



CUSTOMER TAXES, FEES, SURCHARGES AND ASSESSMENTS

Last Updated: October 20, 2020

NUSO charges a number of different fees, taxes, surcharges and regulatory assessments on each Customer invoice. The Federal Communications Commission ("FCC") has implemented charges that directly impact U.S. end users of both business and residential telecommunications products and Services which Providers of telecommunications Services like NUSO are required to impose. These fees, surcharges and assessments ("Charges") were implemented as action emanating from the telecommunications Act of 1996 (and former versions of the Act throughout years prior to 1996).

Not only are these fees, assessments and surcharges applicable at the Federal level but in most cases they are also imposed at the individual State level by the State's governing Public Service or Public Utility Commission in the State which the Customer is located. Additionally there are also respective individual State Department of Revenue or Division of Taxation governing bodies that mandate that telecommunications Providers assess on a Customer's monthly invoice which include but are not limited to; taxes, fees and surcharges at the State, county, municipal and local level as required.

We invite you to review the below when you receive your invoice order to understand how we define the taxes, surcharges, fees and assessments some, any and/or all of which may appear on your NUSO invoice.

As always should you have any questions regarding any information on your NUSO invoice please contact Customer Service by calling 1-844-438-6876 or by sending an email NUSO to serviceorders@nuso.cloud

LOCAL & STATE TELECOMMUNICATIONS FEES AND SURCHARGES

Subscriber Line Charge

This is a monthly charge assessed on each line within the household. This charge compensates for the Local Telephone Company's cost of installation and maintenance of the components that link your home to the telephone network. The Network Access Charge is a per business line charge. The Network Access Charge is sometimes known as End User Common Line (EUCL) charge or Subscriber Line Charge. Based upon the jurisdiction, type of Service and Customer location; NUSO may or may not include this Subscriber Line Charge.

Emergency 911 Charge

NUSO assesses this fee on all Customer invoices as this fee subsidizes local public agencies for the total costs of establishing or upgrading, operating and maintaining an emergency telephone system.

Telecommunication Relay Service Charge

NUSO may or may not assess this service charge on a Customer invoice. This State Telecommunications Relay Service Charge is subject to and on a State by State basis and subject to the discretion of an individual State. This surcharge if imposed helps the individual State fund the relay center that assists the hearing and speech impaired with communicating to other telephone providers.

In-State Access Recovery Fee

Based on the specific state where the Customer is located NUSO may or may not apply this fee. In the event it is imposed on the Customer invoice this Network Access Charge is charged per business line.

Universal Service

As well as NUSO assessing Federal Universal Service fees on all Customer invoices at the Federal level, a number of individual States have their own Universal Service Fund of which funds support the development of telecommunications services to low income, rural or disadvantaged areas within that given State. Based on the State where the Customer is located; NUSO will assess a State mandated Universal Service Fund Fee.



Carrier Recovery Cost

A Carrier Recovery surcharge applies to each phone number, and is charged per business line. NUSO uses this fee to pay our regulatory-related fees and expenses, including taxes, number portability charges, and related legal fees.

TELECOMMUNICATION TAXES (LOCAL, LONG DISTANCE AND VOIP)

Federal Excise Tax

This is a tax that is or may be applicable to your invoice and charged by NUSO. Federal Excise Tax (FET) is a tax is mandated by the Federal Government and imposed on local services billed separately from long distance service.

State Communications Service Tax

Based on the State in which a Customer is located a State Communications Service Tax ("CST") tax may be assessed by NUSO. For example, the State of Florida has a requirement where the Service Provider is required to access CST to the Customer. CST applies to a Customer's total monthly usage and includes a specific state rate plus a specific gross receipts tax rate which comprises a combined state communications services tax rate.

Local Communications Service Tax

Based on the State in which a Customer is located NUSO may assess a local communications service tax as required by State and jurisdiction. This tax applies to the total monthly usage. It is calculated based on where the call originates. In the State of Florida for example, the applicable tax rate may be up to 7.12%.

Sales Tax

Sales tax at the individual state level as defined as the then current percentage/taxation rate which any given State imposes on a Customer purchase.

FEDERAL FEES AND SURCHARGES

As the following fees are mandated by the Federal Communications Commission (FCC). These charges apply to all persons and businesses using telephone services in the United States.

Universal Service Fund ("USF")

NUSO assesses this fee on all Customer invoices. The fee was established by the FCC, is assessed by a Service Provider to all Customers and then reported and remitted as applicable to the Universal Service Administrative Counsel ("USAC"). Universal Service provides relief for schools, libraries, and rural health care corporations. Universal Service fees apply to all U.S. Domestic and International calls and VOIP services. The USF fee which is a percentage that is calculated quarterly and changes quarterly.

Presubscribed Inter-Exchange Carrier Charge

This Charge allows the local telephone companies to charge a flat rate for every customer subscribed to a long distance carrier. Business Customers are not charged for their primary line but NUSO may assess this charge now or in the future for each additional line; as applicable.

VOIP TELECOMMUNICATION FEES

Emergency E911

The 911 fee that is assessed to all Customers by NUSO subsidizes local public agencies for the total costs of establishing or upgrading, operating and maintaining an emergency telephone system.

Regulatory Recovery Fee

NUSO may assess a regulatory recovery surcharge either now and/or in the future to each applicable phone line including DID's, Virtual number and eFax. As and when NUSO implements this fee and assesses Customers NUSO will use this fee to help pay its regulatory-related administrative fees, and expenses, and related legal fees.

PSTN Access Fee

This fee allows the local telephone companies to interconnect to the PSTN (Public Service Telephone Network) and



collect a flat rate for every customer subscribed to a VoIP service. NUSO may now or in the future assess a charge on Business Customer invoices on a sliding scale and has a set charge for A.) up to five (5) lines and then B.) a different charge for anything above five (5) lines of which assessment is at a different amount.

Telecommunication System Access Surcharge

This is a surcharge that NUSO now or may in future assess in order to recover a portion of the costs associated with the traffic delivery.

CPE Maintenance Fee

NUSO may assess this fee now or in the future as a way to recover a small portion of costs related to service platform and hardware administration and firmware upgrades to a Customers VoIP phone system.

Network Access Charge

NUSO reserves the right to assess this charge now or in the future based on a Customers location and jurisdiction in order to pay network access charges accessed by local exchange companies. The Network Access Charge is only charged for business customers and is assessed either on a Wi-Max line, T-1 Line and/or Fiber Line.