

- 1-1. The bottom of Exhibit 2 states that “all Lifeline eligible customers will be able to apply the \$9.25 and additional \$25.00 federal Lifeline discount to all retail plans offered by the Company...” Provide a list of the retail plans to be offered by the Company in South Dakota. Currently, the plans listed on the website are restricted to Oklahoma.

**Response to 1-1:** The Company does not currently intend to offer any such retail plans in the State of South Dakota. However, upon designation, the Company intends to offer the proposed Lifeline service offerings as stated in Exhibit 2 of the Company’s originally filed Application for Designation as an Eligible Telecommunications Carrier in the State of South Dakota (“Application”). Should the offer any retail plan to the non-eligible, consumer public, all Lifeline-eligible customers may apply the aforementioned Lifeline discounts (currently \$9.25 and the additional \$25.00 federal Lifeline discount) to all such plans.

- 1-2. Exhibit 2 says that the *retail price* of the South Dakota Lifeline 250 Plan is \$9.25. Can a person who does not qualify for lifeline purchase this plan for \$9.25?

**Response to 1-2:** As outlined in Exhibit 2 of the Company’s original Application, the retail price of the South Dakota Lifeline 250 Plan is \$9.25, prior to the application of the \$9.25 federal Lifeline discount. The Company is not currently proposing to advertise such plans to the non-eligible consumer public. However, if a non-eligible consumer intends to subscribe to the South Dakota Lifeline 250 Plan, the Company will provide said plan at a monthly rate of \$9.25.

- 1-3. Page 15 of the application states that, “Infiniti Mobile offers a variety of rate plans that provide its customers with local usage capabilities in the form of monthly plans, unlimited plans, or pay-per-use plans – but without the burden of contracts, activation fees or *roaming charges*.” Page 19 of the application also mentions the lack of roaming charges. Explain why on the terms and conditions on the company’s website it says roaming is charged \$0.49 per minute.

**Response to 1-3:** Infiniti Mobile acknowledges that the reference to “rate plans . . . without the burden of . . . roaming charges,” was erroneous and should be disregarded with respect to roaming. The Company’s terms and conditions utilized currently by the Company acknowledge that roaming is charged \$0.49 per minute because, where a Lifeline subscriber seeks to utilize his or her Lifeline-supported service in a geographical area not covered by his or her assigned underlying carrier, such a surcharge applies based on a percentage of the per-minute dollar value, depending on whether the customer places a call or text message out of the underlying carrier’s service area. Roaming occurs, as stated herein, only when the customer seeks to utilize service in an area outside the geographic footprint covered by the assigned underlying carrier. All customers are notified of roaming surcharges at enrollment, and such customers are provided a notice when such surcharges apply via an electronic icon on each customer’s handset that appears when accessing service outside the underlying carrier’s network capabilities. Because the Company’s underlying carriers’ networks are largely built-out and cover most of the State’s eligible consumer population, Infiniti Mobile does not expect roaming charges to apply on a frequent basis to any of the Company’s prospective customers.

1-4. Explain where would there be roaming in South Dakota for Infiniti Mobile customers.

**Response to 1-4:** As stated in response to 1-3, roaming will exist in geographic areas not served by each customer's underlying service provider, assigned at the point of enrollment.

1-5. How much would 1GB of data be on Infiniti Mobile's plans?

**Response to 1-5:** The Company's current Lifeline offerings do not include data. However, all handsets provided to customers will be data capable, and such customers may purchase data in denominations of 100 MB for \$5.00. Therefore, should an eligible subscriber wish to purchase 1GB of data, he or she should provide the Company \$50.00 in top-up payments.

1-6. On page 5 of the application it states, customers may "retrieve a form in person at authorized retail locations." Provide a complete list of these locations.

**Response to 1-6:** The Company does not yet have retail partnerships in the State of South Dakota, but will quickly establish such retail partnerships and/or stand-alone locations upon designation by the Commission as an ETC. Examples of such locations will include gas stations, Moneygram locations, stand-alone stores, Mall kiosks, and alternative venues yet to be determined by the Company.

1-7. Provide a copy of the FCC order approving Infiniti Mobile's FCC Compliance Plan.

**Response to 1-7:** Attached hereto as Exhibit 1, please see a copy of the FCC Order approving the Company's FCC Compliance Plan, dated August 8, 2012.

1-8. Refer to page 17 of the application; explain how the Lifeline support received "will be flowed through to the direct benefit of eligible low-income consumers."

**Response to 1-8:** As stated on page 17 of the Company's Application, any federal Lifeline support received by the Company with respect to an eligible, low-income consumer will be credited directly to said customer's monthly rate for service, and will be used directly to defray the costs of the Company's telecommunications service. Therefore, all Lifeline support received will flow through directly to the consumer as a direct benefit: a discount on each eligible customer's monthly rate for service.

1-9. On page 2 of the First Amendment to the Application, the company says that they will use the networks of Verizon Wireless (Verizon) and T-Mobile USA, Inc. (T-Mobile). Please confirm that Verizon and T-Mobile will be underlying carriers.

**Response to 1-9:** The Company hereby confirms the use of the underlying networks of Verizon Wireless (Verizon), Sprint Spectrum, L.P. (Sprint), and T-Mobile USA, Inc. (T-Mobile) in serving eligible, low-income customers in the State of South Dakota. The Company obtains access to the underlying networks of Verizon and Sprint through a third-party contract with reseller, ZefCom, LLC d/b/a Telispire. The Company has a direct contractual agreement with T-Mobile, granting it access to the underlying network of T-Mobile in the State of South Dakota.

- 1-10. How will a customer's service switch between Sprint, Verizon, and T-Mobile? Will the call be dropped when switching between these companies' coverage areas?

**Response to 1-10:** Customers' service will not switch between networks, per se. When a Lifeline-eligible subscriber signs up or subscribes for an Infiniti Mobile Lifeline plan in South Dakota, based on the location of said subscriber and the costs associated between the Company's third-party reseller from whom Infiniti Mobile acquires access to the underlying networks of Sprint and Verizon, Telispire; T-Mobile; and the Company on available services, the subscriber will be signed up with a specific network at the outset of the Company's provision of service.

- 1-11. When would the company be able to start service using all three networks?

**Response to 1-11:** Given the Company's existing arrangements with Sprint, Verizon, and T-Mobile, the Company will be able to start service using all three networks as soon as it is granted designation as an ETC in the State of South Dakota.

- 1-12. How will the company ensure that its customers are located in the IM Telecom's designated service area?

**Response to 1-12:** Infiniti Mobile employs CGM, Inc., of Roswell, GA, as the Company's third-party compliance provider. CGM, Inc. provides Infiniti Mobile with a Customer Application that Infiniti Mobile personnel and employees utilize to input prospective subscribers' information into. The CGM application software enables Infiniti Mobile to cross-reference the designation area with the data provided by each prospective subscriber to ensure compliance with respect to the designated service area.

- 1-13. What percentage of the company's revenue is derived from lifeline-only customers? Provide data from the past three years.

**Response to 1-13:** Attached hereto as a separate and confidential Exhibit 2, please find Infiniti Mobile's revenues for years 2013, 2014, and 2015. This Exhibit 2 to this Response, as requested in the cover letter attached hereto contains confidential proprietary information, and the Company requests confidential treatment. The revenues listed therein contain revenues contained from Lifeline customers, retail offerings, and top-up offerings.

- 1-14. Provide documentation to demonstrate that the company is financially capable of providing Lifeline-supported services.

**Response to 1-14:** As provided in the Company's Application for Designation as an Eligible Telecommunications Carrier (ETC), Infiniti Mobile has been in business since 2012 and currently provides service to both Lifeline and non-Lifeline customers. Infiniti Mobile already successfully provides wireless services in Oklahoma. Infiniti Mobile has not been subject to enforcement action or ETC revocation proceedings in any state. Infiniti Mobile is financially able to provide Lifeline-supported services; the Company does not, and does not intend to, offer exclusively Lifeline-supported services—and the Company is therefore not exclusively dependent on USAC for its revenue. Not only does the Company generate a substantial portion of its income from lifeline-only services, but the Company also generates substantial revenues from the sale of top-up offerings. The result of Infiniti Mobile's efforts is that the Company is profitable, liquid, and fully capable of honoring all service obligations to customers as well as regulatory obligations to state and federal regulators.

Attached hereto as a separate and confidential Exhibit 3, please find copies of IM Telecom, LLC d/b/a Infiniti Mobile's Financial Statements for years 2014 and 2015. As stated in the cover letter attached hereto, this information is highly proprietary and should be treated confidentially. Public disclosure of this information will result in direct financial and anti-competitive harm to the Company.