Lance J.M. Steinhart, P.C.

Attorney At Law 1725 Windward Concourse Suite 150 Alpharetta, Georgia 30005

Also Admitted in New York and Maryland

Telephone: (770) 232-9200

Facsimile: (770) 232-9208

Email: lsteinhart@telecomcounsel.com

January 12, 2012

VIA OVERNIGHT DELIVERY

Utah Public Service Commission Heber M. Wells Building 160 East 300 South Salt Lake City, UT 84114 (801) 530-6716

Re:

US CONNECT LLC - Docket No. 11-2544-01

Petition for Designation as an Eligible Telecommunications Carrier in the State of

Utah

Dear Ms. Orchard:

On behalf of US CONNECT LLC, enclosed please find for filing an original and five (5) copies of the Company's Direct Testimony in connection with the above-captioned proceeding before the Utah Public Service Commission. An electronic version has also been filed in Word format to Trixie Behr at tbehr@utah.gov on January 12, 2012.

I have enclosed an extra copy of this letter to be date stamped and returned to me in the enclosed, self-addressed, postage prepaid envelope. If you have any questions or if I may provide you with any additional information, please contact me. Thank you for your attention to this matter.

Respectfully submitted,

Kasey Chow, Associate to

Lance J.M. Steinhart

Attorney for US CONNECT LLC

Enclosures

cc:

Bassam Abdallah

Trixie Behr via e-mail (tbehr@utah.gov)

BEFORE THE PUBLIC SERVICE COMMISSION OF UTAH

In the Matter of the Petition of US CONNECT LLC)
for Designation as an Eligible Telecommunications Carrier in the State of Utah) Docket No. 11-2544-01))

US CONNECT LLC'S SUBMISSION OF DIRECT TESTIMONY AND EXHIBITS

US CONNECT LLC, by counsel, files its Direct Testimony and Exhibits with the Public Service Commission of Utah in the above-referenced docket. US Connect's Direct Testimony and Exhibits include the testimony of Bassam Abdallah and Exhibits 1-2, inclusive, identified therein.

Respectfully submitted this 12th day of January, 2012.

Lance J.M. Steinhart

Lance J.M. Steinhart, P.C.

1725 Windward Concourse, Suite 150

Alpharetta, Georgia 30005

(770) 232-9200 (Phone)

(770) 232-9208 (Fax)

E-Mail: lsteinhart@telecomcounsel.com

Attorney for US CONNECT LLC

BEFORE THE PUBLIC SERVICE COMMISSION OF UTAH

In the Matter of the Petition of US CONNECT LLC))
for Designation as an Eligible Telecommunications Carrier in the State of Utah	Docket No. 11-2544-01)))

DIRECT TESTIMONY OF BASSAM ABDALLAH

1 Q1: WHAT IS YOUR NAME AND OCCUPATION?

A: My name is Bassam Abdallah. I am the Director of Operations of US CONNECT

LLC (hereinafter sometimes referred to as "US Connect" or the "Company").

Prior to my involvement with US Connect, I supervised the development of software applications, system integrations and product implementation at Global Connections, a leading CLEC offering telephone services to low-income consumers. I have over 10 years of management expertise, with a strong background in business operations.

Q2: WHAT IS US CONNECT LLC?

10 **A:** US Connect is a Georgia limited liability company organized on January 7, 2011.

11 The Company's principal office is located at 705 Commerce Street, Southlake,

12 Texas 76092. US Connect is a reseller of commercial mobile radio service

13 ("CMRS") throughout the United States and provides prepaid wireless

14 telecommunications services by using the Sprint Nextel ("Sprint") network.

9

1 O3: WHAT TYPES OF SERVICES DOES THE COMPANY PROVIDE?

2 A: The Company provides prepaid wireless services. In addition to voice services,
3 US Connect offers text and multimedia messaging. US Connect's prepaid
4 wireless services are affordable, easy to use, and attractive to lower-income and
5 lower-volume consumers, providing them with access to emergency services and
6 a reliable means of communication that can be used both at home and while
7 traveling to remain in touch with friends and family and for contacting
8 prospective employers.

Q4: HOW ARE US CONNECT'S WIRELESS SERVICES DIFFERENT FROM OTHER CARRIERS' OFFERINGS?

A:

Unlike many carriers, US Connect does not impose burdensome credit checks, long-term service contracts, activation fees or roaming charges. US Connect customers are from lower-income backgrounds and will not previously have had access to high quality wireless services because of financial constraints or poor credit history. Also unlike many carriers, US Connect does not charge for balance inquiries, calls to 911 emergency services or calls to US Connect customer service. US Connect customers enjoy the benefit of unused minutes carrying over from one month to the next. US Connect will offer Lifeline customers a certain amount of service free of charge. US Connect customers can use their minutes to place calls statewide (or even nationwide) because US Connect does not constrict customers' use by imposing a local calling area requirement. In addition to free voice services, US Connect will provide Lifeline customers with access to a variety of other features at no cost, including voice

1		mail, caller I.D., call waiting, call forwarding, and 3-way calling.
2	Q5:	DOES US CONNECT CURRENTLY PROVIDE
3		TELECOMMUNICATIONS SERVICE IN UTAH?
4	A:	No; however US Connect was acknowledged as a CMRS provider in the State of
5		Utah on November 2, 2011. Through its agreement with its underlying carrier,
6		Sprint, US Connect is able to offer services wherever Sprint offers services in
7		Utah.
8	Q6:	WILL US CONNECT CONTRIBUTE TO THE UTAH ENHANCED 911
9		FUND?
10	A:	Yes. US Connect will remit E-911 fees in Utah.
11	Q7:	WILL US CONNECT CONTRIBUTE TO THE FUNDING FOR
12		UNIVERSAL SERVICE?
13	A:	Yes. US Connect will contribute to the funding of both the federal and state
14		universal service funds ("USF").
15	Q8:	WHAT IS THE NATURE OF US CONNECT'S ETC DESIGNATION
16		REQUEST?
17	A:	US Connect requests Eligible Telecommunications Carrier ("ETC") designation
18		in Utah solely to provide Lifeline and Link-Up service to qualifying Utah
19		consumers; it will not seek access to funds from the federal USF high cost
20		program.
21	Q9:	IN WHAT SERVICE AREAS IS US CONNECT SEEKING
22		DESIGNATION AS AN ETC?
23	A:	US Connect requests ETC designation in the wire centers in which US Connect

1		has network coverage. These wire centers were included as Exhibit 6 of the
2		Company's Petition.
3	Q10:	DOES US CONNECT SATISFY THE REQUIREMENTS FOR ETC
4		DESIGNATION IN UTAH?
5	A:	Yes. US Connect satisfies all of the requirements for ETC designation contained
6		in both federal and Utah state regulations. US Connect recognizes that Section
7		214(e)(1)(A) of the Communications Act of 1934, as amended (the "Act"), states
8		that ETCs shall offer services, at least in part, over their own facilities and that the
9		Federal Communications Commission's (FCC) Rules (47 C.F.R. § 54.201(i))
10		prohibit state commissions from designating as an ETC a telecommunications
11		carrier that offers services exclusively through the resale of another carrier's
12		services. US Connect offers services through a combination of its own facilities
13		and resale.
14	Q11:	HAS US CONNECT BEEN DESIGNATED AS AN ETC IN ANY OTHER
15		STATES?
16	A:	Yes. US Connect has been designated as an ETC in the following states:
17		Arkansas on October 27, 2011; Maryland on July 8, 2011; West Virginia on
18		September 27, 2011. US Connect currently has applications for ETC designation
19		pending in the following states: Colorado, Georgia, Illinois, Kansas, Louisiana,
20		Minnesota, Oklahoma, Pennsylvania, and Washington. US Connect has not been
21		denied ETC status by any regulatory authority.
22		
23		

Q12: WHAT FUNCTIONS WILL US CONNECT OFFER TO SUBSCRIBERS

ONCE GRANTED ETC STATUS?

- **A:** US Connect offers, or will offer upon designation as an ETC in Utah, all of the services and functionalities required by the FCC's rules:
 - a. Voice-grade access to the public switched telephone network. The FCC has concluded that voice grade service means the ability to make and receive phone calls, within a specified bandwidth and frequency range. US Connect meets this requirement by providing voice-grade access to the public switched telephone network. Through its interconnection agreements, all customers of US Connect are able to make and receive calls on the public switched telephone network within the specified bandwidth.
 - b. Local usage. ETCs must include local usage beyond providing simple access to the public switched network as a part of a universal service offering. US Connect includes specified quantities of usage in its rate plans and thereby complies with the requirement. It is important to note that currently, the FCC has not adopted any minimum local usage requirements. FCC rules further require an ETC applicant to show it has a local usage plan comparable, although not identical, to that offered by the ILEC in the same service area.
 - c. Access to emergency services. The ability to reach a public emergency service provider by dialing 911 is a requirement in any universal service offering. US Connect currently provides 911 and E911

access for all of its customers, and will continue to comply with all FCC E911 requirements applicable to wireless resellers. Furthermore, through its underlying carrier(s), US Connect has the ability to remain functional in emergency situations.

d. Toll limitation for qualifying low-income consumers. Toll limitation allows customers to block the completion of outgoing long distance calls to prevent them from incurring significant long distance charges and risking disconnection. The nature of US Connect's service mitigates the need for toll control. US Connect's service is not offered on a distance-sensitive basis and minutes are not charged separately for local or domestic long distance services. Since US Connect's service is a prepaid service, no customers will be disconnected for failure to pay toll charges.

Q13: HOW QUICKLY CAN US CONNECT COMMENCE SERVICE?

A: Upon designation as an ETC, US Connect will be able to provide Lifeline service to qualified customers within a reasonable period of time. US Connect's provider's network is operational and largely built out. Thus, US Connect will be able to commence offering its service to all locations served by its underlying carrier very soon after receiving approval from the Commission. The only delay will be the time needed to implement procedures and internal systems.

Q14: HOW RELIABLE IS US CONNECT'S QUALITY OF SERVICE?

A: US Connect's service is of the same quality and reliability as that of its underlying carrier. To demonstrate its commitment to high service quality, US Connect

- commits to comply with the Cellular Telecommunications and Internet
- Association's (CTIA) Consumer Code for Wireless Service. A copy of the CTIA
- 3 Code is attached as Exhibit 1.

5

6

7

8

9

10

11

12

13

14

15

16

17

18

19

4 Q15: HOW DOES US CONNECT INTEND TO ADVERTISE THE

AVAILABILITY OF THE SUPPORTED SERVICES?

A: US Connect will broadly advertise the availability and rates for the services described above using media of general distribution as required by Section 54.201(d)(2) of the FCC's regulations. The Company will advertise its services in a manner reasonably designed to reach those likely to qualify for Lifeline and Link-up services, using many mediums for outreach including internet, direct response radio and community events. The Company will engage in advertising campaigns promoting the availability of cost-effective wireless services to this neglected consumer segment. US Connect will provide retail vendors with signage to be displayed wherever US Connect products are sold, and with printed materials describing the Company's Lifeline and Link-Up programs. US Connect will promote the availability of its Lifeline and Link-up offerings by distributing brochures at various state and local social service agencies, and intends to partner with nonprofit assistance organizations in order to inform customers of the availability of its Lifeline and Link-Up services.

20 Q16: WILL US CONNECT COMPLY WITH THE LIFELINE

21 CERTIFICATION AND VERIFICATION REQUIREMENTS?

Yes. US Connect will comply with the FCCs certification and verification requirements, and with Commission determined methods or processes to establish

initial eligibility, to complete annual recertification and to determine that customers do not take service from multiple lifeline providers.

Q17: HOW WILL US CONNECT CERTIFY THAT A CUSTOMER IS ELIGIBLE FOR THE FEDERAL LIFELINE DISCOUNT?

During the enrollment process, applicants will be directed to a toll-free telephone number and to US Connect's website, which will contain information regarding the Company's Lifeline and Link-Up services, including a detailed description of the programs and state-specific eligibility criteria. Customers may then request that an enrollment form be mailed to them, or they can download a form from the internet. Applicants must complete the enrollment form, which will include a place where applicants must attest and certify under penalty of perjury that they satisfy the requisite eligibility criteria. In addition, each applicant is required to certify under penalty of perjury, at the time of application and annually thereafter, that they are head of their household and receive Lifeline-supported service only from US Connect. If not applying in person, the applicant must return the signed enrollment form and all supporting documentation to the address provided by US Connect. 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 and Link-Up programs. US Connect maintains records of its compliance with federal certification rules in accordance with the FCC's rules regarding record retention.

22

3

4

5

6

7

8

9

10

11

12

13

14

15

16

17

18

19

20

21

A:

23

Q18: HOW WILL US CONNECT VERIFY A CUSTOMER'S CONTINUED

ELIGIBLITY FOR THE FEDERAL LIFELINE DISCOUNT?

Customers must self-certify, under penalty of perjury, at the time of service activation and annually thereafter, that they remain head of household and receive Lifeline-supported service only from US Connect. Furthermore, customers chosen to participate in the additional random survey of continued eligibility will be required to attest and certify under penalty of perjury that they continue to satisfy the requisite program or income based eligibility criteria. US Connect will require and obtain all such certifications as a condition for continued Lifeline support, and will maintain certification records for auditing purposes.

Q19: DOES US CONNECT USE A THIRD PARTY ADMINISTRATOR TO ASSIST WITH ITS LIFELINE SERVICES?

Yes. US Connect has contracted with CGM, LLC of Roswell, Georgia, a lifeline service bureau, to edit all subsidy request data. 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 systems compare all subsidy requests to underlying network status to ensure that subsidies are requested only for active lines. Through the process described above, US Connect ensures that it does not over-request from support funds.

A:

Q20: WHAT MEASURES DOES US CONNECT PLAN TO TAKE TO
PREVENT RECOVERY OF THE FEDERAL LIFELINE DISCOUNT FOR
CUSTOMERS ALREADY RECEIVING THE DISCOUNT FOR THEIR
LANDLINE TELEPHONE?

US Connect application forms will require each applicant to provide their name, primary residential address and an alternate telephone number (if any). US Connect will incorporate this information into its customer information database. previously mentioned, the Company will check the name and address of each Lifeline applicant against its database to determine whether or not it is associated with a customer that already receives US Connect Lifeline service, and will then review the application to ascertain whether the applicant is attempting to receive Lifeline-supported service for more than one handset associated with the address. US Connect will deny the Lifeline application of any such individual and advise the applicant of the basis for the denial. As mentioned above, applicants must selfcertify, under penalty of perjury, at the time of service activation and annually thereafter, that they remain head of household and receive Lifeline-supported In addition, US Connect will utilize the service only from US Connect. Department of Community and Culture's knowledge and databases (or the provider of verification services established through Docket No. 10-2508-01) to ensure as accurately as possible that only one individual per household is receiving the subsidy, and that applicants are not already receiving Lifeline support from any other carrier.

5

6

7

8

9

10

11

12

13

14

15

16

17

18

19

20

21

22

A:

1

Q21: WHAT MEASURES DOES US CONNECT PLAN TO TAKE TO 2 OF LIFELINE **FUNDS FOR PREPAID PREVENT** RECOVERY 3 CUSTOMERS WHO CEASE USING US CONNECT PHONES AND 4 AIRTIME? 5 US Connect will adhere to its non-usage policy. US Connect recognizes the 6 A: importance of safeguarding the USF. Therefore, the Company has implemented 7 the following 60-day non-usage policy in an effort to avoid waste, fraud, and 8 abuse of the program. If no usage appears on a US Connect Lifeline customer's 9 account during any continuous 60-day period, the Company will promptly notify 10 the customer that the customer is no longer eligible for US Connect Lifeline 11 service subject to a 30-day grace period. During the 30-day grace period, the 12 customer's account will remain active, but US Connect will engage in outreach 13 efforts to determine whether the customer desires to remain on the Company's 14 Lifeline service. If the customer's account does not show any customer-specific 15 activity during the grace period, US Connect will promptly deactivate Lifeline 16 17 services and cease to seek reimbursement from the USF for that customer. 18 Customers that have been deactivated may participate in the Company's Lifeline service in the future by reapplying and re-establishing eligibility. 19 WHAT ARE THE RATES AND TERMS OF US CONNECT'S LIFELINE 20 O22: **SERVICE OFFERING?** 21 Attached Exhibit 2 demonstrates that eligible customers will receive 100 anytime 22 A: prepaid minutes per month at no charge, with additional airtime minutes available 23

for purchase in bundles. The Company's Lifeline service will provide customers with 100 anytime prepaid minutes per month at no charge. Lifeline customers will have the capability of purchasing additional bundles of minutes in denominations as low as \$5, \$10, and \$20.1 Airtime replenishment cards will be made available at retail outlets frequented by low income customers throughout the Company's Service Area. Text messaging will be available at the rate of onethird of one minute (3 texts = 1 minute). In addition to free voice services, US Connect's Lifeline plan will include a free handset and the following Custom Calling features: Caller ID, Call Waiting, Call Forwarding, 3-Way Calling, and Voicemail. Customers may use their minutes to place domestic long distance calls at no additional charge. Calls to US Connect customer service will be free, and unused minutes will rollover. Calls to 911 emergency services are always free, regardless of service activation or availability of minutes. Customers may use their minutes to place domestic long distance calls at no additional charge. Unlike many carriers, US Connect customers enjoy minutes that carry over from one month to the next. Moreover, by providing a wireless handset free of charge, US Connect guarantees that eligible customers can access the Company's Lifeline services without incurring any upfront or recurring costs. Consistent with FCC requirements, US Connect will use Link-Up support to reduce the Company's \$60.00 standard wireless activation charge by \$30.00. Qualifying subscribers may request a deferred payment schedule for the remaining installation charges, thus allowing subscribers to obtain service without

1

2

3

4

5

6

7

8

9

10

11

12

13

14

15

16

17

18

19

20

21

22

 $^{^1}$ \$5 = 35 minutes, \$10 = 75 minutes, \$20 = 160 minutes, \$30 = 270 minutes, and \$50 = 700 minutes

1		being required to pay any fees to activate service with US Connect. As such,
2		there is no up-front connection charge applicable to US Connect Lifeline and
3		Link-Up customers.
4	Q23:	HAVE THER BEEN ANY CHANGES TO THE OFFERING SINCE US
5		CONNECT SUBMITTED ITS PETITION?
6	A:	No.
7	Q24:	DOES US CONNECT INTEND TO PROVIDE QUALIFIED LIFELINE
8		CUSTOMERS WITH A FREE HANDSET?
9	A:	Yes, US Connect will provide qualified Lifeline customers with a free handset.
LO		US Connect's phones have been through extensive testing in Sprint's handset lab
L1		to ensure proper network performance, 911 reliability, and to make sure the
L2		handset does not cause network interference.
13	Q25:	HOW WILL CUSTOMERS KNOW IN ADVANCE THE NUMBER OF
L 4		FREE MINUTES THEY WILL HAVE AND WHEN MORE WILL BE
15		ADDED?
16	A:	Lifeline customers will have detailed materials in the box with their phone that
17		describe the number of minutes/credit they receive and when the minutes/credit
18		will be replenished. US Connect customers can check the balance of their
19		minutes either online or by calling customer service.
20	Q26:	WHAT HAPPENS TO THE CUSTOMER'S PHONE SERVICE AFTER
21		THE FREE MINUTES HAVE BEEN UTILIZED?
22	A:	Once the 100 minutes (plus any carry over minutes) have been utilized, customers
23		will either have to wait until the next month for a new allotment of minutes of

free air time or they can purchase additional minutes. 1 Q27: HOW WILL CUSTOMERS COMMUNICATE WITH US CONNECT 2 REGARDING QUESTIONS, CONCERNS OR COMPLAINTS? 3 US Connect's Lifeline customers will have access to US Connect's customer care A: 4 (the same customer care as regular retail customers) by calling 611 from their US 5 Connect Lifeline phone or the company's toll-free number. Customers can also 6 contact customer care on the US Connect website. US Connect is committed to 7 resolving customer questions, concerns and complaints in a swift and satisfactory 8 manner. 9 HOW WILL US CONNECT'S PRESENCE AS AN ETC IN UTAH SERVE 10 THE PUBLIC INTEREST? 11 A central purpose of the Telecommunications Act of 1996 was to "promote 12 A: competition and reduce regulation ... to secure lower prices and higher quality 13 services ... and encourage the rapid deployment of new telecommunications 14 technologies" to all citizens, regardless of geographic location or income.2 15 Designation of US Connect as an ETC would undoubtedly further these goals. 16 US Connect's Lifeline service will provide low-income Utah residents with the 17 convenience and security offered by wireless services—even if their financial 18 position deteriorates. 19 US Connect's Lifeline plan will not only allow feature-rich mobile connectivity 20 for qualifying subscribers, but will also bring competition and more variety of 21

22

options into the reach of Lifeline customers. US Connect's plan is comparable in

The Telecommunications Act of 1996, Pub. L. No. 104-104, 110 Stat. 56, 56 (1996).

minutes and features to those available to Utah post-paid wireless subscribers – just at low Lifeline rates and without the burden of credit checks, contracts, activation fees or roaming charges.

Without question, prepaid wireless services have become essential for lower-income customers, providing them with value for their money, access to emergency services on wireless devices, and a reliable means of contact for prospective employers, social service agencies or dependents. Providing US Connect with the authority necessary to offer discounted Lifeline services to those most in danger of losing wireless service altogether undoubtedly promotes the public interest.

Q29: WHAT ARE SOME OF THE BENEFITS OF INCREASED

COMPETITIVE CHOICE?

A:

Introducing US Connect as an additional ETC provider into the market will afford low income Utah residents a wider choice of providers and available services while creating a competitive marketplace as ETCs compete for a finite number of Lifeline-eligible customers. Increasing the competitive marketplace of providers has the potential to effectively increase the penetration rate and reduce the number of individuals not connected to the PSTN. As of December 31, 2009, only between 20-50% of Lifeline-eligible consumers in Utah were being provided such services.³ US Connect believes that it is uniquely positioned to help increase awareness of and participation in the Lifeline program.

³ see http://www.usac.org/li/about/participation-rate-information.aspx#2009

Q30: IF US CONNECT'S PETITION IS GRANTED, WILL THERE BE ANY

IMPACT ON THE UNIVERSAL SERVICE FUND?

1

2

3

4

5

6

7

9

10

11

12

13

14

15

16

17

18

19

20

21

A:

US Connect's request for designation as an ETC would not unduly burden the USF or otherwise reduce the amount of funding available to other ETCs. US Connect seeks ETC designation solely to utilize USF funding to provide Lifeline and Link-Up service to qualified low-income consumers. It does not seek and will not accept high cost support. With Lifeline, ETCs only receive support for customers they obtain. The amount of support available to an eligible subscriber is exactly the same whether the support is given through a company such as US Connect or the Incumbent LEC operating in the same service area. US Connect will only increase the amount of USF Lifeline funding in situations where it obtains Lifeline customers not enrolled in another ETC's Lifeline program. Significantly, US Connect's designation as an ETC will not increase the number of persons eligible for Lifeline support. As stated in the Act, the universal service fund was established to ensure that quality services are available to all individuals at just, reasonable and affordable rates. US Connect's ability to increase the participation rate of qualified low-income individuals will further the goal of Congress to provide all individuals with affordable access to telecommunications service.

Q31: DOES US CONNECT AGREE TO COMPLY WITH ALL COMMISSION

RULES AND REGULATIONS REGARDING ETC?

Yes. US Connect hereby asserts its willingness and ability to comply with all the rules and regulations that the Commission may lawfully impose upon the

1		Company's provision of service contemplated by its petition for ETC designation.
2	Q32:	IS THERE ANYTHING ELSE YOU WOULD LIKE TO ADD TO YOUR
3		TESTIMONY?
4	A:	I would like to reiterate that US Connect meets all legal requirements for
5		designation as an ETC. Accordingly, the Commission should promptly grant US
6		Connect's petition ETC designation so that US Connect may commence providing
7		service to qualified low-income Utah households at the earliest possible time.

Exhibit 1

CTIA Code

CTIA

Consumer Code for Wireless Service

To provide consumers with information to help them make informed choices when selecting wireless service, the CTIA and the wireless carriers that are signatories below have developed the following Consumer Code. The carriers that are signatories to this Code have voluntarily adopted the principles, disclosures, and practices here for wireless service provided to individual consumers, including voice, messaging, and data services sold either on a postpaid or prepaid basis.

THE WIRELESS CARRIERS THAT ARE SIGNATORIES TO THIS CODE WILL:

<u>ONE</u>

DISCLOSE RATES AND TERMS OF SERVICE TO CONSUMERS

For each service plan offered to new consumers, wireless carriers will disclose to consumers at point of sale and on their web sites, at least the following information, as applicable: (a) the coverage area for the service; (b) any activation or initiation fee; (c) the monthly access fee or base charge; (d) the amount and nature of any voice, messaging, or data allowances included in the plan (such as night and weekend minutes); (e) the charges for domestic usage in excess of any included allowances or outside of the coverage area; (f) for prepaid service plans, the period of time during which any balance is available for use; (g) whether there are prohibitions on data service usage and whether there are network management practices that will have a material impact on the customer's wireless data experience; (h) whether any additional taxes, fees or surcharges apply; (i) the amount or range of any such fees or surcharges that are collected and retained by the carrier; (j) the amount or nature of any late payment fee; (k) whether a fixed-term contract is required and its duration; (l) the amount and nature of any early termination fee that may apply; and (m) the trial

period during which a consumer may cancel service without any early termination fee, as long as the consumer complies with any applicable return policy.

TWO

MAKE AVAILABLE MAPS SHOWING WHERE SERVICE IS GENERALLY AVAILABLE

Wireless carriers will make available at point of sale and on their web sites maps depicting approximate domestic coverage applicable to each of their service plans currently offered to consumers. To enable consumers to make comparisons among carriers, these maps will be generated using generally accepted methodologies and standards to depict the carrier's outdoor coverage. All such maps will contain or link to an appropriate legend concerning limitations and/or variations in wireless coverage and map usage, including any geographic limitations on the availability of any services included in the plan. Wireless carriers will periodically update such maps as necessary to keep them reasonably current. If necessary to show the extent of service coverage available to customers from carriers' roaming partners, carriers will request and incorporate coverage maps from roaming partners that are generated using similar industry-accepted criteria, or if such information is not available, incorporate publicly available information regarding roaming partners' coverage areas.

THREE

PROVIDE CONTRACT TERMS TO CUSTOMERS AND CONFIRM CHANGES IN SERVICE

When a customer initiates new service or a change in existing service, the carrier will provide or confirm any new material terms and conditions of the ongoing service with the customer.

FOUR

ALLOW A TRIAL PERIOD FOR NEW SERVICE

When a customer initiates postpaid service with a wireless carrier, the customer will be informed of and given a period of not less than 14 days to try out the service. The carrier will not impose an early termination fee if the customer cancels service within this period, provided that the customer complies with applicable return and/or exchange policies. Other charges, including usage charges, may still apply.

FIVE

PROVIDE SPECIFIC DISCLOSURES IN ADVERTISING

In advertising of prices for wireless service plans or devices, wireless carriers will disclose material charges and conditions related to the advertised prices and services, including if applicable and to the extent the advertising medium reasonably allows: (a) whether activation or initiation fees apply; (b) monthly access fees or base charges; (c) the amount and nature of any voice, messaging, or data service allowances included in the plan; (d) the charges for any domestic usage in excess of any included allowances or outside of the coverage area; (e) for prepaid service plans, the period of time during which any balance is available for use; (f) whether there are network management practices that will have a material impact on the customer's wireless data experience; (g) whether any additional taxes, fees or surcharges apply; (h) the amount or range of any such fees or surcharges that are collected and retained by the carrier; (i) whether a fixed-term contract is required and its duration; (j) early termination fees; (k) the terms and conditions related to receiving a product or service for "free;" (I) for any service plan advertised as "nationwide," (or using similar terms), the carrier will have available substantiation for this claim; and (i) whether prices or benefits apply only for a limited time or promotional period and, if so, whether any different fees or charges will apply for the remainder of the contract term.

<u>SIX</u>

SEPARATELY IDENTIFY CARRIER CHARGES FROM TAXES ON BILLING STATEMENTS

On customers' bills, carriers will distinguish (a) monthly charges for service and features, and other charges collected and retained by the carrier, from (b) taxes, fees and other charges collected by the carrier and remitted to federal state or local governments. Carriers will not label cost recovery fees or charges as taxes.

SEVEN

PROVIDE CUSTOMERS THE RIGHT TO TERMINATE SERVICE FOR CHANGES TO CONTRACT TERMS

Carriers will not modify the material terms of their postpaid customers' contracts in a manner that is materially adverse to those customers without providing a reasonable

advance notice of a proposed modification and allowing those customers a time period of not less than 14 days to cancel their contracts with no early termination fee.

EIGHT

PROVIDE READY ACCESS TO CUSTOMER SERVICE

Customers will be provided a toll-free telephone number to access a carrier's customer service during normal business hours. Customer service contact information will be provided to customers online and on billing statements. Each wireless carrier will provide information about how customers can contact the carrier in writing, by toll-free telephone number, via the Internet or otherwise with any inquiries or complaints, and this information will be included, at a minimum, on all billing statements, in written responses to customer inquiries and on carriers' web sites. Each carrier will also make such contact information available, upon request, to any customer calling the carrier's customer service departments.

NINE

PROMPTLY RESPOND TO CONSUMER INQUIRIES AND COMPLAINTS RECEIVED FROM GOVERNMENT AGENCIES

Wireless carriers will respond in writing to state or federal administrative agencies within 30 days of receiving written consumer complaints from any such agency.

TEN

ABIDE BY POLICIES FOR PROTECTION OF CUSTOMER PRIVACY

Each wireless carrier will abide by a policy regarding the privacy of customer information in accordance with applicable federal and state laws, and will make available to the public its privacy policy concerning information collected online. Each wireless carrier will abide by the CTIA Best Practices and Guidelines for Location-Based Services.

ELEVEN

PROVIDE CONSUMERS WITH FREE NOTIFICATIONS FOR VOICE, DATA AND MESSAGING USAGE, AND INTERNATIONAL ROAMING

Each wireless provider will provide, at no charge: (a) a notification to consumers of currently-offered and future domestic wireless plans that include limited data allowances when consumers approach and exceed their allowance for data usage and will incur overage charges; (b) a notification to consumers of currently-offered and future domestic voice and messaging plans that include limited voice and messaging allowances when consumers approach and exceed their allowance for those services and will incur overage charges; and (c) a notification to consumers without an international roaming plan/package whose devices have registered abroad and who may incur charges for international usage. Wireless providers will generate the notifications described above to postpaid consumers based on information available at the time the notification is sent. Wireless consumers will not have to affirmatively sign up in order for these notifications to be sent. Each wireless provider shall provide its customers at least two of these alerts by October 17, 2012 and all of these alerts by April 17, 2013. Wireless providers will clearly and conspicuously disclose tools or services that enable consumers to track, monitor and/or set limits on voice, messaging and data usage.

Exhibit 2

US CONNECT LLC's Lifeline and Link-Up Rates

Lifeline 100 Minutes Plan - \$0

100 anytime minutes per month

- Free handset
- Free Voicemail, Caller-ID, Call waiting, Call Forwarding, 3-Way Calling
- Free calls to Customer Service
- Free calls to 911 emergency services
- Unused minutes rollover
- 3 text messages = 1 minute of usage

Additional bundles of minutes available:

\$5 = 35 minutes

\$10 = 75 minutes

\$20 = 160 minutes

\$30 = 270 minutes

\$50 = 700 minutes

Link-up Rates

Standard Activation Rate \$60.00

Link-up Discount \$30.00

Net cost to Link-up Customer: \$0.00*

*Qualifying subscribers may request to have the reduced activation charge deferred for a twelve (12) month period with no interest, and subscribers remaining with US Connect's service for a period of 12 full months from the date of activation will receive a reduction of the remaining activation charge balance to zero, thus allowing subscribers to obtain service without being required to pay any fees to activate service.

State of Texas

County of Tarrant

AFFIDAVIT

I, Bassam Abdallah, first being duly sworn upon oath depose and say that I am the Director of Operations of US CONNECT LLC, the Applicant, and that I have read the above and foregoing direct testimony by me subscribed and know the contents thereof, which testimony was filed in support of US CONNECT LLC's Petition for Designation as an Eligible Telecommunications Carrier in the State of Utah; that said contents are true in substance and in fact, except as to matters stated upon information and belief, and as to those, I believe the same to be true.

Bassam Abdallah
Director of Operations
US CONNECT LLC

Sworn to and subscribed before me

this 12 day of January, 2012.

Notary Public

My Commission Expires:

MICHELLE JACKSON
My Commission Expires
October 7, 2015