Relevant information for the 2014 USF A/Q True Up

<table>
<thead>
<tr>
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<th>Contribution Factor</th>
<th>Circularity Factor</th>
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</thead>
<tbody>
<tr>
<td>1st quarter 2013</td>
<td>.161000</td>
<td>.137912</td>
</tr>
<tr>
<td>2nd quarter 2013</td>
<td>.155000</td>
<td>.136730</td>
</tr>
<tr>
<td>3rd quarter 2013</td>
<td>.151000</td>
<td>.130784</td>
</tr>
<tr>
<td>4th quarter 2013</td>
<td>.156000</td>
<td>.136506</td>
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For the 2014 USF A/Q True Up, the following inputs will be used:

A. Avg. of 2 highest FCC Contribution Factors                      .158500
B. Avg. of 2 lowest FCC Contribution Factors                       .153000
C. Avg. of 2 FCC Circularity Factors associated with 2 high FCC Contribution Factors .137209
D. Avg. of 2 FCC Circularity Factors associated with 2 low FCC Contribution Factors .133757
E. Avg. of all FCC Contribution Factors                             .155750
F. Avg. of all FCC Circularity Factors                              .135483
G. 1st quarter 2013 projected collected interstate and international revenue Lines 120b & 120c on November 2012 form 499Q
H. 2nd quarter 2013 projected collected interstate and international revenue Lines 120b & 120c on February 2013 form 499Q
I. 3rd quarter 2013 projected collected interstate and international revenue Lines 120b & 120c on May 2013 form 499Q
J. 4th quarter 2013 projected collected interstate and international revenue Lines 120b & 120c on August 2013 form 499Q
K. 499A Contribution Base: Year 2013 collected interstate and international revenue Lines 423d & 423e on the 2014 form 499A.
   Note: Companies whose international revenue exceeds 12% of their total revenue may meet the LIRE exemption in which case their contribution base is comprised only of their interstate revenues (i.e. line 423d)
1. The first step in the True Up is to determine whether or not the company is *de minimis* for purposes of the A/Q True Up using the following formula:

\[(499A \times 0.155750) - (499A \times 0.155750 \times 0.135483)\].

   a. If result is < $10,000, then the contributor is de minimis and any support mechanism charges billed to the filer ID for their four 499Q filings for 2013 are reversed.
   b. If result is > or = $10,000, then the contributor is NOT *de minimis*; continue to step 2.

2. The next step in the True Up is determining which FCC contribution factor, and associated FCC Circularity factor to use in the True Up Calculation. After determining which factor is applicable, it will be used to replace the "Average FCC Contribution Factor" in step 3.

   a. Average of 2 highest FCC Contribution Factors and the associated average FCC Circularity Factor should be used if \((499A) > (Q1 + Q2 + Q3 + Q4)\).
   b. Average of 2 lowest FCC Contribution Factors and the associated average FCC Circularity Factor should be used if \((499A) < (Q1 + Q2 + Q3 + Q4)\).
   c. Average of all 4 FCC Contribution Factors and the associated average FCC Circularity Factor should be used if \((499A) = (Q1 + Q2 + Q3 + Q4)\).

3. Using the inputs noted above, the A/Q True Up formula for calculating necessary Support Mechanism Credits or Adjustments is:

   a. \((499A) - (Q1 + Q2 + Q3 + Q4) = \text{True Up Base}\)
   b. \((\text{True Up Base} \times \text{Average FCC Contribution Factor}) - (\text{True Up Base} \times \text{Average FCC Contribution Factor} \times \text{Average FCC Circularity Factor}) = \text{Quarterly Credit or Adjustment}\)
   c. \(\text{Quarterly Credit or Adjustment} / 3 = \text{Monthly Credit or Adjustment}\)