

Diamond Williams

090426-TX

From: Claudia McDowell [cmcdowell@telecomcounsel.com]
Sent: Thursday, October 14, 2010 11:29 AM
To: Filings@psc.state.fl.us
Subject: Absolute Home Phone Services, Inc. Docket No. 090426-TX
Attachments: FL ETC Data Request Responses 85-101.pdf

To whom it may concern,

Attached please find a copy of Absolute Home Phone Services' response to the Commission's request for data, specifically questions 85-101.

Regards,

Claudia McDowell
Legal Assistant & New Business Development

Lance J.M. Steinhart, P.C.
Regulatory and Tax Consultants, LLC

(770) 232-9200 (Phone)
(678) 775-2255 (Direct Line)
(770) 232-9208 (Fax)
e-mail: cmcdowell@telecomcounsel.com

=====
This transmission may be: (1) subject to the Attorney-Client Privilege; (2) an Attorney Work Product; or (3) Strictly Confidential. This transmission, including any attachments, is for the sole use of the intended recipient. Any unauthorized review, use, disclosure or distribution is prohibited. If you are not the intended recipient, please contact the sender by reply email and destroy all copies of the original message. Thank you for your cooperation.

10/14/2010

DOCUMENT NUMBER 090426-TX
08595 OCT 14 2010
FPSC-COMMISSION CLERK

Lance J.M. Steinhart, P.C.
Attorney At Law
1720 Windward Concourse
Suite 115
Alpharetta, Georgia 30005

Also Admitted in New York
and Maryland

Telephone: (770) 232-9200
Facsimile: (770) 232-9208
Email: lsteinhart@telecomcounsel.com

October 14, 2010

VIA ELECTRONIC FILING

Catherine Beard
Regulatory Analyst II
Florida Public Service Commission
2540 Shumard Oak Blvd.
Gunter Bldg.
Tallahassee, Florida 32399-0850
(850) 413-6770

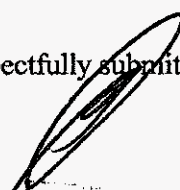
RE: Absolute Home Phones, Inc.
Docket No. 090426-TX

Dear Ms. Beard:

Please find enclosed original data request responses for Absolute Home Phones, Inc. The responses are pertaining to questions 85-101, with updated on previously submitted responses for questions 4, 12 and 35.

If you have any questions regarding this matter, please do not hesitate to call me. Thank you for your attention to this matter.

Respectfully submitted,


Lance J.M. Steinhart, Esq.
Attorney for Absolute Home Phones, Inc.

Enclosures

cc: Bob Casey – via e-mail
Catherine Beard – via e-mail

DOCUMENT NUMBER-DATE

08595 OCT 14 2010

FPSC-COMMISSION CLERK

85. In previous data request number 62, staff asked Absolute what the relationship was between Absolute and Affordable Phone Services (Affordable)? Absolute stated that its President, Chris Peltier, is married to the daughter of Joe and Silia Leonard, who are the owners of Affordable. Has Chris Peltier ever worked for Affordable? If so, in what position? Does Joe Fernandez or any companies owned by Joe Fernandez, have any relationship with Absolute? If so, please describe in detail.

Chris Peltier did not work for Affordable Phone Services, Inc. Instead he decided to open his own telephone company with Absolute. Other than owning Telecom Service Bureau, which provides as a servicing agency to Absolute, as well as acting as a serving agency to other telephone companies, Joe Fernandez does not have any relationship with Absolute Home Phones.

86. Is Chris Peltier still the only employee of Absolute? If not, please list all employees.

Due to the fact that Chris Peltier has outsourced order provisioning and call center work to Telecom Service Bureau, Chris Peltier is still the only employee of Absolute Home Phones, Inc.

87. How many customer complaints has Absolute received? What are the nature of those complaints? Have the complaints been resolved?

Absolute has received estimated 14 complaints. Of those, 6 were in regards to a customer complaining of the cost of their bill, 4 complaining of poor customer service, and 4 complaining of slamming. All complaints to date have been resolved satisfactorily with the PSC.

88. In response to data request number 19, does Absolute now have separate books/general ledgers for each state that it operates in?

Yes, Absolute does now have separate books/general ledgers in each state it operates in.

89. In response to data request number 27, has any advertising been done for Lifeline? If so, please provide copies.

Attachment A

90. Has Absolute entered into any additional interconnection agreements other than that with AT&T?

No

DOCUMENT NUMBER-DATE

08595 OCT 14 9

FPSC-COMMISSION CLERK

91. On Absolute's website, it states "coming soon in Louisiana, Mississippi, Georgia, Tennessee, Alabama, and South Carolina." When does Absolute anticipate offering service in those states? Does Absolute plan to apply for ETC status in those states?

CLEC Approval was granted for Alabama most recently under Docket # 31376, and with Louisiana under Docket # S-31324 pending a \$50,000 bond, which was filed September 30, 2010, and estimates about 6 months before they begin offering service in those states. Tennessee, Mississippi, Georgia, and South Carolina are all still pending final CLEC approval, and Absolute has no way of giving an estimate of when they will begin offering service in those states, as it is dependent on the timing of the various Public Service Commissions as to when they approve CLEC status. Absolute does plan on applying for ETC status in all states once approved.

92. In data request number 60, staff asked Absolute if it was aware that applicants using income criteria for certification cannot be automatically enrolled in Lifeline and Absolute stated it was aware. Since income criteria is an option on Absolute's Lifeline and Link-Up Self Certification form, how does Absolute handle those applications and customers? Would Absolute agree to remove the "below federal poverty level (FL & SC)" criteria from its self certification Lifeline application?

Absolute Home Phones has not currently had any customers qualify on the income criteria alone. Should a consumer wish to qualify for income only, they would be required to show their W-2 from the previous year and/or their last 3 paycheck stubs to show whether or not they truly fall below the poverty level. However, currently our consumers that qualify on income also qualify on government based programs as well. Absolute would consent to remove below federal poverty level in FL & SC if the USAC does not deem it should be a requirement.

93. In January, Absolute stated in data request response number 45, that it expected its ETC petition in KY to be approved in the next 30 days. What is the status of that petition?

Absolute's ETC's approval is pending in KY. Absolute filed their most recent data response from the Kentucky Commission on September 30, 2010 and this will either lead to ETC approval or additional requests for information.

94. Please clarify Absolute's response to data request number 74. Are any Absolute owner, officers, or managers also an owner, officer or manager of one or more of the companies listed in response to data request number 74? If so please list the name of the person and which companies.

Absolute owners, officers, or managers are not also an owner, officer, or manager of any of the companies listed on data request 74.

95. What is the amount of deposit Lifeline customers would have to put up if they decline toll-blocking or toll-limitation?

Absolute will not require a deposit if they decline toll-blocking or toll-limitation. Appropriate changes to Absolute's Florida Price List No.1 Section 5.2(A)(5) will be filed with the Commission.

96. Do any of Absolute's data request responses need to be updated? If so, please provide a list and what the update is.

There are currently no answers that need to be updated to our knowledge.

97. If a Lifeline customer has no initial connection charge to receive service, how can Absolute claim a Link-Up charge of \$30 per customer?

There is a \$60 connection fee, \$30 of which is discounted due to the Linkup credit. The remaining \$30 is currently reduced due to a promotional credit that Absolute is offering.

98. Staff has updated the ETC certification form. Please complete and sign the attached ETC certification form.

Attachment B

99. Please provide the contract between Absolute and Telecom Service Bureau.

Attachment C

100. Has Absolute been audited by any state or federal agencies regarding its use of universal service funds? If so, list the state and the result of the audit.

Absolute was audited by the USAC regarding its use of Universal Service Funds in relation to TLS reimbursement, the results of which are still pending.

101. Describe the process by which Absolute orders a 47 U.S.C. § 251 loop and commingles it with 47 U.S.C. § 271 elements to provide service. Provide copies of orders or contracts that show the process.

Whether through its current interconnection agreement on file at the Commission or any supplemental or successor agreement, Absolute intends to order Section 251 loops commingled with Section 271 elements as provided by federal law as explicated by the Commission. In its March 2, 2006, Order PSC-06-0172-FOF-TP in Docket No. 041269-TP,¹ the Commission conclusively determined that the so-called commercial agreements offered in Florida by AT&T - Florida to CLECs (such as that offered to Absolute) provide access to “facilities,” including network elements required by § 271(c)(2)(B), the competitive checklist requiring RBOCs to provide UNEs.² The Commission found that AT&T - Florida’s commercial agreements fulfill AT&T - Florida’s Section 271 obligations to continue providing those network elements that are no longer required to be provided under Section 251. Loops, of course, continue to be required by Section 251; and, as the Commission’s reasoning with regard to whether network elements are supplied pursuant to BellSouth’s commercial agreements applies to an ETC analysis just as surely as it applies to a Section 271 compliance analysis, it necessarily follows that Absolute’s commercial agreement provides for Section 251 loops to be provided in combination with Section 271 switches. Accordingly, when it orders under the agreement, the Applicant uses UNEs in its network³ and satisfies the requirement set forth in Section 214(e)(1)(A).

¹ *In re: Petition to establish generic docket to consider amendments to interconnection agreements resulting from changes in law, by BellSouth Telecommunications, Inc.* (Final Order Dated March 2, 2006).

² “(A) PRESENCE OF A FACILITIES-BASED COMPETITOR. – A Bell operating company meets the requirements of this subparagraph if it has entered into one or more binding agreements that have been approved under §252 specifying the terms and conditions under which the Bell operating company is providing access and interconnection to its network facilities for the network facilities of one or more unaffiliated competing providers of telephone exchange service (as defined in §3(47)(A), but excluding exchange access) to residential and business subscribers.” March 2, 2006, Order PSC-06-0172-FOF-TP in Docket No. 041269-TP at p. 49. The Commission further determined that the rates for these network elements are to be market based. *Id.* at p. 12.

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

Updated answers to previous data request questions:

4. How many Florida residential and business customers does Absolute presently serve? Please provide both the number of residential and business customers and whether they are provided service through a wholesale local platform or through resale.

Absolute does not currently offer business service, however the number of their active residential customers are broken down by state, and by resale or Wholesale platform.

State	FL
Resale	394
UNE-P	63

12. Please provide an example of a typical Absolute residential and business customer bill. What is *the* average residential bill in Florida? The average customer bill is \$25 plus taxes and surcharges.

Attachment D – Absolute’s Residential and Customer Bill

35. Please provide the name of the person and/or entity which will be filing the Form 497 with USAC if Absolute obtains ETC status?

RESPONSE Lost key Telecom

UPDATED RESPONSE: CGM, Inc.

Attachment A

Absolute's Advertising for Lifeline

**Don't let the
economy
get you down**

**We can help with
FREE
HOME PHONE SERVICE**

Includes

- **FREE** 1st Month
- **FREE** Activation
- **FREE** Caller ID
- **FREE** Call Waiting
- **NO** Credit Check
- **NO** Deposit
- **FREE** Long Distance

**Limited
Time
Offer**
DETAILS ON BACK



**ABSOLUTE
Home Phones, Inc. WE OFFER
FREE**

**ARE YOU ON ANY OF THE
FOLLOWING ASSISTED PROGRAMS?**

• Medicaid (Non Medicare)

• Supplemental Security Income (SSI)

• Federal Public Housing (HUD/Section 8)

• Temporary Assistance to Needy Families (TANF)

• Low Income Home Energy Assistance Plan

- 1st Month!**
- Activation!**
- Long Distance!**
- Caller ID!**
- Call Waiting!**

**NO Credit Check!
Deposit!**

**Call Us 800-263-3764 Fax 877-430-2907
www.AbsoluteHomePhones.com**

**ABSOLUTE
Home Phones, Inc.**

**LIMITED
TIME
OFFER!**

**WE OFFER
FREE**

**ARE YOU ON ANY OF THE
FOLLOWING ASSISTED PROGRAMS?**

- Medicaid (Non Medicare)
- Food Stamps
- Supplemental Security Income (SSI)
- Federal Public Housing (HUD/Section 8)
- Temporary Assistance to Needy Families (TANF)
- Low Income Home Energy Assistance Plan (LIHEAP)
- National School Free-Lunch Program (FL & KY Only)
- Below Federal Poverty Level (FL & SC Only)

- 1st Month!**
- Activation!**
- Caller ID!**
- Call Waiting!**

**NO Credit Check!
Deposit!**

**Call Us 800-263-3759 Fax 877-430-2907
www.AbsoluteHomePhones.com**

Telecom Service Bureau, Inc. Proudly brings to your area...

**ARE YOU ON ANY OF THE
FOLLOWING ASSISTED
PROGRAMS?**

- Medicaid (Non Medicare)
- Food Stamps
- Supplemental Security Income (SSI)
- Federal Public Housing (HUD/Section 8)
- Temporary Assistance to Needy Families (TANF)
- Low Income Home Energy Assistance Plan (LIHEAP)
- National School Free Lunch Program (FL & KY Only)

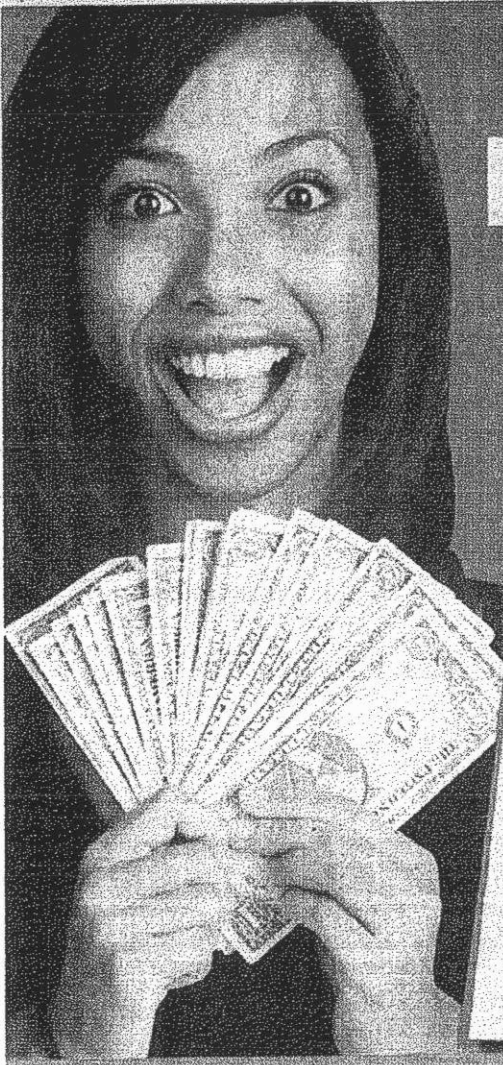
**NO
Credit Check!
Deposit!**

**ABSOLUTE
Home Phones, Inc.**

Our Gift to You

FREE!
1st Month,
Activation & Caller ID
Limited time offer.
\$14.99 each month after.
60 minutes of free long distance included.

**Call Us! 800-263-3759 · Fax 877-430-2907
www.AbsoluteHomePhones.com**



I just got

FREE

**HOME
PHONE
SERVICE
and you
can too!**

- NO Credit Check**
- NO Deposit!**
- FREE First Month & Activation**
- FREE Unlimited Domestic Long Distance***
- FREE Caller ID**
- FREE Call Waiting**

YOU'RE QUALIFIED if you receive:

- Medicaid (Non-Medicare)
- Food Stamps
- Supplemental Security Income (SSI)
- Federal Public Housing (HUD/Section 8)
- Temporary Assistance to Needy Families (TANF)
- Low Income Home Energy Assistance

Call or visit us online

877-366-8381

www.AbsoluteHomePhones.com



ABSOLUTE

Home Phones, Inc.

**ARE YOU ON ANY
OF THE FOLLOWING
ASSISTED PROGRAMS?**

- Medicaid (Non Medicare)
- Food Stamps
- Supplemental Security Income (SSI)
- Federal Public Housing (HUD/Section 8)
- Temporary Assistance to Needy Families (TANF)
- Low Income Home Energy Assistance Plan (LIHEAP)



- NO CREDIT CHECK!**
- NO DEPOSIT!**

OUR GIFT TO YOU

FREE

1ST MONTH

FREE

**UNLIMITED DOMESTIC LONG DISTANCE
(FIRST MONTH)**

PLUS ACTIVATION, CALLER ID & CALL

CALL US! 888-312-4433 • FAX 877-430-2

www.absolutehomephones.com

ABSOLUTE

Home Phones, Inc

- NO CREDIT CHECK!**
- NO DEPOSIT!**
- 1ST MONTH FREE**
- FREE CALLER I.D.**
- FREE CALL WAITING**
- ACCESS TO EMERGENCY SERVICES**

FREE
UNLIMITED DOMESTIC LONG DISTANCE
(FIRST MONTH)



CALL US! 888-312-4433 · FAX 877-430-2

www.absolutehomephones.com



FREE HOME PHONE SERVICE

- NO Credit Check
- NO Deposit!
- FREE First Month & Activation
- FREE Long Distance
- FREE Caller ID
- Call Waiting

YOU'RE QUALIFIED if you receive:

- Medicaid (Non-Medicare) • Food Stamps
- Supplemental Security Income (SSI)
- Federal Public Housing (HUD/Section 8)
- Temporary Assistance to Needy Families (TANF)
- Low Income Home Energy Assistance Plan (LIHEAP)



ABSOLUTE
Home Phones, Inc.

LIMITED TIME OFFER

Call or visit us online

877-318-7492

www.AbsoluteHomePhones.com

ABSOLUTE
Home Phones, Inc.

Door
to
Door

**Don't let the
economy
get you down**

*We can
help with*

**FREE
HOME
PHONE
SERVICE**

**Limited
Time
Offer**
DETAILS ON BACK

Includes:

- **FREE** 1st Month
- **FREE** Activation
- **FREE** Caller ID
- **FREE** Call Waiting
- **NO** Credit Check
- **NO** Deposit
- **FREE** Long Distance

877-817-0219

www.absolutehomephones.com

ENCORE MARKETING

7 South High Street • Canal Winchester, OH 43110

Graphics
Department

Actual Size

PROOF

ABSOLUTE
Home Phone Service
Exceptional Service at a price you can afford

WE OFFER FREE

ARE YOU ON ANY OF THE FOLLOWING ASSISTED PROGRAMS?

- Medicaid (Non Medicare)
- Food Stamps
- Supplemental Security Income (SSI)
- Federal Public Housing (HUD/Section 8)
- Temporary Assistance to Needy Families (TANF)
- Low Income Home Energy Assistance Plan (LIHEAP)

1st Month FREE, Activation, Caller ID, Call Waiting and FREE Unlimited Domestic Long Distance (first month)

NO Credit Check! Deposit!

Call Us 877-583-1162
www.AbsoluteHomePhones.com

ABSOLUTE
Home Phone Service
Exceptional Service at a price you can afford

WE OFFER FREE

ARE YOU ON ANY OF THE FOLLOWING ASSISTED PROGRAMS?

- Medicaid (Non Medicare)
- Food Stamps
- Supplemental Security Income (SSI)
- Federal Public Housing (HUD/Section 8)
- Temporary Assistance to Needy Families (TANF)
- Low Income Home Energy Assistance Plan (LIHEAP)

1st Month FREE, Activation, Caller ID, Call Waiting and FREE Unlimited Domestic Long Distance (first month)

NO Credit Check! Deposit!

Call Us 877-583-1162
www.AbsoluteHomePhones.com

receipt
tape

Approx. Start Date: _____ Store(s): _____ States Include: NC

Please check proof for accuracy. *Check address and phone carefully!*

If any corrections are necessary, Please note changes and **FAX IMMEDIATELY** to: **(815) 331-5227** or Call: **877-592-3033**

If we have not been informed of your changes within 48 hrs., your ad will run as above.

Attn: MANAGER

Dave

OK AS SHOWN OK w/CORRECTIONS

X

Fax/Email *



YOU'RE QUALIFIED IF YOU RECEIVE:

- Food Stamps
- Medicaid
- Low-Income Home Energy Program (LIHEP)
- Supplemental Security Income (SSI)
- Federal Public Housing Assistance (Section 8)

Visit us on the web or call:

www.AbsoluteHomePhones.com 1-877-634-9610

Fill out and mail this form to receive your 1st month of home phone service for FREE!
No postage necessary. Required fields are in red.

Last Name: _____ First Name: _____
 Last 4 Digits of SS#: 07100141 2002193
 Address Line 1: _____
 Address Line 2: _____ Phone: _____
 City: _____ State: _____ Zip: _____

I HEREBY CERTIFY THAT I PARTICIPATE IN THE FOLLOWING PUBLIC ASSISTANCE PROGRAM(S):

- | | |
|--|---|
| <input checked="" type="checkbox"/> Supplemental Security Income (SSI) | <input type="checkbox"/> Low-Income Home Energy Assist. Program |
| <input type="checkbox"/> Federal Public Housing Assist. (Section 8) | <input type="checkbox"/> Medicaid |
| <input type="checkbox"/> Temp. Assist. to Needy Families (TANF) | <input type="checkbox"/> Food Stamps |

I certify that I am a current recipient of the above program(s) and will notify my local telephone company when I am no longer participating in any of the above-designated program(s). I give permission to the duly authorized official(s) administering the above programs to provide to the local telephone company my participation status in any of the above program(s). I give this permission on the condition that the information on this form and any information about my participation in the above programs provided by officials be maintained by the company as confidential customer account information. I am aware that pursuant to Section 837.06, F.S., whoever knowingly makes a false statement in writing with the intent to mislead a public servant in the performance of his or her official duty shall be guilty of a misdemeanor of the second degree.

I agree to these terms and conditions: Date _____

I authorize Absolute Home Phone Services, Inc. to be my local and long distance carrier for the above listed telephone number.

I also understand that I will be billed for my telephone service by Absolute Home Phone Services, Inc.

I certify that I have received the link-up discount at this residence from another carrier and I am not eligible for the discount at this time.

©Absolute Home Phone Services, Inc. form #2003. Rev. 4/12/10.



YOU'RE QUALIFIED IF YOU RECEIVE:

- Food Stamps
- Medicaid
- Low-Income Home Energy Program (LIHEP)
- Supplemental Security Income (SSI)
- Federal Public Housing Assistance (Section 8)

PREMIUM SERVICE INCLUDES:

- Call Waiting
- Caller ID
- Long Distance

Call us today **1-877-634-9610**

Mail or fax filled out copies of the form **1-877-430-2907**

Or sign up at: **www.AbsoluteHomePhones.com**

Detach Here and Mail



NO POSTAGE NECESSARY IF MAILED IN THE UNITED STATES

BUSINESS REPLY MAIL

FIRST-CLASS MAIL PERMIT NO 139 OCALA FL

POSTAGE WILL BE PAID BY ADDRESSEE

ABSOLUTE HOME PHONES
PO BOX 831327
OCALA FL 34483



Attachment B

ETC Certification Form

APPLICANT CERTIFICATION

State of Florida
County of Marion


My name is Chris Peltier I am employed by Absolute Home Phones, Inc. located at 3562 S.W. 24th. Avenue Road Ocala, FL. 34471. as its President. I am an officer of the Company and am authorized to provide the following certifications on behalf of the Company. This certification is being given to support the Eligible Telecommunications Carrier petition filed by my Company with the Florida Public Service Commission (PSC).

Company hereby certifies the following:

1. Company will follow all Florida Statutes, Florida Administrative Rules, and Florida PSC Orders relating to Universal Service, Eligible Telecommunications Carriers, and the Florida Link-Up and Lifeline Program.
2. Company will follow all FCC rules, FCC Orders, and regulations contained in the Telecommunications Act of 1996 regarding Universal Service, ETCs, Link-Up and Lifeline, and toll limitation service.
3. Company agrees that the Florida PSC may revoke a carrier's ETC designation for good cause after notice and opportunity for hearing, for violations of any applicable Florida Statutes, Florida Administrative Rules, Florida PSC Orders, failure to fulfill requirements of Sections 214 or 254 of the Telecommunications Act of 1996, or if the PSC determines that it is no longer in the public interest for the company to retain ETC designation.
4. Company understands that if its petition for ETC designation is approved, it will be for limited ETC designation to provide landline-only Link-Up, Lifeline, and toll-limitation service, and the Company will be eligible only to receive low-income support from the Universal Service Fund.
5. Company understands that if its petition for ETC designation is found to be in the public interest and approved by the PSC, it is based upon the information provided to the PSC in its petition. If there is a future change of company ownership, the company understands that the new owners must file a petition with the PSC prior to the change of ownership and make a showing of public interest to maintain the ETC designation.
6. Company understands that it may only receive reimbursement from the Universal Service Administrative company (USAC) for active customer Link-Up and Lifeline access lines which are provided using its own facilities or a combination of its own facilities and access lines obtained as wholesale local platform lines (formerly UNE lines) from another carrier. The Company shall not apply to USAC for reimbursement of any Link-Up and Lifeline access lines obtained from an underlying carrier which already receive a Lifeline and/or Link-Up credit provided by the underlying carrier.

7. Company understands that the PSC shall have access to all books of account, records and property of all eligible telecommunications carriers.
8. Company understands that low income support reimbursed by USAC for toll limitation service is available only for the incremental costs that are associated exclusively with toll limitation service.
9. Company agrees that upon request, it will submit to the PSC a copy of Form 497 forms filed with USAC to:
Florida Public Service Commission
Division of Regulatory Analysis, Market Practices Section
2540 Shumard Oak Drive
Tallahassee, Florida 32399-0850
10. Company understands that in accordance with the Florida Lifeline program, eligible customers will receive a \$13.50 monthly discount on their phone bills, \$3.50 of which is provided by the ETC, and \$10.00 of which is reimbursable from the Federal Universal Service Fund.

I am aware that pursuant to Section 837.06, F.S., whoever knowingly makes a false statement in writing with the intent to mislead a public servant in the performance of his or her official duty shall be guilty of a misdemeanor of the second degree.



Signature

10/7/10

Date

Chris Peltier
Printed Name

Business Address:
3562 S.W. 24th. Avenue Road
Ocala, FL. 34471

Attachment C

Copy of contract between
Absolute and Telecom Service Bureau

MANAGEMENT SERVICES AGREEMENT

This Management Services Agreement (the "Agreement") is made and entered into by and between **TELECOM SERVICE BUREAU, INC.**, a Florida corporation ("TELECOM"), located at 1701 Northeast 42nd Avenue, Suite #301, Ocala, Florida 34470, and **ABSOLUTE HOME PHONES, INC.**, a Florida corporation with offices at 710 Northeast 48th Ave Road, Ocala, Florida 34470 ("ABSOLUTE HOME PHONES, INC.") (collectively the "Parties"). The effective date of this Agreement shall be the 10th day of February , 2010 (the "Effective Date"),

RECITALS

WHEREAS, ABSOLUTE HOME PHONES, INC. operates a fully licensed and compliant Competitive Local Exchange Carrier ("CLEC") located in the City of Ocala, Marion County, Florida;

WHEREAS, ABSOLUTE HOME PHONES, INC. requires the management services of an organization or entity with the necessary experience and expertise to successfully manage, market, and operate a CLEC; and

WHEREAS, TELECOM currently possesses the management expertise ABSOLUTE HOME PHONES, INC. needs to manage and operate a CLEC, and has agreed to provide same to ABSOLUTE HOME PHONES, INC. in accordance with the terms of this Agreement (herein sometimes called the "Management Services Agreement"); and

WHEREAS, the Parties have determined it would be beneficial to ABSOLUTE HOME PHONES, INC. for TELECOM to provide management and oversight services to ABSOLUTE HOME PHONES, INC. with respect to the operation of ABSOLUTE HOME PHONES, INC.'s business.

NOW, THEREFORE, in consideration of the premises, mutual promises, covenants and other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the Parties hereto agree as follows:

ARTICLE I RECITALS AND DEFINITIONS

1.1 Recitals. The above Recitals are true and correct, and are hereby incorporated by reference.

1.2 Definitions.

1.2.1 The term "Management Services" shall have the meaning set forth in Section 2.2 and Exhibit "2.1" to this Agreement.

1.2.2 The term "CLEC" shall mean a Competitive Local Exchange Carrier.

ARTICLE 2 SCOPE OF AGREEMENT

2.1 Management Services. TELECOM shall provide to ABSOLUTE HOME PHONES, INC. the management and administrative services as described in Exhibit "2.1" to this Agreement (the "Services"). TELECOM shall consistently and continuously exert its best efforts in furnishing the Services, which it shall provide in a commercially reasonable and quality manner.

ARTICLE 3 FEES

3.1 Management Fees. As compensation for the Management Services furnished by TELECOM, ABSOLUTE HOME PHONES, INC. shall pay TELECOM as follows:

3.1.1 A management fee for the Services provided hereunder in an amount equal to \$ 6 for each customer (the "Management Fee"). The Management fee shall be payable within fifteen (15) days from the end of the month in which the services were performed.

3.1.2 TELECOM agrees that the compensation as provided in this Section shall be the only compensation to which it is entitled hereunder.

ARTICLE 4 OWNERSHIP AND MAINTENANCE OF RECORDS

ABSOLUTE HOME PHONES, INC. shall be the sole and exclusive owner of all information and records generated by its business and operations. TELECOM shall assure that adequate, secure filing and storage space for such records shall be provided and that it will place reasonable and appropriate physical, administrative and technical safeguards to protect the privacy and confidentiality of the aforementioned records. Notwithstanding any other provision of this Agreement, TELECOM shall not limit ABSOLUTE HOME PHONES, INC.'s access to such records. Upon termination of this Agreement, TELECOM shall permit ABSOLUTE HOME PHONES, INC. to enter onto the premises to remove the records referenced above, unless ABSOLUTE HOME PHONES, INC. has breached any term or condition of this Agreement. This provision shall survive termination of this Agreement.

ARTICLE 5

INDEMNIFICATION

The Parties hereto shall indemnify and hold each other, and their successors and assigns, harmless from and against any and all liabilities, claims, costs, leases, damages, expenses and attorneys' fees, resulting from or attributable to the negligent acts or omissions, or intentional misconduct of its officers, directors, agents or employees.

ARTICLE 6 TERM AND TERMINATION

The term of this Agreement shall be for three (3) year beginning on the Effective Date and terminating on the third anniversary of the Effective Date (the "Term"), unless earlier terminated in accordance with the terms hereof. This Agreement shall renew automatically for up to two (2) additional three (3) year terms if not otherwise terminated hereunder.

6.1 Termination without Cause. TELECOM may terminate this Agreement without cause upon no less than sixty (60) days prior written notice to ABSOLUTE HOME PHONES, INC.. After the last date of the thirtieth (30th) month of the Effective Date of this Agreement, ABSOLUTE HOME PHONES, INC. may terminate this Agreement without cause upon no less than sixty (60) days prior written notice to TELECOM.

6.2 Termination for Cause – ABSOLUTE HOME PHONES, INC. ABSOLUTE HOME PHONES, INC. may terminate this Agreement for the following reasons:

6.2.1 Upon the filing of a voluntary petition for bankruptcy or reorganization by TELECOM, or petition for the appointment of a receiver of any or all assets of TELECOM; consent by TELECOM to an order for relief under federal bankruptcy laws; or the entry of an order, judgment or decree adjudging TELECOM bankrupt or insolvent, or which appoints a receiver, trustee, liquidator or other such person for any or all assets of TELECOM;

6.2.2 Upon any noncompliance or other material breach of the provisions of this Agreement by TELECOM, if TELECOM does not cure said noncompliance or material breach within thirty (30) days after written notice thereof from ABSOLUTE HOME PHONES, INC.

6.3 Termination for Cause – TELECOM. TELECOM may terminate this Agreement upon written notice to ABSOLUTE HOME PHONES, INC.:

6.3.1 Upon the revocation of ABSOLUTE HOME PHONES, INC.'s license to operate as a CLEC;

6.3.2 Upon any noncompliance or other material breach of the provisions of this Agreement by ABSOLUTE HOME PHONES, INC., if ABSOLUTE HOME PHONES, INC. does not cure said noncompliance or material breach within thirty (30) days after written notice thereof from TELECOM;

6.3.3 Upon the noncompliance with any federal, state, or local regulations.

ARTICLE 7 CONFIDENTIALITY

7.1 Non-disclosure of Information. TELECOM agrees that during the period of this Agreement, TELECOM shall not in any fashion, form or manner, directly or indirectly, divulge, disclose, or communicate to any individual or entity or utilize for TELECOM's own benefit or the benefit of any individual or entity in any manner whatsoever, any information of any kind, nature, or description concerning any matters affecting or relating to the business of ABSOLUTE HOME PHONES, INC. including, but not limited to: any of ABSOLUTE HOME PHONES, INC.'s fee schedules; log of contacts relative to ABSOLUTE HOME PHONES, INC.'s business; ABSOLUTE HOME PHONES, INC.'s manner of operation; research and development efforts; policies; procedures; protocols; processes; sales data; operating profit; marketing or research plans; business methods; strategic plans; formulas; costs; training materials; manuals; techniques; designs or computer software including information or programs developed for personal computers or stored on transportable media; proposals; competitive information; financial and other projections relating to any business or field of endeavor of or by ABSOLUTE HOME PHONES, INC.; the terms of any of ABSOLUTE HOME PHONES, INC.'s contracts; or any other information concerning the business of ABSOLUTE HOME PHONES, INC. of any kind, nature or description, regardless of whether the same has been marked "confidential," except with the express written consent of ABSOLUTE HOME PHONES, INC. or as may be required by law or court order subpoena (including but not limited to the "Sunshine Law" of the State of Florida as set forth in Florida Statute §286.011 and Article I, Section 4, of the Florida Constitution). The information described above shall be hereinafter collectively referred to as "Confidential Information."

7.2 Confidential Information and Records. TELECOM shall preserve the confidentiality of all customer information as required by state and federal law. All customer lists generated by, through, or on behalf of ABSOLUTE HOME PHONES, INC. shall be the sole and exclusive property of ABSOLUTE HOME PHONES, INC..

7.3 Access To TELECOM Information. TELECOM shall make available to ABSOLUTE HOME PHONES, INC. such information and records as ABSOLUTE HOME PHONES, INC. may reasonably request to facilitate ABSOLUTE HOME PHONES, INC.'s compliance with requirements of any federal, state, or local regulations, or by the Public Service Commission, USAC, or the Federal Communications Commission, and to facilitate ABSOLUTE HOME PHONES, INC.'s substantiation or compliance of its reasonable cost or other claim for reimbursement in accordance with requirements applicable to ABSOLUTE HOME PHONES, INC. pursuant to the Medicare and Medicaid programs.

ARTICLE 8 INDEPENDENT CONTRACTORS

8.1 The relationship between ABSOLUTE HOME PHONES, INC. and TELECOM shall be exclusively that of independent contractors. Nothing in this Agreement shall be construed to create a partnership, joint venture, agency, employment, or other such relationship between ABSOLUTE HOME PHONES, INC. and either TELECOM or its employees. Neither party shall have the right or authority to bind the other, or make any promises or representations on the other party's behalf. ABSOLUTE HOME PHONES, INC. shall not have nor exercise any control, supervision, or discretion over the methods by which TELECOM and its employees provide the Services, except as otherwise provided in this Agreement. ABSOLUTE HOME PHONES, INC. shall look to TELECOM for results only, and shall have no right at any time to direct or supervise TELECOM's employees in the performance of the Services provided by TELECOM's employees or as to the manner, means and method by which such Services are performed by TELECOM's employees. All TELECOM employees that provide Services to ABSOLUTE HOME PHONES, INC. pursuant to this Agreement, shall be and remain the employees of TELECOM at all times, and shall not at any time or for any purpose whatsoever be employees or agents of ABSOLUTE HOME PHONES, INC.. However, TELECOM's employees agree to abide by the policies and procedures of ABSOLUTE HOME PHONES, INC. while on ABSOLUTE HOME PHONES, INC.'s premises or providing Services to ABSOLUTE HOME PHONES, INC.

8.2 **Insurance.** TELECOM shall keep in force at all times during this Agreement, workers' compensation insurance covering TELECOM employees who provide Services to ABSOLUTE HOME PHONES, INC. in such amounts as are required by applicable law. Upon ABSOLUTE HOME PHONES, INC.'s written request, TELECOM will provide ABSOLUTE HOME PHONES, INC. with a Certificate of Insurance from TELECOM's insurance carrier(s) verifying these coverages.

8.3 **Billing to Third Parties.** To the extent that TELECOM bills any third party payor for the Services performed by a TELECOM employee, such billings shall be assigned to ABSOLUTE HOME PHONES, INC. in accordance with existing law and/or contractual obligation.

ARTICLE 9 ADMINISTRATIVE PROVISIONS

9.1 **Amendment.** No amendment, revocation, change or modification of this Agreement shall be valid unless the same be in writing and signed by the Parties hereto.

9.2 **Assignment.** This Agreement, including each and every right and obligation referenced herein, shall not be assigned by TELECOM without the express prior written consent of ABSOLUTE HOME PHONES, INC..

9.3 **Counterparts.** This Agreement may be executed in multiple counterparts, each of which shall be deemed to be an original and all of which together shall be deemed to be one and the same instrument.

9.4 **Enforcement Costs.** If any legal action or other proceeding, including arbitration, is brought for the enforcement of this Agreement or because of an alleged dispute,

breach, default or misrepresentation in connection with any provision of this Agreement, the successful or prevailing party or parties shall be entitled to recover reasonable attorney's fees, court costs and all expenses if not taxable as court costs, incurred in that action or proceeding, including all appeals, in addition to any other relief to which such party or parties may be entitled.

9.5 Entire Agreement. This Agreement (together with all Exhibits attached hereto, contains, and is intended as, a complete statement of all of the terms of this Agreement between the Parties with respect to the matters provided for herein and supersedes any previous agreements and understandings (whether written or oral) between the Parties. All Exhibits attached to this Agreement shall be deemed part of this Agreement and incorporated as if fully set forth herein.

9.6 Execution/Authority. Each signatory to this Agreement represents and warrants that he or she possesses all necessary capacity and authority to act for, sign, and bind the respective entity or person on whose behalf he is signing.

9.7 Gender and Number. When the context hereof requires, the gender of all words shall include the masculine, feminine, and neuter, and the number of all words shall include the singular and plural.

9.8 Governing Law. This Agreement shall be construed and all of the rights, powers and liabilities of the Parties hereunder shall be determined in accordance with the laws of the State of Florida.

9.9 Headings. The headings of the articles and sections of this Agreement have been inserted for convenience of reference only, and shall in no way restrict or otherwise affect the construction of the terms or provisions of this Agreement. References in this Agreement to Articles and Sections are to the articles and sections of this Agreement.

9.10 Limitation on Authority. Without the express written consent of ABSOLUTE HOME PHONES, INC., TELECOM shall have no apparent or implied authority to do the following acts:

9.10.1 Extend the credit of ABSOLUTE HOME PHONES, INC..

9.10.2 Bind ABSOLUTE HOME PHONES, INC. under any contract, agreement, note, mortgage, or other obligation.

9.10.3 Discharge any debt due ABSOLUTE HOME PHONES, INC..

9.10.4 Sell, mortgage, transfer, or otherwise dispose of any assets of ABSOLUTE HOME PHONES, INC..

9.11 Notice. All notices and other communications under this Agreement shall be in writing and shall be deemed received when delivered personally or when deposited in the U.S. mail, postage prepaid, sent registered or certified mail, return receipt requested or sent via a

nationally recognized and receipted overnight courier service, to the Parties at their respective principal office of record as set forth below or designated in writing from time to time. No notice of a change of address shall be effective until received by the other party.

To ABSOLUTE HOME PHONES, INC.:

ABSOLUTE HOME PHONES, INC.
710 Northeast 48th Avenue Road
Ocala, Florida 34470
Attn: Christopher M. Peltier, President

To TELECOM:

TELECOM SERVICE BUREAU, INC.
1701 Northeast 42nd Avenue, Suite #301
Ocala, Florida 34470
Attn: Joseph S. Fernandez, President

9.12 Severability. If any provision of this Agreement, or the application thereof to any person or circumstance, shall be held to be invalid, illegal or unenforceable in any respect by any court or other entity having the authority to do so, the remainder of this Agreement, or the application of such affected provision to persons or circumstances other than those to which it is held invalid or unenforceable, shall be in no way affected, prejudiced or disturbed, and each provision of this Agreement shall be valid and shall be enforced to the fullest extent permitted by law.


9.13 Successors and Assigns. This Agreement shall be binding upon, and shall inure to the benefit of the Parties hereto, their respective successors and permitted assigns.

9.14 Venue. Any action or proceeding seeking to enforce any provision, or based on any right arising out of, this Agreement, shall be brought against either of the Parties in the courts of the State of Florida, County of Martin and each of the Parties consents to the jurisdiction of such courts (and of the appropriate appellate courts) in any such action or proceeding and waives any objection to venue therein. Process in any action or proceeding referred to in the preceding sentence may be served on either party anywhere.

9.15 Waiver. No failure by a party to insist upon the strict performance of any covenant, agreement, term or condition of this Agreement, shall constitute a waiver of any such breach of such covenant, agreement, term or condition. Any party may waive compliance by the other party with any of the provisions of this Agreement if done so in writing. No waiver of any provision shall be construed as a waiver of any other provision or any subsequent waiver of the same provision.

IN WITNESS WHEREOF, the Parties have caused this Agreement to be executed and delivered as of the day and year written above.

ABSOLUTE HOME PHONES, INC.
a Florida corporation

By: 
Name: Christopher M. Peltier
Title: President
Date: 2/10/2010

TELECOM SERVICE BUREAU, INC.
a Florida corporation


By: 
Name: Joseph S. Fernandez
Title: President
Date: 2/10/2010

EXHIBIT "2.1"
MANAGEMENT SERVICES

TSB shall provide the following management services:

-Consulting

(How to maintain market and upgrade your CLEC, proper billing for your customers, helpful programs and platforms, referral for long distance providers, recommend/refer Attorney's needed to facilitate your CLEC's success, advisory related to structuring your CLEC)

-Quality Management

(To include required report filings for each state you provide service, quarterly if required and annually. Federally required annual reports, Federal/State compliance deemed for CLECS by the Public Service Commission, USAC and the FCC. Complaint handling is also provided if complaints should be made by customers to include: the Better Business Bureau, the Public Service Commission and USAC).

-Institutional Support

(To include overhead charges and operational expenses, office facilities, human

resources, promotions, purchasing, equipment, inventory and community relations)

-Absolute Home Phones, Inc. tal Expenditures

(To include upgrading related to facilities and operations management)

-Accounting

(To include billings to customers and payments from customers, CLEC expenditures incurred by State or Federal Revenues and your ILEC provider, CLEC account management in Quickbooks with categorized accounts payable and receivable per expense, all categories broken down by state and month.)

-Operations Maintenance

(Utilities, custodial and supportive services)

*For a fee of \$6.00 per customer, we can provide phone lines to answer calls from your customers at our Call Center. These fees includes telephone line maintenance and set up of an IVR platform for information to your customers about your company and direct the calls to appropriate Representatives to answer their specific questions. The Telecom Service Bureau Call Center employs experienced Customer Representatives who are very knowledgeable regarding telecommunication software entry, answering specific customer inquiries and are experienced liaisons between the Customer, CLEC and ILEC. They are evaluated daily by supervisors and monitors. Our Customer Representatives are trained routinely and very courteous and will give your customers exceptional customer service through a script that we create for you or you provide to us. This script will provide the customer information you wish him/her to hear when they call your company. We operate through Quicktel, a billing/service platform/order/payment program. It is required to use Quicktel for your business if you wish to have these services provided at our Call Center.

*Optional Services provided for an additional Fee:

-Telecom Service Bureau, Inc. can set up your business's long distance provider and pay the monthly bill incurred to that carrier for you. The total long distance provided and associated cost incurred by the long distance carrier will be provided to you on your monthly Telecom Service Bureau invoice. There will be no upcharge by Telecom Service Bureau for this service.

-Telecom Service Bureau can provide our Consultant who has developed software to dispute cost incurred monthly from your ILEC invoice. This can significantly reduce the monthly total owed to the ILEC and is strongly recommended for an additional charged billed separately and will provided on your monthly bill.

Attachment D

Absolute's Residential and Customer Bill



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

Invoice

Account No.	Invoice No.	Invoice Date	Due Date
29225	114559	09/04/10	10/03/10

Total Amount Due	35.93
Balance Fwd/Past Due	0.00
Total Current Invoice	35.93

A \$10 late fee will apply if payment is not received by 10/03/10.

Amount Paid

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

Angela Watkans
c/o Current Resident
3401 W Lee St
Pensacola FL 32505-6214

ua2132087 - ps759177
son1033-1a2

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



Tel: 866-500-9976
Fax: 877-430-2907

Welcome To Absolute Home Phone!

Thank you for choosing Absolute Home Phone. We look forward to a long partnership together! You can always expect prompt and courteous service from us. If you ever have a question or concern about your service or your calling plan & features, contact our Customer Service department at 866-500-9976.

Keep Your Lifeline Discount!

If you have already applied for Lifeline and have not submitted your certification, please fill out the enclosed Lifeline Certification form and fax or send it back to us ASAP.

Payment Options



Check or Money Order by mail.

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



Credit/Debit/Prepaid cards by phone.

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

Get \$20 Off Your Phone Bill For Every Referral!

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

to start receiving your \$20 credits, have your friends and family call us at:

1-866-500-9976

ua2132087 - ps759177 - son1033-1a2

Account No.: 29225 Summary

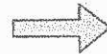
Customer Name	Angela Watkans
Invoice Date	09/04/10
Invoice No.	114559
Due Date	10/03/10
Previous Balance	0.00
Payments & Adjustments	0.00
Balance Fwd/Past Due	0.00
Current Activity Charges	25.00
Total Taxes & Fees	10.93
Total Current Invoice	35.93
Total Amount Due	35.93

Recurring Charges: (850) 433-1951

Description		
Lifeline Premier Package	10/03/2010 to 11/02/2010	38.50
Unlimited LD minutes (NON ETC)	Included	0.00
Caller ID w/Name	Included	0.00
Call Waiting With Call Waiting ID	Included	0.00
Lifeline Discount (Food Stamps)	10/03/2010 to 11/02/2010	-13.50
Total Recurring Charges		25.00

Regulatory Taxes and Surcharges:

Description		
Communications Services Tax		2.75
E 911		0.50
FCC Authorized Line Charge		6.50
Statutory Gross Receipts		1.07
Telecommunications Relay Service Surcharge		0.11
Total Regulatory Taxes and Surcharges		10.93



TOTAL DUE:

35.93



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

LifeLine Certification Notice

Don't Lose Your LifeLine Discount!

Absolute Home Phone Service is required to retain a signed Self Certification Form for each customer participating in Lifeline every 12 months. We've included this Self Certification form because we do not yet have one on file for your account or your current certification is about to expire. Please complete the form below and return it with proof that you participate in one of the programs listed. If you do not have proof of the information requested, call your case worker and they can fax us directly any proof needed to continue your LifeLine eligibility with us.

Please complete and return the Self Certification form below to keep your discounted service; otherwise, you will be billed the full amount charged for your plan. Your service may also be suspended if your LifeLine certification expires; a restoral fee may be imposed to restore suspended service.

**Return
By Mail**

Return completed form below with your payment using the payment coupon on the invoice and the envelope provided.

AHPS Lifeline Dept.
PO Box 831327
Ocala FL 34483

**Return
By Fax**

Fax to
877-430-2907

LifeLine Low-Income Assistance Plan

Self Certification Form

Billing Name		Date	
Service Address			
City		State	Zip
()			
Phone Number		Social Security #	

I hereby certify that I participate in the following public assistance program(s) check all that apply:

- | | |
|---|---|
| <input type="checkbox"/> Medicaid | <input type="checkbox"/> Temporary Assistance to Needy Families/AFDC (TANF) |
| <input type="checkbox"/> Food Stamps | <input type="checkbox"/> Federal Public Housing Assistance or Section 8 |
| <input type="checkbox"/> National Free School Lunch Program | <input type="checkbox"/> Low-Income Home Energy Assistance Program (LIHEAP) |
| | <input type="checkbox"/> Supplemental Security Income (SSI) |

By checking this box, I am stating that I, or someone in my household, have received the Link-up discount at this residence from another carrier and I am not eligible for the connection discount at this time.

I certify, under penalty of perjury, that I am a current recipient of the above program(s) and will notify my local telephone company when I am no longer participating in at least one of the above-designated program(s). I authorize my local telephone company or it's duly appointed representative to access any records required to verify these statements to confirm my continued participation in the above program(s). I authorize representatives of the above programs to discuss with and/or provide copies to my local telephone company, if requested by the company, to verify my participation in the above program(s) and my eligibility for this program.

Applicant's signature

Date

Certification is good for 1 year from the date of signing. Certification must be updated annually to retain benefits.

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

For Questions or Assistance call:
1-866-500-9976