## Lance J.M. Steinhart, P.C.

1720 Windward Concourse Suite 115 Alpharetta, Georgia 30005

Also Admitted in New York and Maryland

Telephone:(770) 232-9200 Facsimile:(770) 232-9208 Email: lsteinhart@telecomcounsel.com

February 24, 2011

## VIA ELECTRONIC FILING AND OVERNIGHT DELIVERY

Mr. David Foster Utility Division Deputy Chief Tennessee Regulatory Authority 460 James Robertson Parkway Nashville, TN 37243-0505 (615) 741-3939

filed electronically in docket office on 02/24/11

Re:

Docket No. 10-00187, Application for Aegis Telecom, Inc. d/b/a Off the Hook Telecom for Certificate of Public Convenience and Necessity to Provide Competing Local Exchange and Interexchange Telecommunication Services in Tennessee

Dear Mr. Foster:

Enclosed please find for filing an original and four (4) copies of the Data Request No. 2 for Aegis Telecom, Inc. d/b/a Off the Hook Telecom. This filing has also been sent via e-mail to sharla.dillon@state.tn.us on February 24, 2011.

APPLICANT HAS ALSO ENCLOSED ONE COPY OF ITS FINANCIAL INFORMATION IN A SEPARATE ENVELOPE AND HEREBY RESPECTFULLY REQUESTS CONFIDENTIAL TREATMENT OF THE ENCLOSED FINANCIAL INFORMATION THAT CONTAINS CONFIDENTIAL AND PROPRIETARY INFORMATION. APPLICANT EXPECTS THAT THIS INFORMATION WILL BE RESTRICTED TO COUNSEL, AGENTS AND EMPLOYEES WHO ARE SPECIFICALLY ASSIGNED TO THIS APPLICATION BY THE COMMISSION.

I have also enclosed an extra copy of this letter to be date stamped and returned to me in the enclosed, self-addressed, postage prepaid envelope.

If you have any questions or if I may provide you with additional information, please do not hesitate to contact me.

Respectfully spomitted,

Lance J.M. Steinhart Attorney for Aegis Telecom, Inc. d/b/a Off the Hook Telecom

Enclosures:

Robert Clark

Question No. 1

All industry studies and internal business documents justifying the customer retention percentage as stated in "Assumption for Profit and Loss."

Response:

Assumed retention rate of 60% is based on the historical experience of the telecommunications management company, who derived the rate from years of managing similar sized telecommunication companies. Industry standard rates are not available through various searches of the matter.

Question No. 2

Provide the annual per customer billing rate to account for the ILEC billing amount for the year beginning January 2011 and ending December 2011. Include the number of customers in your analysis and reconcile this amount to the expected monthly customer growth rate.

Response:

Attachment A

Projection attached now includes 2011 extended forward

through 2012.

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Question No. 3

Explain the basis of negative retained earnings as listed on the balance sheet as of August 31, 2010.

Response:

The financials provided were prior to year-end adjustments. After the adjustments, there was no retained deficit as all 2009 expenses were reclassified as the assets, organization, and start-up expenses.

Question No. 4

Explain the "Contributions" expense item as listed on the Profit and Loss statement of August 31, 2010.

Response:

Contributions consisted of \$1,000 to Hope for Haiti and \$500 to American Cancer Society.

Question No. 5.

Is there common ownership between Telecom Service Bureau, Inc. and High Tech Communications, as listed on Robert Clark's resume?

Response:

There is no common ownership between Telecom Service Bureau, Inc and High Tech Communications, Inc.

Question No. 6.

Does Robert Clark have an ownership interest in either Telecom Service Bureau, Inc. or High Tech Communications or any other company, telecommunications or otherwise?

Response:

Robert Clark does not have any ownership interest in either Telecom Service Bureau, Inc or High Tech Communications, or any other company telecommunications or otherwise.

Question No. 7.

Define the role of Robert Clark in the operation of Aegis Telecom, Inc. d/b/a Off the Hook Telecom

Response:

Robert Clark will be owner and manager of Aegis. Due to the cost of employing enough personnel to be successful in the industry, he has contracted with Telecom Service Bureau, Inc for call center, marketing, order provisioning, and accounting.

Question No. 8.

Provide valid telephone and fax numbers for Aegis Telecom, Inc. d/b/a Off the Hook Telecom for the purpose of contacting the company.

**Response:** 

Robert Clark's personal cell phone number is 352-425-8593. The customer service number is 1-866-430-3911 and will be live prior to taking new customers. Fax number is 352-433-2161. Tina Allen or Angela Scroble, Senior Operations Manager and Operation manager respectively, of Telecom Service Bureau can be reached at 352-433-2116 and can answer any and all questions related to Aegis Telecom as well.

Question No. 9.

Does Aegis intend to apply for Eligible Telecommunications Carrier

status in Tennessee?

Response:

It is the intention of Aegis to apply for ETC status in

Tennessee.

Question No. 10.

Per the Management Services Agreement, does Aegis plan or

anticipate using the optional software described in exhibit 2.1 to

dispute ILEC billing?

Response:

Yes, Aegis does plan to use the Consultant as described in

exhibit 2.1. Said Consultant with software is CGM, Inc out

of Roswell GA.

## Attachment A

## **Financial Information**

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