S T A T E  O F  M I C H I G A N

BEFORE THE MICHIGAN PUBLIC SERVICE COMMISSION

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| In the matter of the application of<br>**Q LINK WIRELESS LLC** for designation as an eligible telecommunications carrier in the state of Michigan. | )<br>)<br>)<br>)<br>) | Case No. U-16940 |

At the August 28, 2012 meeting of the Michigan Public Service Commission in Lansing, Michigan.

PRESENT: Hon. John D. Quackenbush, Chairman
Hon. Orjiakor N. Isiogu, Commissioner
Hon. Greg R. White, Commissioner

**ORDER**

On December 19, 2011, Q Link Wireless LLC (Q Link) filed an application, pursuant to Section 214(e)(2) of the federal Communications Act of 1934, as amended, 47 USC 214(e)(2), for designation as an eligible telecommunications carrier (ETC) for purposes of universal service fund (USF) support for wireless services. Q Link filed supplements to this application on December 20, 2011, February 2 and 3, 2012, and August 9, 13, and 17, 2012.

Q Link requests that the Commission enter an order designating it as an ETC, for purposes of Lifeline, in the wire centers listed in Exhibit 6 to the initial application. Q Link currently offers wireless service through a combination of resale agreements with Sprint Nextel, its own switch, and either through the lease of switched port/loop combinations or through a combination of leased services and resale.

On February 6, 2012, the Federal Communications Commission (FCC) released a Report and Order and Further Notice of Proposed Rulemaking in WC Docket No. 11-42 (*Lifeline Reform Order*),[1] comprehensively reforming the Universal Service Fund's Lifeline program. Lifeline/Link-up programs are intended to ensure that quality telecommunications services are available to low-income consumers at just, reasonable, and affordable rates. *See*, 47 CFR 54.405(a), 54.411(a); and MCL 484.2316.

On February 10, 2012, Q Link filed a compliance plan with the FCC seeking forbearance from the "own facilities" requirement based on the terms of the *Lifeline Reform Order*. *See*, 47 USC 214(e)(1)(A). The compliance plan was later amended by Q Link, and was approved by the FCC on August 8, 2012. Q Link's approved compliance plan is attached to this order as Appendix A.

According to Q Link's approved compliance plan, the FCC required Q Link to implement the following measures: (1) provide its Lifeline customers with access to 911 and E911; (2) provide E911-compliant handsets free of charge to its Lifeline customers; (3) certify and verify consumer eligibility for Lifeline in accordance with the requirements set forth in the *Lifeline Reform Order*; (4) check the duplicates database, once in place, to determine whether an individual at the applicant's residential address is currently receiving Lifeline-supported service; (5) search its own internal database of active customers to ensure that it does not already provide Lifeline-supported service to someone at that residential address; (6) require applicants to complete and submit to

[1] *In the Matter of Lifeline and Link Up Reform and Modernization* (WC Docket No.11-42), *Lifeline and Link Up* (WC Docket No. 03-109), *Federal-State Joint Board on Universal Service* (CC Docket No. 96-45), *Advancing Broadband Availability through Digital Literacy Training* (WC Docket No. 12-23), Report and Order and Further Notice of Proposed Rulemaking, Order No. FCC 12-11, *rel'd* February 6, 2012 (*Lifeline Reform Order*). In this order, directory assistance and operator services, among other things, were removed from the list of supported services under voice telephony. As a result, many Lifeline-only ETC's did not meet the facilities based requirement. Thus, the FCC found that a blanket forbearance was necessary for carriers seeking to provide Lifeline-only service.

Q Link the Universal Service Administrative Company's (USAC) one-per-household template form; (7) provide Lifeline-specific training to all personnel; (8) determine eligibility, utilizing the income and program criteria currently utilized by federal default states, as well as any additional state-specific criteria; (9) re-certify by December 31, 2012, the continued eligibility of all its subscribers by contacting them to confirm their continued eligibility; (10) certify its compliance with FCC rules on an annual Lifeline ETC certification form and when submitting FCC Forms 497 to USAC for reimbursement; (11) implement procedures to identify and prevent fraud; (12) participate in the National Lifeline Accountability Database, once it is established; (13) notify its subscribers at service initiation about the non-transferability of the phone service, its usage requirements, and the de-enrollment and deactivation that will result following non-usage in any 60-day period of time; (14) continue to comply with applicable public safety standards, including transmitting 911 calls to the appropriate public safety answering point even if the company is no longer providing Lifeline service to a consumer; (15) implement the measures outlined the plan to help ensure that only eligible consumers enroll in the program and that those consumers are fully informed of the limitations of the program; (16) comply with applicable rules regarding the dissemination of audit findings to the FCC, USAC, and relevant state and Tribal governments within 30 days upon issuance; (17) report all information required by 47 CFR 54.422; (18) certify when seeking reimbursement that the company has obtained a valid certification from each consumer for whom the company seeks Lifeline reimbursement; (19) comply with the service requirements applicable to the support that it receives; (20) offer its Lifeline service throughout the coverage area of its underlying carrier; and (21) provide customers with the option to choose between three Lifeline plans: 68 monthly minutes, 125 monthly minutes, and 250 monthly minutes.

After reviewing the application and subsequent filings, the Commission finds that ETC designation, limited to Low Income Lifeline, should be conditionally granted to Q Link. The Commission is persuaded that ETC designation for Q Link promotes the availability of universal service and is in the public interest. This conditional approval is granted for the supported telecommunications services as defined in the Michigan Telecommunications Act and with the understanding that the following conditions shall also be met prior to Q Link's request for Low Income Lifeline reimbursement from the federal USF:

- Q Link shall submit a certification letter to each county 9-1-1 coordinator[2] in Michigan explaining the Lifeline service, with information on Q Link's product and service specifications, and including a letter from Q Link's resale partner, Sprint Nextel, stating that they will be providing the 9-1-1 service to Q Link's customers.
- Q Link shall provide information quarterly to the Commission on the number of Lifeline customers it is serving and the amounts paid to individual counties[3] and the State of Michigan for 9-1-1 surcharges.[4]
- Q Link shall advertise its Lifeline product in media of general distribution including newspaper, radio, its own website, and other direct advertising methods and provide a copy of the advertisement to the Commission. The advertisement shall include information on monthly service plans, the cost of initiating service and information needed for the forbearance compliance issues.

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[2]A list of Michigan 911 County Coordinators may be found at http://www.michigan.gov/documents/msp/List_of_CountyCoordinators_175553_7.xls

[3]Michigan 9-1-1 County Surcharges, effective July 1, 2012, may be found at http://www.dleg.state.mi.us/mpsc/comm/911index/911charges.pdf

[4]Michigan's Emergency 9-1-1 Service Enabling Act, Act 32 of 1986 (as amended), is at http://www.legislature.mi.gov/documents/mcl/pdf/mcl-act-32-of-1986.pdf

- Q Link shall promptly notify the Commission of any future changes to its rates, terms and conditions regarding its low income offerings.

The application for ETC designation is granted on condition that Q Link comply with the service requirements contained in FCC Report and Order 11-161 (rel'd October 27, 2011), the *Lifeline Reform Order*, Appendix A, and the Commission's October 18, 2005 order in Case No. U-14530 and April 17, 2012 order in Case No. U-17019. This approval is for the remainder of 2012 and for 2013. Q Link will be required to re-apply to the Commission for ETC designation for 2014, and annually thereafter.

THEREFORE, IT IS ORDERED that the application filed by Q Link Wireless LLC for designation as an eligible telecommunications carrier for purposes of Lifeline universal service support is approved.

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

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

MICHIGAN PUBLIC SERVICE COMMISSION

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John D. Quackenbush, Chairman

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Orjiakor N. Isiogu, Commissioner

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Greg R. White, Commissioner

By its action of August 28, 2012.

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Mary Jo Kunkle, Executive Secretary

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

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| In the Matter of the | ) | |
| | ) | |
| Telecommunications Carriers Eligible for Universal Service Support | ) | WC Docket No. 09-197 |
| | ) | |
| | ) | WC Docket No. 11-42 |
| Lifeline and Link Up Reform and Modernization | ) | |
| | ) | |
| Blanket Forbearance Compliance Plan | ) | |

# Q LINK WIRELESS LLC'S THIRD AMENDED COMPLIANCE PLAN

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July 30, 2012

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**Q LINK WIRELESS LLC'S THIRD AMENDED COMPLIANCE PLAN**

## I. INTRODUCTION

Q LINK WIRELESS LLC ("Q LINK" or the "Company") is a prepaid wireless telecommunications carrier seeking designation as an Eligible Telecommunications Carrier ("ETC") solely for the purpose of participating in the Lifeline program. Although Section 214(e)(1)(A) of the Act requires an ETC to offer USF-supported services to some extent over its own facilities, the Federal Communications Commission ("FCC" or "Commission") has forborne from that requirement for carriers that are, or seek to become, Lifeline-only ETCs.[1] Q LINK will avail itself of the FCC's conditional grant of forbearance and, by its attorney, hereby files its Third Amended Compliance Plan outlining the measures it will take to implement the conditions of forbearance outlined in the *Order*.[2] This Third Amended Compliance Plan replaces in its entirety Q LINK's Second Amended Compliance Plan filed on April 12, 2012, and all other Compliance Plans

[1] *In the Matter of Lifeline and Link Up Reform and Modernization, Lifeline and Link Up, Federal-State Joint Board on Universal Service, Advancing Broadband Availability Through Digital Literacy Training,* WC Docket No. 11-42, WC Docket No. 03-109, CC Docket No. 96-45, WC Docket No. 12-23, Report and Order and Further Notice of Proposed Rulemaking, FCC 12-11 (rel. Feb. 6, 2012) *("Order").*

[2] Although the Company qualifies for and seeks to avail itself of the Commission's grant of forbearance from the facilities requirement of section 214(e)(1)(A) for purposes of the federal Lifeline program, the Company reserves the right to demonstrate to a state public utilities commission that it provides service using its own facilities in a state for purposes of state universal service funding under state program rules and requirements. The Company will follow the requirements of the Commission's Lifeline rules and this Compliance Plan in all states in which it provides Lifeline service and receives reimbursements from the federal Low-Income fund.

previously filed by the Company. Given the severe economic environment that is forcing many low-income customers to forego wireless service, Q LINK respectfully requests expeditious approval of this plan so that the Company, upon designation as an ETC, may quickly deploy much-needed Lifeline services to qualified low-income customers.

## II. BACKGROUND

In the *Order*, the Commission granted forbearance from the "own-facilities" requirement contained in Section 214(e)(1)(A) for carriers that are, or seek to become, Lifeline-only ETCs, subject to the following conditions:[3]

> (1) the carrier must comply with certain 911 requirements [(a) providing its Lifeline subscribers with 911 and E911 access, regardless of activation status and availability of minutes; (b) providing its Lifeline subscribers with E911-compliant handsets and replacing, at no additional charge to the subscriber, noncompliant handsets of Lifeline-eligible subscribers who obtain Lifeline-supported services; and (c) complying with conditions (a) and (b) starting on the effective date of this Order]; and
>
> (2) the carrier must file, and the Bureau must approve, a compliance plan that: (a) outlines the measures the carrier will take to implement the obligations contained in this Order, including but not limited to the procedures the ETC follows in enrolling a subscriber in Lifeline and submitting for reimbursement for that subscriber from the Fund, materials related to initial and ongoing certifications and sample marketing materials, as well as further safeguards against waste, fraud and abuse the Bureau may deem necessary; and (b) provides a detailed description of how the carrier offers service, the geographic areas in which it offers service, and a description of the carrier's various Lifeline service plan offerings, including subscriber rates, number of minutes included and types of plans available.

## III. Q LINK WILL COMPLY WITH THE REQUIREMENTS SET FORTH IN THE ORDER

Q LINK will comply with all conditions set forth in the *Order*, the provisions of this Compliance Plan, and all laws and regulations governing its provision of Lifeline-supported prepaid wireless service to customers throughout the United States.

[3] *See Order* at ¶¶ 368, 373 and 379.

### A. Access to 911 and E911 Services

In the *Order*, the Commission requires Q LINK to provide its Lifeline customers with access to 911 and E911 services, regardless of activation status and availability of minutes.[4] The Commission and consumers are hereby assured that all Q LINK customers will have available access to emergency calling services at the time that Lifeline service is initiated, and that such 911 and E911 access will be available from Q LINK handsets even if the account associated with the handset has no minutes remaining.

### B. E911-Compliant Handsets

The Commission also conditioned its grant of forbearance determination on Q LINK providing only E911-compliant handsets to its Lifeline customers.[5] Q LINK will ensure that all handsets used in connection with the Company's Lifeline service offering are E911-compliant. In the event that an existing Q LINK customer does not have an E911-compliant handset, the Company will replace it with a new 911/E911-compliant handset at no charge to the customer. Any new customer that qualifies for and enrolls in the Lifeline program is assured of receiving a 911/E911-compliant handset as well, free of charge.

### C. Consumer Eligibility and Enrollment

Q LINK will certify and verify consumer eligibility for Lifeline in accordance with the requirements set forth in the *Order*. In instances where a state agency or third-party administrator is responsible for the initial determination and annual recertification of consumer eligibility, Q LINK will rely on the state identification or database.[6] In instances where Q LINK is responsible for the initial determination and annual recertification of consumer eligibility, the Company will follow the procedures set forth below.

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[4] *See Order* at ¶ 373.
[5] *See id*.
[6] *See Order* at ¶ 98.

### 1. One-Per-Household

Q LINK understands that Lifeline is limited to a single subscription per household, and that the Commission has defined household as "any individual or group of individuals who are living together at the same address as one economic unit."[7] Upon receiving an application for Lifeline support, Q LINK will check the duplicates database, once in place, to determine whether an individual at the applicant's residential address is currently receiving Lifeline-supported service. Q LINK will also search its own internal database of active customers, real-time, pre-sale, to ensure that it does not already provide Lifeline-supported service to someone at that residential address.

If Q LINK determines that an individual at the applicant's address is currently receiving Lifeline-supported service, Q LINK will take an additional step to ensure that the applicant and the current subscriber are part of different households. To enable applicants to make this demonstration, Q LINK will require applicants to complete and submit to the Company USAC's one-per-household template, which will contain the following: (1) an explanation of the Commission's one-per-household rule; (2) a check box that an applicant can mark to indicate that he or she lives at an address occupied by multiple households; (3) a space for the applicant to certify that he or she shares an address with other adults who do not contribute income to the applicant's household and share in the household's expenses or benefit from the applicant's income; and (4) the penalty for a consumer's failure to make the required one-per-household certification (i.e., de-enrollment).[8] Q LINK will deny the Lifeline application of any individual residing at the same address as a current Lifeline subscriber who is part of the same household, and will advise the applicant of the basis for the denial.

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[7] *See Order* at ¶ 74.
[8] *See Order* at ¶ 78.

On its application certification forms, a sample of which is attached as Exhibit A,[9] Q LINK will obtain a consumer's permanent residential address (which cannot be a P.O. Box or General Delivery address), unless they only have a temporary address, and, if different, a billing address for the service (which may include a P.O Box or General Delivery address).[10] Q LINK will inquire on its certification forms whether or not the address provided is temporary.[11] If so, Q LINK will notify the consumer that the Company will contact the consumer every 90 days, by phone or text, to verify that he or she continues to rely on that address, and that if the consumer fails to respond within 30 days of Q LINK's attempt to verify the temporary address, he or she will be de-enrolled from the Lifeline program. Also on its certification forms, Q LINK will explain that if the subscriber moves, they must provide their new address to the Company within 30 days of moving.[12] If the subscriber has moved, Q LINK will update the duplicates database, once in place, with the information within 10 business days of receipt of the information.[13]

As detailed below, Q LINK's certification form will clearly explain the one-per-household requirement and all consumers must certify that they receive Lifeline support for a single subscription per household.

### 2. Initial and Annual Certification

Consumers will be signed up in person or directed, via company literature or advertising, to a toll-free telephone number and to the Company website, which will provide information regarding the Company's Lifeline service plans, including a detailed description of the program and state-specific eligibility criteria. Q LINK's application form will identify that it is a "Lifeline"

[9] *See* Exhibit A. The sample certification form remains subject to change, but substantially reflects the content of the Company's application.
[10] *See Order* at ¶ 85.
[11] *See Order* at ¶ 89.
[12] *See Order* at ¶ 85.
[13] *See id.*

application. Q LINK will provide Lifeline-specific training to all personnel, whether employees, agents or representatives, that interacts with actual or prospective customers with respect to obtaining, changing, or terminating Lifeline services.

Q LINK's initial and annual certification forms will conform to the list of requirements provided in the *Order,* Appendix C and with C.F.R. § 54.410(d), as amended. Q LINK's Lifeline certification forms will require each prospective subscriber to provide the following information:

> (i) The subscriber's full name;
> (ii) The subscriber's full residential address;
> (iii) Whether the subscriber's residential address is permanent or temporary;
> (iv) The subscriber's billing address, if different from the subscriber's residential address;
> (v) The subscriber's date of birth;
> (vi) The last four digits of the subscriber's social security number, or the subscriber's Tribal identification number, if the subscriber is a member of a Tribal nation and does not have a social security number;
> (vii) If the subscriber is seeking to qualify for Lifeline under the program-based criteria, as set forth in § 54.409, the name of the qualifying assistance program from which the subscriber, his or her dependents, or his or her household receives benefits; and
> (viii) If the subscriber is seeking to qualify for Lifeline under the income-based criterion, as set forth in § 54.409, the number of individuals in his or her household.

The certification forms will also explain in clear, easily understandable language that:

> (i) Lifeline is a federal government benefit;
> (ii) Lifeline service is available for only one line per household;
> (iii) a household is defined, for purposes of the Lifeline program, as any individual or group of individuals who live together at the same address and share income and expenses;
> (iv) households are not permitted to receive benefits from multiple providers;
> (v) that violation of the one-per-household requirement would constitute a violation of the Commission's rules and would result in the consumer's de-enrollment from the program, and potentially, prosecution by the United States government; and
> (vi) a Lifeline subscriber may not transfer his or her service to any other individual, including another eligible low-income consumer.

Q LINK will require all consumers, at sign up and annually thereafter, to certify under penalty of perjury that:

> (i) The subscriber meets the income-based or program-based eligibility criteria for receiving Lifeline, provided in § 54.409;

(ii) The subscriber will notify the carrier within 30 days if for any reason he or she no longer satisfies the criteria for receiving Lifeline including, as relevant, if the subscriber no longer meets the income-based or program-based criteria for receiving Lifeline support, the subscriber is receiving more than one Lifeline benefit, or another member of the subscriber's household is receiving a Lifeline benefit.
(iii) If the subscriber is seeking to qualify for Lifeline as an eligible resident of Tribal lands, he or she lives on Tribal lands, as defined in 54.400(e);
(iv) If the subscriber moves to a new address, he or she will provide that new address to the eligible telecommunications carrier within 30 days;
(v) If the subscriber provided a temporary residential address, he or she will be required to verify his or her temporary residential address every 90 days;
(vi) The subscriber's household will receive only one Lifeline service and, to the best of his or her knowledge, the subscriber's household is not already receiving a Lifeline service;
(vii) The information contained in the subscriber's certification form is true and correct to the best of his or her knowledge,
(viii) The subscriber acknowledges that providing false or fraudulent information to receive Lifeline benefits is punishable by law; and
(ix) The subscriber acknowledges that the subscriber may be required to re-certify his or her continued eligibility for Lifeline at any time, and the subscriber's failure to re-certify as to his or her continued eligibility will result in de-enrollment and the termination of the subscriber's Lifeline benefits pursuant to § 54.405(e)(4).

Applicants will also be required to initial a number of disclosure statements intended to ensure that the applicant understands applicable eligibility requirements. Q LINK will verbally explain the certifications to consumers. With respect to those enrolling via the Internet, Q LINK will highlight the certifications that are required, for example, by requiring consumers to acknowledge each certification before moving on to the next field.[14] Consumers must return a signed application and support documentation to the Company by mail, fax, email, kiosk scan, or other electronic transmission. The Company will accept electronic signatures, including Interactive Voice Response (IVR) recordings, which meet the requirements of the Electronic Signatures in Global and National Commerce Act, 15 USC 7001-7006.[15]

Q LINK will determine eligibility, at a minimum, utilizing the income and program criteria currently utilized by federal default states (47 C.F.R. § 54.409(a), (b)), as well as any

[14] *See Order* at ¶ 123.
[15] *See Order* at ¶ 168.

additional state-specific criteria. Prior to enrolling a new subscriber, Q LINK will check the eligibility of applicants first by accessing state or federal social services electronic eligibility databases, where available.[16] If a database is used to establish eligibility, Q LINK will not require documentation of the applicant's participation in a qualifying federal program; instead, Q LINK or its representative will note in its records what specific data was relied upon to confirm the applicant's initial eligibility for Lifeline.[17] However, in states where there is no state administrator, the state commission or other state agency is not making eligibility determinations, and there is no automated means for Q LINK to check electronic databases for eligibility, Q LINK will review documentation to determine eligibility for new subscribers until such time as a qualifying eligibility database is available.[18] Q LINK will require acceptable documentation both for income eligibility and program eligibility. The Company will not retain copies of the documentation but rather will establish policies and procedures to review such documentation and keep accurate records detailing how the applicant demonstrated his or her eligibility.[19] Q LINK understands that it may permit agents or representatives to review documentation of consumer program eligibility for Lifeline, and in such cases Q LINK remains liable for ensuring the agent or representative's compliance with the Lifeline program rules.[20]

### 3. Annual Re-Certification

Q LINK understands that it must re-certify the eligibility of its entire Lifeline subscriber base as of June 1, 2012 by the end of 2012 and report the results to USAC by January 31, 2013, and the Company may elect to perform this re-certification on a rolling basis throughout the

[16] *See Order* at ¶ 97.
[17] *See Order* at ¶ 98.
[18] *See Order* at ¶ 99.
[19] *See Order* at ¶ 101.
[20] *See Order* at ¶ 110.

year.[21] By December 31, 2012, Q LINK will re-certify the continued eligibility of all of its subscribers by contacting them – either in person, in writing, by phone, by text message, by email, or otherwise through the Internet – to confirm their continued eligibility.[22] The re-certification notice will explain the actions the customer must take to retain Lifeline benefits, when Lifeline benefits may be terminated, and how to contact Q LINK. Q LINK will obtain a signed certification from the subscriber that meets the certification requirements of 47 C.F.R. § 54.410(d), as amended, as detailed in section C.2 above. The Company will provide written notice of impending service termination to subscribers who do not respond to the annual re-certification within 30 days. Q LINK understands that such certifications may be obtained through a written format, an IVR system, or a text message, and will use one or more of such options for its certifications.[23]

Alternatively, where a database containing consumer eligibility data is available, Q LINK (or state agency or third-party, where applicable) will instead query the database by the end of 2012 and maintain a record of what specific data was used to re-certify eligibility and the date of re-certification. If a subscriber's address cannot be verified through the state data, Q LINK will contact the subscriber during the annual certification process to obtain a valid address.[24] After 2012, Q LINK will continue to annually certify the continued eligibility of its entire subscriber base, either by accessing a qualifying database, or by electing to have USAC administer the self-certification process on the Company's behalf.[25]

Q LINK will certify its compliance with Commission rules on an annual Lifeline eligible telecommunications carrier certification form and when submitting FCC Forms 497 to USAC for

[21] *See Order* at ¶ 130.
[22] *See id.*
[23] *See Order* at ¶ 132.
[24] *See Order* at ¶ 131.
[25] *See Order* at ¶ 133.

reimbursement. As part of Q LINK's submission of re-certification data pursuant to 47 C.F.R. § 54.416, an officer of the Company will certify annually to USAC:

(1) that the Company has procedures in place to review consumers' documentation of income-and program-based eligibility. In instances where the Company confirms consumer eligibility by relying on official program eligibility data, such as a state or federal database, an officer of the Company will attest to what data the Company uses to confirm consumer eligibility in each state; and

(2) that the Company is in compliance with all federal Lifeline certification procedures.[26]

In addition, Q LINK will certify when seeking reimbursement that the Company has obtained a valid certification form for each customer for whom the Company seeks Lifeline reimbursement.[27]

### D. Additional Reforms to Eliminate Waste, Fraud and Abuse

Q LINK shares the Commission's concern about abuse of the Lifeline program and is thus committed to the safeguards stated herein, with the belief that the procedures it will implement will prevent Company customers from engaging in such abuse of the program, inadvertently or intentionally. In an effort to prevent waste, fraud, and abuse, Q LINK has implemented procedures to identify and prevent fraud. The goals are to ensure integrity both in Q LINK, but also in the Lifeline program as a whole.

Q LINK has contracted with CGM, LLC of Roswell, Georgia, a Lifeline service bureau, to edit all subsidy request data. CGM will process and validate the Company's subsidy data to prevent: (1) Duplicate Same-Month Lifeline Subsidies (Double Dip): any name/address that is already receiving a lifeline subsidy from the Company will be automatically prevented from

[26] *See Order* at ¶ 126-27.
[27] *See Order* at ¶ 128.

receiving a second lifeline subsidy in that same month; and (2) Inactive lines receiving subsidy: CGM's systems compare all subsidy requests to underlying network status to ensure that subsidies are requested only for active lines. Through the processes described herein, Q LINK ensures that it does not over-request from support funds.

For each applicant, Q LINK first validates the applicant's identity via a government issued ID card, passport, etc. Additionally, as mentioned above, Q LINK requires the applicant provide their date of birth (DOB) and last four digits of their social security number (SSN). Requiring DOB and SSN ensures that neither the applicant nor the Company representative can forge certification forms based on false names and addresses. Once the applicant's identity is confirmed, Q LINK verifies that the applicant is eligible to receive the Lifeline subsidy. To do this, Q LINK checks any available eligibility database. If one is not available, the applicant is required to provide proof of participation in one of the Lifeline eligible programs or proof that their annual household income is at or below 135% of the federal poverty guidelines. This prevents ineligible applicants from receiving the Lifeline subsidy.

The address of the applicant is then verified via a USPS/Melissa Database to ensure the address is correct. Simultaneously, the name/address combination is dipped into CGM's aggregate duplicate database to confirm that the applicant is not already receiving a Lifeline subsidy from Q LINK or any other CGM client. This is done through an API connection between Q LINK's provisioning platform and GCM. This allows the Company to ensure the applicant is not receiving a duplicate subsidy, as well as identify those who share an address with current Q LINK customers. This then prompts the representative to detail the one-per-household rule with the applicant, allowing the applicant to then certify they are head of household. Should Q LINK confirm that a household is receiving more than one subsidy, whether by information obtained from an applicant,

USAC's IDRP process, or a national database, the customer will be immediately de-enrolled from the Lifeline program.

If and when Q LINK determines that an applicant is indeed eligible for the Lifeline program, the Company will ship a new or refurbished handset, dependent only upon availability, to the qualifying Lifeline customer along with materials explaining the use of the handset, Q LINK's terms and conditions, and disclosures regarding the Lifeline program. Handsets will not be shipped pre-activated. Qualifying Lifeline customers, upon receipt of the handset, must personally activate the handset by contacting Q LINK Customer Service either over the phone or via Internet.

### 1. National Lifeline Accountability Database

Q LINK will participate in the National Lifeline Accountability Database, once it is established. As required by the *Order*, Q LINK will provide to the database subscriber name, address, phone number, the last four digits of Social Security number, date of birth, Lifeline service initiation and de-enrollment date (when applicable), and amount of federal Lifeline support being sought for that subscriber.[28] Q LINK will provide the information listed above for existing subscribers within 60 days of Commission notice that the database is capable of accepting subscriber information.[29]

Furthermore, Q LINK will obtain acknowledgement and consent from each of its subscribers that is written in clear, easily understandable language that the subscriber's name, telephone number, and address will be disclosed to USAC and/or its agents for the purpose of verifying that the subscriber does not receive more than one Lifeline benefit.[30]

Within 30 days following Commission notice that the database is capable of accepting queries, Q LINK will query the database to check if a prospective subscriber is already receiving

[28] *See Order* at ¶ 189.
[29] *See Order* at ¶ 190.
[30] *See Order*, Appendix C.

service from another ETC prior to seeking reimbursement from the Fund.[31]

### 2. Subscriber Usage

Q LINK will not seek reimbursement from the USF for new subscribers until they have personally activated the service, either by initiation and/or actual use of the service by the subscriber. Furthermore, Q LINK will not seek reimbursement from the USF for inactive subscribers who have not used the service for a consecutive 60-day period.[32] Q LINK will notify its subscribers at service initiation about the non-transferability of the phone service, its usage requirements, and the de-enrollment and deactivation that will result following non-usage in any 60-day period of time.[33] An account will be considered active if during any 60-day period the authorized subscriber does at least one of the following: makes a monthly payment; purchases minutes from the Company to add to an existing pre-paid Lifeline account; completes an outbound call; answers an incoming call from anyone other than the Company, its representative, or agent; or affirmatively responds to a direct contact from the Company confirming that he or she wants to continue.[34] Q LINK utilizes tracking software to notify the customer if the customer has not used their service for more than 30 or 60 consecutive days. Furthermore, a third party contractor validates the Company's subsidy data to prevent a subsidy request for customers that are inactive under the Company's non-usage policy.[35] After notification, if the customer fails to use their service, the customer is automatically de-enrolled pursuant to the procedures outlined in section E below. Q LINK will continue to comply with applicable public safety, including transmitting 911 calls to the appropriate PSAP even if the Company is no

[31] *See Order* at ¶ 203.
[32] *See Order* at ¶ 257.
[33] *See id.*
[34] *See Order* at ¶ 261.
[35] CGM, LLC is currently the Company's third party contractor.

longer providing Lifeline service to a consumer.[36]

### 3. Marketing & Outreach

Q LINK will implement the measures outlined herein to help ensure that only eligible consumers enroll in the program and that those consumers are fully informed of the limitations of the program, so as to prevent duplicative or otherwise ineligible service as well as other forms of waste, fraud, and abuse. Q LINK will explain in clear, easily understood language the following disclosures in all marketing materials related to the supported service:[37] (1) that only eligible consumers may enroll in the program; (2) that the program is limited to one benefit per household, consisting of either wireline or wireless service; (3) a household is defined, for purposes of the Lifeline program, as any individual or group of individuals who live together at the same address and share income and expenses; and (4) that Lifeline is a government benefit program. Q LINK will prepare printed material that will explain the documentation necessary for enrollment, and the details of the Company's plans, and will provide such information on its website. Such material and website information, as well as its application, will make clear that consumers who willfully make false statements in order to obtain the benefit can be punished by fine or imprisonment or can be barred from the program.[38] For broadcast advertisements and outdoor signage, such as billboards, and any other situation in which inclusion of documentation information and warnings against willful false statements are impractical, Q LINK, will provide the URL link for the information disclosure page on its website. Additionally, Q LINK will

[36] *See Order* at ¶ 262. 911 transmissions will actually be performed by the Company's underlying facilities-based CMRS provider.
[37] See Exhibit B for sample marketing materials. The Company understands the term "marketing materials" includes materials in all media, including but not limited to print, audio, video, Internet (including email, web, and social networking media), and outdoor signage, that describe the Lifeline-supported service offering, including application and certification forms. *See Order* at ¶ 275.
[38] *See Order* at ¶ 275.

disclose the company name under which it does business.[39] In order to reinforce the limitation of one Lifeline phone per household, the following statement, or words to the same effect, will appear in the Company's marketing materials and website (www.qlinkwireless.com) in a conspicuous place, in bold font and in an offsetting color to ensure it is not overlooked:

> **Lifeline support is limited to one per household on wireline or wireless service.**

#### 4. Audits

If Q LINK draws $5 million or more in the aggregate on an annual basis from the low-income program, as determined on a holding company basis taking into account all operating companies and affiliates, the Company will hire an independent licensed certified public accounting firm to conduct a biennial audit according to government accounting standards to assess Q LINK's overall compliance with the program's requirements.[40] Q LINK will comply with applicable rules regarding the dissemination of audit findings to the Commission, USAC, and relevant state and Tribal governments within 30 days upon issuance.[41]

### E. De-Enrollment

If at any time a Q LINK Lifeline customer wishes to de-enroll from the Company's Lifeline program, Company customer service representatives will handle such elective de-enrollment requests. Q LINK Lifeline customers simply call the Company's toll-free customer service number and they can speak to a live operator to de-enroll from Q LINK's Lifeline program. Q LINK will de-enroll consumers from the Company's Lifeline program in the following instances, according to C.F.R. § 54.405(e):

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[39] *See id.*
[40] *See Order* at ¶ 291.
[41] *See Order* at ¶ 294.

Ineligibility. Any subscriber who indicates that he or she is receiving more than one Lifeline-supported service per household, or neglects to make the required one-per-household certification on his or her certification form, will be de-enrolled from Lifeline pursuant to the process for resolving duplicative Lifeline subscriptions described in section 54.405(e)(2).[42]

If a customer does not respond to the Company's annual verification survey within 30 days, or if Q LINK has reasonable basis to believe that the subscriber no longer meets the Lifeline-qualifying criteria (including instances where a subscriber informs the Company or the state that he or she is ineligible for Lifeline), Q LINK will provide a written notice of impending service termination to the subscriber and then give the subscriber 30 days after the date of the letter to demonstrate that his or her Lifeline service should not be terminated.[43] Similarly, Q LINK will de-enroll a subscriber if they fail to respond to the Company's attempt to verify a temporary address within 30 days.[44]

Duplicative Support. Subject to USAC's Duplicate Resolution Process and anticipated Duplicate Scrubbing Process,[45] Q LINK will de-enroll a subscriber within 5 business days if the Company is informed by USAC that the subscriber is receiving Lifeline service from another ETC or that more than one member of a subscriber's household is receiving Lifeline service.

Non-Usage. Q LINK will monitor all customers to ensure that they in fact have usage on their account within a 60-day period. Q LINK will de-enroll any subscriber that has not used the Company's Lifeline service for 60 consecutive days, as discussed in section IV.B above. Q LINK will send the subscriber a 30-day termination letter, using clear, easily understood language, notifying the subscriber that failure to use the Lifeline service within the 30-day cure

[42] *See Order* at ¶ 122.
[43] *See id*. In states that have dispute resolution procedures applicable to Lifeline termination, the Company will comply with the state requirements.
[44] *See Order* at ¶ 89.
[45] *See Order* at ¶ 214-16.

period will result in service termination for non-usage. The subscriber will be able to confirm that they want to continue receiving their Lifeline service. Q LINK will update the national database, once in place, within one business day of de-enrolling a subscriber for non-use and will submit a non-usage de-enrollment report annually to USAC.[46] Q LINK will not seek reimbursement from the USF during the 30-day cure period unless the subscriber confirms they want to continue service.

### F. Additional Rule Amendments

#### 1. Reporting Requirements

Q LINK will report all information required by section 54.422, as it may heretofore be amended. This includes the names of the Company's holding company, operating companies and affiliates, and any branding ("doing-business-as company" or brand designation), and provide to the Commission and USAC general information regarding the terms and conditions of the Lifeline plans for voice telephony service offered specifically for low income consumers through the program offered during the previous year, including the number of minutes provided, and whether there are additional charges to the consumer for service, including minutes of use and/or toll calls.[47]

#### 2. Reimbursements from USAC

In seeking reimbursement for Lifeline, Q LINK will comply with the requirements of C.F.R § 54.407, as revised by the *Order*.[48] Q LINK will certify when seeking reimbursement that the Company has obtained a valid certification form for each consumer for whom the Company

[46] *See Order* at ¶ 257.
[47] *See Order* at ¶ 296, 390. Section 153 of the Communications Act defines "affiliate" as "a person that (directly or indirectly) owns or controls, is owned or controlled by, or is under common ownership or control with, another person.
[48] *See Order* page 221.

seeks Lifeline reimbursement;[49] and the Company will seek reimbursement for actual lines served, not projected lines.[50]

### 3. Section 54.202 Certifications

Q LINK certifies the following in accordance with newly amended C.F.R. § 54.202: (1) Q LINK will comply with the service requirements applicable to the support that it receives; (2) Q LINK is able to remain functional in emergency situations; and (3) Q LINK will satisfy applicable consumer protection and service quality standards.

## IV. COMPANY INFORMATION

Q LINK is a Limited Liability Company organized in the State of Delaware on August 25, 2011. Q LINK will provide prepaid wireless telecommunications services by using the Sprint Nextel ("Sprint") network on a wholesale basis to offer nationwide service. Sprint is a nationwide carrier that provides wholesale capacity on its wireless network to wireless providers like Q LINK. Q LINK will obtain from Sprint the network infrastructure and wireless transmission facilities to allow Q LINK to operate as a Mobile Virtual Network Operator ("MVNO"). Q LINK was designated as an ETC in Maryland on December 21, 2011. Q LINK does not currently provide service in any state.

### A. Names and Identifiers

The Company's legal name is Q LINK WIRELESS LLC. Q LINK's holding company is QUADRANT HOLDINGS GROUP LLC. The Company does not have any operating companies and it identifies itself as Q LINK or Q LINK WIRELESS on its marketing and advertising materials.

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[49] *See Order* at ¶ 128.
[50] *See Order* at ¶ 302.

### B. Financial and Technical Capability

Q LINK is financially and technically capable of providing Lifeline-supported services.[51] Q LINK will provide service to both Lifeline and non-Lifeline customers. Q LINK intends to launch its retail and Lifeline wireless service simultaneously. Q LINK has not been subject to enforcement action or ETC revocation proceedings in any state. Q LINK is financially able to provide Lifeline-supported services and will not rely exclusively on USF disbursements to operate.[52] Furthermore, the senior management of Q LINK has great depth in the telecommunications industry and offers extensive telecommunications business technical and managerial expertise to the Company.[53] Q LINK will also rely upon the managerial and technical expertise of its underlying carrier Sprint.

### C. Lifeline Offering

Q LINK will offer its Lifeline service in the states where it is designated as an ETC and throughout the coverage area of its underlying carrier Sprint. As summarized in Exhibit E attached hereto, the Company's Lifeline offering will provide customers with the option to choose between three (3) Lifeline Plans[54] that best meets their needs:

1. Plan 1: 68 Monthly Minutes. Under Plan 1, eligible customers enjoy 68 anytime minutes that rollover and free international long distance.[55] Text messaging is at the rate of one-third of one minute (3 texts = 1 minute).

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[51] *See Order* at ¶ 387.
[52] See Exhibit C for QUADRANT HOLDINGS GROUP LLC'S Financial Statements. This information is **CONFIDENTIAL AND PROPRIETARY** and is being filed under seal as such.
[53] See Exhibit D for key management resumes.
[54] Q LINK's Lifeline Plans vary from state to state in accordance with state requirements or Tribal offerings; the three Lifeline plans outlined in this compliance plan are the offerings available in most states. Please see the Company's website (www.qlinkwireless.com) for more detailed information regarding plans available in each state.
[55] If you are on Plan 1, there is no additional charge for international long distance to countries designated at www.qlinkwireless.com.

2. Plan 2: 125 Monthly Minutes. Under Plan 2, eligible customers enjoy 125 anytime minutes that rollover. Text messaging is at the rate of one minute (1 text = 1 minute).
3. Plan 3: 250 Monthly Minutes. Under Plan 3, eligible customers enjoy 250 anytime minutes. Minutes do not rollover. Text messaging is at the rate of one minute (1 text = 1 minute).

Customers have the capability of purchasing additional bundles of minutes in denominations as low as $9.99, $19.99, $29.99, and $59.99.[56] Airtime replenishment cards will be made available at retail outlets frequented by low-income customers throughout the Company's Service Area. In addition to free voice services, all of Q LINK's Lifeline plans will include a free handset and the following Custom Calling features: Caller ID, Call Waiting, and Voicemail. Q LINK does not impose burdensome credit checks or long-term service contracts on its prepaid customers. Customers are not bound by a local calling area requirement; all Q LINK plans come with domestic long distance at no extra per minute charge and exceptional nationwide digital coverage on the Nationwide Sprint PCS Network. Calls to 911 emergency services are always free, regardless of service activation or availability of minutes. Calls to Q Link customer service are also free. Q LINK has attached as Exhibit F its Lifeline terms and conditions of service. The terms and conditions of the Company's plans can also be found at www.qlinkwireless.com.

[56] $9.99 = 50 minutes, $19.99 = 120 minutes, $29.99 = 200 minutes, and $59.99 = 450 minutes.

## V. CONCLUSION

Q LINK submits that its Compliance Plan fully satisfies the conditions of forbearance set forth in the Commission's *Order*. Implementation of the procedures described herein will promote public safety and should ensure that Lifeline customers have access to 911 and E911 services while safeguarding against misuse of the Company's Lifeline services. Accordingly, Q LINK respectfully requests that the Commission expeditiously approve its Compliance Plan so that the Company may begin providing the benefits of much-needed Lifeline service to qualifying low-income consumers as quickly as possible.

Respectfully submitted,

Q LINK WIRELESS LLC

/s/ LANCE STEINHART

Lance J.M. Steinhart
Lance J.M. Steinhart, P.C.
1725 Windward Concourse
Suite 150
Alpharetta, Georgia 30005
(770) 232-9200

*Its Counsel*

Dated July 30, 2012

# EXHIBIT A

## Sample Lifeline Certification Form

# APPLICATION FOR GOVERNMENT LIFELINE ASSISTANCE PROGRAM

**Things to know about the Lifeline Program:**

(1) Lifeline is a federal non-transferable benefit.

(2) Lifeline Service is available for only one line per household. A household cannot receive benefits from multiple providers; and

(3) A household is defined, for purposes of the Lifeline Program, as any individual or group of individuals who live together at the same address and share income and expenses.

## section 1

Please read all instructions before completing. Information will be validated. Discrepancies could result in delays.

Last Name _____ First Name _____ MI _____ Birth Date (Month/Day/Year) ___/___/___ Last Four Digits of SS# _____

Home Phone Number _____ Cell Phone Number _____ Contact Phone Number _____ Email Address _____

**This address is** ☐ **Permanent** ☐ **Temporary** ☐ **Multi-Household**

Residence Address (No P.O. Boxes, Must be your principal address) _____ Apartment No. _____ State _____ City _____ Zip Code _____

| **Plan Features** | ☐ 68 FREE Monthly Minutes | ☐ 125 FREE Monthly Minutes | ☐ 250 FREE Monthly Minutes |
|---|---|---|---|
| Choose your plan (check one) | | | |
| Local Calls | ✓ | ✓ | ✓ |
| National Long Distance | ✓ | ✓ | ✓ |
| Voice Mail | ✓ | ✓ | ✓ |
| Nationwide Text | ✓ (0.3 minutes per text) | ✓ (1 minute per text) | ✓ (1 minute per text) |
| Roaming at no additional cost | ✓ | ✓ | ✓ |
| Free 911 | ✓ | ✓ | ✓ |
| 411 Directory Assistance* | ✓ | ✓ | ✓ |
| Carry-Over minutes from month to month | ✓ | ✓ | ✗ |
| 100+International Long Distance destinations | ✓ | ✓ ** | ✓ ** |

*Minutes can be used for 411 calling at no additional cost.
**Long distance charges will apply

## section 2

To apply for Q Link you may choose ONE of the two options below:

**The program is limited to one benefit per household and only eligible consumers may enroll in the program. Consumers who willfully make false statements in order to obtain the benefit can be punished by fine or imprisonment or can be barred from the program.**

### OPTION 1

To qualify you must attach proof of participation in one of the programs listed below.

**I hereby certify that I participate in at least ONE of the following public assistance programs (Check all that apply):**

- ☐ Medicaid (Not the same as Medicare)
- ☐ Supplemental Nutrition Assistance Program (Food Stamps)
- ☐ Temporary Assistance to Needy Families (TANF)
- ☐ Supplemental Security Income SSI (Not the same as Social Security Benefits)
- ☐ National School Lunch Program's Free Lunch Program
- ☐ Low-Income Home Energy Assistance Program (LIHEAP)
- ☐ Federal Public Housing Assistance/ Section 8

### OPTION 2

Qualify by certifying your income is at or below 135% of the Federal Poverty Guidelines.

**HOUSEHOLD INCOME:**

**Please check houshold persons and income level that applies. Eligibility may apply if your total household income is at or below the following guidelines.**

| Persons in Family or Household | | Annual Income | Monthly Income |
|---|---|---|---|
| 1 | ☐ | $16,335 | $1,361 |
| 2 | ☐ | $22,065 | $1,839 |
| 3 | ☐ | $27,795 | $2,316 |
| 4 | ☐ | $33,525 | $2,794 |
| 5 or More | ☐ | | |
| For each additional add: $5,730 | | | |

To qualify by income you must attach proof of income. Submit your most current statement from sources below:

- Prior year's State or Federal income tax return
- Three consecutive months of your most current pay stubs
- Workers Compensation/Unemployment benefits
- Child support document or divorce decree
- Retirement/Pension benefits statement
- Social Security/Veterans Administration benefits statement

**(Documentation You Submit Will Not Be Returned)**

Total monthly household income ☐ Number of people receiving income ☐
Total yearly household income ☐ Number of children under age of 18 ☐

## section 3

**PENALTY OF PERJURY: Under title 18 U.S.C. § 1621, whoever willfully states as true any material matter which he does not believe to be true in a statement under penalty of perjury, is guilty of perjury and shall, except as otherwise expressly provided by law, be fined or imprisoned not more than five years, or both.**

**I certify, under penalty of perjury: (Initial by Each Certification)**

_____ (1) The information contained in my application remains true and correct to the best of my knowledge and I acknowledge that willfully providing false or fraudulent information to receive Lifeline benefits is punishable by law and may result in me being barred from the program.

_____ (2) I am a current recipient of the program checked above, or have an annual household income at or below 135 percent of the Federal Poverty Guidelines.

_____ (3) I have provided documentation of eligibility if required to do so.

_____ (4) I understand that I and my household can only have one Lifeline-supported telephone service. Q Link Wireless has explained the one-per household requirement. I understand that violation of the one-per-household requirement constitutes a violation of the FCC's rules and will result in my de-enrollment from the Lifeline program, and could result in criminal prosecution by the US Government.

(5) I attest to the best of my knowledge, that I and no one in my household is receiving a Lifeline service from any other land line or wireless company such as Safelink, Assurance, or Reachout Wireless.

_____ (6) I understand my Q Link Wireless Lifeline service is a non-transferable. I may not transfer my service to any individual, including another eligible low-income consumer.

_____ (7) I understand that if my service goes unused for sixty (60) days, my service will be suspended, subject to a thirty (30) day period which I may use the service or contact Q Link Wireles to confirm that I want to continue receiving their service.

_____ (8) I will notify Q Link Wireless within thirty (30) days if I no longer qualify for Lifeline. I understand this requirement and may be subject to penalties if I fail to notify Q Link Wireless if:
(1)I cease to participate in the above federal or state program, or my annual household income exceeds 135% FPG.
(2)My household is receiving more than one Lifeline supported device.
(3)I no longer satisfy the criteria for receiving Lifeline support.

_____ (9) I will notify Q Link Wireless within thirty (30) days of moving. Additionally, if my address listed above is a temporary address, I understand that I must verify my address with Q Link Wireless every ninety (90) days. If I fail to respond to Q Link Wireless' address verification attempts within thirty (30) days, my Q Link Wireless Lifeline service may be terminated.

_____ (10) Q Link Wireless has explained that I'm required each year to re-certify my eligibility for Lifeline. If I fail to do so within thirty (30) days, it will result in the termination of my Q Link Wireless service.

_____ (11) I authorize and understand that the Q Link Wireless may provide to state and Federal agencies, as required by law, for the purposes of complying with the Lifeline program all the information related to my account including but not limited to my name, date of birth, social security, usage history, address and phone number.

_____ (12) I understand that my name, telephone number, date of birth, last four digits of my social security number, and address will be divulged to the Universal Service Administrative Company (USAC) and/or its \ agents for the purpose of verifying that I do not receive more than one Lifeline subsidy.

_____ (13) I understand that if USAC identifies I am receiving more than one Lifeline subsidy, all carriers involved may be notified so that I may select one service and be de-enrolled from the other.

**PRIVACY LAW**

I authorize Q Link Wireless or its duly appointed representative to: (1) access any records required to verify my statements herein; (2) to confirm my continued eligibility for Lifeline assistance; (3) to update my address to a proper mailing address format; and (4) authorize social service agency representatives to discuss with and/or provide information to Q Link Wireless verifying my participation in benefit programs that qualify me for Lifeline assistance. I understand that completion of this form does not constitute immediate approval for Lifeline.

☐ Please check this box if you would like to receive pre-recorded special offers and promotions for Q Link Customers.at the Home Telephone number provided in the Contact Information.

**Applicant Signature** _____ **Date** _____

**SIGN & DATE HERE**

**Mail application to: Q Link Wireless LLC**
**499 East Sheridan Street Suite 300**
**Dania Beach, FL 33004**

**Fax application to: 1-855-83QLINK (855-837-5465)**
**For questions please call 1-855-QLINK43 (855-754-6543)**

# TOP SECTION

## APPLICATION FOR GOVERNMENT LIFELINE ASSISTANCE PROGRAM

**Things to know about the Lifeline Program:**

(1) Lifeline is a federal non-transferable benefit.

(2) Lifeline Service is available for only one line per household. A household cannot receive benefits from multiple providers; and

(3) A household is defined, for purposes of the Lifeline Program, as any individual or group of individuals who live together at the same address and share income and expenses.

---

Please read all instructions before completing. Information will be validated. Discrepancies could result in delays.

Last Name _____ First Name _____ MI _____ Birth Date (Month/Day/Year) ___/___/___ Last Four Digits of SS# _____

Home Phone Number _____ Cell Phone Number _____ Contact Phone Number _____ Email Address _____

**This address is** ☐ **Permanent** ☐ **Temporary** ☐ **Multi-Household**

Residence Address (No P.O. Boxes, Must be your principal address) _____ Apartment No. _____ State _____ City _____ Zip Code _____

| **Plan Features** | ☐ 68 FREE Monthly Minutes | ☐ 125 FREE Monthly Minutes | ☐ 250 FREE Monthly Minutes |
|---|---|---|---|
| Choose your plan (check one) | | | |
| Local Calls | ✓ | ✓ | ✓ |
| National Long Distance | ✓ | ✓ | ✓ |
| Voice Mail | ✓ | ✓ | ✓ |
| Nationwide Text | ✓ (0.3 minutes per text) | ✓ (1 minute per text) | ✓ (1 minute per text) |
| Roaming at no additional cost | ✓ | ✓ | ✓ |
| Free 911 | ✓ | ✓ | ✓ |
| 411 Directory Assistance* | ✓ | ✓ | ✓ |
| Carry-Over minutes from month to month | ✓ | ✓ | ✗ |
| 100+International Long Distance destinations | ✓ | ✓ ** | ✓ ** |

*Minutes can be used for 411 calling at no additional cost.

**Long distance charges will apply

# MIDDLE SECTION

To apply for Q Link you may choose ONE of the two options below:

**The program is limited to one benefit per household and only eligible consumers may enroll in the program. Consumers who willfully make false statements in order to obtain the benefit can be punished by fine or imprisonment or can be barred from the program.**

OPTION 1 To qualify you must attach proof of participation in one of the programs listed below.

**I hereby certify that I participate in at least ONE of the following public assistance programs (Check all that apply):**

- ☐ Medicaid (Not the same as Medicare)
- ☐ Supplemental Nutrition Assistance Program (Food Stamps)
- ☐ Temporary Assistance to Needy Families (TANF)
- ☐ Supplemental Security Income SSI (Not the same as Social Security Benefits)
- ☐ National School Lunch Program's Free Lunch Program
- ☐ Low-Income Home Energy Assistance Program (LIHEAP)
- ☐ Federal Public Housing Assistance/ Section 8

OPTION 2 Qualify by certifying your income is at or below 135% of the Federal Poverty Guidelines.

**HOUSEHOLD INCOME:**
**Please check household persons and income level that applies. Eligibility may apply if your total household income is at or below the following guidelines.**

| Persons in Family or Household | | Anual Income | Monthly Income |
|---|---|---|---|
| 1 | ☐ | $16,335 | $1,361 |
| 2 | ☐ | $22,065 | $1,839 |
| 3 | ☐ | $27,795 | $2,316 |
| 4 | ☐ | $33,525 | $2,794 |
| 5 or More | ☐ | | |
| For each additional add: $5,730 | | | |

To qualify by income you must attach proof of income. Submit your most current statement from sources below:

- Prior year's State or Federal income tax return
- Three consecutive months of your most current pay stubs
- Workers Compensation/Unemployment benefits
- Child support document or divorce decree
- Retirement/Pension benefits statement
- Social Security/Veterans Administration benefits statement

**(Documentation You Submit Will Not Be Returned)**

Total monthly household income ☐
Total yearly household income ☐
Number of people receiving income ☐
Number of children under age of 18 ☐

# BOTTOM SECTION

**PENALTY OF PERJURY: Under title 18 U.S.C. § 1621, whoever willfully states as true any material matter which he does not believe to be true in a statement under penalty of perjury, is guilty of perjury and shall, except as otherwise expressly provided by law, be fined or imprisoned not more than five years, or both.**

**I certify, under penalty of perjury: (Initial by Each Certification)**

_____ (1) The information contained in my application remains true and correct to the best of my knowledge and I acknowledge that willfully providing false or fraudulent information to receive Lifeline benefits is punishable by law and may result in me being barred from the program.

_____ (2) I am a current recipient of the program checked above, or have an annual household income at or below 135 percent of the Federal Poverty Guidelines.

_____ (3) I have provided documentation of eligibility if required to do so.

_____ (4) I understand that I and my household can only have one Lifeline-supported telephone service. Q Link Wireless has explained the one-per household requirement. I understand that violation of the one-per-household requirement constitutes a violation of the FCC's rules and will result in my de-enrollment from the Lifeline program, and could result in criminal prosecution by the US Government.

(5) I attest to the best of my knowledge, that I and no one in my household is receiving a Lifeline service from any other land line or wireless company such as Safelink, Assurance, or Reachout Wireless.

_____ (6) I understand my Q Link Wireless Lifeline service is a non-transferable. I may not transfer my service to any individual, including another eligible low-income consumer.

_____ (7) I understand that if my service goes unused for sixty (60) days, my service will be suspended, subject to a thirty (30) day period which I may use the service or contact Q Link Wireles to confirm that I want to continue receiving their service.

_____ (8) I will notify Q Link Wireless within thirty (30) days if I no longer qualify for Lifeline. I understand this requirement and may be subject to penalties if I fail to notify Q Link Wireless if:
(1)I cease to participate in the above federal or state program, or my annual household income exceeds 135% FPG.
(2)My household is receiving more than one Lifeline supported device.
(3)I no longer satisfy the criteria for receiving Lifeline support.

_____ (9) I will notify Q Link Wireless within thirty (30) days of moving. Additionally, if my address listed above is a temporary address, I understand that I must verify my address with Q Link Wireless every ninety (90) days. If I fail to respond to Q Link Wireless' address verification attempts within thirty (30) days, my Q Link Wireless Lifeline service may be terminated.

_____ (10) Q Link Wireless has explained that I'm required each year to re-certify my eligibility for Lifeline. If I fail to do so within thirty (30) days, it will result in the termination of my Q Link Wireless service.

_____ (11) I authorize and understand that the Q Link Wireless may provide to state and Federal agencies, as required by law, for the purposes of complying with the Lifeline program all the information related to my account including but not limited to my name, date of birth, social security, usage history, address and phone number.

_____ (12) I understand that my name, telephone number, date of birth, last four digits of my social security number, and address will be divulged to the Universal Service Administrative Company (USAC) and/or its \ agents for the purpose of verifying that I do not receive more than one Lifeline subsidy.

_____ (13) I understand that if USAC identifies I am receiving more than one Lifeline subsidy, all carriers involved may be notified so that I may select one service and be de-enrolled from the other.

**PRIVACY LAW**

I authorize Q Link Wireless or its duly appointed representative to: (1) access any records required to verify my statements herein; (2) to confirm my continued eligibility for Lifeline assistance; (3) to update my address to a proper mailing address format; and (4) authorize social service agency representatives to discuss with and/or provide information to Q Link Wireless verifying my participation in benefit programs that qualify me for Lifeline assistance. I understand that completion of this form does not constitute immediate approval for Lifeline.

☐ Please check this box if you would like to receive pre-recorded special offers and promotions for Q Link Customers.at the Home Telephone number provided in the Contact Information.

**Applicant Signature** _____ **Date** _____

**SIGN & DATE HERE**

**Mail application to: Q Link Wireless LLC**
**499 East Sheridan Street Suite 300**
**Dania Beach, FL 33004**

**Fax application to: 1-855-83QLINK (855-837-5465)**
**For questions please call 1-855-QLINK43 (855-754-6543)**

# EXHIBIT B

## Sample Marketing Materials

1. Internet/Email Banner Ad 600x474
2. Poster/Flyer Ad 8.5x11

QLINK WIRELESS
CONNECTING AMERICA

GET YOUR **FREE CELL PHONE** NOW!

# Need a FREE Cell Phone?

Plus Free Minutes Every Month

Did You Know Q Link Wireless Provides *FREE* Cell Phones for income eligible individuals? You may qualify if you participate in programs such as Food Stamps or Medicaid or your income is below 135% of the Federal Poverty Guidelines.

- No Contracts
- No Monthly Bills Ever!
- No Credit Checks!

See If You Qualify!

**Get Yours Now!**

**Lifeline support is limited to one per household on wireline or wireless service. Consumers who willfully make false statements in order to obtain the benefit can be punished by fine or imprisonment or can be barred from the program. Proof of participation in eligible programs/annual household income required for enrollment.**

Q Link Wireless is a provider of the Government's Lifeline program. Visit our terms at http://qlinkwireless.com/terms.aspx for more info. Call 1-855-QLINK43 or visit http://qlinkwireless.com to see if you are eligible.

# FREE CELL PHONES FROM Q LINK WIRELESS

## You May Qualify If:

You currently receive Medicaid, Food Stamps or other government assistance or if your household income is 135% of the Federal Poverty Guidelines.

## Get Your Free Phone

Discover if you are eligible for a free cell phone and free monthly minutes from Q Link Wireless provided through the Government's Lifeline support program.

**www.QlinkWireless.com**
**Call 1-855-QLINK43**

## Includes:

- ✓ Texting
- ✓ National Long Distance
- ✓ Local Calls
- ✓ Voice Mail

**250**
FREE Minutes Every Month!

**Lifeline support is limited to one per household on wireline or wireless service. Consumers who willfully make false statements in order to obtain the benefit can be punished by fine or imprisonment or can be barred from the program. Proof of participation in eligible programs/annual household income required for enrollment.**

Q Link Wireless provides FREE cell phone service and FREE Monthly Minutes through the Government's Lifeline program to qualifying families and individuals. Visit www.qlinkwireless.com or call 1-855-QLINK43 to see if you qualify.

# EXHIBIT C

## Financial Statements

**CONFIDENTIAL AND PROPRIETARY**

# QUADRANT HOLDINGS CORP

BALANCE SHEET

As of Sept 30, 2011

**ASSETS**

Current Assets

| | |
|---|---|
| Cash & Cash Equivalents | [redacted] |
| Q Link Wierless Investment | |
| Trade Accounts Receivable | |
| Inventory | |
| Prepaid Expenses and Deposits | |
| Deferred Costs | |
| Other Current Liabilities | |
| Total Current Assents | [redacted] |

**FIXED ASSETS**

| | |
|---|---|
| Property and Equipment | [redacted] |
| Right of Access | |
| Goodwill | |
| Total Fixed Assets | [redacted] |
| **Total Assets** | $ [redacted] |

**LIABILITIES AND SHAREHOLDER'S EQUITY**

Current Liabilities

| | |
|---|---|
| Accounts Payable | [redacted] |
| Customer Deposits | |
| Deferred Revenue | |
| Current Portion of Deferred Lease Inducements | |
| Current Portion of Obligations Under Capital Lease | |
| Deferred Lease Inducements | |
| **Total Liabilities** | [redacted] |

**Shareholder's Equity**

| | |
|---|---|
| Share Capital | [redacted] |
| Contributed Surplus | |
| Net Income or Loss | |
| | [redacted] |
| **Total Liabilities & Capital** | $ [redacted] |

# QUADRANT HOLDINGS CORP

STATEMENT OF OPERATIONS, PROFIT & LOSS

As of Sept 30, 2011

| | | |
|---|---|---|
| Revenues | [redacted] | |
| Cost of Sales | | |
| Gross Profit | | [redacted] |
| Expenses | | |
| Sales and Marketing | [redacted] | |
| General Administrative | | |
| Amortization | | |
| Interest Expense | | |
| Other Expense | | |
| Total Expenses | | [redacted] |
| Net Income | | $ [redacted] |

# EXHIBIT D

## Key Management Resumes

# Issa Asad

*Issa Asad is the President & CEO or Managing Member of Various Companies (Quadrant Holdings Group LLC, Q Link Wireless, NCOM Networks, RTN Networks, Reliable Telecard), these are some of the nation's premier telecommunications providers in the United States today, representing VoIP, wireless and prepaid service providers, manufacturers and suppliers in the new world of Internet-based and wireless communications and entertainment.*

*A respected Telecom veteran with more than 15 years' experience in telecommunications, Mr. Asad joined the Telecommunications industry in 1996 and has led the organization's growth into the top telecommunications providers in the nation. Intelecard News magazine has profiled Mr. Asad as a telecommunications executive with "real vision." The Prepaid Press newspaper has featured Mr. Asad as a "Telecom Mover of the Month" and labeled him as a "playmaker" - one of the "top telecommunications executives" in United States. He has been recognized by Who's Who in Telecom.*

*Prior to establishing his footprint in the Prepaid Telecommunications industry, Mr. Asad served as President & CEO of the South Florida Grocers Network.*

*Companies and their owners who endure in the prepaid industry are worthy of recognition because they are rare. As CEO and owner of Reliable Telecard and I-Prepay Inc, Issa Asad began in retail as an owner, operator and developer of convenience stores and gas stations in New York and Florida.*

*Considered a pioneer, he was the first station owner to implement fast food into service offerings, beginning with Fine Foods. Asad also led the grocers industry to incorporate ATMs, convenience stores and Check Cashing stores into grocery's and stations.*

*In 1996, he realized the potential of phone cards to the immigrant market and began offering phone cards from his stores. By the late 90s, prepaid wireless was emerging and, with his retail background, Asad knew the long-term play was electronic delivery. In the spring of 2000, he teamed with Reliable Telecard and I-Prepay Inc and developed a real-time PIN delivery system for the electronic delivery of prepaid products.*

*There he led a broad market restructuring that resulted in record sales and revenues, increased stature for the industry, and significant telecom marketing victories.*

# ISSA ASAD

E-mail: issa@qlinkwireless.com
499 East Sheridan St Suite 301
Dania FL 33004

## SENIOR EXECUTIVE SUMMARY

Entrepreneur and senior sales executive with 15 year accomplished track known throughout the prepaid and telecom industry for delivering and sustaining revenue and profit gains within highly competitive domestic and international prepaid products, including domestic and international prepaid telephone and wireless calling cards and national distribution channels markets. By age 30, had pioneered what is now a multi-hundred million dollar a year Prepaid industry. Practical experience in and solid understanding of a diverse range of business management applications, including market analysis, sales and marketing, team-building and quality assurance. Demonstrated ability to select, train and retain self-motivated customer-oriented employees. Exceptional problem-solving skills, keen client needs assessment aptitude, high-caliber presentation, negotiation and closing skills.

- Strategic & Tactical Planning
- Mergers & Acquisition
- Strategic Partnerships & Alliance
- Broker / Vendor Relations
- Business Expansion & Startups
- Staff Management & Development
- Sales Presentations / Closing
- Account Development / Acquisition

## PROFESSIONAL EXPERIENCE

**QUADRANT HOLDINGS GROUP LLC – DANIA FL**
**Managing Member,** January 2011 – present

*Quadrant Holdings is a holding company that serves as the Managing Member entity of Q LINK WIRELESS LLC.*

**Q LINK WIRELESS LLC – DANIA, FL**
**Co-Founder**, January 2011 – present

*Q LINK WIRELESS LLC provides a government assisted wireless service. Q LINK offers a discount benefit to low income families and individuals via wireless services in place of older technologies like landline phone service.*

- Develop and evolve the sales model including strategy, process, partnerships, organization, and execution to deliver financial and market share goals
- Design, architect and implement an optimized sales model that enables the company to achieve sustained profitable growth
- Recruit, train and manage results-orientated staff of professional managers to oversee sales and marketing efforts

**IPREPAY, INC. – MIAMI, FL**
**VP of Sales & Co-Founder**, January 2000 – 2008

*Provides wholesale long distance, prepaid point of sale services including; prepaid wireless, prepaid calling cards, bill pay, FTD flowers and an array of stored value products and services to carriers and end-users. Its point-of-sale technology and services are a sensible alternative to paying the increasingly recurrent infrastructure expenses necessary in the world of exponentially-improving telecom networks. The company now serves as a one-stop-shop for all prepaid products.*

- Develop and evolve the sales model including strategy, process, partnerships, organization, and execution to deliver financial and market share goals
- Design, architect and implement an optimized sales model that enables the company to achieve sustained profitable growth
- Recruit, train and manage results-orientated staff of professional managers to oversee sales and marketing efforts
- Increased 2004 gross revenues from $__M to 2005 run-rate of $75M.

**X CHANGE COMMUNICATIONS – MIAMI, FL**
**Strategic Business Partner**, 2000 – 2008

*This company is a powerhouse, with over 150 employees in a 40,000 square foot office campus in Miami, Florida. X Change has the capacity to handle 8 billion calling minutes per month through a system that is beyond state of the art. Even more amazing, that system was completely designed and developed by strategic partners and own in-house software engineers.*

- Facilitated partnership with top carriers
- 1st year partnership Revenues exceeded $85M

**RELIABLE TELECARD – MIAMI, FL**
**CEO, President and Founder**, 2000 - Present

*A leading provider of wholesale and retail telecommunications services. Reliable Telecard uses its own network infrastructure to route calls worldwide. The company's prepaid retail cards (currently topping 100 brands) are available at over 250,000 points of sale nationwide.*

- Grew and maintain client base of 9,000 agents and 300 worldwide outlets
- Manage a staff of 150 employees
- Gross annual profits exceeding $50 M

**PREPAID TECHNOLOGIES – MIAMI, FL**
**CEO, President and Founder**, 1996-2001

*Prepaid Technologies is aligned with qualified national processors and has issued cards through a variety of national banks. Prepaid Technologies provides host-based stored value cards that are packaged and marketed as many diverse products such as a gift card, travel card, payroll card, incentive reward card, student card, e-card, vendor payment card and expense card.*

- Responsible for securing national prepaid distribution channels
- 1st year profits exceeding $600K

**WORLDCOM – MIAMI, FL**
**Director of Sales** 1995 -1996

*Facilities-based network operator managing one of the world's largest communications network systems. One of the largest carriers of international voice traffic operating a leading Internet protocol backbone system.*

- Secured exclusive prepaid phone card deal with Michael Jordon generating over $1B in gross revenues with over $350 Million in profits during the 1st year

**FINE FOODS SUPERMARKETS – MIAMI, FL**
**CEO, President and Founder**, 1991-1999

- Designed, developed, opened and maintain 12 retail chain grocery stores

## INDUSTRY PUBLICATIONS AND ACKNOWLEDGEMENTS

| | |
|---|---|
| Intele-Card News Magazine: | Acknowledged and interviewed in 48 issues since 2000. |
| Phone Plus: | Acknowledged and interviewed in 10 issues since 2002. |
| Convenience Store Decisions: | Acknowledged and interviewed in both 1997 and 1998. |
| Convenience Store News: | Acknowledged and interviewed in both 1997 and 1998. |
| Vending Times: | Acknowledged and interviewed in 1995. |

## EDUCATION

**FLORIDA INTERNATIONAL UNIVERSITY – MIAMI, FL**
B.A., Business, May 1995
A.A., Science, May 1995

**EXHIBIT E**

**Proposed Lifeline Rate Plans**

**Plan 1: 68 Monthly Minutes Plan***
68 anytime minutes per month
(texts are one-third of one minute, i.e. 3 texts = 1 minute)
Net cost to Lifeline customer: **$0 (free)**

*This package includes:

- Free handset
- Free calls to Customer Service
- Free calls to 911 emergency services
- Free Voicemail, Caller-ID, and Call Waiting
- 68 anytime minutes (unused minutes rollover)
- Free Domestic Long Distance
- Free International Long Distance to countries designated at www.qlinkwireless.com (listed below)

**Plan 2: 125 Monthly Minutes Plan***
125 anytime minutes per month
(texts are one minute, i.e. 1 text = 1 minute)
Net cost to Lifeline customer: **$0 (free)**

*This package includes:

- Free handset
- Free calls to Customer Service
- Free calls to 911 emergency services
- Free Voicemail, Caller-ID, and Call Waiting
- 125 anytime minutes (unused minutes rollover)
- Free Domestic Long Distance

**Plan 3: 250 Monthly Minutes Plan***
250 anytime minutes per month
(texts are one minute, i.e. 1 text = 1 minute)
Net cost to Lifeline customer: **$0 (free)**

*This package includes:

- Free handset
- Free calls to Customer Service
- Free calls to 911 emergency services
- Free Voicemail, Caller-ID, and Call Waiting
- 250 anytime minutes (unused minutes *do not* rollover)
- Free Domestic Long Distance

# International Long Distance

**Free International Calling Destinations on the 68 Monthly Minutes Plan**
(Certain special or off-network locations may be excluded from the Free International Long Distance. Calls to cellular phones are not included unless the word "Cellular" is specifically listed next to the country name. Numbers in parentheses () indicate the Country Code.)

Albania-Tirana (355)
Andorra (376)
Argentina (54)
Australia (61)
Austria (43)
Bahamas-Cellular (1)
Bahamas (1)
Bangladesh-Cellular (880)
Bangladesh-Chittagong (880)
Bangladesh-Dhaka (880)
Bangladesh-Sylhet (880)
Belgium (32)
Bermuda-Cellular (1)
Bermuda (1)
Bolivia-La Paz (591)
Bolivia-Santa Cruz (591)
Brazil (55)
Brunei-Cellular (673)
Brunei (673)
Bulgaria (359)
Canada-Cellular (1)
Canada (1)
Chile (56)
China-Cellular (86)
China (86)
Columbia-Cellular (57)
Columbia (57)
Costa Rica (506)
Croatia (585)
Cyprus-Cellular (357)
Cyprus (357)
Czech Republic (420)
Denmark (45)
Dominican Republic (1)
Estonia (372)
Finland (358)
France (33)
French Antilles (594)
French Guiana-Cellular (594)
French Guiana (594)
Georgia (995)
Germany (49)
Gibraltar (350)
Greece (30)
Guadeloupe (590)
Guatemala-Telgua (502)
Hong Kong-Cellular (852)
Hong Kong (852)
Hungary (36)
Iceland (354)
India-Cellular (91)
India (91)
Indonesia-Cellular (62)
Indonesia-Jakarta (62)
Indonesia-Surabaya (62)
Iraq-Baghdad (964)
Ireland (353)
Israel (972)
Italy (39)
Japan (81)
Jordan (962)
Kazakhstan (7)
Kenya-Nairobi (254)
Lithuania (370)
Luxembourg-Cellular (352)
Luxembourg (352)
Macao-Cellular (853)
Macao (853)
Malaysia-Cellular (60)
Malaysia (60)
Malta (356)
Mexico (52)
Monaco (377)
Netherlands (31)
New Zealand (64)
Norway (47)
Panama (507)
Paraguay (595)
Peru (51)
Poland (48)
Portugal (351)
Romania (40)
Russia-Cellular (7)
Russia (7)
San Marino-Cellular (378)
San Marino (378)
Saudi Arabia-Riyadh (966)
Singapore-Cellular (65)
Singapore (65)
Slovakia (421)
Slovenia (386)
South Korea-Cellular (82)
South Korea (82)
Spain (34)
Sweden (46)
Switzerland (41)
Taiwan-Cellular (886)
Taiwan (866)
Thailand (66)
Turkey (90)
United Kingdom (44)
Uzbekistan (7)
Venezuela (58)
Vietnam-Ho Chi Minh City (84)
Zambia (260)

# EXHIBIT F

## Terms and Conditions

# Q LINK WIRELESS ™ Lifeline Terms and Conditions of Service

Please read these Q LINK WIRELESS LLC Lifeline Terms and Conditions of Service carefully. These Q LINK WIRELESS LLC Lifeline Terms and Conditions of Service are a legally binding agreement between you and Q LINK WIRELESS LLC. They contain important information about your legal rights and require that certain disputes be resolved through Arbitration instead of a court trial. Q LINK WIRELESS LLC reserves the right to change or modify any of these Q LINK WIRELESS LLC Lifeline Terms and Conditions of Service at any time and at its sole discretion. Any changes or modifications to these Q LINK WIRELESS LLC Lifeline Terms and Conditions of Service will be binding upon you once posted on the Q LINK WIRELESS LLC website. You should check the Q LINK WIRELESS LLC website regularly for updates to these terms.

By enrolling in the Q LINK WIRELESS Lifeline Program (the “Q LINK WIRELESS Lifeline Program” or “Q LINK Lifeline Program”) and by using the Q LINK WIRELESS Lifeline service (the “Q LINK WIRELESS Lifeline Service” or “Q LINK Lifeline Service”), you (“You”), the participant, acknowledge and agree to the following terms and conditions:

### 1. Q LINK WIRELESS LIFELINE PROGRAM DESCRIPTION

Q LINK WIRELESS Lifeline Service is funded by the Universal Service Fund Lifeline program and administered by the Universal Service Administrative Company. In order to qualify for enrollment in the Q LINK WIRELESS Lifeline Program, a person must meet certain eligibility requirements set by each state where the Q LINK Lifeline Program is offered. These requirements are based on a person's participation in a state or federal support program(s) or by meeting certain income requirements based upon the Income Poverty Guidelines as defined by the US Government. Federal law limits the availability of the Q LINK Lifeline Program. The Q LINK Lifeline Program allows one (1) enrollment per "household". The Q LINK Lifeline Program permits only one Lifeline benefit per household, therefore, no person currently living in the household may receive Lifeline benefits from any other Lifeline program offered by another carrier. Applicants for the Q LINK Lifeline Program must complete an application form, provide supporting documentation that they meet the eligibility requirements and certify, under penalty of perjury, that they:

•Are eligible for and currently receive benefits from the public assistance program(s) identified in the application form.

•Do not currently receive Lifeline support for a telephone line serving their residential address and no other resident in their household participates in a Lifeline program.

•If the applicant is already participating in a Lifeline program from another provider, then the applicant agrees to cancel their current household Lifeline program with the other provider in order to enroll in the Q LINK Lifeline Program.

•Will notify Q LINK WIRELESS by calling 1-855-QLINK43 (1-855-754-6543) - if and when they no longer qualify for any of the public assistance programs identified in their application form.

•Will notify Q LINK WIRELESS of any change of address by calling 1-855-QLINK43 (1-855-754-6543).

•Reviewed the information contained in their application and certify that it is true and correct to the best of their knowledge and belief.

Applicants who do not meet the eligibility requirements will receive written notification, via US Mail, of the reason for their non-eligibility (in Colorado, DHS will determine and notify applicants if they do not meet the eligibility requirements). Upon enrollment in the Q LINK Lifeline Program, you will be qualified to participate for up to one (1) year unless you no longer qualify as an eligible subscriber. To continue your enrollment in the Q LINK Lifeline Program after the initial year, you must verify annually that you are qualified for continued enrollment in the Q LINK Lifeline Program as required by your state Public Service Commission, Public Utility Commission or other agency administering the Q LINK Lifeline Program in your state. Q LINK WIRELESS will also conduct verification drives according to each state's rules. If Q LINK WIRELESS determines during its verification drive, or at any other time, that a customer fails to continue to qualify for the Q LINK Lifeline Program, such customer will immediately be deemed ineligible to participate in the Q LINK Lifeline Program, will be de-enrolled from the Q LINK Lifeline Program and will no longer receive the free monthly minutes. Q LINK Customers who are no longer eligible (for any reason) for enrollment in the Q LINK Lifeline Program must immediately notify Q LINK WIRELESS that they no longer meet the eligibility requirements for enrollment. A Q LINK customer's enrollment may also be cancelled upon the request of a state and/or federal authority.

Q LINK WIRELESS reserve the right to cancel the enrollment of any customer and/or permanently deactivate any customer's Q LINK WIRELESS phone for fraud, misrepresentation or other misconduct as determined solely by Q LINK WIRELESS. While participating in the Q LINK Lifeline Program, a customer shall not be permitted to sell, rent, give away or in any way allow another person to use the cellular phone or Q LINK Lifeline Service provided to him/her by Q LINK WIRELESS. IT IS A VIOLATION OF FEDERAL AND STATE LAW TO SELL OR GIVE AWAY THE Q LINK CELLULAR PHONE OR Q LINK SERVICE PROVIDED TO YOU BY Q LINK WIRELESS. Any violation of this prohibition will be reported to the appropriate legal authorities for prosecution. In addition, if Q LINK determines, in its sole discretion, that a Q LINK WIRELESS customer has violated these prohibitions, Q LINK WIRELESS will then permanently de-enroll the customer from the Q LINK Lifeline Program, their phone will be permanently deactivated and the customer's personal information will be permanently flagged so that the customer may not re-enroll in the Q LINK Lifeline Program in the future. If you have any questions, concerns, comments or complaints regarding the Q LINK Lifeline Program or Lifeline Service, offerings or products, please call Q LINK WIRELESS Customer Care at 1-855-QLINK43 (1-855-754-6543). You may also contact your state's Public Service Commission/Public Utility Commission.

## 2. ACTIVATION AND USE OF YOUR Q LINK WIRELESS PHONE

Upon enrollment in the Q LINK Lifeline Program, you will receive a pre-activated Q LINK WIRELESS phone delivered to your home address noted in the application. You must accept the Q LINK WIRELESS telephone number assigned to your Q LINK WIRELESS phone at the time of activation and you will acquire no proprietary interest in any number assigned to you. The WIRELESS telecommunications networks used to transmit calls for the Q LINK WIRELESS Lifeline Service are owned and operated by various licensed commercial mobile radio service providers ("Carriers"). The number assigned to your Q LINK WIRELESS phone at the time of activation will not be changed for any reason unless required by a Carrier or if the number is lost following the deactivation of your phone. You may not select a number to be assigned to your Q LINK WIRELESS phone. Your Q LINK WIRELESS phone can only be used through Q LINK WIRELESS, and cannot be activated with any other WIRELESS or cellular service. Q LINK WIRELESS Lifeline Services are provided at Q LINK WIRELESS' discretion. Some functions and features referenced in the Manufacturer's manual provided with your Q LINK WIRELESS phone may not be available on your Q LINK WIRELESS handset. Q LINK WIRELESS may modify or cancel any Q LINK Lifeline Service or take corrective action at any time without prior notice and for any reason, including but not limited to your violation of these terms and conditions of service.

### 3. MINUTE RATES, USAGE AND INCLUDED MONTHLY MINUTES.

While you are enrolled in the Q LINK Lifeline Program, you will receive a free monthly allotment of minutes as provided for the Q LINK Lifeline Program approved in your state and the minute Plan that you select. The monthly minutes provided by the Q LINK Lifeline Program will vary from state to state. Please call Q LINK WIRELESS at 1-855-QLINK43 (1-855-754-6543) or visit our website for further information. Q LINK WIRELESS Minute is issued in minute (or unit) increments. Units are deducted from the Q LINK WIRELESS phone at a rate of one (1) unit per minute or partial minute of use. There is no additional charge for nationwide long distance. If you are on Plan 1, there is no additional charge for international long distance to countries designated on our website. In most states, Q LINK offers three plans that are currently available to all new and existing Q LINK customers. Each of these three plans offers different benefits, features and carryover options. Again, the monthly minutes provided by the Q LINK Lifeline Program will vary from state to state. Please call Q LINK WIRELESS or visit www.qlinkwireless.com for more information on the plans available in your state.

The three plans currently available in most states are:

| | **Free Monthly minutes Included in Plan** | **Unused minutes Carryover Each Month ***** | **Text Message Charge**** | **Free International Long Distance** | **Voicemail Caller ID Call Waiting** |
|---|---|---|---|---|---|
| **Plan 1** | 68* | Yes | 3 Texts/1 Minute | Yes | Yes |
| **Plan 2** | 125* | Yes | 1 Text/1 Minute | No | Yes |
| **Plan 3** | 250* | No*** | 1 Text/1 Minute | No | Yes |

*Plans 1 and 2 are not available in Colorado. Plans 1, 2 and 3 are not available in Oklahoma. Please call Q LINK WIRELESS or visit the Company's website for information on the plans available in your state.

**These text-messaging rates will apply even if a different text-messaging rate is stated on minute cards.

***With Plan 3, your phone will reset to 250 minutes each month when your monthly minutes are delivered. Unused minutes will not automatically carry over to the next month. You may carry over unused minutes on this plan for up to three consecutive months if you purchase and add minutes from a Q LINK Minute Card. By purchasing and adding a Q LINK Minute Card your unused minutes (including your free monthly allotment and any additional Q LINK Minute Cards) will carry over for three consecutive months from the date of your last Q LINK Minute Card redemption. Adding more than one Minute Card at the same time will NOT extend your minute carry over for more than the three consecutive months. The 3 month carry over is effective from the date of redemption of the last Minute Card redeemed to your phone.

New Q LINK customers must choose a plan upon enrollment. Existing Q LINK customers who wish to switch plans may do so online or by calling 1-855-QLINK43 (1-855-754-6543). If you switch plans before the 25th day of any given month, the change will be effective the following month. If you switch plans on or after the 25th day of the month, the change will be effective in the second month following your request to switch plans. You may use your free monthly allotment of minutes to place or receive calls, to send or read text messages or multi-media messages and to access the internet (with certain models of phones).

In order to receive your monthly allotment of minutes, you will need to leave your Q LINK WIRELESS phone powered "ON" during the first few days of each month. If you DO NOT receive your monthly allotment of minutes because your phone was not "ON" at the beginning of the month or your phone does not automatically retrieve minutes when powered "ON" you may self-retrieve by following the instructions below. If for any reason these instructions do not work on your handset, please call us.

Minutes will be deducted for all time during which your Q LINK WIRELESS phone is connected to, or using, the wireless system of any Carrier. Use of a wireless system typically begins when you press the "send," "call" or other key to initiate or answer a call and does not end until you press the "end" key or the call is otherwise terminated. Minutes are deducted for all incoming and outgoing calls, including incoming call waiting calls, simultaneous calls, calls to toll free numbers, 411, 611, Customer Care, and to access your voice mail. For simultaneous calls, such as incoming call waiting and 3-way calling (where available) minutes will be deducted for each call. Minutes are not deducted for calls to 911, and all handsets will be able to call 911 even if they have no minutes remaining. Customers in the State of Washington will not be charged for calls to Customer Care if they dial 611 directly from their handset. For outbound calls, you may be charged Minutes for incomplete and/or busy-no answer calls. Minutes will be deducted for use of other services such as text messaging and accessing the Q LINK WIRELESS Mobile Web ("WAP"). No credit or refund is given for dropped calls.

### 4. TEXT MESSAGING.

You may use your free monthly allotment of minutes to send and/or open text messages. Text messages sent to you by Q LINK WIRELESS are free of charge. The charge to send or open an incoming text message using your Q LINK WIRELESS phone will vary depending upon your plan. Under Plan 1, you will be charged 0.3 minute per text message for sending and 0.3 minute per text message for opening a received text message. Under Plans 2 and 3, you will be charged 1 minute per text message for sending and 1 minute per text message for opening a received text message. If you have exhausted your free monthly allotment of minutes, you will need to purchase and redeem additional minutes in order to continue to send text messages and open incoming text messages and to place and receive voice calls. If you do not want minutes deducted from your Q LINK WIRELESS phone for text messaging, then do not send text messages or open incoming text messages. Q LINK WIRELESS does not allow international text messages. Attempting to send international messages could result in service deactivation and de-enrollment from the Q LINK Lifeline Program. Please note that Q LINK WIRELESS does not generally participate in Premium SMS services or campaigns. Premium SMS campaigns include activities such as casting a vote, expressing your opinion, playing a game, subscribing to a service, or interactive television programs. You should not attempt to participate in Premium SMS campaigns unless it is a Q LINK WIRELESS authorized campaign. Any text message you send to a "short code" will in all likelihood not go through. Any charges you may incur because of any attempts to participate in Premium SMS services or campaigns not authorized by Q LINK WIRELESS are not refundable whether you incur charges as deductions from your Q LINK WIRELESS phone or from your credit card. You may purchase from Q LINK WIRELESS ring tones, graphics and certain information services. You may utilize multi-media services with certain Q LINK WIRELESS models of phones. See Q LINK WIRELESS Data Services below for more information.

## 5. INTERNATIONAL CALLING.

International calling is available. If you selected an International Plan, You may use your Q LINK WIRELESS phone to make international calls to landlines and some cellular phones in some countries at no additional charge (see website for available countries and details). The countries where international calling is available are subject to change at any time without prior notice. In order to place an international call, you will need to dial the International Long Distance ("ILD") access number and follow the instructions. Minute deductions for international calls begin the moment the ILD access number is dialed and apply to dropped calls, misdialed numbers and busy destination numbers. When placing international calls, you may experience connection failures more frequently than calls made within the United States. Q LINK WIRELESS will not credit minutes deducted for unsuccessful calls. You will not be able to make or receive calls on your Q LINK WIRELESS phone when you are located outside of the United States, Puerto Rico or the U.S. Virgin Islands (the "Coverage Area"). Any attempt to make or receive calls when you are located outside of the Coverage Area could result in service deactivation and de-enrollment from the Q LINK Lifeline Program.

## 6. MINUTE CARDS.

Your Q LINK WIRELESS phone will only operate when you have minutes available on the Q LINK WIRELESS phone. If you run out of your free monthly allotment of airtime, you may purchase and add additional Minute to your phone. See the instructions above for adding airtime. Q LINK WIRELESS customers may purchase and use any Q LINK WIRELESS Minute cards, including unlimited minutes for a specified time period Minute cards, for their Q LINK WIRELESS phone. Each Q LINK WIRELESS Minute card includes a set number of minutes and service days that begin to run from the date you add the Minutes to your Q LINK WIRELESS phone. Bonus and promotional minutes will not increase with any Q LINK WIRELESS Unlimited Minute cards. Q LINK reserves the right to modify, adjust and/or eliminate the extra Bonus minutes at any time in its discretion. Q LINK customers may purchase Minutes at the rate of 10¢ or less per unit. Q LINK reserves the right to adjust its Minute rates at any time in its sole discretion.

For each Q LINK WIRELESS airtime, card or PIN purchased at our regular price and added to a Q LINK phone, the Q LINK customer will receive the following:

| Minutes on Face of Q Link Card | Service Days | Price of Card | Rate Per Minute |
|---|---|---|---|
| 50 | 30 | $9.99 | .20 |
| 120 | 30 | $19.99 | .17 |
| 200 | 30 | $29.99 | .15 |
| 450 | 30 | $59.99 | .13 |
| One WEEK UNLIMITED Service Card | 7 | $15.99 | N/A |
| Two WEEK UNLIMITED Service Card | 14 | $25.99 | N/A |

## 7. SERVICE END DATE, DEACTIVATION AND REACTIVATION.

As a Q LINK WIRELESS customer, you will receive 365 service days upon your enrollment and activation in the Q LINK Lifeline Program and another 365 service days following each successful annual verification for your continued program eligibility in the Q LINK Lifeline Program. If you fail to complete your annual verification within 90 days of the required verification date, you will be de-enrolled from the Q LINK Lifeline Program. Upon de-enrollment from the Q LINK Lifeline Program, you will cease receiving the free monthly allotment of airtime. If you are de-enrolled, your phone will remain active and you may continue to use your phone so long as you have available minutes and service days remaining on your phone. You may purchase Minute and service days to keep your phone service active. If you are de-enrolled from the Q LINK Lifeline Program and you allow your remaining service days to expire or go "past due," your phone service will be deactivated, you may lose your unused minutes and you will lose your wireless telephone number. If you choose to reactivate your phone by completing the annual verification within 60 days after your verification due date, you will be re-enrolled in the program and continue receiving the free monthly allotment of airtime.

If your service is deactivated, you may reactivate your service by either re-enrolling in the Q LINK Lifeline Program (if eligible) or purchasing and redeeming a Q LINK WIRELESS Minute card with service days. Upon reactivation of your phone, you may be assigned a new telephone number. Any minutes remaining on your handset at the time of deactivation will be reinstated if your phone is reactivated within 60 days from the deactivation date. If your phone remains inactive for more than 60 days, you will lose any remaining airtime. If you have been de-enrolled from the Q LINK Lifeline Program and are not eligible to re-enroll but you wish to keep your service active, you must purchase and redeem additional Minute and service days before the "Service End Date" displayed on your phone. To prevent any interruption in your phone service, please keep your handset service active by timely completing your annual verification as required by the Q LINK Lifeline Program or, if no longer eligible, by purchasing and adding Q LINK Minute cards before your Service End Date.

"No Usage" De-Enrollment and Deactivation of Lifeline Service: Regardless of the Service End Date displayed on your handset, if you exceed 2 months without any Usage (as defined in this section), you will be de-enrolled from the Q LINK Lifeline Program. "Usage" is defined as any transaction including, but not limited to, making or receiving a call, sending or opening a text message, downloading data content, adding Minutes or receiving your free monthly airtime. Upon de-enrollment for non-Usage, you will have up to a 30-day grace period to reenroll in the Q LINK Lifeline Program by calling 1-855-QLINK43 (1-855-754-6543). If you do not re-enroll, use your phone or call Q LINK Customer Care within 30 days of your de-enrollment, your phone service will be deactivated. In order to reactivate your Q LINK phone and re-enroll in the Q LINK Lifeline Program, you will need to call Q LINK Customer Care. Upon successful re-enrollment, you will receive the monthly minutes that you were entitled to receive through the date your enrollment was cancelled. You will not, however, receive any minutes for the period of time you were not enrolled in the Q LINK Lifeline Program. In addition, you will be assigned the service days displayed on your handset, which are the days you were granted when first enrolled in the program.

## 8. OUR RIGHT TO TERMINATE YOUR Q LINK WIRELESS LIFELINE SERVICE.

You agree not to give away, resell or offer to resell the Q LINK Phone or Service provided by the Q LINK Lifeline Program. You also agree your Q LINK Phone will not be used for any other purpose that is not allowed by this agreement or that is illegal. WE CAN, WITHOUT NOTICE, LIMIT, SUSPEND, OR END YOUR SERVICE AND DE-ENROLL YOU FROM THE Q LINK PROGRAM FOR VIOLATING THIS PROVISION OR FOR ANY OTHER GOOD CAUSE, including, but not limited to, if you: (a) violate any of the terms and conditions of service; (b) lie to us or attempt to defraud us; (c) allow anyone to tamper with your Q LINK Phone; (d) threaten or commit violence against any of our employees or customer service representatives; (e) use vulgar and/or inappropriate language when interacting with our representatives; (f) steal from us; (g) harass our representatives; (h) interfere with our operations; (i) engage in abusive

messaging, emailing or calling; (j) modify your device from its manufacturer's specification; or (k) use the service in a way that adversely affects our network or the service available to our other customers. We reserve the right to, without notice, limit, suspend or end your service for any other operational or governmental reason. In addition to permanently terminating your Service, criminal offenses (i.e., selling or giving away your Service; threatening violence, etc.) will be reported to the appropriate legal authorities for prosecution.

**9. UNAUTHORIZED USAGE; TAMPERING**.

The Q LINK WIRELESS handset is provided exclusively for use by you, the end consumer with the Q LINK WIRELESS Lifeline Service available solely in the United States, Puerto Rico and the U.S. Virgin Islands. Any other use of your Q LINK WIRELESS handset, including without limitation, any resale, unlocking and/or re-flashing of the handset is unauthorized and constitutes a violation of your agreement with Q LINK WIRELESS. You agree not to unlock, re-flash, tamper with or alter your Q LINK WIRELESS phone or its software, enter unauthorized PIN's, engage in any other unauthorized or illegal use of your Q LINK WIRELESS phone or the Service, or assist others in such acts, or to sell and/or export Q LINK WIRELESS handsets outside of the United States. These acts violate Q LINK WIRELESS' rights and state and federal laws. Improper, illegal or unauthorized use of your Q LINK WIRELESS phone is a violation of this agreement and may result in immediate discontinuance of Services and legal action against you. Q LINK WIRELESS will prosecute violators fully of the law. You agree that any violation of this agreement through your improper, illegal or unauthorized use or sale of your Q LINK WIRELESS phone shall entitle Q LINK WIRELESS to recover liquidated damages from you in an amount of not less than $5,000 per Q LINK WIRELESS handset purchased, sold, acquired or used in violation of this agreement.

Some Q LINK WIRELESS handsets have SIM cards. If your Q LINK WIRELESS phone has a SIM card, then you agree to safeguard your SIM card and not to allow any unauthorized person to use your SIM card. You agree not to allow any other person to, directly or indirectly alter, bypass, copy, deactivate, remove, reverse-engineer or otherwise circumvent or reproduce the encoded information stored on, or the encryption mechanisms of, your SIM card. You may not remove your SIM Card from your phone nor place the SIM Card in any other phone. Doing so could result in the immediate termination of your service and de-enrollment from the Q LINK Lifeline Program. The Carriers, Q LINK WIRELESS, or its service providers, may, from time to time, remotely update or change the encoded information on your SIM card. Your Q LINK WIRELESS phone is restricted from operating when you are located anywhere outside of the United States, Puerto Rico or the U.S. Virgin Islands, including offshore or in international waters. In the event of suspension for this or any other unauthorized usage, you will not be entitled to receive any refunds for unused airtime.

**10. COVERAGE MAPS AND ROAMING.**

You will find coverage maps on our website. These maps are for general informational purposes only. Actual coverage and service areas may vary from the maps and may change without notice. Q LINK WIRELESS does not guarantee coverage or service availability. Even within a coverage area, factors such as terrain, weather, structures, foliage, signal strength, traffic volumes, service outages, network changes, technical limitations, and your equipment may interfere with actual service, quality and availability. "Roaming" occurs when a subscriber of one wireless service provider uses the facilities of another wireless service provider. Roaming most often occurs when you make and receive calls outside of the network coverage area of your service provider. When your Q LINK WIRELESS phone is roaming, an indicator light on your handset may display the word "Roam" or "RM" on the screen while the phone is

not in use. There are no additional charges for domestic roaming calls for the Q LINK WIRELESS phone you were provided. Availability, quality of coverage and Services while roaming are not guaranteed.

### 11. LIMITATIONS OF SERVICE AND USE OF EQUIPMENT.

Service is subject to transmission limitations caused by certain equipment and compatibility issues, atmospheric, topographical and other conditions. Further, service may be temporarily refused, limited, interrupted or curtailed due to system capacity limitations, technology migration or limitations imposed by the Carrier, or because of equipment modifications, upgrades, repairs or relocations or other similar activities necessary or proper for the operation or improvement of the Carrier's radio telephone system. At any time, Q LINK WIRELESS reserves the right to substitute and/or replace any Q LINK WIRELESS equipment (including handsets) with other Q LINK WIRELESS equipment including handsets of comparable quality. Some functions and features referenced in the Manufacturer's manual for a particular Q LINK WIRELESS handset may not be available on your phone. Q LINK WIRELESS does not warrant or guarantee availability of network or of any Services at any specific time or geographic location or that the Services will be provided without interruption. Neither Q LINK WIRELESS, nor any Carrier, shall have any liability for service failures, outages or limitations of Service. Because of the risk of being struck by lightning, you should not use your Q LINK WIRELESS phone outside during a lightning storm. You should also unplug the Q LINK WIRELESS phone power cord and charger to avoid electrical shock and/or fire during a lightning storm.

### 12. WARRANTY EXCHANGE AND LOST OR STOLEN PHONE POLICY.

Limited Warranty Exchange Policy: Q LINK WIRELESS customers shall have up to one year from the activation date of their phone to return any defective phone to Q LINK WIRELESS. Q LINK WIRELESS will exchange a defective phone for a new or refurbished phone, at Q LINK's discretion, during this period only pursuant to the terms of the Limited Warranty set forth below. For a defective phone replacement, call Q LINK WIRELESS Technical Customer Service.

### 13. LOST OR STOLEN PHONE POLICY:

For any lost or stolen Q LINK WIRELESS phone, you may request and receive only one replacement phone per customer. The replacement phone will be a refurbished phone. All reported lost and stolen phones will be permanently deactivated. The replacement phone will include only 10 minutes of lost airtime. Any additional Minutes that you may have had on your lost phone will not be replaced. In the event you lose your replacement phone or it is stolen, you will need to purchase an additional phone. If a phone is lost or stolen while in transit to the customer before the customer receives the phone, the lost phone and minutes may be replaced as a onetime courtesy in Q LINK's sole discretion.

### 14. DISCLAIMER OF WARRANTIES.

EXCEPT FOR THE LIMITED WARRANTY SET FORTH IN THESE TERMS AND CONDITIONS, AND TO THE EXTENT PERMITTED BY LAW, THE SERVICES AND DEVICES ARE PROVIDED ON AN "AS IS" AND "WITH ALL FAULTS" BASIS AND WITHOUT WARRANTIES OF ANY KIND. WE MAKE NO REPRESENTATIONS OR WARRANTIES, EXPRESS OR IMPLIED, INCLUDING ANY IMPLIED

WARRANTY OF MERCHANTABILITY OR FITNESS FOR A PARTICULAR PURPOSE CONCERNING YOUR SERVICE OR YOUR DEVICE. WE CANNOT PROMISE UNINTERRUPTED OR ERROR-FREE SERVICE AND DO NOT AUTHORIZE ANYONE TO MAKE ANY WARRANTIES ON OUR BEHALF. WE DO NOT GUARANTEE THAT YOUR COMMUNICATIONS WILL BE PRIVATE OR SECURE; IT IS ILLEGAL FOR UNAUTHORIZED PEOPLE TO INTERCEPT YOUR COMMUNICATIONS, BUT SUCH INTERCEPTIONS CAN OCCUR.

## 15. HEARING, VISUAL OR SPEECH IMPAIRED ACCOMMODATIONS.

Any hearing, visual or speech impaired persons interested in applying for a specially equipped Q LINK WIRELESS must call Q LINK WIRELESS and specify the need(s) to an agent and Q LINK WIRELESS will make every effort to assist such customer in obtaining a handset that is in compliance with all applicable laws, rules, and regulations.

## 16. EMERGENCY CALLS.

Q LINK WIRELESS customers have access to 911. Occasionally, however, callers may attempt to call 911 in areas where there is no wireless coverage. If there is no wireless coverage, your call to 911 may not go though and you should dial 911 from the nearest landline phone.

## 17. DATA SERVICES.

With certain Q LINK WIRELESS phone models, you can download ring tones, graphics, access information services such as news, weather and sports ("Information Services") and utilize multi-media messaging services ("MMS") (ringtones, graphics, Information Services and MMS are collectively referred to as "Data Services") through our wireless Mobile Web ("WAP"). Data Services are additional Services offered by us at an additional charge in the form of a debit of minutes for your use of such services.

Accessing and Purchasing Data Services. In order to purchase, download or access Data Services, your handset must have active service and sufficient available Minutes. Your handset will not let you open the WAP browser without a remaining minute balance of at least 10 minutes. Each time you access our wireless WAP with your handset's browser, 0.5 units per minute will be deducted from your handset ("Access Charges"). Access Charges are deducted in full minute increments. WAP access of less than 60 seconds is rounded up to the next full minute. Access Charges begin when your handset makes a data connection. This should occur shortly after you open your browser, send or receive a multi-media message (e.g., a picture), initiate a content download, view subscribed Information Services or if WAP access is initiated for any other purpose. Access Charges end when the data connection terminates. This should occur shortly after you close your browser, successfully receive or send a multi-media message (e.g., a picture), after a successful content download or after any other closure of a WAP session. The WAP access duration and the related Access Charges are NOT determined from the exact moment you press a button on your handset to open or close the browser.

In addition to the Access Charges, there will be an additional one-time charge for any content you select to download ("Content Charge"). The Content Charges vary depending on the type of content. You will be advised of the Content Charges prior to finalizing your purchase. The Data Services you purchase and download may only be used or viewed on the handset for which they were purchased and cannot be transferred to any other device, including a new or replacement handset.

Modifications, Interruptions, or Discontinuation of Data Service. Q LINK WIRELESS does not guarantee the availability of Data Services on all of its phone models nor does it guarantee the availability of Data Services at all times. Q LINK WIRELESS reserves the right to modify, suspend, interrupt, discontinue or permanently cancel Data Services, or portions thereof, without notice. Data Services are not available in certain areas. Q LINK WIRELESS is not responsible and will not be liable for any modifications, interruptions or discontinuation of the Data Services or for any failure in receipt of the purchased Data Services. If the Data Services, or any part thereof, for which you subscribe, are modified, interrupted, discontinued or canceled, you will not receive a refund or credit from Q LINK WIRELESS for any remaining used or unused subscription time. If you cancel or attempt to cancel a Data Service download, a subscription purchase or a multi-media message in progress, or if this process is otherwise interrupted through no action on your part, you may nevertheless be charged in accordance with the terms and conditions set forth herein.

**18. LIMITATION OF LIABILITY.**

Q LINK and Q LINK WIRELESS are not liable to you for any direct or indirect, special, incidental, consequential, exemplary or punitive damages of any kind, including lost profits (regardless of whether it has been notified such loss may occur) by reason of any act or omission in its provision of equipment and/or Services. Q LINK and Q LINK WIRELESS will not be liable for any act or omission of any other company furnishing a part of our Services or any equipment or for any damages that result from any service or equipment provided by or manufactured by third parties. When your Q LINK WIRELESS phone is returned to Q LINK WIRELESS for any reason, Q LINK WIRELESS is not responsible and shall not be liable to you or anyone else for any personal information such as user names, passwords, contacts, pictures, SMS, MMS and/or additional downloads you may have stored on your phone or which may remain on your phone.

**19. INDEMINIFICATION**.

You agree to indemnify and hold harmless Q LINK WIRELESS and All Affiliated or related companies from any and all liabilities, penalties, claims, causes of action, and demands brought by third parties (including the costs, expenses, and attorneys' fees on account thereof) resulting from your use of a Q LINK WIRELESS phone and/or use of the Q LINK WIRELESS Lifeline Services, whether based in contract or tort (including strict liability) and regardless of the form of action.

**20. BINDING ARBITRATION. PLEASE READ THIS SECTION CAREFULLY AS IT AFFECTS RIGHTS THAT YOU MAY OTHERWISE HAVE. IT PROVIDES FOR RESOLUTION OF ALL DISPUTES AND CLAIMS (INCLUDING ONES THAT ALREADY ARE THE SUBJECT OF LITIGATION), EXCEPT FOR CLAIMS CONCERNING THE UNAUTHORIZED RESALE, EXPORT, ALTERATION, AND/OR TAMPERING OF YOUR Q LINK WIRELESS PHONE, ITS SOFTWARE, THE SERVICE AND/OR PIN NUMBERS, THROUGH ARBITRATION INSTEAD OF SUING IN COURT IN THE EVENT THE PARTIES ARE UNABLE TO RESOLVE A DISPUTE OR CLAIM. ARBITRATION IS BINDING AND SUBJECT TO ONLY A VERY LIMITED REVIEW BY A COURT. THIS ARBITRATION CLAUSE SHALL SURVIVE TERMINATION OF Q LINK WIRELESS™ AGREEMENT WITH YOU.**

This provision is intended to encompass all disputes or claims arising out of your relationship with Q LINK WIRELESS, arising out of or relating to the Q LINK Lifeline Service or any equipment used in connection with the Q LINK Lifeline Service (whether based in contract, tort, statute, fraud, misrepresentation or any other legal theory). Nothing contained in this arbitration provision shall preclude Q LINK WIRELESS from bringing claims concerning the unauthorized resale, export, alteration, and/or tampering of your Q LINK WIRELESS phone, its software, the Q LINK Lifeline Service and/or PIN numbers, in state or federal court.

References to you and Q LINK WIRELESS include our respective subsidiaries, affiliates, predecessors in interest, successors, and assigns. All claims, except those excluded above, will be resolved by binding arbitration where permitted by law. You must first present any claim or dispute to Q LINK WIRELESS by contacting Customer Care to allow an opportunity to resolve the dispute prior to initiating arbitration. The arbitration of any dispute or claim shall be conducted in accordance with the American Arbitration Association ("AAA") under the Commercial Dispute Resolution Procedures and the Supplementary Procedures for Consumer Related Disputes (collectively, "AAA Rules"), as modified by this agreement. You and Q LINK WIRELESS agree that use of the Q LINK Lifeline Service evidences a transaction in interstate commerce and this arbitration provision will be interpreted and enforced in accordance with the Federal Arbitration Act and federal arbitration law. All issues are for the arbitrator to decide, including the scope of this arbitration clause, but the arbitrator is bound by the terms of this agreement. You and Q LINK WIRELESS agree that any arbitration will be conducted on an individual basis and not on a consolidated, class wide or representative basis. Further, you agree that the arbitrator may not consolidate proceedings or more than one person's claims, and may not otherwise preside over any form of a representative or class proceeding, and if this preclusion of consolidated, class wide or representative proceedings is found to be unenforceable, then this entire arbitration clause shall be null and void. All fees and expenses of arbitration will be divided between you and Q LINK WIRELESS in accordance with the AAA Rules, except that Q LINK WIRELESS will reimburse you for the filing fee in the event you prevail in the arbitration. Each party will bear the expenses of its own counsel, experts, witnesses, and preparation and presentation of evidence. If for any reason this arbitration provision is deemed inapplicable or invalid, or to the extent this arbitration provision allows for litigation of disputes in court, you waive to the fullest extent permitted by law, (i) the right to a trial by jury and (ii) any claims for punitive or exemplary damages. Unless Q LINK WIRELESS and you agree otherwise, the location of any arbitration shall be Dania, Florida. Except where prohibited by law, Q LINK WIRELESS and you agree that no arbitrator has the authority to award punitive damages or any other damages not measured by the prevailing party's actual damages. Neither you nor Q LINK WIRELESS shall disclose the existence, contents, or results of any arbitration, except to the extent required by law. Judgment on the award rendered may be entered by any court of competent jurisdiction.

This Agreement shall be construed under the laws of Florida, without regard to its choice of law rules, except for the arbitration provision contained in these Terms and Conditions, which will be governed by the Federal Arbitration Act. This governing law provision applies no matter where you reside, or where you use or pay for the Services.

## 21. PRIVACY POLICY.

To view the Q LINK WIRELESS Privacy Policy please refer to the Q LINK WIRELESS website.

## 22. LIMITED WARRANTY.

Your Q LINK phone is covered by a one year limited warranty, set forth below, administered by Q LINK. A reconditioned Q LINK phone also has a one year limited warranty provided by Q LINK and all Q LINK accessories have a 90-day limited warranty against defects in materials and workmanship under normal use by the purchaser. You may obtain warranty service directly from Q LINK.

How to obtain Warranty Service. To obtain warranty service from Q LINK on a new or reconditioned phone or Q LINK accessories, please contact Technical Support from a landline or another phone in order to avoid using up your minutes. If your problem cannot be resolved over the phone, our Q LINK technicians will provide you with a Ticket Number, which you will use to send your phone and/or

accessories to the designated Q LINK Lifeline Service Center for repair or replacement, at Q LINK 's discretion.

Terms of Limited Warranty .Q LINK warrants to you, the Customer, that your Q LINK cellular phone ("Product") is free from defects in material and workmanship that result in Product failure during normal usage, according to the following terms and conditions:

1. The limited warranty for the Product extends for ninety (90) days beginning on the first date of activation of your phone.

2. The limited warranty extends only to the original customer ("Consumer") of the Product.

3. The limited warranty is not assignable or transferable to any subsequent end-user.

4. During the limited warranty period, Q LINK will replace or repair, at Q LINK's sole option, any defective Products or parts (except as excluded below), or any Products or parts that will not properly operate for their intended use (except as excluded below) with new or refurbished replacement Products or parts if such replacement or repair is needed because of Product malfunction or failure during normal usage. Q LINK may, at its sole discretion, replace the Product with a refurbished phone of the same model if available, or if not available, of a comparable model of phone. The limited warranty does not cover loss of personal information, passwords, contacts, music, ringtones, pictures, videos, applications or other content, memory cards, software, defects in appearance, cosmetic, decorative or structural items, including framing, and any non-operative parts. Q LINK's limit of liability under this limited warranty is the actual cash value of the Product at the time the Consumer returns the Product to Q LINK for repair, determined by the price paid by the Consumer for the Product less a reasonable amount for usage. Q LINK shall not be liable for any other losses or damages. These remedies are the Consumer's exclusive remedies for breach of warranty.

5. The Consumer shall have no coverage or benefits under this limited warranty if any of the following conditions are applicable:

a. The Product has been subjected to abnormal use, abnormal conditions, improper storage, exposure to moisture or dampness, unauthorized modifications, unauthorized connections, unauthorized repair, misuse, neglect, abuse, accident, alteration, improper installation, or other acts which are not the fault of Q LINK, including damage caused by shipping.

b. The Product has been damaged from external causes such as collision with an object, or from fire, flooding, sand, dirt, windstorm, lightning, earthquake or damage from exposure to weather conditions, an Act of God, or battery leakage, theft, blown fuse, or improper use of any electrical source.

c. Q LINK was not advised in writing by the Consumer of the alleged defect or malfunction of the Product within ten (10) days after the expiration of the applicable limited warranty period.

d. The Product serial number plate or the enhancement data code has been removed, defaced or altered.

e. The defect or damage was caused by the defective function of the cellular system or by inadequate signal reception by the external antenna, or viruses or other software problems introduced into the Product.

f. The Product is outside of the Limited Warranty period.

6. Q LINK does not warrant uninterrupted or error-free operation of the Product or service. Q LINK cannot and does not guarantee that your communications will be private or secure; it is illegal for unauthorized people to intercept your communications, but such interceptions can occur.

7. If a problem develops during the limited warranty period, the Consumer shall contact Q LINK Customer Care for repair or replacement processing of the Product. Q LINK shall, at its discretion, provide a replacement product that may consist of a refurbished phone of the same model if available, or of a comparable model.

8. You (the Consumer) understand that the product may consist of refurbished equipment that contains used components, some of which have been reprocessed. The used components comply with Product performance and reliability specifications.

9. Q LINK EXPRESSLY DISCLAIMS ANY IMPLIED WARRANTY OF MERCHANTABILITY, OR FITNESS FOR A PARTICULAR PURPOSE OR USE. THE FOREGOING LIMITED WARRANTY IS THE CONSUMER'S SOLE AND EXCLUSIVE REMEDY AND IS IN LIEU OF ALL OTHER WARRANTIES, EXPRESS OR IMPLIED. Q LINK SHALL NOT BE LIABLE FOR SPECIAL, INCIDENTAL, PUNITIVE OR CONSEQUENTIAL DAMAGES, INCLUDING BUT NOT LIMITED TO LOSS OF ANTICIPATED BENEFITS OR PROFITS, LOSS OF SAVINGS OR REVENUE, LOSS OF DATA, PUNITIVE DAMAGES, LOSS OF USE OF THE PRODUCT OR ANY ASSOCIATED EQUIPMENT, COST OF CAPITAL, COST OF ANY SUBSTITUTE EQUIPMENT OR FACILITIES, DOWNTIME, THE CLAIMS OF ANY THIRD PARTIES, INCLUDING CUSTOMERS, AND INJURY TO PROPERTY, RESULTING FROM THE PURCHASE OR USE OF THE PRODUCT OR ARISING FROM BREACH OF THE WARRANTY, BREACH OF CONTRACT, NEGLIGENCE, STRICT TORT, OR ANY OTHER LEGAL OR EQUITABLE THEORY, EVEN IF Q LINK KNEW OF THE LIKELIHOOD OF SUCH DAMAGES. Q LINK SHALL NOT BE LIABLE FOR DELAY IN RENDERING SERVICE UNDER THE LIMITED WARRANTY, LOSS OF USE DURING THE PERIOD THAT THE PRODUCT IS RETURNED FOR REPLACEMENT OR WARRANTY SERVICE OR FOR THE LOSS OR UNAUTHORIZED USE OF CUSTOMER PASSWORDS, PERSONAL INFORMATION, CONTACTS, PICTURES, VIDEOS, APPLICATIONS, MUSIC, RINGTONES OR OTHER CONTENT.

10. Some states do not allow the exclusion or limitation of incidental and consequential damages, so certain of the above limitations or exclusions may not apply to you (the Consumer). This limited warranty gives the Consumer specific legal rights and the Consumer may have other rights, which vary from state to state.

11. Q LINK neither assumes nor authorizes any authorized service center or any other person or entity to assume for it any other obligation or liability beyond that which is expressly provided for in this limited warranty including the provider or seller of any extended warranty or service agreement.

12. This is the entire warranty between Q LINK and the Consumer, and supersedes all prior and contemporaneous agreements or understandings, oral or written, relating to the Product, and no representation, promise or condition not contained herein shall modify these terms.

13. This limited warranty allocates the risk of failure of the Product between the Consumer and Q LINK. The allocation is recognized by the Consumer and is reflected in the purchase price.

Certain mobile phone features may not be available throughout the entire network or their functionality may be limited. All plan rates, features, functionality and other product specifications are subject to change without notice or obligation. Color of phones may vary. All talk and standby times are quoted in Digital Mode and are approximate.

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