

## COMPLIANCE AND ADMINISTRATIVE COST RECOVERY FEE

A Cost Recovery Fee ("CRF") equal to 3.5% of invoiced charges (excluding taxes) will apply to services subject to direct regulation by the FCC. This charge is imposed to recover costs incurred by Marco Technologies, LLC ("Marco") for fees, contributions and/or charges associated with telecommunications services for the sight and hearing impaired, local number portability, North American Numbering Plan administration, and administrative costs, fees and expenditures related to compliance with Federal regulatory programs and annual FCC regulatory fee obligations, along with other carrier and administrative expenses (including, but not limited to, costs imposed upon Marco by its suppliers).

This is a permissible fee but is not a tax or charge mandated by the government. For more information on programs supported by the CRF, please see below.

**Federal Telecommunications Relay Services (TRS) Fund.** The 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, Marco must contribute a percentage of its interstate and international end-user communications revenues to the TRS Fund. 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. Marco must provide LNP, as well as contribute to the FCC's LNPA program, designed to diffuse the costs of administering LNP. Marco pays a proportionate share of the LNP costs in each region in which it operates and has customers. 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 FCC's rules, Marco must contribute to the costs of numbering administration. Contributions are based on a percentage of Marco's revenues from customers using international, intrastate and interstate communications services. The percentage varies annually.

**Annual Regulatory Fee.** Marco, as an interstate service provider, must pay an annual regulatory fee to the FCC. This fee varies annually.

Effective: September 24, 2019

