

### FREQUENTLY ASKED QUESTIONS

#### What are prorated charges?

Prorated charges occur any time you make changes to local products and services that you receive from your phone company. All local recurring charges are billed one month in advance. When you add a new service or make changes to an existing service, your next invoice will reflect these new charges for the current month (partial month of service) and a full month of charges for the following month of service.

Your former service provider/s must reimburse you for all charges you paid in advance. Be sure to verify that the reimbursement is on your last invoice/s.

#### What are one-time charges?

One-time charges are generally charges incurred during the installation and/or configuration of your new services. They will not occur more than one time, unless additional services are set up at a later date.

#### How do I verify that POPPcom is my long distance carrier?

Dial 1-700-555-4141 from each of your telephone lines. If POPPcom is programmed as your long distance carrier on that line, you will hear the following recording: "Thank you for choosing POPPcom as your 1+ carrier. We suggest you test each of your lines to ensure the proper changeover has occurred. Again, thank you for choosing POPPcom." If you do not hear the recording, call 763-797-7900 to speak to a technical assistance specialist.

#### After reviewing my first invoice, I want to change some of the reports that I receive. How do I make changes?

POPPcom offers a number of reports from which customers may choose. If you would like to receive different reports, simply call 763-797-7900. An account advisor will discuss the different options with you and help you determine the reports that best fit your business needs.

#### What else must I do now that I'm a POPPcom customer?

Contact your former telecom and Internet provider/s to cancel services that have moved to POPPcom. Once you have moved all of your services to POPPcom, contact your former provider/s to close your account/s. You must provide them with the confirmation number and due date that the POPPcom representative gave you during your conversion process.

If you no longer have this information, please call 763-797-7900 to speak with your account advisor. POPPcom is not authorized to help you close accounts with your former provider/s.

#### How can I pay my invoice?

Go to [www.popp.com](http://www.popp.com) and log on to POPPcom's Manage My Account at the top right corner. Securely make one-time payments or sign up for Automatic Bill Pay using a checking, savings, or credit card account. POPPcom accepts Visa®, MasterCard® and American Express®. Enroll in Paperless Billing for greater convenience.

### EXPLANATION OF TAXES

Information on taxes and surcharges is offered only as an explanation and not offered as or intended to be tax advice. Please contact your company's tax advisor for specific advice.

Certain organizations are exempt from some or all taxes listed below. POPPcom requires specific documentation.

#### Federal Excise Tax (FET) – 3%

A tax imposed directly on the customer for certain communications services and is intended to tax services that allow the customer the ability to communicate with all subscribers to the telecommunications network. Congress determines the tax rate and the services to which it applies.

*Only a limited number of organizations are eligible for FET exemption. For more information, visit [www.irs.gov](http://www.irs.gov) and search for publication 510. POPPcom's Form 104 is required for exemption.*

#### State Sales Tax – 6.875%

A tax imposed on the sale, lease, or rental of products and services defined as taxable by the state of Minnesota.

*Local governments are not required to pay local sales taxes. For more information on MN state tax exemption, visit [www.taxes.state.mn.us](http://www.taxes.state.mn.us). Form ST-3 or ST-17 is required for MN exemption.*

#### County, City and Other Local Municipalities Sales Tax – Vary

In some instances, a county, city or other municipality will impose a tax in the sale, lease or rental of products and services defined as taxable by the state of Minnesota.

*Customers who provide documentation of state exemption are automatically exempt from county and city tax.*

#### Transit Improvement Tax – .25%

Administered by the Minnesota Department of Revenue, this tax is used to fund improvements to the transit system, including light rail, commuter rail and bus rapid transit.

*When a customer provides a completed certificate of Exempt Status for State sales tax, it also serves as proof of exemption from the Transit Improvement Sales Tax.*

*Local governments are not required to pay local sales taxes and no exemption certificate is necessary for the Transit Improvement Sales and Use Tax. Customers who are exempted from city tax are also exempted from the Transit Improvement tax.*

*Continued on page 2.*

### EXPLANATION OF TAXABLE SURCHARGES

Certain organizations are exempt from the taxes on taxable surcharges, but not exempt from the surcharges themselves.

#### **Extended Area Service (EAS) – \$0.73**

Extended Area Service makes the local calling area larger. Instead of paying a charge for each Intralata long distance call to a certain area, customers pay for these calls as part of their local service.

#### **Federal Access Charge – \$4.96**

*T-1s – Charged per voice channel or \$25.25 per T-1; refer to product sheet for pricing.*

The Federal Access Charge is regulated by the Federal Communications Commission (FCC) to cover the costs of providing access to and maintenance of the local network.

#### **Local Number Portability (LNP) – \$0.45**

The Telecommunications Act of 1996 requires that each local exchange carrier provide number portability in accordance with requirements prescribed by the FCC. In FCC Docket 95-116, RM 8535, in the Matter of Telephone Number Portability, the regulatory decision allows local exchange carriers to recover a portion of the costs.

**Primary Interexchange Carrier Charge (PICC) – Varies**  
PICC is a per line charge that long distance carriers must pay local carriers and/or telephone companies (i.e., Qwest) for access to their local networks.

This charge was implemented January 1, 1998 and like other long distance carriers, POPPcom passes along this charge to the customer based on the number and type of line/s that are subscribed to POPPcom. POPPcom's policy to recover the PICC charge corresponds with the policies of AT&T, Verizon and Sprint. POPPcom's PICC charge is similar, if not lower.

#### **Telecommunications Relay Services (TRS) – .06%**

This surcharge funds a program that provides telecommunication services to residents with communications disabilities, i.e., hearing or speech. A statewide Telephone Dual Relay System permits full and simultaneous communication between communications disabled persons using a teletypewriter device (TTY) and persons using conventional telephone equipment. The TRS applies to long distance calls (including international), interstate teleconferencing, Federal Access surcharge and PICC surcharge.

#### **Universal Service Fund (USF) – 13.6%**

The USF is updated quarterly. It helps make telephone service affordable and available to consumers in high-cost areas, low-income households, schools, libraries and rural health care providers. The USF applies to interstate and international long distance calls, DSL bandwidth, LNP, Federal Access surcharges and PICC surcharge.

The USF charge appears on POPPcom's inventory and some detail report pages as a single line item. For more information, including how funds are collected and disbursed, visit [www.universalservice.org](http://www.universalservice.org).

### EXPLANATION OF UNTAXED SURCHARGES

#### **TAM / TAP / 911 – \$0.97 Combines three surcharges**

- 1. Telecommunications Access Minnesota (TAM)**  
Formerly Telephone Access for Communication Impaired Persons (TACIP). This surcharge provides telephone service accessibility to communications disabled persons. It is mandated by the state legislature and applies to all customers physically located in the state. The Minnesota Public Utility Commission (PUC) annually reviews the surcharge amount.
- 2. Telecommunications Assistance Plan (TAP)**  
The TAP surcharge funds state programs that provide telecommunication services to low-income, elderly or disabled customers at a reduced monthly rate or as a monthly credit. The Minnesota Public Utility Commission (PUC) annually reviews the surcharge amount.
- 3. 911**  
Qwest collects 911 surcharges each month for states, counties and/or cities and uses this money to fund their emergency services communications systems (E911 or 911). The surcharge is imposed upon each access line within a jurisdiction's 911 service area.