

# TENNESSEE REGULATORY AUTHORITY



460 James Robertson Parkway  
Nashville, Tennessee 37243-0505

November 16, 2012

Lance J.M. Steinhart, P.C.  
Lance J.M. Steinhart  
1725 Windward Concourse  
Suite 150  
Alpharetta, Georgia 30005

RE: Docket No. 12-00124, *Application of Network Service Billing, Inc. for a Certificate to Provide Resold Interexchange Telecommunications Services in Tennessee*

Dear Mr. Steinhart:

The Tennessee Regulatory Authority is in receipt of the above application for authority to provide resold long distance telecommunications services in Tennessee. In order to process the application, please provide the following:

1. The application lists the principal place of business for Network Service Billing, Inc. as 7251 W. Lake Mead Blvd. Suite 300, Las Vegas, NV 89128. Is this where the employees of Network Service Billing, Inc. report to work? Is this also where the company's business records are kept?
2. Are there other businesses at the 7251 W. Lake Mead Blvd. Suite 300, Las Vegas, NV 89128? If so, what types of businesses are also located there? Are any of those businesses affiliated with Network Service Billing, Inc.?
3. Provide answers for question G and question G (1) of the application on page 3.
4. Question H on page 3 of the application asks for the name and telephone number of a contact person authorized to respond to Authority inquiries regarding company operations Monday through Friday. The name provided on the application is Peter Lagergren. However, the telephone number, (888) 236-2478, appears to go to "customer service" for NSBI. Provide the name and contact information for the person who will deal with regulatory matters in Tennessee for Network Service Billing, Inc.

5. Question C. on page 4 of the application asks for a list of states where the applicant is authorized to operate at this time, as well as a history of operations there. The attachment provided in response is a list of states, but does not contain a history of operations in those states. Please provide a history of operations in each state listed in the attachment, including any complaints filed against the company and how they were resolved.
6. The second portion of Question C. on page 4 of the application asks for a list of the number and types of complaints filed against the applicant and the applicant's current status regarding each complaint. The answer is provided as "none." However, a public records search revealed an FCC action against Network Service Billing, Inc. for unauthorized change of subscriber's telecommunications carrier. Please explain.
7. Who will Network Service Billing, Inc. use as its "third party billing agent" as indicated in question M. on page 5 of the application? Provide the name, address, and contact telephone number for the third party billing company to be used. Also provide a copy of the contract between Network Service Billing, Inc. and the third party billing company.
8. Describe more specifically how the company will market their services in Tennessee. The application response indicates "web and direct sales." Provide details, including a sample web ad and a thorough description of the direct sales activities to be used.
9. Question P. on page 5 of the application asks about methods and procedures that will be used to switch a consumer's preferred interexchange service and to prevent unauthorized switching of a consumer's interexchange service. Provide a copy of the company's standard written letter of agency to be used in Tennessee.
10. What third party verification company will be used in cases where a written letter of agency is not obtained? Provide a copy of the third party verification company's script to be used in Tennessee.
11. Page 6 of the application indicates Network Service Billing, Inc. was formed/incorporated in the state of Nevada on February 1, 2005. Provide a current certificate of good standing from the state of Nevada for Network Service Billing, Inc.
12. The financial information provided with the application was a balance sheet as of June 30, 2012. Provide financial information for the preceding three-year period for Network Service Billing, Inc., including balance sheets, income statements and statements of cash flows.
13. In what month and on what day does the company's fiscal year end?
14. The verification page bearing the signature of Mr. Peter A. Lagergren, President of Network Service Billing, Inc. appears to be a stamped copy of

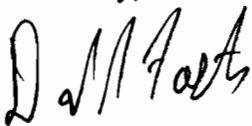
Mr. Lagergren's signature rather than an original. Provide a verification page with a properly notarized original signature, with the signor certifying that all representations in the Reseller Application and all attachments and appendices are true and correct to the best of their knowledge and belief, and the understanding that omissions or inaccuracies may result in denial of the application.

15. The Notary Public seal of Michelle E. Gillies is illegible. In what state or jurisdiction is Ms. Gillies commissioned and on what date does her commission expire? Please provide a copy of her certificate granting notary public status.
16. The resume of Mr. Peter Lagergren indicates that his address is in Sacramento, California. How will Mr. Lagergren oversee operations at the principal office of Network Service Billing, Inc. in Las Vegas, NV if he is in Sacramento?
17. The application for Network Service Billing, Inc. only contained biographical information for the President, Mr. Peter A. Lagergren. Provide biographical information or resumes for any other officers of the company, including specific education and/or experience in the telecommunications industry.
18. Mr. Lagergren's biographical information indicates that he is also president of another long distance reseller, Total Access Telecom, Inc. Is he the only officer of that company as well as being the only officer of Network Service Billing, Inc.? How many people are employed by Total Access Telecom, Inc.? Where is the corporate office of Total Access Telecom, Inc.?
19. Further explain the "Carrier Cost Recovery Charge" detailed on the company's tariff sheet 27. What service does the customer receive for this charge? Note: Tariffs can only contain charges for services rendered and must be optional.
20. Further explain the "Payphone Dial Around Surcharge" and "Universal Service Fund Assessment" charge listed on tariff page 28.
21. The Bylaws of Network Service Billing, Inc. indicate, at section 4.1, that "The Officers of the Corporation shall consist of a President, a Secretary, and a Treasurer." The application only contains information for the President. Who is the Secretary of Network Service Billing, Inc. and who is the Treasurer of Network Service Billing, Inc.? Provide biographical information for those officers.
22. The bond provided in the application is missing the printed name and title of the Principal below his signature, as well as the acknowledgment of principal and acknowledgment of surety pages. Please provide a properly signed and notarized acknowledgment for both the principal and surety, acknowledging the contents, accuracy and validity of the bond.

23. What telemarketing company does Network Service Billing, Inc. do business with? Provide a copy of the contractual agreement between Network Service Billing, Inc. and the telemarketing company. Is the telemarketing company paid by commission for each customer it brings to Network Service Billing, Inc.? Provide a copy of the telemarketing script that will be used in Tennessee.
24. Tenn. Code Ann. 65-4-401 *et seq.* and TRA Rule 1220-4-11 set forth the definitions, rules and requirements for telephone solicitations in Tennessee. These apply no matter where the call originates, when calling a Tennessee residential telephone customer who has placed their telephone number on a list of residents objecting to solicitation calls. The statute also requires both the entity contracting with the telemarketer and the telemarketing company to both register as solicitors with the Tennessee Regulatory Authority. Provide a sworn affirmation that Integrated Services, Inc., as well as the telemarketing company it contacts with for telemarketing services, will comply with both Tenn. Code Ann. § 65-4-401 *et seq.* and TRA Rule 1220-4-11.
25. Regarding Tenn. Code Ann. § 65-21-114, provide more specific detail as to how Network Service Billing, Inc. will comply with the statute regarding county-wide calling.

It is requested that this information be provided no later than 2:00 pm on November 30, 2012 and that you reference Docket Number 12-00124 on the response. In accordance with TRA rules submit either (1) thirteen written copies of your response or (2) four written copies and an electronic version. Should you have questions regarding this request, please contact Lisa Foust at 615-741-2904 extension 220.

Sincerely,

A handwritten signature in black ink, appearing to read "D. Foster", written in a cursive style.

David Foster  
Utilities Division Chief