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TN REGULATORY AUTHORALY UTILITIES DIVISION

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TR.A. DOCKET ROOM

November 3, 2011 Via Overnight Delivery

Ms. Sharla Dillon Dockets and Records Manager, Utilities Division Tennessee Regulatory Authority 460 James Robertson Parkway Nashville, TN 37243-0505

Re: G3 Telecom USA, Inc. - Application for Certificate to Provide Operator Services and/or

Resell Telecommunications Services in Tennessee

Docket 1100117

Dear Ms. Dillon,

Enclosed for filing are the original and four (4) copies and a CD of the responses to the Data request submitted on behalf of G3 Telecom USA, Inc. in the above referenced docket number.

Questions regarding this filing may be directed to my attention at (407) 740-3031 or via e-mail at sthomas@tminc.com.

Please acknowledge receipt of this filing by returning, file-stamped the extra copy of this cover letter in the self-addressed, stamped envelope enclosed for this purpose.

Thank you for your assistance.

Sincerely,

Sharon Thomas

Consultant to G3 Telecom USA, Inc.

Enclosure ST/im

cc:

Shams Manji, G3 Telecom USA

File:

G3 - TN IXC

TMS: TNi1100B

Docket No. 11-00117 Response of G3 Telecom USA, Inc. To Staff Data Requests dated September 14, 2011

- 1) G3 Telecom USA, Inc. ("Applicant") is in the process of obtaining a \$20,000 surety bond or irrevocable letter of credit and understands that the TRA will not approve its request for reseller authority until the bond or letter of credit is submitted to and verified by the Authority.
- 2) The Applicant proposes to offer two types of long distance service: prepaid and post-paid. In neither case would the customer presubscribe to the Applicant as their preferred long distance carrier. Instead, both services are accessed via a 7-digit access number or 800 number and may be accessed from wireline or wireless phones. Under separate cover, the Applicant is submitting an informational Rate Sheet which describes its service offerings.
- 3) The Applicant has filed under separate cover an informational Rate Sheet that describes the rates, terms and conditions for services it proposes to offer in Tennessee.
- 4) The Applicant will obtain the Taxing Rate Area (TAR) Code Master File from BellSouth and, using the data contained therein, will not bill for calls that originate from and terminate to numbers with the same TAR, which would indicate that the call is within the county.
- As noted in the biographies included in attachment 3, Mr. Rajan Arora and Ms. Sonia Arora have approximately 10 years of experience in owning/managing a successful telecommunications company (G3 Telecom Corp.) in Canada. As G3 Telecom USA, Inc. will operate strictly as a reseller, without its own facilities, the primary experience and capability required is in marketing, sales, customer service and management. The biographies included with the application clearly indicate that both principals have relevant experience in these areas.
- 6) G3 Telecom USA, Inc. proposes to operate as a reseller of telecommunications services, and will not own or operate its own telecommunications switching or transmission equipment. Accordingly, the Applicant will rely on the technical capabilities of its underlying carriers for the actual provision of telecommunications services.
- 7) Please note that the financial statements provided with the Company's application are for G3 Telecom Corp., which is the Canadian affiliate of G3 Telecom USA, Inc. G3 Telecom USA, Inc. is a start-up company that had no operations in 2010 and is just initiating operations in 2011. Both the Applicant and G3 Telecom Corp. are wholly owned by Suraj Holdings, a Canadian company, which is owned by Rajan Arora and Sonia Arora through family trusts.
- 8) The "purchases" listed as expenses on the 2008 and 2009 Statement of Earnings and Deficit of G3 Telecom Corp. were purchased made by G3 Telecom Corp. See response to question 7 for explanation of financial statements.
- 9) The amounts included as "customer deposits" on the balance sheet are not "deposits" in the traditional sense, but are rather prepaid amounts (unused minutes) collected from customers that have not yet been used.
- As noted in response to question 7, the Applicant is affiliated with a G3 Telecom Corp., and both companies share common ownership. The revenues generated from G3 Telecom Corp. will be available to support G3 Telecom USA, Inc. if necessary. Further, the ultimate owners of those entities, Mr. Rajan Arora and Ms. Sonia Arora have sufficient financial resources to support the operations of G3 Telecom Corp. Mr. Arora provided an Affidavit with the Application committing to provide funding for the Applicant.

- 11) The Applicant is a start-up company and does not have a Balance Sheet or Statement of Earnings and Deficit for 5 years.
- 12) The Applicant may pay dividends to its shareholders to the extent earnings are available to do so.
- 13) The Applicant is affiliated with and shares management of a Canadian telecommunications company, G3 Telecom Corp, that has successfully provided telecommunications services for nearly 10 years. Further, as noted in response to question 10, the Applicant has sufficient financial backing to operate as a going concern and intends to do so. The Applicant's owners are knowledgeable and successful business owners and would not be interested in financing the start up of a new U.S. telecommunications affiliate if they did not believe that the business would be successful.