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February 25, 2013

Darrell Nitschke
Executive Director
North Dakota Public Service Commission
600 E. Boulevard Avenue, Dept. 408
Bismarck, ND 58505-0480

RE: APPLICATION FOR DESIGNATION AS AN ELIGIBLE TELECOMMUNICATIONS CARRIER (ETC)

Enclosed please find one original and seven copies of the following document:

APPLICATION OF NEXUS COMMUNICATIONS, INC. FOR DESIGNATION AS AN ELIGIBLE TELECOMMUNICATIONS CARRIER PURSUANT TO 47 U.S.C. § 214(e).

If you have any questions, please do not hesitate to contact me.

Very truly yours,

DJH/rps

Enclosures

cc: Alan Galloway

**BEFORE THE NORTH DAKOTA
PUBLIC SERVICE COMMISSION**

In the Matter of the Application of)	Docket No. _____
)	
Nexus Communications, Inc. for)	APPLICATION OF NEXUS
Designation as an Eligible)	COMMUNICATIONS, INC. FOR
Telecommunications Carrier Pursuant to)	DESIGNATION AS AN ELIGIBLE
47 U.S.C. § 214(e))	TELECOMMUNICATIONS CARRIER
)	PURSUANT TO 47 U.S.C. § 214(e).

**APPLICATION FOR DESIGNATION AS AN
ELIGIBLE TELECOMMUNICATIONS CARRIER**

Nexus Communications, Inc. (“Nexus” or “Company”) hereby submits this Application, pursuant to 47 U.S.C. § 214(e) of the Communications Act of 1934, as amended (the “Act”), section 49-21-01.7(12) of the North Dakota Century Code, and the North Dakota Public Service Commission’s (“Commission”) rules¹ for designation as an Eligible Telecommunications Carrier (“ETC”) throughout the wire centers listed in Exhibit A excluding Tribal Lands (the “Designated Service Area”) for the purpose of receiving federal Lifeline universal service support.² Nexus does not seek and will not accept any high-cost funds.

This Application describes how Nexus meets the current requirements for ETC designation in light of recent orders of the Federal Communications Commission (“FCC”), including the November 18, 2011 *Connect America Fund Order*,³ the February 6, 2012 *Lifeline Reform Order*,⁴ as well as the FCC Wireline Competition Bureau’s clarifications in the February

¹ See North Dakota Administrative Code (“NDAC”) § 69-09-05-12.

² Because Nexus seeks only federal Universal Service Fund (“USF”) support from the Lifeline program, ETC designation requirements for the high-cost program do not apply to this Application.

³ *In the Matter of Connect America Fund, et al.*, CC Docket No. 96-45 *et al.*, Report and Order and Further Notice of Proposed Rulemaking, 26 FCC Rcd 17663 (FCC, rel. Nov. 18, 2011) (“*Connect America Fund Order*”).

⁴ *In Re Lifeline and Link Up Reform and Modernization, et al.*, WC Docket No. 11-42 *et al.*, Report and Order and Further Notice of Proposed Rulemaking, 27 FCC Rcd 6656 (FCC, rel. Feb. 6, 2012) (“*Lifeline Reform Order*”).

29, 2012 *Public Notice*.⁵ Granting this Application would serve the public interest and advance the goals of universal service by enabling Nexus to provide vital wireless telecommunications service to low-income subscribers in North Dakota. In support of this Application, Nexus states as follows:

I. INTRODUCTION

Nexus is a wireless telecommunications carrier serving the specific communications needs of low-income consumers. Nexus is a privately held company that is organized under Ohio law and headquartered in Columbus, Ohio. It has no holding company and no affiliates that provide telecommunications services.⁶ A Certificate of Good Standing from the Ohio Secretary of State is attached as **Exhibit B**. Nexus is authorized to provide Commercial Mobile Radio Services (“CMRS”) to qualifying low-income consumers in 27 states.⁷ Nexus now proposes to provide these services in North Dakota. Nexus is authorized to do business in North Dakota under the names “Nexus Communications, Inc.” and “ReachOut Wireless,” the name under which it operates its wireless business. A Certificate of Authority from the North Dakota Secretary of State is attached as **Exhibit C**. A Certificate of Trade Name Registration is attached as **Exhibit D**.

Nexus’ address and telephone number are set forth below:

Nexus Communications, Inc.
3629 Cleveland Ave., Suite C
Columbus, Ohio 43224
(740) 549-1092

Nexus’ counsel in this matter are set forth below:

⁵ *Wireline Competition Bureau Provides Guidance for the Submission of Compliance Plans Pursuant to the Lifeline Reform Order*, Public Notice, DA 12-314 (WCB, rel. Feb. 29, 2012) (“*Public Notice*”).

⁶ Nexus owns 100% of Telecom Services, Inc., but that company does not provide telecommunications services.

⁷ Nexus has been designated an ETC in the following states: Alabama, Arkansas, California, Florida, Georgia, Indiana, Illinois, Iowa, Kansas, Kentucky, Louisiana, Maine, Maryland, Michigan, Mississippi, Missouri, Nevada, New Jersey, North Carolina, Ohio, Oklahoma, Rhode Island, South Carolina, Tennessee, Texas, West Virginia and Wisconsin.

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II. NEXUS MEETS THE STATUTORY AND REGULATORY REQUIREMENTS FOR ETC DESIGNATION

Nexus meets or commits to meet all the requirements for designation as an ETC as established under federal law and rules of the FCC, 47 C.F.R. § 54.101 *et seq.*, 47 U.S.C. § 214(e); N.D. Cent. Code § 49-21-01.7(12), and under NDAC § 69-09-05-12.

In particular, Nexus:

- is a common carrier (*see* 47 U.S.C. § 214(e)(1); 47 C.F.R. § 54.201(d));
- will offer the services supported by federal universal service support mechanisms as defined in 47 C.F.R. § 54.101(a) (*see also* 47 U.S.C. § 214(e)(1)(A); 47 C.F.R. § 54.201(d)(1));
- will provide the supported services throughout its designated service area (47 U.S.C. § 214(e)(1); 47 C.F.R. § 54.201(d); and NDAC § 69-09-05-12(3)(a));
- will advertise the availability of its universal service offerings and charges for such offerings using media of general distribution (47 U.S.C. § 214(e)(1)(B); 47 C.F.R. § 54.201(d)(2); NDAC § 69-09-05-12(6)(b));

- will make available Lifeline service to qualifying low income consumers (47 C.F.R. § 54.405);
- has received approval of the necessary compliance plan from the FCC to receive forbearance from the “own facilities” requirement of 47 U.S.C. § 214(e)(1)(A); and
- will provide Lifeline services on the terms and conditions prescribed by the Commission in NDAC § 69-09-05-12.

A. Nexus Is A Common Carrier

Nexus will provide CMRS throughout its requested Designated Service Area, and as a CMRS provider, Nexus is regulated as a common carrier pursuant to 47 U.S.C. § 332(c)(1)(A) and 47 C.F.R. § 20.9.⁸

B. Nexus Offers the Services Supported by Federal Universal Service Support Mechanisms

Upon ETC designation, Nexus will provide the services supported by federal Lifeline universal service support mechanism, as defined in 47 C.F.R. § 54.101(a), which as revised by the FCC’s *Connect America Fund Order* reads as follows:

Services designated for support. Voice telephony services shall be supported by federal universal support mechanisms. Eligible voice telephony service must provide voice grade access to the public switched network or its functional equivalent; minutes of use for local service provided at no additional charge to end users; access to emergency services provided by local government or other public safety organizations, such as 911 and enhanced 911, to the extent the local government in an eligible telecommunications carrier’s service area has implemented 911 or enhanced 911 systems; and toll limitation for qualifying low-income consumers (as described in subpart E of this part).⁹

Nexus complies with the revised version of 47 C.F.R. § 54.101(a) and provides the services designated for support, as set forth below:

⁸ See also 47 U.S.C. § 153 (“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....”).

⁹ 47 C.F.R. § 54.101(a); see *Connect America Fund Order* at 62.

- Voice Grade Access to the Public Switched Network. Voice grade access permits a telecommunications user to transmit and receive voice communications with a minimum bandwidth of 300 to 3,000 Hertz. Nexus will meet this requirement through its provision of mobile voice communications service and interconnection to the public switched telephone network.
- Minutes of Use for Local Service at No Additional Charge. Local usage is an amount of minutes of use provided free of charge. Nexus will meet this requirement by providing a nationwide local calling area, permitting subscribers to call throughout the United States without toll charges.
- Access to Emergency Services. Access to emergency services includes both access to 911 and E911 services to the extent the local government has implemented such services. Nexus currently: (1) provides its Lifeline subscribers with 911/E911 access at the time Lifeline service is initiated, regardless of activation status and availability of minutes, and (2) provides its Lifeline subscribers with E911-compliant handsets, and replaces, at no additional charge to the subscriber, noncompliant handsets of Lifeline-eligible subscribers who obtain Lifeline-supported services.
- Toll Limitation Service for Qualifying Low-Income Consumers. Toll limitation means both toll blocking and toll control, or, if a carrier is not capable of providing both toll blocking and toll control, then toll limitation is defined as either toll blocking or toll control. Nexus will meet the requirement to provide toll limitation to Lifeline subscribers by offering service on a prepaid basis, as well as toll blocking for international calls. As the FCC found in its grant of ETC designation to Virgin Mobile, “the prepaid nature of [a prepaid wireless carrier’s] service offering works as

an effective toll control.” Moreover, Nexus will provide traditional toll blocking for international calls to qualifying low-income consumers at no additional charge. Nexus also provides its users with the ability to monitor their minute usage and balance as an additional means of controlling their communications budget.

C. Nexus Will Provide the Supported Services Throughout Its Designated Service Area Upon Reasonable Request

Nexus commits to provide the supported services throughout its Designated Service Area, consistent with all applicable requirements. If a potential subscriber requests service within Nexus’ Designated Service Area, but outside its anticipated network coverage, Nexus will, in cooperation with its carrier vendor, and to the extent necessary, follow the process specified in 47 C.F.R. § 54.202(a)(1)(i).

D. Nexus Will Advertise the Availability of Its Universal Service Offerings and Charges for Such Offerings Using Media of General Distribution

Nexus commits to advertise the availability of, and charges for, the supported services using media of general distribution. This advertising will occur through some combination of media channels, such as television and radio, newspaper, magazine and other print advertisements, outdoor advertising, direct marketing, and the Internet. In addition, Nexus will use appropriate media outlets to advertise its universal service offerings in a manner consistent with applicable requirements. Sample Lifeline advertising is included as Exhibit 2 to Nexus’ FCC-approved compliance plan (Exhibit E).

E. Nexus Will Make Available Lifeline Service to Qualifying Low-Income Consumers

Upon designation as an ETC, Nexus will make available to qualified low-income consumers a discounted service offering that meets all applicable Lifeline requirements. Consumers increasingly rely on their mobile phones for their communications needs and

qualifying low-income consumers are no exception. Low-income consumers would be the primary beneficiaries of Nexus' Lifeline service offerings. Nexus intends to offer the following prepaid wireless service plans to Lifeline subscribers in North Dakota:

- 250 Minute Plan (non-rollover): Minutes are “anytime” minutes and can be used for domestic calls, including local or intrastate/interstate long distance calls. Unused minutes or domestic Short Message Service (“SMS”) text messages do not carry over to the following month. SMS text messaging is available at a rate of one text per minute of airtime.
- 125 Minute Plan (rollover): Minutes are “anytime” minutes and can be used for domestic calls, including local or intrastate/interstate long distance calls. Unused minutes or domestic SMS text messages carry over to the following month. SMS text messaging is available at a rate of one text per minute of airtime.
- 68 Minute Plan (rollover): Minutes are “anytime” minutes and can be used for domestic calls, including local or intrastate/interstate long distance calls. Unused minutes or domestic SMS text messages carry over to the following month. Domestic SMS text messaging is available at a rate of two text messages per each minute of airtime. Note that Nexus does not actively market the 68 Minute Plan and, it is selected only by a few subscribers who infrequently use voice service and more frequently send text messages.

All plans include at no extra charge: free E911-compliant handset; and “anytime” nationwide minutes that can be used for domestic calls, including local or intrastate/interstate long distance calls.

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

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

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

F. Satisfaction of Applicable Consumer Protection and Service Quality Standards

Nexus will comply with all applicable state and federal consumer protection and service quality standards. If designated as an ETC, Nexus will provide service on a timely basis to requesting subscribers within the Designated Service Area. Further, Nexus will abide by the CTIA's Consumer Code for Wireless Service ("CTIA Code"). Nexus has already adopted the CTIA Code and is committed to compliance with the CTIA Code throughout its service areas, including in those areas where it is seeking designation as an ETC.

G. Forbearance from the Facilities Requirement of Section 214(e)(1)(A)

Although 47 U.S.C. § 214(e)(1)(A) states that carriers will use their “own facilities” to provide supported services, the FCC has granted Nexus forbearance from that provision. In the *Lifeline Reform Order*, the FCC used its authority under 47 U.S.C § 160 to grant blanket forbearance from the facilities requirement of Section 214(e)(1)(A) to Lifeline-only ETCs that comply with certain conditions, including the filing of a compliance plan for FCC approval.¹⁰ On December 26, 2012, the FCC approved Nexus’ Compliance Plan,¹¹ included as **Exhibit E**, thereby granting Nexus forbearance from 47 U.S.C. § 214(e)(1)(A). In light of the FCC’s approval, included as **Exhibit F**, Nexus meets all applicable federal requirements for ETC designation. Nexus’ FCC-approved Compliance Plan explains how Nexus satisfies all federal requirements, including 47 C.F.R. §§ 54.201 and 54.202, and the Commission may not apply or enforce the facilities requirement from which the FCC has granted forbearance.¹² Nexus commits to fully comply with its Compliance Plan when providing Lifeline service in North Dakota.

H. Nexus Is Financially and Technically Capable of Providing Lifeline Service.

Pursuant to the requirements of the *2012 Lifeline Order*, Nexus offers this description of its financial and technical capability to provide Lifeline service.¹³ Nexus has been in business since 2000. Nexus became a competitive local exchange carrier in 2001 and received its first ETC designation in June 2006. Nexus now focuses on providing service to low-income consumers. Nexus initially began providing its services over wireline technology, and has

¹⁰ *Lifeline Reform Order*, at ¶ 368.

¹¹ *Lifeline and Link Up Reform and Modernization, Telecommunications Carriers Eligible to Receive Universal Service Support, et al.*, Third Amended Compliance Plan of Nexus Communications, Inc., WC Dockets 11-42 and 09-197 (filed December 6, 2012; approved December 26, 2012).

¹² See 47 U.S.C. § 160(e) (“A State commission may not continue to apply or enforce any provision of this chapter that the Commission has determined to forbear from applying under subsection (a) of this section.”).

¹³ *Lifeline Reform Order*, at ¶ 388.

responded to strong consumer demand by offering wireless technology as well. Nexus was one of the first telecommunications providers to recognize the low-income market segment as a business opportunity rather than a regulatory burden. Its success in the market is based on its willingness to tailor its services to the specific needs of low-income consumers, including the budget management tools and mobility that prepaid wireless services provide. Moreover, Nexus is playing a leadership role in expanding broadband adoption, as evidenced by its selection by the FCC for a funding award under the FCC's broadband adoption Lifeline pilot program.¹⁴

Nexus has been designated as an ETC in 27 states.¹⁵ It provides wireline service as an ETC in 13 states,¹⁶ and wireless service in 18 states.¹⁷ Nexus does not seek, and will not accept, High Cost support in any of those states. Nexus is successfully providing Lifeline-supported services in these states and has a steadily increasing subscriber base.

Nexus' management has many years of experience in the telecommunications industry. Nexus' President Steven Fenker has held management positions in the telecommunications industry for 28 years. Also part of the Nexus senior management team is Mark Deek, who has 15 years of experience in the telecommunications industry, with particular expertise in intercarrier relations, and subscriber care and billing database management.

¹⁴ See *In the Matter of Lifeline and Link Up Reform and Modernization*, Order, WC Docket No. 11-42, DA 12-2045 (WCB rel. Dec. 19, 2012) (naming Nexus as one of seven wireless recipients, with award funding in OH, MI, IA, NV, CA, LA, MS and NJ).

¹⁵ Nexus has been designated an ETC in the following states: Alabama, Arkansas, California, Florida, Georgia, Illinois, Indiana, Iowa, Kansas, Kentucky, Louisiana, Maine, Maryland, Michigan, Mississippi, Missouri, Nevada, New Jersey, North Carolina, Ohio, Oklahoma, Rhode Island, South Carolina, Tennessee, Texas, West Virginia and Wisconsin.

¹⁶ Those states are Alabama, Arkansas, Illinois, Kansas, Louisiana, Michigan, Mississippi, North Carolina, Oklahoma, South Carolina, Tennessee, Texas and Wisconsin. Although Nexus has been designated a wireline ETC in Florida and Kentucky, it currently only provides services on a resold basis in these states. In other words, Nexus resells the wireline services of an ILEC, which passes through a Lifeline discount on the wholesale line it sells to Nexus. Nexus does not file FCC Form 497s for its wireline operations in these states.

¹⁷ Those states are Arkansas, California, Georgia, Iowa, Illinois, Kansas, Louisiana, Maine, Maryland, Michigan, Mississippi, Missouri, Nevada, New Jersey, Ohio, Rhode Island, West Virginia and Wisconsin. Nexus also has recently received wireless ETC designation in Indiana and Oklahoma, but has not yet commenced providing wireless Lifeline service in those states.

In order to provide Lifeline services, Nexus purchases wireless minutes from a national carrier that is widely-recognized for the quality and reliability of its wireless network. Nexus supplements this robust wireless network with its own network facilities, back-office and operations support systems, which Nexus operates and which are ideally suited to serve lower revenue subscribers. Nexus has made a significant financial investment to evaluate, design, develop and integrate these systems. With respect to this network investment, Nexus owns and operates its own switching and other facilities located in Ohio, which are housed in a Tier IV co-location facility.

Nexus has good relationships with the commissions in the states in which it operates. Moreover, Nexus is financially stable and fully capable of honoring its service obligations to subscribers and federal and state regulatory obligations. Although Nexus currently derives the majority of its revenue from the sale of prepaid wireless services, Nexus does not rely exclusively on disbursements from the Lifeline program to operate. For example, Nexus derives additional revenue from the sale of wireline and wireless services to non-Lifeline subscribers, and the sale of optional replenishment airtime and text minutes.

I. Nexus Meets Applicable Requirements Established by the Commission for ETC Designation

Nexus meets the requirements of the Commission's rules, set forth in NDAC § 69-09-05-12, that reasonably apply to wireless carriers seeking only low-income Lifeline support, such as Nexus.

Nexus has described the areas within North Dakota for which designation is sought in **Exhibit A**, and is committed to providing service throughout that area to subscribers making reasonable requests for service, as described above. *See* NDAC § 69-09-05-12(2)(a); NDAC § 69-09-05-12(3)(a)(1)-(2).

Although NDAC § 69-09-05-12(3)(b) requires ETC applicants to submit a report on the amount and use of expected high-cost universal service funds expected, Nexus does not seek high-cost support, and accordingly reports that it expects the amount of such funds to be zero, and that no such funds will be expended. To the extent that the Commission deems this provision to require more, Nexus respectfully requests that the Commission waive NDAC § 69-09-05-12(3)(b), pursuant to NDAC §§ 69-09-05-12(2)(c)-(d), because Nexus seeks only Lifeline funds.

NDAC § 69-09-05-12(3)(c) requires a certification of the ability to remain functional in emergency situations, including certifications with respect to backup power, the ability to reroute traffic, and the capability of managing traffic spikes. These requirements appear to be directed towards facilities-based providers. Nexus, in contrast, has no network infrastructure of its own within North Dakota and will provide services by reselling services of Verizon Wireless.

Verizon is a nationwide carrier that is widely-recognized for the quality and reliability of its wireless network. Because Nexus will provide service to its subscribers through the use of Verizon Wireless facilities, it is able to provide to its subscribers the same functionality in emergency situations that Verizon's own subscribers enjoy, including access to Verizon's back-up power and ability to manage traffic spikes or re-route traffic around damaged facilities. Nonetheless, technical details of Verizon Wireless' ability to function in an emergency are proprietary, and Nexus lacks unfettered access to such information, aspects of which are confidential.¹⁸ In sum, although Verizon Wireless has repeatedly certified an ability to function in emergencies, Nexus is not positioned to make that certification under NDAC § 69-09-05-

¹⁸ See, e.g., *Application of North Dakota 5- Kidder Limited Partnership to Protect Trade Secret and Confidential Information Submitted with 2012 ETC Annual Report*, Case No. 12-0523, Dkt. Item 3.

12(3)(c), and on that basis requests a permanent waiver from NDAC § 69-09-05-12(3)(c), pursuant to NDAC §§ 69-09-05-12(2)(c)-(d).

Nexus meets NDAC § 69-09-05-12(3)(d)'s requirement that ETCs satisfy applicable consumer protection and service quality standards. As explained above, Nexus will abide by the CTIA's Consumer Code for Wireless Service not only in the Designated Service Area but with respect to all services provided and areas served.

Nexus also meets NDAC § 69-09-05-12(3)(e) because its Lifeline service offerings include numerous features that compare favorably to those of incumbent Local Exchange Carriers ("LECs"). Nexus' plans offer an amount of free minutes that can be used across a nationwide local calling area, with no toll charges for calling anywhere in the United States, and also include caller ID, call waiting and voicemail. Nexus' calling plans compare especially favorably to plans offered by incumbent LECs, particularly with respect to price and local calling area, as well as offering the unique value of mobility. In sum, Nexus will offer low-income North Dakotans not just the combination of a wireless phone, and a nationwide local calling area, but the ability to obtain that combination free of charge.

Pursuant to NDAC §§ 69-09-05-12(3)(f) and 69-09-05-12(8), Nexus hereby acknowledges that the FCC may require it to provide equal access to long-distance carriers in the event no other eligible telecommunications carrier is providing equal access within the proposed designated service area, thereby meeting the requirement of that provision for wireless carriers.

With respect to NDAC § 69-09-05-12(5), designation of Nexus as an ETC is clearly in the public interest as discussed at length in section IV, below.

NDAC § 69-09-05-12(6)(a) requires a full description of available services in the "official telephone directory" of an ETC. As a wireless carrier, Nexus has no such directory, and

directories are not typically offered by wireless carriers.¹⁹ Accordingly, Nexus requests that, pursuant to NDAC §§ 69-09-05-12(2)(c)-(d), the Commission permanently waive NDAC § 69-09-05-12(6)(a) as applied to Nexus. Publishing a directory by a wireless carrier primarily serving low-income North Dakotans would be unreasonable, serving no purpose but to publicly identify subscribers' income status and drawing resources away from providing quality service to those low-income subscribers. The Commission has recently waived the requirement for another wireless ETC.²⁰

In full compliance with NDAC § 69-09-05-12(6)(b), Nexus is committed to advertising the availability of its Lifeline service offerings in media of general circulation in the proposed Designated Service Area, and will select means calculated to communicate the availability of the service to eligible North Dakota residents, particularly those unable to afford traditional wireless service offerings.

Finally, Nexus is committed to complying with the annual reporting requirements for ETCs. In particular, Nexus:

1. will report the number of unfulfilled service requests in the past year and how Nexus attempted to provide service (NDAC § 69-09-05-12.1(2));
2. will report the number of complaints per one thousand handsets (NDAC § 69-09-05-12.1(4));
3. will annually certify that it is complying with applicable service quality standards, *i.e.*, the CTIA Code (NDAC § 69-09-05-12.1(5)); and

¹⁹ See California Public Utilities Commission Resolution T-17284, February 24, 2011 (February 24, 2011) (waiving directory requirement for ETC, noting that "no publicly available listing of wireless telephone numbers exists and wireless carriers do not offer white pages telephone directories. Therefore, [the Communications Division] does not believe that these two requirements can reasonably be applied to Virgin...").

²⁰ *Budget PrePay, Inc., Designated Eligible Carrier Application*, Case No. PU-12-707, Order on Eligible Telecommunications Carrier Designation (December 12, 2012), at 5 ("Budget PrePay, Inc. is granted a waiver of the requirements of NDAC § 69-09-05-12(6)(a) regarding the publication of a full description of its services in an official telephone directory.").

4. will certify that Nexus is offering a local usage plan comparable to that offered by the incumbent LECs in the Designated Service Area (NDAC § 69-09-05-12.1(7)).

With respect to the remaining requirements, Nexus notes that the requirement in NDAC § 69-09-05-12.1(1) for an annual report on the use of high-cost funds should be inapplicable to recipients of only low-income support, and therefore asks the Commission to hold it inapplicable, or in the alternative, to permanently waive NDAC § 69-09-05-12.1(1) as applied to Nexus.

With respect to the requirements set forth in NDAC § 69-09-05-12.1(3) on outage reporting, Nexus, as a reseller, lacks unfettered access to data on outages experienced by its underlying carriers, which are considered confidential by Nexus' underlying carrier, Verizon Wireless,²¹ and on that basis requests that the Commission permanently waive NDAC § 69-09-05-12.1(3).

Similarly, for the reasons outlined above concerning certification of the ability to remain functional in an emergency, Nexus would request a waiver of the corresponding annual report requirement set forth in NDAC § 69-09-05-12(6).

III. DESIGNATION OF NEXUS AS AN ETC IS IN THE PUBLIC INTEREST

NDAC § 69-09-05-12(5) states that before designating an ETC, the Commission "shall determine that such designation is in the public interest," and requires that the Commission consider "the benefits of increased consumer choice and the unique advantages and disadvantages of the applicant's service offering." Designation of Nexus is plainly in the public interest. Nexus meets all of the requirements for designation as an ETC by providing the supported services, committing to serve all consumers throughout its Designated Service Area,

²¹ See, e.g., Application of North Dakota 5 - Kidder Limited Partnership to Protect Trade Secret and Confidential Information Submitted with 2012 ETC Annual Report, Case No. 12-0523, Dkt. Item 3.

offering a Lifeline service consistent with all applicable requirements, advertising the availability of its universal service offerings, and furthering the goals of the universal service program. Designation of Nexus as an ETC is in the public interest because eligible consumers will benefit from competitive pricing and new services, such as Nexus' Lifeline plans. As Nexus extends its service offerings to North Dakota, consumers will also benefit from a high level of service quality and more service options.

Access to wireless services is no longer a luxury, but a necessity for many economically disadvantaged Americans. Low-income consumers are mobile and transient, often balancing multiple jobs and moving far more frequently than consumers with higher incomes, making wireless telecommunications the only technology that truly suits their needs in most cases. Because low-income consumers spend less time during the day at a fixed location, and even less time at a fixed location with a phone available for their use, access to wireless telecommunications is of crucial importance to low-income consumers.

Nexus fulfills a critical role in the marketplace by ensuring that these low-income consumers, who cannot afford the services provided by other wireless providers, can still access these important services. Nexus' designation as an ETC will result in low-income consumers having greater access to wireless telecommunications services in North Dakota, thereby advancing the basic goal of preserving and advancing universal service. Indeed, Nexus will pass through the entirety of the federal Lifeline program discount to qualifying low-income subscribers. Designating Nexus as an ETC will improve its ability to serve these subscribers, and thus will serve the public interest.

IV. CERTIFICATION FOR USE OF UNIVERSAL SERVICE FUNDS

Nexus certifies that it will use federal low income universal service support only for the provision, maintenance, and upgrading of facilities and services for which the support is intended, in accordance with 47 U.S.C. § 254(e).

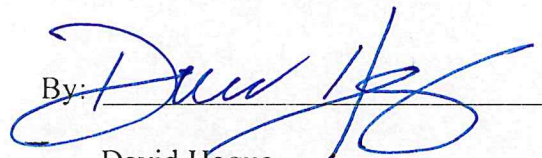
V. CONCLUSION

Nexus respectfully requests designation as an ETC for the Designated Service Area for purposes of receiving federal Lifeline universal service support.

Dated this 25th day of February, 2013.

Respectfully submitted,

Nexus Communications, Inc.

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LIST OF EXHIBITS

Exhibit A – Designated Service Area

Exhibit B – Certificate of Good Standing from the Ohio Secretary of State

Exhibit C – Certificate of Authority from the North Dakota Secretary of State

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Exhibit E – Nexus' FCC-approved Compliance Plan

Exhibit F – FCC Order Approving Nexus' Compliance Plan

Exhibit G – Declaration of Steven Fenker

EXHIBIT A

Designated Service Area

State	Rate Center	Carrier Name	CLLI
ND	BELFIELD	QWEST CORPORATION	BLFDNDBC
ND	BISMARCK	QWEST CORPORATION	BSMRNDBC
ND	BISMARCK	QWEST CORPORATION	MNDNNDBA
ND	CASSELTON	QWEST CORPORATION	CSLTNDBCR
ND	DICKINSON	QWEST CORPORATION	DCSNNDBCD
ND	E FAIRVIEW	QWEST CORPORATION	FRVWMTMA
ND	EASTSIDNEY	QWEST CORPORATION	SDNYMTMA
ND	EMERADO	QWEST CORPORATION	GFABNDBC
ND	FARGO	QWEST CORPORATION	FARGNDBC
ND	FARGO	QWEST CORPORATION	MPLSMNDT
ND	FARGO	QWEST CORPORATION	WFRGNDBC
ND	GARDNER	QWEST CORPORATION	GRNRNDBC
ND	GRAFTON	QWEST CORPORATION	GFTNNDBA
ND	GRANDFORKS	QWEST CORPORATION	GDFRNDBC
ND	HATTON	QWEST CORPORATION	HTTNNDBC
ND	HICKSON	QWEST CORPORATION	CMSTMNCO
ND	HILLSBORO	QWEST CORPORATION	HLBONDBC
ND	JAMESTOWN	QWEST CORPORATION	JMTWNDBC
ND	KINDRED	QWEST CORPORATION	KNDRNDBC
ND	LARIMORE	QWEST CORPORATION	LRMRNDBA
ND	LEONARD	QWEST CORPORATION	LNRDNDMW
ND	MANVEL	QWEST CORPORATION	MANVNDBC
ND	MAYVILLE	QWEST CORPORATION	MYVLNDBC
ND	MINTO	QWEST CORPORATION	MINTNDBA
ND	NOMCINTOSH	QWEST CORPORATION	MCINSDCO
ND	NOMORRISTN	QWEST CORPORATION	MRTWSDCO
ND	NORTHWOOD	QWEST CORPORATION	NWODNDBC
ND	REYNOLDS	QWEST CORPORATION	RYNLNDBC
ND	THOMPSON	QWEST CORPORATION	THSNNDBC
ND	VALLEYCITY	QWEST CORPORATION	VLCYNDBC
ND	WAHPETON	QWEST CORPORATION	WHTNNDBC

State	Rate Center	Carrier Name	CLLI
ND	ANTLER	SRT COMMUNICATIONS, INC.	ANTLNDXA
ND	BERTHOLD	SRT COMMUNICATIONS, INC.	BRTHNDXA
ND	BUTTE	SRT COMMUNICATIONS, INC.	BUTTNDXA
ND	CARPIO	SRT COMMUNICATIONS, INC.	CRPONDXA
ND	DEERING	SRT COMMUNICATIONS, INC.	DRNGNDXA
ND	DES LACS	SRT COMMUNICATIONS, INC.	DELCNDXA
ND	DONNYBROOK	SRT COMMUNICATIONS, INC.	DNYBNDXA
ND	GLENBURN	SRT COMMUNICATIONS, INC.	GLBNNDXA
ND	KARLSRUHE	SRT COMMUNICATIONS, INC.	KRLSNDXAR
ND	LANDA	SRT COMMUNICATIONS, INC.	LNDANDXA
ND	LANSFORD	SRT COMMUNICATIONS, INC.	LNFRNDXA
ND	MARTIN	SRT COMMUNICATIONS, INC.	MARTNDX
ND	MAXBASS	SRT COMMUNICATIONS, INC.	MXBSNDX
ND	METIGOSHE	SRT COMMUNICATIONS, INC.	MTGSNDX
ND	MINOT	SRT COMMUNICATIONS, INC.	MNOTNDX
ND	MINOT AFB	SRT COMMUNICATIONS, INC.	MNABNDX
ND	MOHALL	SRT COMMUNICATIONS, INC.	MHLLNDXA
ND	NEWBURG	SRT COMMUNICATIONS, INC.	NWBGNDX
ND	SAWYER	SRT COMMUNICATIONS, INC.	SWYRNDXA
ND	SHERWOOD	SRT COMMUNICATIONS, INC.	SHWDNDXA
ND	SO PRAIRIE	SRT COMMUNICATIONS, INC.	SPRRNDXA
ND	TOLLEY	SRT COMMUNICATIONS, INC.	TOLYNDXA
ND	TOWNER	SRT COMMUNICATIONS, INC.	TWNRNDXA
ND	UPHAM	SRT COMMUNICATIONS, INC.	UPHMNDXA
ND	VELVA	SRT COMMUNICATIONS, INC.	VLVANDXA
ND	WESTHOPE	SRT COMMUNICATIONS, INC.	WHOPNDXA

EXHIBIT B

Certificate of Good Standing from the Ohio Secretary of State

**United States of America
State of Ohio
Office of the Secretary of State**

I, Jon Husted, do hereby certify that I am the duly elected, qualified and present acting Secretary of State for the State of Ohio, and as such have custody of the records of Ohio and Foreign business entities; that said records show NEXUS COMMUNICATIONS, INC., an Ohio corporation, Charter No. 1180608, having its principal location in Lewis Center, County of Franklin, was incorporated on September 11, 2000 and is currently in GOOD STANDING upon the records of this office.



*Witness my hand and the seal of the
Secretary of State at Columbus, Ohio
this 9th day of January, A.D. 2013*

Jon Husted

Ohio Secretary of State

Validation Number: V20139J4386F

EXHIBIT C

Certificate of Authority from the North Dakota Secretary of State

State of North Dakota

SECRETARY OF STATE



CERTIFICATE OF AUTHORITY OF

NEXUS COMMUNICATIONS, INC.
Secretary of State ID#: 33.387.100

The undersigned, as Secretary of State of the State of North Dakota, hereby certifies that an application of

NEXUS COMMUNICATIONS, INC.

for a Certificate of Authority to transact business in this State, duly signed and verified pursuant to the provisions of the North Dakota Century Code, have been received in this office and are found to conform to law.

ACCORDINGLY the undersigned, as such Secretary of State, and by virtue of the authority vested in him by law, hereby issues this Certificate of Authority to

NEXUS COMMUNICATIONS, INC.

to transact business in this State under the name of

NEXUS COMMUNICATIONS, INC.

Issued: January 10, 2013

A handwritten signature in cursive script, reading "Alvin A. Jaeger".

Alvin A. Jaeger
Secretary of State

EXHIBIT D

Certificate of Trade Name Registration from the North Dakota Secretary of State

State of North Dakota

SECRETARY OF STATE

CERTIFICATE OF TRADE NAME REGISTRATION OF

REACHOUT WIRELESS
Secretary of State ID#: 33.387.200

The undersigned, as Secretary of State of North Dakota, hereby certifies that an Application for Registration of a Trade Name, duly signed pursuant to the provisions of the North Dakota Trade Names statutes, has been received in this office and is found to conform to law.

Accordingly the undersigned, as such Secretary of State, and by virtue of the authority vested in him by law, hereby issues the Certificate of Trade Name Registration of REACHOUT WIRELESS which is owned by NEXUS COMMUNICATIONS, INC. with an address of 3629 CLEVELAND AVE STE C, COLUMBUS, OH 43224-2911. The Trade Name Registration shall remain in force until January 10, 2018.

DATED: January 10, 2013



Alvin A. Jaeger
Secretary of State



CERTIFICATE OF AUTHORITY FOREIGN CORPORATION APPLICATION
 SECRETARY OF STATE
 SFN 13100 (7-2012)



RECEIVED

JAN 09 2013

SEC. OF STATE

FOR OFFICE USE ONLY

System ID Number	33,387,100 F	
WO Number	970188	
Filed	1-10-13	By TA

1A. The application **MUST** be accompanied by ALL of the following:

- Filing fee of \$145 if a **Foreign Business or Professional Corporation**
- Filing fee of \$50 if a **Foreign Nonprofit Corporation**
- **Current CERTIFICATE OF GOOD STANDING OR CERTIFICATE OF EXISTENCE** verifying corporate existence certified by the incorporating officer of the state or country of incorporation.

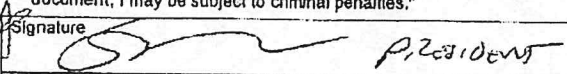
B. The following **MAY** be required:

- Certificate of Professional License from the North Dakota Licensing board for the profession
- Signed Consent to Use Business Name and fee of \$10
- Trade Name Registration and fee of \$25

SEE INSTRUCTIONS FOR FEES, FILING AND MAILING INFORMATION

TYPE OR PRINT LEGIBLY

For reference, see North Dakota Century Code Section 10-19.1-135 or 10-33-125.

2. Type of Corporation Applying for Certificate of Authority (check one)		
<input checked="" type="checkbox"/> Foreign Business	<input type="checkbox"/> Foreign Professional	<input type="checkbox"/> Foreign Nonprofit
3A. Name of Corporation EXACTLY as it appears on Certificate of Good Standing or Certificate of Existence from State or Country of Origin		B. Federal ID Number
Nexus Communications, Inc.		
C. If applicable, provide the trade name and complete the Trade Name Registration form if: <ul style="list-style-type: none"> a) The corporate name in number 3A is not in the form as required of corporations in North Dakota. b) The Secretary of State has notified the corporation that its corporate name is the same or deceptively similar to a name already registered, and the corporation is unable to obtain consent to use of name from the previous filer or a certified copy of a final decree of a court of competent jurisdiction establishing prior right of this corporation to use of the name in North Dakota. c) The corporation does not wish to use or protect its corporate name in North Dakota and chooses to use a name other than its corporate name. 		
4. Complete Mailing Address of Principal Executive Office (Street/RR, PO Box, City, State, ZIP+4) Address cannot only be a post office box. 3629 Cleveland Avenue, Suite C, Columbus, OH 43224		
5A. STATE or Country Where Incorporated	B. EXACT Date Incorporated (M/D/Y)	C. Duration of Corporation
OH	09/11/2000	<input checked="" type="checkbox"/> Perpetual <input type="checkbox"/> Other - Specify (M/D/Y):
D. Telephone Number	E. Toll-free Telephone Number	
740-549-1092	868-392-7123	
6A. Name of <u>Commercial</u> Registered Agent in <u>North Dakota</u>		6B. Name of <u>Noncommercial</u> Registered Agent in <u>North Dakota</u>
Corporation Service Company		OR
6C. Address of <u>Noncommercial</u> Registered Agent in <u>North Dakota</u> (Street/RR, PO Box, City, State, ZIP+4) Address cannot only be a post office box.		
7. Nature of Business or Activities the Corporation Intends to Conduct in North Dakota Telecommunications		
8. OFFICERS AND DIRECTORS OF THE CORPORATION		
OFFICER	Check box if Officer also serves as Director	COMPLETE MAILING ADDRESS
NAME	Street/RR	PO Box City State ZIP+4
PRESIDENT	<input checked="" type="checkbox"/>	Steven Fenker 3629 Cleveland Avenue, Suite C, Columbus, OH 43224
VICE PRESIDENT	<input checked="" type="checkbox"/>	Steven Fenker 3629 Cleveland Avenue, Suite C, Columbus, OH 43224
SECRETARY	<input checked="" type="checkbox"/>	Steven Fenker 3629 Cleveland Avenue, Suite C, Columbus, OH 43224
TREASURER	<input type="checkbox"/>	
DIRECTOR		
DIRECTOR		
9. "The undersigned, a person authorized by the corporation to sign this application, knows the contents, and believes the statements to be true. I further authorize the Secretary of State to correct numbers 3A, 5A, 5B, 6A, 6B and 6C if not correctly reflected. I understand that if I make a false statement in this document, I may be subject to criminal penalties."		
Signature 		Date 1-3-2013
10. Name of Person to Contact about this Document		Daytime Telephone Number and Extension, if any
Email Address		

CORPORATION SERVICE COMPANY

www.cscglobal.com

CSC- Springfield

801 Adlai Stevenson Drive
Springfield, IL 62703
217-544-5900
217-492-2727 (Fax)

Matter# Not Provided
Project Id :

Order# 482571-15
Order Date 01/02/2013

Entity Name: NEXUS COMMUNICATIONS, INC.
Jurisdiction: ND - Secretary of State
Request for: Qualification Filing
File#: 33,387,100
File Date: 01/10/2013
Result: Filed

Ordered by MARK G. LAMMERT at COMPLIANCE SOLUTIONS INC.

Thank you for using CSC. For real-time 24 hour access to the status of any order placed with CSC, access our website at www.cscglobal.com.

If you have any questions concerning this order or CSCGlobal, please feel free to contact us.

Maria Long
along1@cscinfo.com

The responsibility for verification of the files and determination of the information therein lies with the filing officer; we accept no liability for errors or omissions.

CORPORATION SERVICE COMPANY

www.cscglobal.com

CSC- Springfield

801 Adlai Stevenson Drive
Springfield, IL 62703
217-544-5900
217-492-2727 (Fax)

Matter# Not Provided

Order# 482571-30

Project Id :

Order Date 01/02/2013

Entity Name: REACHOUT WIRELESS
Jurisdiction: ND - Secretary of State
Request for: Fictitious or Assumed Name Filing
File#: 33,387,200
File Date: 01/10/2013
Result: Filed

Ordered by MARK G. LAMMERT at COMPLIANCE SOLUTIONS INC.

Thank you for using CSC. For real-time 24 hour access to the status of any order placed with CSC, access our website at www.cscglobal.com.

If you have any questions concerning this order or CSCGlobal, please feel free to contact us.

Maria Long
along1@cscinfo.com

The responsibility for verification of the files and determination of the information therein lies with the filing officer; we accept no liability for errors or omissions.



**TRADE NAME REGISTRATION /
FRANCHISE NAME DISCLOSURE**
SECRETARY OF STATE
SFN 13401 (07-2009)

RECEIVED

JAN 09 2013

SEC. OF STATE

FOR OFFICE USE ONLY

ID Number:	33,387,200 TN	
WO Number:	9715188	
Filed:	1-10-13	By: TA
Expiration Date:	1-10-2018	

SEE REVERSE SIDE FOR FEES, FILING AND MAILING INSTRUCTIONS

TYPE OR PRINT LEGIBLY

For reference, see North Dakota Century Code, Chapter 47-25.

**1. FILING FEE \$25.00
Five Year Registration**

2. Is the name to be registered a franchise name licensed to a franchisee? (A checkbox must be checked) Yes No (if "No", proceed to number 3)

If "Yes", indicate whether this filing is a Trade Name Registration with ownership rights to the name or Disclosure Information:
 Trade Name Registration with ownership rights to the name Disclosure Information

If "Yes", provide the name, address, and phone number of the franchiser or other licensor of the franchise name:

Franchiser Name

Address

(Street, PO Box, City, State, Zip+4)

(Phone Number)

3. Trade Name to be registered or the Franchise Name licensed to franchisee:
REACHOUT WIRELESS

4. Addresses of the places of business where the trade name or franchise name will be used or displayed:

Address **3629 Cleveland Avenue, Suite C, Columbus, OH 43224 866-392-7123**

(Street, PO Box, City, State, Zip+4)

(Phone Number)

Address

(Street, PO Box, City, State, Zip+4)

(Phone Number)

5. The nature of the business transacted: (In detail)
TELECOMMUNICATIONS

6. Trade name is used and owned by or the franchise name is licensed to: (Select one)

Individual

Husband & Wife

Corporation Incorporated in state of

OH

Limited Liability Company organized in state of

Other - Define (See Instructions)

7. Telephone number of owner or franchisee:

(866) 392-7123

8. Toll-free telephone number:

866-392-7123

9. The name of the individual(s), corporation, or the limited liability company, using the trade name or franchise name, their Federal ID/Social Security Number, and the address of their principal place of business.

NAME

FEDERAL ID/
SOCIAL
SECURITY
NUMBER

Street/RR

PO Box

City

State

Zip Code + 4

Nexus Communications, Inc.

31-1735438

3629 Cleveland Avenue, Suite C, Columbus, OH 43224

10. "I (We), the owner(s) or franchisee(s), say that I (we) have read the foregoing registration, know the contents thereof, and believe the statements made to be true."

Signature:

[Handwritten Signature] PRESIDENT

Date:

1-3-2012

Signature:

Date:

11. Name of person to contact about this form:

MARIA LONG

E-Mail Address:

ALONG1@CSCINFO.COM

Daytime telephone number and extension, if any:

800-927-9801

EXHIBIT E

Nexus' FCC-approved Compliance Plan

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

In the Matter of

Lifeline and Link Up Reform and
Modernization

Telecommunications Carriers Eligible to
Receive Universal Service Support

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

WC Docket No. 11-42

WC Docket No. 09-197

THIRD AMENDED COMPLIANCE PLAN OF NEXUS COMMUNICATIONS, INC.

Danielle Frappier
James W. Tomlinson
Davis Wright Tremaine LLP
1919 Pennsylvania Avenue, N.W., Suite 800
Washington, D.C. 20006-3401
(202) 973 - 4242

Counsel to Nexus Communications, Inc.

December 4, 2012

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SUMMARY

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

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

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

certify as to their eligibility to receive Lifeline benefits; and (6) annually re-certifies all Lifeline subscribers. Nexus has included as an exhibit its Lifeline applications forms for wireline and wireless services.

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

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

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

As detailed below, Nexus' practices and procedures comply with the Commission's applicable Lifeline regulations and orders, and Nexus commits to continuing these practices going forward. Accordingly, Nexus respectfully requests expeditious approval of its pending Petitions and this Amended Compliance Plan.

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

In the Matter of

Lifeline and Link Up Reform and
Modernization

Telecommunications Carriers Eligible to
Receive Universal Service Support

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

WC Docket No. 11-42

WC Docket No. 09-197

AMENDED COMPLIANCE PLAN OF NEXUS COMMUNICATIONS, INC.

Nexus Communications, Inc. (“Nexus”), through its undersigned counsel, hereby seeks to avail itself of the Federal Communications Commission’s (“Commission”) grant of forbearance from the “own facilities” requirement set forth in 47 U.S.C. § 214(e)(1)(A) by submission of this Amended Compliance Plan. Nexus’ Amended Compliance Plan is filed in accordance with the procedures established in the *Lifeline Reform Order*¹ and clarified the *Public Notice* issued by the Wireline Competition Bureau on February 29, 2012.² Nexus is submitting simultaneously

¹ *Lifeline and Link Up Reform and Modernization et al.*, WC Dockets No. 11-42 *et al.*, Report and Order and Further Notice of Proposed Rulemaking, FCC 12-11 (FCC, rel. Feb. 6, 2012) (“*Lifeline Reform Order*”). Nexus believes that there may still exist a good faith basis for it to continue to operate as a facilities-based carrier. Under the Commission’s recently amended regulations governing the Lifeline program, however, it appears that retaining its facilities-based status no longer provides any material benefits to Nexus or its subscribers. Should this change in the future, Nexus reserves the right to seek relief from the Commission to reinstate its status as a facilities-based carrier under applicable federal law. Nonetheless, Nexus acknowledges that its Amended Compliance Plan, once approved by the Commission, will apply in all states even if Nexus is deemed to operate as a facilities-based carrier in certain state(s).

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

with this Amendment Compliance Plan a Second Amendment³ to its pending Petitions for designation as an eligible telecommunications carrier (“ETC”).⁴

Nexus respectfully requests expeditious approval of its Petitions and its Amended Compliance Plan so it may continue to provide essential Lifeline service to eligible low-income subscribers in states where it currently operates and may provide eligible low-income consumers Lifeline wireless service options in additional states in the future. Nexus also requests expeditious approval of its Amended Compliance Plan because the company has filed an application to participate in the Commission’s Lifeline Broadband Pilot Program.

As set forth below, Nexus fully complies with all conditions set forth in the Commission’s recently-amended Lifeline rules and with all pertinent conditions set forth in the *Lifeline Reform Order*. This Amended Compliance Plan describes the measures Nexus has implemented in order to achieve full compliance with the Commission’s Lifeline rules and policies, and Nexus commits to continuing these practices going forward. For the convenience of the Commission, this Amended Compliance Plan follows the format established by the Wireline Competition Bureau in the *Public Notice*.

I. INFORMATION ABOUT NEXUS AND THE LIFELINE PLANS IT OFFERS

A. Company Information

Nexus is 100% owned by Steven Fenker, Nexus’ President. It is organized under Ohio law and is headquartered in Columbus, Ohio. Nexus has no holding company. Nexus owns

³ *Nexus Communications, Inc. Petition for Designation as an Eligible Telecommunications Carrier for Low Income Support Only, Second Amendment to Petitions*, WC Docket No. 09-197 (filed August 3, 2012).

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

100% of Telecom Services, Inc., but that company does not provide telecommunications services.

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

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

Nexus has been in business since 2000. Nexus became a competitive local exchange carrier in 2001 and received its first ETC designation in June 2006. Nexus now focuses on providing service to low-income consumers. Nexus initially began providing its services over wireline technology, and has responded to strong subscriber demand by offering wireless technology as well. Nexus was one of the first telecommunications providers to recognize the low-income market segment as a business opportunity rather than a regulatory burden. Its success in the market is based on its willingness to tailor its services to the specific needs of low-income consumers, including the budget management tools and mobility that prepaid wireless services provide.

Nexus has been designated as an ETC in a total of 26 states.⁶ It provides wireline service as an ETC in 13 states,⁷ and wireless service as an ETC in 18 states.⁸ Nexus does not seek, and

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

⁶ Those states are Alabama, Arkansas, California, Florida, Georgia, Illinois, Iowa, Kansas, Kentucky, Louisiana, Maine, Maryland, Michigan, Mississippi, Missouri, Nevada, New Jersey, North Carolina, Ohio, Oklahoma, Rhode Island, South Carolina, Tennessee, Texas, West Virginia and Wisconsin.

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

will not accept, High Cost support in any of those states. Nexus is successfully providing Lifeline supported services in these states and has a steadily increasing subscriber base. Nexus' management has many years of experience in the telecommunications industry. Nexus' President Steven Fenker has held management positions in the telecommunications industry for 28 years. Also part of the Nexus' senior management team is Mark Deek, who has 15 years of experience in the telecommunications industry, with particular expertise in intercarrier relations, and subscriber care and billing database management.

In order to provide wireless Lifeline services, Nexus purchases wireless minutes from a national carrier (Verizon Wireless) that is widely-recognized for the quality and reliability of its wireless network. Nexus supplements this robust wireless network with its own network facilities, back-office and operations support systems, which Nexus operates and are ideally suited to serve lower revenue subscribers. Nexus has made a significant financial investment to evaluate, design, develop and integrate these systems. With respect to this network investment, Nexus owns and operates its own switching and other facilities located in the state of Ohio, which are housed in a Tier IV co-location facility.⁹

Nexus has good relationships with the commissions in the states in which it operates. Moreover, Nexus is financially stable and fully capable of honoring its service obligations to subscribers and federal and state regulatory obligations. Although Nexus currently derives the

wireline operations in these states. Nevertheless, Nexus seeks forbearance for its ETC designations in Florida and Kentucky.

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

⁹ Because Nexus owns and operates its own network facilities, Nexus reserves the right to demonstrate to a state public utilities commission that it provides service using its own facilities in a state for purposes of a state-level universal service funding under state program rules and requirements. Nonetheless, as explained in note 1, Nexus acknowledges that its Amended Compliance Plan, once approved by the Commission, will apply in all states even if Nexus is deemed to operate as a facilities-based carrier in certain state(s).

majority of its revenue from the sale of prepaid wireless services, Nexus does not rely exclusively on disbursements from the Lifeline program to operate. For example, Nexus derives additional revenue from the sale of wireline and wireless services to non-Lifeline subscribers, and the sale of optional replenishment airtime and text minutes.

C. Geographic Area of Nexus' Service Offerings

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

In the second quarter of 2009, Nexus began to offer wireless services in recognition of the high demand for such services in the communities it services. Consumers indicated a strong preference for mobile wireless services and Nexus has worked to satisfy this demand by growing and investing in wireless technology. Nexus' wireless offerings have been very successful with low-income consumers and the company now provides prepaid wireless ETC service in the following states: Arkansas, California, Georgia, Iowa, Illinois, Kansas, Louisiana, Maine, Maryland, Michigan, Mississippi, Missouri, Nevada, New Jersey, Ohio, Rhode Island, West Virginia and Wisconsin.¹¹

D. Nexus' Lifeline Service Plans

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

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

¹¹ Nexus received wireless ETC authority in Oklahoma on March 21, 2012. However, Nexus does not intend to launch wireless service in Oklahoma until it has secured approval of its Amended Compliance Plan from the Commission.

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

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

68 Minute Plan (rollover) (all states except California): Minutes are “anytime” minutes and can be used for domestic calls, including local or intrastate/interstate long distance calls. Unused minutes or domestic SMS text messages carry over to the following month. Domestic SMS text messaging is available at a rate of two text messages per each minute of airtime. Nexus does not actively market the 68 Minute Plan and, although technically still available to subscribers because it was part of the offerings approved by the relevant state commissions, it is rarely selected except by a few subscribers who infrequently use voice service and more frequently send text messages.

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

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

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

All plans include at no extra charge one E911-compliant handset and “anytime” nationwide minutes that can be used for domestic calls, including local or intrastate/interstate long distance calls.

Nexus Lifeline subscribers in states other than California may purchase additional minutes on a prepaid basis in denominations of \$3.00 (20 minutes), \$5.00 (40 minutes), \$10.00

(120 minutes), \$20.00 (300 minutes), \$30.00 (500 minutes) and \$50.00 (950 minutes). Nexus also offers an unlimited talk and text additional airtime card. This card provides unlimited local and domestic long distance calling, and unlimited text messaging for thirty (30) calendar days. The cost to Lifeline subscribers is \$26.50.

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

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

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

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

The *Public Notice* requires carriers to include certifications required under recently amended 47 C.F.R. § 54.202. Nexus hereby certifies that it does and will continue to comply with the service requirements applicable to the support it receives.¹² Specifically, Nexus' Lifeline services: (i) include voice telephony services that provide voice grade access to the

¹² 47 C.F.R. § 54.202(a)(1).

public switched network or its functional equivalent; (ii) provide subscribers with a defined number of minutes of usage for local service at no additional charges, as described above in Section I(D); (iii) provide subscribers with access to the emergency services provided by local government or other public safety organizations, such as 911/E911 to the extent the local government in Nexus' service area has implemented 911/E911 systems, as described below in Section III; and (iv) toll limitation for qualifying low-income consumers.¹³

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

Nexus complies with the requirements pertaining to consumer qualifications for Lifeline set forth in section 54.409 of the Commission's rules¹⁴ and any state-specific requirements in the various states in which Nexus has been (or will be) designated an ETC. More specifically, Nexus requires all subscribers to demonstrate eligibility based at least on: (1) household income at or below 135% of the Federal Poverty Guidelines for a household of that size; or (2) the household's participation in one of the federal assistance programs listed in 47 C.F.R. § 54.409(a)(2) or 47 C.F.R. § 54.409(a)(3). Nexus also confirms that the subscriber is not already receiving a Lifeline service and that no one else in the subscriber's household is subscribed to a Lifeline service.¹⁵

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

¹⁴ 47 C.F.R. § 54.509.

¹⁵ 47 C.F.R. § 54.409(c).

Nexus uses a variety of outreach programs for its Lifeline supported services, which include direct mail, Internet advertising, and radio and television advertising. Nexus also reaches potential subscribers through retail marketing, including kiosks and point-of-sale promotional materials located in third-party retail establishments, as well as one retail establishment owned by Nexus. Each channel is intended to induce potential subscribers to contact Nexus either in person, over the Internet or by telephone. Although the logistics of the enrollment process varies somewhat for each channel as is further described below, in all cases, Lifeline applicants are thoroughly screened to ensure that they are qualified before a handset is delivered.

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

Analysis of Lifeline Eligibility. If Nexus cannot determine an applicant's eligibility for Lifeline by accessing income or program eligibility databases, Nexus personnel (either employees, third-party subscriber service representatives or authorized agents in third-party retail establishments) review documents to establish eligibility in accordance with the criteria set forth in 47 C.F.R. § 54.409. All Nexus personnel who interact with existing Lifeline subscribers or Lifeline applicants have been fully trained in assisting Lifeline applicants with Lifeline eligibility. All Nexus personnel and authorized third-party representatives have been trained to answer questions about Lifeline requirements, and how to review required documentation to determine whether it satisfies the *Lifeline Reform Order* and state-specific eligibility requirements using state specific checklists. That being said, the final review and determination of the sufficiency of documentation is conducted by Nexus employees or authorized agents directly trained by Nexus employees. All Nexus personnel and authorized third-party representatives involved in enrolling Lifeline applicants have been trained on the Commission's

revised Lifeline eligibility rules and Nexus' practices and policies designed to implement these new rules.

Proof of Lifeline Eligibility. Nexus follows the Commission's requirements pertaining to acceptable documentation to establish eligibility based either on income level or participation in a qualified government assistance program. Specifically, acceptable documentation of program eligibility includes: (1) the current or prior year's statement of benefits from a qualifying state, federal or Tribal program; (2) a notice letter of participation in a qualifying state, federal or Tribal program; (3) program participation documents (*e.g.*, the consumer's Supplemental Nutrition Assistance Program ("SNAP") electronic benefit transfer card or Medicaid participation card (or copy thereof); or (4) another official document evidencing the consumer's participation in a qualifying state, federal or Tribal program.¹⁶ Acceptable documentation of income eligibility includes: (1) the prior year's state, federal, or Tribal tax return; (2) current income statement from an employer or paycheck stub; (3) a Social Security statement of benefits; (4) a Veterans Administration statement of benefits; (5) a retirement/pension statement of benefits; (6) an Unemployment/Workers' Compensation statement of benefit; (7) federal or Tribal notice letter of participation in General Assistance; (8) or a divorce decree, child support award, or other official document containing income information. If the applicant presents Nexus with documentation of income that does not cover a full year, the applicant must present the same type of documentation covering three consecutive months within the previous twelve months.¹⁷

Nexus subscribers may provide the documentation in person, via fax or e-mail, or they may mail copies to Nexus. Nexus maintains detailed, accurate records identifying the data

¹⁶ *Lifeline Reform Order* at ¶ 101.

¹⁷ 47 C.F.R. § 54.410(b)(1)(i)(B).

source used to determine a subscriber's eligibility or the documentation the subscriber provided to demonstrate eligibility for Lifeline. The specifically-trained personnel in charge of reviewing all incoming Lifeline applications examine and electronically record in its subscriber service and billing database the type of documentation presented by each prospective Lifeline subscriber,¹⁸ including the date of review, the identity of the documentation, the type of media (*e.g.*, paper, electronic card, etc.), and the issuance and/or expiration date of the documentation. Nexus' database includes separate data entry fields for this information, eliciting a response for each type of information, and will reject the order if any such field is not completed. If an applicant is unable to provide documentary proof of eligibility based on either household income level or current participation in a qualified program, Nexus denies that application.

B. Nexus' Procedures for Subscriber Certifications

In the *Lifeline Reform Order*, the Commission established a path for a transition to a national, governmental database that will be used to confirm the initial and continued eligibility of a Lifeline applicant or subscriber.¹⁹ Nexus will utilize that database when it becomes operational.²⁰ Until that time, however, Nexus will continue to adhere to the following procedures for enrolling prospective subscribers into the Lifeline program.

Nexus has implemented certification procedures that enable prospective subscribers to demonstrate their eligibility by contacting Nexus either in person or by telephone, facsimile, over the Internet, or other electronic transmission. The personnel involved in enrolling Lifeline applicants verbally recite the certifications to Lifeline applicants where when enrolling in person

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

¹⁹ See *Lifeline Reform Order* at ¶ 403.

²⁰ On its new certification forms that were revised to encompass the requirements of the Commission's *Lifeline Reform Order*, Nexus obtains consent from each applicant to provide "any records required" for the administration of the Lifeline program including so that such information may be used in a Lifeline database. In order to ensure that it has the same consent from subscribers that applied using prior Nexus forms, Nexus has included nearly identical language on its annual re-certification forms and scripts.

or over the phone. In any retail locations (except those with kiosks), Nexus' authorized third-party representatives²¹ initially examine the qualifying documentation in person (which documentation will be forwarded to Nexus personal specifically trained in reviewing Lifeline qualifying documentation for further review) or, if the applicant does not have the documentation at the time, direct the applicant to supply the documentation via fax, mail or email. All applicants who do not have the requisite documentation at the time are informed that their Lifeline application will not be processed until the applicant provides the required documentary proof of eligibility. Prospective subscribers who do not complete Nexus' Lifeline Application in person must return the signed document and eligibility documentation to Nexus by mail, facsimile, electronic mail or other electronic transmission. Nexus accepts electronic signatures that meet the requirements of the Electronic Signatures in Global and National Commerce Act, 15 U.S.C. §§ 7001-7006 and any applicable state laws.²²

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

Information Collected. Nexus collects the following information from prospective subscriber in its Lifeline Application form: (1) the subscriber's full name; (2) the subscriber's full residential address (P.O. Boxes are not permitted); (3) whether the residential address is permanent or temporary; (4) the subscriber's billing address, if different; (5) the subscriber's date

²¹ All third-party representatives are accountable to Nexus for purposes of compliance with state and federal Lifeline rules.

²² See *Lifeline Reform Order* at ¶ 168; 47 C.F.R. § 54.419.

of birth; (6) the last four digits of the subscriber's Social Security number (or Tribal identification number if the subscriber is a member of a Tribal nation and does not have a Social Security number²³); (7) if the subscriber is seeking to qualify for Lifeline under the program-based criteria, the name of the qualifying assistance program from which the subscriber, or his or her dependents, or his or her household receives benefits; and (8) if the subscriber is seeking to qualify for Lifeline under the income-based criterion, the number of individuals in his or her household.²⁴

Applicant Certifications. In accordance with 47 C.F.R. § 54.410(d), in its Lifeline Application, Nexus requires all Lifeline applicants to certify, under penalty of perjury, that: (1) the subscriber meets the income- or program-based eligibility criteria for receiving Lifeline; (2) the subscriber will notify Nexus within 30 days if, for any reason, he or she no longer satisfies the criteria for receiving Lifeline including, as relevant, if the applicant no longer meets the income- or program-based criteria for receiving Lifeline support, the subscriber is receiving more than one Lifeline benefit, or another member of the subscriber's household is receiving a Lifeline benefit; (3) if the subscriber is seeking to qualify for Lifeline as an eligible resident of Tribal lands, that he or she lives on Tribal lands;²⁵ (4) if the subscriber moves to a new address, that he or she will provide that new address to Nexus within 30 days; (5) if the subscriber provided a temporary residential address to Nexus, the subscriber will be required to verify his or her temporary residential address every 90 days; (6) the subscriber's household will receive only one Lifeline service and, to the best of the applicant's knowledge, the subscriber's household is not already receiving a Lifeline service; (7) the information contained in the subscriber's

²³ Nexus will only include language regarding a Tribal identification number on forms used in states with Tribal areas.

²⁴ 47 C.F.R. § 54.410(d)(2).

²⁵ Because Nexus' designated service includes only two states with Tribal lands (Oklahoma and Rhode Island), only Nexus' Lifeline Application specifically for those states include this certification.

application/certification form is true and correct to the best of the subscriber's knowledge; (8) the subscriber acknowledges that providing false or fraudulent information to receive Lifeline benefits is punishable by law; and (9) the subscriber acknowledges that he or she may be required to re-certify his or her continued eligibility for Lifeline at any time, and that his or her failure to re-certify as to continued eligibility will result in de-enrollment and the termination of the subscriber's Lifeline benefits, and (10) that the applicant authorizes Nexus to access any state or federal records or database to verify his or her eligibility, and authorizes Nexus to release any records required for administration of the program, including to USAC to be used in the national Lifeline database and that failure to so authorize Nexus will result in a denial of Lifeline benefits.²⁶ The Lifeline Application also describes the information that is transmitted, that the information is being transmitted to USAC to ensure the proper administration of the Lifeline program and that failure to provide consent will result in the applicant being denied the Lifeline service. Prospective applicants must affirmatively certify to each of these certifications in order for the application process to move forward, including those applying online. For those applying online, Nexus' website does not permit the applicant to submit the application unless all certifications have been completed. Subscribers also may certify via interactive voice response ("IVR"), which is then saved as a recorded file and saved in the subscriber's account in Nexus' subscriber care and billing system.

In accordance with 47 C.F.R. § 54.410(d)(1), Nexus' Lifeline Application discloses the following information: (1) Lifeline is a federal benefit and willfully making false statements to obtain the benefit can result in fines, imprisonment, de-enrollment or being barred from the program; (2) only one Lifeline service is available per household; (3) a household is defined, for purposes of the Lifeline program, as any individual or group of individuals who live together at

²⁶ See Exhibit I.

the same address and share income and expenses; (4) a household is not permitted to receive Lifeline benefits from multiple providers; (5) violation of the one-per-household limitation constitutes a violation of the Commission's rules and will result in the subscriber's de-enrollment from the program; and (6) Lifeline is a non-transferable benefit and the subscriber may not transfer his or her benefit to any other person.²⁷

Finally, in accordance with 47 C.F.R. § 54.405(c), Nexus' Lifeline Application indicates, using easily understood language, (1) that the service is a Lifeline service; (2) that Lifeline is a government assistance program; (3) that the service is non-transferrable; (4) that only eligible consumers may enroll in the program; and (5) that the program is limited to one discount per household.²⁸

C. Nexus' Procedures for Annual Re-certification of Lifeline Subscribers

In accordance with the requirements of the *Lifeline Reform Order* and 47 C.F.R. § 54.410(f), Nexus annually recertifies all of its Lifeline subscribers by either (1) querying the appropriate eligibility or income databases, confirming that the subscriber continues to meet the program- or income-based eligibility requirements for Lifeline and documenting the results of that review, or (2) obtaining a signed certification from the subscriber that meets the certification requirements set forth in 47 C.F.R. § 54.410(d). Nexus' annual re-certification form includes a confirmation from the subscriber that the applicant's household receives only one Lifeline benefit and, to the best of the subscriber's knowledge, the subscriber's household is receiving no more than one Lifeline benefit. Additionally, Nexus' re-certification materials inform the subscriber that he or she is being contacted to re-certify his or her continuing eligibility for Lifeline and if the subscriber fails to respond, he or she will be de-enrolled in the program.

²⁷ *Id.*

²⁸ *Id.*

For 2012, Nexus began re-certifying the eligibility of its Lifeline subscriber base on June 1, 2012 on a rolling basis. Nexus will complete this process by the end of 2012 and will report the results to USAC by January 31, 2012.²⁹ Nexus will notify its subscribers in writing that a failure to respond to the re-certification request will result in de-enrollment in the Lifeline program.³⁰ Nexus will de-enroll subscribers who do not respond to the annual re-certification or fail to provide proof of continued eligibility in accordance with the procedures set forth in 47 C.F.R. § 54.405(e)(4).

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

Nexus' practices comply with the 911/E911 access conditions set forth in paragraph 373 of the *Lifeline Reform Order*. Specifically, Nexus: (1) provides its Lifeline subscribers with 911/E911 access at the time Lifeline service is initiated, regardless of activation status and availability of minutes, and (2) provides its Lifeline subscribers with E911-compliant handsets and replaces, at no additional charge to the subscriber, noncompliant handsets of Lifeline-eligible subscribers who obtain Lifeline-supported services. Nexus' practices provide access to 911/E911 services to the extent that these services have been deployed by its underlying wireless carrier. Nexus commits to continue these practices going forward.

Nexus will provide its Lifeline subscribers with access to 911/E911 services immediately upon activation of service. The Commission and consumers are assured that all Nexus subscribers will have available access to emergency calling services at the time that Lifeline service is initiated, and that such 911/E911 access will be available from Nexus handsets even if the account associated with the handset has no minutes remaining.

²⁹ *Lifeline Reform Order* at ¶ 130.

³⁰ *Id.* at ¶ 142.

Nexus' existing practices currently provide access to 911/E911 services for all subscribers. Nexus uses Verizon Wireless as its underlying network carrier. Verizon Wireless routes 911 calls from Nexus' subscribers in the same manner as 911 calls from Verizon Wireless' own retail subscribers. To the extent that Verizon Wireless is certified in a given PSAP territory, this 911 capability functions in the same manner for Nexus and its subscribers. Nexus also currently enables 911 emergency calling services for all properly activated handsets regardless of whether the account associated with the handset is active or suspended.

Nexus will ensure that all handsets used in connection with its Lifeline service offering will be E911-compliant. Indeed, Nexus' handsets have always been E911-compliant. All Nexus handsets undergo a thorough quality inspection by Nexus prior to being distributed to subscribers. All Nexus handsets are required to meet Nexus' handset specifications, which ensure that the handset models meet all E911 requirements. As a result, any existing Nexus subscriber that qualifies for and subsequently elects Lifeline service will already have an E911-compliant handset provided by Nexus. Additionally, any new subscriber that qualifies for and enrolls in Nexus' Lifeline program is assured of receiving an E911-compliant handset as well, free of charge.

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

Nexus has incorporated into its marketing materials for its Lifeline services, in clear, easily understood language: (1) that the service and supported by Lifeline, a government program; (2) that only eligible consumers may enroll in the program; (3) what documentation is necessary for enrollment; (4) that the benefit is limited to one per household and is non-transferrable; (5) that consumers who willfully make false statements in order to obtain the

benefit can be punished by fine or imprisonment or can be barred from the program.³¹ Nexus also discloses its name (the ETC) on all marketing materials.³² A representative sample of Nexus' revised marketing materials incorporating these disclosures is attached as Exhibit 2.

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

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

Prevention of Duplicates within Nexus' Subscriber Base. Lifeline applications to Nexus that are preliminarily deemed eligible are submitted to a data entry process, including verifying the address against the United States Postal Service database file of valid U.S. addresses. A Lifeline applicant's address, name, and the last four digits of his or her social security number are then queried against all of Nexus' active Lifeline subscribers (both wireline and wireless), in all states in which Nexus operates. If it is found that Nexus is already providing Lifeline service to the same subscriber or household, the application is rejected. Nexus commits to continuing these practices going forward.

Service Activation. Nexus ships handsets to qualified subscribers using FedEx's SmartPost delivery service and retains written confirmation that delivery was completed. Nexus does not seek reimbursement for Lifeline service for any subscriber until the subscriber activates the service, which may be done by taking such actions as dialing an outbound call.³³ Nexus will use the date of this first completed outbound call from its call records as the subscriber's

³¹ *Lifeline Reform Order* at ¶ 275; 47 C.F.R. § 54.405(c).

³² *Lifeline Reform Order* at ¶ 275; 47 C.F.R. § 54.405(d).

³³ Currently, the only form of activation that Nexus accepts is the placement of an outbound call.

effective start date for the purposes of determining the subscriber's enrollment date in the Lifeline program.

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

Specifically, after 60 days of non-use,³⁴ Nexus provides notice to the subscriber that failure to use the Lifeline service or provide other confirmation to Nexus that the subscriber wishes to retain his or her Lifeline service within 30 days from the date of the de-enrollment notice will result in de-enrollment from the Lifeline program.³⁵ Nexus will not request further Lifeline reimbursement for any de-enrolled subscriber and Nexus will report annually to the Commission the number of subscribers de-enrolled for non-usage by month.³⁶

De-Enrollment and Disconnection. Nexus subscribers may easily de-enroll from Lifeline or disconnect their service altogether. There is a link on the home page of Nexus' website www.reachoutmobile.com for de-enrollments and disconnections. This link permits subscribers to de-enroll from Lifeline and either subscribe to a non-Lifeline service or cancel

³⁴ Subscribers can "use" the service by: (1) completing an outbound call; (2) purchasing minutes from Nexus to add to the subscriber's plan; (3) answering an incoming call from a party other than Nexus; or (4) responding to a direct contact from Nexus confirming that the subscriber wants to continue receiving the service. 47 C.F.R. § 54.407(c)(2).

³⁵ 47 C.F.R. § 54.405(e)(3).

³⁶ 47 C.F.R. § 54.405(e)(3).

their service altogether. Subscribers may also de-enroll or disconnect their service by calling Nexus' customer service call center.

One Per Household Rule. Nexus has implemented policies and practices in accordance with the Commission's rules and the *Lifeline Reform Order* to ensure that it provides only one Lifeline service per household. As described above, Nexus has already implemented procedures to ensure that Nexus itself only provides one Lifeline service per household. When the National Lifeline Accountability Database becomes available, Nexus will fully comply with the requirements of 47 C.F.R. § 54.404 and utilize the database to determine if an applicant is currently receiving Lifeline benefits from another carrier or if another person residing at the applicant's residential address is receiving Lifeline benefits. Nexus also will retain the following data: the date Nexus queried the duplicates database; the date and information Nexus transmitted to the database; the date of transmission of updated subscriber information to the database; the date of transmission of subscriber de-enrollment to the database; the date and database upon which Nexus determined income-based eligibility; state Lifeline administrator documentation of subscriber eligibility, and subscriber's certification of eligibility; the notice of program-certification and subscriber self-certification, when performed by a state agency or state Lifeline administrator.

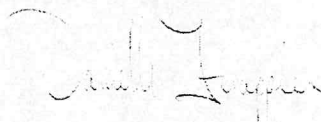
Nexus has also instructed its customer service representatives to explain the one-per-household requirement to prospective and existing subscribers, including explaining that the brands Safelink Wireless, Assurance Wireless, i-wireless, Stand-Up Wireless, Budget Mobile and TAG Mobile are Lifeline services. If Nexus has a reasonable basis to believe that one of its Lifeline subscribers no longer meets the eligibility criteria, for example, due to a violation of the one-per-household rule, Nexus initiates its termination process in accordance with the procedures

set forth in 47 C.F.R. § 54.405(e)(1). Nexus will also maintain the results of each state administrator's certification efforts for each subscriber in that state where a state administrator or agency is responsible for re-certification and where a state has been unable to re-certify a subscriber, Nexus will keep the record and comply with the relevant de-enrollment procedures.

VI. CONCLUSION

Nexus submits that the foregoing Amended Compliance Plan fully satisfies the conditions set forth in the *Lifeline Reform Order*, the *Public Notice* and in the Commission's rules pertaining to Lifeline. Accordingly, Nexus respectfully requests expeditious approval of its pending ETC Petitions and this Amended Compliance Plan so that Nexus may continue to provide essential Lifeline service to eligible low-income subscribers in states where it currently operates and may provide eligible consumers Lifeline wireless service options in additional states. Nexus also requests expeditious approval of its Amended Compliance Plan because the company has filed an application to participate in the Commission's Lifeline Broadband Pilot Program.

Respectfully submitted,



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Counsel to Nexus Communications, Inc.

December 4, 2012

Exhibit 1

Lifeline Applications

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



___ 125 FREE Rollover Minutes ___ 250 FREE Non-Rollover Minutes

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

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

Last Name: _____ First Name: _____ Middle Initial: _____

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

Residential Address: _____ Apt. _____ City: _____ State: ___ Zip: _____

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

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

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

I certify that:

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

Applicant's Signature: _____

Date _____



Fax to: 1-800-700- 76 Email to: enroll@ Home phone.com or
Mail to: Home Phone, PO Box 247168, Columbus, OH 43224-7168

WIRELINE LIFELINE APPLICATION -- PROGRAM BASED

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

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

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

Last Name: _____ First Name: _____ Middle Initial: _____

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

Residential Address: _____ Apt. _____ City: _____ State: ___ Zip: _____

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

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

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

I certify that:

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

Applicant's Signature: _____

Date: _____



Fax to: 1-800-700- 76 Email to: enroll@ Home phone.com or
 Mail to: Home Phone, PO Box 247168, Columbus, OH 43224-7168

WIRES LINE LIFELINE APPLICATION – INCOME BASED

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

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

Last Name: _____ First Name: _____ Middle Initial: _____

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

Residential Address: _____ Apt. _____ City: _____ State: _____ Zip: _____

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

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

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

I certify that:

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

Applicant's Signature: _____

Date _____

Exhibit 2
Sample Marketing Material

FREE

CELLULAR PHONE
FREE MINUTES & TEXTS

250

anytime minutes
every month!

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



1-877-870-9444 **ReachOut**
www.ReachOutWireless.com wireless

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

FREE

CELLULAR PHONE
FREE MINUTES & TEXTS

125

anytime ROLLOVER minutes
every month!

All unused minutes rollover
to the next month!

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



1-877-870-9444 **ReachOut**
www.ReachOutWireless.com wireless

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



IMPORTANT INFORMATION concerning Lifeline wireless service

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

Nexus Communications Inc.

EXHIBIT F

FCC Order Approving Nexus' Compliance Plan



PUBLIC NOTICE

Federal Communications Commission
445 12th St., S.W.
Washington, D.C. 20554

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

DA 12-2063
Release Date: December 26, 2012

WIRESHIP COMPETITION BUREAU APPROVES THE COMPLIANCE PLANS OF AIRVOICE WIRELESS, AMERIMEX COMMUNICATIONS, BLUE JAY WIRELESS, MILLENNIUM 2000, NEXUS COMMUNICATIONS, PLATINUMTEL COMMUNICATIONS, SAGE TELECOM, TELRITE AND TELScape COMMUNICATIONS

WC Docket Nos. 09-197 and 11-42

The Wireline Competition Bureau (Bureau) approves the compliance plans of nine carriers: AirVoice Wireless, LLC (AirVoice); AmeriMex Communications Corp. (AmeriMex); Blue Jay Wireless, LLC (Blue Jay); Millennium 2000, Inc. (Millennium 2000); Nexus Communications, Inc. (Nexus); PlatinumTel Communications, LLC (PlatinumTel); Sage Telecom, Inc. (Sage); Telrite Corporation (Telrite); and Telscape Communications, Inc. d/b/a Telscape Wireless (Telscape). The compliance plans were filed pursuant to the *Lifeline Reform Order* as a condition of obtaining forbearance from the facilities requirement of the Communications Act of 1934, as amended (the Act), for the provision of Lifeline service.¹

The Act provides that in order to be designated as an eligible telecommunications carrier (ETC) for the purpose of universal service support, a carrier must "offer the services that are supported by Federal universal service support mechanisms . . . either using its own facilities or a combination of its own facilities and resale of another carrier's services . . ." ² The Commission amended its rules to define voice telephony as the supported service and removed directory assistance and operator services, among other things, from the list of supported services. ³ As a result of these amendments, many Lifeline-only ETCs that previously met the facilities requirement by providing operator services, directory assistance or other previously supported services no longer meet the facilities requirement of the Act. ⁴ In the *Lifeline Reform Order*, the Commission found that a grant of blanket forbearance of the facilities requirement,

¹ See *Lifeline and Link Up Reform and Modernization et al*, WC Docket No. 11-42 *et al.*, Report and Order and Further Notice of Proposed Rulemaking, 27 FCC Rcd 6656, 6816-17, paras. 379-380 (2012) (*Lifeline Reform Order*). A list of the compliance plans approved through this Public Notice can be found in the Appendix to this Public Notice.

² 47 U.S.C. § 214(c)(1)(A).

³ See *Lifeline Reform Order*, 27 FCC Rcd at 6678, para. 47; see also 47 C.F.R. § 54.101(a).

⁴ See *Lifeline Reform Order*, 27 FCC Rcd at 6812, para. 366, App. A; *Connect America Fund et al*, WC Docket 10-90, Order on Reconsideration, 26 FCC Rcd 17633, 17634-35, para. 4 (2011) (*USF/ICC Transformation Order on Reconsideration*). Some ETCs have included language in their compliance plans indicating that they have facilities or plan to acquire facilities in the future. See, e.g., Blanket Forbearance Compliance Plan, WC Docket Nos. 09-197 and 11-42, Q Link Wireless, LLC's Third Amended Compliance Plan at 4 n. 2 (filed July 30, 2012). To the extent ETCs seek to avail themselves of the conditional forbearance relief established in the *Lifeline Reform Order*, we presume they lack facilities to provide the supported service under sections 54.101 and 54.401 of the Commission's rules. See 47 C.F.R. §§ 54.101 and 54.401. Such ETCs must comply with the compliance plan approved herein in each state or territory where they are designated as an ETC, regardless of their claim of facilities for other purposes, such as eligibility for state universal service funding.

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

The Bureau has reviewed the nine plans listed in the Appendix for compliance with the conditions of the *Lifeline Reform Order* and now approves those nine compliance plans.⁷

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

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

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

- FCC -

⁵ See *Lifeline Reform Order*, 27 FCC Rcd at 6813-6817, paras. 368-381.

⁶ See *id.*, 27 FCC Rcd at 6814, 6819, paras. 373, 389. Subsequently, the Bureau provided guidance for carriers submitting compliance plans pursuant to the *Lifeline Reform Order*. *Wireline Competition Bureau Provides Guidance for the Submission of Compliance Plans Pursuant to the Lifeline Reform Order*, WC Docket Nos. 09-197 and 11-42, Public Notice, 27 FCC Rcd 2186 (Wireline Comp. Bur. 2012).

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

APPENDIX

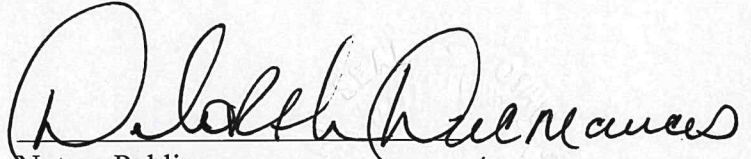
Petitioner	Compliance Plans As Captioned by Petitioner	Date of Filing	Docket Numbers
AirVoice Wireless, LLC	AirVoice Wireless, LLC's Amended Compliance Plan	December 7, 2012	09-197; 11-42
AmeriMex Communications Corp.	AmeriMex Communications Corp. Revised Compliance Plan	December 6, 2012	09-197; 11-42
Blue Jay Wireless, LLC	Blue Jay Wireless, LLC Compliance Plan	December 19, 2012	09-197; 11-42
Millennium 2000 Inc.	Amended Compliance Plan of Millennium 2000 Inc.	December 18, 2012	09-197; 11-42
Nexus Communications, Inc.	Third Amended Compliance Plan of Nexus Communications, Inc.	December 6, 2012	09-197; 11-42
PlatinumTel Communications, LLC	PlatinumTel Communications LLC's Revised Compliance Plan	December 19, 2012	09-197; 11-42
Sage Telecom, Inc.	Revised Compliance Plan of Sage Telecom, Inc.	December 19, 2012	09-197; 11-42
Telrite Corporation	Telrite Corporation Compliance Plan	December 19, 2012	09-197; 11-42
Telscape Communications Inc. d/b/a Telscape Wireless	Revised Compliance Plan of Telscape Communications, Inc.	December 19, 2012	09-197; 11-42

EXHIBIT G

Declaration of Steven Fenker

STATE OF Ohio)
) ss.
COUNTY OF Franklin)

On this 21 day of February, 2013, before me, a Notary Public in and for said County and State, personally appeared Steven Fenker, known to me to be the President of Nexus Communications, Inc., the company that is described in and that executed the within instrument, and acknowledged to me that such company executed the same.


Notary Public
exp 3/10/2014