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September 20, 2010

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

RECEIVED

SEP 30 2010

**PUBLIC SERVICE
COMMISSION**

*RE: Petition of Absolute Home Phones, Inc. for Designation as an Eligible
Telecommunications Carrier in the Commonwealth of Kentucky
Case No. 2009-00407*

Dear Mr. DeRouen:

Enclosed are an original and ten copies of Absolute Home Phones, Inc.'s Response to First Data Request of Commission Staff.

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

Very truly yours,

STOLL KEENON OGDEN PLLC

Douglas F. Brent

DFB:

Enclosures

112699.134911/597896.1

COMMONWEALTH OF KENTUCKY
BEFORE THE PUBLIC SERVICE COMMISSION

RECEIVED

SEP 30 2010

PUBLIC SERVICE
COMMISSION

IN THE MATTER OF

PETITION OF)
ABSOLUTE HOME PHONE SERVICES, INC.)
FOR DESIGNATION AS AN ELIGIBLE)
TELECOMMUNICATIONS CARRIER) CASE NO. 2009-00407
IN THE COMMONWEALTH OF KENTUCKY)

**RESPONSE OF ABSOLUTE HOME PHONE SERVICES, INC.
TO FIRST DATA REQUEST OF COMMISSION STAFF**

Absolute Home Phone Services, Inc. ("Absolute"), by its counsel, files the following responses to Commission Staff's first set of data requests in the above-referenced matter.

Question 1 Is Kentucky the only state in which Absolute currently operates? If not, list the states.

Responsible Party: Chris Peltier, President of Absolute.

Response: Absolute operates in North Carolina and Florida. Absolute has CLEC authority but is not currently operating in Alabama.

Question 2 List all states in which Absolute has received Eligible Telecommunications Carrier ("ETC") status. Also list all pending ETC petitions, with docket numbers and the state in which the designation is requested.

Responsible Party: Chris Peltier, President of Absolute.

Response: Absolute has received ETC status in North Carolina, under docket # 090426. Absolute also has a pending ETC application in Florida; Docket No. 09-0426-TX.

Question 3 Has Absolute filed for ETC status in any state and subsequently withdrawn the petition or been denied ETC status? If so, list the state, docket number, and Absolute's reason for seeking withdrawal of the petition for that state.

Responsible Party: Chris Peltier, President of Absolute.

Response: Absolute has not filed for ETC status in any state and subsequently withdrawn the petition or been denied ETC status.

Question 4 How many Kentucky residential and business customers does Absolute presently serve? Provide the number of residential and business customers and state whether they are provided service through Unbundled Network Elements ("UNEs") pursuant to 47 U.S.C. § 251 commingled with 47 U.S.C. § 271 elements, resale, or wholesale local platform pursuant to a commercial agreement.

Responsible Parties: Chris Peltier, President of Absolute, and counsel.

Response: Absolute provides service to residential customers and the customer base as of 08/24/2010 is 217 Kentucky customers. Service is provided using a combination of resale and facilities obtained through § 252 agreements that include § 251 and/or § 271 elements.

Question 5 Does Absolute presently serve any Lifeline customers through resale in Kentucky?

Responsible Party: Chris Peltier, President of Absolute.

Response: Yes, Absolute does presently service Lifeline-eligible customers through resale in Kentucky.

Question 6 If Absolute receives ETC designation in Kentucky, approximately how long will it take for Absolute to offer Lifeline service in the area in which it receives the ETC designation? Provide an explanation for any extenuating or special circumstances.

Responsible Party: Chris Peltier, President of Absolute.

Response: If Absolute receives ETC designation in Kentucky, the Company would instantly be able to provide lifeline service in the area in which it receives the ETC designation.

Question 7 Do Absolute customers have access to competitive directory assistance providers, as defined as by 47 C.F.R. § 54.101(a)(8)? If not, explain why.
Responsible Party: Chris Peltier, President of Absolute.

Response: Yes, Absolute customers have access to directory assistance. This service is provided by dialing 1-800-FRE-E411.

Question 8 Absolute's tariff states that: "Customers will have access to local operator services within the limitation imposed by the presence of the underlying carrier's toll restriction and billed number screening services." Explain the purpose for this tariff policy.

Responsible Party: Chris Peltier, President of Absolute.

Response: This policy is intended to limit unauthorized charges to a subscriber's line, e.g., for operator assisted toll calls on a line where the subscriber does not wish to incur charges for direct dialed toll calls.

Question 9 Does Absolute understand that there may be an audit by the Commission of the use of universal service funds and that the eligible telecommunications service designation may be reviewed annually?

Responsible Party: Chris Peltier, President of Absolute.

Response: Yes, Absolute acknowledged this at Paragraph 20 of its Petition.

Question 10 Has Absolute been audited by other state utility commissions regarding its use of universal service funds? If so, list the state and the result of the audit.

Responsible Party: Chris Peltier, President of Absolute.

Response: No.

Question 11 Does Absolute have any outstanding complaints at any state commissions or at the Federal Communications Commission ("FCC")? Provide detailed documentation of any complaint filed with a state commission or at the FCC in the past three years.

Responsible Party: Chris Peltier, President of Absolute.

Response: Absolute doesn't have any outstanding complaints at any state commission or Federal Communications Commission.

Question 12 Provide a description of Absolute's corporate structure, with both names and titles. Also provide a list of Absolute's owners or corporate officers

and indicate if any are also owners, corporate officers or employees of any other telecommunications companies.

Responsible Party: Chris Peltier, President of Absolute.

Response: As stated in its Petition, Absolute is a Florida Corporation. No owners or corporate officers of Absolute are owners, corporate officers or employees of any other telecommunications companies.

Question 13 Provide an example of a typical Absolute residential and business customer bill. What is the average residential bill in Kentucky?

Responsible Party: Chris Peltier, President of Absolute.

Response: Example of Customer's Bill. Exhibit A

Question 14 Will Absolute seek toll limitation service reimbursement from Universal Service Administrative Company ("USAC) if granted ETC status? If yes, provide a detailed list of the incremental costs it will claim, along with a detailed description to support the amounts to be claimed.

Responsible Party: Chris Peltier, President of Absolute.

Response: Yes, Absolute will seek to receive TLS reimbursement from USAC. We will offer customers two options for Toll Limitation Service:

1. Toll block - If a customer elects not to have access to toll, an ILEC toll block will be put on their line. The ILEC (AT&T) charges Absolute the following rates for toll block. Absolute requests this amount from USAC in the form of TLS Reimbursement.

AT&T KY Rates

Toll Block MRC: \$4.69

Toll Block NRC: \$7.82

2. Toll Control - If a customer elects a toll control option to limit the amount of toll that can be used on their line, Absolute purchases toll control services from our underlying LD provider at the following rates: \$2.99 MRC, \$3.49 NRC. Absolute also request a \$1 Non-recurring reimbursement for internal, overhead costs associated specifically with providing toll block to the end user (labor to explain and implement toll block services).

Question 15 Will Absolute seek Link-Up reimbursement from USAC if granted ETC status? If yes, list the amount per customer Absolute would be claiming.
Responsible Party: Chris Peltier, President of Absolute.

Response: Yes Absolute will seek Link-Up reimbursement from USAC if granted ETC status. Absolute will claim up to \$30, or the highest amount allowable, per customer line connected on their platform.

Question 16 Will Absolute seek Lifeline reimbursement from USAC if granted ETC status? If yes, list the amount per customer Absolute would be claiming.
Responsible Party: Chris Peltier, President of Absolute.

Response: Yes Absolute will seek Lifeline reimbursement from USAC if granted ETC status. Absolute will claim up to \$10 per customer, per month, or the highest amount allowable.

Question 17 Will Absolute seek Lifeline reimbursement from the Kentucky Universal Service Fund if granted ETC status? If yes, list the amount per customer Absolute would be claiming.
Responsible Party: Chris Peltier, President of Absolute.

Response: Absolute will seek the same reimbursement amount allowable for eligible Lifeline customers of other carriers providing Lifeline service, currently \$3.50 per customer, per month.

Question 18 Are all Absolute's offerings bundled packages? Will Absolute provide the \$13.50 Lifeline discount to any bundle a customer chooses?
Responsible Party: Chris Peltier, President of Absolute.

Response: All of Absolute's offerings are not a bundled package as we do offer a basic, dial tone package. However our most popular package is a 2-feature bundle, and our Complete Package choice is a 7-feature bundle. Absolute will provide the \$13.50 discount to any package a customer chooses.

Question 19 Does Absolute maintain separate books/general ledgers for each state in which it operates? Where are the books/general ledgers for Kentucky customers maintained? Provide the physical address, office phone number and name and title of employee responsible for maintaining those books/ledgers.

Responsible Party: Chris Peltier, President of Absolute.

Response: Yes, Absolute does maintain separate books/general ledgers for each state in which it operates. These ledgers are maintained by Telecom Service Bureau at 2303 SE 17th Street, Suite 102, Ocala, FL 34471, (352)433-2116, with Sandra Thurgaland as the responsible employee.

Question 20 Provide the number of requests for service from potential customers in Kentucky that were unfulfilled by Absolute in the previous calendar year.
Responsible Party: Chris Peltier, President of Absolute.

Response: Absolute began doing business in KY in December 2009, so for the calendar year of 2009 there were only 2 service requests unfulfilled. For the first 6 months of 2010, there were 32 unfulfilled service requests mostly for invalid address issues where we cannot reach the customer to verify the address. An existing local service freeze on a customer's line is also a reason for not being able to provide service.

Question 21 Provide the address (URL) to the Absolute website, if there is one.
Responsible Party: Chris Peltier, President of Absolute.

Response: www.absolutehomephones.com

Question 22 What recurring and nonrecurring costs will a new Lifeline customer incur from becoming an Absolute customer over the period of a year?
Responsible Party: Chris Peltier, President of Absolute.

Response: Recurring costs that new lifeline customers will be responsible for over the course of one year is their monthly phone bill charge. The most popular package is \$25 plus taxes and surcharges per month, and since there is no charge to the customer for the first month, the recurring charge is \$275 per year. Non-recurring charges will not be charged to a customer except in cases where additional services are needed, such as a name change \$10, number change \$20, feature change \$10, and transfer of address for \$40.

Question 23 Provide any resale or commercial agreements you currently have in Kentucky with other telecommunications carriers and include signed evidence of the agreements, along with invoices detailing both UNE and resale charges.

Responsible Party: Chris Peltier, President of Absolute.

Response: Absolute's interconnection agreement with AT&T-KY is on file with the Commission and the Commission maintains a copy at: http://162.114.3.165/PSCICA/0000/01059/01059-AI_092309.pdf The signature page for Absolute's LWC agreement with AT&T-KY attached as Exhibit B. It is Absolute's understanding that AT&T files these agreements with the Commission in Case No. 2004-00427.

Question 24 Provide a description of the process by which Absolute orders a 47 U.S.C. § 251 loop and commingles it with 47 U.S.C. § 271 elements to provide service. Provide copies of orders or contracts that show the process.
Responsible Parties Chris Peltier, President of Absolute and counsel.

Response: Whether through its current interconnection agreement on file at the Commission or any supplemental or successor agreement, Absolute intends to order Section 251 loops commingled with Section 271 elements as provided by federal law as explicated by the Commission. In its December 12, 2007 Order in Case No. 2004-00427,¹ the Commission conclusively determined that the so-called commercial agreements offered in Kentucky by AT&T-KY to CLECs (such as that offered to Absolute) provide access to "facilities," including network elements required by § 271(c)(2)(B), the competitive checklist requiring RBOCs to provide UNEs.² The Commission found that AT&T's commercial agreements fulfill AT&T-KY's Section 271 obligations to continue providing those network elements that are no longer required to be provided under Section 251. Loops, of course, continue to be required by Section 251; and, as the Commission's reasoning with regard to whether network elements are supplied pursuant to AT&T's commercial agreements applies to an ETC analysis just as surely as it applies to a Section 271 compliance analysis, it necessarily follows that Absolute's commercial agreement provides for Section 251 loops to be provided in combination with Section 271 switches. Accordingly, when it orders

¹ *In the Matter of Petition of BellSouth Telecommunications, Inc. to Establish Generic Docket to consider Amendments to Interconnection agreements Resulting from Changes of Law* (Final Order dated Dec. 12, 2007).

² "There can be no mistake that 47 U.S.C. § 271(c)(1)(A) requires AT&T Kentucky to enter into "binding agreements that have been approved under Section 252 of this title . . . Moreover, pursuant to 47 U.S.C. § 271(c)(2)(A), these very agreements regarding access and interconnection must also include each element of the competitive checklist." Case No. 2004-00427, Order (December 12, 2007) at pp. 6-7. The Commission further determined that the rates for these *network elements* are to be market based. *Id.* at p. 11 (emphasis added).

under the agreement, the Applicant uses UNEs in its network³ and satisfies the requirement set forth in Section 214(e)(1)(A).

Question 25 As a condition of receiving local service, are Absolute residential customers required to subscribe to Absolute long-distance services?

Responsible Party: Chris Peltier, President of Absolute.

Response: Residential customers are not required to subscribe to Absolute Long Distance as a condition of receiving local service.

Question 26 Describe Absolute's local usage plans pursuant to 47 C.F.R. § 54.101(a)(2). If phone service is offered in a bundled package, describe and enumerate the wireline local component (charge for local phone service) on which universal service compensation would be based.

Responsible Party: Chris Peltier, President of Absolute.

Response: Absolute's product offerings incorporate customer local usage into its basic price. Once ETC certified, Absolute's will apply the Lifeline credits, reducing the monthly recurring price for Lifeline approved customers.

Question 27 Does Absolute understand that any resold Lifeline or Link-Up service purchased through another carrier cannot be claimed by Absolute for reimbursement from USAC?

Responsible Party: Chris Peltier, President of Absolute.

Response: Yes, Absolute understands that any resold Lifeline or Link-up service purchased through another carrier cannot be claimed by Absolute for reimbursement from USAC.

Question 28 Provide the name of the person (with business title) and/or entity (with business address) that will be filing the Form 497 with USAC if Absolute obtains ETC status.

Responsible Party: Chris Peltier, President of Absolute.

Response: Caitlyn Murphy, CGM Inc. 678-389-6024

email: Caitlyn.Murphy@cgminc.com

³ See *Qwest Corp. v. Pub. Util. Comm'n*, 479 F.3d 1184 (10th Cir. 2007) (agreements relating to mass market switching and shared transport are agreements for network elements, even if provided under Section 271).

Question 29 Does Absolute provide service to its customers via a prepaid service? If so, what percentage of its customers receive their service via a prepaid service?

Responsible Party: Chris Peltier, President of Absolute.

Response: Yes. Absolute intends to market prepaid service exclusively, consistent with its business plan to meet the needs of under-served, credit challenged customers.

Question 30 Provide Absolute's purpose for requesting ETC status in Kentucky. What does the company hope to achieve? Why not just purchase resale Lifeline access lines from your underlying carrier if the purpose of ETC designation is solely to provide Lifeline and Link-Up?

Responsible Party: Chris Peltier, President of Absolute.

Response: Absolute's purpose for requesting ETC status in Kentucky is to make more eligible consumers aware of the Lifeline and Link-Up programs, consistent with the objectives announced by Governor Beshear and Chairman Armstrong on September 13, 2010, when they issued a joint press release noting that "there are many eligible Kentuckians who do not participate in the program." That announcement, made during "Lifeline Awareness Week", underscores the FCC data cited by Absolute in its Petition.

Question 31 Have any owners, officers, or managers of Absolute been involved in any bankruptcy proceedings? If so, provide details as to the name of the person, the date on which the petition was filed, the case number and the name of the federal court district where the petition was filed.

Responsible Party: Chris Peltier, President of Absolute.

Response: At no time has the owner or officer of Absolute been involved in any bankruptcy proceedings.

Question 32 Have any owners, officers, or managers of Absolute been charged or convicted of a felony criminal offense during the last 10 years (either state or federal)? If so, provide details as to the name of the person, the dates of each charge and the name of the state or the federal court district where the charges or convictions occurred.

Responsible Party: Chris Peltier, President of Absolute.

Response: No owner, officer, or manager of Absolute has been charged or convicted of a criminal offense during the last 10 years (either state or federal).

Question 33 Identify any civil litigation in which an Absolute owner, officer, or manager has been deposed or has been a plaintiff, a defendant, or a witness within the last 10 years.

Responsible Party: Chris Peltier, President of Absolute.

Response: No, there has been no civil litigation in which an Absolute owner, officer or manager has been deposed or has been plaintiff, a defendant, or a witness within the last 10 year.

Question 34 Are customers who reconnect service with the company required to pay the past-due bill and a reconnection fee prior to receiving service? Are Lifeline customers allowed to pay past-due amounts over time? If so, describe the terms of such payments. Are Lifeline customers charged a reconnection fee?

Responsible Party: Chris Peltier, President of Absolute.

Response: Past due bills are inconsistent with prepaid service. However, if there is incidental usage outside the scope of the agreement (i.e. unauthorized, unpaid charges), the customer would be required to pay the charges before reconnection. Customers who reconnect service, including Lifeline customers, will be charged for a reconnection fee prior to receiving service. Lifeline customers will not be allowed to make payment arrangements for past due amounts.

Question 35 Does Absolute use agents or other retailers to market and sell its service in Kentucky? Provide a list.

Responsible Party: Chris Peltier, President of Absolute.

Response: Absolute will use Telecom Service Bureau, Inc. to market and sell its service in Kentucky.

Question 36 Describe the process that Absolute intends to use to sign up customers for Lifeline. Will Absolute verify the customer's eligibility in the designated programs?

Responsible Party: Chris Peltier, President of Absolute.

Response: Absolute will use a direct mail campaign along with television ads, newspaper ads, radio spots, and bus signs to get word to the consumer that Lifeline is being offered by Absolute. As a customer calls in for service, Lifeline will be explained in detail. Customer eligibility will be verified in accordance with legal requirements, including any imposed directly on customers seeking Lifeline benefits.

Question 37 Will Absolute be willing to advertise Lifeline and Link-Up availability in other languages besides English? If yes, name the other languages.
Responsible Party: Chris Peltier, President of Absolute.

Response: Yes, Absolute will also advertise Lifeline and Link-up availability in Spanish.

Question 38 Does Absolute have any telecommunications facilities used to provide local exchange service? If so, give a description and location.
Responsible Party: Chris Peltier, President of Absolute.

Response: Absolute does not currently have any telecommunications facilities used to provide local exchange service. For its ETC status, Absolute meets any “facilities” requirement through access to UNEs.

Question 39 Will Absolute use any subcontractors (operations, call centers, etc.) to provide the required services? If so, provide the name of each company and physical address.
Responsible Party: Chris Peltier, President of Absolute.

Response: Absolute will use Telecom Service Bureau, Inc at 2303 SE 17th Street Suite 102 Ocala, FL 34471 as a call center, operations, marketing, and accounting subcontractor.

Question 40 On page 7 of the application, Absolute states that “[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.” Why did Absolute include this comment in its application? Does Absolute propose not to meet the facilities-based requirements under 47 U.S.C. § 214(e)(1)(a)?
Responsible Party: Chris Peltier, President of Absolute.

Response: Absolute intends to meet the requirements under 47 U.S.C. § 214(e)(1)(a). The referenced statement was included in the application to underscore the FCC’s policy determination that a “facilities” requirement is largely irrelevant when a carrier is not seeking high cost funding and seeks only to participate in a federal program where support follows the customer, preventing any possibility of double recovery. *See Federal-State Joint Board on Universal Service, Petition of Tracfone Wireless, Inc., 20 FCC Rcd 15095 (2005).* If Absolute has the right of access to network elements and meets the “facilities” requirement through that right of access, its

actual method of providing service should be of no concern to the Commission, unless there is a request for high cost support, the type of support that is *meant* to help pay for “facilities.” The focus in a Lifeline/Linkup support application should be on giving the qualifying customer a choice in using the funds allocated to him or her.

- Question 41 On page 9 of the application, Absolute states that, as of December 31, 2006, fewer than 20 percent of consumers eligible for Lifeline services in Kentucky were being provided such services. Does Absolute have any more recent statistics? If yes, provide the name of the source of those statistics and the date of the publication of those statistics.
Responsible Party: Chris Peltier, President of Absolute.

Response: According to the 2009 estimates issued by USAC on March 8, 2010, fewer than 20 percent of consumers eligible for Lifeline services in Kentucky were being provided such services. The statistics may be viewed on USAC’s website: <http://www.usac.org/li/about/participation-rate-information.aspx>. Absolute agrees with Governor Beshear and Chairman Armstrong, who recently decried the lack of participation by eligible Kentuckians, and believes that the designation of additional ETCs such as Absolute’s will increase Kentuckians’ awareness of the program through additional advertising.

- Question 42 On page 9 of the application, Absolute states that it is willing to accept Carrier of Last Resort obligations throughout the universal service areas in which Absolute is designated an ETC by the Commission. Provide details of how Absolute would accomplish Carrier of Last Resort obligations.
Responsible Party: Chris Peltier, President of Absolute.

Response: In the unlikely event that AT&T no longer provides service in the designated service area, Absolute would certainly enter into an agreement with the carrier that purchases AT&T’s assets, or with the competitive carrier that caused AT&T to abandon its service territory, and provide service as necessary to all customers who request it.

- Question 43 On page 9 of the application, Absolute states that it will provide equal access to interexchange service. Does Absolute offer pre-subscription to other interexchange carriers?
Responsible Party: Chris Peltier, President of Absolute.

Response: No. The statement was intended to assert the Company's willingness to comply with the FCC requirement outlined in 47 C.F.R. § 54.202(a)(5), and is better stated as follows: "Absolute is willing to provide equal access to long distance carriers in the event that no other ETC is providing equal access within the service area."

Question 44 Absolute is not currently registered as a long-distance carrier in Kentucky. Does Absolute intend to provide long-distance service and does Absolute intend to file a tariff?

Responsible Party: Chris Peltier, President of Absolute.

Response: Absolute intends to allow its local customers access to long distance services through an IXC. Absolute does not currently provide interexchange service and does not intend to file a tariff for interexchange service.

Question 45 Absolute's tariff states: "The Company's service cannot be used to access interexchange carriers for interLATA, intraLATA, interstate, or international calling or access caller-paid information services (e.g., 900, 976). All 1+, 0+, 0-, and other numbers used for caller-paid services will be blocked by the Company through the underlying carrier's switch." On page 6 of the application, Absolute states that it provides long-distance service to its customers. Explain the discrepancy.

Responsible Party: Chris Peltier, President of Absolute.

Response: Respectfully, the Application does not state that Absolute provides long distance service. Rather, at page 6, it states "Applicant provides long distance access to its customers." Applicant permits customers to arrange long distance service through an IXC.

Question 46 Does Absolute understand that Kentucky allows consumers to qualify for Lifeline only under certain income guidelines?

Responsible Party: Chris Peltier, President of Absolute.

Response: Yes, Absolute understands that Kentucky allows consumers to qualify for lifeline only under certain income guidelines.

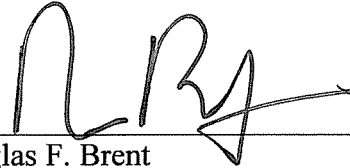
Question 47 Kentucky currently requires that all ETCs perform an audit of all its customers receiving Lifeline benefits. Each customer must provide proof of eligibility. Does Absolute agree to audit all Lifeline customers each year rather than conduct a yearly audit of only a sample of customers?

Responsible Party: Chris Peltier, President of Absolute.

Response: Absolute will agree to audit its own Lifeline customers in compliance with any Commission regulation applicable to and applied equally to all ETCs, including incumbent providers. Absolute acknowledges that its own compliance is subject to audit by the Commission itself.

Dated: September 30, 2010

By



Douglas F. Brent
STOLL KEENON OGDEN PLLC
2000 PNC Plaza
500 West Jefferson Street
Louisville, Kentucky 40202
(502) 333-6000

Lance J. M. Steinhart
Lance J. M. Steinhart, P.C.
1720 Windward Concourse, Suite 115
Alpharetta, GA 30005


VERIFICATION

STATE OF FLORIDA)
)
COUNTY OF MARION) **SS:**

The undersigned, Chris Peltier, being duly sworn, deposes and says that he is the President for Absolute Home Phones, Inc., and that he has personal knowledge of the matters set forth in the responses for which he is identified as the witness, and the answers contained therein are true and correct to the best of his information, knowledge and belief.


Chris Peltier

Subscribed and sworn to before me, a Notary Public in and before said County and State, this 29th day of September, 2010.

 (SEAL)
Notary Public



My Commission Expires:
8/13/12

Exhibit A

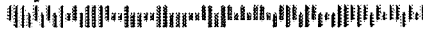
Example of Customer's Bill



P.O. Box 831327 • Ocala, FL 34483-1327

Check here to change address and make changes in the space available below

Mr. & Mrs. Smith
123 Main Street
Anywhere KY 12345



441186-1468-1468

Invoice

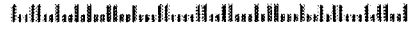
Account No.	Invoice No.	Invoice Date	Due Date
9237	44186	05/06/10	05/05/10

Total Amount Due 97.94
Balance Fwd/Past Due 48.97
Total Current Invoice DUE IMMEDIATELY 48.97
Due 05/05/10

Past Due amount of 48.97 must be paid immediately to avoid disconnection.

Amount Paid

Absolute Home Phone Service
P.O. Box 831327
Ocala, FL 34483-1327



Important Suspension and Disconnection Information
If your Past Due amount is not paid immediately, service is subject to disconnection and will require a \$60 fee to reactivate service.

Can't pay now? Call us today to create a payment plan.

Payment Options

Check or Money Order by mail
Please include your phone # on money orders. Include a driver's license ID # and date of birth on all checks. Make payments out to Absolute Home Phone.

Credit/Debit/Prepaid cards by phone
Call 1-866-500-9976 to pay by phone and we'll confirm receipt immediately; there is a \$3.95 fee for phone payments using Customer Service (payments made online and using our IVR system are FREE). Payments may also be made with a prepaid VISA or MasterCard which are reloadable at any Wal-Mart location.

Get \$20 Off your Phone Bill For Every Referral

Have your friend or family member call us at the number below to sign up for phone service. Be sure they mention your name and phone number when they call. When they pay for their second month of service, you will receive a \$20 credit on your next phone bill!

To start receiving your \$20 credits, have your friends and family call us at: **1-866-500-9976**

441186-1468-1468-1468

IMPORTANT YOU HAVE A PAST DUE BALANCE
Past due charges of 48.97 must be paid immediately.

Account No.: 9237	Summary
Customer Name	Mr. & Mrs. Smith
Invoice Date	05/06/10
Invoice No.	44186
Due Date	06/05/10
Previous Balance	96.89
Payments & Adjustments	47.92
Balance Fwd/Past Due	48.97
Current Activity Charges	38.50
Total Taxes & Fees	10.47
Total Current Invoice	48.97
Total Amount Due	97.94

Recurring Charges: (407) 658-4369

Description	Amount
Basic Package 05/05/2010 to 07/04/2010	31.50
90 Minute Free 05/05/2010	0.00
Skylark Connection Fee - Recurring 05/05/2010 to 07/04/2010	3.00
Revenue Credit 05/05/2010 to 07/04/2010	-3.00
Total Recurring Charges	31.50

One Time Charges:

Billed Number	Description	Period	Amount
441186-1468	Extension Fee		5.00
	One Time Charges		5.00

Miscellaneous Activity:

Description	Amount
Payments - Thank you 04/09/2010	-47.92
Total Miscellaneous Activity	-47.92

Regulatory Taxes and Surcharges:

Description	Amount
Communications Services Tax	2.21
E 911	0.50
FCC Authorized Line Charge	0.50
Sales Tax	0.98
State Tax	0.02
Statutory Gross Receipts	0.85
Telecommunications Relay Service Surcharges	0.91
Total Regulatory Taxes and Surcharges	16.47

Customer Name	Account No.	Invoice Date	Page No.
Mr. & Mrs. Smith	9237	05/06/10	2

— continued from previous page —



Total for Invoice 44186

48.97



TOTAL DUE:

97.94

44186-001 05/06/10 05146-202

Exhibit B

AT&T LWC Agreement

Demetria Johnson-Jackson
Manager - Interconnection Agreements

Four AT&T Plaza
311 S. Alard, 9th Floor
Dallas, TX 75202-5298



February 24, 2010

Chris Peltier
President
Absolute Home Phones, Inc.
710 NE 48th Avenue Road
Ocala, FL 34470

Dear Chris Peltier:

Enclosed, for your files, is a fully executed signature page for the 22-State Commercial Local Wholesale Complete Agreement between AT&T and your company.

If you have questions regarding the enclosed signature page, please contact Dwight Bailey on 352-438-2225.

Sincerely,

Demetria Johnson-Jackson
Manager - Interconnection Agreements

Enclosure

Absolute Home Phones, Inc.

BellSouth Telecommunications, Inc. d/b/a AT&T Alabama, AT&T Florida, AT&T Georgia, AT&T Kentucky, AT&T Louisiana, AT&T Mississippi, AT&T North Carolina, AT&T South Carolina, and AT&T Tennessee, Illinois Bell Telephone Company d/b/a AT&T Illinois, Indiana Bell Telephone Company Incorporated d/b/a AT&T Indiana, Michigan Bell Telephone Company d/b/a AT&T Michigan, Nevada Bell Telephone Company d/b/a AT&T Nevada and AT&T Wholesale, The Ohio Bell Telephone Company d/b/a AT&T Ohio, Pacific Bell Telephone Company d/b/a AT&T California, The Southern New England Telephone Company d/b/a AT&T Connecticut, Southwestern Bell Telephone Company d/b/a AT&T Arkansas, AT&T Kansas, AT&T Missouri, AT&T Oklahoma, AT&T Texas, Wisconsin Bell, Inc. d/b/a AT&T Wisconsin by AT&T Operations, Inc., its authorized agent

Signature: *Chris Peltier*

Signature: *Eddie A. Reed, Jr.*

Name: Chris Peltier
(Print or Type)

Name: Eddie A. Reed, Jr.
(Print or Type)

Title: President
(Print or Type)

Title: Director - Interconnection Agreements

Date: 1/15/10

Date: 2-9-10

ACNA - HPZ