

REDACTED

1000006-07

36. The Management Agreement between ATMS and LifeConnex which was provided to the Commission references attached Exhibits, but no Exhibits were provided. Please provide all exhibits to the Management contract. ***To date the referenced Exhibit 11 in the Management Agreement between ATMS and LifeConnex has not been completed.***

37. Mr. Biddix advised the PSC staff that LifeConnex had a USAC audit and passed with "flying colors." Please provide a copy of all correspondence between USAC and LifeConnex pertaining to the audit including the draft audit results provided by USAC. ***LifeConnex has not received a draft of the audit results. The auditors submit their filings to a separate committee for review. After the review the committee will submit their findings to USAC and LifeConnex will have an opportunity to correct, comment and/or counter the findings.***

38. Data Request No. 28 asked the following:

Have any Associated Telecommunications Management Services, LLC, LifeConnex Acquisition Group LLC, or LifeConnex owners, officers, or managing members been involved in any civil litigation in which a Associated Telecommunications Management Services, LLC, LifeConnex Acquisition Group LLC, or LifeConnex owner, officer, or managing member has been deposed or has been a plaintiff, a defendant, or a witness? If so, please provide details as to who, when, and where the civil litigation occurred.

LifeConnex responded "Please clarify the time frame for the information requested."

Please provide the information requested above for the period May 29, 2007, through May 18, 2010.

Please see attached Exhibit "A".

39. Data request No. 28 requested a copy of the ATMS business plan. LifeConnex responded that it will be available by May 7, 2010. To date, we have not received a copy of the business plan. Please provide a copy of the ATMS business plan showing how each owned or affiliated company fits into its plan. ***Please see attached 2010 Operational Summary for ATMS.***

40. Data request No. 34 asked:

In response to data request No. 1, LifeConnex provided the number of customers served each month in 2009. Using LifeConnex's numbers, there were a total of 121,375 monthly bills rendered for the year 2009. LifeConnex's 2009 Regulatory Assessment Fee Return filed with the Florida PSC shows Florida Gross Operating Revenue of \$11,471.61. LifeConnex's 2008 Regulatory Assessment Fee Return filed with the Florida PSC showed Florida Gross Operating Revenue of \$1,272,425.24. Please explain the reason for the huge decrease in Florida Gross Operating Revenue between 2008 and 2009, and why LifeConnex is only showing \$11,471.61 of Florida Gross Operating Revenue in 2009 when 121,375 monthly bills were rendered to Florida customers.

COM _____
APA _____
ECR _____
GOL _____
RAD _____
SNC _____
ADM _____
GPC _____
CLK _____

DOCUMENT NUMBER DATE

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LifeConnex responded that there was something clearly wrong and would forward the correct information immediately. To date, the PSC has not received anything. Please provide the correct information. *LifeConnex does acknowledge that this return was filed incorrectly and has been working our outside company we have contracted with to file such forms. The company is taking all actions necessary to correct the erroneous filing. We have not received the amended filing to date.*

41. Please provide the status of Docket No. 31317 (AT&T Complaint against LifeConnex) at the Alabama Public Service Commission. Please provide the present dollar amount of the monies in dispute in Alabama and also over the nine-state AT&T region. *The AT&T Complaint against LifeConnex in Alabama is identical to approximately forty other complaints filed by AT&T against nine individual carriers, including LifeConnex. These complaints are pending in all nine states of the former BellSouth region, including Florida. The status of all forty cases is the same. The parties have agreed to work out a joint procedural schedule for the handling of all the cases and notify the state commissions of the proposed schedule by June 11. Under the agreed-upon procedure, each state commission will first address three, legal and policy issues common to all Respondents and then, in separate proceedings, address, if necessary, specific dollars amounts which may owed to each Respondent by A&TT or specific amounts which may be owed to AT&T by each Respondent. To the knowledge of LifeConnex, none of the Respondents nor AT&T has determined at this time the dollar impact of the three issues which will be addressed.*
42. Please describe what safeguards in place to insure that no ATMS company is receiving Lifeline reimbursement or credits for the same customer. Also describe what safeguards are in place to prevent ATMS companies from receiving Link-Up reimbursement or credit for the same customer at the same address if that customer moves to another ATMS company. *A match-comparison is done based on first name, last name, address, unit number and zip code. Only one entry across all ATMS is allowable per each unique reference. If there already exists a reference, then a new submission is not approved.*
43. Staff has concerns regarding LifeConnex's Lifeline application and the confidentiality of a Lifeline applicant's personal identifying information.
 - The first Privacy section advise that customers should call the number on the front of the form to opt out of the service, but there is no number on the front of the form. *Please see attached revised Lifeline form*
 - Under **Information we collect**, the statement limits disclosure only to the terms of the privacy policy. "Without limitation, information collected, including PII, may be used by Your Telephone Company for internal research purposes, marketing, promotions and public relations, subject only to the terms of our privacy policy."
 - The form as presented, requires the customer's signature with the privacy policy on the back of the form. However, within the privacy policy is the statement that the customer's signature indicates consent to the disclosure of personal information. **"By signing this Application you are expressly opting-in (consenting) to permit Your**

LifeConnex
Third Lifeline Reseller Data Request
May 18, 2010

Telephone Company to disclosure you PII to companies that perform marketing services for us or to other partners who with which we have joint marketing agreements, such as to offer you additional product or services.”

- The section on mandatory disclosure also provides for disclosure that is not specified in Fla. Stat. 364.107. "Your Telephone Company also reserves the right to disclose personally identifiable information and/or non-personally-identifiable information that Your Telephone Company believes, **in good faith to take precautions against liability, to investigate and defend itself against any third-party claims or allegations**, to assist government enforcement agencies, to protect the security or integrity of our company, and to protect the rights, property, or personal safety of Your Telephone Company, or others ("Mandatory Disclosures"). "
- The form can be faxed or e-mailed and requires information relating to the person's last 4 digits of their social security number, which questions the privacy protection of the information. This is on the front of the form. ***The form had not updated on the web site deleting this request. Our marketing department is working on updating the website with the correct form. Please see attached hard copy of corrected form.***

The form should conspicuously state that signing the form means consent to disclosure. This statement should be before the section for the signature. ***Please see attached revised Lifeline application.***

Exhibit "A"

2010 Operational Summary

