

**Washington State Conditions on Designation of Telrite Corporation
as an Eligible Telecommunications Carrier**

1. Telrite Corporation's (Telrite or Company) shall utilize federal default eligibility criteria only, i.e., stop utilizing Washington Telephone Assistance Program's eligibility criteria that are not on the federal list.
2. Telrite shall file with the Commission any future changes to its rates, terms, conditions or Lifeline customer application form at least one day prior to the effective date of the change.
3. The information on Telrite's rates, key terms and conditions, e.g., return policy, usage definition, refill methods, annual recertification requirement, and customer service contact, shall be provided in a package sent or given to Lifeline customers after enrollment in Telrite's Lifeline program, as well as at the Company's official Lifeline website.
4. For the rate plans free of charge to customers, Telrite must offer at least one plan with a minimum of 250 minutes per month. The Company may invoke Condition No. 2 only for the purpose of increasing the number of minutes or enhancing the features in the Lifeline plan, but not decreasing the number of minutes.
5. Telrite shall deactivate a Lifeline account if the customer has no usage for 60 consecutive days pursuant to 47 C.F.R. § 54.407(c)(2). No fewer than eight business days before deactivation, Telrite shall send the customer a written notice by mail about the potential deactivation and ways to avoid unwanted deactivation. The customer shall have a 30 day grace period from the deactivation date to reactivate the Lifeline account by incurring "usage" as defined in 47 C.F.R. § 54.407(c)(2). When a customer reactivates the account, Telrite must deposit the minutes the customer is entitled to for the grace period.
6. On a quarterly basis, Telrite shall provide the number of Lifeline customers that it enrolls each month. Telrite shall also report the number of deactivated Lifeline customers each month by service plan and the by reasons for deactivation, e.g., no usage for 60 consecutive days, annual verification unsuccessful, or voluntary exit. Quarterly reports shall be filed with the Commission no later than 30 days after the end of each quarter.
7. Telrite shall respond within 30 days to Commission Staff's information requests on Telrite's Lifeline operations, including but not limited to Lifeline customers' usage patterns and Lifeline customer records.
8. Telrite shall cooperate with the Commission and the Department of Social and Health Services (DSHS) to work out a procedure to verify Telrite Lifeline customers' eligibility. Telrite shall maintain access to DSHS's online query database to verify the eligibility of Lifeline applicants who qualify based on their participation in Medicaid, Supplemental Nutrition Assistance Program, Supplemental Security Income and Temporary Assistance for Needy Families. This condition shall be required until the national Lifeline eligibility database is fully functional.

9. Telrite must not deduct airtime minutes for calls to customer care made from the customer's handset by dialing 611. Telrite shall explicitly state the policy of free 611 calls in its Lifeline service agreements. Telrite may require the customer to call the toll-free customer care number from another phone if necessary to resolve technical issues related to the handset or its programming.
10. Telrite shall have DSHS audit its Washington Lifeline customers' eligibility (including program eligibility and duplication with other Lifeline providers) at least once a year. By January 31 of each year, Telrite shall provide DSHS with the complete record of its Washington Lifeline customers who qualify based on their participation in Medicaid, Supplemental Nutrition Assistance Program, Supplemental Security Income and Temporary Assistance for Needy Families in the prior calendar year. The records must have all the necessary information and be in an electronic format required by DSHS. After DSHS notifies Telrite of the results of the review, Telrite must take appropriate measures to either correct the customer records or stop providing services to ineligible customers and report the resolutions to the Commission and DSHS within 60 days of the DSHS notice. This condition shall be required until the national Lifeline eligibility database is fully functional.
11. Telrite shall provide the Commission a copy of its annual Lifeline Re-certification results within 30 days it files with the Universal Service Administration Company (USAC) each year.
12. Telrite shall file with the Commission, by March 31 of each year, a report on the number of complaints, categorized by the different nature of complaints that it received from Washington Lifeline customers during the prior calendar year, e.g., billing disputes and service quality complaints. This report shall include complaints filed with Telrite, the Commission's Consumer Protection and Communications Section, the Washington State Office of the Attorney General, and the Federal Communications Commission (FCC). This report shall not include calls from customers with regard to general inquiries such as account balance, additional purchases, service availability or technical support. The Commission reserves the rights to revoke Telrite's ETC designation if Telrite fails to provide reasonable quality of service.
13. Telrite shall cooperate with the Washington State Enhanced 911 Program (E911) and all Public Safety Answering Points on E911 issues and shall, upon request, designate a representative to serve as a member or alternate member of the Washington State E911 Advisory Committee or its Communications Sub-committee.
14. Telrite shall comply with rules on cessation of business as specified in WAC 480-120-083.
 - a. Prior to cessation of business, Telrite shall make arrangements with its underlying carriers to provide minutes already sold to customers under the same terms and conditions it has with the customers, or provide refunds to the existing customers.

- b. Telrite shall provide written notice to the following persons at least 30 days in advance of cessation of service:
 - i. The Commission;
 - ii. The state 911 program;
 - iii. Each of its customers;
 - iv. The national number administrator.
 - c. The notice to the Commission and the state 911 program must include the same information required by WAC 480-120-083(3).
 - d. The notice to the customers must include the same information required by WAC 480-120-083(4).
 - e. The notice to the national number administrator must include the same information required by WAC 480-120-083(7).
 - f. Telrite shall file with the Commission at least 30 days in advance of its cessation of business and request the relinquishment of its ETC designation in Washington.
15. Telrite shall collect and maintain necessary records and documentation to ensure its compliance with the applicable FCC and Commission requirements, including existing requirements and any future modifications. The records and documentation shall be provided to Commission Staff upon request.
 16. Telrite shall cooperate with Commission Staff on phone number conservation issues and shall comply with 47 C.F.R. § 52.
 17. Telrite shall comply with all applicable federal and Washington state statutes and regulations, including E911 tax contributions.
 18. Telrite shall file with the Commission of the results of any audits (including in-depth data validations) or investigations on the Company's Lifeline operation in any states or jurisdictions conducted by the FCC or USAC within 14 calendar days from the receipt of results. The Company must also notify the Commission of any ongoing investigation that has resulted in monetary or administrative penalty (e.g., suspension of Universal Service Fund reimbursement, suspension of Lifeline program operation) within 14 calendar days of the occurrence of such events. To the extent the Company deems the above information confidential, the Company may submit the notification on a confidential basis consistent with Commission rules.