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June 8, 2009

Mr. Jeff DeRouen
Executive Director
Public Service Commission
Post Office Box 615
Frankfort, Kentucky 40602

2009-00212

RECEIVED
JUN 10 2009
PUBLIC SERVICE
COMMISSION

RE: *Petition of Phoneaid Communications Corp. for Designation as an Eligible Telecommunications Carrier in the Commonwealth of Kentucky*

Dear Mr. DeRouen:

Please find enclosed an original and ten copies of the Petition of Phoneaid Communications Corp for Designation as an Eligible Telecommunications Carrier in the Commonwealth of Kentucky. Our co-counsel, Lance Steinhart, will file for out of state admission once a case number has been assigned.

Please acknowledge receipt of this filing by placing your file-stamp on the extra copy and returning to me in the enclosed envelope.

Very truly yours,

STOLL KEENON OGDEN PLLC

Douglas F. Brent

c: Lance J.M. Steinhart

DFB:jms
Enclosures

112524.134493/580444.1

COMMONWEALTH OF KENTUCKY
BEFORE THE PUBLIC SERVICE COMMISSION

In the Matter of:

PETITION OF)
PHONEAID COMMUNICATIONS CORP.)
FOR DESIGNATION AS AN ELIGIBLE) CASE NO. 2009-00212
TELECOMMUNICATIONS CARRIER)
IN THE COMMONWEALTH OF KENTUCKY)

PETITION OF PHONEAID COMMUNICATIONS CORP.
FOR DESIGNATION AS AN ELIGIBLE TELECOMMUNICATIONS CARRIER
IN THE COMMONWEALTH OF KENTUCKY

Phoneaid Communications Corp. (“Phoneaid” or the “Applicant”), pursuant to Section 214(e)(2) of the Communications Act of 1934, as amended (the “Act”)¹ and Sections 54.101 through 54.207 of the Rules of the Federal Communications Commission (“FCC”),² and the rules and regulations of the Kentucky Public Service Commission (the “Commission”), hereby applies to the Commission for certification as an Eligible Telecommunications Carrier (“ETC”) throughout the BellSouth Telecommunications, Inc. d/b/a AT&T Kentucky (“AT&T”) service territory (the “Designated Service Area”) for the purpose of receiving federal universal service support.³ The Applicant is seeking only low income support, and is not requesting high cost support. As demonstrated below, Phoneaid satisfies all of the statutory and regulatory requirements for designation as an ETC in the Designated Service Area. Furthermore, designation of Phoneaid as an ETC in the Designated Service Area will serve the public interest. Accordingly, Phoneaid respectfully requests that the Commission grant this Application.

All correspondence, communications, pleadings, notices, orders and decisions relating to this Application should be addressed to:

¹ 47 U.S.C. § 214(e)(2).
² 47 C.F.R. §§ 54.101-54.207.

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I. Background

1. Phoneaid is a Florida Corporation⁴ and is authorized to conduct business as a foreign corporation in the Commonwealth of Kentucky. Copies of the Applicant's Articles of Incorporation and authority to transact business in the Commonwealth of Kentucky are on file with the Commission and incorporated herein by reference. The Applicant is authorized to provide competitive local exchange services throughout Kentucky (Utility ID No. 5056380). The principal office of the Applicant is located at 3749D Gulf Breeze Pkwy #331, Gulf Breeze, Florida 32563. The telephone number of the Applicant is (866) 463-1020. The Applicant will provide local exchange and exchange access services in the Designated Service Area using a combination of resale and unbundled network elements, or unbundled network equivalents obtained through agreements ("UNEs") that allows end-to-end switching and delivery of calls.

³ A list of each wire center which the Applicant is requesting ETC status in the Commonwealth of Kentucky is attached hereto as Exhibit 1.

⁴ Phoneaid was incorporated in the State of Florida on April 2, 2009.

2. As set forth in Section 214(e)(2) of the Act, the Commission “shall upon its own motion or upon request designate a common carrier that meets the requirements of [Section 214(e)(1)] as an eligible telecommunications carrier for a service area designated by the State commission.”⁵ Upon designation as an ETC, the carrier shall be eligible to receive universal support in accordance with Section 254 of the Act.⁶

3. The requirements for designation as an ETC set forth in Section 214(e)(1) are that the carrier must:

(a) offer the services that are supported by Federal universal support mechanisms under section 254(c), either using its own facilities or a combination of its own facilities and resale of another carrier’s services (including the services offered by another eligible telecommunications carrier); and

(b) advertise the availability of such services and the charges therefore using the media of general distribution.⁷

II. Phoneaid Satisfies the Requirements for Designation as an ETC to Serve the Designated Service Area

4. Phoneaid is a common carrier as that term is defined in the Act.⁸ The Applicant provides competitive local telecommunications services in the Designated Service Area pursuant to Utility ID No. 5053600 referenced above.

⁵ 47 U.S.C. § 214(e)(2); *see* 47 C.F.R. § 54.201(b) (FCC Rules citing the Act’s requirements).

⁶ 47 U.S.C. § 214(e)(1).

⁷ *Id.*

⁸ *See* 47 U.S.C. § 153(10) (“the term ‘common carrier’ or ‘carrier’ means any person engaged as a common carrier for hire, in interstate or foreign communication by wire or radio or in interstate or foreign radio transmission of energy . . .”).

5. Phoneaid will offer all of the supported services enumerated under Section 254(c) using facilities obtained as UNEs, or the equivalents thereof. According to FCC Rules, facilities obtained as UNEs satisfy the requirement that an ETC provide the supported services using either its own facilities or a combination of its own facilities and resale of another carrier's services.⁹ Accordingly, the Applicant satisfies the requirement set forth in Section 214(e)(1)(A).

6. The services that are supported by Federal universal support mechanisms under section 254(c) are enumerated in the rules of the Federal Communications Commission ("FCC") at 47 C.F.R. § 54.101(a)(1)-(9). These services are:

(a) Voice grade access to the public switched network. "Voice grade access" is defined as a functionality that enables a user of telecommunications services to transmit voice communications, including signaling the network that the caller wishes to place a call, and to receive voice communications, including receiving a signal indicating there is an incoming call. For the purposes of this part, bandwidth for voice grade access should be, at a minimum, 300 to 3,000 Hertz. Applicant meets this requirement by providing voice-grade access to the public switched telephone network. All customers of Applicant are able to make and receive calls on the public switched telephone network within the specified bandwidth;

⁹ Section 54.201(f) of the FCC's Rules states, "[f]or the purposes of this section, the term 'own facilities' includes, but is not limited to, facilities obtained as unbundled network elements pursuant to Part 51 of this chapter, provided that such facilities meet the definition of the term 'facilities' under this subpart." 47 C.F.R. § 54.201(f). The term "facilities" under Section 54.201 is defined as "any physical components of the telecommunications network that are used in the transmission or routing of the services that are designated for support pursuant to subpart B of this part." 47 C.F.R. § 54.201(e). Phoneaid's use of UNEs, including § 251 loops, or equivalents thereof, commingled with § 271 elements provided pursuant to an agreement filed with the Commission pursuant to § 252, meets this definition of "facilities."

(b) Local usage. “Local usage” means an amount of minutes of use of exchange service, prescribed by the FCC, provided free of charge to end users. Applicant includes specified quantities of usage in its rate plans and thereby complies with the requirement. It is important to note, that currently, there is no specific rule that requires an ETC to include any particular amount of local usage;

(c) Dual tone multi-frequency signaling or its functional equivalent. “Dual tone multi-frequency” (DTMF) is a method of signaling that facilitates the transportation of signaling through the network, shortening call set-up time. Applicant provides DTMF signaling to its customers, which is the equivalent of that offered by the incumbent LEC to its customers;

(d) Single-party service or its functional equivalent. “Single-party service” is telecommunications service that permits users to have exclusive use of a wireline subscriber loop or access line for each call placed, or, in the case of wireless telecommunications carriers, which use spectrum shared among users to provide service, a dedicated message path for the length of a user's particular transmission. Applicant meets the requirement of single-party service by providing a dedicated message path for the length of all customer calls;

(e) Access to emergency services. "Access to emergency services" includes access to services, such as 911 and enhanced 911, provided by local governments or other public safety organizations. 911 is defined as a service that permits a telecommunications user, by dialing the three-digit code "911," to call emergency services through a Public Service Access Point (PSAP) operated by the local government. "Enhanced 911" is defined as 911 service that includes the ability to provide automatic numbering information (ANI), which enables the PSAP to call back if the call is disconnected, and automatic location information (ALI), which permits emergency service providers to identify the geographic location of the calling party. "Access to emergency services" includes access to 911 and enhanced 911 services to the extent the local government in an eligible carrier's service area has implemented 911 or enhanced 911 systems. Through its agreements with AT&T, Applicant currently provides its subscribers access to 911 emergency services, and also provides Enhanced 911 services including Phase I and Phase II E911 services where requested by local public safety authorities ready to receive the information and where the local exchange carrier supports such services;

(f) Access to operator services. "Access to operator services" is defined as access to any automatic or live assistance to a consumer

to arrange for billing or completion, or both, of a telephone call.

Operator services are offered by Applicant;

(g) Access to interexchange service. “Access to interexchange service” is defined as the use of the loop, as well as that portion of the switch that is paid for by the end user, or the functional equivalent of these network elements in the case of a wireless carrier, necessary to access an interexchange carrier’s network. Applicant provides long distance access to its customers;

(h) Access to directory assistance. “Access to directory assistance” is defined as access to a service that includes, but is not limited to, making available to customers, upon request, information contained in directory listings. Applicant provides access to directory assistance to its customers; and

(i) Toll limitation for qualifying low-income consumers. Toll limitation for qualifying low-income consumers is linked to participation in the Lifeline program, which Applicant will participate in and offer upon designation as an ETC. Applicant will use the appropriate toll limitation technology to provide this required service at no additional charge to Lifeline customers.

7. Upon certification as an ETC, Phoneaid will participate in, and offer LifeLine and Link-Up programs to qualifying low-income consumers and publicize the availability of Lifeline and Link-Up services in a manner reasonably designed to reach those likely to qualify for those

services, as required by FCC Rules.¹⁰ The FCC has concluded that even pure resellers may qualify as an ETC and properly use universal service support for the purposes for which it was intended by offering reduced price Lifeline service.¹¹

8. Phoneaid will advertise the availability of the above-referenced services and the charges for those services in the Designated Service Area using media of general distribution, as required by FCC Rules.¹²

III. Area for Which ETC Certification is Requested

9. Phoneaid will serve the exchanges where it leases UNEs or resells the services of the non-rural telephone companies in the Designated Service Area. Phoneaid does not seek certification as an ETC in any areas served by rural telephone companies.

IV. Granting Phoneaid's Application Will Serve the Public Interest

10. Congress requires that the Commission grant competitive ETC applications in non-rural areas.¹³ No specific public interest test is mentioned, as is the case for areas served by rural telephone companies.¹⁴ Thus, the Act provides that the Commission "shall" designate Phoneaid as an ETC upon finding that the company meets the nine-point list of services and that it agrees to advertise the supported services throughout the Designated Service Area. Notwithstanding, the designation of Phoneaid as an ETC will serve the public interest.

11. Phoneaid will announce and advertise telecommunications services as an ETC where it provides service in its Designated Service Area in Kentucky and will publicize the availability of Lifeline and Link-Up services in a manner reasonably designed to reach those

¹⁰ See 47 C.F.R. §§ 54.401-54.417; 54.405(b) & 54.411(d).

¹¹ See *Federal-State Joint Board on Universal Service, Petition of Tracfone Wireless, Inc.*, 20 FCC Rcd 15095 (2005) (finding that because Lifeline support is customer-specific and is directly reflected in the price that the eligible customer pays, it is impossible for any carrier to receive a double recovery of the support).

¹² See 47 C.F.R. §§ 54.201(d)(2).

¹³ See 47 U.S.C. 214(e)(2).

¹⁴ See *Id.*

likely to qualify for those services. Accordingly, more low-income Kentucky residents will be made aware of the opportunities afforded to them under the Lifeline and Link-Up programs and will be able to take advantage of those opportunities by subscribing to Phoneaid's service. Phoneaid advertises its services through several different media of general distribution including (but not limited to) marketing at targeted retail locations, including rent-to-own centers, as well as advertisements via television, radio and trade magazines. Copies of sample sales brochures are attached hereto as Exhibit 2. Since Phoneaid's service is of particular interest to credit-challenged customers—many of whom are low income—who generally cannot obtain service from the incumbent carrier, the granting of ETC status is clearly in the public interest; access to Lifeline and Link-Up programs can be critically important to a significant portion of the eligible low income consumers. To Applicant's knowledge, Lifeline and Link-Up services are not being sufficiently advertised and made available to eligible low income consumers in the Designated Service Area. According to the best data available to Applicant, as of December 31, 2006, fewer than 20 per cent of consumers eligible for Lifeline and Linkup Services in the Commonwealth of Kentucky were being provided such services. *See* attached Exhibit 3, 2006 Lifeline Participation Rates by State, which was obtained from the Universal Service Administrative Company ("USAC"), an independent not-for-profit corporation designated as the administrator of the federal Universal Service Fund by the Federal Communications Commission (FCC). USAC administers Universal Service Fund (USF) programs for high cost companies serving rural areas, low-income consumers, rural health care providers, and schools and libraries.

12. Phoneaid will provide universal service as an ETC in all of its Designated Service Area.

13. Phoneaid is willing to accept carrier of last resort obligations throughout the universal service areas in which Phoneaid is designated as an ETC by the Commission.

14. Phoneaid will provide equal access to interexchange service.

15. Under FCC guidelines, an ETC Applicant must submit a five-year plan that describes with specificity proposed improvements or upgrades to the applicant's network on a wire center-by-wire center basis throughout its proposed Designated Service Area. The only circumstance warranting deviation from this requirement is where an applicant's requested ETC serving territory would qualify it to receive no "high cost" USF support, but only "low income" USF support. Because Phoneaid seeks ETC designation solely for purposes of reimbursement for provision of subsidized Lifeline and Link-Up services to eligible customers, submission of a Five-Year Network Improvement Plan is not required at this time. Since Lifeline support is designed to reduce the monthly cost of telecommunications services for eligible consumers, and is distributed on a per-customer basis and is directly reflected in the price that the eligible customer pays, it is assured that all support received by the carrier is used to provide Lifeline services to consumers, thus promoting Lifeline and the availability of telephone service to low income users, which is clearly in the public interest.

16. Applicant offers a local usage plan comparable to the one offered by the incumbent LEC in the service areas for which it seeks designation. Applicant offers a local usage plan with unlimited calling within the customer's local calling area for a flat monthly fee with the same calling scope as AT&T Kentucky.

17. Under FCC guidelines, an ETC Applicant must demonstrate that it will satisfy applicable consumer protection and service quality standards. 47 CFR §54.202(a)(3); *see In the Matter of Federal-State Joint Board on Universal Service*, Report and Order, CC Dkt. No. 96-

45, 20 FCC Rcd 6371, para. 28 (2005) (“FCC ETC Order”). Applicant will satisfy all such standards. As part of its certification requirements for providing local exchange services, Applicant must abide by the service quality and consumer protection rules. In addition, Applicant commits to reporting information on consumer complaints per 1,000 lines on an annual basis consistent with the FCC ETC Order. Applicant in general commits to satisfying all such applicable state and federal requirements related to consumer protection and service quality standards.

18. Under FCC guidelines, an ETC Applicant must demonstrate its ability to remain functional in emergency situations. 47 CFR §54.202(a)(2); *see* FCC ETC Order at para 25. Applicant provides to its customers the same ability to remain functional in emergency situations as currently provided by AT&T Kentucky to its own customers, including access to a reasonable amount of back-up power, rerouting of traffic around damaged facilities, and the capability of managing traffic spikes resulting from emergency situations.

19. Under FCC guidelines, an ETC Applicant must commit to provide service throughout its proposed designated service area to all customers making a reasonable request for service. FCC ETC Order at Para 22; 47 CFR §54.202(a)(1)(i). Applicant commits to provide service throughout its proposed ETC-designated service area to all customers making a reasonable request for service.

20. Applicant’s account is current with the FCC in regards to regulatory fees; and its account is current with the Universal Service Administrative Company in regards to universal service contributions. The Applicant is aware that there may be an audit of the use of universal service funds and that the eligible telecommunications service designation is reviewed annually by state commissions.

21. No state has denied any ETC petition filed by Applicant, nor have any such petitions been withdrawn.

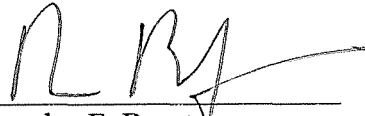
22. By this application, Applicant hereby asserts its willingness and ability to comply with all the rules and regulations that the Commission may lawfully impose upon Applicant's provision of service contemplated by this application.

23. Upon Commission request, Applicant is prepared to answer questions or present additional testimony or other evidence about its services within the state.

V. Relief Requested

For the foregoing reasons, Phoneaid respectfully requests that the Commission grant its application and designate the Applicant as an ETC in the Designated Service Area.

Respectfully submitted this 8th day of June, 2009.

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Counsel for Phoneaid Communications Corp.

List of Exhibits

- | | |
|------------------|---|
| Exhibit 1 | Wire Centers |
| Exhibit 2 | Sample Sales Brochure and Advertisement |
| Exhibit 3 | 2006 Lifeline Participation Rates by State |

Exhibit 1

Wire Centers

STATE	STUDY AREA CODE	ILEC	WIRE CENTER CLLI	WIRE CENTER NAME
KY	265182	BELL SOUTH	ALLNKYMA	ALLEN
KY	265182	BELL SOUTH	AURRKYMA	AURORA
KY	265182	BELL SOUTH	BDFRKYMA	BEDFORD
KY	265182	BELL SOUTH	BGDDKYMA	BAGDAD
KY	265182	BELL SOUTH	BLFDKYMA	BLOOMFIELD
KY	265182	BELL SOUTH	BLSPKYMA	BLUFF SPRINGS
KY	265182	BELL SOUTH	BNLYKYMA	BENHAM LYNCH
KY	265182	BELL SOUTH	BNTNKYMA	BENTON
KY	265182	BELL SOUTH	BRGNKYMA	BURGIN
KY	265182	BELL SOUTH	BRMNKYMA	BREMEN
KY	265182	BELL SOUTH	BRTWKYES	BARDSTOWN
KY	265182	BELL SOUTH	BVDMKYMA	BEAVER DAM
KY	265182	BELL SOUTH	BWL.GKYMA	BOWLING GREEN STATE STREET
KY	265182	BELL SOUTH	BWL.GKYRV	BOWLING GREEN RICHARDSVILLE
KY	265182	BELL SOUTH	BYVLKYMA	BEATTYVILLE
KY	265182	BELL SOUTH	CADZKYMA	CADIZ
KY	265182	BELL SOUTH	CHPLKYMA	CHAPLIN
KY	265182	BELL SOUTH	CLAYKYMA	CLAY
KY	265182	BELL SOUTH	CLHNKYMA	CALHOUN
KY	265182	BELL SOUTH	CLPTKYMA	CLOVERPORT
KY	265182	BELL SOUTH	CLTNKYES	CLINTON
KY	265182	BELL SOUTH	CMBGKYMA	CAMPBELLSBURG
KY	265182	BELL SOUTH	CNCYKYMA	CENTRAL CITY
KY	265182	BELL SOUTH	CNTNKYMA	CANTON
KY	265182	BELL SOUTH	CNTWKYMA	CENTERTOWN
KY	265182	BELL SOUTH	COTNKYMA	CROFTON
KY	265182	BELL SOUTH	CRBNKYMA	CORBIN
KY	265182	BELL SOUTH	CRBOKYMA	CRAB ORCHARD
KY	265182	BELL SOUTH	CRLSKYMA	CARLISLE
KY	265182	BELL SOUTH	CRTNKYMA	CARROLLTON
KY	265182	BELL SOUTH	CYDNKYMA	CORYDON
KY	265182	BELL SOUTH	CYNTKYMA	CYNTHIANA
KY	265182	BELL SOUTH	DAVLKYMA	DANVILLE
KY	265182	BELL SOUTH	DIXNKYMA	DIXON
KY	265182	BELL SOUTH	DRBOKYES	DRAKESBORO
KY	265182	BELL SOUTH	DWSPKYES	DAWSON SPRINGS
KY	265182	BELL SOUTH	EDVLKYMA	EDDYVILLE
KY	265182	BELL SOUTH	EKTNKYMA	ELKTON
KY	265182	BELL SOUTH	ELCYKYES	ELKHORN CITY
KY	265182	BELL SOUTH	EMNNKYES	EMINENCE
KY	265182	BELL SOUTH	EMNNKYPL	CROPPER
KY	265182	BELL SOUTH	ENSRKYMA	ENSOR
KY	265182	BELL SOUTH	ERTNKYMA	EARLINGTON

KY	265182	BELL SOUTH	FDCKKYES	FEDSCREEK
KY	265182	BELL SOUTH	FDVLKYMA	FORDSVILLE
KY	265182	BELL SOUTH	FEBRKYMA	FREEBURN
KY	265182	BELL SOUTH	FKLNKYMA	FRANKLIN
KY	265182	BELL SOUTH	FLTNKYMA	FULTON
KY	265182	BELL SOUTH	FNVLYKYMA	FINCHVILLE
KY	265182	BELL SOUTH	FORDKYMA	FORD
KY	265182	BELL SOUTH	FRDNKYMA	FREDONIA
KY	265182	BELL SOUTH	FRFTKYES	FRANKFORT EAST
KY	265182	BELL SOUTH	FRFTKYMA	FRANKFORT MAIN
KY	265182	BELL SOUTH	GBVLKYMA	GILBERTSVILLE
KY	265182	BELL SOUTH	GHNTKYMA	GHENT
KY	265182	BELL SOUTH	GNVLYKYMA	GREENVILLE
KY	265182	BELL SOUTH	GRACKYMA	GRACEY
KY	265182	BELL SOUTH	GRTWKYMA	GEORGETOWN
KY	265182	BELL SOUTH	GTHRKYMA	GUTHRIE
KY	265182	BELL SOUTH	HABTKYMA	HABIT
KY	265182	BELL SOUTH	HANSKYMA	HANSON
KY	265182	BELL SOUTH	HBVLKYMA	HEBBARDSVILLE
KY	265182	BELL SOUTH	HCMNKYMA	HICKMAN
KY	265182	BELL SOUTH	HDBGKYMA	HARRODSBURG
KY	265182	BELL SOUTH	HNSNKYMA	HENDERSON
KY	265182	BELL SOUTH	HPVLKYMA	HOPKINSVILLE
KY	265182	BELL SOUTH	HRBGKYES	HARDINSBURG
KY	265182	BELL SOUTH	HRFRKYMA	HARTFORD
KY	265182	BELL SOUTH	HRLNKYMA	HARLAN
KY	265182	BELL SOUTH	HWVLKYMA	HAWESVILLE
KY	265182	BELL SOUTH	INEZKYMA	INEZ
KY	265182	BELL SOUTH	ISLDKYMA	ISLAND
KY	265182	BELL SOUTH	JCSNKYMA	JACKSON
KY	265182	BELL SOUTH	JNCYKYMA	JUNCTION CITY
KY	265182	BELL SOUTH	KKVLKYMA	KIRKSVILLE
KY	265182	BELL SOUTH	LBJTKYMA	LEBANON JUNCTION
KY	265182	BELL SOUTH	LFYTKYMA	LAFAYETTE
KY	265182	BELL SOUTH	LGRNKYES	LAGRANGE
KY	265182	BELL SOUTH	LOUSKYES	LOUISA
KY	265182	BELL SOUTH	LRBGKYMA	LAWRENCEBURG
KY	265182	BELL SOUTH	LSVLKY26	26TH STREET
KY	265182	BELL SOUTH	LSVLKYAN	ANCHORAGE
KY	265182	BELL SOUTH	LSVLKYAP	CHESTNUT STREET
KY	265182	BELL SOUTH	LSVLKYBE	BEECHMONT
KY	265182	BELL SOUTH	LSVLKYBR	BARDSTOWN ROAD
KY	265182	BELL SOUTH	LSVLKYCW	CRESTWOOD
KY	265182	BELL SOUTH	LSVLKYFC	FERN CREEK

KY	265182	BELL SOUTH	LSVLKYHA	HARRODS CREEK
KY	265182	BELL SOUTH	LSVLKYJT	JEFFERSONTOWN
KY	265182	BELL SOUTH	LSVLKYOA	OKOLONA
KY	265182	BELL SOUTH	LSVLKYSH	SHIVELY
KY	265182	BELL SOUTH	LSVLKYSL	SIX MILE LANE
KY	265182	BELL SOUTH	LSVLKYSM	ST MATTHEWS
KY	265182	BELL SOUTH	LSVLKYTS	THIRD STREET
KY	265182	BELL SOUTH	LSVLKYVS	VALLEY STATION
KY	265182	BELL SOUTH	LSVLKYWE	WESTPORT ROAD
KY	265182	BELL SOUTH	LVMRKYMA	LIVERMORE
KY	265182	BELL SOUTH	MACEKYMA	MACEO
KY	265182	BELL SOUTH	MARNKYMA	MARION
KY	265182	BELL SOUTH	MARTKYMA	MARTIN
KY	265182	BELL SOUTH	MCDNKYMA	MCDANIELS
KY	265182	BELL SOUTH	MCWLKYMA	MCDOWELL
KY	265182	BELL SOUTH	MDBOKYMA	MIDDLESBORO
KY	265182	BELL SOUTH	MDVIKYMA	MADISONVILLE
KY	265182	BELL SOUTH	MGFDKYMA	MORGANFIELD
KY	265182	BELL SOUTH	MGTWKYMA	MORGANTOWN
KY	265182	BELL SOUTH	MLBGKYMA	MILLERSBURG
KY	265182	BELL SOUTH	MLTNKYMA	MILTON
KY	265182	BELL SOUTH	MRGPKYMA	MORTONS GAP
KY	265182	BELL SOUTH	MRRYKYMA	MURRAY
KY	265182	BELL SOUTH	MTEDKYMA	MT EDEN
KY	265182	BELL SOUTH	MTSTKYMA	MT STERLING
KY	265182	BELL SOUTH	MYFDKYMA	MAYFIELD
KY	265182	BELL SOUTH	MYVLKYMA	MAYSVILLE
KY	265182	BELL SOUTH	NEBOKYMA	NEBO
KY	265182	BELL SOUTH	NEONKYES	NEON
KY	265182	BELL SOUTH	NRVLKYMA	NORTONVILLE
KY	265182	BELL SOUTH	NWHNKYMA	NEW HAVEN
KY	265182	BELL SOUTH	OKGVKYES	OAK GROVE
KY	265182	BELL SOUTH	OWBOKYMA	OWENSBORO
KY	265182	BELL SOUTH	OWTNKYMA	OWENTON
KY	265182	BELL SOUTH	PARSKYMA	PARIS
KY	265182	BELL SOUTH	PDCHKYIP	PADUCAH IFORMATION PARK
KY	265182	BELL SOUTH	PDCHKYLO	PADUCAH LONE OAK
KY	265182	BELL SOUTH	PDCHKYMA	PADUCAH KENTUCKY STREET
KY	265182	BELL SOUTH	PDCHKYRL	PADUCAH REIDLAND
KY	265182	BELL SOUTH	PIVLKYMA	PINEVILLE
KY	265182	BELL SOUTH	PKVLKYMA	PIKEVILLE
KY	265182	BELL SOUTH	PKVLKYMT	PIKEVILLE META
KY	265182	BELL SOUTH	PLRGKYMA	PLEASANT RIDGE
KY	265182	BELL SOUTH	PMBRKYMA	PEMBROKE

KY	265182	BELL SOUTH	PNTHKYMA	PANTHER
KY	265182	BELL SOUTH	PNVLKYMA	PAINTSVILLE
KY	265182	BELL SOUTH	PRBGKYES	PRESTONSBURG
KY	265182	BELL SOUTH	PRTNKYES	PRINCETON
KY	265182	BELL SOUTH	PRVDKYMA	PROVIDENCE
KY	265182	BELL SOUTH	PRVLKYMA	PERRYVILLE
KY	265182	BELL SOUTH	PTRYKYMA	PORT ROYAL
KY	265182	BELL SOUTH	RBRDKYMA	ROBARDS
KY	265182	BELL SOUTH	RCMDKYMA	RICHMOND
KY	265182	BELL SOUTH	RLVLKYMA	RUSSELLVILLE
KY	265182	BELL SOUTH	RSTRKYES	ROSE TERRACE
KY	265182	BELL SOUTH	SCRMKYMA	SACRAMENTO
KY	265182	BELL SOUTH	SDVLKYMA	SADIEVILLE
KY	265182	BELL SOUTH	SEBRKYMA	SEBREE
KY	265182	BELL SOUTH	SHGVKYMA	SHARON GROVE
KY	265182	BELL SOUTH	SHVLKYMA	SHELBYVILLE
KY	265182	BELL SOUTH	SLGHKYMA	SLAUGHTERS
KY	265182	BELL SOUTH	SLPHKYMA	SULPHUR
KY	265182	BELL SOUTH	SLVSKYMA	SALVISA
KY	265182	BELL SOUTH	SNTNKYMA	STANTON
KY	265182	BELL SOUTH	SPFDKYMA	SPRINGFIELD
KY	265182	BELL SOUTH	SRGHKYMA	SORGHO
KY	265182	BELL SOUTH	SSVLKYMA	SIMPSONVILLE
KY	265182	BELL SOUTH	STCHKYMA	ST CHARLES
KY	265182	BELL SOUTH	STFRKYMA	STANFORD
KY	265182	BELL SOUTH	STGRKYMA	STAMPING GROUND
KY	265182	BELL SOUTH	STNLKYMA	STANLEY
KY	265182	BELL SOUTH	STONKYMA	STONE
KY	265182	BELL SOUTH	STRGKYMA	STURGIS
KY	265182	BELL SOUTH	SWSNKYMA	SOUTH WILLIAMSON
KY	265182	BELL SOUTH	TRENKYMA	TRENTON
KY	265182	BELL SOUTH	TYVLKYMA	TAYLORSVILLE
KY	265182	BELL SOUTH	UTICKYMA	UTICA
KY	265182	BELL SOUTH	VIRGKYMA	VIRGIE
KY	265182	BELL SOUTH	WACOKYMA	WACO
KY	265182	BELL SOUTH	WDDYKYMA	WADDY
KY	265182	BELL SOUTH	WHBGKYMA	WHITESBURG
KY	265182	BELL SOUTH	WHVLKYMA	WHITESVILLE
KY	265182	BELL SOUTH	WLBGKYMA	WILLIAMSBURG
KY	265182	BELL SOUTH	WLCKKYES	WALLINS CREEK
KY	265182	BELL SOUTH	WLVLKYMA	WEST LOUISVILLE
KY	265182	BELL SOUTH	WNCHKYMA	WINCHESTER
KY	265182	BELL SOUTH	WNCHKYPV	PILOT VIEW
KY	265182	BELL SOUTH	WRFDKYMA	WARFIELD

KY	265182	BELL SOUTH	WSBGKYMA	WILLISBURG
KY	265182	BELL SOUTH	WSPNKYMA	WEST POINT
KY	265182	BELL SOUTH	WYLDKYES	WAYLAND

Exhibit 2

Sample Sales Brochures

You may qualify for
**GOVERNMENT
 ASSISTED
 Home Phone Service**

*If you can certify that you are on:

- Medicaid
- Food Stamps
- Federal Public Housing (Section 8)
- Supplemental Security Income (SSI)
- Low Income Home Energy Assistance
- Temporary Assistance for Needy Families
- National School Free Lunch Program
- Income at or below 135% of Poverty Guidelines

**HOME
 PHONE SERVICE**
 as low as **\$14.95/mo***

FREE LONG DISTANCE*
FREE CALLER ID
FREE CALL WAITING
FREE LOCAL CALLING
FREE INSTALLATION

PhoneAid Communications Corp.

**FREE 30 DAYS
 HOME PHONE
 SERVICE !!!**

Government Assisted Telephone Service
brought to you by

PhoneAid +®
 Service You Can Afford

**It's Easy
 to Get Started!**

- NO CREDIT CHECK
- NO COST
- NO OBLIGATION
- NO CONTRACT

CALL NOW & GET CONNECTED
1-866-444-8380
Toll Free!

Offer is based on Qualified Lifeline Assistance deductions for Kentucky Residents. Lifeline is a government program that enables telephone companies to provide services at a discounted rate to individuals involved in qualified government assisted programs or income eligible consumers. One lifeline discount is available per household. For more information on details on the qualifications and limitations based on state, jurisdiction, income, government assistance and expiration of offer, call us toll free at (866) 444-8380. *Long Distance packages include 240 minutes per billing cycle, available for use in the continental United States. Long Distance minutes offered are subject to change based off PhoneAid pricing and promotions.

**FREE 30 Days
 Home Phone Service**

Government Assisted Home Phone Service Plans

PhoneAid +®



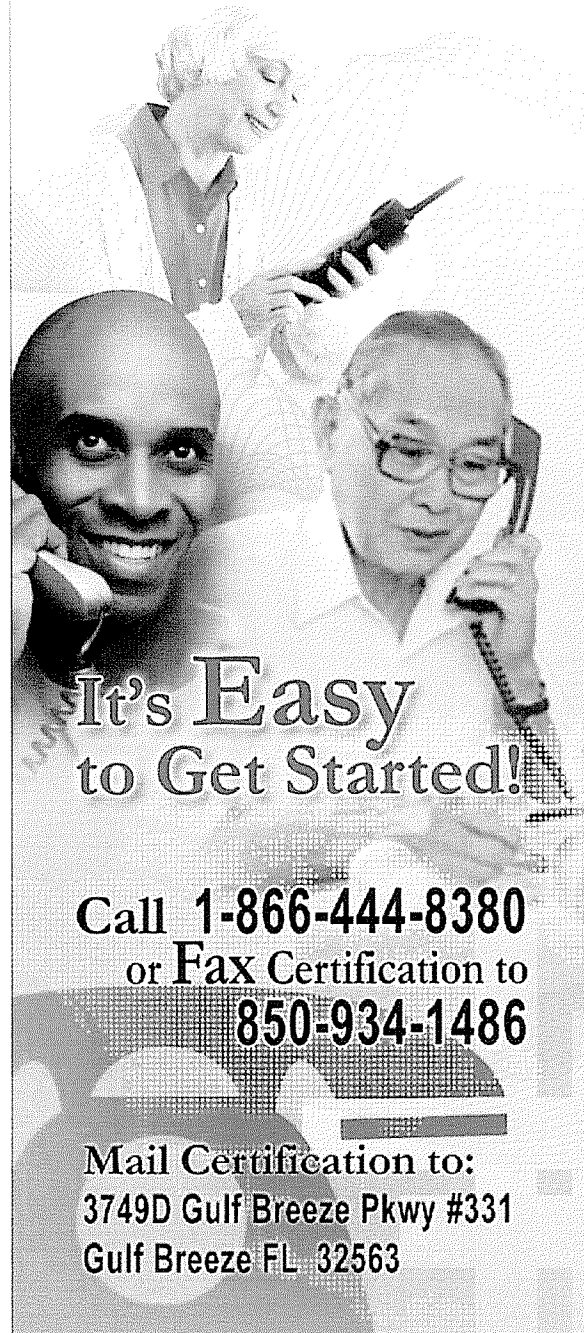
Service You Can Afford

HOME PHONE SERVICE
 as low as **\$14.95/mo***

Fold In

Back Panel

Front Panel



**It's Easy
to Get Started!**

**Call 1-866-444-8380
or Fax Certification to
850-934-1486**

**Mail Certification to:
3749D Gulf Breeze Pkwy #331
Gulf Breeze FL 32563**

Name | Nombre

Address / City / State / Zip | Domicilio / Ciudad / Estado / Código Postal

Best telephone number to reach you

I hereby certify that I participate in the following public assistance program(s) [CHECK ALL THAT APPLY]
Por este medio certifico que participo en el programa (s) de ayuda público siguiente [MARQUE TODO QUE APLIQUE]

- Medicaid**
- Food Stamps**
Estampillas de comida
- Temporary Assistance for Needy Families / AFDC(TANF)**
Ayuda Temporal para Familias Necesitadas / AFDC(TANF)
- Supplemental Security Income (SSI)**
Seguridad Social Suplemental (SSI)
- Federal Public Housing Assistance or Section 8**
Ayuda pública Federal, o sección 8
- Low Income Home Energy Assistance Program (LIHEAP)**
Programa de ayuda casero de la energía del sueldo bajo (LIHEAP)
- Income at or below 135% of the Federal Poverty Guidelines (see below)**
Ingresos por debajo de 135% de la Federal de Pobreza (vea más abajo)

Persons in Household	Numero de personas en casa	48 Contiguous States and DC
1		\$13,230
2		\$17,820
3		\$22,410
4		\$27,000
5		\$31,590
6		\$36,180

I certify, under penalty of perjury that I am a current recipient of the above program(s) and will notify my local telephone company when I am no longer participating in at least one of the abovedesignated programs. I authorize representatives of the above program(s) to discuss with and /or provide copies to my local telephone company, if requested by the company, to verify my participation in the above program(s) and my eligibility forth is program.

Certifico, bajo pena de perjurio que soy beneficiario de la actual programa anterior (s) y notificaré a mi local compañía telefónica cuando ya no estoy participando en al menos uno de los programas abovedesignated. Yo autorizo representitives de lo anterior programa (s) para discutir y / o proporcionar copias a mi compañía telefónica local, si solicitado por la empresa, para verificar mi participación en el programa anterior (s) y mi cuarto es la elegibilidad del programa.

Customer Name (print)|Nombre de Cliente

Signature|FIRMA

You may qualify for
Government Assisted
**HOME PHONE
SERVICE!**

*If you can certify that you are on:

- Medicaid • Food Stamps • Federal Public Housing (Section 8) • Supplemental Security Income (SSI) • Low Income Home Energy Assistance
- Temporary Assistance for Needy Families
- National School Free Lunch Program
- Income at or below 135% of Poverty Guidelines

CALL NOW & GET CONNECTED!

866-444-8380



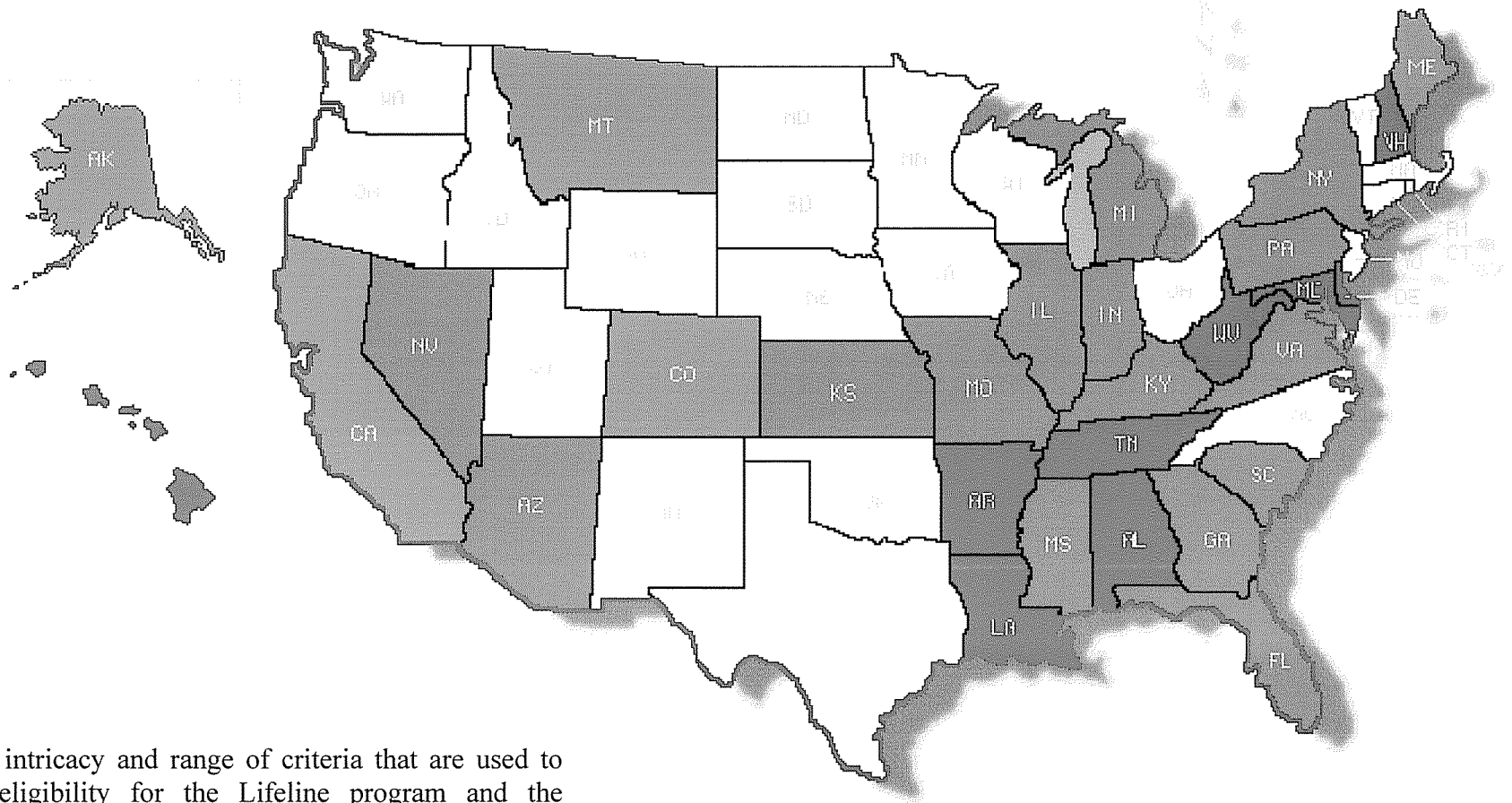
PhoneAid +®
Service You Can Afford

Exhibit 3

2006 Lifeline Participation Rates by State

2006 Lifeline Participation Rates by State

- - Below 10%
- - 10% - 20%
- - 20% - 50%
- - Above 50%



Notes:

Due to the intricacy and range of criteria that are used to determine eligibility for the Lifeline program and the limitations of the data used, the methodology employed to create this map involves several estimates, assumptions, simplifications, and omissions. Therefore, the rates generated on this map should be treated as estimates only.

District of Columbia = 10% - 20%