

# ISG-Telecom Consultants

## VIA USPS PRIORITY MAIL

September 8, 2009

filed electronically in docket office on 09/08/09

Sara Kyle, Chairman  
Care of Sharla Dillon  
Tennessee Regulatory Authority  
460 James Robertson Parkway  
Nashville, Tennessee 37243

Re: LMK Communications LLC – Answers to Data Request dated 8/28/09  
Docket No. 09-00117

Dear Sir:

Enclosed please find an original and four (4) copies of the answers to staff's data request dated August 28, 2009 in the hereinabove docket. An electronic copy of this letter and the answers are also being sent.

Please acknowledge receipt of this filing by file stamping and returning a copy of this letter to the address below.

Questions concerning this Application may be addressed directly to me.

Sincerely,

Joseph Isaacs  
Director of Regulatory Affairs  
LMK Communications LLC

4274 Enfield Court, Suite 1600, Palm Harbor, Florida 34683  
Telecom Attorneys and Consultants  
Telephone: 727-738-5553 Facsimile: 727-939-2672  
<http://www.isg-telecom.com> [isaacs@isg-telecom.com](mailto:isaacs@isg-telecom.com)

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**Q. DOES LMK COMMUNICATIONS INTEND TO PROVIDE LIFELINE AND LINKUP DISCOUNTS, WHITE PAGE DIRECTORY LISTINGS AND FREE 900/976 BLOCKS TO QUALIFYING CITIZENS IN TENNESSEE.**

A. At this time Applicant does not intend to offer such services to citizens in Tennessee, unless mandated to do so by the Tennessee Regulatory Authority. In the event Applicant determines it shall offer these services in the future, it shall revise its tariff to include these services prior to them being offered to the public.

**Q. THE PETITION STATES THAT LMK IS FINANCIALLY ABLE TO PROVIDE THE SERVICES PROPOSED AS EVIDENCED BY THE COMBINED FINANCIAL STATEMENTS FOR LMK AND ITS PARENT COMPANY. WHAT ARE THE TERMS, IF ANY, ASSOCIATED WITH THE AMOUNTS PROVIDED TO LMK FROM CLARITY COMMUNICATIONS GROUP, INC.?**

A. Intercompany loans are based upon the following terms: interest only loans with 5 year balloon payment on principle and interest is accrued annually at the short term Adjusted Federal Rate.

**Q. THE PROJECTIONS IN EXHIBIT D.2 INDICATE THAT THE FUNDING PROVIDED TO LMK BY ITS PARENT COMPANY, CLARITY COMMUNICATIONS, OVER THE NEXT 3 YEARS WILL RESULT IN SUBSTANTIAL NEGATIVE EQUITY FOR CLARITY. CLARIFY HOW CLARITY WILL BE ABLE TO FUND LMK AND SUSTAIN ITS OWN OPERATIONS WITH THE LACK OF EQUITY AND NEGATIVE CASH FLOW.**

A. LMK and New Clarity are treated as entities disregarded from their owners for tax purposes. Obviously, Clarity will not incur negative cash flow. Funds are transferred between the companies as needed. There is no negative equity for Clarity when the three companies are combined for tax purposes. Applicant would be willing to revise the pro forma financials to reflect this and thus eliminate the negative yearend cash balances, if request by TRA staff.

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**Q. PROVIDE A BOND OR LETTER OF CREDIT IN COMPLIANCE WITH TENN. CODE ANN. §65-4-125(J).**

A. Applicant should not be required to post a bond or letter of credit per Tenn. Code Ann. §65-4-125(J), as applicant does not have nor will it own or operate telecom transmission facilities valued in excess of \$5 Million dollars in Tennessee.

**Q. PROVIDE BIOGRAPHICAL INFORMATION ON MR. JOSEPH ISAACS, DIRECTOR OF REGULATORY AFFAIRS FOR THE COMPANY.**

A. Please see attached biography of Mr. Joseph Isaacs.

**Q. PROVIDE A SAMPLE BILL.**

A. Please see attached sample bill for LMK Communications

**Q. THE PRE-FILED TESTIMONY INDICATES THAT THE COMPANY WILL UTILIZE IN-HOUSE MARKETING STAFF AS WELL AS OUTSIDE SALES REPRESENTATIVES AND AGENTS. WILL EITHER THE IN-HOUSE STAFF OR THE OUTSIDE SALESPERSONS OR AGENTS ENGAGE IN TELEMARKETING? IF SO, IS THE COMPANY AWARE OF AND WILLING TO COMPLY WITH TENN. CODE ANN. §65-4-401 ET SEQ.?**

A. The applicant currently does not have any intention of utilizing telemarketing as part of its marketing plan. In the event that it determines, in the future, that telemarketing offers benefits to its marketing plans, Applicant will become aware of and will be willing to comply with Tenn. Code Ann. §65-4-401 et seq.

4274 Enfield Court  
Palm Harbor, FL 34685  
Phone: 727-641-5551  
[isaacs@isg-telecom.com](mailto:isaacs@isg-telecom.com)

# Joseph Isaacs

Telecommunications Regulatory Consultant

## KEY CAREER ACHIEVEMENTS

- Managed multiple sales and marketing teams with complete P&L responsibility
- Developed effective strategies and created goals for key activities.
- Cultivated key customer relationships through outstanding follow-up for the utmost in customer satisfaction.
- Excelled in planning, marketing campaign development, sales strategies and team leadership.
- Resourceful leader in defining, developing and implementing market direction.
- Expert witness in litigation cases in Telecommunications arena (i.e AT&T, Ameritech, eGIX).
- Responsible for negotiations of thousands of end user and carrier to carrier agreements.
- VP of regulatory Affairs for dozens of telecom carriers

## PROFESSIONAL EXPERIENCE

### ISG-Telecom Consultants – Tampa Bay, FI

1994-Present

President & CEO

- Responsible for the direction of the consulting practice in the Telecommunications industry including the formation of a "turn-key solutions" firm that became an industry leader.
- Responsible for all the day-to-day operations including sales, marketing, contracts, project managers, strategic alliances, partnerships and public relations.
- Personal involvement in the negotiations of 1,000+ industry contracts, management of the drafting of hundreds of federal and state CLEC/IXC regulatory filings & tariffs, employment agreements, other legal documents.
- Worked with clientele in all fifty states and created interface programs on their behalf with Verizon, AT&T, Bellsouth, Sprint, Qwest, Bell Atlantic, SBC and Ameritech.
- As major innovator of the ISP/CLEC market, I have spoken frequently at industry trade shows on the ISP/CLEC subject nationally. Topics include "How & Why to be a CLEC", "Convergent Service Solutions for the New Millennium", "Taking the Plunge from ISP to ISP/CLEC", "Revenue Streams for the ISP/CLEC", "Procedures and benefits of becoming an ISP/CLEC".
- Additional background includes contract and employment law, regulatory issues, corporate structures, contract negotiations, accounting, international purchasing, worldwide distribution channels, sales analysis, cost analysis, cost management, cost auditing, business and financial planning, new product launch, public relations, advertising, marketing and market analysis, computers, internet, telecommunications, web development, sales and management training.
- Called upon telecom expert and contract negotiation expert
- Generated over 1Billion in equipment sales since 1998.
- Generated consulting revenues in excess of 5MM

## EDUCATION

S.U.N.Y – BA business Administration, 1976  
Stetson School of Law, JD, 1979



Customer Name  
Customer Address  
Customer No.:

Invoice #  
Date of Invoice: July 1, 2009  
Date Mailed: July 1, 2009  
Current Inv Period: 7/1-7/31/09

Previous Balance	Payments Received	Late Charge	Adjustments	Balance Forward	Current Charges
\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
					Total Amount Due
					\$0.00

A late payment charge of 1.5% applies to any portion of the bill not paid before the next month's bill.

Current Charges:

Monthly Service Charges	\$0.00
Other Charges and Credits	\$0.00
Surcharges, Taxes and Regulatory Fees	\$0.00
TNA Sales Tax	\$0.00
Total Current Charges:	\$0.00

Total Amount Due: \$0.00

Submit Payment to: LMK Communications LLC  
9650 Strickland Rd Suite 103-143  
Raleigh, NC 27615

Due Date	Amount Paid
7/31/09	

PLEASE INCLUDE INVOICE NUMBER ON PAYMENT

The following pages provide billing detail for the charges listed. If you have any questions or complaints, call us using the telephone number listed at the bottom of the page. LMK Communications LLC is regulated by the Tennessee Regulatory Authority.

Clarity Communications Group, Inc. / LMK Communications LLC  
FEIN: 56-2088064  
9650 Strickland Rd #103-143 / Raleigh, NC 27615  
Phone (919) 270-9833 / Fax (888) 899-1167  
Jennifer@networkclarity.com / www.networkclarity.com



## Detail of Monthly Service Charges

Customer Order Number:

LMK Circuit Number: LMK\_\_\_\_\_

Originating Location:

Terminating Location:

Description: 10Mb/s Ethernet 7/1 through 7/31/09 Amount: \$0.00

Total: \$0.00

## How Your Charges are Billed

Your bill includes two types of service charges:

1. Regulated Service Charges – Charges for basic telephone service such as dial tone line and local usage, local exchange services such as Call Waiting and Call Forwarding, Federal Subscriber Line Charge, Federal Universal Service Fund Surcharge, and associated services and installation charges that are regulated by the State Corporation Commission. Failure to fully pay these charges as well as the charge for basic bundled service may result in the disconnection of the service and/or your dial tone.
2. Non-Regulated Charges – Charges for services such as Long Distance Toll, Voice Mail, Broadband services, DirecTV, and other services not regulated by the State Corporation Commission.

	Past Due Balances	Current Charges	Totals
Regulated	.00*	.00	.00
Non-Regulated	.00	.00	.00
Totals			

\* State regulations require LMK Communications LLC to identify which charges you must pay to ensure that your basic local telephone service is not suspended. To avoid suspension of your telephone services, you must pay any past due balances immediately.

Your local exchange services, including basic telephone service, or a basic bundle may not be disconnected for failure to pay other services such as Caller ID or Voice Mail. However, nonpayment of such services may result in their disconnection and the loss of any stored messages.