

REBUTTAL TESTIMONY

OF

ISSA ASAD

CHIEF EXECUTIVE OFFICER

Q LINK WIRELESS LLC

Q LINK WIRELESS LLC

APPLICATION FOR DESIGNATION AS AN ELIGIBLE TELECOMMUNICATIONS
CARRIER FOR PURPOSES OF RECEIVING FEDERAL UNIVERSAL SERVICE FUNDS
PURSUANT TO SECTION 214(E)(2) OF THE TELECOMMUNICATIONS ACT OF 1996

ICC DOCKET NO. 12-0095

CONFIDENTIAL DESIGNATION

BEG CONF XXXX ***END CONF*** -- Designates Confidential Information

December 11, 2013

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1 **I. Introduction**

2 **Q: Please state your name, your position with Q LINK WIRELESS LLC, and**
3 **your business address.**

4 **A:** My name is Issa Asad. I am the Chief Executive Officer of Q LINK WIRELESS
5 LLC (“Q LINK” or the “Company”). My business address is 499 East Sheridan
6 Street, Suite 300, Dania, FL 33004.

7 **Q: Please describe your background.**

8 **A:** I earned an associate’s degree in science and a bachelor’s degree in business from
9 Florida International University. I have worked in the telecommunications
10 industry for over 15 years. My bio and resume were included as part of Exhibit D
11 of Q LINK’s FCC-Approved Compliance Plan; a copy of Q LINK’s FCC-
12 Approved Compliance Plan was made available to the Illinois Commerce
13 Commission (“Commission” or “ICC”) in Q LINK’s Amended Application for
14 Designation as an Eligible Telecommunications Carrier in the State of Illinois
15 (“Amended Application”) filed on December 13, 2012. My bio and resume were
16 also provided in response to ICC Staff Data Request 1.11B.

17 **Q: What is the purpose of your testimony?**

18 **A:** To further support the Amended Application, seeking designation as a wireless
19 eligible telecommunications carrier (“ETC”) for the purpose of receiving federal
20 universal service support and Lifeline support in particular. My testimony will
21 also address ICC Staff’s concerns expressed in the Direct Testimony of Dr. Qin
22 Liu filed on October 30, 2013 (“Staff Direct Testimony”).

23 **Q: Please summarize the points you will address in your testimony.**

24 **A:** The points I will address in my testimony are summarized as follows:

- 25 1. Q LINK properly identifies its proposed ETC service area.
- 26 2. Q LINK is able to comply with §214(e)(1) of the 1996 Act.
- 27 3. Q LINK is able to comply with the Commission rules.
- 28 4. Q LINK is financially and technically capable in accordance with
29 §54.201(h) of the FCC rules.
- 30 5. Q LINK is more than willing to protect consumers' interest.
- 31 6. Q LINK's designation as an additional ETC in Illinois will produce public
32 interest benefits to low-income consumers and reach the high number of
33 unserved consumers in Illinois that have not been reached by current
34 ETCs.

35 Designating Q LINK as an ETC in Illinois would promote the public interest
36 enabling the Company to commence much-needed Lifeline services to low-
37 income Illinois residents. I respectfully request that the Commission approve Q
38 LINK's Amended Application and designate Q LINK as an ETC in the State of
39 Illinois. The Commission should allow an ETC that has been operating
40 successfully in 22 other jurisdictions an opportunity to serve Illinois consumers.

41 **II. Eligibility Requirements for Q LINK's ETC Designation**

42 **Q: What are the eligibility criteria for ETC designation in Illinois?**

43 **A:** Eligibility criteria for ETC designation in Illinois are as follows:

- 44 1. meet the statutory requirements of §214(e)(1) and §214(e)(5);
- 45 2. meet FCC requirements imposed on §214(e)(6) ETC designation;
- 46 3. meet FCC requirements imposed on §214(e)(2) ETC designation, in
47 particular the financial and technical capability requirement of §
48 54.201(h);
- 49 4. demonstrate ability to comply with Commission rules; and
- 50 5. satisfy the public interest standard of §214(e)(2).

51 **A. §214(e)(1) and §214(e)(5) Requirements**

52 **Q: What is the statutory requirement of §214(e)(1)?**

53 **A: §214(e)(1) of the 1996 Act provides that an ETC:**

54 shall, throughout the service area for which designation is received –

55 (A) offer the services that are supported by Federal universal service support
56 mechanisms under section 254(c), either using its own facilities or a combination
57 of its own facilities and resale of another carrier’s services (including services
58 offered by another eligible telecommunications carrier); and

59 (B) advertise the availability of such services and the charges therefor using
60 media of general distribution.

61 **Q: Does Q LINK satisfy the statutory requirement of §214(e)(1)?**

62 **A: Yes.**

63 **Q: Please describe how Q LINK satisfies the statutory requirement of**
64 **§214(e)(1)(A).**

65 **A: First, Q LINK offers the services that are supported by Federal universal service**
66 support mechanisms under section 254(c), and second, Q LINK does so using its
67 own facilities and resale of another carrier’s services (i.e., Sprint).

68 Q LINK provides voice grade access to the public switched telephone
69 network (“PSTN”) through the purchase of wholesale commercial mobile radio
70 services (“CMRS”) from Sprint. As part of the voice grade access to the PSTN,
71 an ETC must provide minutes of use for local service at no additional charge to
72 end users. The FCC has not specified a minimum amount of local usage that an
73 ETC must offer.¹ Q LINK offers a variety of rate plans that provide its customers

¹ See e.g., *Farmers Cellular, Inc.*, CC Docket No. 96-45, Memorandum Opinion and Order, 18 FCC Rcd 3848, 3852 ¶ 9 (2003); *Pine Belt Cellular, Inc. and Pine Belt PCS, Inc.*, CC Docket No. 96-45, Memorandum Opinion and Order, 17 FCC Rcd 9589, 9593 ¶ 10 (2002); *Western Wireless Corp., Petition for Designation as an Eligible Telecommunications Carrier in the State of Wyoming*, CC Docket No. 96-45, Memorandum Opinion and Order, 16 FCC Rcd 48, 52 ¶ 10 (2000).

74 with minutes of use for local service at no additional charge.

75 Through the Company's interconnection with Sprint, all customers have
76 911 and E911 access, and all 911 traffic is handled in accordance with 83 Illinois
77 Administrative Code 725 and the Emergency Telephone System Act. Q LINK
78 also complies with the FCC's regulations governing the deployment and
79 availability of E911 compatible handsets.

80 In its *Lifeline and Link Up Reform Order*, the FCC stated that toll
81 limitation would no longer be deemed a supported service.² "ETCs are not
82 required to offer toll limitation service to low-income consumers if the Lifeline
83 offering provides a set amount of minutes that do not distinguish between toll and
84 non-toll calls."³ The Company's service is not offered on a distance-sensitive
85 basis and local and domestic long distance minutes are treated the same.

86 Also in its *Lifeline and Link Up Reform Order*, the FCC granted request
87 for forbearance from the facilities requirement, and stated, "the Commission will
88 forbear from the "own-facilities" requirement contained in section 214(e)(1)(A)
89 for carriers that are, or seek to become, Lifeline-only ETCs, subject to the
90 following conditions:⁴

91 (1) the carrier must comply with certain 911 requirements [(a) providing its Lifeline
92 subscribers with 911 and E911 access, regardless of activation status and availability
93 of minutes; (b) providing its Lifeline subscribers with E911-compliant handsets and
94 replacing, at no additional charge to the subscriber, noncompliant handsets of
95 Lifeline-eligible subscribers who obtain Lifeline-supported services; and (c)
96 complying with conditions (a) and (b) starting on the effective date of this Order];
97 and

98
99 (2) the carrier must file, and the Bureau must approve, a compliance plan providing

² See *Lifeline and Link Up Reform Order* at ¶ 367.

³ See *Id.* at ¶ 49.

⁴ See *Lifeline and Link Up Reform Order* at ¶¶ 368, 373 and 379.

100 specific information regarding the carrier's service offerings and outlining the
101 measures the carrier will take to implement the obligations contained in this Order
102 as well as further safeguards against waste, fraud and abuse the Bureau may deem
103 necessary.”

104 Q LINK availed itself of the FCC's grant of blanket forbearance. In
105 accordance with the *Lifeline and Link Up Reform Order*, Q LINK filed its Third
106 Amended Compliance Plan with the FCC on July 30, 2012, and the FCC released
107 Public Notice of its approval of Q LINK's Compliance Plan, as amended, on
108 August 8, 2012. A copy of the Company's FCC-Approved Compliance Plan was
109 made available to the Commission in the Amended Application; a copy of the
110 FCC Public Notice of approval of the Company's Compliance Plan was included
111 as part of Exhibit 4 of the Amended Application.

112 **Q: Please describe how Q LINK satisfies the statutory requirement of**
113 **§214(e)(1)(B).**

114 **A:** Q LINK currently advertises in the 22 jurisdictions in which it has ETC
115 designation, and will advertise in Illinois when appropriate, the availability of its
116 wireless Lifeline services and the charges therefor using media of general
117 distribution. Q LINK advertising includes, but is not limited to, the following
118 mediums: internet marketing, television and radio spots, print advertising, direct
119 mailing, and local kiosks in retail outlets. A sample summary advertising plan is
120 included herewith as Q LINK Ex. 1.1.

121 **Q: What is the statutory requirement of §214(e)(5)?**

122 **A:** §214(e)(5) of the 1996 Act provides:

123 The term “service area” means a geographic area established by a State
124 commission for the purpose of determining universal service obligations and
125 support mechanisms. In the case of an area served by a rural telephone company,
126 “service area” means such company's “study area” unless and until the

127 Commission and the States, after taking into account recommendations of a
128 Federal-State Joint Board instituted under section 410(c) of this title, establish a
129 different definition of service area for such company.

130 **Q: Does Q LINK satisfy the statutory requirement of §214(e)(5)?**

131 **A:** Yes.

132 **Q: What did ICC Staff suggest in its Staff Direct Testimony regarding the**
133 **statutory requirement of §214(e)(5)?**

134 **A:** They suggested that the Commission should find that the minimum geographic
135 area Q LINK must serve to receive designation in a non-rural area is an exchange
136 and that exchanges should form the building blocks of Q LINK's ETC service
137 area in non-rural areas in Illinois. Staff states that Q LINK must provide the name
138 of each and every exchange in which it seeks designation and the ILEC operating
139 in the exchange, and further that Q LINK supply evidence that it has the ability to
140 offer supported services throughout each identified exchange.

141 **Q: Please identify Q LINK's proposed ETC service area.**

142 **A:** Please see Q LINK Ex. 1.2 for a list of the names of the exchanges in which Q
143 LINK seeks designation with the names of the ILECs operating in those
144 exchanges. Q LINK's system is capable of identifying wireless coverage
145 capability narrowed down to the Lifeline applicant's street address.

146 **Q: Does Q LINK have the ability to offer supported services throughout its**
147 **proposed ETC service area?**

148 **A:** Yes.

149 **Q: Please demonstrate how Q LINK has the ability to offer supported services**
150 **throughout its proposed ETC service area.**

151 **A:** Q LINK is a wireless reseller and provides wireless services using Sprint's

152 wireless network.⁵ Q LINK is able to provide wireless services throughout the
153 coverage area for Sprint's wireless network. Please see Q LINK Ex. 1.3 for
154 coverage maps that display the exchanges in the proposed ETC service areas that
155 are encompassed by Sprint's wireless network. These maps correspond with the
156 list of exchanges provided in Q LINK Ex. 1.2. According to Sprint, these are the
157 most current and accurate maps for Sprint coverage in Illinois. The maps were
158 created by Sprint's mapping team and were provided to Q LINK on a CD upon Q
159 LINK's request. A copy of Sprint's email correspondence is attached hereto as Q
160 LINK Ex. 1.4.

161 **B. §214(e)(6) Requirement**

162 **Q: What does ICC Staff suggest in its Staff Direct Testimony regarding**
163 **designation under §214(e)(6)?**

164 **A:** Staff recommends that the Commission require Q LINK to show that it meets all
165 eligibility requirements the FCC has imposed on ETC designation under
166 §214(e)(6) and that it has the ability to comply with all FCC requirements,
167 including but not limited to reporting requirements, imposed on federally-
168 designated ETCs.

169 **Q: Does Q LINK meet all eligibility requirements the FCC has imposed on ETC**
170 **designation under §214(e)(6)?**

171 **A:** Yes.

172 §214(e)(6) of the Act provides:

173 In the case of a common carrier providing telephone exchange service and
174 exchange access that is not subject to the jurisdiction of a State commission, the
175 Commission shall upon request designate such a common carrier that meets the
176 requirements of paragraph (1) as an eligible telecommunications carrier for a
177 service area designated by the Commission consistent with applicable Federal and

⁵ Amended Application at 3.

178 State law. Upon request and consistent with the public interest, convenience and
179 necessity, the Commission may, with respect to an area served by a rural
180 telephone company, and shall, in the case of all other areas, designate more than
181 one common carrier as an eligible telecommunications carrier for a service area
182 designated under this paragraph, so long as each additional requesting carrier
183 meets the requirements of paragraph (1). Before designating an additional
184 eligible telecommunications carrier for an area served by a rural telephone
185 company, the Commission shall find that the designation is in the public interest.

186 **Q: Please describe how Q LINK meets all eligibility requirements the FCC has**
187 **imposed on ETC designation under §214(e)(6).**

188 **A:** §214(e)(6) states, “the [FCC] shall upon request designate such a common carrier
189 that meets the requirements of paragraph (1) as an eligible telecommunications
190 carrier for a service area designated by the [FCC] consistent with applicable
191 Federal and State law.” Q LINK meets the requirements of §214(e)(1) as
192 described in my testimony *supra* on pp. 3-5.

193 **Q: Does Q LINK have the ability to comply with all FCC requirements,**
194 **including but not limited to reporting requirements, imposed on federally-**
195 **designated ETCs?**

196 **A:** Yes. There is no basis supporting a contention to the contrary as Q LINK is in
197 compliance with all FCC requirements and no enforcement actions have been
198 taken or, to my knowledge, are pending against Q LINK. In addition, Q LINK
199 regularly submits the following reports in compliance with FCC requirements:
200 FCC Form 499, FCC Form 481, and FCC Form 555. Q LINK has timely satisfied
201 all FCC reporting requirements and submitted all applicable forms.

202 **C. Requirements for §214(e)(2) ETC Designation**

203 **Q: Please identify requirements the Commission must impose on ETC**
204 **designation in Illinois under §214(e)(2).**

205 **A:** §214(e)(2) of the Act provides:

206 A State commission shall upon its own motion or upon request designate a
207 common carrier that meets the requirements of paragraph (1) as an eligible

208 telecommunications carrier for a service area designated by the State commission.
209 Upon request and consistent with the public interest, convenience, and necessity,
210 the State commission may, in the case of an area served by a rural telephone
211 company, and shall, in the case of all other areas, designate more than one
212 common carrier as an eligible telecommunications carrier for a service area
213 designated by the State commission, so long as each additional requesting carrier
214 meets the requirements of paragraph (1). Before designating an additional
215 eligible telecommunications carrier for an area served by a rural telephone
216 company, the State commission shall find that the designation is in the public
217 interest.

218 According to Staff Direct Testimony, Q LINK must show that it satisfies
219 all eligibility requirements imposed by the FCC on ETC designation under
220 §214(e)(2), including the financial and technical requirement of §54.201(h), and
221 that it has the ability to comply with all FCC rules, including (without limitation)
222 reporting rules, of Subpart E of Part 54 of the FCC rules.

223 **1. §54.201(h) Financial and Technical Capability Evaluation**

224 **Q: What are the guidelines for the Commission's §54.201(h) evaluation?**

225 **A:** ICC Staff notes that to evaluate Q LINK's financial and technical capability to
226 provide services for which it seeks designation under §54.201(h), the Commission
227 should consider the following: (1) enforcement actions and ETC revocation
228 proceedings against Q LINK in any state; (2) Q LINK's experience of providing
229 services for which it seeks designation to non-Lifeline customers in Illinois; (3)
230 how long Q LINK has been in business in Illinois; and (4) Q LINK's ability to
231 generate non-USF-sourced revenues in Illinois.⁶ ICC Staff also notes that the
232 Commission should introduce additional considerations and/or specific standards
233 the Commission deems appropriate and reasonable, consistent with the FCC

⁶ Docket 12-0095, ICC Staff Ex 1.0 at p. 24.

234 guidelines.⁷

235 **Q: Please describe any enforcement actions and ETC revocation proceedings**
236 **against Q LINK in any state.**

237 **A:** Q LINK has not been subject to any enforcement action or ETC revocation
238 proceeding in any state.

239 **Q: Please describe Q LINK's experience of providing services for which it seeks**
240 **designation to non-Lifeline customers in Illinois.**

241 **A:** Q LINK seeks ETC designation to provide wireless service to qualifying Lifeline
242 consumers in Illinois. Q LINK does not currently provide wireless service to non-
243 Lifeline customers in Illinois; however, Q LINK does currently provide wireless
244 service to both non-Lifeline and Lifeline customers in the following 22
245 jurisdictions: Arizona, Colorado, Iowa, Kansas, Kentucky, Louisiana, Maine,
246 Maryland, Michigan, Minnesota, Missouri, Nevada, Ohio, Oklahoma,
247 Pennsylvania, Rhode Island, South Carolina, Texas, Utah, Vermont, West
248 Virginia, and Wisconsin. In each of the jurisdictions where Q LINK has been
249 granted ETC designation, the state commissions have determined that Q LINK is
250 technically and financially capable of providing service. Q LINK has been
251 providing wireless service since 2011. Q LINK has a direct agreement with
252 Sprint to provide wireless service over the Sprint network. There is no reason to
253 suggest that Q LINK lacks the adequate experience to provide wireless service to
254 customers in Illinois. Q LINK management has successfully provided
255 telecommunications services in Illinois for over 15 years. Q LINK will provide
256 the same exceptional level of service to its Illinois customers as it does to its
257 customers in the 22 jurisdictions in which it operates.

⁷ *Id.*

258 **Q: Please describe how long Q LINK has been in business in Illinois.**

259 **A:** Q LINK received approval from the Illinois Secretary of State to transact business
260 in the State of Illinois on November 9, 2011. Q LINK received approval from the
261 Commission to operate as a prepaid wireless provider throughout the State of
262 Illinois in Docket No. 11-0739 on January 25, 2012. Q LINK requested ETC
263 designation from the Commission February 3, 2012; Q LINK later amended its
264 request for designation as an ETC on December 13, 2012. Q LINK will provide
265 wireless service to both non-Lifeline and Lifeline consumers in Illinois. In
266 addition, Q LINK has been providing wholesale telecommunications services in
267 Illinois since 2012.

268 Furthermore, Issa Asad and Mariane Fahmy have over 15 years of
269 experience in marketing and providing non-Lifeline telecommunications services
270 throughout the United States, including without limitation Illinois.

271 **Q: Please describe Q LINK's non-USF-sourced revenues in Illinois.**

272 **A:** Q LINK has been providing wholesale telecommunications services in Illinois
273 since 2012. In addition, Q LINK's total non-USF-sourced revenues for all
274 jurisdictions account for over 70% of its total revenues. Q LINK does not rely,
275 and will not rely, on the USF to operate.

276 **Q: Please describe Q LINK's financial capability to provide Lifeline service.**

277 **A:** Q LINK is financially capable of providing Lifeline service as required by Section
278 54.202(a)(4) of the FCC Rules. Q LINK generates substantial revenues from non-
279 Lifeline services; more than 70% of Q LINK's total revenues are generated from
280 non-Lifeline products and services. Q LINK has access to capital from its parent

281 holding company QUADRANT HOLDINGS GROUP LLC (“QUADRANT”) as
282 well as its investors. Again, the Company has never relied, and will not be
283 relying, either in Illinois or in any other state, exclusively on Lifeline
284 reimbursements for its operating revenues. As mentioned, Q LINK has been
285 designated as an ETC in 22 jurisdictions. Such ETC designations included a
286 review and determination of financial and technical capability by each respective
287 state commission. Q LINK is very well funded and has open credit lines for
288 \$5,000,000 (Five Million US). In the event that the Universal Service
289 Administrative Company (“USAC”) ceases disbursements for a period of time, Q
290 LINK will still be able to provide service to its customers. Q LINK’s Income
291 Statement for the period January through September 2013 and Balance Sheet as of
292 September 30, 2013 are attached as Q LINK Ex. 1.5. Please note that the
293 financial statements provided herewith as Q LINK Ex. 1.5 are CONFIDENTIAL
294 AND PROPRIETARY and are being filed under seal as such. Q LINK expects
295 that this information will be restricted to counsel, agents, and employees who are
296 specifically assigned to this Docket by the Commission.

297 The FCC prescribed a framework to perform financial and technical
298 capability evaluations under §54.201(h) of the FCC rules. Among the most
299 relevant considerations for such a showing would be whether the applicant
300 receives or will receive revenue from other sources. Q LINK has shown that it
301 does, and will continue to, receive revenue from other sources in servicing 22
302 other jurisdictions with its Lifeline and retail prepaid wireless service.

303 The financial and technical capability requirement was intended to

304 strengthen protections against waste, fraud, and abuse by filtering out carriers that
305 have not made a business case and are therefore more likely to commit waste,
306 fraud, and abuse of the Lifeline program. Q LINK is not one of those carriers.

307 **Q: Please explain what Staff calls a negative working capital and a negative**
308 **equity.**

309 **A:** The “negative working capital” and “negative equity” were historic accounting
310 entries that are no longer an issue as of calendar year 2013 as the underlying
311 shareholder loans have been reclassified by Q LINK’S external accounting firm
312 as paid in capital.

313 Please see Q LINK’s 2012 audit report attached hereto as Q LINK Ex. 1.6.

314 Please note that the audit report provided herewith as Q LINK Ex. 1.6 is
315 CONFIDENTIAL AND PROPRIETARY and is being filed under seal as such. Q
316 LINK expects that this information will be restricted to counsel, agents, and
317 employees who are specifically assigned to this Docket by the Commission.

318 **Q: Please comment on Q LINK’s market entry strategy in Illinois.**

319 **A:** ICC Staff alleges that Q LINK’s market entry strategy is an engineered “market
320 entry of a ‘low capability’ carrier, which, due to its inability to profitably compete
321 in Illinois independent of access to subsidies, would otherwise have remained
322 (and thus been left) outside the Illinois telecommunications market in Illinois.”⁸

323 There is no basis for this contention. Q LINK’s market entry strategy is based on
324 the consideration of various factors on how to deliver quick and efficient
325 operations to provide Illinois consumers with the best service across all
326 consumer-facing departments, e.g. advertising, marketing, enrollment, customer

⁸ ICC Staff Ex. 1.0 Direct Testimony of Dr. Qin Liu p. 49.

327 service, technical support, etc. From an operations perspective, including
328 advertising and marketing, Q LINK will launch its retail and Lifeline wireless
329 service simultaneously as it has done so successfully in 22 other jurisdictions.

330 ICC Staff seems to draw an unfounded conclusion that because a carrier
331 *has not* entered the Illinois telecommunications market that the carrier is
332 *incapable* of competing in the Illinois telecommunications market. While this is
333 not an impossible scenario, it is simply not true in the case of Q LINK. Q LINK
334 has not entered the Illinois retail wireless space yet; however, the Company is
335 both financially and technically capable to compete in the telecommunications
336 market in Illinois. Furthermore, Issa Asad has successfully marketed and serviced
337 telecommunications products and services in the state of Illinois for over 15 years.

338 **2. Wireless Operation Information**

339 **Q: Please explain what Staff notes as the reversal of non-Lifeline customer**
340 **information.**

341 **A:** Q LINK interpreted the term “non-Lifeline customers” improperly and limited its
342 response to identifying wireless customers in Illinois – for which Q LINK has
343 none. As such, Q LINK’s initial response was zero.

344 Once Q LINK realized that the term “non-Lifeline customers” only
345 excluded Lifeline customers, therefore, it should identify its wholesale customer
346 base, it took corrective action and provided its customer line count for same.

347 **Q: Please explain what Staff notes as the discrepancy in Lifeline customer**
348 **counts between the numbers provided in May 2013, the numbers provided in**
349 **July 2013, and the numbers claimed on FCC Form 497.**

350 **A:** As to the May and July 2013 customer counts, see Q LINK’s answer to the
351 question above. As to the FCC Form 497, Q LINK is not required to identify its

352 wholesale customer count and, therefore, did not include those lines on that form.

353 **Q: Please describe the credibility and capability of Q LINK's management.**

354 **A:** Q LINK's management team has extensive telecommunications and marketing
355 experience. The management team consists of Issa Asad as CEO, Paul Turner as
356 Vice President, Mariane Fahmy as COO, Ron Rechtman as CTO, and Andrew
357 Lermsider as CMO. Issa Asad has over 15 years of experience in
358 telecommunications, joining the telecommunications industry in 1996. Paul
359 Turner has over 10 years of experience in telecommunications as an attorney and
360 general counsel. Mariane Fahmy has over 15 years of experience in telecom
361 marketing and customer service. Ron Rechtman has over 12 years of technical
362 experience and interface systems development. Andrew Lermsider has over 15
363 years of experience spearheading marketing of direct to consumer products and
364 services.

365 Furthermore, Mr. Asad and Ms. Fahmy have over 15 years of experience
366 in marketing and providing non-Lifeline telecommunications services throughout
367 the United States, including without limitation Illinois.

368 As previously mentioned, Q LINK successfully operates its wireless
369 service (both retail and Lifeline) in 22 other jurisdictions. Q LINK complies with
370 all applicable FCC and state requirements regarding the provision of Lifeline
371 wireless service in those 22 jurisdictions. Q LINK timely files all applicable
372 compliance reports and remits all applicable fees and surcharges. Q LINK is
373 dedicated to compliance and the prevention of waste, fraud, and abuse of the
374 Lifeline program. *****BEG CONF***XXXXXXXXXXXXXXXXXXXXXXXXXXXX**

375 XXX
376 XXX
377 XXX
378 XXXXXXXXXXXXXXXXXXXXXXXX.***END CONF***

379 Q LINK partners with CGM, LLC (“CGM”), a third party Lifeline service
380 bureau, to edit all subsidy request data. CGM processes and validates the
381 Company’s subsidy data to prevent: (1) Duplicate Same-Month Lifeline Subsidies
382 (Double Dip): any name/address that is already receiving a Lifeline subsidy from
383 the Company will be automatically prevented from receiving a second lifeline
384 subsidy in that same month; and (2) Inactive lines receiving subsidy: CGM’s
385 systems compare all subsidy requests to underlying network status to ensure that
386 subsidies are requested only for active lines. Through this process, Q LINK
387 ensures that it does not over-request from support funds.

388 CGM is an industry leader in Lifeline compliance. At Q LINK request,
389 CGM conducted an audit of Q LINK’s enrollment, customer management, and
390 reporting processes to confirm compliance with federal and local Lifeline
391 requirements, consistent with industry standards. Attached hereto as Q LINK Ex.
392 1.7 is a copy of CGM’s Review Report. Please note that the review report
393 provided herewith as Q LINK Ex. 1.7 is CONFIDENTIAL AND
394 PROPRIETARY and is being filed under seal as such. Q LINK expects that this
395 information will be restricted to counsel, agents, and employees who are
396 specifically assigned to this Docket by the Commission.

397 CGM’s review reveals that Q LINK has a robust internal Lifeline

398 customer management system that voluntarily goes well beyond the current
399 requirements of the FCC, and those of state regulatory agencies. Q LINK's
400 systems, processes, and technology are in line with the best in the industry for
401 efficiently managing customer care, Lifeline enrollment, and Lifeline-compliant
402 operations.

403 **D. Additional Requirements / Commitments**

404 **Q: What additional reporting requirements does Staff suggest that the**
405 **Commission impose on Q LINK as an ETC in order to ensure that it**
406 **complies with its obligations and that its designation is and remains to be**
407 **consistent with the public interest, convenience, and necessity?**

408 **A:** ICC Staff notes that Q LINK should be required to comply with all FCC reporting
409 rules imposed on federally-designated ETCs. ICC Staff also notes that Q LINK
410 must comply with the Commission's reporting rules. ICC Staff suggests that Q
411 LINK should be required to submit the following information on a quarterly basis
412 within 30 days after the end of each calendar quarter in the ETC designation
413 proceeding:

- 414 • Wireless Customer Report (providing by month):
 - 415 1. the number of wireless end user customers;
 - 416 2. the number of wireless non-Lifeline end user customers;
 - 417 3. the number of wireless Lifeline end user customers; and
 - 418 4. the wireless non-Lifeline percentages.
- 419 • Wireless E911 Surcharge Report (providing by month):
 - 420 1. the total amount of wireless E911 surcharges remitted for the
 - 421 month;
 - 422 2. the list of wireless plans offered (including rates of the plans);

- 423 3. the number of wireless end user customers by wireless plan;
- 424 4. the number of wireless non-Lifeline end user customers by
425 wireless plan;
- 426 5. the number of wireless Lifeline end user customers by wireless
427 plan.

428 Finally, ICC Staff suggests as a condition for ETC designation that Q LINK
429 should also be required to commit to provide additional information upon request
430 for the showing of compliance and continued compliance with rules and laws and
431 FCC/ICC requirements and for the showing that its designation remains consistent
432 with the public interest, convenience, and necessity.

433 **Q: Will Q LINK comply with the additional reporting requirements Staff**
434 **suggests that the Commission impose?**

435 **A:** Q LINK already complies with all FCC reporting rules imposed on federally-
436 designated ETCs. Q LINK will continue to comply with all FCC reporting rules
437 imposed on federally-designated ETCs. In addition, Q LINK will comply with all
438 applicable Commission reporting rules.

439 If the Commission so orders, Q LINK will submit quarterly Wireless
440 Customer Reports and Wireless E911 Surcharge Reports as Staff suggests.
441 Furthermore, Q LINK commits to provide copies of any compliance reports filed
442 with the FCC upon request from the Commission for the showing of compliance
443 and continued compliance with rules and laws and FCC requirements. ICC
444 Staff’s suggestion that Q LINK commit to provide “additional information upon
445 request... for the showing that its designation remains consistent with the public
446 interest, convenience, and necessity” is too vague for Q LINK to make a concrete

447 commitment. Q LINK cannot commit to provide information that it does not have
448 or cannot reasonably obtain. If ICC Staff can be more specific in its suggestion to
449 the Commission to impose an additional reporting requirement, Q LINK can then
450 assess whether it can comply with that additional reporting requirement.

451 **Q: Please describe the additional commitments Q LINK pledged on pages 16-24**
452 **of its Amended Application.**

453 **A:** The additional commitments Q LINK pledged on pages 16-24 of its Amended
454 Application were taken from the Commission’s Microsoft Office Word document
455 authored, according to the documents properties, by Jeff Hoagg entitled
456 *Additional Requirements for “Low Income” Wireless ETC Designation*. A copy
457 of the document is attached hereto as Q LINK Ex. 1.8. Q LINK disagrees with
458 ICC Staff’s criticism of Q LINK’s good faith effort to pledge commitment to the
459 Commission’s own *Additional Requirements for “Low Income” Wireless ETC*
460 *Designation*. Q LINK has consistently exhibited its willingness to comply with
461 all requirements the Commission imposes on ETC-designated carriers in the State
462 of Illinois, beginning with the Company’s *sua sponte* inclusion of the
463 Commission’s *Additional Requirements for “Low Income” Wireless ETC*
464 *Designation* in its Amended Application. Any requirement within this document
465 that has since been overruled or found inconsistent with rules and regulations by
466 later-imposed FCC or ICC rules and regulations are moot.

467 **Q: Please comment on Q LINK’s commitments under Condition 5.**

468 **A:** The Amended Application replaced Q LINK’s original Application for
469 Designation as an Eligible Telecommunications Carrier in the State of Illinois
470 (“Original Application”), filed February 3, 2012. In the Amended Application Q

471 LINK pledged the following under Condition 5: “Applicant has provided the
472 following information regarding its requested ETC areas with its ETC application:
473 A. A list of exchanges in which it seeks wireless ETC designation, including but
474 not limited to the names of the exchanges and the names of the ILECs operating
475 in the exchanges. B. A map of the requested ETC service area. C. Evidence that
476 the Applicant provides supported services to wireless customers throughout the
477 requested ETC areas.” Q LINK never failed to comply with what it pledged
478 under Condition 5. Q LINK did provide a list of exchanges in which it seeks
479 wireless ETC designation, including but not limited to the names of the exchanges
480 and the names of the ILECs operating in the exchanges. Q LINK provided a map
481 of its requested ETC service area. Q LINK provided evidence that it provides
482 supported services to wireless customers throughout the requested ETC areas.

483 ICC Staff never stated that the list of exchanges and coverage maps
484 provided were not sufficient and never requested another list or more detailed
485 coverage maps. Q LINK was only made aware that the list of exchanges and
486 coverage maps were insufficient when it received Staff’s Direct Testimony of Dr.
487 Qin Liu on October 30, 2013. With the provision of the attached Q LINK Ex. 1.2
488 (list of exchanges) and Q LINK Ex. 1.3 (detailed coverage maps), Q LINK would
489 like to emphasize that its intention is always to be compliant with its
490 commitments and that the Company is willing to provide additional, appropriate
491 information in compliance with any existing Commission rules, laws and
492 regulations.

493 **Q: Please comment on Q LINK’s commitments under Condition 9.**

494 **A:** As far as the Commission’s Condition 9 in its *Additional Requirements for “Low*
495 *Income” Wireless ETC Designation*, Q LINK’s enrollment process is as follows:
496 Enrollment online.

497 The majority of Q LINK’s enrollment will be online. When enrolling via the
498 Internet, prospective customers will be able to fill out an application form online
499 and sign electronically. Q LINK will highlight the certifications that are required,
500 for example, by requiring consumers to acknowledge each certification before
501 moving on to the next field. If the applicant indicates that his/her address is a multi-
502 household residence, the online interface will require the applicant to complete the
503 one-per-household worksheet as well. Address validation via the USPS/Melissa
504 Database occurs in real-time. Q LINK will then check the National Lifeline
505 Accountability Database, once it is available; until that time, the name/address
506 combination will be input into Q LINK’s internal database to confirm that the
507 applicant is not already receiving a Lifeline subsidy from Q LINK as well as into
508 CGM’s aggregate duplicate database to confirm that the applicant is not already
509 receiving a Lifeline subsidy from any other CGM client that has agreed to share
510 their data. In cases where a state or state-approved third-party eligibility database
511 exists, Q LINK will query that database to determine eligibility. If no eligibility
512 database is available, the online interface will advise the applicant that they are
513 required to provide proof of identity verification of benefits before their Lifeline
514 service can be activated; applicants will be made aware of how to submit the
515 required documentation to the Company as well as what documentation qualifies
516 as proof of benefits. The application will be placed in a “hold” status until the

517 Company receives copies of the applicant’s proof documentation and government-
518 issued ID, at which point Q LINK will review the documentation and complete the
519 “Office Use Only” section of the application form, which must be completely filled
520 out and signed by a Q LINK employee in order to record a description about the
521 specific documentation reviewed as part of the eligibility verification process,
522 including type of documentation (e.g. Food Stamps) and a unique identifier (e.g. last
523 3 digits of document ID). Q LINK will destroy copies of proof documentation and
524 deliver phones to the eligible customers by mail. The customer’s account is
525 activated upon the customer’s authorization and activation of the Lifeline account.

526 Q LINK determines eligibility utilizing the income and program criteria
527 currently utilized by federal default states (47 C.F.R. § 54.409(a),(b)), as well as any
528 additional state-specific criteria. Prior to enrolling a new subscriber, Q LINK will
529 check the eligibility of low-income consumers first by accessing state or federal
530 social services electronic eligibility databases, where available. If a database is
531 used to establish eligibility, Q LINK will not require documentation of the
532 applicant’s participation in a qualifying federal program; instead, Q LINK will
533 note in its records what specific data was relied upon to confirm the consumer’s
534 initial eligibility for Lifeline. However, in states where there is no state
535 administrator, the state commission or other state agency is not making eligibility
536 determinations, and there is no automated means for Q LINK to check electronic
537 databases for eligibility, Q LINK will review documentation to determine
538 eligibility for new subscribers until such time as a qualifying eligibility database
539 is available. Q LINK will require acceptable documentation both for income

540 eligibility and for program eligibility. The Company will not retain copies of the
541 documentation but rather will establish policies and procedures to review such
542 documentation and keep accurate records detailing how the consumer
543 demonstrated his or her eligibility.

544 Enrollment by phone.

545 With respect to those enrolling via the phone, Q LINK is able to verbally explain
546 the Lifeline program and its eligibility requirements, including required information
547 and disclosures, as well as collect and input electronically the application form
548 information and obtain the applicant's signature via IVR. Q LINK will obtain the
549 applicant's verbal confirmation of each required certification. If the applicant
550 indicates on the application form that his/her address is a multi-household residence,
551 the applicant will be required to complete the one-per-household worksheet as
552 well. If no eligibility database is available, the applicant must provide proof of
553 identity verification of benefits before their Lifeline service can be activated;
554 applicants will be made aware of how to submit the required documentation to the
555 Company as well as what documentation qualifies as proof of benefits. The
556 Company will qualify the applicant by accessing necessary databases
557 (USPS/Melissa, duplicates database, eligibility databases). If no eligibility database
558 is available, the application will be placed in a "hold" status until the Company
559 receives copies of the applicant's proof documentation and government-issued ID, at
560 which point a Q LINK employee will review the documentation and complete the
561 "Office Use Only" section of the application form, which must be completely filled
562 out and signed by personnel in order to record a description about the specific

563 documentation reviewed as part of the eligibility verification process, including type
564 of documentation (e.g. Food Stamps) and a unique identifier (e.g. last 3 digits of
565 document ID). Q LINK will destroy copies of proof documentation and deliver
566 phones to the eligible customers by mail. The customer's account is activated upon
567 the customer's authorization and activation process.

568 Enrollment in person.

569 Q LINK has yet to begin any in-person enrollment. However, when a prospective
570 customer applies in-person, Q LINK employees will review the applicant's
571 government issued ID and will validate the address via a USPS/Melissa Database.
572 Q LINK will check the National Lifeline Accountability Database, once it is
573 available; until that time, Q LINK will input the name/address combination into
574 its internal database to confirm that the applicant is not already receiving a
575 Lifeline subsidy from Q LINK as well as into CGM's aggregate duplicate
576 database to confirm that the applicant is not already receiving a Lifeline subsidy
577 from any other CGM client that has agreed to share their data. If the applicant
578 indicates on the application form that his/her address is a multi-household
579 residence, the applicant must complete the one-per-household worksheet as well.
580 In cases where an eligibility database exists, Q LINK will query that database to
581 determine eligibility. In states where eligibility databases are not available, the
582 applicant is required to provide proof of participation in one of the Lifeline
583 eligible programs or proof that their annual household income is at or below
584 135% of the federal poverty guidelines. A Q LINK employee will review and
585 return the proof, and fill out and sign the "Office Use Only" section in order to

586 record a description about the specific documentation reviewed as part of the
587 eligibility verification process, including type of documentation (e.g. Food
588 Stamps) and a unique identifier (e.g. last 3 digits of document ID). Eligibility
589 documents are returned to the applicant after review. Finally, the Q LINK
590 employee will verbally review all certifications and disclosures with the applicant
591 before the applicant signs the application form, making sure the applicant verbally
592 acknowledges each certification before moving to the next.

593 **Q: Please comment on Q LINK’s commitments under Condition 10.**

594 **A:** As far as the Commission’s Condition 10 in its *Additional Requirements for “Low*
595 *Income” Wireless ETC Designation*, Q LINK’s re-certification process is as
596 follows:

597 Q LINK will re-certify the continued eligibility of all of its subscribers by
598 contacting them—either in person, in writing, by phone, by text message, by
599 email, or otherwise through the Internet—to confirm their continued eligibility.
600 The re-certification notice will explain the actions the customer must take to
601 retain Lifeline benefits, when Lifeline benefits may be terminated, and how to
602 contact the Company. Q LINK obtains a signed certification from the subscriber
603 that meets the certification requirements of 47 C.F.R. § 54.410(d), as amended.
604 The Company will provide written notice of impending service termination to
605 subscribers who do not respond to the annual re-certification within 30 days. Q
606 LINK understands that such certifications may be obtained through a written
607 format, an IVR system, or a text message, and will use one or more of such
608 options for its certifications.

609 Alternatively, where a database containing consumer eligibility data is
610 available, Q LINK (or state agency or third-party, where applicable) will query
611 the database and maintain a record of what specific data was used to re-certify
612 eligibility and the date of re-certification. If a subscriber's address cannot be
613 verified through the state data, Q LINK will contact the subscriber every year
614 during the annual certification process to obtain a valid address. Q LINK will
615 annually certify the continued eligibility of its entire subscriber base, either by
616 accessing a qualifying database, or by electing to have USAC administer the self-
617 certification process on the Company's behalf.

618 Q LINK will certify its compliance with Commission rules on an annual
619 Lifeline eligible telecommunications carrier certification form and when
620 submitting FCC Forms 497 to USAC for reimbursement. As part of Q LINK's
621 submission of re-certification data pursuant to 47 C.F.R. § 54.416, an officer of
622 the Company will certify annually to USAC:

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

628 (2) that the Company is in compliance with all federal Lifeline
629 certification procedures.

630 **Q: Please comment on Q LINK's commitment under Condition 13.**

631 **A:** ICC Staff notes that the Service Description supplied does not state the rates (i.e.

632 dollar amounts of the monthly charges), however there are no monthly charges to
633 Lifeline customers. Q LINK offers its Lifeline plans to qualifying Illinois
634 consumers free of charge.

635 **Q: Please comment on Q LINK's commitment under Condition 19.**

636 **A:** Again, the conditions on pages 16-24 of its Amended Application were taken
637 from the Commission's Microsoft Office Word document authored, according to
638 the documents properties, by Jeff Hoagg entitled *Additional Requirements for*
639 *"Low Income" Wireless ETC Designation*. A copy of the document is attached
640 hereto as Q LINK Ex. 1.8. Presumably the minimum standard the Commission
641 suggested in this document was that a carrier "will offer, at minimum, 30 minutes
642 of wireless customer service calls per Lifeline customer, per month, at no charge."
643 Q LINK goes beyond that minimum standard and offers all calls to Q LINK
644 Customer Service free of charge with no deduction of airtime. Q LINK does not
645 charge or deduct airtime minutes for calls to Q LINK Customer Service in any
646 jurisdiction and will not do so in Illinois.

647 **Q: Please provide a summary of Q LINK's additional commitments pledged on**
648 **pages 16-24 of its Amended Application.**

649 **A:** Q LINK's *sua sponte* inclusion of the Commission's *Additional Requirements for*
650 *"Low Income" Wireless ETC Designation* in its Amended Application was a
651 good faith effort to commit to the Commission's then-existing requirements.
652 Obviously any requirement within this document that has since been overruled or
653 found inconsistent with rules and regulations by later-imposed FCC or ICC rules
654 and regulations are moot. Again, Q LINK is willing and able to comply with all
655 applicable rules and laws and FCC/ICC requirements for ETC designation.

656 **III. Compliance with Commission Rules**

657 **Q: Please describe Q LINK's compliance record.**

658 **A:** Q LINK is in compliance with the FCC and all state regulatory authorities in all
659 22 jurisdictions in which it operates. To date, Q LINK has remitted all requisite
660 fees and filed all requisite reports with the FCC and all state regulatory authorities
661 in all 22 jurisdictions in which it operates.

662 **Q: Please describe Q LINK's ability to comply with rules and laws and**
663 **FCC/ICC requirements.**

664 **A:** Q LINK is able to and has committed to comply with all applicable rules and laws
665 and FCC/ICC requirements currently existing, with the exception of those rules
666 and laws and FCC/ICC requirements that Q LINK has sought waiver from. Q
667 LINK has complied with all applicable rules and laws and FCC/state requirements
668 existing in all other jurisdictions in which the Company operates, with the
669 exception of those rules and laws and FCC/state requirements that Q LINK has
670 been granted waiver from. There is no evidence to suggest that Q LINK is unable
671 to comply with all applicable rules and laws and FCC/ICC requirements currently
672 existing, with the exception of those rules and laws and FCC/ICC requirements
673 that Q LINK has sought waiver from.

674 **Q: Please describe Q LINK's ability to meet its wireless E911 surcharge**
675 **obligations.**

676 **A:** Q LINK will meet its wireless E911 obligations and remit a prepaid wireless
677 E911 surcharge amount of 7% per retail transaction if the point of sale is in
678 Chicago and a prepaid wireless E911 surcharge amount of 1.5% per retail
679 transaction otherwise. The surcharge amounts will be based on the retail

680 transactions and not based on the prepaid wireless E911 surcharge amounts that Q
681 LINK is able to collect from its customers as Q LINK will not be collecting these
682 surcharge amounts from its customers.

683 **Q: Please identify the Commission's service quality and customer protection**
684 **rules enumerated in 83 Administrative Code Part 736 ("Part 736") that Q**
685 **LINK commits to comply with.**

686 **A:** Q LINK commits to comply with the following rules enumerated in Part 736 for
687 as long as these rules are current, active, and applicable to Q LINK as a reseller of
688 Sprint's wireless services: 736.100, 736.105, 736.110, 736.115, 736.120,
689 736.300, 736.305, 736.310, 736.500, 736.505, 736.510, 736.515, 736.520,
690 736.525, 736.530, 736.540, 736.550, 736.555, 736.660, 736.670, 736.680,
691 736.695, 736.700, 736.705, 736.710

692 **Q: Please describe Q LINK's ability to comply with the Commission's service**
693 **quality and customer protection rules enumerated in Part 736.**

694 **A:** Q LINK has already made a commitment to comply with the rules enumerated in
695 Part 736. Q LINK has submitted its CONFIDENTIAL Sprint Agreement for ICC
696 Staff review as well as various statements from Sprint regarding compliance with
697 Part 736. Attached hereto as Q LINK Ex. 1.9 is another affidavit that Q LINK
698 will comply with the listed rules enumerated in Part 736.

699 **IV. Protection of Consumers' Interest**

700 **Q: What are Staff's concerns over Q LINK's willingness to make the necessary**
701 **effort to protect consumers' interest?**

702 **A:** ICC Staff points to an issue involving Q LINK's website which allegedly raises
703 concern over the Company's willingness to make the necessary effort to protect
704 consumers' interest and further casts doubt over the Company's credibility. Staff

705 is concerned that Q LINK is misleading consumers into wasting time and effort
706 preparing and submitting applications for services Q LINK does not yet have the
707 authority to offer, and that this waste of time does not serve the consumers'
708 interest.

709 **Q: What is the website issue Staff noted?**

710 **A:** The website issue Staff points out occurred earlier this year whereby after an
711 automated USPS update, Q LINK's system activated all jurisdictions in the drop-
712 down menu as available options to consumers to apply for Lifeline service.

713 **Q: Please explain the website issue.**

714 **A:** The issue was fixed immediately after Q LINK became aware of the problem. No
715 consumers in states where Q LINK does not yet have ETC designation were
716 misled to waste time and effort preparing applications for services Q LINK does
717 not yet have the authority to offer. Q LINK did not receive any applications from
718 any consumer in Illinois, where Q LINK does not yet have ETC designation.

719 As already explained, when the Company performed a USPS update to the
720 system, the update inadvertently activated all states and jurisdictions in the
721 website's drop-down menu as options available to customers, instead of updating
722 and activating just the states and jurisdictions in which the Company has ETC
723 designations. However, as mentioned, the issues have been resolved by the
724 Company manually deactivating from the drop-down menu all jurisdictions in
725 which the Company is still awaiting ETC designation.

726 Q LINK regrets this inadvertent system error and now manually activates
727 any new jurisdictions in the drop-down menu when the Company receives new

728 ETC designations, instead of relying on the automated method which led to the
729 system issue. The Company emphasizes that no handsets were distributed and
730 that had an applicant attempted to receive a handset and Lifeline service, the
731 applicant would not have been successful and no handset would have been
732 distributed.

733 The Company completes numerous validation checks before approving
734 any applicant and providing him/her with a handset and Lifeline service. Even if
735 an applicant had selected from the drop-down menu a state in which Q LINK was
736 not designated as an ETC *and* submitted the necessary documentation, Q LINK
737 awaits a LexisNexis ID check which would not validate for any state or
738 jurisdiction in which Q LINK does not have ETC designation. Furthermore, in
739 addition to the LexisNexis ID validation check, Q LINK awaits another validation
740 from CGM based on approved zip codes, which again would not validate since
741 the zip code would not correspond with a state or jurisdiction in which Q LINK
742 has ETC designation. CGM also checks duplicates across multiple Lifeline
743 service providers as well as an address validation check verified by Melissa Data.

744 An applicant cannot be enrolled in Q LINK's Lifeline program or shipped
745 a handset if Q LINK does not have all validation checks completed and all
746 approved documentation processed, including proof of government program
747 participation or proof of income, the LexisNexis ID check, and the zip code,
748 duplicates, and address validation checks by CGM. Q LINK's system does not
749 allow the processing of any order for shipment until all validation requirements
750 are met.

751 Q LINK understands the problem of customer confusion and the
752 importance of complying with proper validation and enrollment processes prior to
753 distributing any handsets and providing Lifeline service. Q LINK is fully
754 committed to compliance and the prevention of waste, fraud, and abuse of the
755 Lifeline program. Q LINK assures the Commission it has no intention of
756 providing Lifeline service in Illinois until it receives ETC designation. Q LINK
757 further assures the Commission that once the Company is designated as an ETC,
758 the Company will not distribute any handsets or provide Lifeline service to any
759 customer prior to the proper validation and verification of eligibility.

760 **Q: Is Q LINK willing to make the necessary effort to protect consumers’**
761 **interest?**

762 **A:** Yes. Q LINK is and has always been ready, able, and willing to make the
763 necessary effort to protect consumers’ interests.

764 **Q: Please demonstrate how Q LINK protects consumers’ interest.**

765 **A:** Q LINK believes that the first line of defense against fraud and abuse is to partner
766 with high quality channels and organizations. By emphasizing the social benefits
767 of the program and partnering with those organizations focused on the benefits to
768 their constituents, the Company believes that it can avoid potential misuse of the
769 Lifeline program. Q LINK believes in educating the consumer about the Lifeline
770 program. All Q LINK materials (including its website) contain information about
771 Lifeline and the requisite disclosures and certifications.

772 Q LINK does not market or advertise in jurisdictions in which it does not
773 have ETC designation. Q LINK does not intentionally mislead any consumer into
774 believing he/she can receive Lifeline service. No consumer can receive Lifeline

775 service from Q LINK unless Q LINK is designated as an ETC in that consumer's
776 jurisdiction and that consumer's eligibility has been verified through the
777 enrollment process described earlier in my testimony.

778 The Q LINK portal enrollment process is the only method for enrollment
779 into the Q LINK Lifeline program. Q LINK employees, not third-party agents,
780 determine and verify all applications for approval. Handsets are shipped directly
781 from the Q LINK fulfillment center to approved eligible consumers upon
782 verification of eligibility.

783 **V. Public Interest Analysis**

784 **Q: Is designation of Q LINK as an ETC consistent with the public interest,**
785 **convenience, and necessity?**

786 **A:** Yes. As it was and is in the other 22 jurisdictions in which Q LINK has been
787 approved and is operating.

788 **Q: Please demonstrate how designation of Q LINK as an ETC is consistent with**
789 **the public interest, convenience, and necessity and produces public interest**
790 **benefits to low-income consumers in Illinois.**

791 **A:** ICC Staff seems to discount the benefits of increased consumer choice and the
792 unique advantages of Q LINK's service offerings. Q LINK offers international
793 long distance calling included as part of its 68 Minute Lifeline Plan offering.
794 Many other Lifeline-only wireless providers do not include international calling
795 as part of its Lifeline Plan minutes; in fact, many Lifeline-only wireless providers
796 do not offer international calling at all, not even as an additional paid option. Q
797 LINK understands that many low-income consumers may be from other countries
798 and need to contact their families that live abroad. These Lifeline consumers
799 could capture the benefits of increased consumer choice with the addition of Q

800 LINK's offerings.

801 Additionally, unlike many other Lifeline-only wireless providers, Q LINK
802 offers 411 directory assistance free of charge. Such assistance enables consumers
803 to obtain the directory assistance needed to contact employers, healthcare
804 providers, social aid organizations, etc. This is a benefit especially to those
805 consumers that do not have the luxury of affording a smartphone with data
806 capability and internet searching functions.

807 Also unlike many other Lifeline-only wireless providers that contract with
808 third-parties, Q LINK performs all the following functions in-house: billing,
809 marketing, sales, accounting, Customer Service, representative training,
810 enrollment and verification processes, shipping, and compliance infrastructure
811 design, build, and operation. Q LINK is consumer-oriented and wants to provide
812 the best service possible to all of its customers, both retail and Lifeline. Q LINK
813 prides itself on providing technology that results in better consumer experiences
814 and customer service with its Q LINK Company Kiosks.

815 Q LINK will have electronic Company Kiosks placed at/in various retail
816 areas frequented by low-income consumers, such as shopping centers, grocery
817 stores, income assistance facilities, flea markets, etc. In addition, where possible,
818 Q LINK will place its kiosks at/near social service organizations where low-
819 income consumers frequent, such as Medicaid offices, HRS offices, food
820 distribution centers, etc. Q LINK will promptly begin contract negotiations to
821 ensure kiosk placement where it will best meet the needs of Illinois customers to
822 apply for the Lifeline program or purchase additional (retail or Lifeline) minutes.

823 There will be ample user-friendly, easy-to-read instructions both on the kiosk
824 itself as well as when the customer begins using the touchscreen interface. Kiosks
825 act as a method of advertising and outreach about Lifeline allowing customers to
826 sign up for service if they qualify. All kiosks are networked and controlled
827 automatically and electronically from Q LINK headquarters 24-hours a day.

828 In addition to that, Q LINK utilizes online marketing strategies that sets it
829 aside from other ETCs and will be able to reach those who have no access to the
830 service in the their area offering more consumer choice and coverage area.

831 **VI. Conclusion**

832 **Q: Is there anything else you would like to add to your testimony?**

833 **A:** Yes. Based on the record in this docket and the information in my foregoing
834 testimony, I would like to reiterate that Q LINK meets the requirements for
835 designation as an ETC in the State of Illinois. Accordingly, Q LINK respectfully
836 requests that the Commission grant Q LINK's Amended Application so that Q
837 LINK may commence providing Lifeline benefits to qualified low-income Illinois
838 consumers at the earliest possible time.

839 **Q: Does this conclude your testimony?**

840 **A:** Yes.

**VERIFICATION
of Rebuttal Testimony**

Verification of Issa Asad, CEO of Q LINK WIRELESS LLC

State of Florida)
)
County of Broward)

VERIFICATION

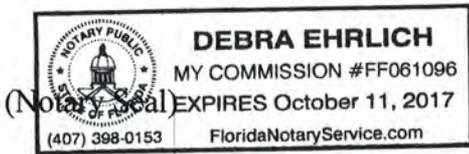
Personally appeared before the undersigned, an officer duly authorized to administer oaths, I, Issa Asad, first being duly sworn, depose and state that I am CEO of Q LINK WIRELESS LLC and do hereby declare under penalty of perjury that I have read my Rebuttal Testimony and know the contents thereof, which was filed in support of Q LINK WIRELESS LLC's Amended Application for Designation as an Eligible Telecommunications Carrier in the State of Illinois, that said contents are true in substance and in fact, except as to matters stated upon information and belief, and as to those, I believe the same to be true.

Dated: 12/11/13



Issa Asad
CEO
Q LINK WIRELESS LLC

Subscribed and sworn to before me this 11 day of December, 2013.





Notary Public

My commission expires: October 11, 2017