

**Billing and Collection Agent Report
For period ending August 31, 2025**

NANPA FUND
STATEMENT OF FINANCIAL POSITION
August 31, 2025

Assets

Cash in bank - NANP	\$ 4,028,109	
Cash in bank - RND	2,050,681	

Receivables		
Receivable from US Carriers	126,098	
Refunds due back to US Carriers <i>(see note below)</i>	(244,172)	
Receivable from Canada	-	
Receivable from other member countries	8,836	
Receivables forwarded to Treasury for collection - see Note 1	47,292	
Allowance for uncollectible accounts	<u>(65,900)</u>	(127,846)

RND advance on payment of future administrative expenses		<u>(7,944)</u>
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Total assets		5,943,000
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Less: Accrued liabilities		
Welch LLP	32,700	
SOMOS - NANPA & Pooling	1,774,386	
Data Collection Agent	<u>11,603</u>	(1,818,689)

RND fees repayable to carriers		<u>(2,042,737)</u>
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NANP Fund balance		<u>\$ 2,081,574</u>
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The credit balance of \$244,172 at the end of August consists of approximately \$178,958 relating to the special project and the remainder of \$65,214 relates to overpayments or non-special credit notes on account.

The RND advance on future expenses is to be drawn down on a monthly basis for the B&C Agent fees related to RND administration. This covers B&C Agent fees through to July 2026. Any additional administrative costs (audit fees and bank fees) will be funded by Somos as they occur.

Note 1: Receivables forwarded to U.S. Treasury for collection activity		
Balance, July 31, 2025	48,310	
Balances sent to Treasury in Aug 2025 (invoices due in May 2025) (2 carrier debts)	152	
Balances returned from Treasury due to payment, recalls and adjustments	<u>(1,170)</u>	
Balance, August 31, 2025	47,292	

NANP FUND
STATEMENT OF CHANGES IN FUND BALANCE
OCTOBER 2024 TO SEPTEMBER 2025

Actual												Forecasted			Variance between forecasted results and budget at Sept 30/25
	Oct-24	Nov-24	Dec-24	Jan-25	Feb-25	Mar-25	Apr-25	May-25	Jun-25	Jul-25	Aug-25	Sep-25	Total	Budget	
Revenue															
International Contributions															
Canada	(1) 25,062	12,531	12,531	12,531	12,531	12,531	12,531	12,531	12,531	12,531	12,531	-	150,372	150,372	-
Caribbean countries	(1) 29,312	-	-	-	-	-	-	-	-	-	-	-	29,312	29,312	-
Total International Contributions		12,531	12,531	12,531	12,531	12,531	12,531	12,531	12,531	12,531	12,531	-	179,684	179,684	-
Domestic Contributions - US carriers	(1) 5,945,435	86,598	87,992	87,840	89,388	90,752	85,322	75,246	87,563	87,691	103,650	-	6,827,477	6,766,776	60,701
Late filing fees for Form 499A	(2) 400	1,100	1,200	1,100	300	1,800	600	2,800	3,600	3,900	1,000	64,300	82,100	55,000	27,100
Interest income	(3) 8,193	7,076	6,179	4,841	3,987	4,203	4,084	3,754	3,227	2,971	2,896	8,000	59,411	96,000	(36,589)
Total revenue	6,008,402	107,305	107,902	106,312	106,206	109,286	102,537	94,331	106,921	107,093	120,077	72,300	7,148,672	7,097,460	51,212
Expenses															
NANPA Administration	(4) 578,778	578,778	603,440	577,160	580,135	578,778	578,778	585,603	581,053	581,053	581,053	583,969	6,988,578	6,980,336	(8,242)
Billing and Collection															
Welch LLP	(5) 32,700	32,700	32,700	32,700	32,700	32,700	32,700	32,700	32,700	32,700	32,700	32,700	392,400	392,400	-
Data Collection Agent	(6) 4,402	7,153	7,116	7,231	7,410	7,438	7,389	7,407	7,428	7,436	7,437	7,417	85,264	89,000	3,736
Annual Operations Audit	(7) -	-	-	-	-	-	-	-	-	-	-	59,000	59,000	59,000	-
Bank Charges	(8) 9,127	11,803	3,495	2,912	2,916	2,777	2,778	2,537	2,628	2,461	2,564	4,167	50,165	50,000	(165)
Carrier Audits	(9) -	-	-	-	-	-	-	-	-	-	-	200,000	200,000	200,000	-
Bad debt expense (recovery)	(10) (5,000)	(5,800)	7,500	(1,500)	(600)	(365)	(1,600)	(800)	(1,245)	-	800	1,666	(6,944)	20,000	26,944
Total expenses	620,007	624,634	654,251	618,503	622,561	621,328	620,045	627,447	622,564	623,650	624,554	888,919	7,768,463	7,790,736	22,273
Net revenue (expenses)	5,388,395	(517,329)	(546,349)	(512,191)	(516,355)	(512,042)	(517,508)	(533,116)	(515,643)	(516,557)	(504,477)	(816,619)	(619,791)	(693,276)	73,485
Opening fund balance	1,884,746	7,273,141	6,755,812	6,209,463	5,697,272	5,180,917	4,668,875	4,151,367	3,618,251	3,102,608	2,586,051	2,081,574	1,884,746	1,693,276	191,470
Closing fund balance	7,273,141	6,755,812	6,209,463	5,697,272	5,180,917	4,668,875	4,151,367	3,618,251	3,102,608	2,586,051	2,081,574	1,264,955	1,264,955	1,000,000	264,955
Fund balance makeup:															
Contingency	1,000,000	1,000,000	1,000,000	1,000,000	1,000,000	1,000,000	1,000,000	1,000,000	1,000,000	1,000,000	1,000,000	1,000,000	1,000,000	1,000,000	
Surplus (deficit)	6,273,141	5,755,812	5,209,463	4,697,272	4,180,917	3,668,875	3,151,367	2,618,251	2,102,608	1,586,051	1,081,574	264,955	264,955	-	
	7,273,141	6,755,812	6,209,463	5,697,272	5,180,917	4,668,875	4,151,367	3,618,251	3,102,608	2,586,051	2,081,574	1,264,955	1,264,955	1,000,000	

See Assumptions and Reconciliation to Budget on following page

NANP FUND
STATEMENT OF CHANGES IN FUND BALANCE
OCTOBER 2024 TO SEPTEMBER 2025

Reconciliation of forecasted to budget

Budgeted fund balance at September 30, 2025 - contingency	\$ 1,000,000
Increase (decrease) in opening fund balance between budget period and actual	191,470
Additional billings over estimate from budget	60,701
Late filing fees (reversal) for Form 499A	27,100
Interest earned - variance between actual and budget	(36,589)
NANPA - variance between actual and budget	(8,242)
Data Collection fees - variance between actual and budget	3,736
Annual operations audit - variance between actual and budget	-
Bad debts - variance between actual and budget	26,944
Carrier audits that are anticipated not to be performed	-
Bank fees - variance between actual and budget	(165)
Billing & Collection fees - variance between actual and budget	-
Forecasted fund balance at September 30, 2025	\$ 1,264,955

Assumptions:

- (1) The US carrier contributions for the period from October 2024 to September 2025 and the International contributions are based upon actual billings.
- (2) These fees represent the \$100 late filing fee charged to those companies that do not file the Form 499A by the due date.
- (3) Interest income relates to interest earned on the bank balances and on overdue service provider accounts.
- (4) The cost of NANPA administration is based on the contract with Somos. Effective March 1, 2025 to November 30, 2025 there is an additional cost approved by the FCC for NPAC reports
- (5) The cost of B&C Agent is based on the current contract.
- (6) The expense for the Data Collection Agent is based on an allocation of costs by USAC.
- (7) The expense represents the estimated cost of the annual operations audit performed by Ernst & Young LLP.
- (8) Bank fees are an expense to the Fund.
- (9) The budget allows \$200,000 for carrier audits as may be required under 47 C.F.R. §52.15(k) and FCC Order FCC 00-42.
- (10) The allowance covers all accounts considered potentially uncollectible at August 31, 2025.

Deliverables Report

Distributing invoices

The invoices for carriers were emailed/mailed on August 12th. Payment is due September 12th.

Processing Payments

Payment information from the lockbox service at Bank of America is downloaded on a daily basis. The deposit information is recorded daily.

Late/Absent Payments

Demand notices and statements of account were emailed/mailed on August 13th to all carriers with overdue balances. A total of 27 demand notices and statements of account were sent out. During the same period last year, 33 statements and demand notices were sent out.

FCC Red Light Notices

At a minimum, an updated red light report is posted to the FCC server for processing once a week. When required, additional updates are posted.

Helpdesk Queries

All queries are directed to a helpdesk voicemail inbox or email inbox. The details of the query are documented in an MS Excel file including the date, Filer ID, nature of query, name of person making the request, who responded to the query and the resolution date. In August, 11 calls and 45 emails were received (2024 - 12 calls and 40 emails). Most queries related to the following: requesting copies of invoices, making changes to their email billing address, notification about closing their business, asking what the invoice/credit note was for, asking how to make a payment, asking about the refund check received, and asking about RND repayment.

Staffing

There are no changes to staffing.

Status of Contracts

The Billing and Collection Agent contract was awarded to Welch LLP in July 2024. The contract is for a 3-year period from August 1, 2024 to July 31, 2027 plus 2 one-year extensions ending July 31, 2029.

The NANPA and RND administration contract was awarded in December 2020. It allowed for a 3-month transition and development period from December 1, 2020 to February 28, 2021 and a 57-month administration period from March 1, 2021 to November 30, 2025 and 3 one-year extensions ending November 30, 2028.

Status of Audits

FCC Audit: The FCC and the auditors confirmed that they do not need much from NANP since NANP is reported as a disclosure entity in their footnotes instead of as a consolidated entity. The kick-off meeting for the audit for fiscal year 2025 was on March 20, 2025 and was attended by Welch.

Independent Audit: The independent audit by Ernst & Young LLP of the financial statements and specified procedures for 2024 fiscal year commenced on November 18, 2024. Final audit reports were issued January 8, 2025.

PIIA (Payment Integrity Act) Performance Audit: The audit has not begun for this fiscal year. Anticipated to be started in December 2025

Deliverable Reports Submission Dates

Quarterly Crosswalk reporting package - not applicable for this month

Quarterly Treasury Report on Receivables - not applicable for this month

July NAOWG report - submitted August 11, 2025

Accounts Receivable

In August, \$462.19 was received from Treasury for delinquent debts collected from 4 filers.

NANP FUND
FORECASTED STATEMENT OF CHANGES IN FUND BALANCE
OCTOBER 2025 TO SEPTEMBER 2026

Projection based on budget												Total
Oct-25	Nov-25	Dec-25	Jan-26	Feb-26	Mar-26	Apr-26	May-26	Jun-26	Jul-26	Aug-26	Sep-26	
13,105 30,527	13,105 -	13,105 -	13,105 -	13,105 -	13,105 -	13,106 -	13,106 -	13,106 -	13,106 -	13,106 -	13,106 -	157,266 30,527
43,632	13,105	13,105	13,105	13,105	13,105	13,106	13,106	13,106	13,106	13,106	13,106	187,793
6,682,103	100,174	100,174	100,174	100,174	100,174	100,174	100,174	100,174	100,174	100,174	100,174	7,784,017
-	-	-	-	-	-	-	-	-	-	-	50,000	50,000
5,000	5,000	5,000	5,000	5,000	5,000	5,000	5,000	5,000	5,000	5,000	5,000	60,000
6,730,735	118,279	118,279	118,279	118,279	118,279	118,280	118,280	118,280	118,280	118,280	168,280	8,081,810
598,710	598,710	598,710	598,710	598,710	598,710	598,710	598,710	598,710	598,710	598,710	598,716	7,184,526
32,700	32,700	32,700	32,700	32,700	32,700	32,700	32,700	32,700	32,700	32,700	32,700	392,400
7,390	7,390	7,390	7,390	7,390	7,390	7,390	7,390	7,390	7,390	7,390	7,390	88,680
-	-	-	-	-	-	-	-	-	-	-	62,500	62,500
4,166	4,166	4,166	4,166	4,167	4,167	4,167	4,167	4,167	4,167	4,167	4,167	50,000
-	-	-	-	-	-	-	-	-	-	-	200,000	200,000
1,667	1,667	1,667	1,667	1,667	1,667	1,667	1,667	1,666	1,666	1,666	1,666	20,000
644,633	644,633	644,633	644,633	644,634	644,634	644,634	644,634	644,633	644,633	644,633	907,139	7,998,106
6,086,102 (	526,354) (	526,354) (	526,354) (	526,355) (	526,355) (	526,354) (	526,354) (	526,353) (	526,353) (	526,353) (	738,859)	83,704
1,264,955	7,351,057	6,824,703	6,298,349	5,771,995	5,245,640	4,719,285	4,192,931	3,666,577	3,140,224	2,613,871	2,087,518	1,264,955
7,351,057	6,824,703	6,298,349	5,771,995	5,245,640	4,719,285	4,192,931	3,666,577	3,140,224	2,613,871	2,087,518	1,348,659	1,348,659
1,250,000	1,250,000	1,250,000	1,250,000	1,250,000	1,250,000	1,250,000	1,250,000	1,250,000	1,250,000	1,250,000	1,250,000	1,250,000
6,101,057	5,574,703	5,048,349	4,521,995	3,995,640	3,469,285	2,942,931	2,416,577	1,890,224	1,363,871	837,518	98,659	98,659
7,351,057	6,824,703	6,298,349	5,771,995	5,245,640	4,719,285	4,192,931	3,666,577	3,140,224	2,613,871	2,087,518	1,348,659	1,348,659

Assumptions:

- (1) The contributions for October 2025 - September 2026 are based on actual billings.
- (2) These estimated fees represent the \$100 late filing fee charged to those companies that do not file the Form 499A by the due date.
- (3) Interest income projections are estimates.
- (4)The numbering administraion and pooling administration functions were combined into one 5-year contract that expires November 30, 2025. Monthly costs are based on the contract.
- (5) The cost of B&C Agent is based on the contract which covers the period August 1, 2024 to July 31, 2029.
- (6) The expense for the Data Collection Agent is based on estimate of costs by USAC.
- (7) The cost of the annual operations audit is based on the cost of the prior year’s history of billing from Ernst & Young LLP.
- (8) Bank fees are an expense to the Fund and are estimated based on prior years’ history.
- (9) The budget allowed \$200,000 for carrier audits.
- (10) The bad debt expense covers all accounts considered potentially uncollectible for fees billed for the 2024-25 funding year.

Reassigned Numbers Database (RND) Activities

Budgeted contributions	(6)	<u>6,000,000</u>
Contributions received	(1)	5,890,418
Contributions still receivable	(1) (a)	<u>-</u>
		<u>5,890,418</u>
Balance to be repaid to carriers		<u>2,042,737</u>
Funds received from SOMOS to cover future admin costs		<u>7,944</u>

		Actual												Forecasted		
		Actual Total to Date	Cumulative Sept 2020 to Sept 2024	Oct-24	Nov-24	Dec-24	Jan-25	Feb-25	Mar-25	Apr-25	May-25	Jun-25	Jul-25	Aug-25	Sep-25	Cumulative Forecasted to Sept 2025
Contributions received from carriers		5,890,418	5,890,303	-	-	-	115	-	-	-	-	-	-	-	-	5,890,418
Repayment from SOMOS		1,976,379	1,473,484	86,746	86,746	-	43,373	43,373	242,657	-	-	-	-	-	-	1,976,379
Total monies received		7,866,797	7,363,787	86,746	86,746	-	43,488	43,373	242,657	-	-	-	-	-	-	7,866,797
Refunds issued																
Refunds (applied) reversed directly to NANP fee		(2,669,417)	(2,669,568)	46	-	47	-	-	-	-	-	-	30	28	(1,672,202)	(4,341,619)
Refund checks returned- undeliverable/uncashed		48,293	45,470	1,855	-	325	-	505	25	-	-	-	-	113	-	48,293
Refund checks issued to companies >\$500		(1,168,015)	(1,154,016)	-	-	-	-	-	-	-	-	-	(13,999)	-	-	(1,168,015)
Refund checks issued to deactivated filers		(58,548)	(55,953)	-	-	-	-	(1,450)	(25)	(1,095)	-	-	(25)	-	-	(58,548)
Refunds issued		(3,847,687)	(3,834,067)	1,901	-	372	-	945	-	1,095	-	-	(13,994)	141	(1,672,202)	(5,519,889)
Less expected costs:																
RND Administrator	(2)	1,753,764	1,753,764	-	-	-	-	-	-	-	-	-	-	-	-	1,753,764
B&C Agent fees	(3)	178,832	172,111	611	611	611	611	611	611	611	611	611	611	611	611	179,443
Audit fees	(4)	30,550	24,450	-	-	-	-	6,100	-	-	-	-	-	-	-	30,550
Bank fees	(5)	5,283	5,283	-	-	-	-	-	-	-	-	-	-	-	-	5,283
Total costs		1,968,429	1,955,608	611	611	611	611	6,711	611	611	611	611	611	611	611	1,969,040
Balance of funds available		2,050,681														

Notes:

- (1) This figure represents actual amounts received to date
- (1) (a) This represents RND fees still unpaid by carriers.
- (2) This represents the amount to be paid to the RNDA administrator for the creation of the database.
- (3) This represents additional fees for the B&C Agent to administer the RND collection of fees and payments. A change order has been approved at \$5,000/mth starting October 2020 until April 2023. Costs from May 2023 to April 2024 are based on a one year contract extension. Costs from April 2024 to July 2024 are based on the 3 month extension. The costs for the periods after August 2024 is based on the current base contract which runs to July 31, 2027.
- (4) This represents additional audit fees that will be incurred to perform additional audit procedure on the collection and payment of the RND funds. This will be an annual cost until the program is completed
- (5) This represents monthly bank fees incurred specifically for the RND account. Included in the bank fees is the cost to collateralize the bank account.
- (6) The budget provided that \$6M of fees were to be collected for the creation of the RND. In June 2021 the FCC approved the refund of \$2M of the total fees invoiced as the cost of the creation of the RND were lower than was provided in the budget. As a result, the carriers who were paying their fees monthly had their portion applied against their July and August RND fee obligation. The effect of this resulted in these companies not having to continue the payment of RND fees for July and August. In addition to this, those carriers who had not yet paid their portion of the RND creation fee had their fees reversed in an amount equivalent to their applicable portion of the refund.

In 2023, the FCC approved the second tranche repayment of \$2M. The refund was done via an offset against the 2023 annual NANP fees. The carriers who did not have a 2023 NANP obligation were sent a refund check, subject to the red light rules.