

**FEDERAL UNIVERSAL SERVICE FUND (USF) TO BE ASSESSED
AND REGULATORY COST RECOVERY FEE TO BE DECREASED
BEGINNING OCTOBER 2008**

August 31, 2008

Dear Valued Customer:

THIS COMMUNICATION SERVES TO NOTIFY YOU THAT, EFFECTIVE OCTOBER 1, 2008, STARCONFERENCING.COM WILL: (1) BEGIN ASSESSING FEDERAL UNIVERSAL SERVICE FUND CHARGES; AND (2) DECREASE THE REGULATORY COST RECOVERY FEE TO 1.3% FROM 2.24% ON CUSTOMER INVOICES FOR AUDIO CONFERENCING SERVICES.

As you may be aware, the federal USF helps provide affordable telecommunications services to low-income customers and customers in rural areas, as well as discounts on Internet access for eligible schools, libraries and rural health care providers. The federal USF is collected from telecommunications providers and administered by the Universal Service Administration Corporation (USAC), which is responsible for disbursing the funds according to eligibility criteria established by the Federal Communications Commission (FCC).

In June 2008, the FCC ruled that audio conferencing service providers are “providers of telecommunications” and, therefore, must contribute directly to the federal USF on a go-forward basis. The FCC order requires prospective contributions only, based on each provider’s interstate and international end-user revenues derived from providing these services. Contribution amounts can and will vary based on the USF contribution factor established by the FCC on a quarterly basis (the applicable factor can be found at <http://www.fcc.gov/omd/contribution-factor.html>, and, by way of example, the factor for the third quarter of 2008 was 11.4%). A copy of the FCC Order and Public Notice that set forth the FCC’s ruling and implementation dates of the Order are available on the FCC website at http://www.fcc.gov/wcb/tapd/universal_service/.

Beginning October 1, 2008, Star Conferencing will assess federal USF and decrease its regulatory cost recovery fee to 1.3% from 2.24% on customer invoices for audio conferencing services. Star Conferencing’s assessment of the federal USF allows Star Conferencing to recover the cost of its federal USF contributions. Star Conferencing’s assessment of the regulatory cost recovery fee allows Star Conferencing to offset its costs of regulatory requirements and compliance. These fees are not taxes or government-required charges, and each will be listed as separate line items on your invoices. You should be aware that the charge for federal USF will reflect the applicable quarterly contribution factor, and Star Conferencing will not provide advance notice of any change in this quarterly contribution factor, except as required by law. Star Conferencing may also be required to contribute to state universal service funds and reserves its right to collect such additional charges that may be assessed with respect to its audio conferencing services.

If you have any questions regarding this communication, please contact your account manager or call 866-230-0373 for assistance.

Sincerely,
StarConferencing.com
Customer Notifications

IMPORTANT: ALL INFORMATION, MATERIALS AND WEBSITES REFERENCED OR OTHERWISE PROVIDED IN CONNECTION WITH THIS COMMUNICATION ARE PROVIDED SOLELY TO RAISE AWARENESS AND ARE INTENDED FOR INFORMATIONAL PURPOSES ONLY.