### Contribution Factor

<table>
<thead>
<tr>
<th></th>
<th>Contribution Factor</th>
<th>Circularity Factor</th>
</tr>
</thead>
<tbody>
<tr>
<td>1st quarter 2015</td>
<td>.168000</td>
<td>.143259</td>
</tr>
<tr>
<td>2nd quarter 2015</td>
<td>.174000</td>
<td>.151104</td>
</tr>
<tr>
<td>3rd quarter 2015</td>
<td>.171000</td>
<td>.147731</td>
</tr>
<tr>
<td>4th quarter 2015</td>
<td>.167000</td>
<td>.144526</td>
</tr>
</tbody>
</table>

For the 2016 USF A/Q True Up, the following inputs will be used:

A. Avg. of 2 highest FCC Contribution Factors  .172500
B. Avg. of 2 lowest FCC Contribution Factors  .167500
C. Avg. of 2 FCC Circularity Factors associated with 2 high FCC Contribution Factors  .149418
D. Avg. of 2 FCC Circularity Factors associated with 2 low FCC Contribution Factors  .143893
E. Avg. of all FCC Contribution Factors  .170000
F. Avg. of all FCC Circularity Factors  .146655
G. 1st quarter 2015 projected collected interstate and international revenue Lines 120b & 120c on November 2014 form 499Q
H. 2nd quarter 2015 projected collected interstate and international revenue Lines 120b & 120c on February 2015 form 499Q
I. 3rd quarter 2015 projected collected interstate and international revenue Lines 120b & 120c on May 2015 form 499Q
J. 4th quarter 2015 projected collected interstate and international revenue Lines 120b & 120c on August 2015 form 499Q
K. 499A Contribution Base: Year 2015 collected interstate and international revenue Lines 423d & 423e on the 2016 form 499A.

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:
   \[(499A \times .17000) - (499A \times .17000 \times .146655).\]
a. If the 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 2015 are reversed.

b. If the 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) = True Up Base
   b. (True Up Base * Average FCC Contribution Factor) – (True Up Base * Average FCC Contribution Factor * Average FCC Circularity Factor) = Quarterly Credit or Adjustment
   c. Quarterly Credit or Adjustment / 3 = Monthly Credit or Adjustment