

SECTION 2 - REGULATIONS, (CONT'D.)

2.17 Adjustment to Rates and Charges, (Cont'd.)

2.17.3 Presubscribed Interexchange Carrier Charge (PICC)

For Customers who select the Company as their Primary Interexchange Carrier, the Company will assess the Customer a monthly recurring charge, called a Presubscribed Interexchange Carrier Charge (PICC). This charge will be assessed on a per line basis as shown below. PICCs will not be prorated for a partial month of service and are not subject to discounts nor contribute to any monthly minimums or revenue commitments which may apply to Company services subscribed to by the Customer. Credits for interruption of service as described in Section 2.14 of this tariff do not apply to PICCs.

Per Multi-Line Business Line or Trunk: \$0.00

2.17.4 Primary Interexchange Carrier (PIC) Change Charge

The Company may, at its option, elect to incur the PIC change charge on the Customer's behalf for new Customers who presubscribe their interstate service, for all products in Section 4 of this tariff, to the Company through Company-designated sales channels for Company-designated marketing campaigns and where the appropriate arrangements are in place between the Company and the eligible Customer's local exchange carrier. In the event that no such arrangements are in place, the Company may, at its option, reimburse the Customer, or issue the appropriate credits on the Customer's invoice upon Customer's proof of payment of such PIC change charges.

2.17.5 Carrier Cost Recovery Fee

The Company will assess residential Customers who have presubscribed to the Company as their primary interexchange carrier a Carrier Cost Recovery Fee to recover certain costs associated with state-to-state access charges, expenses associated with regulatory proceedings and compliance, and billing expenses. A Carrier Cost Recovery Fee of \$2.24 will be applied per billing account in each month in which a residential Customer has Company long distance interstate or international charges, such as monthly service charges or direct dialed usage charges, on an invoice. The fee will apply in full for any portion of a billing period in which the Customer has applicable interstate or international charges. This fee is not a tax or charge imposed or required by any government entity.

2.17.6 Federal Regulatory Fee

The Federal Regulatory Fee is a non-discountable monthly charge to recover amounts paid to the federal government for regulatory costs and telecommunications services for the hearing impaired and costs associated with local number portability administration. This fee is applied on a monthly basis to Business Customers only. The Federal Regulatory Fee is equal to the Customer's total net charges for interstate and international telecommunications services, after application of all applicable discounts and credits, multiplied by 7.92%.

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