

Taxes, Fees, and Surcharges

In addition to the monthly service charges billed for Aptix Services, service provider surcharges, taxes, fees and other charges may be applied to your monthly invoice based on the type of service you have and your geographical location, among other factors. Examples include, but are not limited to:

Federal Communications Program Fees

Federal Universal Service Fund (FUSF)

The Telecommunications Act of 1996 requires that Aptix contribute to the Federal Universal Service Fund (“FUSF”). The FUSF helps to make phone service affordable and available to all Americans, including consumers with low incomes; those living in areas where the cost of providing telephone service is high; public schools and libraries; and rural health care providers. The FCC delegates the administration of the FUSF to the Universal Service Administrative Company (USAC). Each quarter, USAC announces, and the FCC approves, a “contribution factor.” The contribution factor is a percentage of the total interstate/international revenue for which each interstate carrier is responsible for contributing to the FUSF in order to sustain the FUSF System. As permitted by FCC regulations, Aptix has opted to bill FUSF as a separate line item. Consistent with such regulations, the Company only bills FUSF line item charges in an amount equal to the quarterly contribution factor currently in effect. This is a permissible pass-through fee but is not a tax or charge mandated by the government.

Please visit USAC's Website for more information on the FCC's Universal Service Fund.

Cost Recovery Fee (CRF)

A charge equal to 3.00 percent of charges, excluding taxes, appearing on a Customer's invoice will apply to services subject to direct regulation by the FCC. This charge is being imposed to recover amounts incurred by Aptix for fees, contributions and/or charges associated with telecommunications services for the sight and hearing impaired, local number portability and North American Numbering Plan administration, and administrative costs, fees and expenditures related to compliance with Federal regulatory programs and annual FCC regulatory fees. This is a permissible pass-through fee but is not a tax or charge mandated by the government. For more information on the various programs supported by the CRF, please see below.

Federal Telecommunications Relay Services (TRS) Fund

The Telecommunications Relay Services (“TRS”) Fund was established by the FCC in 1993 to reimburse TRS providers for the cost of providing interstate TRS services. TRS services are telephone transmission services that provide hearing or speech challenged individuals with the ability to use a traditional telephone.

Under the FCC’s rules, Apptix must contribute a percentage of its interstate and international end-user telecommunications revenues to the TRS Fund. And, Apptix may collect these fees from customers. The contribution percentage varies annually.

Local Number Portability Administration (LNPA)

Local Number Portability (LNP) is a customer’s ability to keep existing phone numbers when switching to another service provider. Apptix must provide LNP, as well as contribute to the Commission’s LNPA program, designed to diffuse the costs of administering LNP. Apptix pays a proportionate share of the LNP costs in each region in which it operates and has customers. Apptix collects a fee from customers to offset its LNP costs. This fee varies frequently by region.

North American Numbering Program Administration (NANPA)

The North American Numbering Plan (“NANP”) is an integrated telephone numbering plan for the Public Switched Telephone Network (“PSTN”) serving multiple countries including the United States and its territories. It is administered by the North American Numbering Plan Administration (“NANPA”).

Under the Commission’s rules, Apptix must contribute to the costs of numbering administration. Contributions are based on a percentage of Apptix’s revenues from customers using international, intrastate and interstate services. The percentage varies annually.

Annual Regulatory Fee

Apptix must pay an annual regulatory fee to the Commission. This fee varies annually. Apptix collects this fee from customers.

State and Local Taxes

States, counties, cities, and special taxing districts may assess various taxes on Apptix’s services and/or phone purchases. These may include specific taxes on communications services, sales, use and excise taxes, gross receipts taxes, property taxes and others. Apptix collects applicable taxes and remits them to the taxing authorities.

State and Local E911/911 Fees

Some states and localities require Apptix to collect a fee to help support state and local Enhanced 911 (E-911) Funds. These funds support state and local 911 service. These fees vary by state and locality.

State and Local Regulatory Fees

State USF

Apptix may also be required to contribute to State Universal Service Funds. The funds may be used to assist in providing universal service and to a variety of other programs at the state level. Apptix collects applicable charges from customers. This charge is not a tax or government-imposed fee.

State Telecommunications Relay Services (TRS) Funds

Some states also require contributions to state Telecommunications Relay Services ("TRS") funds to offset the cost of providing local transmission services that provide hearing or speech challenged individuals with the ability to use a traditional telephone. Many states require Apptix to collect this fee and remit it to the taxing authority.