

Ruth Nettles

090426-TX

From: Charlotte Lacey [clacey@telecomcounsel.com]
Sent: Monday, November 23, 2009 9:59 AM
To: Filings@psc.state.fl.us
Subject: Absolute Home Phones, Inc. - Docket No. 090426-TX
Attachments: FL Data Request Responses Filing.pdf

Please see the attached responses.



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11/23/2009

DOCUMENT NUMBER-DATE

11521 NOV 23 8

FPSC-COMMISSION FILE

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November 20, 2009

VIA ELECTRONIC FILING

Beth Salak, Director
Division of Competitive Markets & Enforcement
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. Salak:

Pursuant to your letter dated October 8, 2009, enclosed please find original data request responses for Absolute Home Phones, Inc.

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: Chris Peltier
Bob Casey -- via e-mail
Catherine Beard -- via e-mail

DOCUMENT NUMBER-DATE

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FPSC-COMMISSION CLERK

General Data Requests for Docket No. 090426-TX

1. How many states does Absolute currently operate in? Does Absolute provide Lifeline assistance in any of these states?

RESPONSE: None

2. Please list all states in which Absolute has received ETC status and note whether the state commission or the Federal Communications Commission (FCC) provided the designation. Also list all pending ETC petitions, with docket numbers and the state in which the designation is requested.

RESPONSE: Absolute has not received ETC status yet. Absolute currently has pending ETC petitions in:

Florida – Docket No. 09-0426

Kentucky – Case No. 09-00407

North Carolina – Docket No. P-100, Sub 133C

3. Has Absolute filed for ETC status in any state and subsequently withdrawn the petition or been denied ETC status? If so, please list the state and docket number.

RESPONSE: No.

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.

RESPONSE: None

5. How many Lifeline customers does Absolute presently serve in Florida?

RESPONSE: None

6. If Absolute receives ETC designation in Florida, approximately how long will it take for Absolute to offer Lifeline service in the area in which it receives the ETC designation? Please elaborate on any extended or special circumstances.

RESPONSE: Not Applicable.

7. Does Absolute commit to complying with any minimum local usage requirement which may be placed on ETC's in Florida in the future?

RESPONSE: Yes.

DOCUMENT NUMBER-DATE

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FPSC-COMMISSION CLERK

General Data Requests for Docket No. 090426-TX

8. Do Absolute customers have access to competitive directory assistance providers, as defined as by 47 C.F.R. 54.101(a)(8)?

RESPONSE: Yes. Absolute's customers will have access to competitive directory assistance providers, as defined as by 47 C.F.R. 54.101(a)(8).

9. Does Absolute understand that there may be an audit by the FPSC of the use of universal service funds and that the eligible telecommunications service designation may be reviewed annually?

RESPONSE: Yes. Absolute understands that there may be an audit by the FPSC of the use of universal service funds and that the eligible telecommunications service designation may be reviewed annually.

10. Does Absolute have any outstanding complaints at any state commissions or at the FCC? Please provide detailed documentation of any complaint filed with a state commission or at the FCC in the past three years.

RESPONSE: No.

11. Please provide a description of Absolute's corporate structure, with both names and titles. Please provide a list of Absolute's owners or corporate officers and indicate if any are also owners, corporate officers or employees of any other telecommunications companies.

RESPONSE: Absolute is a stand alone company. See the attached resume of Chris Peltier, President of Absolute Home Phones, Inc., who is 100% shareholder.

12. Please provide an example of a typical Absolute residential and business customer bill. What is the average residential bill in Florida?

RESPONSE: No customers this time.

13. Will Absolute seek toll limitation service reimbursement from USAC if granted ETC status? If yes, provide a detailed list of the incremental costs it will be claiming, along with a detailed description to support the amounts to be claimed.

RESPONSE: Yes, a detailed list of the incremental costs it will be claiming is as follows:

One time installation charge	\$7.82
Monthly recurring charge	\$3.87
Cost to administer per customer/per month	\$0.50

General Data Requests for Docket No. 090426-TX

14. Will Absolute seek Link-Up reimbursement from USAC if granted ETC status? If yes, list the amount per customer Absolute would be claiming.

RESPONSE: Yes, Link-Up reimbursement will be claimed in the amount of \$30.00 per customer, or the highest amount allowable.

15. Will Absolute seek Lifeline reimbursement from USAC if granted ETC status? If yes, list the amount per customer Absolute would be claiming.

RESPONSE: Yes, Link-Up reimbursement will be claimed in the amount of \$10.00 per customer, or the highest amount allowable.

16. Are all Absolute's offerings bundled packages? Will Absolute provide the \$13.50 Lifeline discount to any bundle a customer chooses?

RESPONSE: Yes, service is provided in bundled packages, and Lifeline discounts will apply to any bundle that a customer chooses.

17. Does Absolute understand that Florida ETC's are required to provide a non-reimbursable \$3.50 credit per month to each Lifeline customer's bill in addition to the Federal \$10.00 reimbursement credit?

RESPONSE: Yes, Absolute understands that Florida ETCs provide a non-reimbursable \$3.50 credit per month to each Lifeline customer's bill in addition to the Federal \$10.00 reimbursement credit.

18. Does Absolute understand that Florida's Lifeline program provides that if a Lifeline customer is no longer eligible for Lifeline, the ETC must provide a 30% monthly discount off its local rate to that customer for a period of 12 months at the ETC's expense?

RESPONSE: Yes, Absolute understands that Florida's Lifeline program provides that if a Lifeline customer is no longer eligible for Lifeline, the ETC must provide a 30% monthly discount off its local rate to that customer for a period of 12 months at the ETCs expense.

19. Does Absolute maintain separate books/general ledgers for each state that it operates in? Where are the books/general ledgers for Florida customers maintained?

RESPONSE: When the company becomes operational, it intends to maintain separate books/general ledgers for each state that it operates in, all of which will be maintained in the Florida office.

General Data Requests for Docket No. 090426-TX

20. Provide the number of requests for service from potential customers in Florida that were unfulfilled by Absolute in the previous calendar year.

RESPONSE: Not Applicable.

21. Please provide the address (URL) to the Absolute website, if there is one.

RESPONSE: www.absolutehomephones.com

22. What recurring and non-recurring costs will a new Lifeline customer incur from becoming a Absolute, Inc. customer and over a year's period?

RESPONSE: There is a \$60 connection fee. However, if the customer is Linkup Eligible, that cost goes down to a \$30 connection fee. There is no cost to the customer for the initial connection because we break this fee down over a 3 month period, starting with their first bill. Other non-recurring cost that would be possible are:

Name Change Fee - \$10

Number Change Fee - \$20

Feature Change Fee - \$10

Transfer Fee (to a new address) - \$40

Trip Charge Fee (on inside wire issues) - \$80 (refundable if problem is determined to be outside)

Recurring Costs –

The recurring costs a customer faces is only for the month of service, plus all taxes and surcharges a customer must pay. Including those taxes and surcharges, for Florida a Lifeline customer would need to pay an estimated \$30.00 per month. This covers the monthly service with Caller ID and Call Waiting as well if they get our promotional premier package.

General Data Requests for Docket No. 090426-TX

23. In Absolute Home Phone's application for ETC status, it is stated that Absolute will provide local exchange and exchange access services, using a combination of resale and unbundled network elements, or unbundled network equivalents, obtained through interconnection agreements that allow end-to-end switching of delivery calls. How much of Absolute's service will be provided through resale, and how much will be provided using a unbundled network elements or unbundled network equivalents?

RESPONSE: To be determined.

24. On page 2 and 3 on the application for ETC status, Absolute states that it would be using a combination of resale and unbundled network elements, or unbundled network equivalents. What does Absolute mean by unbundled network equivalents? Also, are these equivalents part of the public switched telephone network? Describe the physical components of the telecommunications network which will be used to provide Lifeline service.

RESPONSE: Unbundled network elements will be used by the company. Unbundled network element equivalents is a term of art used in the industry used since UNE-P was discontinued by the ILECs, and has the same meaning as unbundled network elements. The physical components of the telecommunications network which will be used to provide Lifeline service will be provided by AT&T.

25. Please provide any resale or commercial agreements you currently have in Florida with other telecommunications carriers. Please include signed evidence of the agreements, along with invoices detailing both UNE and resale charges.

RESPONSE: Please see attached.

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26. What facilities, planned or existing, does Absolute have in Florida in order to serve Florida customers? Please include the cost of these facilities.

RESPONSE: Absolute does not own, operate, or provide service in the State of Florida through the use of its own facilities. Current plans call for Absolute to provide service to its end users through resale, and to lease switched port/loop combination UNE's.

27. Please provide examples of how Absolute will advertise, using media of general distribution, the availability of the supported services and the charges for these services. What specific plans does Absolute have for advertising its Lifeline Service offering in Florida?

RESPONSE: Absolute Home Phones, Inc will be running direct mail campaigns with postcards, Yellow Page ads, TV commercials and Website. The approximate cost for these advertising methods will range from \$13,510.00 (the first month) to \$ 62,750.00(During month 6 and forward). My recommendations for the first 6 month are as follows:

1st Month 33,000 Post cards \$2,500.00
Postage \$7,260.00
3 TV Stations \$3,000.00
Website \$750.00
Est. Totals \$13,510.00

2nd Month 33,000 Post cards \$2,500.00
Postage \$7,260.00
3 TV Stations \$3,000.00
Website \$750.00
Est. Totals \$13,510.00

3rd Month 33,000 Post cards \$2,500.00
Postage \$22,000.00
3 TV Stations \$3,000.00
Website \$750.00
Est. Totals \$13,510.00

4th Month 100,000 Post cards \$4,000.00
Postage \$22,000.00
6 TV Stations \$6,000.00
Website \$750.00
Est. Totals \$26,750.00

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5 th Month 100,000 Post cards	\$4,000.00
Postage	\$22,000.00
6 TV Stations	\$6,000.00
Website	\$750.00
Est. Totals	\$26,750.00

6 th Month 200,000 Post cards	\$6,000.00
Postage	\$44,000.00
8 TV Stations	\$8,000.00
Website	\$750.00
Est. Totals	\$58,750.00

These costs include printing, fulfillment, postage and inception of commercials and website as well as running the ads in pre determined markets. Besides the above mention marketing strategies Absolute Home Phones, Inc will also be setting appointments throughout designated areas to sign up Lifeline clients at government sites as well as pinpointing demographic areas and sending lifeline forms to residential areas

28. As a condition of receiving local service, are Absolute residential customers required to subscribe to Absolute long-distance services?

RESPONSE: No.

29. Describe Absolute local usage plans pursuant to 47 C.F.R. 54.101(a)(2). If phone service is offered in a bundled package, please describe and enumerate the wireline local component (charge for local phone service) for which universal service compensation would be based on.

General Data Requests for Docket No. 090426-TX

RESPONSE: Absolute Home Phones' product offerings incorporate customer local usage into its basic price. We currently do not charge extra fees for minutes of usage in extended local calling areas. Once ETC certified, Absolute Home Phones intends to pass through the appropriate credits reducing the monthly recurring price for Lifeline approved customers. We estimate those plan prices to be as followed, price does not include taxes and surcharges:

PLAN & PRICES

FL

LIFELINE BASIC SERVICE

\$20.00

LIFELINE PREMIER PACKAGE

INCLUDES CALLER ID W/NAME, CALL WAITING, AND CALL WAITING ID

\$25.00

LIFELINE COMPLETE PACKAGE

INCLUDES CALLER ID W/NAME, CALL WAITING, CALLER WAITING ID, *69, 3-WAY, & CALL FORWARDING

\$33.00

30. Describe the access Absolute plans to provide to emergency services, such as 911 and enhanced 911 as defined in 47 C.F.R. 54.101(a)(5).

RESPONSE: Absolute's customers will have access to emergency services, such as 911 and enhanced 911 as defined in 47 C.F.R. 54.101(a)(5) through its interconnection agreement with AT&T.

31. Do Absolute customers have access to competitive directory assistance providers, as defined by 47 C.F.R. 54.101(a)(8).

RESPONSE: Yes. See response to No. 8 above.

General Data Requests for Docket No. 090426-TX

32. Describe the toll-limitation features of Absolute. See 47 C.F.R. 54.101(a)(9).

RESPONSE: Absolute will order toll restriction, which, with the exception of toll free numbers, will block access to all 1+ dialing patterns. Pursuant to 47 C.F.R. 54.101(a)(9), toll restriction will be provided at no charge.

33. Does Absolute understand that any resold Lifeline, Link-Up, or TLS service purchased through another carrier cannot be claimed by Absolute for reimbursement from USAC?

RESPONSE: Absolute understands that any resold Lifeline, Link-Up or TLS service purchased through another carrier cannot be claimed by Absolute as access lines eligible for reimbursement from USAC.

34. Paragraph 14 on page 8 of the petition states that Lifeline is distributed on a per customer basis. Is Absolute aware that Lifeline is distributed on a per household basis, not a per customer basis?

RESPONSE: Yes, Absolute is aware that Lifeline is distributed on a per household basis, not a per customer basis.

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

36. Does Absolute provide service to its customers via a prepaid service? If so, what percentage of its customers receive their service via a prepaid service?

RESPONSE: Absolute intends to provide all service on a prepaid basis.

General Data Requests for Docket No. 090426-TX

37. Please provide Absolute's purpose for requesting ETC status in Florida. What does the company hope to achieve? Why not just purchase resale Lifeline access lines from your underlying carrier if the purpose of ETC designation is solely to provide Lifeline and Link-Up?

RESPONSE: Absolute's purpose for requesting ETC status in Florida is to service a public interest group that has been neglected by the ILECS. Absolute will make more eligible consumers aware of the Lifeline and Link-Up programs, and provide such service at a discounted rate, by applying the credit amounts, and the additional \$3.50 Florida ETC credit. See attached Exhibit 3, 2006 Lifeline Participation Rates by State, which was obtained from the Universal Service Administrative Company ("USAC"), an independent not-for-profit corporation designated as the administrator of the federal Universal Service Fund by the Federal Communications Commission (FCC). USAC administers Universal Service Fund (USF) programs for high cost companies serving rural areas, low-income consumers, rural health care providers, and schools and libraries. The FCC's own statistics show how additional efforts are needed to promote awareness of the programs. On September 14, 2009 the FCC noted how Lifeline and Link Up programs have been active for years but at least half of eligible consumers nationwide do not take advantage of this assistance. See attached Exhibit 4.

38. Please provide Absolute's most current financial statements including balance sheet and profit and loss statements. Please indicate who prepared the statements.

RESPONSE: Please see the attached Balance Sheet as of November 16, 2009 and Profit and Loss Forecast from January through December 2009 prepared by accountant at Collier, Jernigan and Goedert, PA.

39. Please provide copies of all Federal and State of Florida income tax and/or corporate filings made on behalf of Absolute for the last three years.

RESPONSE: Absolute Home Phones, Inc is a new corporation that was formed on 2/10/09 and has not yet needed to file a tax return.

40. Have any owners, officers, or managers of Absolute been involved in any bankruptcy proceedings? If so, please provide details as to who, when, and where the bankruptcy occurred.

RESPONSE: No.

General Data Requests for Docket No. 090426-TX

41. Have any owners, officers, or managers of Absolute been charged or convicted of a criminal offense? If so, please provide details as to who, when, and where the charges or convictions occurred.

RESPONSE: No.

42. Please identify any civil litigation in which a Absolute's owner, officer, or manager has been deposed or has been a plaintiff, a defendant, or a witness.

RESPONSE: None.

43. Are customers who reconnect service with the company required to pay the past due bill and a reconnection fee prior to receiving service? Are Lifeline customers allowed to pay past due amounts over time? Are Lifeline customers charged a reconnection fee?

RESPONSE: Customers who reconnect with our company are required to pay the past due bill and a reconnect fee of \$25 prior to reconnecting service if their account shows any amount past due owed. We do not break the past due amount down over time. It is the same for Lifeline or Non-lifeline customers. However, if the account is disconnected for longer than 15 days, the past due amount is written off. Any customer coming back to us after the write off shows a zero balance and does not owe any reconnect fee or past due bill. This is the same for Lifeline and Non- Lifeline customers as well.

APPLICANT CERTIFICATION

State of Florida
County of Marion

My name is Chris Peltier, I am employed by Absolute Home Phones, Inc., located at 710 NE 48th Avenue Road, Ocala, Florida 34470 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. Absolute 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. Absolute will follow all FCC rules, FCC Orders, and regulations contained in the Telecommunications Act of 1996 regarding Universal Service, ETC's, Link-Up and Lifeline, and toll limitation service.
3. Absolute agrees that the Florida PSC may revoke a carrier's ETC status 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 status.
4. Absolute understands that if its petition for ETC status is approved, it will be for limited ETC status to provide Link-Up, Lifeline, and toll-limitation service only, and the Absolute will be eligible only to receive low-income support from the Universal Service Fund.
5. Absolute understands that it may only receive reimbursement from the Universal Service Administrative company (USAC) for active customer Link-Up and Lifeline access lines.
6. Absolute understands that the PSC shall have access to all books of account, records and property of all eligible telecommunications carriers.
7. Absolute understands that low income support reimbursed by USAC for toll limitation service, if any, is available only for the incremental costs that are associated exclusively with toll limitation service.
8. Absolute agrees that upon request, it will submit to the PSC a copy of Form 497 forms filed with USAC.
9. Absolute understands that in accordance with the Florida Lifeline program, eligible customers will receive a \$13.50 monthly discount on their phone bill or equivalent minutes for wireless

EXHIBITS

- Exhibit 1 – Resume
- Exhibit 2 – Commercial Agreement
- Exhibit 3 – 2006 Lifeline Participation Rates by State
- Exhibit 4 – FCC News Release
- Exhibit 5 – Financial Statements
- Exhibit 6 – Post card advertisement

Exhibit 1 – Resume

Christopher M Peltier

710 NE 48th Avenue Road
Ocala FL 34480
(352) 438-2225
Cpeltier@absolutehomephones.com

Objective: I am pursuing a new challenge in the telecommunications industry. I am accustomed to handling accurate, timely reports for audits, time sensitive material and I excel at customer service.

Education

Douglas Freeman High School
8701 Three Chopt Road
Richmond, Virginia 13229

Greenville Technical College
Major- Business
506 South Pleasantburg Drive
Greenville, South Carolina 29607

Experience

2008- Present Absolute Home Phones, Inc.

President/ Manager

Responsibilities include business planning, acquisition of new capitol, and organization of new company. Duties include managing and overseeing marketing, accounting, and sales departments to ensure efficient and effective use of resources.

2003-2007

Founder/Owner of Chris Peltier Floor Covering Incorporated. I managed large contracts with multiple vendors and managed all aspects of the corporation including staffing, subcontracting, scheduling, billing, performance and quality assurance related to customer service. I achieved numerous certifications and awards related to customer service and performance from larger corporations in which my company subcontracted for.

1994-2003

Subcontractor for a large Home Improvement chain that provides floor covering.

References available upon request

Exhibit 2 – Commercial Agreement

MFN AGREEMENT

This MFN Agreement ("MFN Agreement"), which shall be filed with and is subject to approval by the State Commission and shall become effective ten (10) days after approval by such Commission ("Effective Date"), is entered into by and between Absolute Home Phones, Inc. ("CLEC"), a Florida Corporation on behalf of itself, and BellSouth Telecommunications, Inc. d/b/a AT&T Alabama, AT&T Florida, AT&T Georgia, AT&T Kentucky, AT&T Louisiana, AT&T Mississippi, AT&T North Carolina, AT&T South Carolina and AT&T Tennessee, ("AT&T"), having an office at 675 W. Peachtree Street, Atlanta, Georgia, 30375, on behalf of itself and its successors and assigns.

WHEREAS, the Telecommunications Act of 1996 (the "Act") was signed into law on February 8, 1996; and

WHEREAS, CLEC has requested that AT&T make available the Interconnection Agreement in its entirety executed between AT&T and Image Access, Inc. dba NewPhone dated March 20, 2006, for the States of Alabama, Florida, Georgia, Kentucky, Louisiana, Mississippi, North Carolina, South Carolina, and Tennessee ("Interconnection Agreement").

WHEREAS, pursuant to Section 252(l) of the Act, for purposes of this MFN Agreement, CLEC has adopted the Interconnection Agreement for the State of Florida;

NOW, THEREFORE, in consideration of the promises and mutual covenants of this MFN Agreement, CLEC and AT&T hereby agree as follows:

1. AT&T-9STATE shall be defined as the States of Alabama, Florida, Georgia, Kentucky, Louisiana, Mississippi, North Carolina, South Carolina and Tennessee.
2. CLEC and AT&T shall adopt in its entirety the Interconnection Agreement dated March 20, 2006, and any and all amendments to said Interconnection Agreement executed and approved by the appropriate state regulatory commission as of the date of the execution of this MFN Agreement. The Interconnection Agreement and all amendments are attached hereto as Exhibit 1 and incorporated herein by this reference. The adoption of this Interconnection Agreement with amendment(s) consists of the following:

ITEM
Adoption Papers
Signature Page
Exhibit 1 Cover Page
Image Access, Inc. dba NewPhone Agreement
Extend Term Date Amendment - Effective 03/31/09

3. In the event that CLEC consists of two (2) or more separate entities as set forth in the preamble to this MFN Agreement, all such entities shall be jointly and severally liable for the obligations of CLEC under this MFN Agreement.
4. The term of this MFN Agreement shall be from the Effective Date as set forth above and shall expire as set forth in Section 2 of the General Terms and Conditions of the Interconnection Agreement. For the purposes of determining the expiration date of this MFN Agreement, the expiration date shall be April 18, 2012.
5. CLEC shall accept and incorporate any approved amendments to the Interconnection Agreement executed as a result of any final judicial, regulatory, or legislative action.
6. In entering into this MFN Agreement, the Parties acknowledge and agree that neither Party waives, and each Party expressly reserves, any of its rights, remedies or arguments it may have at law or under the intervening law or regulatory change provisions in this MFN Agreement with respect to any orders, decisions, legislation or proceedings and any remands by the FCC, state utility commission, court, legislature or other governmental body including, without limitation, any such orders, decisions, legislation, proceedings, and remands which were issued, released or


DOCUMENT NUMBER DATE

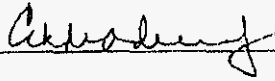
10721 OCT 20 08

FPSC-COMMISSIONER CLECK

Absolute Home Phones, Inc.

BellSouth Telecommunications, Inc. d/b/a
AT&T Florida by AT&T Operations, Inc., its
authorized agent

By: 

By: 

Name: Chris Bellizzi

Name: Eddie A. Reed, Jr.

Title: President

Title: Director-Interconnection Agreements

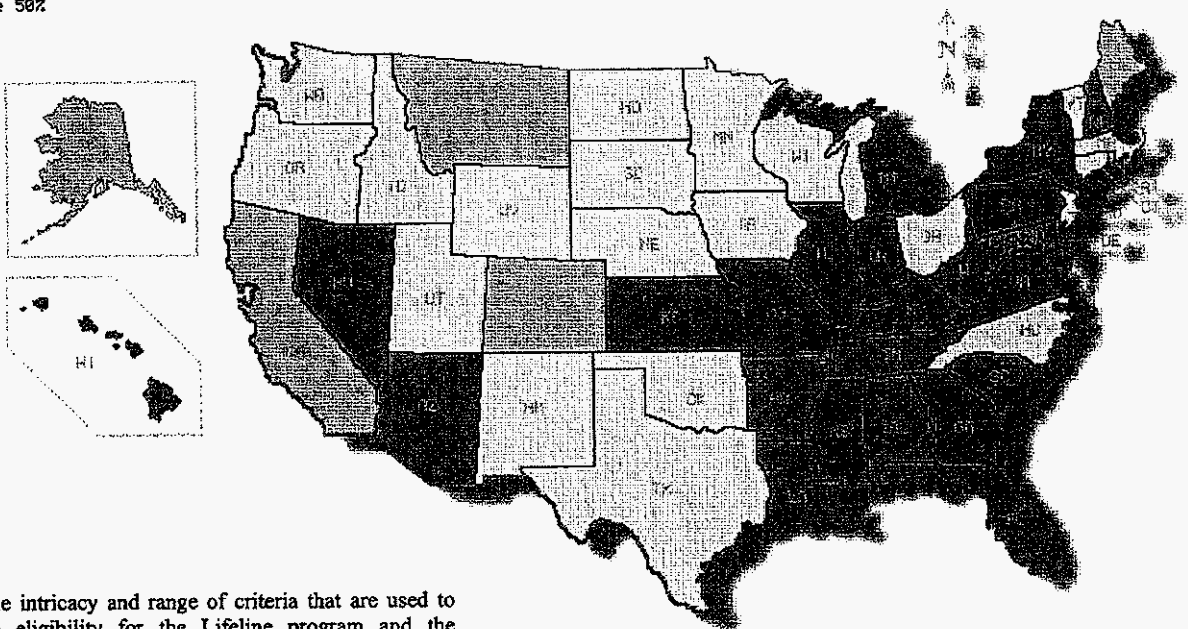
Date: 9/11/09

Date: 9-15-09

Exhibit 3 – Exhibit 3 – 2006 Lifeline Participation Rates by State

2006 Lifeline Participation Rates by State

- ◆ - Below 10%
- ◆ - 10% - 20%
- ◆ - 20% - 50%
- ◆ - Above 50%



Notes:

Due to the intricacy and range of criteria that are used to determine eligibility for the Lifeline program and the limitations of the data used, the methodology employed to create this map involves several estimates, assumptions, simplifications, and omissions. Therefore, the rates generated on this map should be treated as estimates only.

District of Columbia = 10% - 20%

Exhibit 4 – Exhibit 4 – FCC News Release



NEWS

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

News Media Information 202 / 418-0500
Internet: <http://www.fcc.gov>
TTY: 1-888-835-6322

This is an unofficial announcement of Commission action. Release of the full text of a Commission order constitutes official action.
See MCI v. FCC, 519 F.2d 385 (D.C. Cir. 1974).

FOR IMMEDIATE RELEASE:
September 14, 2009

NEWS MEDIA CONTACT:
Rosemary Kimball (202) 418-0511
Email: rosemary.kimball@fcc.gov

FCC SUPPORTS "NATIONAL LIFELINE AND LINK UP TELEPHONE DISCOUNT AWARENESS WEEK" - SEPTEMBER 14 - 20, 2009

WASHINGTON, DC -- Today, the Federal Communications Commission (FCC) joined the effort to call attention to the "National Lifeline and Link Up Telephone Discount Awareness Week," which takes place September 14 - 20, 2009. Various state and local agencies throughout the country will be participating with outreach activities and events. The "Lifeline" and "Link Up" programs provide financial assistance to low-income consumers in connecting a residential phone line and paying their monthly bill. The programs have been active for years and are administered by the FCC and state public utility commissions, but at least half of eligible consumers nationwide do not take advantage of this assistance.

"Lifeline" involves discounts on monthly charges for a primary residential telephone line, including wireless service. "Link Up" involves a discount on the cost of initiating the primary telephone service for a residence, including the activation of a wireless phone that serves as the primary residential telephone. The discounts are available throughout the country, including an enhanced discount on Tribal lands. In general, consumers at or below 135% of the federal poverty guidelines, or who participate in one or more of a number of other assistance programs, are eligible for Lifeline and Link Up.

To help call attention to the availability of these programs, the FCC joins the National Association of Regulatory Utility Commissioners (NARUC) and the National Association of State Utility Consumer Advocates (NASUCA), and urges government agencies and non-profit organizations to help disseminate information on Lifeline and Link Up to their constituents. More information about the programs and how to apply is available at www.lifeline.gov or <http://www.usac.org/li/low-income/apply-for-support.aspx>.

-- FCC --

Exhibit 5 – Financial Statements

1:25 PM
11/16/09
Cash Basis

Absolute Home Phones, Inc
Balance Sheet
As of November 16, 2009

	<u>Nov 16, 09</u>
ASSETS	
Current Assets	
Checking/Savings	
105 - Operating Bank Account	26,709.39
Total Checking/Savings	<u>26,709.39</u>
Total Current Assets	<u>26,709.39</u>
TOTAL ASSETS	<u><u>26,709.39</u></u>
LIABILITIES & EQUITY	
Equity	
3000 - Opening Bal Equity	58,000.00
Net Income	<u>-31,290.61</u>
Total Equity	<u>26,709.39</u>
TOTAL LIABILITIES & EQUITY	<u><u>26,709.39</u></u>

Absolute Home Phones, Inc
Profit & Loss Forecast
 January through December 2008

	Jan 08	Feb 08	Mar 08	Apr 08	May 08	Jun 08	Jul 08	Aug 08	Sep 08	Oct 08	Nov 08	Dec 08	TOTAL Jan - Dec 08
Ordinary Income/Expense						20,000.00	40,000.00	60,000.00	80,000.00	100,000.00	120,000.00	140,000.00	580,000.00
Income						20,000.00	40,000.00	60,000.00	80,000.00	100,000.00	120,000.00	140,000.00	580,000.00
601 - Sales													
Total Income						15,800.00	27,000.00	38,200.00	49,000.00	60,000.00	70,500.00	89,100.00	340,600.00
Cost of Goods Sold						15,800.00	27,000.00	38,200.00	49,000.00	60,000.00	70,500.00	89,100.00	340,600.00
701 - Cost of Goods Sold													
Total COGS						4,200.00	13,000.00	21,800.00	31,000.00	40,000.00	49,500.00	50,900.00	210,400.00
Gross Profit						1,000.00	1,000.00	1,000.00	2,000.00	3,000.00	4,000.00	4,000.00	16,000.00
Expense						100.00	100.00	100.00	200.00	200.00	400.00	400.00	1,500.00
854 - Advertising/Promotion						100.00	200.00	400.00	800.00	800.00	1,600.00	2,000.00	5,700.00
880 - Bank Charges						1,500.00	1,500.00	1,500.00	1,500.00	1,500.00	1,500.00	1,500.00	10,500.00
863 - Billing Software						500.00	500.00	500.00	500.00	500.00	500.00	500.00	3,500.00
872 - Certification Fees						500.00	500.00	500.00	1,000.00	1,000.00	1,000.00	1,000.00	6,500.00
873 - Computer Equipment Charges						400.00	400.00	400.00	400.00	400.00	400.00	400.00	2,800.00
903 - Internet Costs						500.00	500.00	800.00	500.00	500.00	500.00	500.00	3,500.00
904 - Insurance Expense						11,000.00	12,000.00	13,000.00	14,000.00	15,000.00	16,000.00	16,000.00	97,000.00
918 - Office Expense						100.00	200.00	400.00	800.00	1,600.00	2,000.00	2,000.00	7,100.00
920 - Payroll Expenses						700.00	700.00	700.00	700.00	700.00	700.00	700.00	4,900.00
924 - Postage						(1,845.00)	(858.00)	305.00	1,078.00	1,859.00	2,852.00	2,782.00	6,378.00
928 - Rent						50.00	50.00	50.00	100.00	100.00	100.00	100.00	550.00
940 - Taxes Incurred						400.00	400.00	400.00	400.00	400.00	400.00	400.00	2,800.00
942 - Travel Expenses													
945 - Utilities													
Total Expense						(11,005.00)	(4,394.00)	2,045.00	7,221.00	12,441.00	17,748.00	18,618.00	42,674.00
Net Ordinary Income						(11,005.00)	(4,394.00)	2,045.00	7,221.00	12,441.00	17,748.00	18,618.00	42,674.00
Net Income	0.00	0.00	0.00	0.00	0.00	(11,005.00)	(4,394.00)	2,045.00	7,221.00	12,441.00	17,748.00	18,618.00	42,674.00

Absolute Home Phones, Inc
Profit & Loss Forecast
 January through December 2010

	Jan 10	Feb 10	Mar 10	Apr 10	May 10	Jun 10	Jul 10	Aug 10	Sep 10	Oct 10	Nov 10	Dec 10	TOTAL Jan - Dec 10
Ordinary Income/Expense													
Income													
801 - Sales	180,000.00	180,000.00	200,000.00	220,000.00	240,000.00	260,000.00	280,000.00	300,000.00	320,000.00	340,000.00	360,000.00	380,000.00	3240000.00
Total Income	180,000.00	180,000.00	200,000.00	220,000.00	240,000.00	260,000.00	280,000.00	300,000.00	320,000.00	340,000.00	360,000.00	380,000.00	3240000.00
Cost of Goods Sold													
701 - Cost of Goods Sold	84,000.00	72,000.00	80,000.00	88,000.00	98,000.00	104,000.00	112,000.00	120,000.00	128,000.00	138,000.00	144,000.00	152,000.00	1296000.00
Total COGS	84,000.00	72,000.00	80,000.00	88,000.00	98,000.00	104,000.00	112,000.00	120,000.00	128,000.00	138,000.00	144,000.00	152,000.00	1296000.00
Gross Profit	96,000.00	108,000.00	120,000.00	132,000.00	144,000.00	156,000.00	168,000.00	180,000.00	192,000.00	204,000.00	216,000.00	228,000.00	1944000.00
Expense													
854 - Advertising/Promotion	5,000.00	5,000.00	6,000.00	6,000.00	6,000.00	7,000.00	7,000.00	8,000.00	8,000.00	9,000.00	9,000.00	10,000.00	9,800.00
860 - Bank Charges	500.00	500.00	800.00	800.00	800.00	900.00	1,000.00	1,000.00	1,000.00	1,000.00	1,000.00	1,000.00	9,800.00
863 - Billing Software	2,000.00	3,000.00	4,000.00	6,000.00	6,000.00	7,000.00	8,000.00	9,000.00	10,000.00	11,000.00	12,000.00	13,000.00	90,000.00
872 - Certification Fees	1,500.00	1,500.00	1,500.00	1,500.00	1,500.00	1,500.00	1,500.00	1,500.00	1,500.00	1,500.00	1,500.00	1,500.00	18,000.00
873 - Computer Equipment Charges	500.00	500.00	500.00	500.00	500.00	500.00	500.00	500.00	500.00	500.00	500.00	500.00	6,000.00
803 - Internet Costs	2,000.00	2,000.00	2,000.00	2,000.00	2,000.00	2,000.00	2,000.00	2,000.00	2,000.00	2,000.00	2,000.00	2,000.00	24,000.00
864 - Insurance Expense	400.00	400.00	400.00	400.00	400.00	400.00	400.00	400.00	400.00	400.00	400.00	400.00	4,800.00
918 - Office Expense	500.00	800.00	500.00	800.00	500.00	500.00	500.00	500.00	500.00	500.00	500.00	500.00	6,500.00
920 - Payroll Expenses	16,000.00	17,000.00	17,000.00	18,000.00	19,000.00	20,000.00	20,000.00	20,000.00	22,000.00	22,000.00	22,000.00	22,000.00	235,000.00
924 - Postage	3,000.00	4,000.00	5,000.00	6,000.00	7,000.00	8,000.00	8,000.00	10,000.00	11,000.00	12,000.00	13,000.00	14,000.00	102,000.00
928 - Rent	700.00	700.00	700.00	700.00	700.00	700.00	700.00	700.00	700.00	700.00	700.00	700.00	8,400.00
940 - Taxes Incurred	3,190.00	3,285.00	10,452.00	11,622.00	12,788.00	13,958.00	15,093.00	16,250.00	17,390.00	18,480.00	19,790.00	20,930.00	178,901.00
942 - Travel Expenses	500.00	1,000.00	1,000.00	1,000.00	1,000.00	1,000.00	1,000.00	1,000.00	1,000.00	1,000.00	1,000.00	1,000.00	11,500.00
945 - Utilities	400.00	400.00	400.00	400.00	400.00	400.00	400.00	400.00	400.00	400.00	400.00	400.00	4,800.00
Total Expense	41,190.00	45,795.00	50,052.00	54,222.00	58,668.00	63,006.00	67,060.00	71,250.00	76,290.00	80,480.00	83,760.00	87,930.00	780,201.00
Net Ordinary Income	54,810.00	62,205.00	69,948.00	77,778.00	85,434.00	92,994.00	100,920.00	108,750.00	115,710.00	123,540.00	132,240.00	140,070.00	1163799.00
Net Income	54,810.00	62,205.00	69,948.00	77,778.00	85,434.00	92,994.00	100,920.00	108,750.00	115,710.00	123,540.00	132,240.00	140,070.00	1163799.00

Absolute Home Phones, Inc
Profit & Loss Forecast
 January through December 2011

	<u>Jan - Dec 11</u>
Ordinary Income/Expense	
Income	
801 - Sales	4,538,000.00
Total Income	<u>4,538,000.00</u>
Cost of Goods Sold	
701 - Cost of Goods Sold	1,814,400.00
Total COGS	<u>1,814,400.00</u>
Gross Profit	2,721,600.00
Expense	
854 - Advertising/Promotion	129,000.00
860 - Bank Charges	10,000.00
863 - Billing Software	120,000.00
872 - Certification Fees	18,000.00
873 - Computer Equipment Charges	8,000.00
903 - Internet Costs	25,000.00
904 - Insurance Expense	4,800.00
918 - Office Expense	6,000.00
920 - Payroll Expenses	265,000.00
924 - Postage	150,000.00
928 - Rent	9,000.00
940 - Taxes Incurred	255,000.00
942 - Travel Expenses	12,000.00
946 - Utilities	6,000.00
Total Expense	<u>1,015,800.00</u>
Net Ordinary Income	<u>1,705,800.00</u>
Net Income	<u><u>1,705,800.00</u></u>

Absolute Home Phones, Inc
Profit & Loss Forecast
January through December 2012

	<u>Jan - Dec 12</u>
Ordinary Income/Expense	
Income	
601 - Sales	6,350,400.00
Total Income	6,350,400.00
Cost of Goods Sold	
701 - Cost of Goods Sold	2,540,160.00
Total COGS	2,540,160.00
Gross Profit	3,810,240.00
Expense	
854 - Advertising/Promotion	150,000.00
860 - Bank Charges	15,000.00
863 - Billing Software	180,000.00
872 - Certification Fees	18,000.00
903 - Internet Costs	30,000.00
904 - Insurance Expense	5,500.00
918 - Office Expense	8,000.00
920 - Payroll Expenses	280,000.00
924 - Postage	125,000.00
928 - Rent	12,000.00
940 - Taxes Incurred	365,000.00
942 - Travel Expenses	15,000.00
945 - Utilities	8,000.00
Total Expense	1,231,500.00
Net Ordinary Income	2,578,740.00
Net Income	2,578,740.00

Exhibit 6 – Post card advertisement

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

ABSOLUTE

Home Phone Service

Exceptional Service at a price you can afford

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)*

WE OFFER FREE!

**1st Month FREE,
Activation, Caller ID
Call Waiting!**

**NO Credit Check!
Deposit!**

Call Us 1-866-500-9976 Fax 1-866-822-0505
www.AbsoluteHomePhones.com

**Fill Out This Form To Get Your One Month Of Free Phone Service
No Postage Necessary**

Last Name: _____ Last 4 Digits of SS#: _____

First Name: _____

Address Line 1: _____

Address Line 2: _____ Phone: _____

City: _____ State: _____ Zip: _____

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

- | | | |
|---|---|---|
| <input type="checkbox"/> Medicaid (Non Medicare) | <input type="checkbox"/> Supplemental Security Income (SSI) | <input type="checkbox"/> Low-Income Home Energy Assist. Program |
| <input type="checkbox"/> Food Stamps | <input type="checkbox"/> Federal Public Housing Assist. (Section 8) | <input type="checkbox"/> Temp. Assist. to Needy Families (TANF) |
| <input type="checkbox"/> Below Federal Poverty Level
(FL & SC) | <input type="checkbox"/> Temporary Cash Assistance (TCA)
(FL Only) | <input type="checkbox"/> National School Free Lunch Program
(FL & KY Only) |

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: x _____

I authorize Absolute Home Phone Service, 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 Service, 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.