

# ATTACHMENT I

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

In the Matter of	)	
	)	
Telecommunications Carriers Eligible to Receive Universal Service Support	)	WC Docket No. 09-197
	)	
Lifeline and Link Up Reform and Modernization	)	WC Docket No. 11-42
	)	
BUDGET PREPAY, INC.	)	
	)	
Petition for Limited Designation as an Eligible Telecommunications Carrier	)	

**BUDGET PREPAY, INC. COMPLIANCE PLAN**

Budget PrePay, Inc. (“Budget PrePay” or “Company”) is a prepaid wireless telecommunications carrier seeking designation as an Eligible Telecommunications Carrier (“ETC”) solely for the purpose of participating in the Lifeline program.<sup>1</sup> Budget PrePay requests that the Commission forbear from applying the “own facilities” requirement contained in section 214(e)(1)(A) of the Communications Act, 47 C.F.R. § 214(e)(1)(A), consistent with the Commission’s determination to forbear from applying this requirement to Lifeline-only ETC applications that comply with the conditions set forth in the *Lifeline Reform Order*.<sup>2</sup>

Budget PrePay hereby files its Compliance Plan outlining the measures it will take to implement the conditions set forth in the *Lifeline Reform Order*. Budget PrePay respectfully

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<sup>1</sup> In the letter accompanying the filing of this Compliance Plan, Budget PrePay notes that it is no longer seeking authority to be eligible for Link Up support, as was originally requested by the Company in its pending ETC applications. See Letter to Marlene H. Dortch from counsel to Budget PrePay, WC Docket No. 09-197 (dated March 1, 2012), at 2.

<sup>2</sup> *In the Matter of Lifeline and Link Up Reform and Modernization*, WC Docket No. 11-42, Report and Order and Further Notice of Proposed Rulemaking, FCC 12-11 (rel. Feb. 6, 2012) (“*Lifeline Reform Order*”).

requests expeditious approval of its Compliance Plan so that the Company, upon designation as an ETC by the FCC and other state commissions, may quickly begin providing essential Lifeline services to eligible low-income customers.

**I. INFORMATION ABOUT BUDGET PREPAY, INCLUDING FINANCIAL AND TECHNICAL QUALIFICATIONS**

Budget PrePay, based in Bossier City, Louisiana, has been in business since 1996.<sup>3</sup> The Company provides both wireline and wireless services. The Company has been designated as an ETC for wireless services in the states of Arkansas, Kentucky, Louisiana, Maryland, Rhode Island and Nevada, and is currently offering, or will begin offering, Lifeline service in each of these states.<sup>4</sup>

Budget PrePay currently derives the majority of its revenue from selling low-cost prepaid telephone services on a nationwide basis to over 60,000 customers and employs approximately 340 people. Budget PrePay will not need to rely exclusively on USF support to provide wireless Lifeline services.

Budget PrePay owns and operates its own switching facilities in Dallas, Texas and Shreveport, Louisiana. These switching facilities are used to provide access to directory assistance and operator services, both of which are provided by Budget PrePay employees. The switching facilities are also used to provide access to some interexchange services (for the routing of certain domestic and all non-domestic) calls. In addition, Budget PrePay has invested millions of dollars in software development, including its own customized, user friendly point-of-sale software.

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<sup>3</sup> Budget PrePay was organized and incorporated in the State of Louisiana on May 1, 1996.

<sup>4</sup> Budget PrePay also has been designated as an ETC for wireline services in Tennessee, Oklahoma, Alabama, Florida, Nebraska, Maryland, Louisiana, Mississippi, Arkansas, Kentucky, Michigan, Missouri, North Carolina, South Carolina, and Texas.

Budget PrePay has not been subject to any enforcement action at the FCC or in any state. No ETC designations held by Budget PrePay have been rescinded, revoked or terminated by the FCC or by any state.

Budget PrePay operates its wireless business under the name Budget Mobile, and operates its wireline business under the name Budget Phone. The Company directly owns 100% of the following affiliated entities: Silver Creek Long Distance, Inc.; MyMinutes.com, Inc.; and Bluebird Wireless, Inc.

## II. BACKGROUND

In the *Lifeline Reform Order*, the Commission stated that it would grant forbearance from the “own-facilities” requirement contained in Section 214(e)(1)(A) for carriers that are, or seek to become, Lifeline-only ETCs, subject to compliance with the following conditions:<sup>5</sup>

(1) the carrier must comply with certain 911 requirements: (a) providing its Lifeline subscribers with 911 and E911 access, regardless of activation status and availability of minutes; (b) providing its Lifeline subscribers with E911-compliant handsets and replacing, at no additional charge to the subscriber, noncompliant handsets of Lifeline-eligible subscribers who obtain Lifeline-supported services; and (c) complying with conditions (a) and (b) starting on the effective date of this Order; and

(2) the carrier must file, and the Bureau must approve, a compliance plan that: (a) outlines the measures the carrier will take to implement the obligations contained in this Order, including but not limited to the procedures the ETC follows in enrolling a subscriber in Lifeline and submitting for reimbursement for that subscriber from the Fund, materials related to initial and ongoing certifications and sample marketing materials, as well as further safeguards against waste, fraud and abuse the Bureau may deem necessary; and (b) provides a detailed description of how the carrier offers service, the geographic areas in which it offers service, and a description of the carrier’s various Lifeline service plan offerings, including subscriber rates, number of minutes included and types of plans available.

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<sup>5</sup> *Lifeline Reform Order* at ¶¶ 368, 373 and 379. While Budget PrePay owns some facilities and appears to satisfy the revised supported services requirements applicable to ETCs, Budget PrePay is filing this Compliance Plan out of an abundance of caution, to illustrate its support for many of the recent reform measures taken by the Commission that attempt to curb waste, fraud and abuse in the Low Income Fund, and in the hopes that this filing will expedite processing of its pending ETC designation Petitions.

### **III. COMPLIANCE PLAN**

Budget PrePay will comply with all of the conditions set forth in the *Lifeline Reform Order* and Sections 54.101 et. seq. of the Commission's Rules (as amended by the *Lifeline Reform Order*), the provisions of its Compliance Plan, and all laws and regulations governing its provision of Lifeline-supported prepaid wireless service to customers throughout the United States.

#### **A. Access to 911 and E911 Services**

The *Lifeline Reform Order* requires ETCs to provide their Lifeline customers with access to 911 and E911 services, regardless of activation status and availability of minutes.<sup>6</sup> Budget PrePay hereby affirms that all of its customers will have access to emergency calling services at the time that Lifeline service is initiated, and that such 911 and E911 access will be available from Budget PrePay handsets even if the account associated with the handset has no minutes remaining.

#### **B. E911-Compliant Handsets**

The Commission also conditioned its grant of forbearance on ETCs providing only E911-compliant handsets to its Lifeline customers.<sup>7</sup> Budget PrePay will ensure that all handsets used in connection with the Company's Lifeline service offering are E911-compliant. In the event that an existing Budget PrePay customer does not have an E911-compliant handset, the Company will replace it with a 911/E911-compliant handset at no charge to the customer. Any new customer that qualifies for and enrolls in the Lifeline program will receive a 911/E911-compliant handset, free of charge.

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<sup>6</sup> *Id.* at ¶ 373.

<sup>7</sup> *Id.*

### **C. Certification and Verification of Lifeline Eligibility**

Budget PrePay proposes the following plan to implement the certification and verification conditions outlined in the *Lifeline Reform Order*. Budget PrePay intends to keep these measures in effect until such time as the Commission implements its planned National Lifeline Accountability Database. Budget PrePay shares the Commission's concern about waste, fraud and abuse of the Lifeline program and is committed to the safeguards stated herein.

#### *1. Policy*

Budget PrePay will comply with all certification and verification requirements for Lifeline eligibility established by states where it is designated as an ETC. In states where there are no state-imposed requirements, Budget PrePay will comply with the certification and verification procedures in effect in that state as reflected on the website of the Universal Service Administrative Company ("USAC"). For any states which do not mandate Lifeline support and/or which do not have established rules of procedure in place, Budget PrePay will certify at the outset and will verify annually customers' Lifeline eligibility in accordance with the Commission's requirements.

#### *2. Certification Procedures*

Budget PrePay will implement certification procedures that require consumers to demonstrate their eligibility for Lifeline assistance by contacting the Company in person or via mail, telephone, facsimile, or the internet. At the point of sale, consumers will be provided with printed information describing Budget PrePay's Lifeline program with instructions for enrolling, including eligibility requirements. Consumers will be signed up in person or directed, via company literature, collateral or advertising, to a toll-free telephone number and to the Company website, which will contain a link to information regarding the Company's Lifeline service plans, including a detailed description of the program and state-specific eligibility criteria.

Budget PrePay's application form will clearly identify that it is a "Lifeline" application. Except in states in which applicants are enrolled through a designated state agency, Budget PrePay will have direct contact with all customers applying for Lifeline service, in person or by telephone, facsimile, mail or the internet.

Budget PrePay will provide Lifeline-specific training to all personnel, whether employees, agents or representatives, who interact with actual or prospective consumers with respect to obtaining, changing or terminating Lifeline services. Consumers who do not complete the application process in person must return the signed application and support documentation to the Company by mail, fax, email or other electronic transmission. The Company will accept electronic signatures that meet the requirements of the Electronic Signatures in Global and National Commerce Act, 15 USC 7001-7006, and any applicable state laws, and may verify consumers' signatures via interactive voice response (IVR) systems. Processing of consumers' applications, including review of all application forms and relevant documentation, will be performed under the Company's supervision by personnel trained in the administration of the Lifeline program. Budget PrePay will ensure that all required documentation is reviewed and handled properly by using state-specific compliance checklists.

For states with program-based eligibility criteria, the form will list each of the qualifying programs, and the applicant will be required to identify the specific program(s) in which they participate, and to provide the requisite proof that they currently participate in such program(s), regardless of whether such proof is required pursuant to state law. For states with income-based eligibility criteria, the applicant will be required to certify under penalty of perjury that their 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 the requisite proof of

income-based eligibility. Budget PrePay will not retain copies of proof documentation, but rather will maintain accurate records detailing how the customer demonstrated his or her eligibility.<sup>8</sup>

Budget PrePay will check the eligibility of low-income consumers seeking to enroll in Lifeline either by accessing electronic eligibility databases, where available, or by reviewing documentation from the consumer demonstrating his/her eligibility for Lifeline service. Where the Company is able to access a state or federal database to make determinations about customer eligibility, the Company is not required to obtain proof documentation; in such case Budget PrePay or its representative will note in its records what specific data was relied upon to confirm the customer's initial eligibility for Lifeline.<sup>9</sup> In instances where a state agency or third-party administrator is responsible for the initial determination of consumer eligibility, Budget PrePay will rely on the state identification or database.<sup>10</sup>

In addition, the Lifeline application form will include a certification section where the applicant must attest and sign under penalty of perjury that the applicant's representations are true and correct. Applicants will also be required to initial a number of disclosure statements intended to ensure that the applicant understands applicable eligibility requirements—including a statement to the effect that to the best of his or her knowledge, the applicant is not receiving Lifeline-supported service from any other Lifeline provider. Penalties for perjury will be clearly stated on the certification form. The certification form will also contain language stating that violation of the one-per-household requirement constitutes a violation of the Commission's rules and will result in the consumer's de-enrollment from the program, and could result in criminal

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<sup>8</sup> *Lifeline Reform Order* at ¶ 101.

<sup>9</sup> *Id.* at ¶ 98.

<sup>10</sup> *Id.*



prosecution by the United States government.<sup>11</sup> Although the exact wording of the disclosure statements described above may vary on a state-by-state basis, depending on state-specific requirements and/or consultations with relevant state agencies, Budget PrePay expects the substance of these disclosures to be consistent with the following statements:

\_\_\_\_\_ The information contained within this application is true and correct. I acknowledge that providing false or fraudulent documentation in order to demonstrate eligibility for the Lifeline program is punishable by fine or imprisonment.

\_\_\_\_\_ I understand that Lifeline is a federal government benefit program and that only qualified persons may participate in the Lifeline program.

\_\_\_\_\_ I understand that Lifeline is only available for one phone line per household, whether landline or wireless. To the best of my knowledge, no one in my household is receiving Lifeline service.

\_\_\_\_\_ I certify that I am at least 18 years of age and not currently receiving a Lifeline telephone service from any other landline or wireless telephone company.<sup>12</sup> I will only receive Lifeline from Budget PrePay and no other landline or wireless telephone company.

\_\_\_\_\_ I will not transfer my service to any other individual, including another eligible low-income consumer.

\_\_\_\_\_ I authorize Budget PrePay to access any records required to verify my eligibility for Lifeline service. I also authorize Budget PrePay to release any of my records required for the administration of the Lifeline program.

\_\_\_\_\_ I understand that I will be required to verify my continued eligibility for Budget PrePay's Lifeline service at least annually, and that I may be required to verify my continued eligibility at anytime, and that failure to do so will result in termination of Lifeline benefits. I will notify Budget PrePay immediately if I no longer qualify for Lifeline, or if I have a question as to whether I would still qualify.

\_\_\_\_\_ I will notify Budget PrePay within thirty (30) days if my home address changes.

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<sup>11</sup> *Id.* at ¶ 121.

<sup>12</sup> Prior to initialing this statement, applicants will be provided with the names of leading wireline and wireless Lifeline providers in the area.

Finally, the application forms will require each applicant to provide the following information:<sup>13</sup>

- Name
- Primary residential address – and whether the address is a permanent address
- Billing address (if this differs from the residential address)
- Last four digits of social security number
- Birth date

After the National Database is established, Budget PrePay will provide the above information to the database, together with the following additional information:

- Telephone number (for Lifeline handset)
- Date of service initiation
- Date of de-enrollment (if applicable)
- Means by which the subscriber qualified for support
- Amount of Lifeline support received by the subscriber each month
- Whether the subscriber receives Link Up support

The application form will clearly state that Lifeline participants must provide their new address to the Company within 30 days of moving.<sup>14</sup> Budget PrePay will incorporate this information into its customer information database. Prior to initiating service for a customer, the Company will check the address of each Lifeline applicant against its database to determine whether or not it is associated with a customer that already receives Budget PrePay Lifeline service, and will then review the application to ascertain whether the applicant is attempting to receive Lifeline-supported service for more than one handset associated with its household.<sup>15</sup> If the Company determines that an individual at the applicant's residential address is currently receiving Lifeline-supported service, the Company will take an additional step to ensure that the

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<sup>13</sup> *Lifeline Reform Order* at ¶¶ 85 and 184.

<sup>14</sup> *Id.* at ¶¶ 85 and 117.

<sup>15</sup> Budget PrePay will use the definition of “household” established by the *Lifeline Reform Order* at ¶¶ 29 and 74; *see also* revised section 47 CFR § 54.400(h).

applicant and the current subscriber are part of different households.<sup>16</sup> In order to make this determination, Budget PrePay will require applicants to complete and submit to the Company a written document which will be developed by USAC. Budget PrePay will deny the Lifeline application of any individual residing at the same address as a current Lifeline subscriber who is part of the same household, and will advise the applicant of the basis for the denial.

Budget PrePay also will de-enroll within ten (10) business days any subscriber whom the Company knows is receiving Lifeline-supported service from another ETC or knows is no longer eligible. In the event that the Company is notified by the Administrator that a subscriber is receiving duplicative support, the Company will de-enroll that subscriber from participation in the Lifeline program within five (5) business days.<sup>17</sup>

If the subscriber provides Budget PrePay with a temporary address, the Company will verify with the subscriber every 90 days that this address remains valid. If the subscriber fails to respond to the Company within 30 days, the subscriber will be de-enrolled from the Lifeline program.<sup>18</sup>

### 3. *Annual Verification Procedures*

As required by the Commission's *Lifeline Reform Order*, Budget PrePay will require every consumer enrolled in the Lifeline program to verify on an annual basis that he or she is the head of his or her household, receives Lifeline-supported service only from Budget PrePay and, to the best of his or her knowledge, no one else in the subscriber's household is receiving a Lifeline-supported service.<sup>19</sup> Pursuant to the new rule adopted in the *Lifeline Reform Order*, Budget PrePay will re-certify the eligibility of all of its Lifeline subscribers as of June 1, 2012,

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<sup>16</sup> *Lifeline Reform Order* at ¶ 78.

<sup>17</sup> 47 C.F.R. § 54.405 (e)(2).

<sup>18</sup> *Id.* at ¶¶ 88 – 89.

<sup>19</sup> *Id.* at ¶ 120.

by the end of 2012, and report the results to USAC by January 31, 2013.<sup>20</sup> The Company may undertake this re-certification on a rolling basis throughout the year.<sup>21</sup> Where ongoing eligibility cannot be determined through access to a qualifying database either by the Company or the state, and there is no state administrator verifying the continued eligibility of Lifeline subscribers, the Company will re-certify the continued eligibility of its subscribers by contacting them—either in person, in writing (by mail), by phone, by text message, by email, or otherwise through the Internet—to confirm their continued eligibility.<sup>22</sup> Such certifications may be obtained in person through a written document, an IVR system, a text message, or on-line with an electronic signature. The Company will accept electronic signatures that meet the requirements of the Electronic Signatures in Global and National Commerce Act, 15 USC 7001-7006, and any applicable state laws, in accordance with the *Lifeline Reform Order*.<sup>23</sup> In states where a state agency or a third party has implemented a database that carriers may query to re-certify the consumer’s continued eligibility, the Company (or state agency or third-party, where applicable) will instead query the database and maintain a record of what specific data was used to re-certify eligibility and the date of re-certification.<sup>24</sup>

The notice will explain the actions the customer must take to retain Lifeline benefits, when Lifeline benefits will be terminated if such actions are not taken, and how to contact Budget PrePay. Consistent with the *Lifeline Reform Order*, the Company will provide notice of impending Lifeline service termination to subscribers who do not respond to the annual re-certification within 30 days. Anyone who does not respond to the impending termination notice

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<sup>20</sup> *Id.* at ¶ 130.

<sup>21</sup> *Id.*

<sup>22</sup> *Id.* After 2012, the Company may elect to have USAC administer the self-certification process on its behalf. *See id.* at ¶ 133.

<sup>23</sup> *Id.* at ¶ 132.

<sup>24</sup> *Id.* at ¶ 131.

within 30 days to demonstrate that his or her Lifeline service should not be terminated will be de-enrolled from the Company's Lifeline program.<sup>25</sup>

**D. Additional Measures to Prevent Waste, Fraud, and Abuse**

*1. Non-usage Policy*

As required by the *Lifeline Reform Order*, Budget PrePay will implement a non-usage policy whereby it will de-enroll Lifeline customers that have not used the Company's Lifeline service for 60 consecutive days.<sup>26</sup> Budget PrePay will notify its subscribers at service initiation about the usage requirements and the de-enrollment and deactivation that will result following non-usage in any consecutive 60-day period of time.<sup>27</sup> If no usage appears on a Budget PrePay Lifeline customer's account during any consecutive 60-day period, Budget PrePay will deactivate Lifeline services for that customer. An account will be considered active if during any 60-day period the authorized subscriber does at least one of the following: makes a monthly payment; purchases minutes from the Company to add to his or her existing pre-paid Lifeline account; completes an outbound call; answers an incoming call from anyone other than the Company, its representative, or agent; or affirmatively responds to a direct contact from the Company confirming that he or she wants to continue Lifeline service.<sup>28</sup>

*2. Customer Education with Respect to Duplicates*

To supplement its verification and certification procedures, and to better ensure that customers understand the Lifeline service restrictions with respect to duplicates, Budget PrePay will implement measures and procedures to prevent duplicate Lifeline benefits being awarded to the same household. These measures entail additional emphasis in written disclosures as well as

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<sup>25</sup> *Id.* at ¶¶ 141-142.

<sup>26</sup> *Id.* at ¶¶ 257-263.

<sup>27</sup> *Id.* at ¶ 257.

<sup>28</sup> *Id.* at ¶ 261.

live due diligence, and will help ensure that only eligible consumers enroll in the program and that those consumers are fully informed of the rules and requirements of the program.

In its marketing materials, including application forms, on its web site, and in its direct contact with applicants, the Company will emphasize in plain, easily comprehensible language that: (1) Lifeline is a federal benefit; (2) Lifeline service is available for only one line per household; (3) a household is defined, for purposes of the Lifeline program, as any individual or group of individuals who live together at the same address and share income and expenses; and (4) a household is not permitted to receive Lifeline benefits from multiple providers.<sup>29</sup> Budget PrePay will also include in its marketing materials substantially the following information in clear, easily understood language: the offering is a Lifeline-supported service; that only eligible consumers may enroll in the program; what documentation is necessary for enrollment; and that the program is limited to one benefit per household, consisting of either wireline or wireless service.<sup>30</sup> In order to reinforce the limitation of one Lifeline phone per household, the following statement will appear in the Company's marketing materials and websites ([www.budgetphone.com](http://www.budgetphone.com) and [www.budgetprepay.com](http://www.budgetprepay.com)) in a conspicuous place, in bold font and in an offsetting color to ensure it is not overlooked:

**Note: By law, the Lifeline program is only available for one phone per household**

Budget PrePay will disclose the company names under which it does business and the details of its Lifeline service offerings.<sup>31</sup>

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<sup>29</sup> *Id.* at ¶ 121.

<sup>30</sup> *Id.* at ¶ 275.

<sup>31</sup> *Id.*

### 3. Cooperation with state and federal regulators

Budget PrePay has and will continue to cooperate with federal and state regulators to prevent waste, fraud and abuse, including:

- Providing a certification to USAC that the Company has procedures in place to review customer's documentation of income- and program-based eligibility. That certification will also confirm that Budget PrePay is in compliance with all federal Lifeline certification procedures and Lifeline program rules, and that Budget PrePay has obtained a valid certification form for each Lifeline customer.<sup>32</sup>
- Providing the FCC and USAC each year with general information regarding the terms and conditions of the Lifeline plans that the Company offered during the previous year, including the number of minutes provided, and whether there are additional charges to consumer for service, including minutes of use and/or toll calls.<sup>33</sup>
- Providing state commissions (PUC), the FCC or USAC upon request with data that will enable that state, the FCC or USAC to determine whether some consumers are enrolled in more than one Lifeline program. Specifically, the Company agrees to make available state-specific customer data, including name and address, upon request to each state PUC where it operates, the FCC or USAC for the purpose of permitting the PUC, FCC or USAC to determine whether an existing Lifeline customer receives Lifeline service from another carrier, and will participate in such a duplicate resolution process, provided that costs for participation are reasonable or defrayed through the universal service contribution mechanisms;
- Promptly investigating any notification that it receives from a state PUC, the FCC or USAC that one of its customers already receives Lifeline service from another carrier;
- Immediately deactivating a customer's Lifeline service and no longer report that customer on USAC Form 497 if the Company's investigation, a state, the FCC or USAC concludes that the customer receives Lifeline services from another carrier in violation of the Commission's regulations and that the Company's Lifeline service should be discontinued such as a de-enrollment notification pursuant to the FCC's June 17, 2011 Report and Order (Section III, B.).
- Complying with all audit requirements set forth in the *Lifeline Reform Order*.

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<sup>32</sup> *Lifeline Reform Order* at ¶¶ 125 – 128.

<sup>33</sup> *Id.* at ¶ 390.

## **E. Lifeline Offering**

Budget PrePay will offer its Lifeline service in the states where it is designated as an ETC throughout the coverage area of its underlying carriers, Sprint and Verizon Wireless. As summarized in Exhibit A attached hereto, the Company's Lifeline offering will provide customers with the option to choose between two (2) Lifeline plans<sup>34</sup> that best meets their needs.

Additional minutes will be loaded electronically. Customers can purchase extra minutes at retail outlets frequented by low-income customers throughout the Company's service area and online. All of Budget PrePay's Lifeline plans will include a free handset and the following custom calling features: Caller ID, Call Waiting, and Voicemail. Budget PrePay does not impose credit checks or long-term service contracts on its prepaid customers. Customers are not bound by a local calling area requirement; all Budget PrePay plans come with domestic long distance at no extra per minute charge. Calls to 911 emergency services are always free, regardless of service activation or availability of minutes.

## **IV. CONCLUSION**

Budget PrePay submits that its Compliance Plan fully satisfies the conditions of forbearance set forth in the Commission's *Lifeline Reform Order*. Implementation of the procedures described herein will promote public safety and ensure that Lifeline customers have access to 911 and E911 services while safeguarding against misuse of the Company's Lifeline services. Accordingly, Budget PrePay respectfully requests that the Commission expeditiously

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<sup>34</sup> Budget PrePay's Lifeline Plans vary from state to state in accordance with state requirements; the two Lifeline plans outlined in this compliance plan would be offerings available in all states in which the FCC has jurisdiction over competitive ETC applications. Please see the Company's websites ([www.budgetphone.com](http://www.budgetphone.com) and [www.budgetprepay.com](http://www.budgetprepay.com)) for more detailed information regarding plans available in each state.



approve its Compliance Plan so that the Company may begin providing the benefits of much-needed Lifeline service to qualifying low-income consumers as quickly as possible.

Respectfully submitted,

BUDGET PREPAY, INC.

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March 1, 2012

cc (via e-mail): Best Copy and Printing, Inc.  
Divya Shenoy, FCC  
Charles Tyler, FCC

**EXHIBIT A**

Lifeline Offerings

<b>Plan Description</b>	<b>Retail Price</b>
<b>Active User Talk &amp; Text*</b>	
Non Lifeline	\$34.25
Lifeline	\$25.00
<b>250 Minute Talk</b>	
Non Lifeline	\$9.25
Lifeline	Free

All plans include, at no extra charge: Free Handset; Caller ID; Call Waiting; and Voicemail. Voicemail calls count against the voice minutes provided by the plan.

Prices for the Active User Talk & Text Plan, the 250 Minute Talk (non-Lifeline), and the purchase of additional minutes or the text message add-on do not include taxes or mandatory government fees (where applicable). Although Budget must pay taxes or government fees in certain states, these taxes or government fees are not assessed to Lifeline customers subscribing to the 250 Minute Talk plan.

\*The Active User Talk & Text Plan provides for a combined 4000 voice minutes and text messages. Each text message counts as one minute of voice service.

<b>Plan Additions</b>	<b>Retail Price*</b>
<b>Additional Minutes for 250 Minute Talk</b>	
50 minutes	5.00
100 minutes	\$10.00
150 minutes	\$15.00
<b>Text Message Add-on for 250 Minute Talk*</b>	
	\$10.00

\* Applicable taxes and government fees are assessed to the above Plan Additions.

\*\*The Text Message Add-on provides 1000 text messages.

### **Lifeline Credits**

Federal Lifeline Credit

\$9.25

Service Period for all plans: All airtime (airtime associated with a particular plan, as well as additional purchased minutes, text messages or other services), expires at the end of each 30 day cycle whether Subscriber uses the airtime or not. No airtime (whether associated with a particular plan or purchased separately) is carried over to the next 30 day period.