



RECEIVED

2009 JUL 23 PM 2:59

ANDREW O. ISAR

4423 POINT FOSDICK DRIVE, NW
SUITE 306

GIG HARBOR, WA 98335
TELEPHONE: 253.851.6700
FACSIMILE: 866.474.3630
WWW.MILLERISAR.COM

T.R.A. DOCKET ROOM

Via Overnight Delivery

May 22, 2009

Ms. Darlene Standley
Utilities Division Chief
Tennessee Regulatory Authority
460 James Robertson Parkway
Nashville, TN 37243-0505

RE: Docket No. 09-000054, *Application of Silv Communications Inc. for Certification to Provide Resold Interexchange Long Distance Services in Tennessee*

Dear Ms. Standley.

Silv Communication Inc. ("Silv"), by its regulatory consultants, provides the following information in response to the Tennessee Regulatory Authority's ("Authority") April 30, 2009 letter in the above referenced matter.¹

Silv has successfully provided responsible, interexchange telecommunications services since its formation in 2001. Today, Silv serves thousands of satisfied subscribers in 30 states.² Silv strictly follows the account transfer requirements set forth in Section 64.1130 of the Federal Communications Commission's regulations³ and related state regulations as applicable, relying exclusively on recorded, independent third party verifications to confirm account transfers. The Company engages a telemarketing firm that strictly complies with federal and state Do-Not-Call list requirements and other telemarketing requirements, subject further to strict Company guidelines.

The occurrence of complaints against the Company associated with unauthorized account transfers ("slamming"), while regrettable, is entirely consistent with complaints received by virtually all other presubscribed wireline telecommunications service providers. Silv goes to extraordinary efforts to investigate all complaints, and routinely credits complainants as a matter of policy. Silv is not aware of any unresolved complaint,

¹ The deadline for this response was twice extended to May 26, 2009, pursuant to coordination with Ms. Lisa Foust, most recently by electronic mail on May 18, 2009

² Please refer to Application at Appendix H.

³ 47 C.F.R. §64.1130.

Ms. Darlene Standley
May 22, 2009
Page 2

whether formal or otherwise. With the foregoing in mind, Silv responds to the Authority's request for additional information as follows.

1. Additional Slamming Complaints. In addition to the complaints listed at Appendix J of the Company's pending application which resulted in the cited regulatory action, and six slamming complaints noted in the Authority's letter, all of which were resolved without Federal Communications Commission action or sanction, Silv was found to be in violation of slamming rules associated with the Cushman stores in the State of Oregon in January 2009. In this instance, despite Silv's production of a recording clearly establishing that a representative had authorized the Company to provide presubscribed intrastate, interstate, and international interexchange telecommunications services, the Commission found that although the independent third party verifier clearly asked the subscriber to acknowledge the election of Silv as the company's primary intraLATA, interLATA, and international carrier, the verifier's failure to request such acknowledgement as three independent questions rather than a single question, was interpreted as being violative of commission rules. Silv accepted Staff's interpretation and fully credited the customer's account for amounts paid, though maintains that the matter was an interpretive matter and not a substantive violation of state or federal account transfer rules. There are no other complaints before any regulatory agency that were not dismissed upon demonstration by Silv that the account had been properly transferred.

2. Nationwide Marketing Registration. Silv has confirmed that Nationwide Marketing has not yet registered with the Authority as a solicitor. Silv acknowledges that it may not provide telecommunications services in Tennessee until its marketing company has registered as a solicitor. Silv avers to provide the Authority with evidence of registration under separate transmittal.

3. Telemarketing Script. A copy of Silv's telemarketing sales script is attached.

4. Third Party Verification. The name, address and contact person for third party verification is:

Name:	Star Verification
Address:	611 South Catalina, Suite 200
City, State, Zip:	Los Angeles, CA 90005

A copy of the verification script is attached.

5. Original Security Bond. The original security bond is attached.

Ms. Darlene Standley
May 22, 2009
Page 3

6. Payment of Commissions. All commissions are paid exclusively to sales agents. Third party verifiers are not paid on commission.

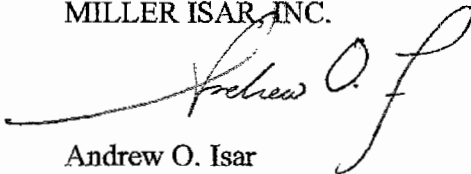
7. Marketing Expenses. Marketing expenses, as listed on the Company's financial statements include all expenses associated with product marketing including, but not limited to, preparation of marketing text for posting on company's web site ... Marketing expenses are booked in the account upon payment of invoices for marketing related matters.

Silv prides itself on the responsible provision of telecommunications services and compliance with attendant regulations. The Company avers to continue in its tradition of providing desirable services and remaining compliant with applicable regulations in Tennessee. To the extent that Staff would benefit from an informal telephonic meeting with Silv representatives, we would be pleased to coordinate a meeting.

Additional questions may be addressed to the undersigned. Please note that this Firm's address has changed, as noted on page 1.

Sincerely,

MILLER ISAR, INC.

A handwritten signature in black ink, appearing to read "Andrew O. Isar", written over a horizontal line.

Andrew O. Isar

Regulatory Consultants to
Silv Communication Inc.

TENNESSEE REGULATORY AUTHORITY

TENNESSEE TELECOMMUNICATIONS SERVICE PROVIDER'S SURETY BOND

BOND # 70645593

WHEREAS, Silv Communication Inc. (the "Principal") has applied to the Tennessee Regulatory Authority for authority to provide telecommunications services in the State of Tennessee; and

WHEREAS, under the provisions of Title 65, Chapter 4, Section 125(j) of the Tennessee Code Annotated, as amended, the Principal is required to file this bond in order to obtain such authority and to secure the payment of any monetary sanction imposed in any enforcement proceeding brought under Title 65 of the Tennessee Code Annotated or the Consumer Telemarketing Act of 1990 by or on behalf of the Tennessee Regulatory Authority (the "TRA"); and

WHEREAS, WESTERN SURETY COMPANY (the "Surety"), a corporation licensed to do business in the State of Tennessee and duly authorized by the Tennessee Commissioner of Insurance to engage in the surety business in this state pursuant to Title 56, Chapter 2 of the Tennessee Code Annotated, has agreed to issue this bond in order to permit the Principal to comply with the provisions of Title 65, Chapter 4, Section 125(j) of the Tennessee Code Annotated;

NOW THEREFORE, BE IT KNOWN, that we the Principal and the Surety are held and firmly bound to the STATE of TENNESSEE, in accordance with the provisions of Tennessee Code Annotated, Title 65, Chapter 4, Section 125(j), in the full amount of twenty thousand dollars (\$20,000.00) lawful money of the United States of America to be used for the full and prompt payment of any monetary sanction imposed against the Principal, its representatives, successors or assigns, in any enforcement proceeding brought under Title 65 of the Tennessee Code Annotated or the Consumer Telemarketing Act of 1990, by or on behalf of the TRA, for which obligation we bind ourselves, our representatives, successors and assigns, each jointly and severally, firmly and unequivocally by these presents.


This bond shall become effective on the 13th day of January, 2007, and shall be continuous; provided, however, that each annual renewal period or portion thereof shall constitute a new bond term. Regardless of the number of years this bond may remain in force, the liability of the Surety shall not be cumulative, and the aggregate liability of the Surety for any and all claims, suits or actions under this bond shall not exceed Twenty Thousand Dollars (\$20,000.00). The Surety may cancel this bond by giving thirty (30) days written notice of such cancellation to the TRA and Principal by certified mail, it being understood that the Surety shall not be relieved of liability that may have accrued under this bond prior to the date of cancellation.

PRINCIPAL

Silv Communication Inc.

Company ID # as assigned by TRA

Signature of Principal:


SK Golam Ahia, President

SURETY


WESTERN SURETY COMPANY

Name of Surety
101 S. Phillips Ave.

Sioux Falls, SD 57104-6703

Address of Surety

SIGNATURE OF SURETY AGENT:

 E. Friese, Asst Sec.

Name:

Title:

Address of Surety Agent:

FSIA Stacy Chern

19077 E. Colima Road

Rowland Heights, CA 97148

THIS BOND IS ISSUED IN ACCORDANCE WITH THE PROVISIONS OF SECTION 125, CHAPTER 4, TITLE 65 OF THE TENNESSEE CODE ANNOTATED AS AMENDED BY CHAPTER NO. 586, 2000 PUBLIC ACTS. SHOULD THERE BE ANY CONFLICT WITH THE TERMS HEREOF AND THE STATUTE OR REGULATIONS PROMULGATED THEREUNDER THE STATUTE OR REGULATIONS SHALL PREVAIL. (POWER OF ATTORNEY FROM AN APPROVED INSURANCE COMPANY MUST BE ATTACHED.)

ACKNOWLEDGEMENT OF PRINCIPAL

STATE OF CALIFORNIA
COUNTY OF LOS ANGELES

Before me, a Notary Public of the State and County aforesaid, personally appeared SK Golam Ahia with whom I am personally acquainted and who, upon oath, acknowledged himself to be the individual who executed the foregoing bond on behalf of Silv Communication Inc., and he acknowledged to me that he executed the same.

WITNESS my hand and seal this 21st day of May, 2009.

My Commission Expires:

Dec 31. 2009

Samantha Kang
Notary Public

ACKNOWLEDGEMENT OF SURETY

STATE OF South Dakota
COUNTY OF Minnehaha

Before me, a Notary Public of the State and County aforesaid, personally appeared E. Friese, Ass't Sec. with whom I am personally acquainted and who, upon oath, acknowledged him/herself to be the individual who executed the foregoing bond on behalf of WESTERN SURETY COMPANY, the within named Surety, a Assistant Secretary licensed to do business in the State of Tennessee, and authorized by the State of South Dakota to engage in the surety business, and that he/she as such individual being authorized to do so, executed the foregoing bond, by signing the name of the corporation by him/herself and as such individual.

WITNESS my hand and seal this 13th day of January, ~~2007~~ 2009

My Commission Expires:

B. ARP
My Commission Expires 3-20-2011

B. ARP
Notary Public

APPROVAL AND INDORSEMENT

This is to certify that I have examined the foregoing bond and found the same to be sufficient and in conformity to law, that the sureties on the same are good and worth the penalty thereof, and that the same has been filed with the Tennessee Regulatory Authority, State of Tennessee, this _____ day of _____, 2009.

Name

SILV COMMUNICATION INC.
Unlimited Nationwide Calling Plan
SALES SCRIPT

Hello, This is -----, with SILV Communication Inc., a long distance service provider. May I please speak with the person in charge of the phone account, would that be you? May I please have your name and title? Are you 18 years of age and authorized by the telephone account owner to make changes to and/or incur charges on this telephone account? Yes/No

(If the customer says YES)Continue with the following:

This is an important offering notification call for all customers. Starting next month, we are offering unlimited calls anywhere in the United States and Canada for one low monthly price of \$29.95 and \$24.95 for any additional lines. No monthly minimum usage is required; no long term contract is required. You can cancel at anytime by calling our toll-free number 1-888-723-2199. For additional information you can visit our Web Site at www.silvcom.net.

These calls/charges will be posted on your local phone bill in the section "Billing on behalf of SILV Communication" which will appear on the HBS/USBI billing page of the bill. To switch to our network there may be a one-time switching fee of \$5.00.

To accept this outstanding offer, do you agree to switch your long distance service to SILV Communication Inc.? Yes/No. Please note that the underlying carrier for SILV Communications long distance service is Level3/Broadwing.

(If customer agrees to take this service, proceed for data gathering.)

Business Name and Address

Billing Phone Number (BTN)

All other phone numbers listed under the Main Number (WTN)

Although we have a billing agreement with your local phone company, in order to have this charge placed on the local phone bill, I do need to verify that you understand that Silv Communication Inc and your local phone company are not affiliated in any way, and are separate and independent companies.

Now, to verify the accuracy of our information and to activate your service, I need to transfer you to a third party verification company for confirmation. Please be advised that the verification center cannot answer any questions with regard to your order. Thank you for choosing Silv Communication Inc., and please hold while I transfer your call.

SILV COMMUNICATION INC.
Unlimited Nationwide Calling Plan
VERIFICATION SCRIPT

Hello, _____ (Contact Name) this is _____ with the verification center. We are recording this conversation for quality control and accurate data entry purposes.

Mr./Mrs. _____ are you eighteen (18) years of age and authorized by the telephone account owner to make changes to and/or incur charges on this telephone account? Yes/No. Please provide your official title _____

You do authorize SILV Communication Inc to be your interstate and intrastate long distance service provider for all the company lines? Yes/No.

You do understand that SILV Communication Inc is a separate company from your local phone company and that the long distance billing will appear on your local phone bill on the USBI bill page as being billed on behalf of Silv Communications ? Yes/No.

- Mr./Mrs. _____ you do understand that Silv Communication will be providing you with unlimited calls anywhere in the United States and Canada for one low monthly fee of \$29.95 and \$24.95 for each additional line. You can cancel at any time by calling customer service at
- 1-888-723-2199 or by writing to us at 3460 Wilshire Blvd Ste 1103, Los Angeles, CA 90010

Now I will read your billing information. Please listen carefully to insure the accuracy of the information.

Billing Name as it appears on the local phone bill is _____

Billing Address as it appears on the local phone bill is _____

BTN () _____ All WTN _____

Name of local phone company is _____

Mr./Mrs. _____ is all this information correct? Yes/No. To confirm our conversation on (today's date) _____ Please state your first and last name and date of birth _____ or your mother's maiden name.

Thank you once again for choosing SILV Communication Inc.