



BCN Telecom

Billing Line Item Descriptions

Contained in the Taxes and Surcharges Section:

FCC Regulatory Fee (Wireline) is 0.31% of all Interstate related usage and International usage.

Federal Universal Service Fund is a percentage of interstate and international usage. The percentage is established and updated quarterly at the direction of the Federal Communications Commission (“FCC”). During 2016, the Average Percentage was 17.0%.

See <http://fcc.gov/encyclopedia/contribution-factor-quarterly-filings-universal-service-fund-usf-management-support>

Federal Excise Tax is a 3.0% tax on local service. This tax applies to local service billed separately from long distance service.

State and Local Taxes are taxes imposed by state, local and municipal governments on goods and services. Charges are based on prevailing tax rates and generally applied as a percentage of the taxable telecommunications services.

E-911 Tax or Fee – Provides funds for public agencies that operate and maintain emergency telephone systems. The 911 charge can appear on your bill in either the Surcharges or Taxes section and is based on the number of subscriber lines you have.

Miscellaneous Surcharges and Fees – States and other political jurisdictions impose other fees to fund specific services such as police and fire protection services, transportation, service public debt or other enumerated services. These amounts vary by state.

Contained in the Customer Level Charges Section:

USF Related Charge is an allowable discretionary charge related to the cost of administering, reporting and complying with the Federal Universal Service Fund program. The amount charged is 1.0% to 4.95% on all interstate and international calls.

Regulatory Compliance Fee is \$5.98 per account. This discretionary charge helps BCN to recover the expenses and other charges directly and indirectly related to the reporting and management of data for various federal, state and local regulatory commissions and agencies.

Paper Invoice Fee is \$8.95 per business account and \$5.95 per residential account. This fee helps BCN to recover the various expenses associated with producing and mailing a paper invoice. Customers may elect to receive their invoice via e-mail, which would avoid this charge.

Network Cost Recovery Assessment is a surcharge on all services ranging from 1.0% to 4.95%. This cost helps the Company to recover the underlying costs associated with establishing and maintaining network service access across all the coverage areas and service territories established by the Company.

Call Detail Service Fee is \$6.95 per account. This service is a data record which contains attributes that are specific to a single phone call or other communication transaction handled by that device.

Property Tax Surcharge is a non-discountable monthly charge, applied to recover property tax assessments and other fees imposed by various taxing jurisdictions upon local exchange carriers and service providers. The Property Tax Surcharge ranges from 1.0% to 3.95% and is applied to the Customer's total charges for all services.

Municipal Franchise Fees/Right of Way Fees are surcharges where BCN recovers costs from a jurisdiction that has charged BCN for the use of the municipal public right of way to provide telecommunications services. This fee is generally charged per telephone line.

Minimum Monthly Charge – BCN offers service plans which include a Minimum Charge of \$10.00. Applicable charges contributing toward meeting the Minimum Monthly Charge include domestic and international switched outbound and inbound call usage, and Monthly Recurring Charges. State and federal taxes, credits, Universal Service Fees, charges billed by other carriers, and other surcharges, governmental fees and taxes do not contribute in satisfying the Minimum Monthly Charge. Each billing month, in which the customer charges equal or exceed the Minimum Monthly Charge, no Minimum Monthly Charge shortfall charge is imposed. In the event applicable monthly charges fail to meet or exceed the Minimum Monthly Charge, BCN shall impose a Minimum Monthly Charge shortfall charge equal to the difference between the Minimum Monthly Charge and applicable charges as a separate line item on the customer invoice.

Contained in the Product Charges Section:

Account Code Maintenance Fee is \$5.95.

Directory Assistance Fee is \$1.95 per call.

Toll Free Storage Fee is \$2.50 per toll free number for toll free numbers.

Credit/Debit Card Convenience Fee is \$6.95. This fee is charged by BCN Customer Service when taking credit card payment over the phone. Credit card payments initiated directly on BCN's website are not subject to the "Credit Card Convenience Fee".

Credit/Debit Card Processing Fee BCN charges a flat fee of 3.0% on all credit card purchases greater than \$1,000 per calendar month. BCN will not accept credit card payments in excess of \$1,000.00 month in CA, CO, CT, FL, ME, TX, KS, OK, NY, MA and PR. BCN limits customer payments to \$1,000.00 in aggregate during any 21 day period without becoming subject to the Credit Card Processing Fee. Persons or entities residing in CA, CO, CT, FL, ME, TX, KS, OK, NY, MA and PR DO NOT have the option to pay by credit card for amounts greater than \$1,000.00. Payments may be made via check or ACH.

State Carrier Access Fee is \$2.95 per LD business line for two or more lines.

FCC Line Charge or End User Common Line ("EUCL") charge is \$8.85 per local line. EUCL is a federally regulated monthly service charge applied to certain local voice service offerings. It is used to recover some of BCN's costs associated with use of facilities that link each telephone line to the telephone network.

Check Forwarding Convenience Fee is \$6.95. BCN Imposes a Check Forwarding Convenience Fee on Customers for remitting payment to addresses other than to PO Boxes included on the invoice remittance slip. The Check Forwarding Convenience Fee provides reimbursement for costs incurred by BCN in sorting and forwarding payments incorrectly delivered to non-payment designated addresses

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