

**BEFORE THE WASHINGTON STATE
UTILITIES AND TRANSPORTATION COMMISSION**

In The Matter of the Petition of)
)
SAFARI COMMUNICATIONS, INC.)
)
for Limited Designation as an)
Eligible Telecommunications Carrier)

DOCKET 07-110926
STATE OF WASH
UTIL. AND TRANSP
COMMISSION
MAY 19 AM 11:04
RECEIVED
RECORDS MANAGEMENT

**PETITION FOR LIMITED DESIGNATION AS AN
ELIGIBLE TELECOMMUNICATIONS CARRIER**

COMES NOW Safari Communications, Inc. (Safari or the Company) and makes application to the Washington State Utilities and Transportation Commission (Commission) for designation as an eligible telecommunications carrier (ETC). This application is made pursuant to 47 U.S.C. § 214(e)(1)-(2) and the rules and regulations of the Commission, specifically WAC 480-123-030 and -040. The Company requests ETC designation in the non-rural exchanges of the State of Washington.

The Company seeks ETC designation in the State of Washington as a wireless carrier only for the purpose of receiving low-income universal support (i.e., Lifeline and Link-Up support) in non-rural areas. The Company does not make application for ETC designation to offer services supported by the federal universal service fund's high-cost program. For this reason, the Company requests an exemption from the requirements of WAC 480-123-030(1)(d). The Company satisfies all of the statutory and regulatory requirements for designation as an ETC

in the requested designated service area. As explained herein, the public interest would be served by granting this petition.

Safari is a Florida-formed corporation with its principal offices located at 4915 Dorothy Avenue, Sarasota, FL 34235.

The following company contact information is provided to the Commission for complaints and/or billing dispute issues:

Safari Communications, Inc.
Tom Peltier
(941) 685-3111
4915 Dorothy Avenue
Sarasota, FL 34235

The Company commits to resolve complaints received by the Commission against the Company. The above-identified contact person will work with the Commission's Consumer Protection Division for complaint resolution.

The Company is authorized to do business in the State of Washington. See Exhibit A.

Exhibit B introduces to the Commission to key technical and managerial personnel with the knowledge and experience to perform the services for which designation is sought.

Safari Communications, Inc. is a start-up company and does not have historical financial data. A third party has made a loan to Safari that is sufficient to cover start-up operations in Washington. The loan and the financial capability of the third party is shown in Exhibit C. Exhibit C contains financial documentation evidencing the Company's ability to perform the services for which designation is sought. Because of the competitively-sensitive nature of the contents of Exhibit C, Exhibit C is confidentially-filed with the Commission.

The Company has not been designated an ETC in any jurisdictions. The Company has pending applications for designation as an ETC in the following jurisdictions: Pennsylvania, Massachusetts, Louisiana, and Illinois.

Upon designation as an ETC, the Company will provide the supported services throughout the requested designated service area and offer Lifeline and Link-Up service to qualified low-income consumers. The Company does not currently provide service in the State of Washington.

I. Authority for Designation of an ETC

Title 47 U.S.C. § 214(e)(2) of the Act provides that a state commission shall upon request designate a common carrier as an eligible telecommunications carrier (ETC) for a service area designated by the state commission. Title 47 U.S.C. § 214(e)(1) provides that an ETC shall be eligible to receive universal service support in accordance with section 254 of the Act and shall, in the service area for which the designation is received, offer the services that are supported by federal universal service support mechanisms under section 254(c), either using its own facilities

or a combination of its own facilities and resale of another carrier's services, and shall advertise the availability of such services and their costs using media of general distribution. The Federal Communications Commission has promulgated a list of the services or functionalities that shall be supported by federal universal service support mechanisms at 47 C.F.R. § 54.101.

II. The Company is a Common Carrier

The Company is regulated as a common carrier under 47 C.F.R. § 20.9(a)(10) which provides that mobile satellite service involving the provision of commercial mobile radio service (by licensees or resellers) directly to end users shall be treated as common carriage services. The Company will be providing the required services, in part, as a reseller. See Section IV.

III. The Company Shall Offer Required Services

Pursuant to 47 U.S.C. § 214(e)(1)(A) and 47 C.F.R. § 54.201(d)(1), the Company shall, throughout the service area for which designation is received, offer the services that are supported by Federal universal service support mechanisms defined in 47 C.F.R. § 54.101(a). These services are: 1) voice grade access to the public switched network; 2) local usage; 3) dual tone multi-frequency signaling or its functional equivalent; 4) single-party service or its functional equivalent; 5) access to emergency services; 6) access to operator services; 7) access to interexchange service; 8) access to directory assistance; and 9) toll limitation for qualifying low-income consumers. The Company shall provide these required services.

IV. The Company Shall Use Its Own Facilities, Or a Combination of Its Own Facilities and Resale of Another Carrier's Services

Pursuant to 47 U.S.C. § 214(e)(1)(A) and 47 C.F.R. § 54.201(d)(1) and in accordance with WAC 480-123-030(1)(b) and (c), the Company shall use its own facilities or a combination of its own facilities and resale of another carrier's services to offer the services that are supported by Federal universal service support mechanisms. The Company has entered into a capital lease agreement with a third party which enables the Company to utilize a leased switch to provide one or more of the supported services that are supported by Federal universal service support mechanisms, and which will be used in combination with a network architecture being provided from an underlying wireless provider that the Company obtains at resale. The switching facility is located at 624 S. Grand Avenue, Los Angeles, CA inside a collocation space.

V. The Company Shall Provide Service Throughout the Designated Service Area

Pursuant to 47 U.S.C. § 214(e)(1) and 47 C.F.R. § 54.201(d) and in accordance with WAC 480-123-030(1)(b), the Company shall offer the services that are supported by Federal universal service support mechanisms throughout the service area for which designation is received. In addition, the Company commits to provide service throughout its proposed designated service area to all customers making a reasonable request for service. See 47 C.F.R. § 54.202(a)(1)(i). The Company certifies that it will provide service on a timely basis to requesting customers within the Company's service area where the Company's network already passes the potential customer's premises. See 47 C.F.R. § 54.202(a)(1)(i)(A). The Company certifies that it will provide service within a reasonable period of time, if the potential customer is within the Company's licensed service area but outside its existing network coverage, if

service can be provided at reasonable cost by: 1) modifying or replacing the requesting customer's equipment; 2) deploying a roof-mounted antenna or other equipment; 3) adjusting the nearest cell tower; 4) adjusting network or customer facilities; 5) reselling services from another carrier's facilities to provide service; or 6) employing, leasing or constructing an additional cell site, cell extender, repeater, or other similar equipment. See 47 C.F.R. § 54.202(a)(1)(i)(B).

VI. The Company Will Advertise

Pursuant to 47 U.S.C. § 214(e)(1)(B) and 47 C.F.R. § 54.201(d)(2), the Company shall advertise the availability of the services that are supported by Federal universal service support mechanisms and the charges for such services using media of general distribution.

The Company will advertise, among other means, via newspaper, mail circular, and radio and target residential customers with its advertising efforts. The Company will advertise in accordance with Commission rules.

VII. The Company Shall Make Available Lifeline and Link up Service

Pursuant to 47 C.F.R. § 54.405 and 47 C.F.R. § 54.411(d) and in accordance with WAC 480-123-030(1)(e), the Company shall make available Lifeline and Link Up service to qualifying low-income consumers and publicize the availability of Lifeline and Link Up service in a manner reasonably designed to reach those likely to qualify for the service. The Company's proposed Lifeline and Link Up service offerings are identified and described in Section XV. The Company will make a concerted effort to notify municipal, state, and federal governmental agencies whose clientele may likely benefit the most from having the Company designated as an

ETC by the Commission. Exhibit D contains sample planned advertising. In addition, the Company may advertise, among other means, via newspaper, mail circular, and radio and target residential customers with its advertising efforts. The Company will advertise in accordance with Commission rules.

VIII. Service Area for Which Designation Is Requested

In accordance with WAC 480-123-030(1)(a), the Company requests ETC designation in the non-rural exchanges in the State of Washington.

The Company does not have access to the existing and planned locations of cell sites and CMRS service signals of the underlying carrier from whom the Company purchases services for resell. For this reason, the Company requests an exemption from the requirements of WAC 480-123-030(1)(f).

IX. Emergency Situations

Pursuant to 47 C.F.R. § 54.202(a)(2), a carrier seeking ETC designation must demonstrate its ability to remain functional in emergency situations, including a demonstration that it has a reasonable amount of back-up power to ensure functionality without an external power source, is able to reroute traffic around damaged facilities, and is capable of managing traffic spikes resulting from emergency situations.

Since the Company is providing service to its customers through the use of facilities obtained from other carriers, this arrangement allows the Company to provide to its customers

the same ability to remain functional in emergency situations as currently provided by the carriers to their own customers, including access to a reasonable amount of back-up power to ensure functionality without an external power source, rerouting of traffic around damage facilities, and the capability of managing traffic spikes resulting from emergency situations. For this reason, the Company requests an exemption from the requirements of WAC 480-123-030(1)(g).

X. Consumer Protection and Service Quality Standards

Pursuant to 47 C.F.R. § 54.202(a)(3), a carrier seeking ETC designation must demonstrate that it will satisfy applicable consumer protection and service quality standards. In accordance with WAC 480-123-030(1)(h), the Company commits to comply with the Cellular Telecommunications and Internet Association's Consumer Code for Wireless Service as identified and referenced in WAC 480-123-999.

XI. Designation of the Company as an ETC Is in the Public Interest

Designation of the Company as an ETC would be in the public interest. Competition furthers the goals of telecommunications service and provides the consumer with a greater choice of providers and service choices, which will in turn result in market-driven prices and quality. Granting the Company ETC status would advance principles of customer service by providing increased competition and is therefore in the public interest. In addition, as a wireless provider, the Company can often serve a larger local calling area than a traditional wireline provider and afford the customer the convenience of telephony mobility.

The designation of the Company as an ETC will offer Lifeline-eligible customers a greater choice of providers for accessing telecommunications services not available to such customers today and should likely expand participation of qualifying customers in the Lifeline program.

XII. 5-Year Plan

Pursuant to 47 C.F.R. § 54.202(a)(1)(ii), a carrier seeking ETC designation must submit a five-year plan that describes proposed improvements or upgrades to the Company's network on a wire center-by-wire center basis. Because the Company seeks ETC designation solely for purposes of reimbursement for provision of subsidized Lifeline and Link Up services to eligible customers, submission of a five-year plan is not required at this time.

XIII. Local Usage Plan

Pursuant to 47 C.F.R. § 54.202(a)(4), a carrier seeking ETC designation must demonstrate that it offers a local usage plan comparable to the one offered by the incumbent LEC in the service areas for which it seeks designation. The Company's offering of local usage plans will be comparable to or exceed the underlying ILEC plans. See Section XV.

XIV. Summary of Offering

The Company identifies and provides to the Commission the following description of each of the Company's service offerings (i.e., calling plans) that will qualify for federal universal service support (the name the plan is marketed under, the number of minutes and included calling area, and the price).

Lifeline

Under the Company's wireless Lifeline plan, the Company will provide qualified Lifeline customers who reside in the service area with 100 minutes of free anytime local and long distance minutes each month and will use all low-income universal service support to allow the Company to provide the service with no monthly recurring charge, thus ensuring that the consumer receives 100% of all universal service support funding for which the Company will seek reimbursement from the Universal Service Fund necessary to provide the free minutes of airtime above. In the event that all airtime has been used, Lifeline Customers will have the ability to purchase additional time. Current pricing ranges from 35 minutes at \$5.00 to 700 minutes at \$50. Customers can purchase additional minutes by calling into customer service and paying for minutes using a debit or credit card.

The wireless plan will also include a free handset and the following Custom Calling features:

- (1) Caller ID;
- (2) Call Waiting;
- (3) Call Forwarding;
- (4) 3-Way Calling
- (5) Voicemail.

Wireless handsets will be delivered at no charge to qualifying customers, service will be activated, and the requisite number of minutes will be added upon certification of the customer for Lifeline and Link-Up.

Link Up

Under 47 C.F.R. § 54.411(a)(1), Link Up is an assistance program for qualifying low-income consumers that an ETC shall offer as part of the provision of services supported by the federal universal service support mechanism and consists of a reduction in the carrier's customary charge for commencing telecommunications service for a single telecommunications connection at a consumer's principal place of residence. The reduction shall be half of the customary charge or \$30.00, whichever is less. The Company will be reducing its activation charge by \$30.00. The company will give a \$30 promotional discount to offset the remaining balance on the connection fee.

XV. Equal Access

Pursuant to 47 C.F.R. § 54.202(a)(5), the Company certifies that it may be required to provide equal access to long distance carriers in the event that no other ETC is providing equal access within the service area.

XVI. Consumer Certification

Consistent with 47 C.F.R. § 54.409, the Company shall obtain a consumer's signature on a document under penalty of perjury that the consumer receives benefits under an approved assistance program or that the consumers' household meets applicable income requirements; and that the consumer will notify the Company if the consumer ceases participation in a program or his income criteria exceeds approved thresholds. The Company shall obtain this certification annually and shall put in place quality control mechanisms to ensure that only eligible consumers are participating in Lifeline and Link Up.

XVII. Annual Reporting Requirements

The Company shall comply with all annual reporting requirements for designated ETCs listed in 47 C.F.R. § 54.209, as applicable. In addition, the Company will annually report to the Commission all USF funding received and the amount of subsidization provided to Lifeline and Link-Up customers.

XVIII. Verification


In accordance with WAC 480-123-030(2), the Company submits this petition in the manner required by RCW 9A.72.085. See signed verification below.

XIX. Conclusion

WHEREFORE, PREMISES CONSIDERED, the Company respectfully requests designation as an ETC for purposes of receiving federal universal service support; that the Commission grant this petition in accordance with WAC 480-123-040; that the Commission waive the hearing for this matter if the Company and other parties to this proceeding achieve a settlement; that the Commission send appropriate notice of the Final Order to the Federal Communications Commission; and that the Commission issue such other orders as are deemed necessary in this matter.

Respectfully submitted,

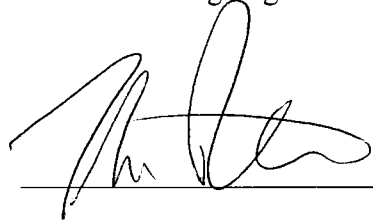
Mark Foster
Attorney at Law
707 West Tenth Street
Austin, Texas 78701
(512) 708-8700

By: 

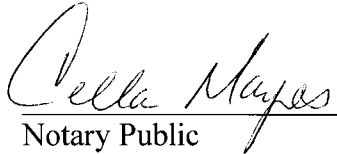
Mark Foster
State Bar No.
Attorney for Safari Communications, Inc.

VERIFICATION

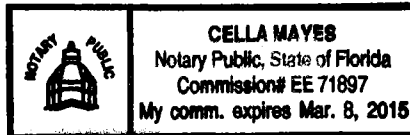
I, Tom Peltier, first being duly sworn, hereby state that I am President of Safari Communications, Inc., that I am authorized to make this verification on behalf of Safari Communications, Inc., that I have read the foregoing petition for limited designation as an eligible telecommunications carrier, that I have knowledge of the facts stated therein, and that the same are true and correct to the best of my knowledge, information and belief. I certify under penalty of perjury under the laws of the State of Washington that the foregoing statement is true and correct.



Subscribed and sworn before me this 16th day of May, 2011 in _____, _____.



Notary Public



LIST OF EXHIBITS

Exhibit A	Authorization to do Business in the State of Washington
Exhibit B	Key Managerial and Technical Personnel
Exhibit C (Confidential)	Financial Documentation
Exhibit D	Sample Lifeline/Link Up advertisement

Exhibit A
Authorization to do Business in the State of Washington

UNITED STATES OF AMERICA

The State of Washington



Secretary of State

I, SAM REED, Secretary of State of the State of Washington and custodian of its seal, hereby issue this

CERTIFICATE OF AUTHORITY

to

SAFARI COMMUNICATIONS, INC.

a/an FL Profit Corporation. Charter documents are effective on the date indicated below.

Date: 5/9/2011

UBI Number: 603-111-625

APPID: 2031323



Given under my hand and the Seal of the State of Washington at Olympia, the State Capital

Handwritten signature of Sam Reed in cursive script.

Sam Reed, Secretary of State

Exhibit B
Key Managerial and Technical Personnel

Thomas Peltier
4915 Dorothy Avenue
Sarasota, Florida
34235
941-685-3111
SafariTom@aol.com

Objective

To own and operate a professional, successful Competitive Local Exchange Carrier.

Qualifications

Motivated, personable professional with a talent for quickly mastering technology useful to the average Competitive Local Exchange Carrier (CLEC), such as AT&T LENS programs, Quickbooks and Call Queue software.

Diplomatic and tactful with professionals and non-professionals at all levels.

Experienced in Accounting- maintaining accurate profit and loss, fiscal planning and budgeting funds per department based off previous budget and future projections.

Accustomed to handling sensitive, confidential records- demonstrated history of producing accurate, timely reports, meeting strict deadlines, and maintaining relationships across several vendors.

Flexible and versatile – able to maintain a tactful, calm environment under pressure.

Competent with demonstrated ability to easily transcend cultural differences.

Thrive in deadline-driven environments with excellent team-building skills.

Education

(PARAMEDIC DEGREE HERE)

CENTRAL FLORIDA COMMUNITY COLLEGE – OCALA, FL

Associate of Arts Degree, 2001

GPA: 3.9/4.0

J. SERGEANT REYNOLDS COMMUNITY COLLEGE – RICHMOND, VA

GPA: 4.0/4.0 Law Enforcement Certification

DOUGLAS FREEMAN HS – OCALA, FL

High School Diploma, 1993

GPA: 3.85/3.9

Relevant Experience

THE BUTLER COMPANY, INC – Florida statewide Territory Manager, 1999 to 2004

Management of all aspects of operation to include: Facility rental/maintenance, employee scheduling for busy office averaging 50+ employees, finances related to accounts payable/receivable, invoicing, billing, budgeting.

Supervision of a total of six departments: Customer Service, Administration, Human Resources, Accounting, Marketing, and Compliance

Preparation of complex reports for company owners, showing profit and loss, company summaries, accounts gained and lost, meeting all requirements and tight deadlines.

HI-TECH COMMUNICATIONS– Ocala, FL. General Manager, 1996 to 2000

Assisted with launch of a thriving business, building substantial revenue in a 4 year period of time with minimal overhead.

Created special promotions, create bill inserts, market referrals- communicating with Billing Company and Marketing specialists.

Developed successful customer focused marketing campaigns exceeding the previous average of return and an increased customer base by 20%

Created Relationships with many vendors useful to the average cellular telephone/paging system provider.

Facilitated Time Tasks to track employee workload and adequately staff, ensured employee time clocks with accurate hours reported.

Timely handling of all Public Service Commission Complaints, Better Business Bureau Complaints.

Managed and delegated customer Call Queue to timely response to customer calls and reduced hold time.

Other Experience

(PARAMEDIC INFO HERE)

References Available Upon Request

Exhibit C
Financial Documentation
(Confidential)

Exhibit D
Sample Lifeline/Link Up advertisement



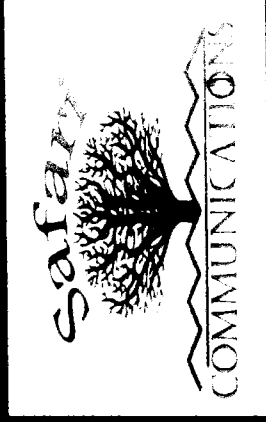
**CAN YOUR
LOVED ONES
CALL YOU
WHEN YOU'RE
NEEDED?**

Call or visit us online:
866-344-6249
www.SafariCommunications.com

YOU'RE QUALIFIED if you receive:

Medicaid Food, Stamps Supplemental Security Income (SSI),
Federal Public Housing (HUD / Section 8), Temporary
Assistance to Needy Families (TANF), Low Income Home Energy
Assistance Plan (LIHEAP), Below Federal Poverty Level, OR
Temporary Cash Assistance

100 FREE MINUTES MONTHLY
Extra Plans available :
35 minutes \$5
75 minutes \$10
100 minutes \$13.50
160 minutes \$20
270 minutes \$30
700 minutes \$50



**CARING MOTHERS DESERVE TO BE REACHED,
WIRELESS FOR HOPE IS HERE FOR YOU.**

*Being there when you're needed is a necessity
and Safari Communications offers
government assistance.*

YOU QUALIFY

if you receive:

- Medicaid (Non-Medicare)
- Food Stamps
- Supplemental Security Income (SSI)
- Federal Public Housing (HUD/Section 8)
- Temporary Assistance to Needy Families (TANF)
- Low Income Home Energy Assistance Plan (LIHEAP)
- National School Free Lunch Program



866-344-6249

www.SafariCommunications.com

Plans	
35 minutes	\$5
75 minutes	\$10
100 minutes	\$13.50
160 minutes	\$20
270 minutes	\$30
700 minutes	\$50

**WE ALL WERE RELIEVED
WHEN HE CALLED ON HIS CELL PHONE.**
*Calling for help when you're stranded is a necessity
 and Safari Communications offers
 government assistance.*

YOU QUALIFY

if you receive:

- Medicaid (Non-Medicare)
- Food Stamps
- Supplemental Security Income (SSI)
- Federal Public Housing (HUD/Section 8)
- Temporary Assistance to Needy Families (TANF)
- Low Income Home Energy Assistance Plan (LIHEAP)
- National School Free Lunch Program



866-344-6249

www.SafariCommunications.com

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**BEFORE THE WASHINGTON STATE
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In The Matter of the Petition of) **DOCKET** _____
)
SAFARI COMMUNICATIONS, INC.)
)
for Limited Designation as an)
Eligible Telecommunications Carrier)

CLAIM OF CONFIDENTIALITY

COMES NOW Safari Communications, Inc. (Safari or the Company) and files its claim of confidentiality and in support of which shows:

On May 18 2011, Safari Communications, Inc. filed an Application for a Designation as an Eligible Telecommunications Carrier from the Washington State Utilities and Transportation Commission (Commission). At Exhibit C pertaining to financial capability, Applicant provides a Promissory Note between the Applicant and a third party together with the most recent financial statements of that third party. These documents from the business records of Safari Communications, Inc. and the third party have not previously been disclosed publicly. Disclosure of such information could be competitively damaging to Safari Communications, Inc. and the third party and, therefore, disclosure would not be in the public interest.

WHEREFORE, PREMISES CONSIDERED, Applicant prays that the financial information of Safari Communications, Inc., filed with this pleading, be granted protective treatment.

Respectfully submitted,

Mark Foster
Attorney at Law
707 West Tenth Street
Austin, TX 78701
(512) 708-8700
(512) 697-0058/fax

By: Mark Foster /K.O.
Mark Foster
Texas Bar No. 07293850
mark@mfoosterlaw.com
Attorney for Safari Communications, Inc.

Redacted Version Pursuant
to WAC 480-07-160

THIS IS A BALLOON NOTE AND THE FINAL PAYMENT OR THE BALANCE DUE UPON MATURITY
[REDACTED] TOGETHER WITH ACCRUED INTEREST, IF ANY, AND ALL ADVANCEMENTS MADE BY
THE MAKERS UNDER THE TERMS OF THIS NOTE.

PROMISSORY NOTE

Principal Amount	Loan Date	Maturity	Loan No.	Rate	Account
[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]

Borrower:

Lender:

Principal Amount: [REDACTED]

THIS PROMISSORY NOTE (the "Note") is entered into this [REDACTED] day of [REDACTED] by and between [REDACTED], a Florida corporation, having an address of [REDACTED] (whether one or more, the "Borrower" and, if more than one, the expression "Borrower" shall mean all borrowers and each of them jointly and severally), in favor of [REDACTED] corporation, having an address of [REDACTED] (the "Lender").

FOR VALUE RECEIVED, Borrower, jointly and severally, if more than one, unconditionally promises to pay to the order of Lender (or any subsequent holder hereof or any interest herein), at [REDACTED] or at such other place as the Lender may from time to time designate in writing, without grace, the principal sum of [REDACTED] or so much thereof as shall have been advanced hereunder, together with interest on the unpaid principal balance from time to time outstanding in accordance with the following provisions:

(a) "Interest Rate" shall mean a Five [REDACTED] Percent fixed rate of interest.

(b) This Note shall bear interest at the Interest Rate. The entire outstanding principal balance of this Note, together with all accrued interest thereon, as well as all other costs associated with the indebtedness evidenced hereby, shall be due and payable in full on [REDACTED] ("Maturity Date").

(c) The Interest Rate is not necessarily the lowest rate charged by Lender on its loans. Borrower understands that Lender may make loans based on other rates as well. Lender will advise Borrower of the current Prime Rate upon Borrower's request. The annual interest rate for this Note is computed on a [REDACTED] basis; that is, by applying the ratio of the Interest Rate over a year of 360 days, multiplied by the outstanding principal balance, multiplied by the actual number of days the principal balance is outstanding. Under no circumstances will the effective rate of interest on this Note be more than the maximum rate allowed by applicable law.

If any payment hereunder is due on a date which is not a Business Day (as defined below), the due date therefor shall be extended to the next succeeding Business Day, and interest shall be payable at the then applicable rate during such extension. Unless otherwise agreed or required by applicable law, all payments hereunder shall be first applied to late fees or other charges due hereunder, then interest and the balance, if any, to principal. Payments must be made in legal tender of the United States of America in good, collected funds at the place of payment. Any payment received after [REDACTED] m. (place of payment time) shall be credited on the next succeeding Business Day. "Business Day" shall mean any day other than a Saturday, Sunday or any other day on which national banks located in Ocala, Florida, are not open for business.

Any payment which is not made within [REDACTED] of when due, shall be assessed a "late charge" of five percent [REDACTED] of such payment, which shall be immediately due and payable to Lender.

Borrower agrees that all loan fees and other prepaid finance charges are earned fully as of the date of the loan and will not be subject to refund upon early payment (whether voluntary or as a result of default), except as otherwise required by law. Except for the foregoing, Borrower may pay without penalty all or a portion of the amount owed earlier than it is due. Early payments will not, unless agreed to by Lender in writing, relieve Borrower of Borrower's obligation to continue to make payments under the payment schedule. Rather, early payments will reduce the principal balance due. Borrower agrees not to send Lender payments marked "paid in full", "without recourse", or similar language. If Borrower sends such a payment, Lender may accept it without losing any of Lender's rights under this Note, and Borrower will remain obligated to pay any further amount owed to Lender. At least once each month the Lender shall render a statement of account, which statement shall be considered correct and accepted by the Borrower and conclusively binding upon the Borrower unless it notifies the Lender to the contrary within thirty (30) days of the tender of such statement by the Lender to the Borrower. All written communications concerning disputed amounts, including any check or other payment instrument that indicates that the payment constitutes "payment in full" of the amount owed or that is tender with other conditions or limitations or as full satisfaction of a disputed amount must be mailed or delivered to: [REDACTED]

[REDACTED] 1.

This Note is intended to evidence revolving credit to be extended to the Borrower from time to time upon Borrower's written request therefore as and when the same may be approved by the Lender in its sole and absolute discretion. The outstanding principal balance of this Note may increase and decrease from time to time and proceeds hereof may be advanced, repaid and reborrowed, in increments of no less than [REDACTED] but the outstanding principal balance hereof shall never exceed a total of [REDACTED]. Notwithstanding the foregoing to the contrary, the Lender shall not be obligated to make any advances under this Note.

Borrower, any endorser, any guarantor hereof or any other party hereto (individually, an "Obligor" and collectively, "Obligors") and each of them jointly and severally: (a) waive presentment, demand, protest, notice of demand, notice of intent to accelerate, notice of acceleration

of maturity, notice of protest, notice of nonpayment, notice of dishonor, and any other notice required to be given under the law to any Obligor in connection with the delivery, acceptance, performance, default or enforcement of this Note, any endorsement or guaranty of this Note, or any other documents executed in connection with this Note or any other note or other Loan Documents: (b) consent to all delays, extensions, renewals or other modifications of this Note or the Loan Documents, or waivers of any term hereof or of the Loan Documents, or release or discharge by Lender of any of Obligors, or release, substitution or exchange of any security for the payment hereof, or the failure to act on the part of Lender, or any indulgence shown by Lender (without notice to or further assent from any of Obligors), and agree that no such action, failure to act or failure to exercise any right or remedy by Lender shall in any way affect or impair the obligations of any Obligors or be construed as a waiver by Lender of, or otherwise affect, any of Lender's rights under this Note, under any endorsement or guaranty of this Note or under any of the loan documents; and (c) agree to pay, on demand, all costs and expenses of collection or defense of this Note or of any endorsement or guaranty hereof and/or the enforcement or defense of Lender's rights with respect to, or the administration, supervision, preservation, protection of, or realization upon, any property securing payment hereof, including, without limitation, attorneys' and paralegals' fees, including fees related to any suit, mediation or arbitration proceeding, out of court payment agreement, trial, appeal, bankruptcy proceedings (including without limitation seeking relief from the stay of 11 U.S.C. §362 and limiting the use of cash collateral under 11 U.S.C. §363), receivership, or other proceeding, in such amount as may be determined reasonable by any arbitrator or court, which ever is applicable. Any award or payment of attorneys' or paralegal's fees hereunder or by order of a court of competent jurisdiction shall include as a part thereof any and all sales or use taxes imposed thereon by any appropriate governmental authority.

Any one or more of the following shall constitute an "**Event of Default**" hereunder: (a) the failure to make any payment of principal and/or interest under this Note or any other obligation of any Obligor to Lender within ten (10) days of when due (whether upon regular payment, demand, at maturity or by acceleration); (b) the failure to pay or perform any other obligation, liability or indebtedness of any Obligor to any other party; (c) if any representation or warranty of any Obligor proves to be untrue or misleading in any material respect when made or furnished; (d) default shall occur in the performance of any of the covenants or agreements of any Obligor contained in this Note, and such default shall continue uncured to the reasonable satisfaction of Lender for a period of thirty (30) days after written notice thereof from Lender to Borrower, or such other lesser or greater period of time, if any, with or without notice as specifically set forth in the applicable document or instrument; (e) the commencement of a proceeding by or against any Obligor for dissolution or liquidation, the voluntary or involuntary termination or dissolution of any Obligor or the merger or consolidation of any Obligor with or into another entity; (f) the insolvency of, the business failure of, the appointment of a custodian, trustee, liquidator or receiver for or for any of the property of, the assignment for the benefit of creditors by, or the filing of a petition under bankruptcy, insolvency or debtor's relief law or the filing of a petition for any adjustment of indebtedness, composition or extension by or against any Obligor; (g) the death or legal incapacity of any Obligor who is a natural person, *unless, however*, in the case of a guarantor only, within ninety (90) days from the date of death or incapacity of such Obligor (or such earlier date by which Holder would be barred from asserting a claim under this Note or such Obligor's guaranty in any probate proceeding as to such deceased Obligor or such Obligor's estate), a substitute guarantor or guarantors having a reputation, financial standing, liquid assets, net worth and

income satisfactory to, and approved in writing by, Lender, in its sole and absolute discretion, shall have (1) executed and delivered to Lender a written guaranty agreement or agreements in form and substance as then required by Lender and (2) paid all costs, including without limitation Lender's attorneys' fees, incurred by Lender in the preparation of such substitute guaranty agreement or agreements; (h) the failure of any Obligor to timely deliver such financial statements, including tax returns, other statements of condition or other information, as Lender shall request from time to time; (i) the entry of a judgment against any Obligor which Lender deems to be of a material nature, in Lender's sole discretion, which is not released or satisfied within ten (10) days of the entry thereof; (j) the seizure or forfeiture of, or the issuance of any writ of possession, garnishment or attachment, or any turnover order for any property of any Obligor; (k) the determination by Lender that it is insecure for any reason; (l) the determination by Lender that a material adverse change has occurred in the financial condition of any Obligor; or (m) the failure of Borrower's business to comply with any law or regulation controlling its operation.

Upon the occurrence of an Event of Default, Lender shall have the optional right to (a) accelerate and declare as immediately due and payable in full the entire balance (principal, interest and all other charges due hereunder) outstanding hereunder and all other obligations of any Obligor to Lender (however acquired or evidenced) and any obligation of Lender to permit further borrowing under this Note shall immediately cease and terminate and or (b) to the extent permitted by law, the rate of interest on the unpaid principal shall be increased at Lender's discretion up to the Maximum Rate (as defined below), or if there shall cease to be a Maximum Rate at a simple interest rate of 18% per annum (the "**Default Rate**"). The provisions herein for a Default Rate shall not be deemed to extend the time for any payment hereunder or to constitute a "grace period" giving Obligors a right to cure any default. At Lender's option, any accrued and unpaid interest, fees or charges may, for purposes of computing and accruing interest on a daily basis after the due date of the Note or any installment thereof, be deemed to be a part of the principal balance, and interest shall accrue on a daily compounded basis after such date at the Default Rate provided in this Note until the entire outstanding balance of principal and interest is paid in full. Lender is hereby authorized at any time to set off any charge against any deposit accounts of any Obligor, as well as any money, instruments, securities, documents, chattel paper, credits, claims, demands, income and any other property, rights and interests of any Obligor which at any time shall come into the possession or custody or under the control of Lender or any of its agents, affiliates or correspondents, without notice or demand, any and all obligations due hereunder. Additionally, Lender shall have all rights and remedies available at law or in equity. Any judgment rendered on this Note shall bear interest at the highest rate of interest permitted pursuant to Chapter 687.

The failure at any time of Lender to exercise any of its options or any other rights hereunder shall not constitute a waiver thereof, nor shall it be a bar to the exercise of any of its options or rights at a later date. All rights and remedies of Lender shall be cumulative and may be pursued singly, successively or together, at the option of Lender. The acceptance by Lender of any partial payment shall not constitute a waiver of any default or of any of Lender's rights under this Note. No waiver of any of its rights hereunder, and no modification or amendment of this Note, shall be deemed to be made by Lender unless the same shall be in writing, duly signed on behalf of Lender; each such waiver shall apply only with respect to the specific instance involved, and shall in no way

impair the rights of Lender or the obligations of Obligor to Lender in any other respect at any other time.

This Note and the rights and obligations of Borrower and Lender shall be governed by and interpreted in accordance with the law of the State of Florida. In any litigation in connection with or to enforce this Note or any endorsement or guaranty of this Note, each Obligor irrevocably consents to and confers personal jurisdiction on the courts of the State of [REDACTED] or the United States located within the State of [REDACTED] and expressly waives any objections as to venue in any such courts. Nothing contained herein shall, however, prevent Lender from bringing any action or exercising any rights within any other state or jurisdiction or from obtaining personal jurisdiction by any other means available under applicable law.

Notwithstanding anything contained in this Note to the contrary, Lender shall never be deemed to have contracted for or be entitled to receive, collect or apply as interest on this Note, any amount in excess of the amount permitted and calculated at the Maximum Rate, and, in the event Lender ever receives, collects or applies as interest any amount in excess of the amount permitted and calculated at the Maximum Rate, such amount which would be excessive interest shall be applied to the reduction of the unpaid principal balance of this Note, and, if the principal balance of this Note is paid in full, any remaining excess shall forthwith be paid to Borrower. In determining whether or not the interest paid or payable under any specific contingency exceeds the Maximum Rate, Borrower and Lender shall, to the maximum extent permitted under applicable law, (i) characterize any non-principal payment (other than payments which are expressly designated as interest payments hereunder) as an expense, fee, or premium, rather than as interest, (ii) exclude voluntary prepayments and the effect thereof, and (iii) spread the total amount of interest throughout the entire contemplated term of this Note. The term "**Maximum Rate**" shall mean, as to Lender, the maximum nonusurious interest rate, if any, that at any time, or from time to time, may be contracted for, taken, reserved, charged, or received on the indebtedness evidenced by this Note under the laws which are presently in effect of the United States and the State of Florida applicable to Lender and such indebtedness or, to the extent permitted by applicable law, under such applicable laws of the United States and the State of [REDACTED] which may hereafter be in effect and which allow a higher maximum nonusurious interest rate than applicable laws now allow.

To the extent permitted by applicable law, Lender reserves a right of setoff in all Borrower's accounts with Lender (whether checking, savings, or some other account). This includes all accounts Borrower holds jointly with someone else and all accounts Borrower may open in the future. However, this does not include any IRA or Keogh accounts, or any trust accounts for which setoff would be prohibited by law. Borrower authorizes Lender, to the extent permitted by applicable law, to charge or setoff all sums owing on the indebtedness against any and all such accounts, and, at Lender's option, to administratively freeze all such accounts to allow Lender to protect Lender's charge and setoff rights provided in this paragraph.

Time is of the essence hereunder.

In this Note, whenever the context so requires, the neuter gender includes the feminine and or masculine, as the case may be, and the singular number includes the plural.

BORROWER BY ITS EXECUTION HEREOF KNOWINGLY, VOLUNTARILY AND INTENTIONALLY WAIVES, FOR ITSELF AND ITS HEIRS, SUCCESSORS AND ASSIGNS, ANY RIGHT WHICH IT MAY HAVE TO A TRIAL BY JURY IN RESPECT TO ANY LITIGATION, ACTION, SUIT OR PROCEEDING (WHETHER AT LAW OR IN EQUITY) BASED ON THIS NOTE OR ARISING OUT OF, UNDER OR IN CONNECTION WITH ANY OF THE TRANSACTIONS PROVIDED IN THIS NOTE, OR ANY COURSE OF CONDUCT, COURSE OF DEALING (WHETHER ORAL OR WRITTEN) OR ACTIONS OF ANY PARTY OR THEIR RESPECTIVE OFFICERS, PRINCIPALS, PARTNERS, EMPLOYEES, AGENTS OR REPRESENTATIVES IN CONNECTION WITH THE SUBJECT MATTER OF THIS NOTE, WHETHER ARISING IN CONTRACT, TORT OR OTHERWISE AND WHETHER ASSERTED BY WAY OF COMPLAINT, ANSWER, CROSS-CLAIM, COUNTERCLAIM, AFFIRMATIVE DEFENSE OR OTHERWISE. BORROWER SHALL NOT SEEK TO CONSOLIDATE ANY SUCH LITIGATION, ACTION, SUIT OR PROCEEDING IN WHICH A JURY TRIAL CANNOT BE OR HAS NOT BEEN WAIVED WITH ANY OTHER ACTION IN WHICH A JURY TRIAL HAS BEEN WAIVED. THIS PROVISION IS A MATERIAL INDUCEMENT TO LENDER'S ACCEPTANCE OF THIS NOTE.


PRIOR TO SIGNING THIS NOTE, BORROWER READ AND UNDERSTOOD ALL THE PROVISIONS OF THIS NOTE, INCLUDING THE INTEREST RATE PROVISIONS. BORROWER AGREES TO THE TERMS OF THE NOTE.


BORROWER ACKNOWLEDGES RECEIPT OF A COMPLETED COPY OF THIS PROMISSORY NOTE.

BORROWER:

[Handwritten signature]



THIS IS A BALLOON NOTE AND THE FINAL PAYMENT OR THE BALANCE DUE UPON MATURITY IS , TOGETHER WITH ACCRUED INTEREST, IF ANY, AND ALL ADVANCEMENTS MADE BY THE MAKERS UNDER THE TERMS OF THIS NOTE.

 Documentary Stamp Tax
Florida documentary stamp tax in the amount required by law is payable with respect to this Note.

Redacted version Pursuant
to WAC 480-07-160

February 4, 2011

To the Board of Directors of
[REDACTED]

We have compiled the accompanying statement of assets, liabilities & equity-income tax basis of [REDACTED] as of December 31, 2010 and the related statements of revenues and expenses-income tax basis for the 12 Months then ended, in accordance with Statements on Standards for Accounting and Review Services issued by the American Institute of Certified Public Accountants. These financial statements have been prepared on the accounting basis used by the company for income tax purposes, which is a comprehensive basis of accounting other than generally accepted accounting principles.

A compilation is limited to presenting in the form of financial statements information that is the representation of management. We have not audited or reviewed the accompanying financial statements and, accordingly, do not express an opinion or any other form of assurance on them.

Management has elected to omit substantially all of the disclosures and the statement of retained earnings-income tax basis ordinarily included in financial statements prepared on the income tax basis of accounting. If the omitted disclosures and the statement of retained earnings-income tax basis were included in the financial statements, they might influence the user's conclusions about the Company's assets, liabilities, equity, revenues and expenses. Accordingly, these financial statements are not designed for those who are not informed about such matters.

The Company, with the consent of its shareholders, has elected under the Internal Revenue Code to be an S corporation. In lieu of corporation income taxes, the shareholders of an S corporation are taxed on their proportionate share of the company's taxable income. Therefore, no provision or liability for federal income taxes has been included in these financial statements.

We are not independent with respect to [REDACTED] as of December 31, 2010 and for the 12 Months then ended, because we are involved in the company's internal controls over financial reporting and assist management in certain contract negotiations.

[REDACTED]

Redacted Version Pursuant to
WAC 480-07-160

Statement of Assets, Liabilities & Equity
Income Tax Basis

Dec 31, 10

ASSETS

Current Assets

Checking/Savings

105 · Telecom Service Bureau, Inc.

Total Checking/Savings

Accounts Receivable

111 · Accounts Receivable Billing

Total Accounts Receivable

Other Current Assets

112 · Employee Advances

Total Other Current Assets

Total Current Assets

Fixed Assets

270 · Leashold Improvements

263 · Furniture and Equipment

269 · Computer Equipment

273 · Software

275 · Vehicles

280 · Accumulated Depreciation

Total Fixed Assets

Other Assets

360 · Construction In Progress

361 · Loan - Absolute

362 · Deposits

Total Other Assets

TOTAL ASSETS

DRAFT
before YE
Adjustments

Read accountant's compilation report

Redacted Version Pursuant to
WAC 480-07-160

Statement of Assets, Liabilities & Equity
Income Tax Basis

Dec 31, 10

LIABILITIES & EQUITY

Liabilities

Current Liabilities

Accounts Payable

402 · Accounts Payable

Total Accounts Payable

Total Current Liabilities

Total Liabilities

Equity

555 · Capital Stock

557 · Additional Paid in Capital

559 · Retained Earnings

560 · Dividends Paid

Net Income

Total Equity

TOTAL LIABILITIES & EQUITY

DRAFT
before YE
Adjustments

Read accountant's compilation report

Statement of Revenues & Expenses
Income Tax Basis

	<u>Jan - Dec 10</u>	<u>% of Income</u>
Income		
601 · Consulting Income	[REDACTED]	[REDACTED]
603 · Other Income	[REDACTED]	[REDACTED]
605 · CCS Income	[REDACTED]	[REDACTED]
Total Income	[REDACTED]	[REDACTED]
Gross Profit	[REDACTED]	[REDACTED]
Expense		
854 · Advertising and Promotion	[REDACTED]	[REDACTED]
856 · Automobile Expense	[REDACTED]	[REDACTED]
860 · Bank Service Charges	[REDACTED]	[REDACTED]
862 · Briars League	[REDACTED]	[REDACTED]
873 · Computer and Internet	[REDACTED]	[REDACTED]
874 · Continuing Education	[REDACTED]	[REDACTED]
876 · Contributions	[REDACTED]	[REDACTED]
878 · Depreciation Expense	[REDACTED]	[REDACTED]
880 · Dues and Subscriptions	[REDACTED]	[REDACTED]
885 · Equipment Leasing	[REDACTED]	[REDACTED]
904 · Insurance Expense	[REDACTED]	[REDACTED]
910 · Licensing and Permits	[REDACTED]	[REDACTED]
911 · Meals and Entertainment	[REDACTED]	[REDACTED]
915 · Janitorial	[REDACTED]	[REDACTED]
916 · Office Furniture & Equip	[REDACTED]	[REDACTED]
917 · Employee Benefits	[REDACTED]	[REDACTED]
918 · Office Supplies	[REDACTED]	[REDACTED]
919 · Other Employee Benefits	[REDACTED]	[REDACTED]
920 · Payroll Taxes	[REDACTED]	[REDACTED]
921 · Payroll CLM Contract	[REDACTED]	[REDACTED]
922 · Payroll Leased Employees	[REDACTED]	[REDACTED]
923 · Postage and Shipping	[REDACTED]	[REDACTED]
924 · Printing	[REDACTED]	[REDACTED]
925 · Professional Fees	[REDACTED]	[REDACTED]
926 · Payroll Fees	[REDACTED]	[REDACTED]
928 · Rent Expense	[REDACTED]	[REDACTED]
929 · Rental - new location	[REDACTED]	[REDACTED]
930 · Repairs and Maintenance	[REDACTED]	[REDACTED]
931.16 · Recruiting Expense	[REDACTED]	[REDACTED]
932 · Salary and Wages	[REDACTED]	[REDACTED]

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before YE
Adjustmen

Redacted Version Pursuant to
WAC 480-07-160

Statement of Revenues & Expenses
Income Tax Basis

	<u>Jan - Dec 10</u>	<u>% of Income</u>
933 · Salary and Wages - Officers	[REDACTED]	[REDACTED]
940 · Taxes and State Fees	[REDACTED]	[REDACTED]
941 · Telephone Expense	[REDACTED]	[REDACTED]
942 · Travel Expense	[REDACTED]	[REDACTED]
944 · Uniforms	[REDACTED]	[REDACTED]
945 · Utilities	[REDACTED]	[REDACTED]
Total Expense	[REDACTED]	[REDACTED]
Net Income	[REDACTED]	[REDACTED]

DRAFT
before YE
Adjustments

Read accountant's compilation report