Wholesale Customer CUSC/USF FAQs

What is CUSC/USF and what changed? The CUSC is Sprint’s Carrier Universal Service Charge. Sprint uses this charge to recover amounts Sprint is required to contribute to the Universal Service Fund (USF). Telecommunications carriers and certain other telecommunications providers must contribute to the USF based on certain telecommunications revenues as defined by the FCC. The USF supports universal access to telephone service, including supporting service in high cost areas, for low income consumers, for schools and libraries, and for rural health care providers. The FCC permits service providers to recover these charges from the end user of the service using line items such as the CUSC.

In an Order released on November 5, 2012, the FCC clarified the administrative requirements applicable to telecommunications revenue received from telecommunications providers that also must contribute to the Universal Service Fund.

How much is my bill going to change? Your bill will increase based upon the CUSC eligible services. Information on the USF and the contribution factor, which is adjusted quarterly by the FCC, can be found at http://www.fcc.gov/guides/universal-service-support-mechanisms.

Is there a formula available for me to calculate the increase based upon the circuits on my invoice that will be impacted by this change? Please contact your assigned Customer Care support for assistance. If additional information is required, please refer to the FCC website http://www.fcc.gov/guides/universal-service-support-mechanisms.

What products will be included in this charge? The following types of access/circuits will now be subject to the CUSC whether or not they are paired with one of the non-assessable services listed below. Please note that these lists are subject to change depending on new product launches and changes to the FCC’s Form 499 Instructions and FCC decisions.

- **Access/Circuit Types Impacted**
  - TDM
  - Ethernet
  - DSL

- **Non-assessable Services**
  - Global Multi-Protocol Label Switching Virtual Private Network (GMPLS VPN);
  - Multi-Protocol Label Switching over Peerless IP (MPLS over PIP);
  - Dedicated Internet Access (DIA);
  - SprintLink Frame Relay;
Is it possible to put a separate charge on the invoice to make it easier to identify? Wholesale charges will be treated the same as it would be today for all like charges. Wholesale customers would only notice a breakout if a line item was to be treated differently.

How can I update my circuits to reflect exempt or non-exempt? There will be a tool (COMPASS) which will allow customers to update each circuit with the exempt status. COMPASS will not have this capability until Feb 2014. Customers will be provided training and access to the tool.

What if my company doesn’t act upon Sprint’s request for annual reseller certification? Failure to act will result in the CUSC being assessed on any applicable circuits for that order/account.

Since the percentage is subject to change will it be available online? Yes, the FCC posts it on their website. You can use the link for the FCC to access the current rate information. http://transition.fcc.gov/omd/contribution-factor.html.

Is the assessment for international accounts based on the originating access or terminating access revenues? Any circuit originating in the US and terminating internationally or in reverse is considered an International Private Line (IPL). Sprint will continue to apply the CUSC to the domestic component of these circuits. In other words, the CUSC treatment of these services will not change as a result of the FCC’s November 5, 2012 Order.

Who’s responsible for providing the accurate circuit inventory to certify circuit exemption? If you believe a circuit should be exempt from the CUSC, you must provide Sprint with a valid reseller certificate covering that circuit. It’s the customer’s responsibility as a reseller, to correctly certify if a circuit should not be subject to the CUSC charge, including providing a list of circuits covered by the customer’s reseller certificate.

How do I obtain my company’s circuit inventory? At any time, customers can log into Compass and export their IP circuit inventory.