# Exhibit 4



MAY 21 2008

# Georgia Auhlic Service Commissexeautive Secretary

COMMISSIONERS:

**CHUCK EATON, CHAIRMAN** H. DOUG EVERETT ROBERT B. BAKER, JR. ANGELA E. SPEIR STAN WISE

<mark>(404)</mark> 656-4501 (800) 282-5813 244 WASHINGTON STREET, S.W. ATLANTA, GEORGIA 30334-5701

DEBORAH K. FLANNAGAN EXECUTIVE DIRECTOR

REECE MCALISTER **XECUTIVE SECRETARY** DOCKET#26282

FAX: (404) 656-2341 www.psc.state.ga.us

Docket No. 2628:

In Re:

Docket No. 26282: Application of Trackone Wireless, Inc. Designation as an Eligible Telecommunications Carrier In the State of

Georgia for the Limited Purpose of Offering Lifeline Service to Qualified

Households

### ORDER ON APPLICATION FOR DESIGNATION AS ELIGIBLE TELECOMMUNICATIONS CARRIER

### Background

On October 30, 2007, TracFone Wireless, Inc. ("TracFone") filed with the Georgia Public Service Commission ("Commission") its Application for Designation as an Eligible Telecommunications Carrier in the State of Georgia for the Limited Purpose of Offering Lifeline Service to Qualified Households ("ETC Application"). TracFone is not seeking Universal Service Fund ("USF") support for the purpose of providing service to high cost areas.

TracFone has provided commercial mobile radio service ("CMRS") in Georgia for over nine years through resale arrangements with facilities-based wireless providers, such as Alltel Communications, Inc., AT&T Wireless, T-Mobile, and Verizon Wireless, among others. TracFone has over eight million customers nationwide and claims to be the leading provider of prepaid wireless service in the United States.

TracFone asserts that it meets all the requirements of the Federal Communications Commission ("FCC") for designation as an ETC. 47 C.F.R. § 54.101(a) requires the following services and functionality: (1) Voice grade access to the public switched telephone network, (2) Local usage, (3) Dual tone multi-frequency signaling or its functional equivalent, (4) Single-party service or its functional equivalent, (5) Access to 911 and E911 emergency service, (6) Access to operator services, (7) Access to

> Commission Order Docket No. 26282 Page 1 of 6

interexchange service, (8) Access to directory assistance, and (9) Toll limitation for qualified low-income customers.

TracFone requests ETC designation for the entire state of Georgia. Through resale of other wireless carriers' service, TracFone provides service in every zip code in the state.

TracFone intends to offer two different Lifeline products: "TracFone Pay-As-You-Go Wireless" and "NET10 Pay-As-You-Go Wireless." Under either plan, the customer would incur no monthly service charges. The differences between the plans lie in the handset, the monthly allotment of minutes, and the cost of additional minutes. If the customer elects the TracFone Pay-As-You-Go plan, that customer would receive a free refurbished handset and 50 minutes of local and long distance per month. Additional minutes can be purchased at a rate of \$0.20 per minute. Under the "NET10 Pay-As-You-Go Wireless" plan, the customer would purchase a handset (prices start at \$30) and would receive 100 minutes of local and long distance per month. Additional minutes can be purchased for \$0.10 per minute.

On March 20, 2008, TracFone filed a letter responding to concerns raised by Staff that customers who run out of minutes might run up large bills. TracFone stated that because the company offers prepaid service and does not issue bills, any call in progress when the customer runs out of minutes will be dropped. However, the customer will be notified several times during the call that the balance of minutes is low. Also, a TracFone customer who has run out of minutes will still be able to make 911 calls and check voicemail.

In its October 15, 2007 order in Docket No. 10396 approving Alltel Communications, Inc. ("Alltel")'s ETC application, the Commission adopted the Staff's recommendation. In that docket, the Staff recommendation was as follows:

Staff finds that Alltel has met all statutory and regulatory requirements for designation as an ETC. The Staff also concludes that the Commission has the authority to grant ETC status to a wireless carrier. Although the Commission has previously not exerted authority over wireless ETC applications, Federal and State law allow the Commission to do so. 47 U.S.C. § 214(e)(2) states that a state commission "may" designate a requesting carrier if it meets the requirements outlined in the law. The Georgia Competitive Emerging Communications Technologies Act of 2006, which eliminates any authority the Commission may have had "over setting of rates or terms and conditions" for wireless service, specifically states that it has no effect on "(a)ny authority of the Public Service Commission to act in accordance with federal laws or regulations of the Federal Communications Commission." O.C.G.A. §46-5-222(b)(3). Therefore, the Staff recommends that the Commission approve Alltel's Application with the following conditions and filing requirements:

- The Commission reserves the right to conduct audits as needed to determine that the funds are used for permitted purposes.
- Alltel's ETC designation may at any time be suspended or revoked by order of the Commission.
- Alltel shall make all service offerings, including Lifeline/ Link-Up available on its internet website.
- Alltel shall file within 30 days of approval of its ETC application
  its terms and conditions of service, and rate plans including its
  Link-Up and Lifeline discounts available to qualifying low-income
  customers. Further, Alltel shall have the ongoing obligation to
  notify the Commission of any future changes to its rates, terms, or
  conditions.
- Alltel shall file within 30 days of approval of its ETC application proposed language to be used in all advertising of Lifeline/ Link-Up services and on its website. The language should include information directing customers to the Commission's Consumer Affairs unit for complaints regarding any service issues. The Staff shall have the right to review and make changes to any proposed language.
- Alltel shall file the following information on March 31, 2008 (and updated information every March 31 thereafter, unless otherwise ordered by the Commission):
  - 1. A map showing Alltel's actual January 2007 service area, and a map showing the January 2008 estimated service area *increase* or decrease. Additionally, the map should include locations of all new facilities constructed.
  - 2. Alltel shall report all instances in which the company refuses to serve a customer. Alltel shall be required to provide information regarding the specific location of the customer (street address), the company's rationale for refusal of service, and the company's progress with establishing interconnection arrangements which permit resale of either wireless or Incumbent Local Exchange Carrier ("ILEC") services in the customer's location.
  - 3. Estimated total 2007 federal funds, actual total federal funds received in 2007, and estimated total funds to be received in 2008.

4. A spreadsheet listing each wire center, the name of the ILEC associated with that wire center, estimated 2007 expenses (from trade secret filing made with the Application), actual 2007 expenses, and estimated 2008 expenses.

### **Staff Recommendation**

The Staff recommends that the Commission designate TracFone as an ETC throughout the State of Georgia for the limited purpose of providing Lifeline service. The Staff recommends that the Commission apply the same conditions to TracFone as it did Alltel, to the extent those conditions apply to Lifeline service.

The Staff further recommends that the Commission condition the grant of ETC designation to TracFone upon the company's satisfactory resolution of complaints filed with the Commission in connection with TracFone's Lifeline service offering.

Because TracFone is strictly a reseller, the company requested, and was subsequently granted, forbearance by the FCC from 47 U.S.C. § 214(e)(1)(A) and 47 C.F.R. § 54.201(i), which require that an ETC provide service either using its own facilities or using a combination of its own facilities and resale of other providers' facilities. In exchange for forbearance from the facilities requirement, the FCC required TracFone to: (a) provide its Lifeline customers with 911 and enhanced 911 access regardless of activation status and availability of prepaid minutes; (b) provide its Lifeline customers with E911-compliant handsets and replacing, at no additional charge to the customer, non-compliant handsets of existing customers who obtain Lifeline-supported service; (c) comply with conditions (a) and (b) as of the date it provides Lifeline service; (d) obtain a certification from each Public Safety Answering Point (PSAP) where TracFone provides Lifeline service confirming that TracFone complies with condition (a); (e) require its customers to self-certify at time of service activation and annually thereafter that they are the head of household and receive Lifeline-supported service only from TracFone; and (f) establish safeguards to prevent its customers from receiving multiple TracFone Lifeline subsidies at the same address.

In accordance with the FCC's forbearance order, TracFone filed a compliance plan in which, among other things, it details how the company will enroll Lifeline customers. TracFone itself will process all applications for Lifeline. Its retailers will have no role in the application process other than to provide customers with printed information regarding the program.

TracFone provided the following information regarding the application process:

The enrollment form will include a place where the applicant must certify by his/her signature under penalty of perjury that the applicant meets the relevant criteria. For program-based eligibility, the form will list each of the qualifying programs, and

the applicant will be required to check off the programs(s) in which he/she participates. For income-based eligibility, the applicant will be required to certify under penalty of perjury that his/her household income does not exceed the relevant threshold (e.g., 135% of the Federal Poverty Guidelines for federal default states) and will be required to provide proof of income=based eligibility. In addition, each applicant will be required to certify under penalty of perjury that he or she is the head of the household and that he or she receives Lifeline-supported service only from TracFone. As required by the Forbearance Order, the penalties for perjury will be clearly state on the certification form. Emphasis in original, footnotes excluded.

TracFone also committed to maintain a database of all its Lifeline customers' names, addresses, and contact numbers in order. The database would be used by TracFone to cross-check new applicants against existing Lifeline customers. A new applicant whose address already appears in the database will be denied. In addition, each customer will verify annually that he or she is still eligible for Lifeline service.

In its Highland Cellular decision, the FCC identified several factors to be considered in determining whether designation of additional ETC in a rural area would serve the public interest. These factors include: (1) the benefits of increased competitive choice, (2) the impact of the designation on the USF, (3) the unique advantages of the applicant company's service offerings, (4) commitments made regarding the quality of services to be provided, and (5) the ETC applicant's ability to satisfy its obligation to serve the designated areas within a reasonable timeframe. The Staff finds that TracFone's application is in the public interest. TracFone's service not only provides customer choice, it is also unique in that the customer incurs no monthly fees. Further, the customer will enjoy the benefits of mobility and the ability to make local or long distance calls using the provided pool of minutes. TracFone asserts that its designation as an ETC will have a negligible impact on the USF, because only new Lifeline customers will increase the draw from USF. That is, Lifeline customers who switch from the Incumbent Local Exchange Carrier to TracFone would have zero net impact on the USF. Also, the FCC has determined that, "Any increase in the size of the fund [associated with granting TracFone's ETC petition] would be minimal and would be outweighed by the benefit of increasing participation in the Lifeline program, furthering the statutory goal of providing access to low-income consumers." TracFone Forbearance Order, ¶17

On April 11, 2008, the FCC approved TracFone's applications for limited ETC designation in New York, Virginia, Connecticut, Massachusetts, Alabama, North Carolina, Tennessee, Delaware, New Hampshire, Pennsylvania, and the District of Columbia. In doing so, the FCC found that TracFone satisfied all the eligibility requirements of section 214(e)(1) and also approved TracFone's plan for complying with the conditions the FCC imposed in the TracFone Forbearance Order. Notably, the FCC dismissed without prejudice the Florida application, because the Florida Public Service Commission, like the Georgia Public Service Commission, has asserted jurisdiction over

wireless ETC designations. Thus, TracFone's application is properly before this Commission.

The Commission finds the Staff's recommendation reasonable and hereby adopts the Staff's recommendation.

### WHEREFORE, it is

**ORDERED**, that TracFone is granted ETC designation for the limited purpose of providing Lifeline service.

ORDERED FURTHER, that the conditions imposed upon Alltel in Docket No. 10396 shall be imposed upon TracFone, to the extent those conditions apply to Lifeline service.

ORDERED FURTHER, that TracFone's ETC designation shall also be conditioned upon the satisfactory resolution of complaints filed with the Commission's Consumer Affairs Unit.

ORDERED FURTHER, that a motion for reconsideration, rehearing, oral argument, or any other motion shall not stay the effective date of this Order, unless otherwise ordered by the Commission.

ORDERED FURTHER, that jurisdiction over this matter is expressly retained for the purpose of entering such further Order(s) as this Commission may deem just and proper.

The above by action of the Commission in Administrative Session on the 6<sup>th</sup> day of May 2008.

Reece McAlister

**Executive Secretary** 

5-16-08

DATE

Chuck Eaton

Chairman

DATE

# Exhibit 5

### BEFORE THE FLORIDA PUBLIC SERVICE COMMISSION

In re: Application for designation as an eligible telecommunications carrier (ETC) by TracFone Wireless, Inc. for limited purpose of offering lifeline service to qualified households.

DOCKET NO. 070586-TP ORDER NO. PSC-08-0418-PAA-TP ISSUED: June 23, 2008

The following Commissioners participated in the disposition of this matter:

MATTHEW M. CARTER II, Chairman LISA POLAK EDGAR KATRINA J. McMURRIAN NANCY ARGENZIANO NATHAN A. SKOP

# NOTICE OF PROPOSED AGENCY ACTION ORDER GRANTING ELIGIBLE TELECOMMUNICATIONS STATUS

### BY THE COMMISSION:

NOTICE is hereby given by the Florida Public Service Commission that the action discussed herein is preliminary in nature and will become final unless a person whose interests are substantially affected files a petition for a formal proceeding, pursuant to Rule 25-22.029, Florida Administrative Code.

### I. <u>Case Background</u>

TracFone Wireless, Inc. (TracFone) has been seeking designation as an eligible telecommunications carrier (ETC) in order to provide Lifeline services to consumers beginning with its petition filed with the Federal Communications Commission (FCC) on June 8, 2004, seeking forbearance from the facilities-based requirements in Section 214(e)(1)(A), which requires that a carrier be at least, in part, facilities-based to be eligible for designation as an ETC. TracFone is a non-facilities-based commercial mobile radio service (CMRS) provider that offers prepaid wireless telecommunications service, by using a "virtual network" consisting of services obtained from several licensed wireless networks. Through the arrangements with the underlying carriers, TracFone is able to offer service wherever wireless service is available in Florida.

05383 JUN 23 8

The underlying carriers providing services to TracFone in Florida are Alltel, AT&T Mobility, T-Mobile, US Cellular, and Verizon Wireless.

The FCC granted TracFone forbearance from the facilities-based requirement in Order 05-165, issued September 8, 2005, in Docket 96-45 (Forbearance Order). In TracFone's petition for Forbearance, it stated it will meet all ETC obligations, except for the facilities-based requirements. The Forbearance Order noted that TracFone would be a "limited ETC" eligible only for Lifeline support and would be required to conform to all rules applicable to Lifeline. TracFone is not entitled to receive Universal Service Fund (USF) support for high-cost, schools and libraries, or rural health-care and will not be seeking reimbursement from USAC for Link-up or toll limitation service monies.

The Forbearance Order required that TracFone file a compliance plan with the FCC stating how it intended to implement the conditions imposed by the Forbearance Order. The compliance plan was to contain a plan outlining the measures it will take to implement the following: (a) providing Lifeline customers with 911 and enhanced 911 (E911) access regardless of activation status or availability of prepaid minutes; (b) providing Lifeline customers with 911 and E911 compliant handsets, and replacing non-compliant handsets at no additional charge; (c) complying with conditions (a) and (b) prior to providing Lifeline service; (d) obtaining certification from each Public Service Access Point (PSAP) where TracFone provides Lifeline service confirming that TracFone complies with condition (a); (e) requiring its customers to self-certify at time of service activation and then annually thereafter that they are the head of household and receive Lifeline-support service only from TracFone; and (f) establishing safeguards to prevent customers from receiving multiple TracFone Lifeline subsidies at the same address. The FCC required that TracFone provide the plan within 30 days of the order issuance. TracFone filed the compliance plan with the FCC on October 11, 2005.

In its 1997 Universal Service Order,<sup>2</sup> the FCC found it was appropriate to deny pure resellers designation as an ETC because pure resellers could receive double recovery of universal service support by purchasing wholesale services at a price that includes the universal service support received by the incumbent provider, and also receive reimbursement from the USF. However, TracFone, as a CMRS provider does not purchase Lifeline-supported services from ILEC providers. The resold services it purchases do not reflect a reduction in price due to Lifeline support. Allowing TracFone to receive Lifeline support from the Federal USF will not result in double recovery.

TracFone filed a petition with the FCC for designation as an ETC in Florida on July 21, 2004. TracFone also petitioned for ETC designation in several other states: New York, Virginia, Connecticut, Massachusetts, Alabama, North Carolina, Tennessee, Delaware, New Hampshire, Pennsylvania, and the District of Columbia, between July 2004 and December 2007.

On March 13, 2007, we addressed the issue of whether or not this Commission has jurisdiction to designate CMRS providers as ETCs. On April 3, 2007, we issued Order No. PSC-07-0288-PAA-TP, in Docket Nos. 060581-TP and 060582-TP, finding that with the enactment of Section 364.011, Florida Statutes, the Florida Legislature has granted this Commission limited authority over CMRS providers for those matters specifically authorized by federal law.

<sup>&</sup>lt;sup>2</sup> In the matter of Federal-State Joint Board on Universal Service, CC Docket No. 96-45, Order FCC 97-157, Released May 8, 1997.

Therefore, pursuant to §214(e)(2) of the Telecommunications Act of 1996, which authorizes states to designate ETC carriers, this Commission has jurisdiction over CMRS providers for the purpose of considering ETC petitions.

TracFone determined that this Commission would be an appropriate forum to petition for ETC designation in Florida. On September 6, 2007, TracFone filed an application with this Commission for designation as an ETC for the limited purpose of offering Lifeline service to qualified Florida consumers. TracFone is not seeking high-cost funds from the USF and is requesting designation strictly for the purpose of providing Lifeline in the State of Florida.

On April 1, 2008, TracFone filed an Ex Parte Presentation at the FCC, addressing the E911 funding requirements. TracFone stated it had become aware of the concern regarding E911 by some of the FCC Commissioners. Additional concerns were raised in comments regarding TracFone's ETC petition filed with the FCC for designation in Pennsylvania. TracFone is still actively working with Pennsylvania and other states to be sure it is compliant with all 911 requirements.

The FCC addressed TracFone's petition for ETC designation in several states on April 10, 2008. The FCC designated TracFone as an ETC in all states for which it had requested designation, except for Florida. The FCC recognized this Commission's authority by stating, "Due to the Florida Public Service Commission's assertion of jurisdiction over wireless ETC designations, we dismiss without prejudice TracFone's petition for designation as an eligible telecommunications carrier in Florida."

TracFone's FCC-approved compliance plan requires the following:

- O Certification from each PSAP where TracFone provides Lifeline service, confirming that TracFone provides its customers with access to basic and E911 service;
- O E911 compliant handsets must be provided to TracFone's new customers and TracFone must replace any non-compliant handsets for its existing customers at no charge;
- Self-certification of TracFone customers under penalty of perjury once service has been activated and also annual certification that the customer is the head of household and is only receiving a Lifeline discount from TracFone;
- O Tracking of Lifeline customer's primary residential address and certification that there is only one customer receiving Lifeline at each residential address; and
- O TracFone must deal directly with its customers to certify and verify Lifeline eligibility.

The FCC agreed that this Commission is the appropriate jurisdiction to grant ETC status to TracFone by stating in FCC Order 08-100, "Should the Florida Public Service Commission consider granting a petition by TracFone for designation as a limited ETC in Florida, we would encourage it to require TracFone to adhere to the compliance plan we approve herein."

TracFone received support for its ETC petition to the FCC from former Florida Governor Jeb Bush while he was still in office. On November 9, 2004, Governor Bush sent a letter to former FCC Chairman Powell, on behalf of the citizens for Florida and stated that he "strongly encourages the Commission [FCC] to grant TracFone's petitions at the earliest opportunity." Governor Bush went on to mention that TracFone could significantly increase the level of Florida consumers' participation in Lifeline and TracFone's Lifeline service would bring to Florida consumers the convenience, flexibility and security of wireless service. Governor Bush expressed that the benefit of having a wireless carrier designated as an ETC would only mean more choices for Florida consumers. Florida Senator Bill Nelson sent a letter dated October 24, 2007, to Chairman Martin of the FCC noting that TracFone's petitions were pending before the FCC for approximately three years without action, and requested that the FCC provide an update on the status of TracFone's petition for designation as an ETC.

TracFone demonstrated its ability to provide service when it was designated as an ETC to provide temporary Lifeline support after Hurricane Katrina. On October 14, 2005, the FCC released the Hurricane Katrina Order,<sup>3</sup> where the FCC made available \$211 million of targeted support from the Universal Service Fund (USF) for reconstruction and remediation relating to the restoration of telecommunications services in Alabama, Louisiana, and Mississippi.<sup>4</sup> On November 16, 2005, the FCC granted TracFone's petition for designation as a temporary ETC for the purpose of providing assistance to the victims of Hurricane Katrina. To ensure that it was indeed the victims of Hurricane Katrina that received the necessary assistance, any person approved for individual housing assistance by FEMA was provided with a handset that had 300 minutes of airtime, not to exceed an amount of \$130 per household,<sup>5</sup> from November 2005 to March 1, 2006. Within months, TracFone enrolled nearly 30,000 hurricane victims into the Lifeline program.<sup>6</sup> TracFone used marketing techniques similar to what it has proposed in Florida.

The Public Utility Research Center (PURC) issued a report on Lifeline April 4, 2008, regarding low-income households in Florida and their telecommunications preferences. PURC presented its report to this Commission at the May 20, 2008 Internal Affairs meeting. The report notes that Lifeline was established by the FCC due to the belief that low-income households find that landline local telephone service is essential for their social and economic livelihoods, and that a Lifeline discount was necessary to make the service more affordable. In 2005, about 90 percent of low-income households in Florida subscribed to a landline telephone service, while only 13 percent of the households eligible for the Lifeline discount were using the discount. Further, approximately half of the low-income households were purchasing cellular telephone service.

<sup>&</sup>lt;sup>3</sup> Federal-State Board on Universal Service, CC Docket No. 96-45, Order FCC 05-178.

<sup>&</sup>lt;sup>4</sup> FCC Order No. 05-178, CC Docket No. 96-45, CC Docket No. 02-6, WC Docket No. 02-60, WC Docket No. 03-

<sup>&</sup>lt;sup>5</sup> FCC Order No. 05-178, CC Docket No. 96-45, CC Docket No. 02-6, WC Docket No. 02-60, WC Docket No. 03-109 pp. 6-7

<sup>&</sup>lt;sup>6</sup> TracFone Application for designation as an ETC p. 13

The PURC report contains information obtained during surveys of low-income households and consumers using the following: 1) a survey of customers via landline telephone 2) a survey of customers via cellular telephone, and 3) an intercept survey, (i.e., an in-person interview) of individuals leaving two different DCF locations. In comparing the results from the three types of surveys, PURC found that cellular phones are becoming more popular and essential in low-income households. The report states that penetration of prepaid cellular phones has about doubled for low-income households in the past three years and that preference may suggest that Lifeline discounts might be beneficial to low-income households if applied to prepaid cellular phones. PURC noted that the primary motivation for using prepaid cellular, was the ability to control phone costs. It was found that lower-income households change residences more frequently than higher-income households, and that a cellular phone might be more suitable for many low-income households.

On May 1, 2008, the FCC issued Order 08-122, addressing the cap on high-cost universal service funds. In that order, the FCC stated "there are advantages to obtaining and maintaining an ETC designation regardless of whether a competitive ETC receives high-cost support." The order also mentions TracFone's forbearance from Section 214(e)(1) of the Act so that it could seek designation as an ETC eligible only to receive universal service Lifeline support and that TracFone took this step because "offering prepaid plans which make wireless service available to low-income users...has been a critical component of TracFone's business strategy since the company's inception." In addition to TracFone, other wireless carrier's may implement a similar business strategy and by offering Lifeline and Link-Up services, a competitive ETC may attract new subscribers that may not otherwise have taken telephone service.

Later in the order, the FCC states, "In April 2007, the Florida Public Service Commission found that, due to a change in Florida state law, it "now ha[s] jurisdiction to consider CMRS applications for ETC designation." The Georgia Public Service Commission found in October 2007, that it has the authority to designate wireless carriers as ETCs. Further, the U.S. Virgin Islands in February 2008, granted its Public Services Commission the authority to grant requests for ETC designation by wireless carriers. In light of these developments, and because §214(e)(2) of the Act gives state commissions the primary responsibility for performing ETC designations, we dismiss without prejudice the petitions filed by SouthernLINC seeking designation as an ETC in Florida and Georgia and the petition filed by Choice seeking designation as an ETC in the U.S. Virgin Islands (the Dismissed Petitions). SouthernLINC may re-file its petitions with the Florida Public Service Commission and the Georgia Public Service Commission, respectively, and Choice may re-file its petition with the U.S. Virgin Islands Public Services Commission.

The Center for Disease Control issued results of a survey taken July-December of 2007, by the National Health Interview Survey (NHIS). This survey showed that nearly one out of every six households (15.8%) did not have a landline telephone, but did have at least one wireless telephone. The survey also found that low-income people are likelier than the more affluent to have only cell phones.

We have jurisdiction pursuant to §214(e)(2) of the Telecommunications Act of 1996, Sections 364.10(2) and 364.11, Florida Statutes, to address a petition by a CMRS provider seeking designation as an ETC.

### II. Analysis

Under FCC rules, the state commissions have the primary responsibility to designate providers as ETCs. Designation as an ETC is required in order for a provider to be eligible to receive monies from the federal Universal Service Fund (USF). Section 254(e) of the Act provides that "only an eligible telecommunications carrier designated under Section 214(e) shall be eligible to receive specific federal universal service support." According to Section 214(e)(1), a common carrier designated as an ETC must offer and advertise the services supported by the federal Universal Service mechanisms throughout a designated service area.

### **ETC Certification Requirements**

The Code of Federal Regulations addresses a state commission's responsibilities related to an ETC designation:<sup>9</sup>

Upon request and consistent with the public interest, convenience, and necessity, the state commission may, in the case of an area served by a rural telephone company, and shall, in the case of all other areas, designate more than one common carrier as an eligible telecommunications carrier for a service area designated by the state commission, so long as each additional requesting carrier meets the requirements of paragraph (d) of this section. Before designating an additional eligible telecommunications carrier for an area served by a rural telephone company, the state commission shall find that the designation is in the public interest.

To qualify as an ETC, a carrier must provide nine services identified in 47 CFR 54.101. The services are:

(1) Voice grade access to the public switched network "Voice grade access" is defined as a functionality that enables a user of telecommunications services to transmit voice communications, including signaling the network that the caller wishes to place a call, and to receive voice communications, including receiving a signal indicating there is an incoming call. For the purposes of this part, bandwidth for voice grade access should be, at a minimum, 300 to 3,000 Hertz — TracFone states that it complies with this requirement by enabling customers to transmit voice communications, including signaling to the network that a caller wishes to place a call, and enabling customers to receive voice communications, including receiving a signal indicating there is an incoming call;

<sup>&</sup>lt;sup>7</sup> 47 U.S.C. § 214(e)(2), 47 C.F.R. § 54.201(b).

<sup>&</sup>lt;sup>8</sup> 47 U.S.C. § 254(e)(2). <sup>9</sup> 47 C.F.R. § 54.201(c)

- Local Usage "Local usage" means an amount of minutes of use of exchange service, prescribed by the Commission, provided free of charge to end users Customers can send and receive local calls wherever TracFone provides service. TracFone includes local usage in all of its calling plans, including those that will be available for Lifeline discounts. While the FCC has not mandated minimum local usage requirements, TracFone states it will comply with any applicable requirements that may be established;
- (3) <u>Dual tone multi-frequency signaling or its functional equivalent</u> "Dual tone multi-Frequency" (DTMF) is a method of signaling that facilitates the transportation of signaling through the network, shortening call set-up time – All handsets provided by TracFone are DTMF-capable;
- (4) Single-party service or its functional equivalent "Single-party service" is telecommunications service that permits users to have exclusive use of a wireline subscriber loop or access line for each call placed, or, in the case of wireless telecommunications carriers, which use spectrum shared among users to provide service, a dedicated message path for the length of a user's particular transmission TracFone provides customers with single-party access for the duration of every call, and it does not provide "multi-party" or "party-line" services;
- Access to emergency services "Access to emergency services" includes access to (5) services, such as 911 and enhanced 911, provided by local governments or other public safety organizations. 911 is defined as a service that permits a telecommunications user, by dialing the three-digit code "911," to call emergency services through a Public Service Access Point (PSAP) operated y the local government. "Enhanced 911" is defined as 911 service that includes the ability to provide automatic numbering information (ANI), which enables the PSAP to call back if the call is disconnected, and automatic location information (ALI), which permits emergency service providers to identify the geographic location of the calling party. "Access to emergency services" includes access to 911 and enhanced 911 services to the extent the local government in an eligible carrier's service area has implemented 911 or enhanced 911 systems - TracFone provides access to the 911 system for its customers through its underlying carriers. TracFone has implemented and will continue to implement E911 services, consistent with the rules and orders when services are made available by the carriers from whom TracFone purchases service 10:
- (6) Access to operator services "Access to operator services" is defined as access to any automatic or live assistance to a consumer to arrange for billing or completion, or both, of a telephone call TracFone customers have access to operator services;
- (7) Access to interexchange service "Access to interexchange service" is defined as the use of the loop, as well as that portion of the switch that is paid for by the end user, or the functional equivalent of these network elements in the case of a wireless carrier,

<sup>&</sup>lt;sup>10</sup> TracFone's designation as an ETC in Florida to provide Lifeline service should be conditional on TracFone's ability to certify with each PSAP in Florida.

necessary to access an interexchange carrier's network — TracFone customers are able to complete toll calls and are not charged separately for interexchange calls. Long distance calling is included in TracFone's service, with no additional charge to the customer;

- (8) Access to directory assistance "Access to directory assistance" is defined as access to a service that includes, but is not limited to, making available to customers, upon request, information contained in directory listings TracFone customers have access to directory assistance provided through any of the vendors being used by TracFone; and
- (9) Toll limitation for qualifying low-income consumers Toll limitation or blocking restricts all direct dial toll access There will be no toll limitation because TracFone is a prepaid service, so there will be no disconnect for non-payment.

### Additional ETC Certification Requirements

In addition to requiring the above services, the FCC, on March 17, 2005, issued a Report and Order that established additional criteria that all ETC applicants must satisfy in order to be granted ETC status by the FCC. In this Order, the FCC determined that an ETC applicant must also demonstrate:

- 1) a commitment and ability to provide the supported services throughout the designated area;<sup>11</sup>
- 2) the ability to remain functional in emergency situations;<sup>12</sup>

3) ability to satisfy consumer protection and service quality standards;

4) provision of local usage comparable to that offered by the incumbent LEC;13 and

5) an acknowledgement that the applicant may be required by the FCC to provide equal access if all other ETCs in the designated service area relinquish their designations pursuant to Section 214(e)(4) of the Act. 14

The FCC encouraged states to also adopt these criteria, and we have done so in Docket No. 010977-TL, by Order No. PSC-05-0824-TL, issued August 15, 2005.

We have reviewed TracFone's petition for designation as an ETC in Florida, as well as additional documents filed with this Commission and with the FCC. We have verified that TracFone has complied with the above requirements to be eligible as an ETC in Florida and TracFone has demonstrated its ability to provide the nine services identified in 47 CFR 54.101.

TracFone has provided a plan to advertise the services supported by the Federal Universal Service mechanisms throughout the area where designated, as required in Section 214(e)(1), which requires ETCs to offer and advertise. TracFone provided an initial plan outlining their combined Mass and Grass roots media advertising. TracFone will use retail

<sup>11</sup> TracFone ETC Application pp. 21-22

<sup>&</sup>lt;sup>12</sup> TracFone responses to Staff's 2<sup>nd</sup> data request, p. 13

<sup>&</sup>lt;sup>13</sup> TracFone ETC Application p. 8 and Responses to Staff's 1<sup>st</sup> data request, pp. 8-9

<sup>14</sup> TracFone ETC Application pp. 16-17

outlets and other methods for Lifeline advertising and for customers to purchase its prepaid cards. As a safeguard to prevent more than one Lifeline-supported service per household, customers will not be able to receive Lifeline certification through a retail provider. Customers will have to contact TracFone directly to self-certify for Lifeline. Customers must self-certify, under penalty of perjury, that they qualify for Lifeline service either by being a participant of one of Florida's eligible programs such as Medicaid or Food Stamps. Customers may also be eligible for a Lifeline discount because they are within the relevant threshold of income level. TracFone has already advertised its Lifeline program when it was previously designated temporary ETC status after Hurricane Katrina.

TracFone has over nine million customers nationwide and is the leading provider of prepaid wireless service in the United States. TracFone is priced the same in all of its service locations. TracFone has been providing CMRS to the State of Florida for over ten years. TracFone's Lifeline offerings will differ from other landline Lifeline offerings in more than one way as described below.

TracFone offers customers the convenience of a wireless mobile phone, and can offer limited quantities of usage at no cost to qualifying consumers. This offers Florida consumers a pay-as-you-go plan with no credit checks, term contracts, or volume commitments. Consumers can purchase just what they deem necessary for their personal use for a reasonable price. Most Lifeline offerings provide discounts below the standard rates and participating customers pay the difference in the standard rate and the discounted rate. TracFone will credit each qualified Lifeline participant with a quantity of airtime at the beginning of each month automatically. If the customer uses all of the free Lifeline airtime, the account will remain active and an opportunity provided to purchase additional airtime. The customer can also choose to wait until the next month when free airtime is again provided. Customers will always be able to contact 911 from their wireless handset, regardless of whether they have depleted their free Lifetime minutes or additional airtime.

TracFone offers prepaid cards to its customers with different time amounts and Lifeline customers are able to purchase whichever card they choose. The lowest priced prepaid card is currently \$18.99 for 70 minutes, and those 70 minutes are available for 60 days. Customers who are not on the Lifeline program must purchase additional minutes after they have utilized all minutes available, and/or purchase another card before the 60 day time-frame has expired. However, Lifeline customers will be automatically credited with airtime each month with no expiration period.

The TracFone plan includes long-distance calling to more than 60 countries at no additional charge. There are no toll charges on TracFone's plan. The "Pay-As-You-Go" wireless plan will provide qualifying Lifeline customers with access to the network for one year. Each Lifeline customer will receive 68 minutes of free airtime each month. TracFone's original petition stated that customers would receive 50 minutes of free airtime each month, consistent with the federally subsidized discount of \$10.00 per month, per customer. However, due to the requirements in Florida that ETCs provide an additional \$3.50 discount, TracFone made the necessary adjustments and came to the 68 minutes free per month, per Lifeline customer. Based on a rate of \$0.20 per minute, \$10.00 would provide 50 minutes of service for the customer. The

additional \$3.50, calculates approximately an additional 18 minutes, totaling 68 free minutes a month. The cost to the consumer for these 68 minutes would be completely subsidized by the Lifeline support from the USF and TracFone's contribution of \$3.50 a month.

In an effort to make the prepaid cards more affordable for Lifeline customers, TracFone will begin offering \$2.00, \$5.00 and \$10.00 cards that are strictly for use by those customers that are certified as Lifeline customers. There will be no expiration on these prepaid cards and customers will receive a \$0.20 a minute rate. The \$2.00, \$5.00 and \$10.00 cards will not be available in all locations where TracFone service is sold, only certain locations in Florida, such as Dollar General, Family Dollar, Walgreens, CVS and Publix. TracFone believes that pharmacies and grocery stores are primary locations for sales of low volume cards. Lifeline customers will be notified of the locations where they can purchase the cards in "welcome packages" that will be sent to newly-enrolled Lifeline customers by TracFone. The locations will also be listed on the TracFone website (www.TracFone.com) with geographic listings as well. The \$2.00, \$5.00 and \$10.00 cards, will be clearly marked strictly for use by customers receiving Lifeline. These cards will have no expiration date and will carry over to the next month if not utilized, like any unused Lifeline airtime.

For the first year a customer is certified as a Lifeline customer with TracFone, they will be eligible to receive one free handset, either refurbished or new, based on availability. TracFone handsets may have such features as caller ID, voicemail and call forwarding, depending on the handset model. Refurbished handsets will be given out first, however if there are no refurbished handsets available at the time a customer becomes eligible, TracFone will provide a new handset at no charge to the consumer. In accordance with the FCC compliance plan, TracFone handsets will be E911 compliant, and if a former customer becomes eligible for Lifeline and has a handset that is not E911 compliant, TracFone will replace that handset at no additional charge to the customer.

Once a customer has received its handset, the customer will receive 68 minutes of free airtime each month. It will be the responsibility of the customer to understand how TracFone works and that they need to have their handset on and charged on the first day of every month to receive those minutes to their phone. Once a customer has exceeded the first free 68 minutes, that handset will still have all 911 and E911 capabilities for the remainder of the month, but the customer also has the option to purchase additional minutes. For customers who do not use all 68 free minutes, or additional minutes they may have purchased, those minutes will carry-over to the next month, and that customer will still receive an additional 68 free minutes at the beginning of the next month. If for some reason the customer does not have their handset charged and ready on that day, when they do turn on their phone, the minutes will be credited.

To comply with the requirement of Transitional Lifeline<sup>15</sup>, TracFone will offer customers who are no longer eligible for Lifeline, a 30 percent discount on any prepaid card for a 12-month period following ineligibility. As an example, if a Transitional Lifeline customer purchases a TracFone prepaid card containing 100 minutes, they will be credited 143 minutes when the card is activated (100 minutes divided by .7). Customers will also be able to purchase the \$2.00, \$5.00, and \$10.00 prepaid cards for an additional year. There will be no expiration date on this airtime, however once the customer reaches the end of the Transitional Lifeline 12-month timeframe and has utilized all airtime, they will have to purchase additional prepaid cards, just as other customers who are not on the Lifeline program.

TracFone will be working directly with the Florida Department of Children and Families (DCF) and this Commission to provide for automatic enrollment. TracFone has specially trained Lifeline staff available that are Spanish-speaking to better assist customers. The TracFone customer can get certified for Lifeline through DCF, this Commission, or by contacting TracFone directly. TracFone will have a location on its website where customers can learn more about Lifeline and receive the information necessary to certify through the website as well.

### III. Decision

TracFone states it is able to provide all services and functionalities supported by the universal service program, detailed in C.F.R. Section 54.101(a). TracFone understands all ETC requirements of the FCC and this Commission and has agreed to abide by all Florida Statutes and Rules. TracFone also understands that this Commission has the authority to both grant and revoke ETC designation if TracFone is non-compliant.

TracFone's Lifeline Offering Provides:

- 1) A free E911 handset to Lifeline eligible consumers.
- 2) 68 free minutes of airtime per month.
- 3) \$2.00, \$5.00, and \$10.00 prepaid cards to Lifeline customers with airtime which rolls-over month-to-month.
- 4) Once Lifeline customers are determined to be ineligible, they are provided a 30% discount by receiving additional minutes on any TracFone prepaid card for a period of 12 months, during the Transitional Lifeline period.

<sup>15</sup> Transitional Lifeline requires that each local exchange telecommunications company shall offer discounted residential basic local telecommunications service at 70 percent of the residential local telecommunications service rate for any Lifeline subscriber who no longer qualifies for Lifeline. A Lifeline subscriber who requests such service shall receive the discounted price for a period of one year after the date the subscriber ceases to be qualified for Lifeline. In no event, shall this preclude the offering of any other discounted services which comply with Sections 364.08, 364.09, and 364.10 Florida Statutes, per 364.105 Florida Statutes.

Therefore, we hereby grant TracFone limited ETC status in Florida to provide Lifeline services only. Tracfone's ETC designation shall be contingent on TracFone providing the following:

- Certification from every PSAP in Florida, confirming that TracFone provides its customers with access to basic and E911 service;
- o E911 compliant handsets should be provided to TracFone's new customers and TracFone should replace any non-compliant handsets for its existing customers at no charge;
- Self-certification of TracFone customers under penalty of perjury once service has been activated and also annual certification that the customer is the head of household and is only receiving Lifeline discounts from TracFone;
- O Tracking of Lifeline customer's primary residential address and certification that there is only one customer receiving Lifeline at each residential address; and

TracFone should deal directly with its customers who do not utilize the Lifeline Automatic Enrollment function, to certify and verify Lifeline eligibility.

Based on the foregoing, it is

ORDERED by the Florida Public Service Commission that TracFone Wireless, Inc.'s Application for Eligible Telecommunications Status is hereby granted as set forth in the body of this Order. It is further

ORDERED that the provisions of this Order, issued as proposed agency action, shall become final and effective upon the issuance of a Consummating Order unless an appropriate petition, in the form provided by Rule 28-106.201, Florida Administrative Code, is received by the Commission Clerk, 2540 Shumard Oak Boulevard, Tallahassee, Florida 32399-0850, by the close of business on the date set forth in the "Notice of Further Proceedings" attached hereto. It is further

ORDERED that in the event this Order becomes final, this docket shall be closed.

By ORDER of the Florida Public Service Commission this 23rd day of June, 2008.

ANN COLE

Commission Clerk

(SEAL)

AJT

### NOTICE OF FURTHER PROCEEDINGS OR JUDICIAL REVIEW

The Florida Public Service Commission is required by Section 120.569(1), Florida Statutes, to notify parties of any administrative hearing or judicial review of Commission orders that is available under Sections 120.57 or 120.68, Florida Statutes, as well as the procedures and time limits that apply. This notice should not be construed to mean all requests for an administrative hearing or judicial review will be granted or result in the relief sought.

As identified in the body of this order, our action is preliminary in nature. Any person whose substantial interests are affected by the action proposed by this order may file a petition for a formal proceeding, in the form provided by Rule 28-106.201, Florida Administrative Code. This petition must be received by the Office of Commission Clerk, at 2540 Shumard Oak Boulevard, Tallahassee, Florida 32399-0850, by the close of business on July 14, 2008. If such a petition is filed, mediation may be available on a case-by-case basis. If mediation is conducted, it does not affect a substantially interested person's right to a hearing. In the absence of such a petition, this order shall become effective and final upon the issuance of a Consummating Order.

Any objection or protest filed in this docket before the issuance date of this order is considered abandoned unless it satisfies the foregoing conditions and is renewed within the specified protest period.

Any party adversely affected by the Commission's final action in this matter may request: (1) reconsideration of the decision by filing a motion for reconsideration with the Office of Commission Clerk, within fifteen (15) days of the issuance of this order in the form prescribed by Rule 25-22.060, Florida Administrative Code; or (2) judicial review by the Florida Supreme Court in the case of an electric, gas or telephone utility or the First District Court of Appeal in the case of a water or wastewater utility by filing a notice of appeal with the Office of Commission Clerk and filing a copy of the notice of appeal and the filing fee with the appropriate court. This filing must be completed within thirty (30) days after the issuance of this order, pursuant to Rule 9.110, Florida Rules of Appellate Procedure. The notice of appeal must be in the form specified in Rule 9.900(a), Florida Rules of Appellate Procedure.

# Exhibit 6

### STATE OF MICHIGAN

### BEFORE THE MICHIGAN PUBLIC SERVICE COMMISSION

Case No. U-15625

In the matter of the application of

TRACFONE WIRELESS, INC., for

designation as an eligible telecommunications
carrier pursuant to Section 214(e) of the

Telecommunications Act of 1996.

At the October 21, 2008 meeting of the Michigan Public Service Commission in Lansing, Michigan.

PRESENT: Hon. Orjiakor N. Isiogu, Chairman Hon. Monica Martinez, Commissioner Hon. Steven A. Transeth, Commissioner

ORDER

On July 17, 2008, TracFone Wireless, Inc. (TracFone) filed an application under Section 214(e)(2) of the federal Telecommunications Act of 1996 (FTA), 47 USC § 214(e)(2), for designation as an eligible telecommunications carrier (ETC) for purposes of universal service fund (USF) support. On August 6, 2008, TracFone filed an erratum to the application.

TracFone requests that the Commission enter an order immediately designating it as an ETC solely for the purposes of providing Lifeline and Link Up service statewide to qualifying Michigan citizens. TracFone asserts that the Commission may act on its application without the necessity of a public hearing.

TracFone has operated as a non-facilities-based commercial mobile radio service (CMRS) provider furnishing prepaid wireless telecommunications services for the past ten years in

Michigan. Section 214(e)(1)(A) of the FTA provides that an ETC must offer services "either using its own facilities or a combination of its own facilities and resale of another carrier's services." 47 C.F.R. §54.201(i) prohibits state commissions from designating as an ETC a telecommunications carrier that offers services exclusively through the resale of another carrier's services.

In 2004, TracFone filed a petition with the Federal Communications Commission (FCC) requesting forbearance with respect to both the facilities-based service requirement and the prohibition against state commissions designating 100% resellers as ETCs. The FCC granted TracFone's petition for forbearance on September 8, 2005. The FCC also granted TracFone's petition requesting ETC designation in several states for Lifeline purposes on April 11, 2008.

In exchange for forbearance from the facilities-based requirement, the FCC required TracFone to: (a) provide its Lifeline customers with 911 and enhanced 911 access regardless of activation status and availability of prepaid minutes; (b) provide its Lifeline customers with E911-compliant handsets and replacement, at no additional charge to the customer, of non-compliant handsets of existing customers who obtain Lifeline-supported service; (c) comply with conditions (a) and (b) as of the date it provides Lifeline service; (d) obtain a certification from each Public Safety

Answering Point (PSAP) where TracFone provides Lifeline service confirming that TracFone complies with condition (a); (e) require its customers to self-certify at the time of service activation and annually thereafter that they are the head of household and receive Lifeline-supported service only from TracFone; and (f) establish safeguards to prevent its customers from

<sup>&</sup>lt;sup>1</sup>CC Docket No. 96-45, FCC 05-165 (rel'd September 8, 2005).

<sup>&</sup>lt;sup>2</sup>See, CC Docket No. 96-45, FCC 08-100 (rel'd April 11, 2008), granting TracFone's ETC petitions for Lifeline purposes for Alabama, Connecticut, Delaware, District of Columbia, Massachusetts, New Hampshire, New York, North Carolina, Pennsylvania, Tennessee and Virginia. TracFone has also been designated an ETC for Lifeline purposes in Florida and Georgia.

receiving multiple Lifeline subsidies at the same address. In accordance with the FCC's forbearance order, TracFone filed a compliance plan, stating that TracFone itself will process all applications for Lifeline.

The Commission has historically participated in determining whether to grant ETC status to a petitioning carrier<sup>3</sup> and, in doing so, the Commission has applied the FCC's standards and requirements. The Commission will again follow that precedent in this order, mirroring the above FCC requirements.

TracFone requests that the Commission enter an order immediately designating it as a limited ETC for Lifeline/Link Up purposes only, in the rural and non-rural telephone company wire centers identified in the exhibit filed by TracFone on September 29, 2008.

After reviewing TracFone's application, the Commission finds that it should be conditionally granted because the Commission is persuaded that ETC designation for TracFone promotes the availability of universal service and is in the public interest. Thus, the application filed by TracFone for ETC designation for purposes of receiving Low Income USF support for Lifeline/Link Up service is conditionally granted, with the understanding that the following conditions shall be met prior to TracFone's requesting USF support for Lifeline and Link Up reimbursement:

- E911 compliant handsets shall be provided to TracFone's new customers and TracFone shall replace any non-compliant handsets for its existing customers at no charge;
- TracFone shall submit certification from each 911 County Coordinator in Michigan<sup>4</sup> where TracFone provides Lifeline service confirming that TracFone provides its customers with access to basic and E911 services;

<sup>&</sup>lt;sup>3</sup>See, 47 USC 214(e)(2).

<sup>&</sup>lt;sup>4</sup>A list of Michigan 911 County Coordinators can be viewed at: http://www.michigan.gov/documents/msp/List of CountyCoordinators 175553 7.xls

- TracFone shall submit self-certifications from TracFone's Lifeline/Link Up
  customers, under penalty of perjury, once service has been activated, with annual
  certification that the customer is the head of household and is only receiving
  Lifeline discounts from TracFone;
- TracFone shall provide tracking of Lifeline customers' primary residential address and certification that there is only one customer receiving Lifeline at each residential address;
- TracFone shall notify the Commission of any future changes to its rates, terms and conditions regarding its Lifeline/Link Up offerings.

By June 1, 2009, TracFone will comply with enhanced service requirements, as required by the FCC's Report and Order 05-46, CC Docket 96-45, and the Commission's October 18, 2005 order in Case No. U-14530.

Moreover, the Commission concludes, as it did in its November 20, 2001 order in Case No. U-13145, that it need not solicit comment on the application, which would only further delay action on the application.

THEREFORE, IT IS ORDERED that the application filed by TracFone Wireless, Inc., for designation as an eligible telecommunications carrier for purposes of Lifeline universal service fund support is granted upon the satisfaction of the above conditions.

The Commission reserves jurisdiction and may issue further orders as necessary.

Any party desiring to appeal this order must do so by the filing of a claim of appeal in the Michigan Court of Appeals within 30 days of the issuance of this order, under MCL 484.2203(12).

MICHIGAN PUBLIC SERVICE COMMISSION

	MICHORICI ODDIC BERTIES COMMISSION
	Orjiakor N. Isiogu, Chairman
	Monica Martinez, Commissioner
	Steven A. Transeth, Commissioner
By its action of October 21, 2008.	
Mary Jo Kunkle, Executive Secretary	

# Exhibit 7

### **Privacy Policy**

Please read the TRACFONE Privacy Policy.

TRACFONE Wireless has instituted a comprehensive set of privacy policies and procedures to ensure that its Web site visitors' privacy is never compromised. The purpose of this privacy notice is to inform our Web site visitors of the type of information that TRACFONE, or a credit card processing partner acting on its behalf, collects from the Web site, how the information is gathered, how it is utilized, how long it is retained and how visitors can restrict its use or disclosure. The primary focus of TRACFONE's privacy policy is to ensure that all Web site visitors' customer identification, which we term "customer identifiable information," is kept private at all times. As the term suggests, "customer identifiable information" is information which can be associated with a specific individual or entity, including, for example, a customer's name, address, or telephone number, e-mail address and information about online activities that are directly linked to them. The collection of customer identifiable information is a critical element in the day-to-day operation of the Web site to allow TRACFONE to maintain the highest level of customer service for all Web site visitors. It is a common practice and often a necessity for companies, governments, or other organizations to collect customer identifiable information in order to conduct business and offer services.

TRACFONE always strives to safeguard the customer identifiable information obtained from its Web site users and visitors (collectively, "customers") from any unauthorized intrusions.

TRACFONE may contact people on the home phone number they enter on our website, input into our automated phone system or give to an agent in case of technical difficulties, promotions and/or reminders.

TRACFONE will not sell, trade, or disclose to third parties any customer identifiable information derived from the registration for, or use of, a TRACFONE product or service -- including customer names and addresses -- without the consent of the customer. TRACFONE will, however, disclose customer identifiable information as required by subpoena, search warrant, or other legal process or in the event that such customer is engaging in unlawful use of our Web site.

When TRACFONE uses third parties to perform services on its behalf, TRACFONE will request that such third parties protect your customer identifiable information consistently with this privacy policy. However, we cannot ensure that all of your customer identifiable information will never be disclosed, as regulatory and/or other requirements may make disclosure necessary.

### Collection and Use:

In some instances. TRACFONE may collect information that is not "customer identifiable information." Some examples of this type of information include the type of Internet browser you are using, the type of operating system you have configured on your computer, and the domain name of the Web site and/or Internet Service Provider from which you are linked to our Web site. TRACFONE primarily uses this information for market research and optimizing its systems in order to deliver the best customer experience possible.

TRACFONE may collect and use customer identifiable information for various purposes, including but not limited to, billing purposes, to provide or change service, to anticipate and resolve problems with your service, or to inform you of products and services that better meet your needs. This means that TRACFONE may use your customer identifiable information, in conjunction with information available from other sources, to market new services that may be of interest to you, but TRACFONE will not disclose your customer identifiable information to third parties who want to market products to you.

TRACFONE will only send our customers e-mail regarding promotional offers or other news if a customer specifically grants us permission. A customer has the right to choose not to receive TRACFONE e-mail direct marketing communications by simply notifying us of their preference. This process is commonly termed opting-out or unsubscribing. At any time, a customer can unsubscribe from our e-mail list by clicking on the unsubscribe link found at the bottom of every message or promotion delivered electronically to our customers. Upon such choice, TRACFONE (a) will not contact that customer directly with TRACFONE promotional messages, and (b) will not use customer identifiable information obtained from that customer's registration to contact that customer with TRACFONE product or service messages. A customer may also choose not to receive such messages by notifying TRACFONE via fax or mail. Security:

TRACFONE has gone to great lengths to implement technology and security features to safeguard the privacy of your customer identifiable information from unauthorized access or improper use, and TRACFONE, based on its judgment, will continue to enhance its security procedures as new technology becomes readily available. However, since there is no such thing as "perfect Internet security", TRACFONE cannot provide any guarantees of 100% security compliance. E-mail Contents:

TRACFONE will not read or disclose to third parties private e-mail communications that are transmitted using TRACFONE services except as required to operate the service or as otherwise authorized by law. Improper Conduct:

TRACFONE may also use customer identifiable information to investigate and help prevent potentially unlawful activity or activity that threatens the network or otherwise violates the customer agreement for that service.

Account Information:

TRACFONE honors requests from customers for account information and will correct any such information, which may be inaccurate. Customers may contact TRACFONE to verify that appropriate corrections have been made.

Cookies

When you visit our Web site, we may store information on your computer that allows us to identify you immediately. This process is often referred to as "cookie" technology. More specifically, a cookie is a commonly used Internet standard which stores, in a very small text file on the customer's hard disk, information specific to the customer. Our Web site makes limited use of cookies in an effort to improve our level of service to our Web site visitors. Cookies cannot be accessed by any other Web site other than the Web site issuing the cookie. The private features of our Web site are only accessible when cookies are enabled in the customer's browser. If a customer does not wish to utilize cookies, this feature may be disabled within the customer's Web browser. However, by disabling cookies, a customer will not have access to private areas of our Web site through that browser.

### Other Web sites

Since TRACFONE's Web site contains links to other Web sites, we are not responsible for the content or privacy practices employed by these other Web sites. It is possible that on some occasions, these third party Web sites may in fact collect personal information from our customers. We recommend that you examine the privacy policies of such third party Web sites prior to submitting any personal information, as they may differ from ours.

In some instances, our Web site content is also featured on other Web sites with differing or non-existent privacy policies. These Web sites may collect personal information from their customers that may or may not be used in conjunction with our Web site information. Prior to supplying any personal information to any third party company linking to our Web site, please read and understand their privacy policy.

### Advertisements

Advertisements may appear on pages throughout our Web site. Some advertisements may request information directly from our customers or take our customers to Web sites that may request personal information. TRACFONE has no control over its advertisers' privacy policies, so please examine the privacy policy of any company advertising on our Web site prior to submitting any personal information.

### Third Party Advertising Companies

We may use third-party advertising companies to serve ads on our behalf. These companies mayemploy cookies and action tags (also known as single pixel gifs or web beacons) to measure advertising effectiveness. Any information that these third parties collect via cookies and action tags is completely anonymous. If you would like more information about this practice and your choices, click here. You may also visit the Advertising.com Privacy Policy, click here. Surveys

Occasionally, we may conduct surveys on our Web site. Surveys are conducted at random and are completely voluntary to our Web site visitors. The survey may require a customer to provide customer identifiable information in exchange for the information or services provided by the survey. We may use this information in an aggregate manner to better tailor the type of services, information, and advertising that are provided on our Web site.

Policy Changes

TRACFONE reserves the right to change its privacy policy by publishing new terms on its Web site at any time and your access and useof the TRACFONE Web site thereafter constitutes youracknowledgment and acceptance of such amended policy. This privacy policy does not create any legal right for you or any third parties.

Children

TRACFONE Web sites are not structured to attract children under the age of 13. TRACFONE believes there is no information on its Web site, which is inappropriate or objectionable for viewing by children.

TRACFONE does not knowingly, directly or passively, collect information from children under the age of 13. If we create offers and products that make it appropriate to collect information from children under the age of 13, we will notify you of the change in this Policy. We also will ask a parent to confirm his/her consent in advance of any collection, use or disclosure of that information. We do not collect any information that is not submitted to us. We only use personally identifiable information so that we may better understand our users' needs and send information to users regarding new services or offerings, including but not limited to any sweepstakes or other offering. We do not sell any personally identifiable information or disclose any personally identifiable information to third parties.

Ordering online products and services from TRACFONE is limited to adults (ages 18+). However you should be aware that wireless devices and services purchased for family use may be used by minors without the knowledge of TRACFONE. If that happens, any information collected from the usage will appear to be the personal information of the actual adult subscriber and treated as such under this Policy.

### Questions?

Please direct any questions or comments regarding our privacy policy to information@TRACFONE.com.

# Exhibit 8

## TRACFONE WIRELESS, INC. PROPOSED ADVERTISING COPY

Did you know that TracFone Wireless, Inc. is offering wireless service in your area?

Now, customers who are enrolled in certain low-income assistance programs can receive a free cell phone and a specified number of minutes of use each month for free. TracFone's wireless service is single party, voice grade telephone service, including touch-tone<sup>TM</sup> and access to: 1) local and long distance, 2) operator services, 3) directory assistance, and 4) E911 emergency service, where available, for free.

For more information on these services and benefits, contact your TracFone Wireless, Inc. representative at 1-800-867-7183.



# Heel a little hely somethes.

Presenting Lifelink Wireless, a government-backed program that provides a free cell phone, free monthly airtime, and free 9-1-1 access for income-eligible customers.

If you receive government assistance, you are likely eligible for LifeLink Wireless. The free phone and airtime provided by LifeLink Wireless are valued at over \$200/year. If you need more minutes, you can buy and add LifeLink Wireless. Airtime Cards from a retailer near you. Get the help you need to make ends meet, stay safe, and keep connected!

% CSIU

You may contact your local Public Service Commission for further details, questions or comments at 1-800-XXX-XXXX,

1-800-977-3768

LifeLinkWireless.com

# 

सिन-धार्मात्र धार्मात्रम् One will thuy airtime fulfined. 7799 BBI

You may contact your local Public Service Commission for further details, questions or comments at 1-800-XXX-XXXX

1-800-977-3768

LifeLinkWireless.com

"LifeLink Wireless Radio 1" TracFone Lifeline Services English-language Radio/0:60 6/19/08

# interlex

### <u>FX</u>

Subtle but brooding, tense music.

### <u>AUDIO</u>

Commentator VO:

We all need a little help sometimes.

Mom (worried):

On the road to pick up my kids my car broke down. I had no way of reaching anyone. I was stranded.

Construction Worker (serious):

When my line got cut off, I worried. It's hard to find jobs, but it's easy to miss opportunities.

Senior African American Woman (concerned):
I live alone. If I have an emergency, how will I call for help?

Tone of music becomes uplifting.

### Commentator VO:

In times of need, we can now turn to LifeLink Wireless, a government-backed program that provides a free cell phone, free minutes of airtime each month, and free 9-1-1 access for incomeeligible customers. Call 1-800-XXX-XXXX or visit LifeLinkWireless.com to learn more.

Mom (warm and friendly): It's keeping me safe...and connected.

Construction Worker (upbeat):
I got a free cell phone and I'm staying busy!

### Commentator VO:

If you receive government assistance based on your income, you are likely eligible for LifeLink Wireless. Call 1-800-XXX-XXXX or visit LifeLinkWireless.com to apply.

Senior African American Woman (happy):
It helps me make ends meet...and gives me peace of mind.

Commentator VO: LifeLinkWireless. Apply today!

You may contact your local Public Service Commission for further details, questions or comments at I-800-XXX-XXXX

"LifeLink Wireless TV 1"
TracFone Lifeline Services
English-language TV/0:60
Revised 6/19/08

# interlex

### **VIDEO**

Yellow text on grey/black background:

We all need a little help sometimes.

Fade In followed by quick cuts and flashes: Open field. Blue skies. Black top. Woman standing by car with hood up.

Orange text at bottom of screen, up for rest of spot: 1-800-XXX-XXXX | LifeLinkWireless.com

Fade to grey/black.

Fade in. Weathered Hispánic construction worker unloading tools from battered pick up truck. Close up panning over construction hat and tool belt hanging up on wall. Construction worker in workshop setting, looking idle, worried.

Fade to grey/black.

Poignant image of senior woman gazing out her home's window at night, raindrops hitting the glass.

Fade to grey/black.

Dynamic solar ray pattern fades in with white copy on screen:

Welcome to LifeLink Wireless.

Text on Screen:

- Free cell phone
- Free monthly airtime
- Free 9-1-1 access

Images of Construction Worker taking a call at home. Putting phone in holster. Getting tools. Going to work in truck.

Images of Mom and kids together, happy. Little kids helping her bake cookies.

### <u>AUDIO</u>

Subtle but brooding, tense music. All VO off camera.

Mom (worried):

On the road to pick up my kids my car broke down. I had no way of reaching anyone, I was stranded.

Construction Worker (serious):

In construction sometimes we're very busy, other times we wait for a call. When my line got cut off...(shakes his head, swallowing hard). Man, it's hard to find jobs. It's easy to miss opportunities.

Senior African American Woman (concerned):

I live alone...so I worry...if I have an emergency outside my home, how do I call for help?

Tone of music becomes uplifting.

**OFF** Commentator:

Presenting Lifelink Wireless, a governmentbacked program that provides... a free cell phone, free minutes of airtime each month, and free 9-1-1 access... for income-eligible customers.

Construction Worker (upbeat):

I got a free cell and I got the call!!!

Mom (warm and friendly): It's perfect for the times you need a little help. Dynamic solar ray pattern fades in with white copy on screen:

Rotating Text on Screen (dynamic over two screen shots): If you receive any of the following, apply today!

- Medicaid
- Food Stamps
- Temporary Assistance to Needy Families (TANF)
- Supplemental Security Income (SSI)
- National School Lunch Program (NSL)
- Low Income Home Energy Assistance (HEAP)
- Federal Public Housing (Section 8)

On screen fine print disclaimer:

Household income based on family of four. Qualifying household income must not exceed 135% of federal poverty level. Limited to one service per household.

Senior Woman rocking on her porch with son next to her. She pats her cell phone on adjacent table.

Cut to close up of serene, smiling Senior Woman.

Construction worker on site, with diverse group of coworkers.

Mom with kids at park.

Fade to dynamic solar ray pattern. Grey text on white beneath rays.

Call today for your application. I-800-XXX-XXXX | LifeLinkWireless.com

Logo on white screen

Disclaimer on screen:

You may contact your local Public Service Commission for further details, questions or comments at 1-800-XXX-XXXX.

### **OFF** Commentator:

If you receive government assistance like Medicaid or Food Stamps, are retired or your family income is under \$26,000 a year, you are likely eligible for LifeLink Wireless.

Senior African American Woman (happy):

It helps me make ends meet...and now I can call my family or 9-1-1 anytime, anywhere.

Senior African American Woman:

It gives me peace of mind.

Construction Worker (upbeat):

It helps me stay busy.

Mom (warm and friendly):

It's keeping me safe...and connected.

# Exhibit 9

# STATE OF MISSOURI INCUMBENT LOCAL EXCHANGE CARRIERS

### **NON-RURAL**

Alma Telephone AT&T Missouri Citizens Telephone Craw-Kan Telephone (Co-op) Goodman Telephone Green Hills Telephone (Co-op) Iowa Telephone KLM Telephone Co. Lathrop Telephone Le-Ru Telephone McDonald County Telephone Mid-Missouri Telephone MoKan Dial Ozark Telephone Stoutland Telephone

### **RURAL**

BPS Telephone
Cass County Telephone
CenturyTel (Spectra)
CenturyTel Missouri
Chariton Valley Telephone (Co-op)
Choctow Telephone
Ellington Telephone
Embarq Missouri
Farber Telephone
Fidelity Telephone
Granby Telephone
Grand River Mutual (Co-op)
Holway Telephone

**IAMO** 

Kingdom Telephone (Co-op)
Mark Twain Rural Telephone (Co-op)
Miller Telephone Co.
NE MO Rural (Co-op)
New Florence
New London Telephone
Orchard Farm Telephone
Oregon Farmers Mutual Telephone
Peace Valley Telephone
Rock Port Telephone (Co-op)
Seneca Telephone
Steelville Telephone Exchange
Windstream Missouri