

TMC Regulatory Fees and Surcharges

1.1 Federal Universal Service Fund Surcharge

The Federal Universal Service Fund Surcharge ("FUSF") is a non-discountable monthly charge. The FUSF is equal to Customer's total net FUSF-Applicable Charges (as defined below), multiplied by the FUSF percentage. The FUSF percentage will be equal to the quarterly Universal Service Fund contribution factor established by the FCC (subject to rounding) in effect as of the bill date. The applicable quarterly contribution factor can be found at <http://www.fcc.gov/omd/contribution-factor.html>

FUSF-Applicable Charges

FUSF-Applicable Charges consist of all charges for jurisdictionally interstate (including international) Telecommunications Services. Charges for communications or transmissions between two points outside the US are not FUSF-Applicable Charges.

FUSF Waiver

TMC will waive the FUSF with respect to specifically identified FUSF-Applicable Charges to the extent that Customer demonstrates to TMC's reasonable satisfaction that:

- Customer (a) has filed a Universal Service Worksheet with the Universal Service Administrator covering the twelfth month prior to the month for which Customer seeks the waiver (i.e., to be eligible for a waiver in February 2005, Customer must have filed a Universal Service Worksheet with the Universal Service Administrator covering February 2004) or (b) was not required to file a Universal Service Worksheet covering such period, either because Customer was not then providing telecommunications services or because Customer was then subject to the FCC's de minimis exception to the FCC's filing requirement;
- the charges with respect to which the waiver is sought are for services purchased by Customer for resale; and
- Customer will file a Universal Service Worksheet with the Universal Service Administrator in which the reported billed revenues will include all billed revenues associated with Customer's resale of services purchased from TMC for the period during which the waiver is sought.

The FUSF will not be waived with respect to: (a) charges for services purchased by Customer for its own use as an end user; (b) charges for which the bill date is on, prior to, or within thirty days after, the date on which Customer applies for a waiver with respect to those charges; or (c) charges for services resold by Customer, if Customer (or another provider that buys services directly or indirectly from Customer) is not subject to direct Universal Service contribution requirements.

Application to Certain Rate Plans where charges are not identified on a jurisdictional basis, the FUSF rate will be applied against the amount of the charge that TMC reports as subject to the FCC's quarterly Universal Service Fund contribution factor.

1.2 Federal Subscriber Line Charge Fee / EUCL (End User Common Line Charge)

In the United States, a Preamble Destination Address Source Address Length Data FCS Octets 7 1 6 6 2 4 46-1500 S O F access charge approved by the Federal Communications Commission (FCC) and billed by the incumbent local exchange carrier (ILEC), the EUCL is intended to compensate the ILEC for the costs of connecting a call to competitive local exchange carrier (CLEC) or an interexchange carrier (IXC) through local exchange facilities (the local loop, central office, and associated equipment), maintaining the equal access database, and other related costs. The EUCL applies to all ILEC local loops, but varies by type of facility (e.g., residence line, business line, and CO trunk). If the access circuit is digital in nature, a Digital Port Line Charge (DPLC) also applies.

1.3 Regulatory Cost Recovery Fee

The Regulatory Cost Recovery Fee is a monthly charge, applied to recover TMC's compliance for regulatory costs. The Regulatory Cost Recovery Fee is equal to Customer's total charges for all Services and applicable Surcharges, multiplied by 2.97%

1.4 Payphone Fee

Assessed each time a TMC customer uses a TMC calling card or 1-8XX number at a payphone to help offset the per call compensation assessed to TMC by the payphone provider for completing such calls.