

Docket Number: TC17-012
Subject Matter: First Data Request
Request to: MAGICJACK SMB, INC.
Request from: South Dakota Public Utilities Commission Staff
Date of Request: April 19, 2017
Responses Due: April 28, 2017

Local Exchange Service Certificate of Authority (20:10:32:03) Data Requests:

- 1-1. Refer to ARSD 20:10:32:03(1). Provide an email address for the applicant.

Mark.pavol@magicjack.com.

- 1-2. Refer to ARSD 20:10:32:03(6) and Attachment V. Provide a description of the applicant's experience providing telecommunications services including the types of services provided and the dates the authorizations in Attachment V were granted.

*Exhibit IV, includes resumes of MAGICJACK SMB's key management staff which details the level of experience they have in the telecommunications industry. MAGICJACK SMB is technically qualified to provide the interconnected VoIP services that it proposes. Furthermore, MAGICJACK SMB, Inc. is providing interconnected VoIP Service (similar service as requested in this Application) nationwide with the exception of Alaska and South Dakota very successfully. No complaints have been lodged against the Company. Included with this data request response is an amendment to **Attachment V** to include the dates authorizations were granted and to add Puerto Rico.*

- 1-3. Refer to ARSD 20:10:32:03(7). Provide a complete listing of applicant's affiliates, subsidiaries, and parent organizations. This listing should clearly state the companies' relationship to the applicant.

*A corporate organizational chart is attached **Attachment VI** which clearly reflects the relationship between the Applicant's affiliates and parent company. MAGICJACK SMB is requesting confidential treatment of this Attachment and will provide the confidential version separately - marked "Confidential".*

- 1-4. Refer to ARSD 20:10:32:03(8)(b). Provide information indicating the time-frame by which the applicant will provide service using the facilities of the underlying carrier.

MAGICJACK SMB proposes to start offering interconnected VoIP Services immediately upon issuance of a Certificate of Authority.

- 1-5. Refer to ARSD 20:10:32:03(10)(a) and Attachment III. Will any other management personnel other than Jose Gordo oversee the proposed local exchange services? If so, provide a description of their education and experience.

*In addition to Jose Gordo. Gerald Vento, President will oversee the overall operation of MAGICJACK SMB. An amendment to **Attachment III** includes the bio for Mr. Vento.*

- 1-6. Refer to ARSD 20:10:32:03(10)(b). Provide information regarding how the applicant will provide prompt facility and equipment maintenance when customer service is called outside of the normal 9:00 AM to 5:00 PM hours of business. Also, provide a description of how the applicant will perform facility and equipment maintenance?

When a Customer contacts customer service outside of the normal 9:00 AM to 5:00 PM hours of business, the call is recorded and responded to the next day. The Customer also has the option to contact the Company online via email.

MAGICJACK SMB relies on its underlying carrier, YMax Communications Corp. for facility and equipment maintenance. YMax Communications Corp. is certificated Local Exchange Carrier in South Dakota and is in full compliance with all requirements as set forth by the South Dakota Public Service Commission for local exchange carriers.

- 1-7. Refer to ARSD 20:10:32:03(11). Confirm that the applicant will provide customers access to enhanced 911, interexchange services, and telecommunications relay services.

MAGICJACK SMB confirms that it will provide customers with the communications equivalent of traditional wireline local and intrastate long distance services for connections to and from the public switched telephone network, including essential functionalities such as access to emergency 911 service and telecommunications relay services.

- 1-8. Refer to ARSD 20:10:32:03(12) and Attachment II. Provide a cash flow statement for the applicant or provide a written request for waiver of the rule pursuant to ARSD 20:10:32:03(23). Also, confirm that the income statement in Attachment II is for calendar year 2016.

MAGICJACK is providing a redacted cash flow statement. The confidential version will be provided separately - marked "Confidential".

*The Income Statement provided in the Application as **Attachment II** is for Calendar Year 2016.*

- 1-9. Refer to ARSD 20:10:32:03(14). Provide a description of the applicant's target market and copies of any company brochures that will be used to assist in sale of services.

MAGICJACK proposes to offer its services to business customers only. All marketing and sales materials are available at www.MAGICJACK.com.

- 1-10. Refer to ARSD 20:10:32:03(17). Confirm that Mark Pavol's address is 222 Lakeview Avenue, Suite 1600, West Palm Beach, FL, 33401. Otherwise, provide his current address.

Mr. Pavol's mailing address is 222 Lakeview Avenue, Suite 1600, West Palm Beach, FL 33401. His toll free telephone number is 888-624-4222.

- 1-11. Refer to ARSD 20:10:32:03(20). Has there ever been a complaint filed against the applicant for the act of charging customers for services that have not been ordered?

MAGICJACK SMB has not received any complaints from customers related to charging customers for services not ordered in any state or territory it operates in.

- 1-12. Refer to ARSD 20:10:32:03(23). Confirm that the applicant did not intend to request a waiver of ARSD 20:10:32:03(14), as this rule does not pertain to any cost support requirement. Also, confirm the applicant agrees to not offer any prepaid services including prepaid calling cards and not accept or require any deposits or advance payments without prior approval of the Commission.

MAGICJACK SMB did not intend to request a waiver of ARSD 20:10:32:03(14). MAGICJACK SMB will not offer any prepaid services, prepaid calling cards and will not accept or require deposits or advance payments. MAGICJACK SMB acknowledges that if this practice changes, it will notify the Commission and request approval thereof.

- 1-13. Refer to ARSD 20:10:32:03(24). Provide the applicant's South Dakota sales tax number.

MAGICJACK SMB's South Dakota sales tax number is: 1030-6654-ST.

- 1-14. Refer to ARSD 20:10:32:04. Provide a certificate of service which confirms the applicant gave notice of its application to each telecommunications company that already holds a certificate of authority to provide local exchange service in the geographic area where the applicant seeks to provide local exchange service.

*MAGICJACK SMB has not provided notice to other local exchange carriers but it will do so on April 25, 2017. A Certificate of Service is provided as **Attachment VII**.*

Interexchange Service Certificate of Authority (20:10:24:02) Data Requests:

- 1-15. Refer to ARSD 20:10:24:02(1). Provide an email address for the applicant.

Mark.pavol@magicjack.com

- 1-16. Refer to ARSD 20:10:24:02(9) and Attachment II. Provide a cash flow statement for the applicant or provide a written request for waiver of the rule pursuant to ARSD 20:10:24:02(19). Also, confirm that the income statement in Attachment II is for calendar year 2016.

A Cash Flow statement is provided as Attachment II. The Income Statement that was provided with the Application is for calendar year 2016.

- 1-17. Refer to ARSD 20:10:24:02(10). Confirm that Mark Pavol's address is 222 Lakeview Avenue, Suite 1600, West Palm Beach, FL, 33401. Otherwise, provide his current address. Also, provide a toll free number for Mr. Pavol.

Mr. Pavol's mailing address is 222 Lakeview Avenue, Suite 1600, West Palm Beach, FL 33401. His toll free telephone number is 888-624-4222.

- 1-18. Refer to ARSD 20:10:24:02(16). Provide a description of the applicant's target market and copies of any company brochures that will be used to assist in sale of services.

MAGICJACK proposes to offer its services to business customers only. All marketing and sales materials are available at www.MAGICJACK.com.

- 1-19. Refer to ARSD 20:10:24:02(17). Provide the applicant's South Dakota sales tax number.

MAGICJACK SMB's South Dakota sales tax number is: 1030-6654-ST.

- 1-20. Confirm the applicant agrees to not offer any prepaid services including prepaid calling cards and not accept or require any deposits or advance payments without prior approval of the Commission.

MAGICJACK SMB will not offer any prepaid services, prepaid calling cards and will not accept or require deposits or advance payments. MAGICJACK SMB acknowledges that if this practice changes, it will notify the Commission and request approval thereof.

- 1-21. Has there ever been a complaint filed against the applicant for not completing calls to rural areas with high terminating access charges? Explain.

MAGICJACK SMB has not received any call completion or other complaints in the states it operates in.