

**Before the  
Federal Communications Commission  
Washington, D.C. 20554**

In the Matter of	)	
	)	
American Broadband & Telecommunications Company	)	File No.: EB-IHD-17-00023554
	)	NAL/CD Acct. No.: 201932080001
	)	FRN: 0014224471
Jeffrey S. Ansted	)	
	)	

**ORDER**

**Adopted: June 3, 2022**

**Released: June 3, 2022**

By the Acting Chief, Enforcement Bureau:

1. The Federal Communications Commission’s rules governing the Lifeline Program are vital to protecting the program and its resources from waste, fraud, and abuse. Compliance with these rules is critical to ensuring that the limited resources allocated to the Lifeline Program are distributed in a fair and efficient manner, and the Commission takes seriously its role in ensuring compliance with these rules. The Enforcement Bureau of the Federal Communications Commission has therefore entered into a Consent Decree to resolve its investigation into whether American Broadband & Telecommunications Company (American Broadband or the Company) and its owner Jeffrey S. Ansted (Ansted) violated the Commission’s Lifeline Program rules<sup>1</sup> from January 1, 2014, through December 31, 2016.

2. The Lifeline Program provides support for communications services<sup>2</sup> provided by eligible telecommunications carriers (ETCs) to qualifying low-income consumers.<sup>3</sup> The program helps to ensure that low-income Americans have access to the opportunities and security that voice and broadband services provide, including the ability to connect to jobs, family members, and emergency services.<sup>4</sup> An ETC may receive Lifeline support in the amount of \$9.25 per month, per subscriber<sup>5</sup> “based on the number of actual qualifying low-income customers it serves directly.”<sup>6</sup> To receive reimbursement for

<sup>1</sup> See 47 CFR §§ 54.400-54.423.

<sup>2</sup> Lifeline provides “qualifying low-income consumers with voice telephony service or broadband Internet access service.” 47 CFR § 54.401(a)(2).

<sup>3</sup> *Id.* See 47 CFR § 54.409 (providing that to constitute a qualifying low-income consumer, (1) a consumer’s household income must be at or below 135% of the Federal Poverty Guidelines for a household of that size, or the consumer (or the consumer’s household) must receive benefits from a qualifying federal assistance program, such as Supplemental Nutrition Assistance Program (SNAP); and (2) the consumer must not already be receiving a Lifeline service, and there must not be anyone else in the subscriber’s household subscribed to a Lifeline service); see also 47 CFR § 54.400(h) (defining “household” as “any individual or group of individuals who are living together at the same address as one economic unit. . . .”) and 54.400(g) (providing that “[d]uplicative support exists when a Lifeline subscriber is receiving two or more Lifeline services concurrently or two or more subscribers in a household are receiving Lifeline services . . . concurrently.”).

<sup>4</sup> *Lifeline and Link Up Reform and Modernization*, Report and Order and Further Notice of Proposed Rulemaking, 27 FCC Rcd 6656, 6662-67, paras. 11-18 (2012) (*Lifeline Reform Order*). See *Lifeline and Link Up Reform and Modernization*, Third Report and Order, and Further Report and Order and Order on Reconsideration, 31 FCC Rcd 3962 (2016).

<sup>5</sup> 47 CFR § 54.403(a)(1).

<sup>6</sup> 47 CFR § 54.407(a) (2016).

offering Lifeline services, an ETC must certify as part of each request for reimbursement that it is “in compliance with all of the rules”<sup>7</sup> and “must keep accurate records of the revenues it forgoes in providing Lifeline services.”<sup>8</sup> ETCs receiving Lifeline support are responsible for any conduct by their agents or representatives.<sup>9</sup> An ETC must implement policies and procedures “for ensuring that their Lifeline subscribers are eligible to receive Lifeline services.”<sup>10</sup>

3. On October 25, 2018, the Commission released a Notice of Apparent Liability for Forfeiture and Order (NAL) against American Broadband and Ansted.<sup>11</sup> The NAL found that American Broadband, an ETC providing Lifeline services in several states, apparently violated the Commission’s Lifeline Program rules by: (i) seeking Lifeline support for ineligible and duplicate Lifeline accounts; (ii) seeking Lifeline support for deceased individuals; (iii) filing improper Form 497s;<sup>12</sup> (iv) failing to de-enroll ineligible subscribers; (v) failing to adequately screen, train, or supervise the third-party sales agents the Company used to enroll Lifeline subscribers; and (vi) failing to maintain proper procedures to ensure compliance with the Commission’s rules.

4. Through the Consent Decree, American Broadband agrees to pay a total settlement amount of \$16,618,235.44, which includes: (1) a repayment amount of \$15,063,935.45 already made to the Universal Service Fund (USF); (2) an additional repayment amount of \$1,487,249.99 to the USF in connection with the Settlement Agreement with the United States Department of Justice; and (3) a payment of \$67,050 by Ansted to the United States Treasury. American Broadband also agrees to implement enhanced compliance measures in connection with its participation in the Lifeline Program.

5. After reviewing the terms of the Consent Decree and evaluating the facts before us, we find that the public interest would be served by adopting the Consent Decree and resolving the NAL regarding American Broadband’s compliance with the Commission’s Lifeline Program rules.

6. In the absence of material new evidence relating to this matter, we do not set for hearing the question of American Broadband’s basic qualifications to hold or obtain any Commission license or authorization.<sup>13</sup>

7. Accordingly, **IT IS ORDERED** that, pursuant to sections 4(i) and 503(b) of the Act<sup>14</sup> and the authority delegated by sections 0.111 and 0.311 of the Commission’s rules,<sup>15</sup> the attached Consent Decree **IS ADOPTED** and its terms incorporated by reference.

8. **IT IS FURTHER ORDERED** that the above-captioned matter **IS TERMINATED** and the NAL **IS RESOLVED** in accordance with the terms of the attached Consent Decree.

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<sup>7</sup> 47 CFR § 54.407(d)(1).

<sup>8</sup> 47 CFR § 54.407(e).

<sup>9</sup> *Lifeline and Link Up Modernization and Reform*, WC Docket No. 11-42, Order, 28 FCC Rcd 9057 (WCB 2013); FCC Enforcement Advisory, 28 FCC Rcd 9022 (EB 2013).

<sup>10</sup> 47 CFR § 54.410(a).

<sup>11</sup> *American Broadband & Telecommunications Company and Jeffrey S. Ansted*, Notice of Apparent Liability for Forfeiture and Order, 33 FCC Rcd 10308 (2018).

<sup>12</sup> Prior to 2018, ETCs used the FCC Form 497 (Form 497) to request Lifeline reimbursement based on the number of enrolled subscribers.

<sup>13</sup> See 47 CFR § 1.93(b).

<sup>14</sup> 47 U.S.C. §§ 154(i), 503(b).

<sup>15</sup> 47 CFR §§ 0.111, 0.311.

9. **IT IS FURTHER ORDERED** that a copy of this Order and Consent Decree shall be sent by e-mail to John J. Heitmann, Esq., counsel for American Broadband & Telecommunications Company, Kelley Drye & Warren LLP, at [jheitmann@kelleydrye.com](mailto:jheitmann@kelleydrye.com), and to Jeffrey S. Ansted, President & Chief Executive Officer, American Broadband & Telecommunications Company, at [jsa@ambt.net](mailto:jsa@ambt.net).

FEDERAL COMMUNICATIONS COMMISSION

Loyaan A. Egal  
Acting Chief  
Enforcement Bureau

Before the
Federal Communications Commission
Washington, D.C. 20554

In the Matter of )
American Broadband & Telecommunications ) File No.: EB-IHD-17-00023554
Company ) NAL Acct. No.: 201932080001
Jeffrey S. Ansted ) FRN: 0014224471

CONSENT DECREE

1. The Enforcement Bureau (Bureau) of the Federal Communications Commission (Commission or FCC), American Broadband & Telecommunications Company (American Broadband or the Company), and Jeffrey S. Ansted (Ansted), by their authorized representatives, hereby enter into this Consent Decree for the purpose of terminating an Investigation by the Bureau into whether American Broadband violated the Commission’s Lifeline Program Rules<sup>16</sup> governing universal service support for communications services to low-income consumers. To resolve this matter, American Broadband agrees, through this Consent Decree and the referenced Settlement Agreement with the United States Department of Justice (DOJ), to pay a total Settlement Amount of \$16,618,235.44, which includes: (1) a repayment amount of \$15,063,935.45 to the Universal Service Fund; (2) an additional repayment amount of \$1,487,249.99 to the Universal Service Fund; and (3) a payment of \$67,050 by Ansted to the United States. American Broadband also agrees to implement enhanced compliance measures in connection with its participation in the Lifeline Program.

I. DEFINITIONS

- 2. For the purposes of this Consent Decree, the following definitions shall apply:
(a) “Act” means the Communications Act of 1934, as amended.<sup>17</sup>
(b) “Adopting Order” means an order of the Bureau adopting the terms of this Consent Decree without change, addition, deletion, or modification.
(c) “American Broadband” or “Company” means American Broadband & Telecommunications Company and its affiliates, subsidiaries, predecessors-in-interest, and successors-in-interest.
(d) “Ansted” means Jeffrey S. Ansted, American Broadband’s President and Chief Executive Officer and his successors-in-interest, transferees, heirs, and assigns.
(e) “Bureau” means the Enforcement Bureau of the Federal Communications Commission.
(f) “Commission” and “FCC” mean the Federal Communications Commission and all of its bureaus and offices.
(g) “Communications Laws” means collectively, the Act, the Rules, and the published and promulgated orders and decisions of the Commission to which American

<sup>16</sup> See 47 CFR §§ 54.400-54.423.

<sup>17</sup> 47 U.S.C. § 151 et seq.

Broadband is subject by virtue of its business activities, including but not limited to the Lifeline Rules.

- (h) “Compliance Agreement” means the compliance obligations, program, and procedures described in this Consent Decree at paragraph 19 and attached as the Appendix.
- (i) “Effective Date” means the date by which the Bureau, American Broadband, and Ansted have signed the Consent Decree and the Bureau has released an Adopting Order.
- (j) “Investigation” means the investigation commenced by the Bureau in File Nos. EB-IHD-15-00020057 and EB-IHD-17-00023554 regarding whether American Broadband violated the Commission’s Lifeline Rules from January 1, 2014 through December 31, 2016.
- (k) “Letter of Inquiry” or “LOI” means the Letter of Inquiry issued to American Broadband by the Enforcement Bureau on April 25, 2017 in connection with the Investigation.
- (l) “Lifeline Rules” means Title 47, Code of Federal Regulations, sections 54.400-54.423, section 254 of the Act, and Commission orders related to the Lifeline Program.
- (m) “NAL” means the Notice of Apparent Liability for Forfeiture and Order issued to American Broadband and Ansted on October 25, 2018 proposing a \$63,463,500.00 forfeiture for apparent violations of the Commission’s Lifeline Rules.
- (n) “Parties” means American Broadband, Jeffrey S. Ansted, and the Bureau, each of which is a “Party.”
- (o) “Rules” means the Commission’s regulations found in Title 47 of the Code of Federal Regulations.
- (p) “Settlement Agreement” means the agreement entered into by American Broadband, Ansted, the Commission, and the DOJ on June 3, 2022.
- (q) “USAC” means the Universal Service Administrative Company, which serves as the administrator for the federal Universal Service Fund (USF or Fund).

## II. BACKGROUND

3. The Lifeline Program provides support for communications services<sup>18</sup> provided by eligible telecommunications carriers (ETCs) to qualifying low-income consumers.<sup>19</sup> The program helps to ensure that low-income Americans have access to the opportunities and security that voice and

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<sup>18</sup> Lifeline provides “qualifying low-income consumers with voice telephony service or broadband Internet access service.” 47 CFR § 54.401(a)(2).

<sup>19</sup> *Id.* See 47 CFR § 54.409 (providing that to constitute a qualifying low-income consumer, (1) a consumer’s household income must be at or below 135% of the Federal Poverty Guidelines for a household of that size, or the consumer (or the consumer’s household) must receive benefits from a qualifying federal assistance program, such as Supplemental Nutrition Assistance Program (SNAP); and (2) the consumer must not already be receiving a Lifeline service, and there must not be anyone else in the subscriber’s household subscribed to a Lifeline service); *see also* 47 CFR § 54.400(h) (defining “household” as “any individual or group of individuals who are living together at the same address as one economic unit. . . .”) and 54.400(g) (providing that “[d]uplicative support exists when a Lifeline subscriber is receiving two or more Lifeline services concurrently or two or more subscribers in a household are receiving Lifeline services . . . concurrently.”).

broadband services provide, including the ability to connect to jobs, family members, and emergency services.<sup>20</sup>

4. An ETC may receive Lifeline support in the amount of \$9.25 per month, per subscriber<sup>21</sup> “based on the number of actual qualifying low-income customers it serves directly.”<sup>22</sup> To receive reimbursement for offering Lifeline services, an ETC must certify as part of each request for reimbursement that it is “in compliance with all of the rules”<sup>23</sup> and “must keep accurate records of the revenues it forgoes in providing Lifeline services.”<sup>24</sup> ETCs receiving Lifeline support are responsible for any conduct by their agents or representatives.<sup>25</sup>

5. The Universal Service Administrative Company (USAC) administers the Lifeline Program.<sup>26</sup> USAC uses the National Lifeline Accountability Database (NLAD) and National Lifeline Eligibility Verifier (NLEV) to receive and process subscriber data and to verify identity and determine eligibility for Lifeline funds.<sup>27</sup> Under the Lifeline Rules, consumers must be verified as being eligible by NLEV<sup>28</sup>, and ETCs must query NLAD to determine consumers’ eligibility to receive Lifeline service, and “[i]f the Database indicates that a prospective subscriber . . . is currently receiving a Lifeline service, the [ETC] must not provide and shall not seek or receive Lifeline reimbursement for that subscriber.”<sup>29</sup> Subscribers must not receive duplicative support.<sup>30</sup>

6. An ETC must de-enroll a subscriber from the Lifeline Program if the ETC “has a reasonable basis to believe that a Lifeline subscriber no longer meets” the eligibility criteria.<sup>31</sup> An ETC must also de-enroll a subscriber if it receives notice from USAC to do so.<sup>32</sup> Additionally, under the rules in effect prior to December 2, 2016, an ETC must de-enroll and not seek Lifeline support for a subscriber

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<sup>20</sup> *Lifeline and Link Up Reform and Modernization*, Report and Order and Further Notice of Proposed Rulemaking, 27 FCC Rcd 6656, 6662-67, paras. 11-18 (2012) (*Lifeline Reform Order*). See *Lifeline and Link Up Reform and Modernization*, Third Report and Order, and Further Report and Order and Order on Reconsideration, 31 FCC Rcd 3962 (2016) (*Lifeline Reform Third Report and Order*).

<sup>21</sup> 47 CFR § 54.403(a)(1).

<sup>22</sup> 47 CFR § 54.407(a) (2016).

<sup>23</sup> 47 CFR § 54.407(d)(1).

<sup>24</sup> 47 CFR § 54.407(e).

<sup>25</sup> *Lifeline and Link Up Modernization and Reform*, WC Docket No. 11-42, Order, 28 FCC Rcd 9057 (WCB 2013); FCC Enforcement Advisory, 28 FCC Rcd 9022 (EB 2013).

<sup>26</sup> See 47 CFR §§ 54.701(a), 54.702(b).

<sup>27</sup> *Lifeline Reform Order*, 27 FCC Rcd at 6734-6749; *Lifeline Reform Third Report and Order*, 31 FCC Rcd at 4006-4021; see 47 CFR §§ 54.404 (codifying rules governing NLAD), 54.409(c) (providing the rules for consumer qualifications for Lifeline), 54.410(a)(1) (discussing “subscriber eligibility determination and certification”), 54.410(b)-(c) (discussing NLEV eligibility determinations).

<sup>28</sup> 47 CFR §§ 54.404(b)(12), 54.410(b)-(c).

<sup>29</sup> See 47 CFR §§ 54.404(b)(1), (2); *Lifeline Reform Order*, 27 FCC Rcd at 6743, para. 203; see, e.g., *Lifeline Linkup Reform and Modernization et al.*, Second Further Notice of Proposed Rulemaking, Order on Reconsideration, Second Report and Order, and Memorandum Opinion and Order, 30 FCC Rcd 7818, 7879, para. 179 & n.340 (2015) (allowing Oregon, Texas and California to receive approval to opt-out of the NLAD).

<sup>30</sup> 47 CFR § 54.409(c).

<sup>31</sup> 47 CFR § 54.405(e)(1) (de-enrollment generally).

<sup>32</sup> 47 CFR § 54.405(e)(2).

if the subscriber fails to use the Lifeline-supported service within 60 consecutive days and does not cure its non-usage during the 30-day notice period.<sup>33</sup>

7. An ETC must implement policies and procedures “for ensuring that their Lifeline subscribers are eligible to receive Lifeline services.”<sup>34</sup> Except where NLEV verifies eligibility, the Commission requires that all ETCs retain documentation demonstrating subscriber income-based or program-based eligibility for participation in the Lifeline Program for the purposes of production during audits or investigations or to the extent required by NLAD processes, including the dispute resolution processes that require verification of identity, address, or age of subscribers.<sup>35</sup> An ETC must maintain records to document its compliance with all Lifeline rules.<sup>36</sup>

8. Prior to 2018, ETCs used the FCC Form 497 (Form 497) to request reimbursement from the Fund based on the number of its enrolled subscribers.<sup>37</sup> Consistent with sections 54.403 and 54.407 of the Lifeline Rules, on the Form 497 an ETC must certify that (1) it will pass through “the full amount of all . . . Lifeline support for which it seeks reimbursement . . . to all qualifying low-income subscribers,” and (2) it is in compliance with all of the Lifeline Program rules.<sup>38</sup> An officer of the ETC must certify under penalty of perjury that “the data contained in this form has been examined and reviewed and is true, accurate, and complete” and persons willfully making false statements on this form can be punished by fine or imprisonment.<sup>39</sup>

9. American Broadband, a telecommunications company based in Toledo, Ohio, and owned by Ansted, is an ETC, designated to provide Lifeline service in Arizona, California, Colorado, Georgia, Hawaii, Illinois, Indiana, Kentucky, Maryland, Michigan, Minnesota, Nevada, Ohio, Pennsylvania, Puerto Rico, Rhode Island, South Carolina, Utah, West Virginia, and Wisconsin.<sup>40</sup> American Broadband

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<sup>33</sup> 47 CFR § 54.405(e)(3) (2014) (de-enrollment for non-usage); *see also* 47 CFR § 54.407(c) (2014) (providing that after service activation, an ETC “shall only continue to receive universal service support . . . for . . . service provided to subscribers who have used the service in within the last 60 days”). Effective December 2, 2016, the Commission amended its non-usage requirement, indicating, “we find it appropriate at this time to shorten the non-usage period from 60 to 30 days, along with a corresponding reduction in the time allotted for service providers to notify their subscribers of possible termination from 30 to 15 days.” *See Lifeline Reform Third Report and Order*, 31 FCC Rcd at 4115, para. 415. *See* 47 CFR §§ 54.405(e)(3), 54.407(c) (2016).

<sup>34</sup> 47 CFR § 54.410(a).

<sup>35</sup> *See Lifeline Link Up Reform and Modernization et al.*, Second Further Notice of Proposed Rulemaking, Order on Reconsideration, Second Report and Order, and Memorandum Opinion and Order, 30 FCC Rcd 7818, 7894-95, paras. 231-32 (2015); 47 CFR § 54.404(b)(11) (2015) (providing that ETCs “must securely retain subscriber documentation that the ETC reviewed to verify subscriber eligibility, for the purposes of production during audits or investigations . . . which require, *inter alia*, verification of eligibility, identity, address, and age”) and 47 CFR § 54.410(b)(1)(ii) (2016) (ETCs “[m]ust securely retain copies of documentation demonstrating a prospective subscriber’s income-based eligibility for Lifeline consistent with § 54.417”); 47 CFR § 54.410(c)(1)(ii) (2016) (ETCs “[m]ust securely retain copies of the documentation demonstrating a subscriber’s program-based eligibility for Lifeline consistent with § 54.417”); *Wireline Competition Bureau Announces Effective Dates of Lifeline Rules Following Approval by the Office of Management and Budget*, Public Notice, 33 FCC Rcd 197 (WCB Jan. 15, 2016) (stating that the rule changes would become effective on or after February 4, 2016).

<sup>36</sup> 47 CFR § 54.417(a).

<sup>37</sup> *See* Lifeline Worksheet, FCC Form 497, OMB Approval 3060-0819 (Form 497).

<sup>38</sup> *Id.* *See* 47 CFR §§ 54.403(a)(1), 54.407(d).

<sup>39</sup> Form 497. *See* 47 CFR § 54.407(d).

<sup>40</sup> American Broadband Telecommunications Company Petition for Limited Designation as an Eligible Telecommunications Carrier in Alabama, Connecticut, Delaware, the District of Columbia, Florida, New (continued....)

contracted with third-party master agents who employed individual sales agents who dealt directly with customers and performed the Lifeline enrollments for the Company. American Broadband had access to the enrollments performed by the third-party sales agents and maintained the subscribers' records.

10. American Broadband began an internal review of its subscriber lists in early June 2016, after Ansted became aware of correspondence from then-Commissioner Ajit Pai to USAC that detailed allegations of fraud and abuse in the Lifeline Program.<sup>41</sup> On August 17, 2016, the Commission's Office of the Inspector General (OIG) issued a subpoena to American Broadband.<sup>42</sup> On August 26, 2016, American Broadband notified the Commission's Wireline Competition Bureau (WCB) that it had detected issues related to (1) removal of subscribers who had benefits transferred to other Lifeline service providers from the Company's subscriber lists; (2) removal of subscribers who were terminated for non-usage from the Company's subscriber lists; and (3) removal of subscribers subject to certain process and processing issues from the Company's subscriber lists.<sup>43</sup> American Broadband explained that, as a result of these issues, it had received \$13,900,141.50 in overpayments from the Fund.<sup>44</sup> On February 15, 2017, American Broadband entered into a plan to repay \$15,063,935.45, reflecting principle and interest, to the USF. American Broadband completed this repayment plan in July 2020.

11. On April 25, 2017, the Bureau issued a Letter of Inquiry (LOI) and initiated an Investigation into whether American Broadband violated the Commission's Lifeline Rules.<sup>45</sup> American Broadband timely responded to the LOI and additional requests for information and documents from the Bureau.

12. Based on its Investigation, the Bureau alleged that American Broadband engaged in the following conduct from January 1, 2014 through December 31, 2016:

- (a) American Broadband's Form 497 subscriber lists included tens of thousands of ineligible subscribers, including subscribers who were at the time of enrollment deceased,<sup>46</sup>

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Hampshire, New York, North Carolina, Tennessee, Texas and Virginia, WC Docket No. 09-197 (dated June 6, 2013) at 4-5.

<sup>41</sup> See Letter from Kelley Drye & Warren LLP, Counsel for American Broadband, to USF Strike Force, FCC, at 17 and Enclosure (May 25, 2017) (stating that American Broadband decided to conduct a proactive check of its subscriber lists).

<sup>42</sup> *Subpoena Duces Tecum* from Office of Inspector General (OIG), FCC, to American Broadband (August 17, 2016). The OIG conducted a separate but parallel investigation of American Broadband. To reduce the burden of investigation on the Company, information was shared between the OIG and the Bureau when possible.

<sup>43</sup> See Letter from Kelley Drye & Warren LLP, Counsel for American Broadband, to Ryan Palmer, Telecommunications Access Policy Division, FCC (Sept. 16, 2016) (Sept. Letter).

<sup>44</sup> *Id.*

<sup>45</sup> Letter from Loyaan Egal, Enforcement Bureau, FCC, to Jeffrey S. Ansted, President, American Broadband, and Kelley Drye & Warren LLP, Counsel for American Broadband (Apr. 25, 2017) (LOI).

<sup>46</sup> Internal American Broadband e-mails indicated the Company had multiple subscribers with dates of birth in the 1900s to 1920s. See E-mail from Colleen Smith, Wireless Operations Technician, American Broadband, to Adam Jarvis, Director of Wireless Operations, American Broadband (Mar. 31, 2016, 10:16 a.m.) at ABT-OIG0129898 (discussing accounts created by a subagent where "[t]here are multiple cases of duplicate names with different . . . DOBs/SSNs" and "most of DOBs are in the 1900's-1920's"); E-mail from Colleen Smith, American Broadband, to Adam Jarvis, American Broadband (Mar. 31, 2016, 3:44 p.m.) at ABT-OIG00122935 (describing the same subagent and stating "[h]e sure does seem to have a lot of reeeecally [*sic*] old customers."). In the attachment to the e-mail, Smith provided the enrollment information for the accounts. See Attachment at ABT-OIG00122936. The Bureau used a third-party verification process to determine that many of the individuals apparently were deceased at the time of enrollment.



duplicates of existing Lifeline subscribers,<sup>47</sup> subscribers who should have been de-enrolled due to non-usage,<sup>48</sup> subscribers who had transferred their Lifeline benefit to another carrier,<sup>49</sup> fictitious subscribers (*e.g.*, female subscribers with a “junior” suffix added to their names, or names created by adding a middle name or initial),<sup>50</sup> multiple

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<sup>47</sup> See *e.g.*, E-mail from Colleen Smith, American Broadband, to Adam Jarvis, American Broadband (Jan. 25, 2016, 4:12 p.m.) (describing “[p]otential fraudulent accounts” and identifying accounts that appeared to include “attempts to bypass duplicate S[tudy] A[rea] C[ode] errors and/or attempts to inflate the agent’s numbers”); E-mail from Colleen Smith, American Broadband, to Mike Ansted, Director of Sales and Marketing and Rob Enos, Vice President of Operations, American Broadband (Mar. 7, 2016, 9:51 a.m.) (describing agent practices, stating that “several of the accounts are duplicates.”).

<sup>48</sup> American Broadband disclosed to the Commission in August 2016 that it had discovered issues with the removal of subscribers for non-usage. See Sept. Letter, 1 (referencing August 26, 2016 conversation with the Commission). The Bureau’s Investigation found that American Broadband was aware of non-usage issues as early as December 2014, and the Bureau’s review of the Company’s Forms 497 indicate that American Broadband apparently continued to seek and receive support for ineligible non-usage subscribers through December 2016. See E-mail from Adam Jarvis, American Broadband, to Steve McIntosh, Chief Operating Officer, BeQuick (Dec. 5, 2014 10:25 a.m.) at ABT-OIG00090995 (stating “[w]e have a significant and frightening number of subscribers that are showing no usage”). According to December 2014 data, at that time, 11,012 subscribers were ineligible due to non-usage under section 54.405(e)(3) of the Commission’s Rules. See E-mail from Steve McIntosh, BeQuick, to Adam Jarvis, American Broadband (Dec. 11, 2014, 12:23 p.m.) at ABT-OIG00826280-83. See Spreadsheet at ABT-OIG00826283; see also 47 CFR § 54.405(e)(3) (2016) (requiring an ETC to de-enroll a Lifeline subscriber who “fails to use . . . Lifeline service for 60 consecutive days”) and 47 CFR § 54.407(c) (2016) (providing that after service activation, an ETC “shall only continue to receive universal service support . . . for . . . service provided to subscribers who have used the service in within the last 60 days”).

<sup>49</sup> American Broadband also disclosed benefit transfer issues to the Commission in August 2016. See Sept. Letter., 1. The Investigation determined American Broadband was aware of these issues as early as March 2014, when USAC notified the Company of multiple subscribers who had transferred their Lifeline benefit to another carrier. See, *e.g.*, E-mail from USAC, to Jeffrey Ansted, American Broadband (Mar. 1, 2014 8:00 a.m.) at ABT-OIG02061717; E-mail from USAC, to Jeffrey Ansted, American Broadband (Mar. 4, 2014, 9:14 a.m.) at ABT-OIG02061719. Despite these notices, American Broadband’s Forms 497s reveal the Company apparently continued to seek and receive Lifeline support for the benefit transfer subscribers, in alleged contravention of section 54.407(a) of the Commission’s Rules. 47 CFR § 54.407(a) (stating “Lifeline shall be provided directly to an [ETC] based on the number of actual qualifying low-income customers listed in the [NLAD] that the [ETC] serves directly as of the first of the month.”).

<sup>50</sup> See, *e.g.*, E-mail from Rob Enos, American Broadband, to Jeffrey Ansted, American Broadband (Mar. 22, 2016, 5:19 p.m.) at ABT-OIG00004065 (listing examples of name and information changes made by an agent—“adding prefixes, suffixes, middle initials . . . adding incorrect names to the application that are not anywhere on their identification”); E-mail from Colleen Smith, American Broadband, to Adam Jarvis, American Broadband (Jan. 25, 2016, 4:12 p.m.) at ABT-OIG00123323 (discussing “[t]he various methods used include . . . adding one or two middle initials to the end of a first name . . . adding a generational suffix . . . adding an honorific to the beginning of a first name . . .,” and “[a]dding ‘Lee’ to the end of a first name.”).

subscribers enrolled using the same proof of eligibility documents,<sup>51</sup> and subscribers listed along with hundreds of other enrollments at single family addresses.<sup>52</sup>

- (b) American Broadband failed to implement effective policies and procedures to ensure the eligibility of subscribers for whom the Company sought reimbursement for Lifeline discounts;<sup>53</sup>
- (c) American Broadband failed to adequately screen, train, or supervise the third-party sales agents the Company used to enroll Lifeline subscribers;<sup>54</sup>
- (d) American Broadband's third-party sales agents manipulated customer application information to evade Lifeline Program safeguards to enroll ineligible subscribers;

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<sup>51</sup> The Bureau identified improper enrollments where agents reused SNAP cards as proof of eligibility for multiple subscribers. *See, e.g.*, E-mail from Colleen Smith, American Broadband, to Adam Jarvis, American Broadband (June 24, 2016, 10:08 a.m.) at ABT-OIG00123529 (including a list of accounts from subagents “who were using a couple EBT [SNAP] cards multiple times across accounts.”); E-mail from Colleen Smith, American Broadband, to Jerome Harvey, Master Agent (Oct. 13, 2016, 10:32 a.m.) at ABT-OIG01300574-76 (indicating that a subagent “has been found to be reusing customers proof of eligibility, we found two accounts . . . that used the same SNAP with different signatures.”).

<sup>52</sup> Comparing American Broadband's subscriber lists to address information available through Google Maps and Zillow, the Bureau identified multiple incidents of agents allegedly enrolling more subscribers at one residential address than apparently could actually live there, and also discovered subscriber addresses that were associated with vacant lots or non-residential buildings. *See, e.g.*, E-mail from Colleen Smith, American Broadband, to Adam Jarvis, Rob Enos, and Mike Ansted, American Broadband (Mar. 22, 2016, 9:54 a.m.) at ABT-OIG00123062 (describing the number of individuals that agents had enrolled at “normal residential houses, not even apartments.”). Smith attached an Excel spreadsheet with customer information for 131 accounts that had enrolled in the Lifeline program through American Broadband from March 8-13, 2016. *See* Attachment at ABT-OIG00123063. According to information in the attachment, 131 customers resided at only eight residences located on five streets. *See also* E-mail from Mike Ansted, American Broadband, to Adam Jarvis, American Broadband, and Brian Jones, Master Agent (Mar. 22, 2016, 10:49 a.m.) at ABT-OIG00120875 (describing subagents who “used the same 2 or 3 address [*sic*] for over 200 orders.”).

<sup>53</sup> Based on the Company's responses to the LOI's request for policies and procedures related to Lifeline compliance, American Broadband provided only limited training materials for in-house customer service representatives and third-party master agents. *See* E-mail from Curt Church, Director of Commercial Accounts and Call Center, American Broadband, to Adam Jarvis, *et al.*, American Broadband (Feb. 20, 2014) at ABT-OIG00077034 (attaching American Assistance Employee Training Manual at ABT-OIG00077035-63); E-mail from Curt Church, American Broadband, to Jeffrey Ansted, American Broadband (Apr. 20, 2015) at ABT-OIG00006137 (attaching American Assistance Training Guide at ABT-OIG00006138-65).

<sup>54</sup> Third-party sales agent agreements referenced adherence to compliance practices and documents sent to agents briefly discussed consumer qualifications, but did not anywhere cite or demand compliance with the Commission's Rules or USAC's policies. *See, e.g.*, Letter between American Broadband and Jerome Harvey (Nov. 4, 2015) at ABT-OIG02094184; Letter signed by Mike Ansted, American Broadband, and Brian Jones, Advantage Wireless (Feb. 22, 2016) at ABT-OIG02130373 (Jones Agreement); Letter signed by Mike Ansted, American Broadband, and Saher Dadou, J&A Wireless (Jan. 29, 2016) at ABT-OIG02125986 (Dadou Agreement); Sub Market Playbook, ABT-OIG02139317-23. American Broadband was aware of non-compliance by subagents, but failed to terminate relationships with master agents who supervised those subagents in timely manner. *See, e.g.*, E-mail from Mike Ansted, American Broadband, to Hakim McLawrence, Master Agent (Apr. 1, 2016, 2:54 p.m.) at ABT-OIG00004103 (discussing a subagent who was “caught doing duplicate applications in the same name”).

- (e) American Broadband failed to effectively review the applications submitted by these undertrained, under-supervised sales agents to whom the Company paid commissions based on the number of enrollments;<sup>55</sup>
- (f) American Broadband understaffed its day-to-day Lifeline oversight operations with a handful of employees with no previous Lifeline experience;<sup>56</sup>
- (g) American Broadband paid bonuses based on enrollment numbers to a Vice President whose lax oversight allowed agents to enroll ineligible subscribers; and
- (h) American Broadband was aware of these compliance issues, but failed to adequately address them and certified compliance<sup>57</sup> with the Lifeline Rules while tens of thousands of ineligible accounts were included for USF payments each month.<sup>58</sup>

13. On October 25, 2018, the Commission released an NAL that proposed a forfeiture of \$63,463,500 in connection with this conduct and apparent violations of the Lifeline Rules.<sup>59</sup> American Broadband disputed the allegations made in the NAL and filed a timely response to the NAL on February 8, 2019.

### III. TERMS OF AGREEMENT

14. **Adopting Order.** The provisions of this Consent Decree shall be incorporated by the Bureau in an Adopting Order.

15. **Jurisdiction.** For purposes of this Consent Decree, American Broadband and Ansted agree that the Bureau has jurisdiction over them and the matters contained in this Consent Decree and has the authority to enter into and adopt this Consent Decree.

16. **Effective Date.** The Parties agree that this Consent Decree shall become effective on the Effective Date as defined herein. As of the Effective Date, the Parties agree that the Adopting Order and this Consent Decree shall have the same force and effect as any other order adopted by the Commission.

17. **Termination of Investigation.** In express reliance on the covenants and representations in this Consent Decree and to avoid further expenditure of public resources, the Bureau agrees to terminate the Investigation. In consideration for the termination of the Investigation, American Broadband and Ansted agree to the terms, conditions, and procedures contained herein, and contained in the Settlement Agreement. The Bureau further agrees that, in the absence of new material evidence, it will not use the facts developed in the Investigation through the Effective Date, or the existence of this

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<sup>55</sup> According to the terms of the agreements, the master agents were paid on commission. *See, e.g.*, Dadou Agreement; Jones Agreement.

<sup>56</sup> *See* E-mail from Mike Ansted, American Broadband, to Jeffrey Ansted, American Broadband (Apr. 12, 2016, 3:30 p.m.) at ABT-OIG00005412 (describing limited verification capacity with “3 or so” full time employees).

<sup>57</sup> During the relevant period, Jeffrey Ansted signed and certified all of the Company’s Forms 497. *See, e.g.*, American Broadband, Form 497, SAC 309010, Ohio, data month Jan. 2014 (dated Feb. 5, 2014). *See* 47 CFR § 54.407(d)(1) (in order to receive reimbursement for offering Lifeline, an ETC must certify that it “is in compliance with all of the rules”).

<sup>58</sup> *See* American Broadband Form 497 Subscriber Lists for data months January 2014-December 2016, on file in EB-IHD-17-00023554.

<sup>59</sup> The Commission proposed a forfeiture based on Section 503(b) of the Act. *See* 47 U.S.C. § 503(b)(2)(B); 47 CFR § 1.80(b)(2). In the NAL, the Commission calculated its forfeiture penalty based on a total of 42,309 improper accounts in American Broadband’s Forms 497 for the data month of August 2016. This included a base forfeiture amount of \$1,000 per improper Lifeline account, plus an upward adjustment of \$21,154,500.00 (fifty percent of the base forfeiture). *See* 47 CFR § 1.80(b)(8), Note (providing guidelines that the Commission and its staff may use in assessing forfeitures, including upward adjustment criteria such as egregious misconduct).

Consent Decree, to institute any new proceeding on its own motion against American Broadband concerning the matters that were the subject of the Investigation, or to set for hearing the question of American Broadband's basic qualifications to be a Commission licensee or hold Commission licenses or authorizations, concerning those matters.<sup>60</sup> This Consent Decree does not terminate any other investigations that have been or might be conducted by other law enforcement agencies or offices.

18. **Admission.** American Broadband admits for the purpose of this Consent Decree and for Commission civil enforcement purposes, and in express reliance on the provisions of paragraph 17 herein, that paragraphs 9-13 above contain a true and accurate description of the Investigation and that it accepts sole responsibility for those actions.<sup>61</sup>

19. **Compliance Agreement.** For purposes of settling the matters set forth herein, American Broadband agrees that it shall implement the Compliance Agreement attached as the Appendix, designed to ensure future compliance with the Communications Laws and with the terms and conditions of this Consent Decree.

20. **Section 208 Complaints; Subsequent Investigations.** Nothing in this Consent Decree shall prevent the Commission or its delegated authority from adjudicating complaints filed pursuant to section 208 of the Act<sup>62</sup> against American Broadband or its affiliates for alleged violations of the Act, or for any other type of alleged misconduct, regardless of when such misconduct took place. The Commission's adjudication of any such complaint will be based solely on the record developed in that proceeding. Except as expressly provided in this Consent Decree, this Consent Decree shall not prevent the Commission from investigating new evidence of noncompliance by American Broadband with the Communications Laws.

21. **Settlement Amount.** American Broadband and Ansted agree to a Settlement Amount of \$16,618,235.44 (Settlement Amount) to fully resolve the Investigation.

- (a) This Settlement Amount includes \$15,063,935.45 in principal and interest repayments American Broadband has made to the USF in connection with overpayments received for Lifeline support for alleged violations of the Commission's Rules referenced in paragraph 12.
- (b) American Broadband will repay an additional \$1,487,249.99 to the USF in installments from reductions in future USAC Lifeline reimbursement disbursements, as stipulated in the Settlement Agreement.
- (c) Additionally, Ansted will pay to the United States proceeds from the sale of his personal vehicle in an amount anticipated to be not less than \$67,050, as stipulated in the Settlement Agreement. If the proceeds from the sale of the vehicle are less than \$67,050, Ansted shall pay both those proceeds and a supplemental amount to ensure that the payment is \$67,050, as stipulated in the Settlement Agreement.
- (d) American Broadband and Ansted acknowledge and agree that upon execution of this Consent Decree, the Settlement Amount shall become a "Claim" or "Debt" as defined in 31 U.S.C. § 3701(b)(1).<sup>63</sup> Upon an Event of Default, all procedures for collection as permitted by law may, at the Commission's discretion, be initiated.

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<sup>60</sup> See 47 CFR § 1.93(b).

<sup>61</sup> 47 U.S.C. § 254.

<sup>62</sup> 47 U.S.C. § 208.

<sup>63</sup> Debt Collection Improvement Act of 1996, Pub. L. No. 104-134, 110 Stat. 1321, 1358 (Apr. 26, 1996).

22. **Event of Default.** American Broadband agrees that an Event of Default shall occur upon the failure by American Broadband to pay the full amount of the Settlement Amount on or before the due date specified in the Settlement Agreement.
23. **Joint and Several Liability.** American Broadband and Ansted agree that they are jointly and severally liable for the payment of the Settlement Amount.
24. **Waivers.** As of the Effective Date, American Broadband and Ansted waive any and all rights they may have to seek administrative or judicial reconsideration, review, appeal or stay, or to otherwise challenge or contest the validity of this Consent Decree and the Adopting Order. American Broadband and Ansted shall retain the right to challenge Commission interpretation of the Consent Decree or any terms contained herein. If either Party (or the United States on behalf of the Commission) brings a judicial action to enforce the terms of the Consent Decree or the Adopting Order, neither American Broadband nor Ansted nor the Commission shall contest the validity of the Consent Decree or the Adopting Order, and American Broadband and Ansted shall waive any statutory right to a trial *de novo*. American Broadband and Ansted hereby agree to waive any claims they may otherwise have under the Equal Access to Justice Act<sup>64</sup> relating to the matters addressed in this Consent Decree.
25. **Severability.** The Parties agree that if any of the provisions of the Consent Decree shall be held unenforceable by any court of competent jurisdiction, such unenforceability shall not render unenforceable the entire Consent Decree, but rather the entire Consent Decree shall be construed as if not containing the particular unenforceable provision or provisions, and the rights and obligations of the Parties shall be construed and enforced accordingly.
26. **Invalidity.** In the event that this Consent Decree in its entirety is rendered invalid by any court of competent jurisdiction, it shall become null and void and may not be used in any manner in any legal proceeding.
27. **Subsequent Rule or Order.** The Parties agree that if any provision of the Consent Decree conflicts with any subsequent Rule or order adopted by the Commission (except an order specifically intended to revise the terms of this Consent Decree to which American Broadband and Ansted do not expressly consent) that provision will be superseded by such Rule or order.
28. **Successors and Assigns.** American Broadband and Ansted agree that the provisions of this Consent Decree shall be binding on their successors, assigns, and transferees.
29. **Final Settlement.** The Parties agree and acknowledge that this Consent Decree shall constitute a final settlement between the Parties with respect to the Investigation. The Parties further agree that this Consent Decree does not constitute either an adjudication on the merits or a factual or legal finding regarding any compliance or noncompliance with the requirements of the Communications Laws. The Consent Decree is for the benefit of the Parties only.
30. **Modifications.** This Consent Decree cannot be modified without the advance written consent of both Parties.
31. **Paragraph Headings.** The headings of the paragraphs in this Consent Decree are inserted for convenience only and are not intended to affect the meaning or interpretation of this Consent Decree.
32. **Authorized Representative.** Each Party represents and warrants to the other that it has full power and authority to enter into this Consent Decree. Each person signing this Consent Decree on behalf of a Party hereby represents that he or she is fully authorized by the Party to execute this Consent Decree and to bind the Party to its terms and conditions.

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<sup>64</sup> See 5 U.S.C. § 504; 47 CFR §§ 1.1501–1.1530.

33. **Counterparts.** This Consent Decree may be signed in counterpart (including electronically or by facsimile). Each counterpart, when executed and delivered, shall be an original, and all of the counterparts together shall constitute one and the same fully executed instrument.

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Loyaan A. Egal  
Acting Chief  
Enforcement Bureau  
Federal Communications Commission

\_\_\_\_\_  
Date

\_\_\_\_\_  
Jeffrey S. Ansted  
President & Chief Executive Officer  
American Broadband & Telecommunications Company

\_\_\_\_\_  
Date

\_\_\_\_\_  
Jeffrey S. Ansted

\_\_\_\_\_  
Date

## APPENDIX

**COMPLIANCE AGREEMENT FOR AMERICAN BROADBAND & TELECOMMUNICATIONS COMPANY**

**PREAMBLE:** In accordance with the terms set forth in the Settlement Agreement and the Consent Decree (as defined herein), American Broadband & Telecommunications Company agrees to the undertakings described in this Compliance Agreement, including reasonable steps to ensure that its future participation in the Lifeline Program and EBB Program (as defined herein) complies fully with all Lifeline and EBB Program Rules (as defined herein).

1. Definitions.

For the purposes of this Compliance Agreement, the following definitions shall apply:

“Act” means the Communications Act of 1934, as amended.

“AMBT” or “Company” means American Broadband & Telecommunications Company and its successors in interest or assigns.

“AMBT Compliance Hotline” or “Compliance Hotline” shall mean the toll-free telephone number described in Section 3(b).

“AMBT Compliance Plan” means the compliance plan required by Section 3.

“Commission” or “FCC” mean the Federal Communications Commission and all of its bureaus and offices.

“Compliance Manual” means the Compliance Manual required by Section 5.

“Consent Decree” means the Consent Decree between AMBT and EB, executed simultaneously with this agreement, to which this Compliance Agreement is attached and incorporated as an appendix.

“Compliance Agreement” means this document, entitled “Compliance Agreement for American Broadband & Telecommunications Company,” which is incorporated as Exhibit B to the Settlement Agreement and as an appendix to the Consent Decree.

“Covered Personnel” or “Covered Person” means all employees and officers of AMBT or any employees or officers of Covered Third Parties who perform, supervise, oversee, or otherwise conduct any activities that relate to AMBT’s participation in the Lifeline Program or EBB Program, including the activities described in section 54.400(p) of the Lifeline Rules. For purposes of Section 5 (Compliance Manual) and Section 6 (Compliance Training Program), Covered Personnel shall also include any personnel used by any Covered Third Party to perform these activities, regardless of whether such personnel are designated as independent contractors, third party agents, or have some other status for a Covered Third Party conducting these activities for AMBT.

“Covered Third Party” or “Covered Third Parties” means any entity that has entered into a contractual relationship or agreement with AMBT to perform services involving the enrollment and de-enrollment of Lifeline or EBB Program consumers, or any duties that relate to the Lifeline or EBB Program eligibility and de-enrollment rules as well as any other activities related to the Lifeline Program or EBB Program, including the activities described in section 54.400(p) of the Lifeline

Rules.

“Customer” means each customer of the Company for whom AMBT has made a claim to USAC by or on behalf of the Company.

“Days” shall mean calendar days (unless otherwise specified).

“EB” means the Enforcement Bureau of the Commission.

“EBB Program” or “EBB” means the support mechanism commonly referred to as the Emergency Broadband Benefit Program as established in Consolidated Appropriations Act, 2021, Pub. L. No. 116-260, div. N, tit. IX, § 904(b)(1), 134 Stat. 2130, 2131, as established under Part 54 of the FCC’s rules or any successor program thereto offering discounted broadband service to EBB subscribers, subscribers under the Affordable Connectivity Program created by the Infrastructure Investment and Jobs Act, Pub.L.No.117-58 (2021), or subscribers under any other successor program.

“EBB Program Rules” means all rules, orders and policies adopted by the Commission (or by the Wireline Competition Bureau under delegated authority) related to and implementing the EBB Program, as provided in the Consolidated Appropriations Act, 2021, Pub. L. No. 116-260, div. N, tit. IX, § 904(b)(1), 134 Stat. 2130, 2131, including, without limitation, Part 54 of the FCC’s Rules, as well as any other rules that may be promulgated for any successor program such as the Affordable Connectivity Program (ACP) created by the Infrastructure Investment and Jobs Act, Pub.L.No.117-58 (2021), offering discounted broadband service to EBB Program subscribers, ACP subscribers, or other subscribers qualifying under any successor program.

“Effective Date” means the effective date of the Settlement Agreement, to which this Compliance Agreement is attached and incorporated as Exhibit B, and Consent Decree, to which this Compliance Agreement is attached and incorporated as an appendix.

“Lifeline Program” or “Lifeline” means the support mechanism commonly referred to as the Lifeline Program or the Low Income Program of the Universal Service Fund, as established under 47 U.S.C. §§ 214(e) and 254(c) and that operates under the Lifeline Rules.

“Lifeline Rules” or “Lifeline Program Rules” means the rules set forth related to and implementing the Lifeline Program, including without limitation 47 C.F.R. §§ 54.101, 54.201-54.207, 54.400-54.422 and the requirements adopted under any applicable Commission orders (or by the Wireline Competition Bureau under delegated authority) relating to the Lifeline Program.

“OIG” means the Office of the Inspector General of the Commission.

“OGC” means the Office of General Counsel of the Commission.

“Operating Procedures” means the standard internal operating procedures and compliance policies established by AMBT under Section 4.

“Parties” means AMBT and the FCC, each of which is a “Party.”

“Settlement Agreement” means the Settlement Agreement between AMBT and the United States Department of Justice to which this Compliance Agreement is attached and incorporated as Exhibit B.

“USAC” means the Universal Service Administrative Company, which serves as the administrator for



the federal Universal Service Fund.

“WCB” means the Wireline Competition Bureau of the Commission.

2. Compliance Officer.

- (a) Within thirty (30) days after the Effective Date, AMBT shall designate a senior corporate manager with the requisite corporate and organizational authority to serve as a Compliance Officer to discharge the duties set forth in this Compliance Agreement. The Compliance Officer must have knowledge of and experience with the Lifeline and EBB Program Rules prior to assuming his/her duties. The Compliance Officer shall report directly to the President and CEO of AMBT, and shall not be, or be subordinate to, the Chief Financial Officer or Vice President of Operations, or have any responsibilities for legal counsel functions for AMBT.
- (b) The Compliance Officer shall be responsible for, without limitation, implementing and administering this Compliance Agreement and ensuring that AMBT complies with its terms and conditions (including taking corrective action as necessary). AMBT shall ensure that Covered Third Parties will be subject to the Compliance Officer’s oversight.
- (c) AMBT shall provide the Compliance Officer with adequate staffing to support the Compliance Officer in fulfilling the Compliance Officer’s responsibilities.
- (d) AMBT shall provide written notice to the FCC of the identity of the initial Compliance Officer within ten (10) days of that appointment. Thereafter, AMBT shall provide written notice to the FCC within ten (10) days of any changes in the identity of the Compliance Officer, or any actions that could adversely affect the Compliance Officer’s ability to perform the Officer’s duties under this Compliance Agreement.

3. AMBT Compliance Plan and Compliance Hotline.

- (a) AMBT agrees that it shall, within ninety (90) days after the Effective Date, develop and implement a compliance plan (AMBT Compliance Plan) designed to ensure future compliance with the Lifeline and EBB Program Rules and containing the terms and conditions set forth herein. AMBT shall provide copies of the AMBT Compliance Plan and submit any revisions to the FCC in a monthly report. The AMBT Compliance Plan shall expressly incorporate the requirements of this Compliance Agreement, including, without limitation, the operating procedures described in Section 4, the training required in Section 6, and the audits required by Section 10.
- (b) AMBT Compliance Hotline: AMBT shall maintain a compliance hotline (or establish one within thirty (30) days after the Effective Date if such a hotline does not exist on the Effective Date) to receive complaints and tips from the public, as well as from Covered Personnel, about potential fraudulent or other irregular activity associated with AMBT’s Lifeline or EBB programs, including, but not limited to, claims from enrolled customers that they had not applied for Lifeline or the EBB Program or could not renew their enrollment. AMBT shall publish the Compliance Hotline conspicuously on the first page of its website in a prominent location, and also affirmatively make enrolled customers aware of the Compliance Hotline and its purpose through other reasonably effective means. AMBT shall also publish

this Compliance Hotline in a prominent location in the Compliance Manual. The Compliance Hotline shall allow anonymous reporting. Complaints and tips received shall be promptly forwarded to the Compliance Officer and investigated.

4. Operating Procedures. Within ninety (90) days after the Effective Date, AMBT shall establish Operating Procedures that all Covered Personnel must follow to help ensure AMBT's compliance with the Lifeline Rules and EBB Program Rules. AMBT's Operating Procedures shall include internal procedures and policies specifically designed to ensure that enrollment and de-enrollment of consumers shall comply with Lifeline and EBB Program Rules. AMBT shall also develop a compliance checklist that describes the steps Covered Personnel must follow to ensure compliance with the Lifeline and EBB eligibility rules for consumers. The Operating Procedures implemented by AMBT shall also include the following:

- (a) **Effective and Accurate Software Programs:** AMBT shall use effective and reliable software programs to verify the living status of Lifeline and EBB Program subscribers and the validity of residential addresses, and to screen potential intra-company duplicate enrollments. AMBT shall use these software programs during the duration of the Compliance Plan in determining the eligibility of all prospective consumers who apply to receive Lifeline or EBB Program service and current consumers who notify AMBT of a change in their residential address. AMBT shall update any software verification tool it uses from time to time as necessary to ensure compliance with the Lifeline and EBB Program Rules.
- (b) **USAC or Commission Review:** Upon request of USAC or the FCC, whether as part of an audit under Section 9 or otherwise, AMBT shall demonstrate the effectiveness and accuracy of the software programs described in subsection (a). If at any time USAC or the Commission are not reasonably satisfied with the software verification tool used by AMBT, AMBT shall promptly modify it or acquire a new tool.
- (c) **Benefit Transfer Rules and Subscriber Terminations:** AMBT shall develop Lifeline and EBB policies and procedures that demonstrate it complies with Lifeline and EBB benefit transfer rules and rules for removing terminated subscribers from the Company's enrollments.
- (d) **Oversight of Covered Third Parties:** AMBT shall develop Lifeline and EBB policies and procedures that demonstrate that it complies with Lifeline and EBB Program rules for monitoring and supervising Covered Third Parties to ensure compliance.
- (e) **Eligibility Compliance:** AMBT shall develop Lifeline and EBB policies and procedures that demonstrate that it complies with Lifeline and EBB Program rules for removing ineligible customers from the Company's enrollments.
- (f) **Post-Enrollment Audits:** AMBT shall develop procedures for a post-enrollment audit program. AMBT shall conduct post-enrollment audits each month to review new enrollments to ensure subscribers are correctly enrolled according to the Lifeline and EBB Program Rules. AMBT shall submit monthly reports to the FCC with the results of its monthly audits, including the methodology employed.
- (g) **Accurate Reimbursement Claims:** AMBT shall develop policies and procedures to ensure that its claims submitted to USAC for reimbursement from the Lifeline and EBB programs are accurate and in compliance with the Lifeline and EBB Program rules.
- (h) **Commissions:** AMBT shall ensure through its contracts with Covered Third Parties that

Covered Third Parties shall not offer or provide to enrollment representatives or their direct supervisors any commission or compensation based on the number of consumers who apply for or are enrolled in the Lifeline or EBB Program with AMBT.

5. Compliance Manual. Within ninety (90) days after the Effective Date, the Compliance Officer shall develop and, to the extent consistent with applicable law, distribute electronically or in hard copy a Compliance Manual to all Covered Personnel and Covered Third Parties. The Compliance Manual shall explain the Lifeline Rules and EBB Program Rules, set forth the Operating Procedures that Covered Personnel and Covered Third Parties shall follow to help ensure AMBT's compliance with the Lifeline Rules and EBB Program Rules, and include the information described in subsection (b) of this section. The requirements of subsections (b)(i) and (b)(ii) of this section shall be applicable to all Covered Personnel, whether employed by Covered Third Parties or by AMBT. The phone numbers for the AMBT Compliance Hotline, the Commission's whistleblower hotline, and the USAC whistleblower hotline shall be displayed in a prominent location in the Compliance Manual. AMBT shall periodically review and revise the Compliance Manual as necessary to ensure that its contents remain current and accurate. To the extent consistent with applicable law, AMBT shall distribute electronically any revisions to the Compliance Manual promptly to all Covered Personnel and Covered Third Parties.

- (a) Any agreements between AMBT and Covered Third Parties shall contain provisions to ensure that the terms of this Compliance Agreement are satisfied. Any agreements between AMBT and Covered Third Parties that are in effect on the Effective Date shall be modified to comply with this section.
- (b) To the extent consistent with applicable law, AMBT shall require that Covered Third Parties be subject to the following additional requirements, as to which AMBT will exercise reasonable oversight, each of which shall be set forth in its agreements with those parties. All agreements between AMBT and Covered Third Parties shall include the following terms:
  - (i) Covered Third Parties or their Covered Personnel who are suspected (based on credible evidence) of violating Lifeline Rules or EBB Program Rules, failing to comply with the terms of the Company's Compliance Manual, or otherwise violating provisions of their agreements with AMBT required by this Compliance Agreement shall be subject to immediate suspension or termination by AMBT or by the Covered Third Party, as the case may be.
  - (ii) Covered Third Parties or their Covered Personnel who become aware of any known, suspected, or alleged fraud or noncompliance with Lifeline Rules, EBB Program Rules or other violations of their agreements with AMBT required by this Compliance Agreement are required to promptly report such suspicions to the AMBT Compliance Hotline, the Commission's whistleblower hotline or to the USAC whistleblower hotline. In addition, any Covered Third Parties or their Covered Personnel who become aware of material compliance problems in AMBT's data interface systems used to enroll customers in the Lifeline Program or EBB Program are required to similarly report such issues to the AMBT Compliance Hotline, the Commission's whistleblower hotline or to the USAC whistleblower hotline.
  - (iii) Each Covered Third Party shall ensure that any Covered Personnel, as well as any other enrollment representatives or their direct supervisors (whether acting as employees or agents of the Covered Third Party) that perform any activities relating to AMBT's participation in the Lifeline or EBB Program, receive the training described in Section 6

and provide certifications verifying that training to the Compliance Officer within thirty (30) days after receipt of the training materials.

- (iv) Each Covered Third Party shall make available to AMBT, the Commission and USAC upon request (with no requirement for a subpoena) access to all documents and records relating to its work for AMBT as it pertains to the Lifeline and EBB Programs. Each Covered Third Party shall also cooperate with audit requests (formal or informal) by AMBT, the Commission or USAC to verify compliance with its agreements with AMBT pertaining to the Lifeline and EBB Programs and with the Lifeline and EBB Program Rules.

6. Compliance Training Program.

- (a) AMBT shall establish and implement an electronic Compliance Training Program for Covered Personnel consistent with this section. Covered Personnel shall complete their Compliance Training within thirty (30) days after AMBT adopts the Compliance Manual, but in no event more than one hundred twenty (120) days after the Effective Date. Any employee who becomes a Covered Person after the initial Compliance Training Program is completed shall be trained within thirty (30) days. For those Covered Personnel who are employees or officers of Covered Third Parties (or their contractors, third party agents, or other individuals or entities working on their behalf), the training shall be substantially similar to that provided to AMBT employees. Each Covered Person who has completed training shall complete a standardized certification attesting to completion of the training. Covered Third Parties will relay such certifications to the Compliance Officer monthly.
- (b) In addition to general training on the Lifeline Rules and EBB Program Rules, training should cover, in particular, Lifeline and EBB Household Worksheets and duplicate removal; benefit transfer rules; subscriber termination and de-enrollment; Covered Third Party oversight; Lifeline and EBB Program eligibility compliance; and removal of ineligible customers from subscriber lists. As part of the Compliance Training Program, Covered Personnel shall be advised of AMBT's obligation to report under Section 8 of this Agreement any suspected, alleged, or known fraud or noncompliance with the Lifeline Rules, EBB Program Rules or this Compliance Agreement. In addition, Covered Personnel and any others receiving the training shall be instructed on how to disclose such noncompliance to the AMBT Compliance Officer. Training on the reporting procedures shall include the email and telephone number of the Compliance Officer, as well as numbers for providing that information anonymously to the AMBT Compliance Hotline, the Commission's whistleblower hotline, and the USAC whistleblower hotline. The training package shall also emphasize the potential ramifications of failing to comply with Lifeline Rules or EBB Program Rules. The training package shall explain that no person who submits reports or concerns about known, alleged, or suspected fraud or noncompliance shall be subject to any retaliation by AMBT or Covered Third Parties, except in cases involving information that the person knew or should have known was inaccurate or false. AMBT shall include a provision in every contract with any Covered Third Party barring any such retaliation.
- (c) AMBT shall provide the FCC with a list of all Covered Personnel within ninety (90) days of the Effective Date. Within thirty (30) days after all the training required by this section is completed, but in any event no later than one hundred fifty (150) days after the Effective Date, AMBT shall provide to the FCC certifications from each Covered Person (including those who are employees or agents of Covered Third Parties) certifying that each has received training pursuant to the Compliance Training Program. AMBT shall also provide on

a monthly basis the names of any new Covered Personnel not later than sixty (60) days after the individuals became Covered Personnel. AMBT shall provide to the FCC with their names the required certifications of their completion of the training required by this section. AMBT and its Covered Third Parties shall repeat compliance training on an annual basis and provide the Commission with annual certifications from each Covered Person (or any other person for whom training is required by this agreement) certifying that each has received annual training pursuant to the Compliance Training Program. AMBT shall periodically review and revise the Compliance Training Program for Covered Personnel as necessary to ensure that it remains current and complete and to enhance its effectiveness.

7. Fraud and Noncompliance Detection and Monitoring.

- (a) Within ninety (90) days after the appointment of the Compliance Officer, but in no event later than one hundred twenty (120) days after the Effective Date, AMBT's Compliance Officer shall create procedures to investigate potential Lifeline Program and EBB Program fraud and noncompliance with the Lifeline Rules, EBB Program Rules, and this Compliance Agreement. Among other activities, the Compliance Officer shall:
- (i) Establish a program of periodic "spot checks" to ensure that Covered Third Parties are complying with all their obligations.
  - (ii) Investigate promptly potential fraud or other irregularities based upon customer complaints, complaints by Covered Third Parties, information obtained through the "spot checks," or any other credible information, including complaints to the AMBT Compliance Hotline.
  - (iii) Investigate potential irregularities or fraud based on reports or anomalies such as (a) high velocity reports showing unusually high numbers of enrollments by particular Covered Third parties; (b) service not requested reports; and (c) multiple parties at the same address reports.
- (b) During the term of this Compliance Agreement, AMBT will include in the annual compliance reports under Section 11(a) a section containing the following metrics:
- (i) The number of investigations opened and the number of investigations closed during the annual reporting period;
  - (ii) A list of Covered Personnel terminated by AMBT (or by Covered Third Parties) during the annual reporting period for known, alleged, or suspected fraud or noncompliance, the nature of such fraud or noncompliance, and the amount or estimated amounts of Lifeline or EBB Program disbursements to AMBT attributable to such fraud or noncompliance; and
  - (iii) The amount of Lifeline and EBB Program disbursements (and dates of such disbursements) returned to the Universal Service Fund by AMBT attributable to (a) known fraud or noncompliance with Lifeline or EBB Program Rules by Covered Personnel, (b) AMBT data interface system enrollment or accounting failure, or both if applicable.

8. Reporting Suspected Fraud or Noncompliance. AMBT shall provide prompt notification to the FCC (as specified in Section 17) of any suspected, alleged, or known fraud or noncompliance

with the Lifeline Rules, EBB Program Rules or this Compliance Agreement within thirty (30) days after their discovery, including potential fraud or other irregularities as described in Section 7(a)(iii). Such notification shall set forth any actions taken by AMBT in response to suspected, alleged, or known fraud or noncompliance, including any investigations or inquiries made and any personnel actions taken. Such reports shall further include a detailed explanation of: (i) each instance of suspected, alleged, or known fraud or noncompliance and the steps that AMBT has or will take to investigate or verify any suspicions or allegations of fraud or noncompliance; (ii) the steps that AMBT has taken or will take to remedy any such noncompliance after it has been verified; (iii) the schedule on which such remedial actions will be taken; and (iv) the steps that AMBT has taken or will take to prevent the recurrence of any such noncompliance.

9. FCC or USAC Compliance Audits. AMBT acknowledges that the FCC or USAC, acting directly or through agents, may review or audit AMBT's compliance with this Compliance Agreement, with the AMBT Compliance Plan, and with Lifeline or EBB Program Rules. AMBT shall cooperate with such review or audit by promptly complying with reasonable requests for information or documents (without the requirement of subpoenas), permitting reasonable inspection of physical premises and equipment, and making requested and relevant personnel available. AMBT shall maintain records in accordance with the requirements herein in a manner that permits any auditor to evaluate compliance with this Compliance Agreement, the AMBT Compliance Plan, and Lifeline and EBB Program Rules. Audit findings under this section are not subject to the reporting requirements under Section 11, unless or until such findings are final and non-appealable.

10. AMBT Independent Audit Reports.

- (a) During each year this Compliance Agreement is in effect, AMBT shall provide for an independent audit that evaluates its performance under this Compliance Agreement and with the Lifeline and EBB Program Rules. These audits shall be performed and completed not later than two (2) months before the submission of each Annual Compliance Report required by Section 11 hereof and shall be submitted to the FCC together with the Annual Compliance Report.
- (b) The auditing program established by AMBT to fulfill its obligations under this Compliance Agreement shall be consistent with generally accepted government auditing standards ("GAGAS"), including the requirement that such audits be performed by an independent auditor. The audits should be designed to ensure that AMBT is complying with the terms of this Compliance Agreement, the AMBT Compliance Plan, and Lifeline and EBB Program Rules.

11. Annual Compliance Reports.

- (a) AMBT shall prepare and file annual compliance reports (each an "Annual Compliance Report") with the FCC. Each Annual Compliance Report is due on or before the anniversary of the Effective Date for as long as this Compliance Agreement is in effect.
- (b) Each Annual Compliance Report shall include a reasonably detailed description of AMBT's efforts during the relevant period to comply with the terms and conditions of this Agreement. In addition, each Annual Compliance Report shall include a certification by the Compliance Officer, as an agent of and on behalf of AMBT, stating that the Compliance Officer has personal knowledge that AMBT: (1) has established and implemented the AMBT Compliance Plan; (2) has utilized the Operating Procedures since the implementation of the

AMBT Compliance Plan; and (3) is not aware of any instances of any suspected, alleged, or known fraud or noncompliance with the Lifeline Rules, EBB Program Rules or this Compliance Agreement, or with the terms and conditions of the AMBT Compliance Plan, except for those reported pursuant to the requirements under Section 8.

- (c) Each Annual Compliance Report shall include a detailed description of any items identified in Section 8; any overpayments made to AMBT during the previous year; customer complaints; any ongoing Lifeline or EBB Program related investigations, legal proceedings and inquiries by state or regulatory agencies, including state Public Utility Commissions. The Report shall also contain a section that includes the metrics required by Section 7(b).
- (d) The Annual Compliance Reports shall include, for the time period covered by each report, organized by date and identifying the geographic service area and the number of customers affected, a summary of (i) complaints and tips received through the AMBT Compliance Hotline or directly by the Compliance Officer, the steps taken by AMBT to investigate those, and the results of those investigations which have been completed at the time of filing the report; (ii) the results of “spot checks” on the customer enrollment process and remedial steps taken by AMBT upon discovery of any fraud or noncompliance; and (iii) other investigations initiated by the Compliance Officer, the results of any completed investigations, and any revised claims for reimbursement resulting from any fraud or noncompliance. The Compliance Officer’s certification, which shall be based on personal knowledge after due inquiry, shall be accompanied by a statement explaining the basis for such certification and shall comply with Section 1.16 of the FCC Rules and be subscribed to as true under penalty of perjury in substantially the form set forth therein.
- (e) If the Compliance Officer cannot provide the requisite certification, the Compliance Officer, as an agent of and on behalf of AMBT, shall provide the Commission with a detailed explanation of the reason(s) why and describe fully: (1) each instance of such unreported noncompliance as described in subsection (b)(3) of this section; (2) the steps that AMBT has taken or will take to remedy such noncompliance, including the schedule on which proposed remedial actions will be taken; and (3) the steps that AMBT has taken or will take to prevent the recurrence of any such noncompliance, including the schedule on which such preventive action will be taken.
- (f) Each Annual Compliance Report shall include a headcount of AMBT staff or employees working in Lifeline Program operations, EBB Program operations, and Lifeline and EBB Program compliance activities.
- (g) In each Annual Compliance Report, the signatories shall certify that before submitting the Report, they reviewed and took into consideration the Independent Audit Reports required by this Compliance Agreement submitted by the Compliance Officer.
- (h) Each Annual Compliance Report shall include copies of the Independent Audit Report for that year required by Section 10. The Report shall also include certifications by the Compliance Officer that all required oversight, training, education, reporting and other compliance activities were undertaken in accordance with the requirements of this Compliance Agreement and the AMBT Compliance Plan. In the alternative, the Report shall identify for the preceding 12-month period any provision of this Compliance Agreement and of the AMBT Compliance Plan with which AMBT did not comply and describe any such noncompliance. The Report shall also explain the steps taken, and/or those that will be taken

(with a timeline specifying when AMBT will take them), to correct any noncompliance, to cure any violation, and to ensure future compliance.

- (i) The Commission, USAC, and the OIG may each provide comments to AMBT's Compliance Officer and its counsel within sixty (60) days of each submitted Annual Compliance Report. Each entity may request AMBT's counsel to arrange a conference with the Compliance Officer to discuss the details of each annual report.

## 12. Term of Compliance Agreement.

- (a) The obligations set forth herein shall apply for a period of three years from the Effective Date or until the Settlement Amount is paid in full, whichever comes later, or for such longer period as may be provided under this section. If AMBT does not reasonably comply with this Compliance Agreement and all Lifeline and EBB Program Rules during the prior twelve (12) month period, as reflected by notification to AMBT's Compliance Officer within 90 days after the FCC becomes aware of such noncompliance, the obligations set forth herein shall continue until AMBT has complied fully with this Compliance Agreement and all Lifeline and EBB Program Rules for one (1) consecutive twelve (12) month period, subject to the limitation set forth in subsection (b) of this section. A determination that AMBT has complied with the obligations in this Compliance Agreement is not intended to and shall not constitute a determination that AMBT has complied with any or all Lifeline or EBB Program Rules for any other purpose.
- (b) The obligations of this Compliance Agreement shall not remain in effect beyond the seventh anniversary from the Effective Date, except as otherwise provided under this subsection. If by such date, AMBT has not fully complied with this Compliance Agreement and with all Lifeline and EBB Program Rules, as determined by the FCC, then AMBT shall remain subject to the remedies provided for in Section 13, at the discretion of the FCC, and the parties may also renegotiate an extension of this Compliance Agreement to address any noncompliance by AMBT, to the extent they deem such an extension to be appropriate or desirable.

## 13. Remedies for Noncompliance.

- (a) General Provision: The FCC reserves its right to pursue violations of the terms of this Compliance Agreement and of the Lifeline and EBB Program Rules consistent with its authority under the Act. AMBT acknowledges and agrees that if AMBT fails to materially comply with any provision of this Compliance Agreement, the FCC may treat such noncompliance in the same manner as the failure to comply with a rule promulgated by the Commission, as well as avail itself of such other remedies as may be set forth in this section. Any action taken under this section is without prejudice to the FCC's application of administrative remedies pursuant to the Act, as reserved by this subsection.
- (b) Suspension of Funding: To ensure the continued integrity of the Universal Service Fund, AMBT acknowledges and agrees that if it fails to materially comply with any provision of this Compliance Agreement (other than any violation of Lifeline or EBB Program Rules, which is separately addressed in Section 14), USAC may exercise its authority to suspend action on processing AMBT Lifeline and EBB Program funding requests and withhold payment until AMBT demonstrates to the satisfaction of the FCC and USAC that it has remedied such noncompliance. USAC may act under this subsection only upon the direction of the FCC. USAC shall provide thirty (30) days' notice to AMBT, with a period to cure of



no less than thirty (30) days, of any actions taken under this subsection and the grounds therefor. Suspension of funding shall not result in a default by AMBT on its payment obligations under the Settlement Agreement and Consent Decree, but shall extend the payment period by a corresponding amount of time. Any action taken under this subsection is without prejudice to the FCC's application of administrative remedies pursuant to the Act.

- (i) If the FCC determines that AMBT has failed to materially comply with any provision of this Compliance Agreement (other than a violation of Lifeline or EBB Program Rules), the FCC will inform AMBT of such determination and may, in its sole discretion, direct USAC to suspend processing of AMBT's funding requests and withhold payments as provided in this subsection (b). Alternatively, the FCC may, in its sole discretion, postpone such suspension of the processing of AMBT's funding requests and the withholding of payments for a period of time and under such terms as the FCC may specify, except in those cases involving deadlines imposed by this Compliance Agreement, which instead shall be subject to the provisions of paragraph (ii) of this subsection. If the FCC postpones the suspension of the processing of AMBT's funding requests and the withholding of payments of funding as permitted under the preceding sentence, and if AMBT does not meet the terms of such postponement to the satisfaction of the FCC, the FCC may, in its sole discretion, direct USAC to immediately suspend processing of AMBT's funding requests and withhold payments of funding commitments as provided in this subsection (b).
- (ii) AMBT may seek extensions of any deadline imposed by this Compliance Agreement by notification in writing to the FCC, to be received by the FCC at least five (5) business days before the deadline date (including an explanation of the reason for the requested extension). Such an extension request may be granted or not in the sole discretion of the FCC. If the FCC denies the extension request, or if AMBT fails to meet any extended deadline, then the FCC may, in its sole discretion, upon the failure of AMBT to meet its deadline, direct USAC to suspend processing of AMBT's funding requests and withhold payments of funding commitments as provided in this subsection (b).
- (iii) If a suspension of funding occurs due to material noncompliance with the terms of this Compliance Agreement (other than a violation of Lifeline or EBB Program Rules), AMBT may appeal such suspension by filing an appeal with WCB within thirty (30) days. For purposes of this subsection, the computation of time shall be as set forth in 47 CFR §1.4 and the procedures in 47 CFR §§ 54.721 and 54.722 shall be applicable to such appeals. The decision of the WCB may thereafter be appealed to the full Commission. If the Commission affirms any suspension of funding, AMBT agrees that any such determination and the resulting denial of any payments in connection with such suspension shall not be subject to further administrative appeal at USAC or the FCC.
- (iv) If the Commission affirms any suspension of funding under paragraph (iii) of this subsection, or if a suspension of funding is imposed under this subsection (b) that is not appealed, AMBT agrees to withdraw, relinquish, cancel or restate any funding requests, as the case may be, consistent with any final orders of the FCC (or WCB, if no appeal is made to the full Commission) to the extent permissible under applicable Lifeline or EBB Program Rules, or, if cancellation is not viable, due to previous payments made under the transactions involved, to reduce any existing USAC funding commitments or repay any disbursements to the extent ordered by the FCC or USAC.

14. Violation of Lifeline or EBB Program Rules. If there is noncompliance with Lifeline or EBB Program Rules, USAC shall take action pursuant to its normal processing procedures, in accordance with FCC rules and orders and USAC procedures. Any such actions taken by USAC may be appealed as provided by applicable Universal Service Program rules, including those set forth in 47 CFR §§ 54.719 through 54.722.
15. Document and Record Retention. AMBT shall maintain for inspection all documents and records necessary to support reimbursement claims from the Lifeline and EBB Programs and to demonstrate compliance with this Compliance Agreement, in accordance with the Commission's record retention policy and Lifeline and EBB Program Rules.
16. Amendments. This Compliance Agreement may be amended only by written agreement duly executed by all the parties to this Compliance Agreement.
17. Notifications and Submissions of Reports and Compliance Documents. All notices, reports, disclosures or other communications required by this Compliance Agreement shall be in writing and sent via E-mail. Such notices, reports, disclosures or other communications shall be deemed to have been duly given on the day of transmission of the E-mail. Notifications required to be made to the FCC shall be made to the OIG, OGC, and EB. In addition to E-mail notifications, AMBT shall provide hard copies of each Annual Compliance Report (as described in Section 11) to each of the individuals listed below. Notifications shall be made as follows:

If to OGC:

General Counsel (or designee)  
Federal Communications Commission  
45 L Street, NE  
Washington, DC 20554  
Email address of designee: <mailto:Paula.Silberthau@fcc.gov>; and  
[Jim.Bird@fcc.gov](mailto:Jim.Bird@fcc.gov)

If to EB:

Enforcement Bureau Chief (or designee)  
Federal Communications Commission  
45 L Street, NE  
Washington, DC 20554  
Email address of designee: [Rakesh.Patel@fcc.gov](mailto:Rakesh.Patel@fcc.gov)

If to OIG:

Inspector General  
Office of Inspector General  
Federal Communications Commission  
45 L Street, NE  
Washington, DC 20554  
Email address of designee: <mailto:Eric.Phelps@fcc.gov>; and  
[Sharon.diskin@fcc.gov](mailto:Sharon.diskin@fcc.gov)

If to AMBT:

Jeffrey S. Ansted  
American Broadband & Telecommunications Company  
1480 Ford St.  
Maumee, OH 43537

Email address of designee: [jansted@ambt.net](mailto:jansted@ambt.net)

With a copy to:

John J. Heitmann

Nelson Mullins

101 Constitution Avenue, NW, Suite 900

Washington, DC 20001

Email address of designee: [john.heitmann@nelsonmullins.com](mailto:john.heitmann@nelsonmullins.com)

18. This agreement may be executed in counterparts, each of which shall be deemed an original, but all of which together shall constitute one and the same instrument.

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P. Michele Ellison  
General Counsel  
Office of General Counsel  
Federal Communications Commission

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Date

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Jeffrey S. Ansted  
President & Chief Executive Officer  
American Broadband & Telecommunications Company

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Date