PROGRAM RIDER — E-RATE AND RURAL HEALTH CARE

Schools and Libraries (E-Rate) and Rural Health Care (RHC/HCF) funded Services · Ver.1 · Effective 2026-10-01

This Rider applies where the Order Form states that a Service is funded, in whole or part, under a **Support Program**: the federal E-Rate (Schools and Libraries) program or the Rural Health Care (RHC) program, including the Healthcare Connect Fund. It is part of the CSA. Capitalized terms not defined here have the meaning given in the Terms. In a conflict, the order of priority in Section 1.1 of the Terms applies.

1. PROGRAM RULES GOVERN

1.1 Each Party will comply with the rules of the Federal Communications Commission and the Universal Service Administrative Company (**USAC**) applicable to the Support Program, as they change from time to time.

1.2 Nothing in the CSA requires either Party to act inconsistently with those rules. Where a rule and the CSA conflict, the rule prevails **only to the extent of the conflict**, and the rest of the CSA continues to apply, including Customer's payment obligations for charges the Support Program does not cover.

1.3 No gifts. FiberFed will not offer, and Customer will not solicit or accept, anything of value that the program rules prohibit.

2. TERM, FUNDING YEARS AND EXTENSIONS

2.1 The Initial Term stated on the Order Form is the contract term. Where the Service was bid and awarded with **voluntary extensions**, the extensions are exercised in the manner stated in Customer's request for proposals and in FiberFed's response, and an exercised extension is a Renewal Term under Section 2.3 of the Terms.

2.2 A funding year is not the contract term. A Service continues for its Initial Term and any Renewal Term whether or not funding is awarded for a given funding year, subject to Section 5.

2.3 Where the applicable program rules require a contract to have a stated expiry date, the Order Form states it, and Section 2.3(c) of the Terms (month-to-month) is available only where the rules permit.

3. INVOICING: SPI AND BEAR

3.1 Election. The Order Form states the **Subsidy method** for each Service:

- **SPI (Service Provider Invoice).** FiberFed invoices Customer for the **non-discount share** of eligible charges and invoices USAC for the discount share. Customer's obligation to pay the non-discount share is not conditional on USAC paying FiberFed.
- **BEAR (Billed Entity Applicant Reimbursement).** FiberFed invoices Customer for the **full charge** and Customer seeks reimbursement of the discount share from USAC. FiberFed will provide the customer bill records that the reimbursement form requires.

3.2 Discount rate. The discount percentage applied is the rate on file with USAC for the funding request. If the rate changes, or the funding request is modified, FiberFed adjusts subsequent invoices to the corrected shares and issues any correcting invoice or credit.

3.3 Ineligible charges. Charges for services, equipment or features that the Support Program does not cover are billed to Customer in full, are shown separately on the invoice, and are never submitted to USAC. Where a Service has both eligible and ineligible components, the Order Form states the cost allocation, and Customer is responsible for the accuracy of any allocation it directs.

3.4 Taxes and surcharges. Taxes and Regulatory Fees and Surcharges are billed under Section 3.4 of the Terms. The universal service contribution factor changes quarterly, and FiberFed bills the rate in force at the time of billing. **Where the program rules treat a tax or surcharge on an eligible service as eligible, the discount applies to it on the same basis as the underlying eligible charge**; where they do not, Customer pays it in full.

3.5 Set-off. Section 3.3 of the Terms (no set-off) applies to the amounts Customer owes. Paying only the non-discount share under an SPI election is not a set-off or deduction.

4. WHAT EACH PARTY MUST DO

4.1 Customer. Customer will, at its own cost and on time: conduct competitive bidding and post the FCC Form 470 or RHC Form 461 where required; file the funding request (FCC Form 471 or the RHC equivalent) accurately and consistently with the Order Form and FiberFed's quote; certify service start where required (FCC Form 486); file invoicing or reimbursement forms (BEAR, FCC Form 472, or the RHC Form 463) within the program deadlines; respond to USAC reviews, information requests and audits; notify FiberFed promptly of any funding decision, appeal, review, or change to eligibility, discount rate, site list or entity numbers; and obtain any required consent for a service substitution or site change.

4.2 FiberFed. FiberFed will: hold and maintain a valid Service Provider Identification Number and file the service provider forms required of it; deliver the Services stated on the Order Form; invoice in accordance with Section 3; provide the documentation Customer reasonably needs for its filings, reviews and audits; and notify Customer of a change that may require a service substitution.

4.3 Records. Each Party will retain documentation relating to the Services and the funding request for at least **10 years** after the later of the last day of the funding year and the last day of delivery of the Services, and will make it available for audit as the rules require. This obligation survives termination of the CSA.

5. IF FUNDING IS DENIED, REDUCED, DELAYED OR RECOVERED

5.1 Customer remains liable. Customer is liable for the **full charge** for any Service, site or period for which funding is denied, reduced, rescinded, delayed, not sought, or recovered from either Party, including where the cause is Customer's ineligibility, a late or defective filing, a failed review, or exhaustion of program funds. FiberFed will invoice the difference and Customer will pay it under Section 3.3 of the Terms.

5.2 Recovery after payment. If USAC recovers from FiberFed an amount already credited to or paid on behalf of Customer, Customer will reimburse FiberFed that amount, unless the recovery results from FiberFed's own failure to comply with the program rules or to deliver the Services.

5.3 Delay. Delay in a funding decision or in USAC disbursement does not suspend Customer's payment obligations or the Initial Term.

5.4 Cancellation where funding is denied in full. Customer may cancel an affected Service **without a Termination Charge** only where **both**: (a) the administrator **denies funding in full** for that Service for the funding year in which it was to be installed; and (b) FiberFed **receives written notice of cancellation before the Service Date** for that Service. **Partial funding, a reduced discount rate, a delayed decision, a reduction on appeal, or denial for one site among several is not a cancellation right.** Where Customer cancels under this Section, Customer remains liable for **Construction charges and Access Provider and Facility Operator charges FiberFed has incurred or committed** for that Service, under Sections 6.3(a) and (b) of the Terms. After the Service Date, Section 5.1 applies and Customer is liable for the full charge.

6. BIDDING AND CHANGES

6.1 Pricing, terms and service descriptions in FiberFed's quote are offered as bid. Customer will not treat a later change as agreed unless it is made by Change Order or a new Order Form, and, where the rules require, approved as a service substitution.

6.2 Where Customer's request for proposals required a longer price-validity period than FiberFed's standard 30 days, the period stated in FiberFed's response applies.

6.3 Where the requested term, bandwidth, technology or rate basis could not be met exactly, FiberFed's quote discloses the substitution against the affected site. Customer is responsible for determining whether a disclosed substitution is permissible under the program rules before filing.

7. CARRIER IDENTIFICATION

FiberFed selects and may substitute the Access Provider for each Service under Section 10.1 of the Terms. Where the program rules or Customer's request for proposals require the underlying carrier for a site to be identified, FiberFed will identify it, and a later substitution will be disclosed to Customer so that Customer can make any filing the rules require. Otherwise, the Service is identified by its **Service Tier** and bandwidth.