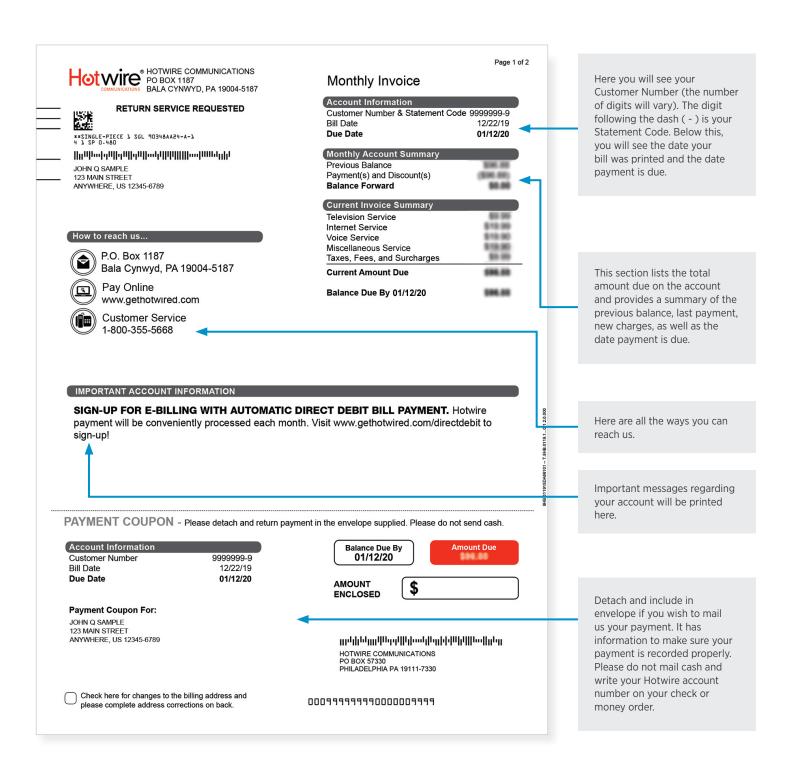
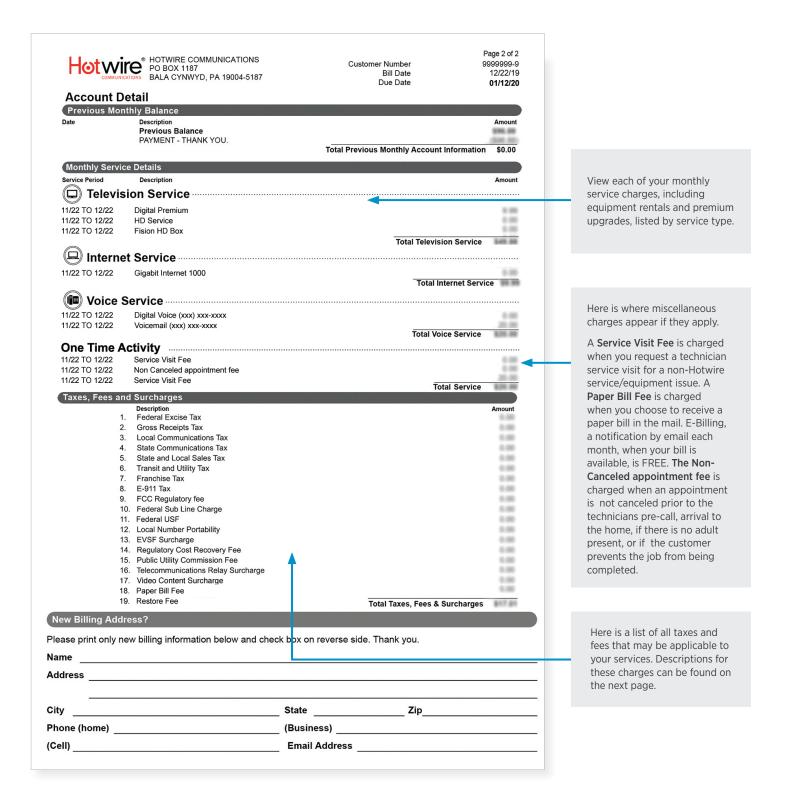
Your Bill Explained



The descriptions below will help you understand items on your bill.





Taxes, Fees and Surcharges

We understand that the variety of taxes, fees, and surcharges shown on your bill each month can be puzzling. We created this helpful guide to explain the common taxes, fees and surcharges that may be on your bill and why we collect them from you. The amounts will vary based upon what services you receive and where you live.

Taxes

- 1. Federal Excise Tax A federal tax levied on consumers for the use of certain taxable local telecom services.
- 2. Gross Receipts Tax A tax required by a various governmental entities based on gross sales.
- 3. GRRECIPTSNFRVIDEO A tax required by various governmental entities based on gross sales of video products and services.
- 4. Comm Serve Tax NFR A tax required by your state or local government for communications services.
- 5. Local Communications Tax A tax required by your local government for communications services.
- 6. State Communications Tax A tax required by your state government for communications services.
- 7. State and Local Sales Tax A tax required by state, county & local governments on the sale of services, such as cable television & telephone service.
- 8. Transit and Utility Tax A tax on public service businesses, including businesses that engage in providing communications services.
- 9. Franchise Tax A tax levied by the state or local government for the provision of communications and cable television services.
- 10. E-911 Tax A tax that provides funds for the communications systems that support emergency and quick response.

Fees and Surcharges

- 11. FCC Regulatory Fee A fee paid by video and telephone companies to fund the FCC. The FCC sets the rate for this fee.
- **12. Federal Sub Line Charge** A charge regulated by the FCC that is permitted to recover costs associated with providing local connectivity between the customer's premises and the telecommunications equipment used to complete calls.
- **13. Federal USF** A charge to recover the company's contribution to Federal and State Universal Service Funds, which provide affordable telecommunications services for low income households, schools, libraries and rural regions. The FCC determines the amount that the company may charge on a quarterly basis and your Hotwire bill will be adjusted accordingly.
- 14. Local Number Portability A fee to cover the costs incurred by the company to provide telephone number portability.
- **15. EVSF Surcharge** This charge recovers the costs associated with regulatory advocacy and compliance, including administrative management costs. This fee is not a tax or a government imposed fee.
- **16. Regulatory Cost Recovery Fee** An administrative fee designed to assist in covering the cost Hotwire incurs complying with local, state and federal regulatory requirements.
- 17. Public Utility Commission Fee A fee to recover the company's mandatory contribution to certain state regulatory bodies.
- **18. Telecommunications Relay Surcharge** A surcharge to fund relay centers that assist hearing and speech-impaired individuals make and receive phone calls.
- 19. Video Content Surcharge A charge assessed to all Hotwire video service customers. This charge recovers the increased costs of video programming content provided by the video content providers in order to avoid implementing substantial changes that would affect the quality and content of your video services.
- 20. Paper Bill Fee Is charged when you choose to receive a paper bill in the mail. Ebilling, a notification by email each month, when your bill is available is FREE.
- 21. Restore Fee Charge to restore services after a temporary disconnect due to non payments.

Service Changes

The first bill you receive after changing your service (i.e., adding, removing or changing a service/feature) may include additional items such as one-time charges or credits that will not appear on subsequent bills.

Charges are billed in advance – All recurring monthly charges are billed one month in advance, such as telephone service charges, cable charges and Internet charges.

Charges that are post-billed - All usage charges such as video on demand purchases, telephone usage charges and international long-distance charges.

Discounts/Credits - You may receive a discount or credit as a result of a service change you've made or a promotional offer that you are receiving. Where this amount is found on the bill will vary depending on the change made. You may find these in the Monthly Service Details section of your bill.

Partial Charges – Partial month charges will occur if services are either added or removed during a billing cycle prior to the bill date. Services billed in advance are prorated, based on your due date, when they are added or removed during a billing cycle. The actual amount prorated is determined by the number of days the services were used during the current billing cycle. This amount could be a credit, a charge, or both depending on whether you added or removed a service and when you did so.