

i-wireless, LLC
ETC Designation
TC13-106
Data Request No. 1
Response Deadline: **September 30, 2013**

1-1) Pursuant to FCC 54.201(h), please provide current financial statements for i-wireless or Genie Global, Inc. After spending time on the Internet looking for a website for Genie Global, Inc., I was perplexed that the “second largest retailer overall” did not have a website. I was able to find financial information for The Kroger Co.

Response: The “second largest retailer overall” was a reference to The Kroger Co. Genie Global, Inc. is a holding company owned by Paul McAleese (CEO of i-wireless) and additional investors. Genie provides the industry knowledge and expertise to the i-wireless ownership across national prepaid and Lifeline service offerings. i-wireless is Genie’s only investment. See attached Exhibit A for CONFIDENTIAL financial statements of i-wireless.

1-2) Pursuant to FCC 54.202(c), please provide a copy of i-wireless’ petition to the affected tribal governments and tribal regulatory authorities. Please provide SD PUC with a Certificate of Service.

Response: Disregarded per Staff’s direction. See attached Exhibit B for a Certificate of Service showing that i-wireless mailed a copy of its ETC application to additional ETCs serving in i-wireless’ requested service area.

1-3) Please clarify the following statements: 1) from page 1 “i-wireless seeks ETC designation solely to provide Lifeline service to qualifying South Dakota households” and 2) from page 18 “the Company does not, and does not intend to, offer exclusively Lifeline-supported service.”

Response: i-wireless intends to offer both Lifeline and non-Lifeline services in South Dakota. ETC designation, however, is not applicable to non-Lifeline services. The statement that “i-wireless seeks ETC designation solely to provide Lifeline service to qualifying South Dakota households” is to clarify that i-wireless seeks only to participate in the low-income Lifeline program of the Universal Service Fund, and not the Link-Up or high cost programs.

1-4) Pursuant to SCLR 20:10:32:06.01, please file with the commission a bond in the amount of \$25,000. The SD PUC has been requiring a bond from companies that offer prepaid services.

Response: i-wireless does not believe it should be required to provide a bond for the following reasons: the PUC does not regulate wireless services, especially non-Lifeline wireless services; in regards to its Lifeline service, the primary offering (i.e. default and most popular Lifeline rate plan) is free to the consumer after the Lifeline discount, thus no prepayments are required of Lifeline customers. That said, if Staff can provide proof of where other similarly-situated carriers (i.e. wireless reseller Lifeline-only prepaid ETCs) have been required to provide such a bond, i-wireless is willing to comply.

1-5) Page 23 states “By granting ETC status to i-wireless, the Commission will enable the Company to increase the number of South Dakota residents receiving Lifeline support, **thereby increasing the amount of USF money flowing into South Dakota.**” If the Company is located in Kentucky, and has

no facilities in South Dakota, and the Company receives the dollars from the Universal Services Fund, how will an increasing amount of USF money flow into South Dakota?

Response: By receiving ETC designation in South Dakota, i-wireless would increase the amount of USF money flowing into South Dakota because it would increase the number of South Dakota residents receiving Lifeline support. While the Company collects the subsidy from the USF, the dollars actually flow through to the South Dakota consumers, as the subsidy is directly passed through to the consumer in the form of a discount off of the consumer's monthly cost of phone service.

1-6) In viewing the Better Business Bureau website and other consumer review websites, I found some negative reviews. Please explain the reviews and any measures being made to remedy these issues.

Response: Regarding the negative reviews, without account detail i-wireless does not have information to look into an account history. With any business, it is almost impossible to avoid a small number of negative consumer experiences; however, i-wireless has thousands of customers who are active and satisfied with the Company's service. In general, i-wireless is committed to offering competitive, attractive rate plans and sourcing high quality phones. i-wireless' coverage is the same as that of its underlying carrier, Sprint. i-wireless contracts with a high quality, U.S. domestic customer care group that operates out of North Dakota and Colorado. Customers are able to contact i-wireless customer care for free via a toll free number or by dialing 611 from their i-wireless phone. Customers experience the level of service, including wait times, typical of post-paid customer service, which is generally superior to prepaid service. Customers are also able to contact Customer Care via the Company's website or by mail. In addition, there are a number of automated systems (IVR) and web options for customer's needs. i-wireless is proud of its customer service, yet is always evaluating and seeking to improve where possible.

It is important to note that all complaints listed on the BBB have been remedied and closed. The consumer review website is not accredited and i-wireless would not be able to remedy the complaint unless the customer submits it to the BBB, FCC or state regulatory authority, or directly to i-wireless. i-wireless is committed to resolving customer questions, concerns and complaints in a swift and satisfactory manner. i-wireless responds to complaints within 24 hours of receipt. The Company's complaint escalation process is as follows:

- Customer Care representatives ("Care Rep") handles customer inquiries
- If the Care Rep can't resolve, they escalate to the Tier 2 support desk
- If Tier 2 can't resolve, the customer is escalated to the Call Center Manager
- If the Call Center Manager can't resolve, the customer is escalated to the Senior Management

In all cases, the Company does not close out a customer complaint unless it is resolved.