Date: April 14, 2008

To: Payphone Service Providers

From: AT&T Arkansas, AT&T California, AT&T Connecticut, AT&T Illinois, AT&T Indiana, AT&T Kansas, AT&T Michigan, AT&T Missouri, AT&T Nevada, AT&T Ohio, AT&T Oklahoma, AT&T Texas, and AT&T Wisconsin (collectively referred to for purposes of this notification as "AT&T 13-State")

Subject: Federal Communications Commission Order Regarding Reduction in FUSF fees assessed to Payphone Service Providers

On February 14, 2008, the Federal Communications Commission (FCC) issued an Order on Reconsideration (FCC 08-51). In that Order, the FCC found that, as of May 14, 2008, local exchange carriers (LECs) may not charge additional universal service line-item amounts related to Centrex adjustments to Payphone Service Providers (PSPs).

Until such time as AT&T 13-State can change its billing structure for Federal Universal Service Fund (FUSF) charges, non-exempt PSPs will continue to see the multi-line business FUSF charge on their monthly bills. However, effective May 1, 2008, AT&T 13-State will reduce the Federal Universal Service Fund fee assessed to non-exempt PSPs by means of a monthly credit. This credit will appear as payphone compensation in the Compensation section of the bill.

AT&T is diligently working to implement a billing change that reflects the reduced FUSF fee in the same manner as the FUSF fee appears today. PSPs will be notified when the change occurs. We appreciate your patience.

Questions may be directed to the Payphone Service Centers at 800-924-3666 or 888-870-7638 (Connecticut customers).