeline service in the states where it is designated as an ETC and throughout the coverage area of its underlying carriers. Boomerang has direct underlying agreements with Sprint and Verizon today. Negotiations are underway for the addition of a national

GSM provider. The company will use these network relationships to ensure a good product experience for ETC consumers.

The Company's Lifeline offering will provide eligible customers with the following two Lifeline plans: (1) 125 units that rollover where 1 minute equals 1 unit and 1 text equals 1 unit, and (2) 250 units without rollover where 1 minute equals 1 unit and 1 text equals 1 unit. Customers will have the capability of purchasing additional bundles of minutes in the following denominations:

Denomination	\$5.00	\$10.00	\$10.00	\$15.00	\$15.00	\$30.00	\$30.00	\$50.00	\$7.00	\$20.00	\$30.00
Days of Use	10	3	7	7	10	14	30	30	10	30	30
Minutes									100	500	1,000
Peak Minutes		Unlmtd	30	Unlmtd	60	Unlmtd	140	Unimtd			
N/W Miniutes		Unlmtd	Unlmtd	Unlmtd	Unimtd	Unlmtd	Unlmtd	Unlmtd			
Texts		Unlmtd	.10/text	Unlmtd	.10/text	Unlmtd	.10/text	Unimtd	200	1,000	1,200
Units (Min+Text)	50										

In addition to free voice services, Boomerang's Lifeline plans will include a free handset and the following features: caller ID, call waiting and voicemail. Boomerang will turn on the data capability for all of our handsets. This will allow customers to add a data plan to their phone service.

As a provider of Lifeline services to residents of Tribal lands, Boomerang will pass through the full Tribal support amount to qualifying residents of Tribal lands, and under no circumstances will it collect from the Universal Service Fund more than the rate charged to Tribal subscribers.

# VI. Demonstration of Financial and Technical Ability to Provide Lifeline Services

Revised Commission Rule 54.202 requires carriers seeking designation as a Lifeline-only ETC to demonstrate their technical and financial capacity to provide the supported service. Among the factors that the Commission will consider are whether the applicant previously offered services to non-Lifeline consumers, how long the applicant has been in business, whether the applicant intends to rely exclusively on USF disbursements to operate, whether the applicant receives or will receive

revenue from other sources, and whether it has been subject to enforcement action or ETC revocation proceedings in any state.

Boomerang's parent company, HH Ventures, is a privately held cash-flow-positive wireless telecommunications holding company. HH Ventures has been providing prepaid wireless telecommunications services to non-Lifeline subscribers since 2008. Its core management team includes six senior executives with significant telecommunications experience, and the company employs 40 full time employees.

Boomerang currently provides prepaid wireless services to more than 350,000 subscribers, including more than 50,000 retail customers. The company currently provides a complete wholesale, MVNE platform to several ETCs and other white label partners.

Boomerang does not intend to rely exclusively on USF disbursements to operate, as it receives revenue from providing other services. For the 2011 calendar year, Boomerang and its sister company received no direct USF reimbursement for Lifeline support; 17% of revenue was generated from wireless resale services provided to ETCs, 14 52% of revenue was generated from wireless retail services, and 31% of revenue was generated from other non-regulated telecom services. Boomerang has not been subject to enforcement actions or ETC revocation proceedings in any state.

Boomerang certifies that it will comply with all of the requirements of newly amended Commission Rule 54.202. Pursuant to Commission Rule 54.202(a)(1)(i) Boomerang certifies that it will comply with the service requirements applicable to the support it receives. Further, Section 54.202 requires that an ETC demonstrate its "ability to remain functional in emergency situations, including a demonstration that it has a reasonable amount of back-up power to ensure functionality without an external power source, is able to reroute traffic around damaged facilities, and is capable of managing traffic spikes resulting from emergency situations."

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<sup>&</sup>lt;sup>14</sup> In 2011, Boomerang only entered into wholesale MVNE arrangements with designated ETCs. This year, Boomerang has entered into arrangements with other, non-ETC, white label partners.

Boomerang will remain functional in emergencies. Back-up systems are in place to ensure full functionality in the event of a loss of power or network functionality. And, Boomerang's switching facilities are housed in a carrier-class data center with fully redundant power and HVAC, a controlled temperature and humidity environment, fire-threat detection and suppression, year-round critical monitoring and secure access with biometric security. The facility features redundant generators and redundant fiber optic connectivity. The data center is a reinforced concrete building located in a secure area and collocated with the area electrical utility headquarters. It is powered from separate paths independent of any one electrical generation plant. All systems within the facility are implemented on redundant servers, each with redundant data network and power.

Direct carrier access with Sprint and Verizon networks provides additional tools to escalate network or hardware issues encountered on a local or regional basis. Contractual arrangements include direct escalation processes for tiered support depending on outage severity and number of customers affected.

Section 54.202 also requires ETC applicants to demonstrate that they will satisfy applicable consumer protection and service quality standards. Boomerang hereby commits to comply with the Cellular Telecommunications and Internet Association's Consumer Code for Wireless Service.

# Conclusion

Boomerang's Compliance Plan meets the conditions set forth in the Lifeline Reform Order and promotes public safety by ensuring that Lifeline customers have access to 911 and E911 service. Boomerang requests that the Commission expeditiously approve the Company's Compliance Plan and grant its pending ETC Petition so that Boomerang may begin providing the benefits of Lifeline service to qualifying low-income consumers.

Respectfully submitted,

James T. Balvanz

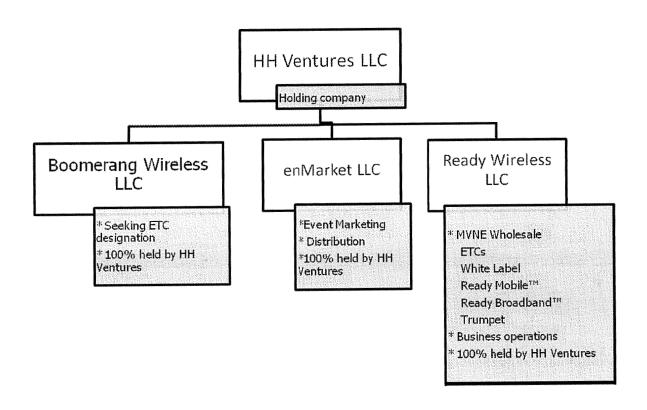
Chief Financial Officer
Boomerang Wireless, LLC

(319) 743-4606

jbalvanz@readywireless.com

July 26, 2012

# Exhibit A



# Exhibit B



955 Kacena Road. Suite A Hiawatha, IA 52233 www.boomerang-wireless.com

# Lifeline Program

Office Use Only
PLACE PHONE ID
STICKER HERE

r122806

### Lifeline Self-Certification Form

- To enroll in the Lifeline America program you need to complete this form.
- The information is only used to certify with the Federal Communications Commission (FCC) that you are participating in the program with us.

### Lifeline Service Disclosure

Lifeline is a government assistance program and willfully making false statements to obtain the benefit can result in fines, imprisonment, deenrollment or being barred from the program. Only one lifeline benefit is available per household. A household is defined, for purposes of the Lifeline program, as any individual or group of individuals who live together at the same address and share income and expenses. Violation of the one per household limitation constitutes a violation of the Federal Communications Commission's rules and will result in your de-enrollment from the program, and lifeline is a non-transferable benefit and you may not transfer this benefit to any other person, regardless if they qualify for Lifeline.

STEP 1: Applicant Information	USE BLACK OR BLUE INK ON	ILY			
Full Name:		$\Box$	Phone:		
Residential Address:			Email:		
Circle one:					
Permanent Address		11			
Temporary Address					
(No PO Box. Residence of Tribal lands must pr	ovide descriptive address.)	-++	New/ Conv?		
City:		-			
State:		$\dashv$	New Phone:		
Zipcode:		$\dashv$	ESN:		
Billing Address: (if different)	(if different)	$-\!\!+\!\!-\!\!\!+$	Last 4 SSN or Tribal ID numbe	r:	
City/ State/ Zipcode:			Your birthdate:		
Company (the administrator of the progr	Boomerang Wireless divulging my n				
benefit. In the event that USAC identifie	s me as receiving more than one life	line si	ibsidy per household. Lacknowl	edge and understand that all carrie	
may be notified so that I may select one					
*Applicants living on Tribal lands who lack a se				on card number.	
STEP 2: Certifications. I participate in					
Supplemental Nutrition Assistance			National School Lunch Progra	m (NSL)	
Supplemental Security Income (SSI	)		Medicaid		
Low-Income Home Energy Assistar	ice program (LIHEAP)		Food Distribution Program on Indian Reservations		
Section 8 Federal Public Housing A	ssistance		Tribally administered TANF		
Temporary Assistance for Needy Fa	amilies (TANF)		Bureau of Indian Affairs General Assistance		
			Tribally administered Head St qualifications of Head Start.)	art (meeting the income	
My household income is at or below 1359 Number of people in your household:			on confirming my household income son above 6 to determine income gu		
# Persons in Household	Income	‡	Persons in Household	Income	
1	\$15,080		4	\$31,118	
2	\$20,426		5	\$36,464	
3	\$25,772		6	\$41,810	
If you do not participate in one of these participant:  Documents Reviewed for Certifal Name of Person Participating	ication:	sehold	does:	αs.	
I certify that the person name of	on the participation documentation i	s not a	already receiving a Lifeline disco	unt.	



**STEP 3: Choose Your Plan:** Choose one of the following plans. This plan will be reloaded to your phone monthly as long as you are eligible & certified.

FEATURE/ DESCRIPTION	■ 125 FREE MONTHLY MINUTES	250 FREE MONTHLY MINUTES
Local Calls	Y	Y
National Long Distance	Y	
Voicemail	Y	Υ
Nationwide Text	Y- 1 text=1 minute	Y- 1 text=1 minute
• Free 411	Y	Y
Carry Over Minutes Month to Month	Y	N

# Step 4: Signature (read, initial & sign):

teria for receiving Lifeline service and have provided
t program and that willfully making false statements in order to e barred from the program.  prorted service. Lifeline service is available for only one e Lifeline program, as any individual or group of individuals who busehold is not permitted to receive Lifeline benefits from ld requirement constitutes a violation of the FCC's rules and riminal prosecution by the United States government. provide my new address within 30 days of moving.  Instead a temporary address above, I understand that e to rely on that address, and that I must notify Boomerang spond to Boomerang Wireless' address verification attempts g Wireless' Lifeline service.  In 30 days if (1) I cease to participate in a federal or state nt of the federal poverty guidelines; (2) I receive more than d is receiving a Lifeline benefit or (4) I for any other reason no at I will be subject to penalties if I fail to follow this notification
on-transferable benefit and that I may not transfer my service
ibility for Lifeline benefits annually, and I may be required to re to do so will result in the termination of my Lifeline benefits.
rein is true and correct to the best of my knowledge.
Date

122806

# **Exhibit C**



# Eligibility Requirements

Lifeline is a federal benefit. You can receive a discount on your phone service. Documentation of your eligibility for this government assistance program is required.

# 1) You, or one of your dependents, participates in one of these programs:

Supplemental Nutrition Assistance Program (SNAP)	Temporary Assistance for Needy Families (TANF)
Supplemental Security Income (SSI)	National School Lunch Program (NSL)
Low-Income Heat & Energy Assistance (LIHEAP)	Medicald
Homestead Act (Public Housing)	Food Distribution Program on Indian Reservations, Bureau of Indian Affairs general assistance. Tribally administered TANF or Head Start (meeting the income-qualifying standards of Head Start)

2) Limit 1 Lifeline benefit per household.

One Lifeline program (wireline or wireless) per household. Household is defined as an individual or group of individuals living together at the same address and share income and expenses. A household is not permitted to receive Lifeline benefits from multiple providers.

# 3) If I am not in qualifying program, I may participate if income qualified.

# Persons in Household	Income
1	\$15,080
2	\$20,426
3	\$25,772
4	\$31,118

# 4) Must have valid physical address.

Notify Boomerang Wireless of any change of address by calling 800-516-0414.

# 5) Cannot choose phone model or phone number

You are not able to choose the free handset, trade free handsets, or choose the phone number on the free handset.

6) Recertify annually that you remain eligible for the Lifeline benefits. Lifeline is a government assistance program. Once you receive the Lifeline benefit, you must complete the annual recertification process. Learn more in your welcome package.

# 7) Must be truthful in application process.

WARNING: If you make false statements to gain benefits, you can be punished by fine or imprisonment or you can be barred from the Lifeline program.

# 8) Complete the application.

Be prepared to complete the application truthfully & accurately. You can print the application, submit online or attend one of our neighborhood events. You will need documentation for application process to include: Proof of identity (i.e. Drivers License); Program eligibility documentation: Current statement of benefits from qualifying program, notice letter of participation, program document (i.e. SSI card), Income eligibility documents (i.e. tax return, paycheck stub, VA benefit statements)

Federal Communications Commission 445 12<sup>th</sup> St., S.W. Washington, D.C. 20554

News Media Information 202 / 418-0500 Internet: http://www.fcc.gov TTY: 1-888-835-5322

DA 12-1286

Release Date: August 8, 2012

WIRELINE COMPETITION BUREAU APPROVES THE COMPLIANCE PLANS OF BIRCH COMMUNICATIONS, BOOMERANG WIRELESS, IM TELECOM, Q LINK WIRELESS AND TAG MOBILE

### WC Docket Nos. 09-197 and 11-42

The Wireline Competition Bureau (Bureau) approves the compliance plans of five carriers: Birch Communications, Inc. (Birch); Boomerang Wireless, LLC (Boomerang); IM Telecom, LLC (IM); Q Link Wireless, LLC (Q Link); and TAG Mobile, LLC (TAG). The compliance plans were filed pursuant to the *Lifeline Reform Order* as a condition of obtaining forbearance from the facilities requirement of the Communications Act of 1934, as amended (the Act), for the provision of Lifeline service.<sup>1</sup>

The Act provides that in order to be designated as an eligible telecommunications carrier for the purpose of universal service support, a carrier must "offer the services that are supported by Federal universal service support mechanisms . . . either using its own facilities or a combination of its own facilities and resale of another carrier's services . . . . "<sup>2</sup> The Commission recently amended its rules to define voice telephony as the supported service and removed directory assistance and operator services, among other things, from the list of supported services. As a result of these amendments, many Lifeline-only ETCs that previously met the facilities requirement by providing operator services, directory assistance or other previously supported services no longer meet the facilities requirement of the Act. In the *Lifeline Reform Order*, the Commission found that a grant of blanket forbearance of the facilities requirement, subject to certain public safety and compliance obligations, is appropriate for carriers

<sup>&</sup>lt;sup>1</sup> See 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, 27 FCC Rcd 6656, 6816-17 at paras. 379-380 (2012) (Lifeline Reform Order). A list of the compliance plans approved through this Public Notice can be found in the Appendix to this Public Notice.

<sup>&</sup>lt;sup>2</sup> 47 U.S.C. § 214(e)(1)(A).

<sup>&</sup>lt;sup>3</sup> See Connect America Fund, WC Docket No. 10-90 et al., Report and Order and Further Notice of Proposed Rulemaking, 26 FCC Rcd 17663, 17692-93, paras. 77-78, 80 (2011); pets. for review pending sub nom. In re: FCC 11-161, No. 11-9900 (10th Cir. filed Dec. 8, 2011); Connect America Fund, WC Docket No. 10-90 et al., Order on Reconsideration, 26 FCC Rcd 17633, 17634-35, para. 4 (2011) (USF/ICC Transformation Order on Reconsideration).

<sup>&</sup>lt;sup>4</sup> See Lifeline Reform Order, 27 FCC Rcd 6812, at para. 366, App. A; USF/ICC Transformation Order on Reconsideration at para. 4. Some ETCs have included language in their compliance plans indicating that they have facilities or plan to acquire facilities in the future. See, e.g., Blanket Forbearance Compliance Plan, WC Docket Nos. 09-197 and 11-42, Q Link Wireless, LLC's Third Amended Compliance Plan at 4 n. 2 (filed July 30, 2012). To the extent ETCs seek to avail themselves of the conditional forbearance relief established in the Lifeline Reform Order, we presume they lack facilities to provide the supported service under section 54.101 and 54.401 of the Commission's rules. See 47 C.F.R. §§ 54.101 and 54.401. Such ETCs must comply with the compliance plan approved herein in each state or territory where they are designated as an ETC, regardless of their claim of facilities for other purposes, such as eligibility for state universal service funding.

seeking to provide Lifeline-only service.<sup>5</sup> Therefore, in the *Lifeline Reform Order*, the Commission conditionally granted forbearance from the Act's facilities requirement to all telecommunications carriers seeking Lifeline-only ETC designation, subject to the following conditions: (1) compliance with certain 911 and enhanced 911 (E911) public safety requirements; and (2) Bureau approval of a compliance plan providing specific information regarding the carrier and its service offerings and outlining the measures the carrier will take to implement the obligations contained in the *Order*.<sup>6</sup>

The Bureau has reviewed the five plans listed in the Appendix for compliance with the conditions of the *Lifeline Reform Order*, and now approves those five compliance plans.<sup>7</sup>

Filings, including the Compliance Plans identified in the Appendix, and comments are available for public inspection and copying during regular business hours at the FCC Reference Information Center, Portals II, 445 12<sup>th</sup> Street, S.W., Room CY-A257, Washington, D.C. 20554. They may also be purchased from the Commission's duplicating contractor, Best Copy and Printing, Inc., Portals II, 445 12<sup>th</sup> Street, S.W., Room CY-B402, Washington, D.C. 20554, telephone: (202) 488-5300, fax: (202) 448-5563, or via email www.bcpiweb.com.

People with Disabilities: To request materials in accessible formats for people with disabilities (Braille, large print, electronic files, audio format), send an email to fcc504@fcc.gov or call the Consumer & Governmental Affairs Bureau at (202) 418-7400 or TTY (202) 418-0484.

For further information, please contact Divya Shenoy, Telecommunications Access Policy Division, Wireline Competition Bureau at (202) 418-7400 or TTY (202) 418-0484.

- FCC -

<sup>&</sup>lt;sup>5</sup> See Lifeline Reform Order, 27 FCC Rcd 6813-6817 at paras. 368-381.

<sup>&</sup>lt;sup>6</sup> See id. at paras. 373 and 389. Subsequently, the Bureau provided guidance for carriers submitting compliance plans pursuant to the Lifeline Reform Order. Wireline Competition Bureau Provides Guidance for the Submission of Compliance Plans Pursuant to the Lifeline Reform Order, WC Docket Nos. 09-197 and 11-42, Public Notice, 27 FCC Rcd 2186 (Wireline Comp. Bur. 2012).

<sup>&</sup>lt;sup>7</sup> The Commission has not acted on any pending ETC petitions filed by these carriers, and this Public Notice only approves the compliance plans of the carriers listed above. While these compliance plans contain information on each carrier's Lifeline offering, we leave it to the designating authority to determine whether or not the carrier's Lifeline offerings are sufficient to serve consumers. See Lifeline Reform Order, 27 FCC Rcd 6679-80, 6818-19 at paras. 50 and 387.

# APPENDIX

Petitioner	Compliance Plans As Captioned by Petitioner	Date of Filing	Docket Numbers
Birch Communications,	Further Amended Compliance Plan of	July 2, 2012	09-197; 11-42
Inc.	Birch Communications, Inc.		
Boomerang Wireless,	Boomerang Wireless, LLC Revised	July 26, 2012	09-197; 11-42
LLC	Compliance Plan		
IM Telecom, LLC	IM Telecom, LLC d/b/a Infiniti Mobile	July 5, 2012	09-197; 11-42
	Compliance Plan		
Q Link Wireless, LLC	Q Link Wireless, LLC's Third	July 30, 2012	09-197; 11-42
	Amended Compliance Plan		
TAG Mobile, LLC	TAG Mobile, LLC Compliance Plan	July 26, 2012	09-197; 11-42

# Exhibit "B"

# **Sample Advertising**



You may be eligible for this government benefit if you participate in certain government programs such as:

- Medicaid
- Food Stamps
- Free Lunch
- SSI
- Public Housing
- Or if you meet certain income requirements

Complete the enclosed application and you can start saving money now!

Great service. No contract.

(Details included. Only one Lifeline program per household.)

LEARN MORE: 800.516.0414 www.boomerang-wireless.com



BOOMERANG WIRELESS 955 KACENA RD. HIAWATHA, IA 52233

# BOOMERNO



# 250 FREE Minutes Monthly

Check AVAILABILITY for plan options in your area









—— Sign up today.—— LIFELINE application enclosed.

LEARN MORE: 800.516.0414 www.boomerang-wireless.com



Boomerang Wireless, 955 Kacena Rd. Hiawatha, IA 52233 www.boomerang-wireless.com

CODE

# Exhibit "C"

# **Terms of Service**

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# Terms Of Service

# **Boomerang Wireless Terms and Conditions for Communication Services**Effective as of May 15, 2012, until replaced.

Thank you for choosing Boomerang Wireless. These terms and conditions are part of your agreement with Boomerang Wireless for Mobile Services. For the most current version of the terms and conditions, please visit our website at <a href="https://www.boomerang-wireless.com">www.boomerang-wireless.com</a> or call Customer Service at 1-800-516-0414. The terms and conditions included with your Mobile phone may not be the most current version. If you activated Mobile Services before the effective date of these terms and conditions, these terms and conditions replace and supersede any previous terms and conditions. If you have questions about your Boomerang Wireless Services, call Boomerang Wireless Customer Service at 1-800-516-0414 or visit our website at www.boomerang-wireless.com

Your agreement ("Agreement") with Boomerang Wireless and any of its affiliates doing business as Boomerang Wireless providing mobile phone services ("Services") to you is made up of these terms and conditions of service ("Terms"). We use the words "we," "us" or "our" to refer to Boomerang Wireless and its affiliates doing business as Boomerang Wireless in these Terms. When you activate Services or attempt to use our Services (including, without limitation, attempting to place a call) you accept the Agreement.

**Provision of Service:** Your free phone or purchased digital mobile phone or other equipment does not mean that we must provide Services to you. We may decide not to provide Services to you for any lawful reason. We may request that you provide us with any information we reasonably require to determine whether you qualify or are eligible under federal guidelines for Services. Services in some areas are managed and provided under contract with Boomerang Wireless by independent affiliates to our network provider. Some Services may not be available or may operate differently in certain affiliate markets.

Changes to Agreement: We may change this Agreement at any time. Any changes to the Terms are effective when we publish the revised Terms. If you use our Services or make any payment to us on or after the effective date of the changes, you accept the changes. If you do not accept the changes, you may terminate Services. For purposes of the Agreement, "use" includes keeping the right to access the Boomerang Wireless Coverage Area by not terminating Services. You may not modify the Agreement.

Use of Services and Equipment; Availability: Services and equipment may not be used for any unlawful, fraudulent or abusive purpose. Boomerang Wireless service is for personal use only. By requesting Services, you agree that you will not use Services and equipment in any unlawful, fraudulent or abusive manner. This service may not be used in a manner that interferes with other Boomerang Wireless customer's use of the service. Service levels of other customers may be impaired when users place abnormally high numbers of calls, send or receive very high numbers of messages, or repeatedly make calls of abnormally long duration compared with other Boomerang Wireless customers. Atypical usage of this type suggests that a mobile phone is being used for other than personal usage and in violation of the Boomerang Wireless Terms of

Service. Services are strictly for live dialog between individuals. Services may not be used for monitoring services, data transmissions or other connections that do not consist of live dialog between two individuals. Services are available within the operating range of the Boomerang Wireless Coverage Area. Coverage and quality of Services may be affected by conditions within or beyond our control, including atmospheric, geographic, or topographic conditions. We do not guarantee that there will be no interruptions or delays in Services. Your Boomerang Wireless phone will not accept the services of any are strictly for live dialog between individuals. Services may not be used for monitoring services, data transmissions or other connections that do not consist of live dialog between two individuals. Services are available within the operating range of the Boomerang Wireless Coverage Area. Coverage and quality of Services may be affected by conditions within or beyond our control, including atmospheric, geographic, or topographic conditions. We do not guarantee that there will be no interruptions or delays in Services. Your Boomerang Wireless phone will not accept the services of any wireless provider other than Boomerang Wireless.

**Phone Number:** We assign telephone numbers and other personal identifiers in connection with the Services. Unless we provide you advance notice, you have no proprietary right to any such identifiers, and we reserve the right to change them upon notice to you. You do not have any property right to your phone number. It may be changed or reassigned. In the event that you become entitled to transfer a personal identifier to another party to obtain any Services we provide you, we reserve the right, prior to honoring the request for transfer, to charge a fee for the transfer and to collect any money owed by you for Services and Equipment.

Charges: You will receive free airtime as part of your Boomerang Wireless service. Airtime is used in one-minute increments and any fraction of a minute is rounded up and charged at the full minute rate; calls are measured from the time the network begins to process the call (before the phone rings or the call is answered) through the termination of the call. You may also choose to add Airtime through a Top Up card or other commerce channel. This airtime may be invalidated if not paid for by the retailer. Directory assistance calls are free to you, but you will be billed for normal airtime. For most forms of wireless Service, your usage will be charged from the time you first initiate contact between your phone or other wireless device and the network until the network connection is broken, whether or not you are successful in connecting with the service with which you seek to connect, even if the connection is later broken or dropped. Your account is not charged for voice calls that are not completed. You are charged for completed calls to your Number from the time shortly before the phone starts ringing until the call is terminated by either party.

**Phones and Other Equipment:** Phones and other equipment may be provided at no charge to you as part of the Boomerang Wireless offering. Phones and other equipment may also be purchased and returned as provided in the purchase documents. We are not the manufacturer of the phones or other equipment. The only warranties on the phones or other equipment are any limited warranties extended by the manufacturers. We have no liability in connection with the phones and other equipment or for the manufacturers' acts or omissions.

Lost or Stolen Equipment: If your phone or other equipment is lost or stolen, you must notify us by calling Boomerang Wireless Customer Service. You are responsible for all charges for

Services provided to the Number for the lost or stolen equipment. We will deactivate Services to the Number upon notification to us of any loss or theft. If the equipment is later found, we may require that you exchange it for another phone or other equipment before we reactivate Services (if we do reactivate Services), as well as require you to pay a reactivation fee. We will deactivate Services to any Number without prior notice to you if we suspect any unlawful or fraudulent use of the Number. You agree to cooperate reasonably with us in investigating suspected unlawful or fraudulent use.

Caller ID: Caller ID display on incoming calls to your Number depends on receiving the information from the calling party. Pay-Per-Call Service: Boomerang Wireless will not complete calls from your Number to 900, 976 and similar numbers for pay-per-call services.

Limitation of Liability: Except as otherwise provided in this section, our sole liability to you for any loss or damage arising out of providing or failing to provide Services (including mistakes, omissions, interruptions, delays, errors, or defects) does not exceed (1) in cases related to a specific piece of equipment, the prorated Services to the piece of equipment during the affected period, or (2) in cases not related to a specific piece of equipment, the prorated Services to you during the affected period.

Neither we nor our vendors, suppliers or licensors are liable for any damage arising out of or in connection with:

- any act or omission of any telecommunications service or other service provider other than us;
- any directory listing;
- any dropped calls or inability to place or receive calls;
- any interruption of Services, including interruptions caused by equipment or facilities failure or shortages, transmission limitations or system capacity limitations;
- traffic or other accidents, or any health-related claims allegedly arising from the use of Services, phones, equipment or accessories used in connection with the Services;
- any late or failed message delivery;
- any interruption or failure of 911 or E911 emergency services or identification of the Number, address or name associated with any person accessing or attempting to access emergency services from your phone;
- the installation or repair of any products or equipment by parties who are not our authorized employees or agents;
- events due to factors beyond our control, including acts of God (including, without limitation, weather-related phenomena, fire or earthquake), war, riot, strike, or orders of governmental authority;
- any act or omission of any third party or independent contractor that offers products or services in conjunction with or through the Services; or your negligent or intentional act or omission.

• NO CONSEQUENTIAL OR OTHER DAMAGES: UNDER NO CIRCUMSTANCES ARE WE LIABLE FOR ANY INCIDENTAL, CONSEQUENTIAL, PUNITIVE OR SPECIAL DAMAGES OF ANY NATURE WHATSOEVER ARISING OUT OF OR IN CONNECTION WITH PROVIDING OR FAILING TO PROVIDE SERVICES, PHONES OR OTHER EQUIPMENT USED IN CONNECTION WITH THE SERVICES, INCLUDING, WITHOUT LIMITATION, LOST PROFITS, LOSS OF BUSINESS, OR COST OF REPLACEMENT PRODUCTS AND SERVICES. THIS SECTION SURVIVES TERMINATION OF THIS AGREEMENT.

Indemnification: You indemnify and defend us, our partners, directors, officers, employees and agents from and against any claim, action, damage, liability and expense arising out of or in connection with: (1) your acts or omissions that occur in connection with your use of the Services or equipment used in connection with the Services, and (2) any communications you make or receive using the Services. This indemnification extends to and includes any attorney's fees and costs incurred by us arising from any actions or claims to which this indemnification applies, or from the contesting of the applicability of this provision. This section survives termination of this Agreement.

Arbitration: Any dispute arising out of the Agreement or relating to the Services and Equipment must be settled by arbitration administered by the American Arbitration Association in Des Moines, Iowa. Information regarding this procedure may be found at <a href="www.adr.org">www.adr.org</a>. Each party will bear the cost of preparing and prosecuting its case. We will reimburse you for any filing or hearing fees to the extent they exceed what your court costs would have been if your claim had been resolved in a state court having jurisdiction. The arbitrator has no power or authority to alter or modify the Agreement, including the foregoing Limitation of Liability section. All claims must be arbitrated individually, and there will be no consolidation or class treatment of any claims. This provision is subject to the Federal Arbitration Act.

Governing law: This Agreement is governed by and must be construed under federal law and the laws of the State of Iowa, without regard to choice of law principles. You agree to submit yourself to the personal jurisdiction of the courts in the State of Iowa.

**Notices:** You may get our current address for written notice by calling Boomerang Wireless Customer Service. Written notice is deemed delivered 3 days after deposit in the U.S. mail, postage prepaid, and properly addressed. Unless required by this Agreement or Applicable Laws, (1) you may notify us by calling Boomerang Wireless Customer Service, and (2) we may notify you by leaving a message for you on your Boomerang Wireless Phone, answering machine or with your answering service. Notice addresses may be changed by giving notice as provided in this section.

General: If either of us does not enforce any right or remedy available under this Agreement, that failure is not a waiver of the right or remedy for any other breach or failure by the other party. Our waiver of any requirement in any one instance is not a general waiver of that requirement and does not amend this Agreement. If any part of this Agreement is held invalid or unenforceable, that part is interpreted consistent with applicable laws as nearly as possible to

reflect the original intentions of the parties and the rest of this Agreement remains in full force and effect. You may not assign this Agreement to any other person or entity without our prior written approval. This Agreement (including any referenced documents and attachments) makes up the entire agreement between you and us and replaces all prior written or spoken agreements, representations, promises or understandings between you and us. The provisions of this Agreement that are contemplated to be enforceable after the termination of this Agreement survive termination of this Agreement.

**Copyright and Trademark:** Trademarks, product names, and company names and logos appearing on Boomerang Wireless are the property of their respective owners. Users must obtain permission from Boomerang Wireless before copying or using the owner's trademarks, product names and company names and logos.

**SERVICE, Prepaid Services:** Upon certification of eligibility, and continuing eligibility, you will receive free voice services. This positive account balance will be applied every 30 days on the anniversary of your service activation. You must maintain an ACTIVE ACCOUNT every 60 days: by having usage (inbound or outbound), by buying additional product, by responding affirmatively to our queries regarding your desire to continue to receive services. You may also elect to purchase additional services, including additional voice minutes, text plans, etc. When purchasing prepaid services, you are responsible for prepaying all charges for using the service. The balance in your prepaid account is reduced by the charges attributable to your use of the service. You must keep a positive balance in your prepaid account to continue using the service. Anyone who purchases or uses the service, with or without the purchaser's consent is considered a user and subject to the terms and conditions.

Service Limits and Coverage Maps: Service is available to your handset only when it is within the range of our system or of an operator with which we have an applicable agreement. Coverage maps you may have viewed are only estimates; actual service coverage and service quality may vary, and are not guaranteed under the terms and conditions.

Misuse of Service: You have certified your eligibility to receive free services under the federally funded Lifeline program. If your eligibility to participate in this program changes, you agree to immediately notify Boomerang Wireless at 800-516-0414. You agree not to use the service or modify your handset in any fraudulent, unlawful, harassing, or abusive purpose, or in such a way as to create damage or risk to our business. Service is provided at our discretion and if terms and conditions are violated we can terminate your wireless service without any further notification or obligation to you. All rates and fees are subject to change without notice. Service provided is subject to our business policies, which can change without notice. Visit <a href="www.boomerang-wireless.com">www.boomerang-wireless.com</a> for current rates and information. For Customer Care, call 1-800-516-0414. To dispute charges you must notify us within 15 days of the date of the disputed call. Terms and conditions can be modified without notice; visit <a href="www.boomerang-wireless.com">www.boomerang-wireless.com</a> for current terms and conditions.

**Exchange Policy; Disputes:** Defective handsets or other defective equipment provided at no cost to you may be eligible for exchange. This policy does not apply to breakage caused by customer negligence or water damage. Note that the exchange policy, including the number of

days for exchange, may be changed without notice and the policy may not apply to certain products. To exchange a defective handset, please call Customer Service at 1-800-516-0414 to obtain a Return Authorization and shipping instructions. You must return the product at your expense, complete with all accessories that came with the handset, in the original box with all materials and package inserts within 30 days of receiving the handset. Upon Boomerang Wireless' receipt of the returned product, Boomerang Wireless will ship you the replacement handset. Any other disputes should be handled by Customer Service. If you do not dispute any charge on your account prior to its going inactive or within 30 days of the date of the receipt, whichever comes first, you give up your right to dispute.

No Warranties by Boomerang Wireless: BOOMERANG WIRELESS MAKES NO EXPRESS REPRESENTATIONS OR WARRANTIES ABOUT ITS SERVICES AND DISCLAIMS ANY IMPLIED WARRANTIES, INCLUDING, BUT NOT LIMITED TO, IMPLIED WARRANTIES OF MERCHANTABILITY OR FITNESS FOR A PARTICULAR PURPOSE. BOOMERANG WIRELESS DOES NOT AUTHORIZE ANYONE TO MAKE A WARRANTY OF ANY KIND ON ITS BEHALF AND USER MAY NOT RELY ON ANY STATEMENT OF WARRANTY.

Limitation of Liability: Neither Boomerang Wireless nor any of its affiliates, nor the directors, employees or other representatives of any of them are liable for damages arising out of or in connection with the use of the products or services. This is a comprehensive limitation of liability that applies to all damages of any kind, including compensatory, direct, indirect or consequential damages, loss of data, income or profit, loss of or damage to property and claims of third parties.

**Termination of Access:** Boomerang Wireless may terminate your access without notice, for any conduct that Boomerang Wireless, in its sole discretion, believes to be harmful to individual users, Boomerang Wireless or any of its affiliates, or any rights of Boomerang Wireless or any third party, or to violate applicable laws.

**Change in User Agreement:** Boomerang Wireless may modify this User Agreement at any time by posting the revised agreement on the website. Any revised User Agreement is effective upon the user accessing the website.

# Exhibit "D"

# **Handset Information**

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# **Information Regarding Handsets**

# Samples of Handsets to be Distributed

# **Sanyo 2300**

### Includes:

- Battery Charger
- Battery

### Features:

- LCD Display 2-way text capable Vibrate mode Alarm clock Calculator Calendar

- Games Voice memo

- Voice memo
  Bluetooth
  Picture ID
  Ringer ID
  Voice Dialing
  Stop watch
  Phone book
  Speaker phone
  Custom Ringtones



# Samsung M300

Our handsets are refurbished

Reduce Reuse Recycle

Our handsets are refurbished Reduce Reuse Recycle

### Includes:

- Battery Charger
   Battery

- Features:

  LCD Display

  2-way text capable

  Vibrate mode

  Alarm clock

  Calculator

  Calendar

  Games

- Voice memo Bluetooth Picture ID Ringer ID Stop watch World clock

- Phone book Speaker phone Custom Ringtones



### **LG Rumor**

### Includes:

- Battery ChargerBattery

## Features:

- LCD Display
   Qwerty keyboard
   2-vay text capable
   Vibrate mode
   Alarm clock
   Calculator
   Calendar
   Games
   Voice memo
   Bluetooth
   Dichure ID

- Picture ID Ringer ID

- Stop watch World clock Phone book
- Speaker phone Custom Ringtones



