

Convergence Technologies Inc. :  
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 Application for a certificate of :  
**Local, Interexchange, Wireless** :  
 Authority to operate as a :  
**reseller and facilities based carrier** of :  
 telecommunications services :  
**Statewide** in the :  
 State of Illinois. :

**APPLICATION FOR CERTIFICATE TO BECOME A  
 TELECOMMUNICATIONS CARRIER**

**I. GENERAL (To be completed by All Applicants)**

1. Applicant's Name (including d/b/a, if any) FEIN # 36-4053240

Convergence Technologies Inc.

Address: Street 16W215 83<sup>rd</sup> Street Suite D

City Burr Ridge State/Zip Illinois 60527

*Note: Assumed business names must be provided if and only if registered with the Illinois Secretary of State's Office.*

2. Authority Requested: (Mark all that apply)

Interexchange Service (*Authorities: See Sections 13-401, 13-403 and 13-404 of the IPUA*)

- Facilities Based Prepaid Interexchange Service
- Facilities Based Non-Prepaid Interexchange Service
- Resold Prepaid Interexchange Service
- Resold Non-Prepaid Interexchange Service
- Interexchange Public Pay Telephone Service

Local Exchange Service (*Authorities: See Sections 13-401, 13-404, and 13-405 of the IPUA*)

- Facilities Based Prepaid Local Exchange Service
- Facilities Based Non-Prepaid Local Exchange Service
- Resold Prepaid Local Exchange Service
- Resold Non-Prepaid Local Exchange Service
- Local Exchange Public Pay Telephone Service

Cellular Radio/Wireless Telephone Service (*Authorities: See Section 13-401 of the IPUA*)

- FCC Permitted or Licensed Prepaid Cellular Radio/Wireless Telephone Service
- FCC Permitted or Licensed Non-Prepaid Cellular Radio/Wireless Telephone Svc.
- Resold Prepaid Cellular Radio/Wireless Telephone Service
- Resold Non-Prepaid Cellular Radio/Wireless Telephone Service

Other Telecommunications Services (Specify) (*Authorities: See Section 13-401 of the IPUA*)

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3. For each service that the Applicant is requesting authority to provide, please specify the area or areas of the State for which the applicant is seeking authority to provide such service and the services (as designed in question 2 above) that will be provided in each area.

Statewide

4. Contact Information - Please provide contact information, including name(s), address(es), telephone number(s), and e-mail address(es), for personnel or entities responsible for the areas below:

See Exhibit A

5. How is the Applicant organized?

- Individual
- Partnership
- Corporation:

Date Corporation was formed: December 15<sup>th</sup>, 1995

State of incorporation: Illinois

Other (Specify) \_\_\_\_\_

6. Please attach a copy of articles of incorporation. Applicants that are not Illinois corporations should also submit a copy of its Certificate of Authority to Transact Business in Illinois as issued by the Secretary of State.

See Exhibit B for articles of incorporation and certificate of good standing

7. Has the Applicant been issued by the Federal Communications Commission a construction permit or an operating license to construct or operate a cellular radio system in the areas, or a portion of the area, for which the Applicant seeks a Certificate of Service Authority?

YES  NO

If YES, please provide all relevant license or permit numbers:

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**II. MANAGERIAL (To be completed by All Applicants except Wireless Applicants)**

1. Please attach evidence of the applicant's managerial and technical resources and ability to provide service. This may be in narrative form, in the form of resumes of key personnel, or a combination of these forms.

See Exhibit C

2. Please attach a current organization chart.

See Exhibit D

3. List officers of Applicant.

See Exhibit C

4. Does the Applicant currently, or has it in the past, held a certificate from the Illinois Commerce Commission?

\_\_\_\_\_ YES \_\_\_X\_\_\_ NO

5. Does the Applicant currently, or has it in the past, provided service under any other name in Illinois?

\_\_\_\_\_ YES \_\_\_X\_\_\_ NO

If YES, please provide all other names under which service is being or has been provided.

Kruger Communications, Telesti, Mitotec, inVision Networks, IPPay

6. Is any affiliate of the Applicant providing, or has any affiliate provided, service in Illinois?

\_\_\_\_\_ YES \_\_\_X\_\_\_ NO

If YES, please provide the names of all affiliates under which service is being or has been provided in Illinois.

\_\_\_\_\_

7. Has the Applicant, or any principal in Applicant, been denied a Certificate of Service or had its certification revoked or suspended in Illinois under this or another name?

\_\_\_\_\_ YES \_\_\_X\_\_\_ NO

If YES, describe fully. \_\_\_\_\_

\_\_\_\_\_

8. Have there been any complaints or judgments levied against the Applicant in Illinois in this or another name?

\_\_\_\_\_ YES \_\_\_X\_\_\_ NO

If YES, describe fully. \_\_\_\_\_  
\_\_\_\_\_

9. List jurisdictions other than Illinois in which the Applicant is offering service(s).

None

10. Has the Applicant, or any principal of the Applicant, been denied a Certificate of Service or had its certification revoked in any jurisdiction other than Illinois under this or another name?

\_\_\_\_\_ YES \_\_\_X\_\_\_ NO

If YES, describe fully. \_\_\_\_\_  
\_\_\_\_\_

11. Have there been any complaints or judgments levied against the Applicant in any jurisdiction other than Illinois in this or another name?

\_\_\_\_\_ YES \_\_\_X\_\_\_ NO

If YES, describe fully. \_\_\_\_\_  
\_\_\_\_\_

12. Does any officer of Applicant have an ownership or other interest in any other entity which has provided or is currently providing telecommunications services? \_\_\_\_\_ YES \_\_\_X\_\_\_ NO

If YES, please list, by officer, each entity in which the officer has an ownership or other interest.

\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

13. How will Applicant bill for its service(s)? (At a minimum, describe how often the Applicant will bill for service and details of the billing statement.)

Applicant will normally send its invoice to its customers each month. The customer will have a calendar month to pay the invoice via ACH, Debit/Credit, or Check without penalty. Applicant's invoice will be formatted to show the utility name and address; a customer contact telephone number to be used by customers in contacting the utility with questions or complaints; messages to customers concerning payment locations other than the utility business office and items of interest to the customer; an itemized statement of the charges for telecommunications services to the individual customer and an itemized statement of surcharges and taxes added to the invoice. A statement of the penalty will include the basic monthly charge for local exchange service invoiced in advance; charges for features or advanced services used during the previous month

invoiced in arrears; charges for any toll usage during the previous month invoiced in arrears; a listing of any surcharges from whatever source based against the portion of the invoice or the total invoice as prescribed and the amount of each; and a listing of all local, state, and federal taxes applied to the invoice and the amount of each.

14. How does Applicant propose to handle service, billing, and repair complaints? (At a minimum, describe Applicant's internal process for complaint resolution, the complaint escalation process, and the timeframe and process by which the customer is notified by Applicant that they may seek assistance from the Commission.)

Applicant will establish a customer care department to accomplish a number of tasks related to service, repair and billing. Our customer care department will handle complaints in an efficient and timely manner. The customer care representatives will be trained to provide intelligent service by having access to a billing and accounting database that has been simplified and streamlined to respond to customer questions concerning billing amounts and/or payment information. Additionally, they will be able to access records of repair and response to trouble calls from customers. Furthermore, they will be educated as to the utility's policies and regulations and the complaint procedure regulations of the Illinois Commerce Commission.

If the customer complaint has not been resolved to the customer's satisfaction, the customer care representative shall forward the complaint and any notes of the discussion(s) with the customer to an officer of the utility. The officer shall, within five business (5) days, contact the customer to try to resolve the complaint. If the utility officer is unable to satisfy the customer's complaint within a reasonable amount of time, s/he shall provide information to the customer concerning the process for filing an informal complaint with the Illinois Commerce Commission and give the customer the details of the person or department address and telephone number to contact at the Commission. S/he shall provide any additional information relative to the process or Commission authority requested by the customer.

15. Will personnel be available at Applicant's business office during regular working hours to respond to inquiries about service or billing?  YES  NO

16. What telephone number(s) would a customer use to contact the Applicant?

773-667-4585 or 866-751-7357.

17. If granted authority to operate as provider of anything other than a Pay Telephone service, will the applicant file tariffs prior to providing service in Illinois and within 2 years of Application approval?

YES  NO

18. How many employees does the Applicant employ?

40

19. Has the Applicant reviewed all ICC rules applicable to the services it seeks to provide?

YES  NO

Note: See <http://www.ilga.gov/commission/jcar/admincode/083/083parts.html> for the ICC's Title 83: Public Utility Rules.

20. Will the Applicant abide by all ICC rules applicable to the services it seeks to provide?

YES  NO

21. If granted the authority to operate as a telecommunications provider, will the Applicant comply with all the applicable filing requirements listed in Appendix A?

YES  NO

22. If granted the authority to operate as a telecommunications provider, will the applicant remit all applicable taxes, contributions, or other assessments specified in Appendix A?

YES  NO

**III. FINANCIAL (To be completed by All Applicants except Wireless Applicants)**

1. Please attach evidence of Applicant's financial fitness through the submission of its most current income statement, balance sheet, chart of accounts and any other appropriate documentation of applicant's financial resources and ability to provide service.

See Exhibit E - confidential

2. Does the Applicant have a financial relationship with any other companies?

YES  NO

If YES, please provide the names of all companies with which the Applicant has a financial relationship and a brief explanation of the relationship.

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3. Will the Applicant keep its books and records in Illinois?  YES  NO

*Note: If the Applicant will not keep its books and records in Illinois, then the Applicant must request a waiver of Code Part 250.*

4. Has the applicant or any other company with which the Applicant has a financial arrangement filed for bankruptcy within the last 7 years?

\_\_\_\_\_ YES \_\_\_X\_\_\_ NO

If YES, please explain: \_\_\_\_\_

\_\_\_\_\_

\_\_\_\_\_

\_\_\_\_\_

**IV. TECHNICAL (To be completed by All Applicants except Wireless Applicants)**

1. Please describe the nature of service to be provided (e.g., operator services, internet, debit cards, long distance service, data services, local service, prepaid local service).

Local Exchange Service  
Data Services (unregulated)  
Interexchange service  
Internet Service (unregulated)  
Wireless Telephone Service  
Wireless Fixed and Nomadic Data Service (unregulated)

2. Does Applicant utilize its own equipment and/or facilities? \_\_\_X\_\_\_ YES \_\_\_\_\_ NO

If YES, please provide a brief description of the facilities Applicant owns and intends to utilize.

Applicant will construct towers to hold both point to point and point to multipoint radios over both FCC licensed and non-licensed spectrum. Applicant will also construct and manage fiber optics routes.

If YES, please explain what services will be offered with these facilities and where the Applicant will utilize its own facilities.

Applicant will use these facilities to transmit Local Exchange Service, Data Services, Interexchange service and Internet Service.

If YES, please include evidence that Applicant possesses the necessary technical resources to deploy and maintain the said facilities.

On September 9, 2010, the United States Department of Agriculture's Rural Utilities Service ("RUS") awarded Applicant a grant of \$8,437,500 and a loan of \$2,812,500 through its Broadband Initiatives Program ("BIP"). Applicant intends to use this money to deploy broadband and advanced voice services in unserved and underserved areas in Illinois and Indiana. The award indicates Applicant's technical ability to provide the services for which it seeks authority in this application. See Exhibit F, RUS BIP award letter. Applicant's full BIP application can be provided on request for further evidence of its technical ability..

If YES, and if the Applicant is a switch based provider, please provide an attachment that includes the following information regarding each switch: (i) switch type, (ii) address, (iii) CLLI code, (iv) location of remotes or POIs, and (v) any tandems to which the switch is homed.

Because Applicant has not been granted authority to provide telecommunications services in Illinois, this information is not available.

3. Does Applicant lease equipment and/or facilities?  YES  NO

If YES, please provide a brief description of the facilities the Applicant leases and the entity or entities from which such equipment or facilities are leased.

Applicant will lease space on towers to hold both point to point and point to multipoint radios over both FCC licensed and non-licensed spectrum. Applicant will also lease managed fiber and dark fiber routes.

If YES, please explain what services will be provided with these facilities and where the Applicant will utilize these leased facilities.

Applicant will use these facilities to transmit Local Exchange Service, Data Services, Interexchange service and Internet Service.

If YES, please include evidence that Applicant possesses the necessary technical resources to maintain and operate said facilities.

See answer to question 2 above and Exhibit F.

4. Does Applicant resell services?  YES  NO

If YES, please provide a brief description of the entity or entities from which wholesale service is purchased.

If YES, please explain what services will be provided through resale and where the Applicant will provide resold services.

5. Does the Applicant provide its own repair service?

YES  NO

If NO, please provide the name of the entity or entities providing repair service for the Applicant.

Applicant maintains a department responsible for repair services, in some cases however the Applicant may deem it appropriate to employ the services of a certified entity appropriate for the repair service demands and work with incumbent local exchange carriers.

6. Will technical personnel be available at all times to assist customers with service problems?

YES  NO

If NO, please provide the hours of assistance.

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7. If Applicant intends to provide Public Pay Telephone service, will the equipment utilized comply with FCC requirements and Finding (9) of the Commission Order entered in Docket No. 84-0442 on June 11, 1986, including, but not limited to: (a) touch dialing; (b) access to 9-1-1 and "0" operator dialing without use of a coin; (c) rules governing use of payphones by disabled persons; (d) ability to complete local and long-distance calls; (e) unlimited duration for local calls; and (f) a message explaining the telephone's general operations, dialing instructions for emergency assistance, payphone owner's name, method of reporting service problems and method of receiving credit for faulty calls?  YES  NO

Not Applicable

8. If Applicant intends to provide Public Pay Telephone service, please explain the method the Applicant will used to comply with Section 771.330 of the ICC's rules.

Not Applicable

Note: See <http://www.ilga.gov/commission/jcar/admincode/083/08300771sections.html> for the ICC's Pay Telephone Service Provider rules.

#### **V. WAIVERS (To be completed by All Applicants except Wireless Applicants)**

*Note: If Applicant is seeking any waivers or variances of Commission rules and regulations in this proceeding, then, other than when explained below, please attach an explanation of why the Applicant is seeking any waiver or variance.*

*Local Exchange Service authority applicants under Sections 13-401, 13-404 and/or 13-405 generally seek waivers of Part 710, Section 735.180 of Part 735 and Part 250. Additionally, a waiver from Parts 730.115 and 732.60 may be requested for those applicants that will only be providing data services.*

*Interexchange Service authority applicants under Sections 13-401, 13-403 and 13-404 generally request waivers of Parts 710, 735 and 250 of Title 83 of the Illinois Administrative Code*

*Public Pay Telephone Service authority applicants under Sections 13-401, 13-403, 13-404, and/or 13-405 generally request waivers of Parts 710, 735 and 250 of Title 83 of the Illinois Administrative Code*

Local Exchange Service Please indicate which waivers Applicant is requesting.

Part 710 Uniform System of Accounts for Telecommunications Carriers

Part 735.180 Directories (within Part 735 Procedures Governing the Establishment of Credit, Billing, Deposits, Termination of Service and Issuance of Telephone Directories for Local Exchange Telecommunications Carriers in the State of Illinois)

\_\_\_\_ Part 730.115 and 732.60 Service Quality and Customer Credit Quarterly Reporting – Waiver is available for carriers providing Data Services only. (ref. 13-517c)

\_\_\_\_ Part 250 Public Utility Books and Accounts (maintaining books and records out of state)

\_\_\_\_ Others (Please indicate which additional waivers Applicant is requesting and explain why Applicant is requesting each waiver/variance)

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Interexchange Service Please indicate which waivers Applicant is requesting.

Part 710 Uniform System of Accounts for Telecommunications Carriers

Part 735 Procedures Governing the Establishment of Credit, Billing, Deposits, Termination of Service and Issuance of Telephone Directories for Local Exchange Telecommunications Carriers in the State of Illinois

\_\_\_\_ Part 250 Public Utility Books and Accounts (maintaining books and records out of state)

\_\_\_\_ Others (Please indicate which additional waivers Applicant is requesting and explain why Applicant is requesting each waiver/variance)

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Local and Interexchange Public Pay Telephone Service Please indicate which waivers Applicant is requesting.

\_\_\_\_ Part 710 Uniform System of Accounts for Telecommunications Carriers

\_\_\_\_ Part 735 Procedures Governing the Establishment of Credit, Billing, Deposits, Termination of Service and Issuance of Telephone Directories for Local Exchange Telecommunications Carriers in the State of Illinois

\_\_\_\_ Part 250 Public Utility Books and Accounts (maintaining books and records out of state)

\_\_\_\_ Others (Please indicate which additional waivers Applicant is requesting and explain why Applicant is requesting each waiver/variance)

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1. If the Applicant is requesting a waiver of Part 710, what circumstances warrant a departure

from the prescribed Uniform System of Accounts (“USOA”)?

Applicant’s accounting system has been used since its creation in 1995 and is consistent with the Generally Accepted Accounting Principles (“GAAP”). Changing the accounting system to USOA would be cost-prohibitive.

2. If the Applicant is requesting a waiver of Part 710, then will records be maintained in accordance with Generally Accepted Accounting Principles (“GAAP”)?

YES  NO

3. If the Applicant is requesting a waiver of Part 710, then will applicants accounting system provide an equivalent portrayal of operating results and financial condition as the USOA?

YES  NO

4. If the Applicant is requesting a waiver of Part 710, then will applicant maintain its records in sufficient detail to facilitate the calculation of all applicable taxes and surcharges?

YES  NO

5. If the Applicant is requesting a waiver of Part 710, then does the accounting system currently in use by Applicant provide sufficiently detailed data for the preparation of Illinois Gross Receipts Tax returns?

YES  NO

If YES, What specific accounts or sub-accounts provide this data?

See Exhibit G, Applicant’s chart of accounts, specifically the income accounts listed as account numbers 4000-4900.

6. If the Applicant is requesting a waiver of Part 710, then will the Applicant provide annual audited statements when required or requested subsequent to granting of the waiver?

YES  NO

*Note: See <http://www.icc.illinois.gov/forms/results.aspx?st=3&t=2> for Annual Reports instructions for detail.*

7. If the Applicant is requesting a waiver of Part 710, does the Applicant understand that the requested waiver of Part 710 will not excuse it from compliance with future Commission rules or amendments to Part 710 otherwise applicable to the Company?

YES  NO

**VI. TELEPHONE ASSISTANCE PROGRAMS (To be completed by Local Exchange Service Applicants)**

1. Has the Applicant signed and returned the ITAC Membership Application and Agreement to Commission Staff?

YES  NO

*Note: See <http://www.icc.illinois.gov/telecommunications/Certification.aspx> for application forms.*

2. Will the Applicant's billing system be able to distinguish between resale and facilities based service for the collection of the ITAC line charge?

YES  NO

See Exhibit G, Applicant's chart of accounts, specifically the income accounts listed as account numbers 4000-4900.

3. Has the Applicant signed and returned the Universal Telephone Access Corporation (UTAC) - Membership Application to Commission Staff?

YES  NO

*Note: See <http://www.icc.illinois.gov/telecommunications/Certification.aspx> for application forms.*

4. Will the Applicant solicit, collect, and remit the voluntary contributions from its telephone subscribers to support the Telephone Assistance Programs?

YES  NO

5. Does the Applicant realize that it will not be able to receive any of the federal reimbursements for the Lifeline and Link-Up Programs if it is not an eligible carrier?

YES  NO

6. Does the Applicant plan on filing to become an Eligible Telecommunications Carrier?

YES  NO

**VII. 911 SERVICE (To be completed by Local Exchange Service Applicants)**

1. Will the Applicant ensure that 911 traffic is handled in accordance with the 83 Illinois Administrative Code Part 725 and the Emergency Telephone System Act?

YES  NO

Note: See <http://www.icc.illinois.gov/911/> for links to the Emergency Telephone System Act and

other 911 related rules and regulations.

2. Who will be responsible for building and maintaining the 911 database for your local exchange customers?

Applicant will use an outside vendor to manage this function.

3. How often will the Applicant update the 911 database with customer information?

Within two (2) hours of a change issued by the customer.

4. Please explain the procedures the Applicant will use to collect 911 surcharges and transmit them to the local 911 systems.

Applicant will place a line item on its invoices charging the proper 911 fees applicable to the customer. Applicant will collect and remit the fees to the appropriate 911 administrator.

Convergence Technologies, Inc.

By: \_\_\_\_\_/s/\_\_\_\_\_  
Charles Wu, President

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## **Exhibit List**

Exhibit A- Contact Information

Exhibit B- Articles of Incorporation and Certificate of Good Standing

Exhibit C- Management Overview and Business Description

Exhibit D- Organizational Chart

Exhibit E1-3 Financial Information (filed confidentially)

Exhibit F- USDA RUS award letter

Exhibit G- Chart of Accounts

Exhibit H- Verification