

July 9, 2014

Steven V. King
Secretary and Executive Director
Washington Utilities and Transportation Commission
1300 S. Evergreen Park Drive S.W.
Olympia, WA 98504-7250

**VIA UPS NEXT DAY AIR
AND E-FILE**

Re: *In the matter of the Petition of YourTel America, Inc. for an
Exemption from WAC 480-123-030(1)(d), (f) and (g), and
Designation as an Eligible Telecommunications Carrier; Compliance
Filing*
WUTC Docket No. UT-110423

Dear Mr. King:

This letter is being sent on behalf of YourTel America, Inc. (YourTel) to update the Commission about the company's marketing and business plans. Both YourTel and its affiliate, TerraCom, ceased using third parties for sales activities in July 2013. In order to more tightly control the customer application process and the company image, YourTel now only uses company employees in sales roles.

YourTel will use a two-part marketing strategy that will include both web-based and local advertising. The web advertising will direct consumers to the company website, where they may review plan options, terms and conditions, and apply for service. To complement this, YourTel will also place advertisements in local markets that will direct applicants to inbound sales representatives who will provide information on plans, eligibility, and accept applications.

YourTel will continue its best-in-class process for managing compliance, which centers on an application approval process that is managed by an "arm's length" department, whereby sales representatives are not the decision makers with respect to application approval or denial. All applications are entered into the company's sales portal, and each applicant's address is matched to USPS data and verified before the application can proceed. The applicant's identity is then verified using Lexis Nexus, and if it cannot be, the application is denied. During this process any duplicate applications are identified and denied. All applicants are required to certify agreement to the FCC guidelines governing the Lifeline program. Next, proof of government assistance must be provided (or an eligibility database queried). A customer cannot receive service until

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both the application and proof of assistance are verified and approved by the Activations Department. The Activations Audit Department then reviews all these approvals and runs additional algorithms including a further search for duplicates so as to thwart any creative attempts to circumvent the FCC rules. Any problematic applicants are researched and questions about their applications resolved or their applications are denied by the Audit Manager and team. All of these steps are completed prior to YourTel seeking any reimbursement from the Universal Service Fund. Finally, YourTel will only ship the phone to the consumer once he or she is approved and loaded into the National Lifeline Accountability Database (NLAD).

In the future YourTel still aspires to establish in Washington State both company-owned retail stores and partner-owned retail outlets that will allow consumers to pick up their phones once their applications have been approved.

Please do not hesitate to contact me if you have any questions or concerns.

Very truly yours,

ATER WYNNE LLP

A handwritten signature in black ink, appearing to read 'Arthur A. Butler', written in a cursive style.

Arthur A. Butler

cc: Jing Roth
Roger Hahn
William Weinman