
US LEC Rate Guide

This document sets forth the service offerings, rates, terms and conditions applicable to the furnishing of long distance services by US LEC Corp., d/b/a PAETEC Business Services, and its affiliates, to customers within the States of North Carolina, Georgia, Tennessee, Florida, Virginia, South Carolina, Alabama, Pennsylvania, Maryland, Louisiana, Mississippi, Delaware, Kentucky, Connecticut, District of Columbia, Indiana, Massachusetts, New Jersey, New York, Ohio and Texas.

TABLE OF CONTENTS

TABLE OF CONTENTS

DEFINITIONS

REGULATIONS

- 2.1 Undertaking of the Company
- 2.2 Prohibited Uses
- 2.3 Obligations of the Customer
- 2.4 Customer Equipment and Channels
- 2.5 Payment Arrangements
- 2.6 Allowances for Interruptions in Service
- 2.7 Use of Customer's Service by Others
- 2.8 Cancellation of Service
- 2.9 Transfers and Assignments
- 2.10 Notices and Communications

APPLICATION OF RATES

- 3.1 Introduction
- 3.2 Charges Based on Duration of Use
- 3.3 Rates Based Upon Distance
- 3.4 Time Periods Defined

MESSAGE TOLL SERVICE

- 4.1 Description
- 4.2 Rates

TOLL FREE SERVICE

- 5.1 Description
- 5.2 Rates
- 5.3 Restriction on the Use of Toll Free Numbers

OTHER SERVICE ARRANGEMENTS

- 6.1 Long Distance Access Only T-1 Service
- 6.2 Frame Relay Service

TABLE OF CONTENTS

OTHER SERVICE ARRANGEMENTS

- 6.3 ATM Service

MISCELLANEOUS SERVICES

- 7.1 Service Implementation
- 7.2 Restoration of Service
- 7.3 Operator Services
- 7.4 Directory Assistance
- 7.5 Payphone Surcharge
- 7.6 US LEC Calling Card

SPECIAL ARRANGEMENTS

- 8.1 Special Construction
- 8.2 Individual Case Basis (ICB) Arrangements
- 8.3 Temporary Promotional Programs
- 8.4 Employee Rates

MISCELLANEOUS CHARGES & FEES

- 9.1 Invoice Options
- 9.2 Local Number Portability Surcharge
- 9.3 Regulatory Assessment Surcharge

DEFINITIONS

Certain terms used generally throughout this document are defined below.

Account Codes: Permits Centrex Stations and users to dial an account code number of up to eight digits. For use when placing calls over facilities arranged for Automatic Message Accounting (AMA) recording. The account or project number must be input prior to dialing the called number.

Advance Payment: Part or all of a payment required before the start of service.

Automatic Number Identification (ANI): Allows the automatic transmission of a caller's billing account telephone number to a local exchange company, interexchange carrier or a third party subscriber. The primary purpose of ANI is to allow for billing of toll calls.

Bit: The smallest unit of information in the binary system of notation.

Call Back/Camp On: Permits a station line encountering an all-trunk-busy condition the option of being notified when a trunk becomes idle.

Call Forwarding:

Call Forwarding Station: Allows calls directed to a station line to be routed to a user defined line inside or outside the customer's telephone system.

Call Forwarding System: Permits calls attempting to terminate to a busy station line to be re-directed to a predetermined line inside or outside the customer's telephone system.

Call Forwarding Remote: This optional feature allows a user to activate/deactivate the Call Forwarding - All Calls feature or change the forwarded to telephone number from a remote location.

Call Forwarding Busy: Allows incoming calls to a busy station to be routed to a preselected station line or attendant within the same system or outside the system. Intercom calls can be arranged to be forwarded to a number different from DID calls.

Call Forwarding Variable Limited: When this feature is activated by a station line user or the attendant, incoming calls to the activated station line or attendant position will be automatically routed to any other selected station line, within the same Centrex system, or to the attendant position. The attendant may also activate this feature for a station line user.

Call Forwarding Variable Unlimited: The same as Call Forwarding Variable Limited except that incoming calls may be automatically routed to a telephone number outside the Centrex system or to station lines within the same Centrex system. The attendant may not activate this feature to a telephone number outside the Centrex system for a station line use. Calls forwarded outside the Centrex system are subject to the appropriate charges for local and toll messages.

DEFINITIONS

Call Hold: Allows the user to hold one call for any length of time provided that neither party goes on-hook.

Call Park: Allows a station line to park a call against its own line number. The parked call can be retrieved from any station line by dialing a feature code and the line number against which the call is parked.

Call Pickup: Allows a station line to answer incoming calls to another station line within a defined call pickup group. Call pickup is provided on individual station lines within a customer group.

Call Transfer: Allows a station line user to transfer any established call to another station inside or outside the customer group without the assistance of the attendant.

Call Waiting: Permits a line in the talking state to be alerted by a tone when another call is attempting to complete to the line. Audible ringing is returned to the originating line. The Service also provides a hold feature that is activated by a switchhook flash.

Communications Services: The Company's Interstate toll and local exchange switched telephone services offered for both intraLATA and interLATA use.

Company: US LEC Corp., d/b/a PAETEC Business Services, the issuer of this document.

Customer or Subscriber: The person, firm or corporation which orders service and is responsible for the payment of charges and compliance with the Company's regulations.

Dial Pulse (or "DP"): The pulse type employed by rotary dial station sets.

Direct Inward Dial (or "DID"): A service attribute that routes incoming calls directly to stations, bypassing a central answering point.

Direct Outward Dial (or "DOD"): A service attribute that allows individual station users to access and dial outside numbers directly.

Do Not Disturb: Permits the attendant to cut off a single station line and selected groups of station lines from receiving incoming and station-to-station calls.

DSX-1 Panel: Distribution equipment used to terminate and administer DS1 (1.544 Mbps) circuits.

Dual Tone Multi-Frequency (or "DTMF"): The pulse type employed by tone dial station sets.

Duplex Service: Service which provides for simultaneous transmission in both directions.

Fiber Optic Cable: A thin filament of glass with a protective outer coating through which a light beam carrying communications signals may be transmitted by means of multiple internal reflections to a receiver, which translates the message.

DEFINITIONS

Hunting: Routes a call to an idle station line in a prearranged group when the called station line is busy.

In-Only: A service attribute that restricts outward dial access and routes incoming calls to a designated answer point.

Joint User: A person, firm or corporation which is designated by the Customer as a user of services furnished to the Customer by US LEC and to whom a portion of the charges for the service will be billed under a joint user arrangement as specified herein.

Kbps: Kilobits per second, denotes thousands of bits per second.

Last Number Redial: Enables a station line user to redial the last called number by use of an access code rather than dialing the entire number.

LATA: A Local Access and Transport Area established pursuant to the Modification of Final Judgment entered by the United States District Court for the District of Columbia in Civil Action No. 82-0192; or any other geographic area designated as a LATA in the National Exchange Carrier Association, Inc. Document F.C.C. No. 4.

Local Exchange Carrier or ("LEC"): Denotes any individual, partnership, association, joint-stock company, trust or corporation engaged in providing switched communication within an exchange.

Mbps: Megabits, denotes millions of bits per second.

Multi-Frequency or ("MF"): An inter-machine pulse-type used for signaling between telephone switches, or between telephone switches and PBX/key systems.

Recurring Charges: The monthly charges to the Customer for services, facilities and equipment, which continue for the agreed upon duration of the service.

Service Commencement Date: The first day following the date on which the Company notifies the Customer that the requested service or facility is available for use, unless extended by the Customer's refusal to accept service which does not conform to standards set forth in the Service Order or this document, in which case the Service Commencement Date is the date of the Customer's acceptance. The Company and Customer may mutually agree on a substitute Service Commencement Date.

Service Order: The written request for Network Services executed by the Customer and the Company in the format devised by the Company. The signing of a Service Order by the Customer and acceptance by the Company initiates the respective obligations of the parties as set forth therein and pursuant to this document, but the duration of the service is calculated from the Service Commencement Date.

Shared: A facility or equipment system or subsystem that can be used simultaneously by several Customers.

DEFINITIONS

Speed Calling: Permits a station line user to dial selected numbers by using fewer digits than normally required. This is accomplished through the assignment of abbreviated codes to frequently called numbers. The speed calling list is customer changeable.

System: Allows shared use of speed calling list. A control station will add, change or delete telephone numbers from the list for the group.

Station: Allows a station line user to add, change or delete telephone numbers from a speed calling list. The list is dedicated to the individual station line user.

Three-Way Calling: Allows a station line user to add a third party to an existing conversation.

Two Way: A service attribute that includes outward dial capabilities for outbound calls and can also be used to carry inbound calls to a central point for further processing.

User or End User: A Customer, Joint User, or any other person authorized by a Customer to use service provided under this document.

REGULATIONS

2.1 Undertaking of the Company

2.1.1 Scope

The Company undertakes to furnish communications service pursuant to the terms of this document in connection with one-way and/or two-way information transmission.

Customers and users may use services and facilities provided under this document to obtain access to services offered by other service providers. The Company is responsible under this document only for the services and facilities provided hereunder, and it assumes no responsibility for any service provided by any other entity that purchases access to the Company network in order to originate or terminate its own services, or to communicate with its own customers.

2.1.2 Shortage of Equipment or Facilities

- A) The Company reserves the right to limit or to allocate the use of existing facilities, or of additional facilities offered by the Company, when necessary because of lack of facilities, or due to some other cause beyond the Company's control.
- B) The furnishing of service under this document is subject to the availability on a continuing basis of all the necessary facilities and is limited to the capacity of the Company's facilities as well as facilities the Company may obtain from other carriers to furnish service from time to time as required at the sole discretion of the Company.

REGULATIONS2.1 Undertaking of the Company (Cont'd)2.1.3 Terms and Conditions

- A) Service is provided on the basis of a minimum period of at least one month, 24-hours per day. For the purpose of computing charges in this document, a month is considered to have 30 days.
- B) Customers may be required to enter into written service orders which shall contain or reference a specific description of the service ordered, the rates to be charged, the duration of the services, and the terms and conditions in this document. Customer will also be required to execute any other documents as may be reasonably requested by the Company.
- C) At the expiration of the initial term specified in each Service Order, or in any extension thereof, service shall continue on a month to month basis at the then current rates unless terminated by either party upon 30 days written notice. Any termination shall not relieve the Customer of its obligation to pay any charges incurred under the service order and this document prior to termination. The rights and obligations which by their nature extend beyond the termination of the term of the service order shall survive such termination.
- D) In any action between the parties to enforce any provision of this document, the prevailing party shall be entitled to recover its legal fees and court costs from the non-prevailing party in addition to other relief a court may award.
- E) Service may be terminated upon written notice to the Customer if:
 - 1) the Customer is using the service in violation of this document; or
 - 2) the Customer is using the service in violation of the law.
- F) Another Telephone Company must not interfere with the right of any person or entity to obtain service directly from the Company. No person or entity shall be required to make any payment, incur any penalty, monetary or otherwise, or purchase any services in order to have the right to obtain service directly from the Company.
- H) To the extent that either the Company or any Other Telephone Company exercises control over available cable pairs, conduit, duct space, raceways, or other facilities needed by the other to reach a person or entity, the party exercising such control shall make them available to the other on terms equivalent to those under which the Company makes similar facilities under its control available to its' customers. At the reasonable request of either party, the Company and the Other Telephone Company shall join the attempt to obtain from the owner of the property access for the other party to serve a person or entity.

REGULATIONS2.1 Undertaking of the Company (Cont'd)2.1.4 Liability of the Company

- A) The liability of the Company for damages arising out of the furnishing of its Services, including but not limited to mistakes, omissions, interruptions, delays, or errors, or other defects, representations, or use of these services or arising out of the failure to furnish the service, whether caused by acts or omission, shall be limited to the extension of allowances for interruption as set forth in 2.6. The extension of such allowances for interruption shall be the sole remedy of the Customer and the sole liability of the Company. The Company will not be liable for any direct, indirect, incidental, special, consequential, exemplary or punitive damages to Customer as a result of any Company service, equipment or facilities, or the acts or omissions or negligence of the Company's employees or agents.
- B) The Company shall not be liable for any delay or failure of performance or equipment due to causes beyond its control, including but not limited to: acts of God, fire, flood, explosion or other catastrophes; any law, order, regulation, direction, action, or request of the United States Government, or of any other government, including state and local governments having or claiming jurisdiction over the Company, or of any department, agency, commission, bureau, corporation, or other instrumentality of any one or more of these federal, state, or local governments, or of any civil or military authority; national emergencies; insurrections; riots; wars; unavailability of rights-of-way or materials; or strikes, lock-outs, work stoppages, or other labor difficulties.
- C) The Company shall not be liable for any act or omission of any entity furnishing to the Company or to the Company's Customers facilities or equipment used for or with the services the Company offers.
- D) The Company shall not be liable for any damages or losses due to the fault or negligence of the Customer or due to the failure or malfunction of Customer-provided equipment or facilities.
- E) The Company does not guarantee nor make any warranty with respect to installations it provides for use in an explosive atmosphere. The Customer indemnifies and holds the Company harmless from any and all loss, claims, demands, suits, or other action, or any liability whatsoever, whether suffered, made, instituted, or asserted by any other party or person(s), and for any loss, damage, or destruction of any property, whether owned by the Customer or others, caused or claimed to have been caused directly or indirectly by the installation, operation, failure to operate, maintenance, removal presence, condition, location, or use of any installation so provided. The Company reserves the right to require each Customer to sign an agreement acknowledging acceptance of the provisions of this section 2.1.4(E) as a condition precedent to such installations.

REGULATIONS

2.1 Undertaking of the Company (Cont'd)

2.1.4 Liability of the Company (Cont'd)

- F) The Company is not liable for any defacement of or damage to Customer premises resulting from the furnishing of services or equipment on such premises or the installation or removal thereof, unless such defacement or damage is caused by negligence or willful misconduct of the Company's agents or employees.
- G) The Company shall be indemnified, defended and held harmless by the Customer against any claim, loss or damage arising from Customer's use of services, involving claims for libel, slander, invasion of privacy, or infringement of copyright arising from the Customer's own communications.
- H) The entire liability for any claim, loss, damage or expense from any cause whatsoever shall in no event exceed sums actually paid the Company by the Customer for the specific services giving rise to the claim. No action or proceeding against the Company shall be commenced more than one year after the service is rendered.
- I) THE COMPANY MAKES NO WARRANTIES OR REPRESENTATIONS, EXPRESS OR IMPLIED EITHER IN FACT OR BY OPERATION OF LAW, STATUTORY OR OTHERWISE, INCLUDING WARRANTIES OF MERCHANTABILITY OR FITNESS FOR A PARTICULAR USE, EXCEPT THOSE EXPRESSLY SET FORTH HEREIN.

2.1.5 Notification of Service-Affecting Activities

The Company will provide the Customer reasonable notification of service-affecting activities that may occur in normal operation of its business. Such activities may include, but are not limited to, equipment or facilities additions, removals or rearrangements and routine preventative maintenance. Generally, such activities are not specific to an individual Customer but affect many Customers' services. No specific advance notification period is applicable to all service activities. The Company will work cooperatively with the Customer to determine the reasonable notification requirements. With some emergency or unplanned service-affecting conditions, such as an outage resulting from cable damage, notification to the Customer may not be possible.

REGULATIONS

2.1 Undertaking of the Company (Cont'd)

2.1.6 Provision of Equipment and Facilities

- A) The Company shall use reasonable efforts to make available services to a Customer on or before a particular date, subject to the provisions of and compliance by the Customer with, the regulations contained in this document. The Company does not guarantee availability by any such date and shall not be liable for any delays in commencing service to any Customer.
- B) The Company shall use reasonable efforts to maintain only the facilities and equipment that it furnishes to the Customer. The Customer may not, nor may the Customer permit others to, rearrange, disconnect, remove, attempt to repair, or otherwise interfere with any of the facilities or equipment installed by the Company, except upon the written consent of the Company.
- C) The Company may substitute, change or rearrange any equipment or facility at any time and from time to time, but shall not thereby alter the technical parameters of the service provided the Customer.
- D) Equipment the Company provides or installs at the Customer Premises for use in connection with the services the Company offers shall not be used for any purpose other than that for which the Company provided it.
- E) The Customer shall be responsible for the payment of service charges as set forth herein for visits by the Company's agents or employees to the Premises of the Customer when the service difficulty or trouble report results from the use of equipment or facilities provided by any party other than the Company, including but not limited to the Customer.

REGULATIONS

2.1 Undertaking of the Company (Cont'd)

2.1.6 Provision of Equipment and Facilities (Cont'd)

G) The Company shall not be responsible for the installation, operation, or maintenance of any Customer provided communications equipment. Where such equipment is connected to the facilities furnished pursuant to this document, the responsibility of the Company shall be limited to the furnishing of facilities offered under this document and to the maintenance and operation of such facilities. Subject to this responsibility, the Company shall not be responsible for:

- 1) the transmission of signals by Customer provided equipment or for the quality of, or defects in, such transmission; or
- 2) the reception of signals by Customer-provided equipment.

2.1.7 Non-Routine Installation

At the Customer's request, installation and/or maintenance may be performed outside the Company's regular business hours or in hazardous locations. In such cases, charges based on cost of the actual labor, material, or other costs incurred by or charged to the Company will apply. If installation is started during regular business hours but, at the Customer's request, extends beyond regular business hours into time periods including, but not limited to, weekends, holidays, and/or night hours, additional charges may apply.

REGULATIONS

2.1 Undertaking of the Company (Cont'd)

2.1.8 Special Construction

Subject to the agreement of the Company and to all of the regulations contained in this document, special construction of facilities may be undertaken on a reasonable efforts basis at the request of the Customer. Special construction is that construction undertaken:

- A) where facilities are not presently available, and there is no other requirement for the facilities so constructed;
- B) of a type other than that which the Company would normally utilize in the furnishing of its services;
- C) over a route other than that which the Company would normally utilize in the furnishing of its services;
- D) in a quantity greater than that which the Company would normally construct;
- E) on an expedited basis;
- F) on a temporary basis until permanent facilities are available;
- G) involving abnormal costs; or
- H) in advance of its normal construction.

2.1.9 Ownership of Facilities

Title to all facilities provided in accordance with this document remains in the Company, its agents or contractors.

REGULATIONS

2.2 Prohibited Uses

- A) The services the Company offers shall not be used for any unlawful purpose or for any use as to which the Customer has not obtained all required governmental approvals, authorizations, licenses, consents and permits.
- B) The Company may require applicants for service who intend to use the Company's offerings for resale and/or for shared use to file a letter with the Company confirming that their use of the Company's offerings complies with relevant laws and Federal Communications Commission regulations, policies, orders, and decisions.
- C) The Company may require a Customer to immediately shut down its transmission of signals if said transmission is causing interference to others.
- D) A customer, joint user, or authorized user may not assign, or transfer in any manner, the service or any rights associated with the service without the written consent of the Company. The Company will permit a Customer to transfer its existing service to another entity if the existing Customer has paid all charges owed to the Company for regulated communications services. Such a transfer will be treated as a disconnection of existing service and installation of new service, and non-recurring installation charges as stated in this document will apply.

REGULATIONS

2.3 Obligations of the Customer

2.3.1 General

The Customer shall be responsible for:

- A) the payment of all applicable charges pursuant to this document;
- B) damage to or loss of the Company's facilities or equipment caused by the acts or omissions of the Customer; or the noncompliance by the Customer, with these regulations; or by fire or theft or other casualty on the Customer Premises, unless caused by the negligence or willful misconduct of the employees or agents of the Company;
- C) providing at no charge, as specified from time to time by the Company, any needed personnel, equipment space and power to operate Company facilities and equipment installed on the premises of the Customer, and the level of heating and air conditioning necessary to maintain the proper operating environment on such premises;
- D) obtaining, maintaining, and otherwise having full responsibility for all rights-of-way and conduit necessary for installation of fiber optic cable and associated equipment used to provide Communications Services to the Customer from the cable building entrance or property line to the location of the equipment space described in 2.3.1(C). Any and all costs associated with the obtaining and maintaining the rights-of-way described herein, including the costs of altering the structure to permit installation of the Company-provided facilities, shall be borne entirely by, or may be charged by the Company to, the Customer. The Company may require the Customer to demonstrate its compliance with this section prior to accepting an order for service;

REGULATIONS

2.3 Obligations of the Customer (Cont'd)

2.3.1 General (Cont'd)

- E) providing a safe place to work and complying with all laws and regulations regarding the working conditions on the premises at which Company employees and agents shall be installing or maintaining the Company's facilities and equipment. The Customer may be required to install and maintain Company facilities and equipment within a hazardous area if, in the Company's opinion, injury or damage to the Company employees or property might result from installation or maintenance by the Company. The Customer shall be responsible for identifying, monitoring, removing and disposing of any hazardous material (e.g. friable asbestos) prior to any construction or installation work;
- F) complying with all laws and regulations applicable to, and obtaining all consents, approvals, licenses and permits as may be required with respect to, the location of Company facilities and equipment in any Customer premises or the rights-of-way for which Customer is responsible under Section 2.3.1(D); and granting or obtaining permission for Company agents or employees to enter the premises of the Customer at any time for the purpose of installing, inspecting, maintaining, repairing, or upon termination of service as stated herein, removing the facilities or equipment of the Company;
- G) not creating or allowing to be placed any liens or other encumbrances on the Company's equipment or facilities; and
- H) making Company facilities and equipment available periodically for maintenance purposes at a time agreeable to both the Company and the Customer. No allowance will be made for the period during which service is interrupted for such purposes.

REGULATIONS

2.3 Obligations of the Customer (Cont'd)

2.3.2 Claims

With respect to any service or facility provided by the Company, Customer shall indemnify, defend and hold harmless the Company from and against all claims, actions, damages, liabilities, costs and expenses, including reasonable attorneys' fees for:

- A) any loss, destruction or damage to property of the Company or any third party, or the death or injury to persons, including, but not limited to, employees or invitees of either party, to the extent caused by or resulting from the negligent or intentional act or omission of the Customer, its employees, agents, representatives or invitees; or
- B) any claim, loss, damage, expense or liability for infringement of any copyright, patent, trade secret, or any proprietary or intellectual property right of any third party, arising from any act or omission by the Customer, including, without limitation, use of the Company's services and facilities in a manner not contemplated by the agreement between the Customer and the Company.

REGULATIONS

2.4 Customer Equipment and Channels

2.4.1 General

A User may transmit or receive information or signals via the facilities of the Company. The Company's services are designed primarily for the transmission of voice-grade telephonic signals, except as otherwise stated in this document. A User may transmit any form of signal that is compatible with the Company's equipment, but the Company does not guarantee that its services will be suitable for purposes other than voice-grade telephonic communication except as specifically stated in this document.

2.4.2 Station Equipment

- A) Terminal equipment on the User's Premises and the electric power consumed by such equipment shall be provided by and maintained at the expense of the User. The User is responsible for the provision of wiring or cable to connect its terminal equipment to the Company Point of Connection.

- B) The Customer is responsible for ensuring that Customer-provided equipment connected to Company equipment and facilities is compatible with such equipment and facilities. The magnitude and character of the voltages and currents impressed on Company-provided equipment and wiring by the connection, operation, or maintenance of such equipment and wiring shall be such as not to cause damage to the Company-provided equipment and wiring or injury to the Company's employees or to other persons. Any additional protective equipment required to prevent such damage or injury shall be provided by the Company at the Customer's expense.

REGULATIONS

2.4 Customer Equipment and Channels (Cont'd)

2.4.3 Interconnection of Facilities

- A) Any special interface equipment necessary to achieve compatibility between the facilities and equipment of the Company used for furnishing Communications Services and the channels, facilities, or equipment of others shall be provided at the Customer's expense.
- B) Communications Services may be connected to the services or facilities of other communications carriers only when authorized by, and in accordance with, the terms and conditions of the documents of the other communications carriers which are applicable to such connections.
- C) Facilities furnished under this document may be connected to customer provided terminal equipment in accordance with the provisions of this document. All such terminal equipment shall be registered by the Federal Communications Commission pursuant to Part 68 of Title 47, Code of Federal Regulations; and all User-provided wiring shall be installed and maintained in compliance with those regulations.
- D) Users may interconnect communications facilities that are used in whole or in part for interstate communications to services provided under this document only to the extent that the user is an "end user" as defined in Section 69.2(m), Title 47, Code of Federal Regulations (1992 edition).

REGULATIONS

2.4 Customer Equipment and Channels (Cont'd)

2.4.4 Inspections

- A) Upon suitable notification to the Customer, and at a reasonable time, the Company may make such tests and inspections as may be necessary to determine that the Customer is complying with the requirements set forth in Section 2.4.2(B) for the installation, operation, and maintenance of Customer-provided facilities, equipment, and wiring in the connection of Customer-provided facilities and equipment to Company-owned facilities and equipment.

- B) If the protective requirements for Customer-provided equipment are not being complied with, the Company may take such action as it deems necessary to protect its facilities, equipment, and personnel. The Company will notify the Customer promptly if there is any need for further corrective action. Within ten days of receiving this notice, the Customer must take this corrective action and notify the Company of the action taken. If the Customer fails to do this, the Company may take whatever additional action is deemed necessary, including the suspension of service, to protect its facilities, equipment and personnel from harm.

REGULATIONS

2.5 Payment Arrangements

2.5.1 Payment for Service

The Customer is responsible for payment of all charges for services and facilities furnished by the Company to the Customer, as well as all charges for services and facilities furnished by the Company to all persons using the Customer's codes, premises, facilities, or equipment, with or without the knowledge or consent of the Customer. The security of the Customer's authorization codes, premises, switched access connections, and direct connect facilities is the sole responsibility of the Customer. All calls placed using such direct connect facilities, authorization codes, premises, or switched access connections will be billed to, and must be paid by, the Customer.

A) Taxes

The Customer is responsible for payment of any sales, use, gross receipts, excise, access or other local, state and federal taxes, charges or surcharges (however, designated) (excluding taxes on Company's net income) imposed on or based upon the provision, sale or use of Network Services.

B) Universal Service Fund Contribution Charge

Customers will be assessed a monthly federal Universal Service Fund contribution charge on all telecommunications services to cover the cost of contributions that the Company is required, by the Telecommunications Act of 1996, to make to the federal Universal Service Fund. All services provided pursuant to this document are subject to the monthly Universal Service Fund Contribution charge. The applicable rate is determined by the Federal Communications Commission and may change from time to time. The Universal Service Fund Contribution charge is neither contributory to nor eligible to receive discounts nor is it eligible to contribute to meeting minimum monthly usage requirements.

REGULATIONS

2.5 Payment Arrangements

2.5.2 Billing and Collection of Charges

- A) Non-recurring charges are due and payable from the customer upon receipt of the invoice.
- B) The Company shall present invoices for Recurring Charges monthly to the Customer, in advance of the month in which service is provided, and Recurring Charges shall be due upon receipt of the invoice. When billing is based on customer usage, charges will be billed monthly for the preceding billing periods.
- C) When service does not begin on the first day of the month, or end on the last day of the month, the charge for the fraction of the month in which service was furnished will be calculated on a pro rate basis. For this purpose, every month is considered to have 30 days.
- D) Billing of the Customer by the Company will begin on the Service Commencement Date, which is the first day following the date on which the Company notifies the Customer that the service or facility is available for use, except that the Service Commencement Date may be postponed by mutual agreement of the parties, or if the service or facility does not conform to standards set forth in this document or the Service Order. Billing accrues through and includes the day that the service, circuit, arrangement or component is discontinued.
- E) A late payment penalty will be due to the Company upon any unpaid amount commencing 28 days after the date of the invoice. The late payment penalty shall be the portion of the payment not received by the 28th day after the date of the invoice, multiplied by the lesser of the highest percentage allowable by the Federal Communications Commission or a late factor of 1.5% per month.
- F) The Customer will be assessed a charge of twenty dollars (\$20.00) for each check submitted by the Customer to the Company which a financial institution refused to honor.
- G) Customers have up to 45 days (commencing 5 days after remittance of the bill) to initiate a dispute over charges or to receive credits.
- H) If service is disconnected by the Company in accordance with section 2.5.5 following and later restored, restoration of service will be subject to all applicable installation charges.

REGULATIONS

2.5 Payment Arrangements (Cont'd)

2.5.3 Advance Payments

To safeguard its interests, the Company may require a Customer to make an advance payment before services and facilities are furnished. The advance payment will not exceed an amount equal to the non-recurring charge(s) and one month's charges for the service or facility. In addition, where special construction is involved, the advance payment may also include an amount equal to the estimated non-recurring charges for the special construction and recurring charges (if any) for a period to be set between the Company and the Customer. The advance payment will be credited to the Customer's initial bill. An advance payment may be required in addition to a deposit.

2.5.4 Deposits

- A) To safeguard its interests, the Company may require a Customer to make a deposit to be held as a guarantee for the payment of charges. A deposit does not relieve the Customer of the responsibility for the prompt payment of bills on presentation. The deposit will not exceed an amount equal to:
- 1) two month's charges for a service or facility which has a minimum payment period of one month; or
 - 2) the charges that would apply for the minimum payment period for a service or facility which has a minimum payment period of more than one month; except that the deposit may include an additional amount in the event that a termination charge is applicable.
- B) A deposit may be required in addition to an advance payment.
- C) When a service or facility is discontinued, the amount of a deposit, if any, will be applied to the Customer's account and any credit balance remaining will be refunded. Before the service or facility is discontinued, the Company may, at its option, return the deposit or credit it to the Customer's account.
- D) Deposits held will accrue at an interest rate of 7.0% as determined by the Commission without deductions for any taxes on such deposits. Interest will not accrue on any deposit after the date on which reasonable effort has been made to return it to the Customer.

REGULATIONS

2.5 Payment Arrangements (Cont'd)

2.5.5 Discontinuance of Service

- A) Upon nonpayment of any amounts owing to the Company, and after 30 days from the date of the invoice, the Company may, by giving 10 days' prior written notice to the Customer, discontinue or suspend service without incurring any liability.
- B) Upon violation of any of the other material terms or conditions for furnishing service the Company may, by giving 10 days' prior notice in writing to the Customer, discontinue or suspend service without incurring any liability if such violation continues during that period.
- C) Upon condemnation of any material portion of the facilities used by the Company to provide service to a Customer or if a casualty renders all or any material portion of such facilities inoperable beyond feasible repair, the Company, by notice to the Customer, may discontinue or suspend service without incurring any liability.
- D) Upon the Customer's insolvency, assignment for the benefit of creditors, filing for bankruptcy or reorganization, or failing to discharge an involuntary petition within the time permitted by law, the Company may immediately discontinue or suspend service without incurring any liability.
- E) Upon any governmental prohibition or required alteration of the services to be provided or any violation of an applicable law or regulation, the Company may immediately discontinue service without incurring any liability.
- F) In the event of fraudulent use of the Company's network, the Company will discontinue service without notice and/or seek legal recourse to recover all costs involved in enforcement of this provision.
- G) Upon the Company's discontinuance of service to the Customer under Section 2.5.5(A) or 2.5.5(B), the Company, in addition to all other remedies that may be available to the Company at law or in equity or under any other provision of this document, may declare all future monthly and other charges which would have been payable by the Customer during the remainder of the term for which such services would have otherwise been provided to the Customer to be immediately due and payable (discounted to present value at six percent).

REGULATIONS

2.5 Payment Arrangements (Cont'd)

2.5.6 Cancellation of Application for Service

- A) Applications for service are noncancelable unless the Company otherwise agrees. Where the Company permits Customer to cancel an application for service prior to the start of service or prior to any special construction, no charges will be imposed except for those specified below.
- B) Where, prior to cancellation by the Customer, the Company incurs any expenses in installing the service or in preparing to install the service that it otherwise would not have incurred, a charge equal to the costs the Company incurred, less net salvage, shall apply, but in no case shall this charge exceed the sum of the charge for the minimum period of services ordered, including installation charges, and all charges others levy against the Company that would have been chargeable to the Customer had service begun (all discounted to present value at six percent).
- C) Where the Company incurs any expense in connection with special construction, or where special arrangements of facilities or equipment have begun, before the Company receives a cancellation notice, a charge equal to the costs incurred, less net salvage, applies. In such cases, the charge will be based on such elements as the cost of the equipment, facilities, and material, the cost of installation, engineering, labor, and supervision, general and administrative expense, other disbursements, depreciation, maintenance, taxes, provision for return on investment, and any other costs associated with the special construction or arrangements.
- D) The special charges described in 2.5.6(A) through 2.5.6(C) will be calculated and applied on a case-by-case basis.

2.5.7 Changes in Service Requested

If the Customer makes or requests material changes in circuit engineering, equipment specifications, service parameters, premises locations, or otherwise materially modifies any provision of the application for service, the Customer's installation fee shall be adjusted accordingly.

REGULATIONS

2.6 Allowances for Interruptions in Service

Interruptions in service, which are not due to the negligence of, or noncompliance with the provisions of this document by, the Customer or the operation or malfunction of the facilities, power or equipment provided by the Customer, will be credited to the Customer as set forth in 2.6.1 for the part of the service that the interruption affects.

2.6.1 Credit for Interruptions

- A). When service is interrupted for a period of at least 24 hours after notice by the customer to the Carrier, an allowance equal to 1/30 of fixed billing cycle charges for services and facilities furnished by the Carrier rendered useless or substantially impaired shall apply to each 24 hours during which the interruption continues after notice by the customer to the Carrier. Credit in any billing period shall not exceed the total non-usage charges for that period for the services and facilities furnished by the Carrier rendered useless or substantially impaired. **Formula:** A is outage time in hours, B is monthly charge for effected area. **$A/24 \times 1/30 \times B = \text{Credit Allowance}$**
- (i) The word "interruption" shall mean the inability to complete calls due to equipment malfunctions or human errors. "Interruption" does not include, and no allowance shall be given for, service difficulties such as slow dial tone, circuits, busy or other network and/or switching capacity shortages. Nor shall "interruption" include the failure of any service or facilities provided by a common carrier or other entity other than the Carrier. Nor shall the interruption allowance apply where service is interrupted by the negligence or willful act of the customer, or where the Carrier, pursuant to the terms of this document, terminates service because of non-payment of bills or deposits due to the Carrier, unlawful or improper use of the Carrier's facilities or service, or any other reason covered by this document or by applicable law.
- (ii) No allowance shall apply to any non-recurring or usage charges.

REGULATIONS

2.6 Allowances for Interruptions in Service (Cont'd)

2.6.2 Limitations on Allowances

No credit allowance will be made for:

- A) interruptions due to the negligence of, or noncompliance with the provisions of this document by, the Customer, authorized user, joint user, or other common carrier providing service connected to the service of the Company;
- B) interruptions due to the negligence of any person other than the Company, including but not limited to the Customer or other common carriers connected to the Company's facilities;
- C) interruptions due to the failure or malfunction of non-Company equipment;
- D) interruptions of service during any period in which the Company is not given full and free access to its facilities and equipment for the purpose of investigating and correcting interruptions;
- E) interruptions of service during a period in which the Customer continues to use the service on an impaired basis;
- F) interruptions of service during any period when the Customer has released service to the Company for maintenance purposes or for implementation of a Customer order for a change in service arrangements; and
- G) interruption of service due to circumstances or causes beyond the control of Company.

REGULATIONS

2.6 Allowances for Interruptions in Service (Cont'd)

2.6.3 Cancellation For Service Interruption

Cancellation or termination for service interruption is permitted only if any circuit experiences a single continuous outage of 8 hours or more or cumulative service credits equalling 16 hours in a continuous 12-month period. The right to cancel service under this provision applies only to the single circuit which has been subject to the outage or cumulative service credits.

2.7 Use of Customer's Service by Others

2.7.1 Resale and Sharing

Any service provided under this document may be resold to or shared with other persons at the option of Customer, subject to compliance with any applicable laws or Federal Communications Commission regulations governing such resale or sharing. Customer remains solely responsible for all use of services ordered by it or billed to its telephone number(s) pursuant to this document, for determining who is authorized to use its services, and for notifying the Company of any unauthorized use.

2.7.2 Joint Use Arrangements

Joint use arrangements will be permitted for all services provided under this document. From each joint use arrangement, one member will be designated as the Customer responsible for the manner in which the joint use of the service will be allocated. The Company will accept orders to start, rearrange, relocate, or discontinue service only from the Customer. Without affecting the Customer's ultimate responsibility for payment of all charges for the service, each joint user shall be responsible for the payment of the charges billed to it.

REGULATIONS

2.8 Cancellation of Service

If a Customer cancels a Service Order or terminates services before the completion of the term for any reason whatsoever other than a service interruption (as defined in 2.6.1 above), the Customer agrees to pay to the Company termination liability charges, which are defined below. These charges shall become due and owing as of the effective date of the cancellation or termination and be payable within the period, set forth in 2.5.2.

The Customer's termination liability for cancellation of service shall be equal to:

- A) all unpaid Non-Recurring charges reasonably expended by the Company to establish service to the Customer, plus;
- B) any disconnection, early cancellation or termination charges reasonably incurred and paid to third parties by the Company on behalf of the Customer, plus;
- C) all Recurring Charges specified in the applicable Service Order Document for the balance of the then current term.

2.9 Transfers and Assignments

Neither the Company nor the Customer may assign or transfer its rights or duties in connection with the services and facilities provided by the Company without the written consent of the other party, except that the Company may assign its rights and duties (a) to any subsidiary, parent company or affiliate of the Company, (b) pursuant to any sale or transfer of substantially all the assets of the Company; or (c) pursuant to any financing, merger or reorganization of the Company.

REGULATIONS

2.10 Notices and Communications

- A) The Customer shall designate on the Service Order an address to which the Company shall mail or deliver all notices and other communications, except that Customer may also designate a separate address to which the Company's bills for service shall be mailed.
- B) The Company shall designate on the Service Order an address to which the Customer shall mail or deliver all notices and other communications, except that Company may designate a separate address on each bill for service to which the Customer shall mail payment on that bill.
- C) All notices or other communications required to be given pursuant to this document will be in writing. Notices and other communications of either party, and all bills mailed by the Company, shall be presumed to have been delivered to the other party on the third business day following placement of the notice, communication or bill with the U.S. Mail or a private delivery service, prepaid and properly addressed, or when actually received or refused by the addressee, whichever occurs first.
- D) The Company or the Customer shall advise the other party of any changes to the addresses designated for notices, other communications or billing, by following the procedures for giving notice set forth herein.

APPLICATION OF RATES

3.1 Introduction

The regulations set forth in this section govern the application of rates for services contained in other sections of this document.

3.2 Charges Based on Duration of Use

Where charges for a service are specified based on the duration of use, such as the duration of a telephone call, the following rules apply:

- A) Calls are measured in durational increments identified for each service. All calls which are fractions of a measurement increment are rounded-up to the next whole unit.
- B) Each call is rated and billed in whole cents according to the following conventions:
For any long distance service offered by the Company, if the computed charge for a call includes a fraction of a cent, the fraction is rounded up to the next whole cent.

Exceptions: Special rounding arrangements may be made through contractual arrangements.
- C) Timing on completed calls begins when the call is answered by the called party. Answering is determined by hardware answer supervision in all cases where this signaling is provided by the terminating local carrier and any intermediate carrier(s). Timing for operator service person-to-person calls start with completion of the connection to the person called or an acceptable substitute, or to the PBX station called.
- D) Timing terminates on all calls when the calling party hangs up or the Company's network receives an off-hook signal from the terminating carrier.
- E) Calls originating in one time period and terminating in another will be billed in proportion to the rates in effect during different segments of the call.
- F) All times refer to local time.

APPLICATION OF RATES

3.3 Rates Based Upon Distance

Where charges for a service are specified based upon distance, the following rules:

- A) Distance between two points is measured as airline distance between the rate centers of the originating and terminating telephone lines. The rate center is a set of geographic coordinates, as referenced in the Local Exchange Routing Guide issued by Bellcore, associated with each NPA-NXX combination (where NPA is the area code and NXX is the first three digits of a seven-digit telephone number). Where there is no telephone number associated with an access line on the Company's network (such as a dedicated 800 or WATS access line), the Company will apply the rate center of the Customer's main billing telephone number.

3.3 Rates Based Upon Distance (Cont'd)

- B) The airline distance between any two rate centers is determined as follows:
- 1) Obtain the "V" (vertical) and "H" (horizontal) coordinates for each rate center from the above-referenced Bellcore document.
 - 2) Compute the difference between the "V" coordinates of the two rate centers; and the difference between the two "H" coordinates.
 - 3) Square each difference obtained in step (2) above.
 - 4) Add the square of the "V" difference and the square of the "H" difference obtained in step (3) above.
 - 5) Divide the sum of the squares by 10. Round to the next higher whole number if any fraction is obtained.
 - 6) Obtain the square root of the whole number result obtained above. Round to the next higher whole number if any fraction is obtained. This is the airline mileage.
 - 7) FORMULA =

$$\sqrt{\frac{(V1 - V2)^2 + (H1 - H2)^2}{10}}$$

APPLICATION OF RATES

3.4 Time Periods Defined

Unless otherwise indicated herein:

3.4.1 All rate plans:

- a. Day: 8:00 a.m. - 5:00 p.m. - Mon-Fri
- b. Evening: 5:00 - 11:00 p.m. - Sun-Fri
- c. Night/Weekend: 11:00 p.m. - 8:00 a.m. - All days
8:00 a.m. - 11:00 p.m. - Saturday
8:00 a.m. - 5:00 p.m. - Sunday
- d. Holiday: For the following Holidays, the Evening Time Period rates are used, unless a lower rate would normally apply:

Christmas Day**	New Year's Day**
Martin Luther King Day*	Presidents Day*
Memorial Day*	Columbus Day*
Veterans Day**	Thanksgiving Day
Independence Day**	Labor Day

* Applies to Federally observed day only.

** When this Holiday falls on a Sunday, the Holiday calling rate applies to calls placed on the following Monday. When this Holiday falls on a Saturday, the Holiday calling rate applies to calls placed on the preceding Friday.

MESSAGE TELECOMMUNICATIONS SERVICE

4.1 Description

Message Telecommunications Services (“MTS”) consist of the furnishing of outbound message telephone service between telephone stations located between states. MTS is available on both a switched and dedicated basis.

4.2 Rates

4.2.1 Switched Service¹

This direct dial message toll service is available on the following terms and conditions.

BILLING: 6 second minimum/6 second increments

USAGE RATES:

(A) **Basic Service Plan A:**

Access:	Switched		
Minimum Usage:	\$100 (Customer's total monthly usage from all services)		
Term	1 Year	2 Years	3 Years
Rate per minute:	\$0.155	\$0.155	\$0.155

(B) **Basic Service Plan B:**

Access:	Switched		
Minimum Usage:	\$200 (Customer's total monthly usage from all services)		
Term	1 Year	2 Years	3 Years
Rate per minute:	\$0.14	\$0.14	\$0.14

¹Beginning 9/24/98, this program will no longer be available to new subscribers.

MESSAGE TELECOMMUNICATIONS SERVICE

4.2 Rates (cont'd)4.2.1 Switched Service (cont'd)¹USAGE RATES (continued):(C) **Basic Service Plan C:**

Access:	Switched		
Minimum Usage:	\$500 (Customer's total monthly usage from all services)		
Term	1 Year	2 Years	3 Years
Rate per minute:	\$0.139	\$0.135	\$0.131

(D) **Basic Service Plan D:**

Access:	Switched		
Minimum Usage:	\$1,000 (Customer's total monthly usage from all services)		
Term	1 Year	2 Years	3 Years
Rate per minute:	\$0.137	\$0.133	\$0.129

(E) **Basic Service Plan E:**

Access:	Switched		
Minimum Usage:	\$2,500 (Customer's total monthly usage from all services)		
Term	1 Year	2 Years	3 Years
Rate per minute:	\$0.135	\$0.131	\$0.127

(F) **Basic Service Plan F:**

Access:	Switched		
Minimum Usage:	\$10,000 (Customer's total monthly usage from all services)		
Term	1 Year	2 Years	3 Years
Rate per minute:	\$0.131	\$0.125	\$0.121

(G) **Basic Service Plan G: (DELETED)**¹Beginning 9/24/98, this program will no longer be available to new subscribers.

MESSAGE TELECOMMUNICATIONS SERVICE

4.2 Rates (cont'd)4.2.1 Switched Service (cont'd)¹USAGE RATES (continued):(H) **Basic Service Plan H**

Metro Calling Plan provides for special pricing between selected cities served by US LEC.

Metro Calling Plan

City Availability:

Asheville	Nashville	Jacksonville
Atlanta	Memphis	Chattanooga
Charlotte	Knoxville	Tampa
Greensboro	Orlando	Norfolk
Raleigh	Miami	Richmond
Durham	Ft Lauderdale	Birmingham

Metro Calling Plan requires a minimum of 1 year terms.

Access:	Switched		
a. Minimum Usage:	\$10,000 (Customer's total monthly usage from all services)		
Term	1 Year	2 Years	3 Years
Rate per minute:	\$0.105	\$0.010	\$0.095
b. Minimum Usage:	\$15,000 (Customer's total monthly usage from all services)		
Term	1 Year	2 Years	3 Years
Rate per minute:	\$0.010	\$0.095	\$0.090

¹Beginning 9/24/98, this program will no longer be available to new subscribers.

MESSAGE TELECOMMUNICATIONS SERVICE

4.2 Rates (continued)

4.2.2. Dedicated Service¹

Customers will access this toll service via dedicated or special access lines. The subscriber is responsible for obtaining the dedicated or special access line from the local exchange carrier. The nonrecurring and monthly recurring charges for these access lines are in addition to the rates contained in this document.

BILLING: 6 second minimum/6 second increments

USAGE RATES:

(A) **Contract Plan A:**

Access:	Dedicated		
Minimum Usage:	\$100 (Customer's total monthly usage from all services)		
Term	1 Year	2 Years	3 Years
Rate per minute:	\$0.108	\$0.108	\$0.108

(B) **Contract Plan B:**

Access:	Dedicated		
Minimum Usage:	\$200 (Customer's total monthly usage from all services)		
Term	1 Year	2 Years	3 Years
Rate per minute:	\$0.098	\$0.098	\$0.098

¹Beginning 9/24/98, this program will no longer be available to new subscribers.

MESSAGE TELECOMMUNICATIONS SERVICE

4.2 Rates (cont'd)4.2.2. Dedicated Service (cont'd)¹USAGE RATES (cont'd):**(C) Basic Service Plan C:**

Access:	Dedicated		
Minimum Usage:	\$500 (Customer's total monthly usage from all services)		
Term	1 Year	2 Years	3 Years
Rate per minute:	\$0.097	\$0.094	\$0.091

(D) Basic Service Plan D:

Access:	Dedicated		
Minimum Usage:	\$1,000 (Customer's total monthly usage from all services)		
Term	1 Year	2 Years	3 Years
Rate per minute:	\$0.096	\$0.093	\$0.091

(E) Basic Service Plan E:

Access:	Dedicated		
Minimum Usage:	\$2,500 (Customer's total monthly usage from all services)		
Term	1 Year	2 Years	3 Years
Rate per minute:	\$0.094	\$0.091	\$0.088

(F) Basic Service Plan F:

Access:	Dedicated		
Minimum Usage:	\$10,000 (Customer's total monthly usage from all services)		
Term	1 Year	2 Years	3 Years
Rate per minute:	\$0.091	\$0.087	\$0.084

¹Beginning 9/24/98, this program will no longer be available to new subscribers.

MESSAGE TELECOMMUNICATIONS SERVICE

4.2 Rates (cont'd)4.2.2. Dedicated Service (cont'd)¹USAGE RATES (cont'd):(G) **Basic Service Plan G**¹

Metro Calling Plan provides for special pricing between selected cities served by US LEC.

Metro Calling Plan requires a minimum of 1 year terms.

Metro Calling Plan

City Availability:

Asheville	Nashville	Jacksonville
Atlanta	Memphis	Chattanooga
Charlotte	Knoxville	Tampa
Greensboro	Orlando	Norfolk
Raleigh	Miami	Richmond
Durham	Ft Lauderdale	Birmingham

a. Minimum Usage: \$10,000 (Customer's total monthly usage from all services)

Term	1 Year	2 Years	3 Years
Rate per minute:	\$0.065	\$0.060	\$0.055

b. Minimum Usage: \$15,000 (Customer's total monthly usage from all services)

Term	1 Year	2 Years	3 Years
Rate per minute:	\$0.060	\$0.055	\$0.050

¹Beginning 9/24/98, this program will no longer be available to new subscribers.

MESSAGE TELECOMMUNICATIONS SERVICE

4.2 Rates (cont'd)

4.2.3 Option 1 (1+ Domestic Toll Rates)

Option 1 Service is a one-way, dial in-dial out multipoint service allowing customers to originate and terminate calls via US LEC provided local business lines. Option 1 requires a minimum usage of \$100/month and a minimum term of 1 year. Option 1 is only available to customers who subscribe to Local Service with US LEC.

BILLING: 6 second minimum/6 second increments

USAGE RATES:

A.	Domestic Base Rate Per Minute	\$0.155		
B. Domestic Toll Discounts				
1.	Minimum Usage:	\$100 (Customer's total monthly usage from all services)		
	Term	1 Year	2 Years	3 Years
	Percent Discount:	0.00%	10.00%	20.00%
2.	Minimum Usage:	\$500 (Customer's total monthly usage from all services)		
	Term	1 Year	2 Years	3 Years
	Percent Discount:	26.00%	30.00%	34.00%
3.	Minimum Usage:	\$750 (Customer's total monthly usage from all services)		
	Term	1 Year	2 Years	3 Years
	Percent Discount:	34.00%	35.00%	37.00%

MESSAGE TELECOMMUNICATIONS SERVICE

4.2 Rates (cont'd)

4.2.3 Option 1 (1+ Domestic Toll Rates) (cont'd)

USAGE RATES (cont'd):

B. Domestic Toll Discounts

4.	Minimum Usage:	\$1000 (Customer's total monthly usage from all services)		
	Term	1 Year	2 Years	3 Years
	Percent Discount:	40.00%	42.00%	43.00%
5.	Minimum Usage:	\$2000 (Customer's total monthly usage from all services)		
	Term	1 Year	2 Years	3 Years
	Percent Discount:	47.00%	48.00%	50.00%
6.	Minimum Usage:	\$5000 (Customer's total monthly usage from all services)		
	Term	1 Year	2 Years	3 Years
	Percent Discount:	50.00%	51.00%	53.00%
7.	Minimum Usage:	\$7500 (Customer's total monthly usage from all services)		
	Term	1 Year	2 Years	3 Years
	Percent Discount:	51.00%	52.00%	53.00%
8.	Minimum Usage:	\$10000 (Customer's total monthly usage from all services)		
	Term	1 Year	2 Years	3 Years
	Percent Discount:	52.00%	53.00%	54.00%

MESSAGE TELECOMMUNICATIONS SERVICE

4.2 Rates (cont'd)

4.2.3. Option 1 (1+ Domestic Toll Rates) (cont'd)

USAGE RATES (cont'd):

C. Metro Calling Plan Toll Discounts

Effective January 15, 2000, this plan is no longer available to new subscribers.

Metro Calling Plan provides for special pricing for calls between selected cities served by US LEC. All US LEC Option 1 customers will receive Metro Calling Plan discounts.

Metro Calling Plan

City Availability:

Asheville	Nashville	Jacksonville
Atlanta	Memphis	Chattanooga
Charlotte	Knoxville	Tampa
Greensboro	Orlando	Norfolk
Raleigh	Miami	Richmond
Durham	Ft Lauderdale	Birmingham

- | | | | | |
|----|-------------------|--|---------|---------|
| 1. | Minimum Usage: | \$100 (Customer's total monthly usage from all services) | | |
| | Term | 1 Year | 2 Years | 3 Years |
| | Percent Discount: | 0.00% | 10.00% | 20.00% |
| 2. | Minimum Usage: | \$500 (Customer's total monthly usage from all services) | | |
| | Term | 1 Year | 2 Years | 3 Years |
| | Percent discount | 34.00% | 36.00% | 40.00% |

MESSAGE TELECOMMUNICATIONS SERVICE

4.2 Rates (continued)

4.2.3. Option 1 (cont'd)

USAGE RATES (continued):

C. Metro Calling Plan Toll Discounts (continued):

3.	Minimum Usage:	\$750 (Customer's total monthly usage from all services)		
	Term	1 Year	2 Years	3 Years
	Percent Discount:	43.00%	46.00%	47.00%
4.	Minimum Usage:	\$1000 (Customer's total monthly usage from all services)		
	Term	1 Year	2 Years	3 Years
	Percent discount	46.00%	48.00%	50.00%
5.	Minimum Usage:	\$2000 (Customer's total monthly usage from all services)		
	Term	1 Year	2 Years	3 Years
	Percent Discount:	65.00%	66.00%	67.00%
6.	Minimum Usage:	\$5000 (Customer's total monthly usage from all services)		
	Term	1 Year	2 Years	3 Years
	Percent discount	67.00%	69.00%	70.00%

MESSAGE TELECOMMUNICATIONS SERVICE

4.2 Rates (cont'd)

4.2.3 Option 1 (cont'd)

USAGE RATES (cont'd):

C. Metro Calling Plan Toll Discounts (cont'd):

7.	Minimum Usage:	\$7500 (Customer's total monthly usage from all services)		
	Term	1 Year	2 Years	3 Years
	Percent Discount:	69.00%	70.00%	71.00%
8.	Minimum Usage:	\$10000 (Customer's total monthly usage from all services)		
	Term	1 Year	2 Years	3 Years
	Percent discount	70.00%	71.00%	72.00%

4.2 Rates (continued)

4.2.4 Option 2 (Non-Committal Rate)

Option 2 Service is a one-way, dial in-dial out multipoint service allowing customers to originate and terminate calls via US LEC provided local business telephone lines. Option 2 requires no minimum usage and no minimum term.

BILLING: 6 second minimum/6 second increments

USAGE RATES:

A. Domestic Base Rate Per Minute \$0.405

MESSAGE TELECOMMUNICATIONS SERVICE

4.2 Rates (continued)

4.2.5 Advantage Calling Plan

The Advantage Plan offers long distance service to the Company's local customers who are seeking one-stop shopping for their telecommunications needs. Customers seeking to subscribe to the Plan must subscribe to the Company's local exchange service or to the Company's LD Only T1 Service at a minimum of one location.

In addition to low base rates, the Plan also offers special rates to all points in specific area codes regardless of the point of call origination. Additional codes will be added as they become available for Advantage subscribers.

Locations served by dedicated circuits will be billed on the basis of an initial billing increment of 6 seconds, with additional increments of 6 seconds. Locations where Advantage service is offered on a switched basis will be billed on the basis of a minimum billing increment of 18 seconds, with 18-second increments thereafter. All inbound traffic will be billed on the basis of an initial billing increment of 18 seconds, with 6-second increments thereafter. There is a minimum charge of one cent on each completed call.

The Advantage Calling Plan is available to new subscribers, as well as existing subscribers who raise their commitment level for usage.

Completed direct dial calls to, and toll free calls from, the following area codes qualify for the Advantage Area rates:

305	407	706	302	423	443	216	469	561
678	919	205	703	312	414	321	786	904
704	610	757	301	201	972	813	770	215
901	202	773	412	954	352	336	484	804
240	973	817	727	404	267	615	410	313
214	251	256	334	659	416	418	514	647
819	386	754	772	850	863	941	470	872
504	985	227	667	679	734	612	828	980
984	551	862	212	347	646	718	917	234
330	440	445	724	835	878	731	865	931
254	682	713	832	940	434	540	571	262

MESSAGE TELECOMMUNICATIONS SERVICE

4.2 Rates (continued)

4.2.5 Advantage Calling Plan

Per Minute Rates for One Year Commitment:

Commitment Levels	Non-Advantage Area		Advantage Area	
	Dedicated	Switched	Dedicated	Switched
\$500	\$ 0.1050	\$ 0.1150	\$ 0.0700	\$ 0.1150
\$750	\$ 0.0900	\$ 0.1100	\$ 0.0650	\$ 0.1100
\$1,000	\$ 0.0700	\$ 0.1075	\$ 0.0600	\$ 0.0100
\$2,000	\$ 0.0650	\$ 0.1050	\$ 0.0550	\$ 0.0950
\$3,500	\$ 0.0580	\$ 0.0980	\$ 0.0525	\$ 0.0880
\$5,000	\$ 0.0575	\$ 0.0975	\$ 0.0500	\$ 0.0875
\$7,500	\$ 0.0575	\$ 0.0975	\$ 0.0475	\$ 0.0875
\$10,000	\$ 0.0550	\$ 0.0950	\$ 0.0450	\$ 0.0850
\$20,000	\$ 0.0550	\$ 0.0925	\$ 0.0425	\$ 0.0825

MESSAGE TELECOMMUNICATIONS SERVICE

4.2 Rates (continued)

4.2.5 Advantage Calling Plan

Per Minute Rates for Two Year Commitment:

Commitment Levels	Non-Advantage Area		Advantage Area	
	Dedicated	Switched	Dedicated	Switched
\$500	\$ 0.0100	\$ 0.1100	\$ 0.0650	\$ 0.1100
\$750	\$ 0.0850	\$ 0.1050	\$ 0.0600	\$ 0.1050
\$1,000	\$ 0.0650	\$ 0.1025	\$ 0.0550	\$ 0.1025
\$2,000	\$ 0.0600	\$ 0.1000	\$ 0.0500	\$ 0.1000
\$3,500	\$ 0.0575	\$ 0.0975	\$ 0.0475	\$ 0.0975
\$5,000	\$ 0.0550	\$ 0.0950	\$ 0.0450	\$ 0.0950
\$7,500	\$ 0.0525	\$ 0.0925	\$ 0.0425	\$ 0.0925
\$10,000	\$ 0.0500	\$ 0.0900	\$ 0.0400	\$ 0.0900
\$20,000	\$ 0.0500	\$ 0.0875	\$ 0.0375	\$ 0.0875

Per Minute Rates for Three Year Commitment:

Commitment Levels	Non-Advantage Area		Advantage Area	
	Dedicated	Switched	Dedicated	Switched
\$ 500	\$ 0.0950	\$ 0.1050	\$ 0.0600	\$ 0.1050
\$ 750	\$ 0.0800	\$ 0.1000	\$ 0.0550	\$ 0.1000
\$ 1,000	\$ 0.0600	\$ 0.0975	\$ 0.0500	\$ 0.0900
\$ 2,000	\$ 0.0550	\$ 0.0950	\$ 0.0450	\$ 0.0850
\$ 3,500	\$ 0.0525	\$ 0.0925	\$ 0.0425	\$ 0.0825
\$ 5,000	\$ 0.0500	\$ 0.0900	\$ 0.0405	\$ 0.0800
\$ 7,500	\$ 0.0475	\$ 0.0875	\$ 0.0375	\$ 0.0775
\$ 10,000	\$ 0.0450	\$ 0.0850	\$ 0.0350	\$ 0.0750
\$ 20,000	\$ 0.0450	\$ 0.0825	\$ 0.0350	\$ 0.0725

MESSAGE TELECOMMUNICATIONS SERVICE

4.2 Rates (continued)

4.2.5 Advantage Calling Plan (continued)

Option 30:

For Customers who sign a contract for Carrier's Advantage Calling Plan and commit to a minimum of 40,000 minutes of long distance usage per month via dedicated T-1 access, Carrier will offer the following rates on interstate domestic direct dial toll calls. . In addition, Carrier will waive all fixed monthly recurring charges associated with each Long Distance Only T-1 for the first six months of service under this plan. Thereafter, Carrier will waive same charges for each Long Distance Only T-1 meeting the minimum requirement of 40,000 minutes of long distance per month.

Calls to Advantage Plan Areas:	\$0.0325 per minute
Calls to Non-Advantage Plan Areas	\$0.0450 per minute

MESSAGE TELECOMMUNICATIONS SERVICE

4.2 Rates (continued)

4.2.6 Switched Long Distance

US LEC Switched Long Distance service offers smaller single and multi-line business customers the ability to select US LEC as their Presubscribed Interexchange Carrier for the completion of calls from specified locations. Switched Long Distance can be used in conjunction with other US LEC toll products or as a stand-alone offering. Switched Long Distance is available throughout the entire US LEC service area. However, Switched Long Distance will not be available from payphones, cellular phones or from presubscribed CLEC lines. Locations where Switched Long Distance service is offered will be billed on the basis of a minimum billing increment of 30 seconds, with 6 second increments thereafter.

Commitment Levels			
	1 year	2 year	3 year
\$100	\$ 0.0600	\$ 0.0575	\$ 0.0550
\$500	\$ 0.0575	\$ 0.0550	\$ 0.0525
\$750	\$ 0.0575	\$ 0.0550	\$ 0.0525
\$1,000	\$ 0.0575	\$ 0.0550	\$ 0.0525
\$2,000	\$ 0.0575	\$ 0.0550	\$ 0.0525
\$3,500	\$ 0.0575	\$ 0.0550	\$ 0.0525
\$5,000	\$ 0.0575	\$ 0.0550	\$ 0.0525
\$7,500	\$ 0.0575	\$ 0.0550	\$ 0.0525
\$10,000+	\$ 0.0575	\$ 0.0550	\$ 0.0525

A Presubscribed Interexchange Carrier Charge (PICC) is required for any and all locations as follows.

	<u>Per Line</u>
Multi-line Business	\$4.25
Centrex Lines	\$2.00

MESSAGE TELECOMMUNICATIONS SERVICE

4.2 Rates (continued)

4.2.7 Flat Rate Toll

The Flat Rate Toll Plan allows customers in all markets to place interstate toll calls at the rates described below. This plan has no monthly recurring charge, and the customer must meet only the \$500 monthly billing minimum for all combined services. The Flat Rate Toll Plan may also be used in conjunction with other calling plans. Customers must have US LEC selected as their Primary Interexchange Carrier (PIC) in order for US LEC to be able to properly rate the calls.

Commitment Levels				
	1 year	2 year	3 year	
\$500	\$ 0.0850	\$ 0.0750	\$ 0.0700	
\$750	\$ 0.0750	\$ 0.0700	\$ 0.0650	
\$1,000	\$ 0.0650	\$ 0.0600	\$ 0.0550	
\$2,000	\$ 0.0650	\$ 0.0600	\$ 0.0550	
\$3,500	\$ 0.0600	\$ 0.0550	\$ 0.0500	
\$5,000	\$ 0.0550	\$ 0.0550	\$ 0.0550	
\$7,500	\$ 0.0550	\$ 0.0550	\$ 0.0550	
\$10,000	\$ 0.0550	\$ 0.0550	\$ 0.0550	
\$20,000+	\$ 0.0550	\$ 0.0550	\$ 0.0550	

MESSAGE TELECOMMUNICATIONS SERVICE

4.2 Rates (continued)4.2.8 Power T II Calling Plan

Power T II Calling Plans are available to Customers on a bundled basis. The Customer selects the bundle of minutes in the plan that best suits their business needs and receives up to and including the number of minutes of use for a flat rate. Once the Customer exceeds the minutes in the plan, additional minutes are billed at the rates specified below.

<u>Domestic LD Bundles</u>		<u>MRC</u>
0 minutes		\$0.00
1000 minutes		\$50.00
2000 Minutes		\$100.00
2500 minutes		\$125.00
4000 minutes		\$175.00
5000 minutes		\$225.00
7500 minutes		\$325.00
10,000 minutes		\$425.00
15,000 minutes		\$625.00
20,000 minutes		\$800.00
25,000 minutes		\$975.00
35,000 minutes		\$1350.00
40,000 minutes		\$1500.00
50,000 minutes		\$1850.00
75,000 minutes		\$2750.00
100,000 minutes		\$3500.00
Excess minutes – interstate \$0.050		

4.2.9 Legacy Customer Bundles

Customers subscribing to legacy services have the option to subscribe to a bundle of long distance minutes in the same aggregate amount as the legacy bundle of minutes, (e.g., if the customer subscribes to a legacy minute bundle of 1000 minutes, then the customer may elect to subscribe to 1000 minutes of interstate long distance bundles). The legacy interstate long distance bundles have the following rates.

	<u>MRC</u>
0 minutes	\$00.00
1,000 minutes	\$40.00
2,000 minutes	\$40.00
4,000 minutes	\$40.00

Excess interstate minutes will be billed at the customer's standard plan rates.
Excess Advantage Power T minutes will be billed at \$0.055

TOLL FREE SERVICE

5.1 Description

Toll Free Service is an inbound-only service in which callers located within the State may place toll-free calls to a telephone in the 800/888/877 area codes assigned to the Customer. Toll Free Service is available on both a switched and dedicated basis.

5.2 Rates

5.2.1 Switched Toll Free Service¹

This toll service is available on the following terms and conditions.

BILLING: 18 second minimum/6 second increments

USAGE RATES:

(A) **Basic Service Plan A:**

Access:	Switched
Minimum Usage:	\$100 (Customer's total monthly usage from all services)
Term	1 Year
Rate per minute:	\$0.179

(B) **Basic Service Plan B:**

Access:	Switched
Minimum Usage:	\$200 (Customer's total monthly usage from all services)
Term	1 Year
Rate per minute:	\$0.162

¹Beginning 9/24/98, this program will no longer be available to new subscribers.

TOLL FREE SERVICE

5.2 Rates (cont'd)5.2.1 Switched Toll Free Service (cont'd)¹

BILLING: 18 second minimum/6 second increments

USAGE RATES (continued):

(C) **Basic Service Plan C:**

Access:	Switched		
Minimum Usage:	\$500 (Customer's total monthly usage from all services)		
Term	1 Year	2 Years	3 Years
Rate per minute:	\$0.160	\$0.155	\$0.151

(D) **Basic Service Plan D:**

Access:	Switched		
Minimum Usage:	\$1,000 (Customer's total monthly usage from all services)		
Term	1 Year	2 Years	3 Years
Rate per minute:	\$0.158	\$0.153	\$0.149

(E) **Basic Service Plan E:**

Access:	Switched		
Minimum Usage:	\$2,500 (Customer's total monthly usage from all services)		
Term	1 Year	2 Years	3 Years
Rate per minute:	\$0.155	\$0.151	\$0.146

(F) **Basic Service Plan F:**

Access:	Switched		
Minimum Usage:	\$10,000 (Customer's total monthly usage from all services)		
Term	1 Year	2 Years	3 Years
Rate per minute:	\$0.151	\$0.142	\$0.137

¹Beginning 9/24/98, this program will no longer be available to new subscribers.

TOLL FREE SERVICE

5.2 Rates (cont'd)

5.2.2 Dedicated Toll Free Service ¹

The subscriber is responsible for obtaining the dedicated access line from the local exchange carrier. The nonrecurring and monthly recurring charges for these access lines are in addition to the rates contained in this document.

BILLING: 18 second minimum/6 second increments

USAGE RATES:

- | | | | | |
|-----|-----------------------|--|---------|---------|
| (A) | Basic Service Plan A: | | | |
| | Access: | Dedicated | | |
| | Minimum Usage: | \$100 (Customer's total monthly usage from all services) | | |
| | Term | 1 Year | | |
| | Rate per minute: | \$0.125 | | |
| (B) | Basic Service Plan B: | | | |
| | Access: | Dedicated | | |
| | Minimum Usage: | \$200 (Customer's total monthly usage from all services) | | |
| | Term | 1 Year | | |
| | Rate per minute: | \$0.113 | | |
| (C) | Basic Service Plan C: | | | |
| | Access: | Dedicated | | |
| | Minimum Usage: | \$500 (Customer's total monthly usage from all services) | | |
| | Term | 1 Year | 2 Years | 3 Years |
| | Rate per minute: | \$0.112 | \$0.108 | \$0.106 |

¹/ Beginning 9/24/98, this program will no longer be available to new subscribers.

TOLL FREE SERVICE

5.2 Rates (cont'd)5.2.2 Dedicated Toll Free Service (cont'd)¹(D) **Basic Service Plan D:**

Access:	Dedicated		
Minimum Usage:	\$1,000 (Customer's total monthly usage from all services)		
Term	1 Year	2 Years	3 Years
Rate per minute:	\$0.111	\$0.107	\$0.105

(E) **Basic Service Plan E:**

Access:	Dedicated		
Minimum Usage:	\$2,500 (Customer's total monthly usage from all services)		
Term	1 Year	2 Years	3 Years
Rate per minute:	\$0.108	\$0.106	\$0.102

(F) **Basic Service Plan F:**

Access:	Dedicated		
Minimum Usage:	\$10,000 (Customer's total monthly usage from all services)		
Term	1 Year	2 Years	3 Years
Rate per minute:	\$0.106	\$0.100	\$0.096

¹Beginning 9/24/98, this program will no longer be available to new subscribers.

TOLL FREE SERVICE

5.2 Rates (cont'd)

5.2.3 Option 3 (Dedicated Toll Free Service)

Option 3 is an inbound-only service in which callers located within the United States may place toll-free calls to a telephone in the designated toll free area codes assigned to the Customer. Option 3 is only available to customers who subscribe to Local Service with US LEC.

BILLING: 18 second minimum/6 second increments

USAGE RATES:

A.	Domestic Base Rate Per Minute	\$0.155		
B. Domestic Toll Free Discounts				
1.	Minimum Usage:	\$100 (Customer's total monthly usage from all services)		
	Term	1 Year	2 Years	3 Years
	Percent Discount:	0.00%	10.00%	20.00%
2.	Minimum Usage:	\$500 (Customer's total monthly usage from all services)		
	Term	1 Year	2 Years	3 Years
	Percent Discount:	10.00%	20.00%	25.00%
3.	Minimum Usage:	\$750 (Customer's total monthly usage from all services)		
	Term	1 Year	2 Years	3 Years
	Percent Discount:	20.00%	25.00%	30.00%

TOLL FREE SERVICE

5.2 Rates (continued)

5.2.3 Option 3 (cont'd)

BILLING: 18 second minimum/6 second increments

USAGE RATES(cont'd):

B. Domestic Toll Free Discounts (cont'd)

4.	Minimum Usage:	\$1000 (Customer's total monthly usage from all services)		
	Term	1 Year	2 Years	3 Years
	Percent Discount:	25.00%	30.00%	34.00%
5.	Minimum Usage:	\$2000 (Customer's total monthly usage from all services)		
	Term	1 Year	2 Years	3 Years
	Percent Discount:	30.00%	34.00%	36.00%
6.	Minimum Usage:	\$5000 (Customer's total monthly usage from all services)		
	Term	1 Year	2 Years	3 Years
	Percent Discount:	34.00%	36.00%	37.00%
7.	Minimum Usage:	\$7500 (Customer's total monthly usage from all services)		
	Term	1 Year	2 Years	3 Years
	Percent Discount:	36.00%	37.00%	38.00%
8.	Minimum Usage:	\$10000 (Customer's total monthly usage from all services)		
	Term	1 Year	2 Years	3 Years
	Percent Discount:	37.00%	38.00%	39.00%

TOLL FREE SERVICE

5.2 Rates (cont'd)

5.2.3 Option 3 (cont'd)

C. Metro Calling Plan Discounts

Metro Calling Plan provides for special pricing for calls between selected cities served by US LEC. All US LEC Metro Calling Plan customers will receive the following discounts on eligible calls when subscribing to Option 3.

Metro Calling Plan

City Availability:

Asheville	Nashville	Jacksonville
Atlanta	Memphis	Chattanooga
Charlotte	Knoxville	Tampa
Greensboro	Orlando	Norfolk
Raleigh	Miami	Richmond
Durham	Ft Lauderdale	Birmingham

1.	Minimum Usage:	\$100 (Customer's total monthly usage from all services)		
	Term	1 Year	2 Years	3 Years
	Percent Discount:	0.00%	10.00%	20.00%
2.	Minimum Usage:	\$500 (Customer's total monthly usage from all services)		
	Term	1 Year	2 Years	3 Years
	Percent Discount:	10.00%	20.00%	25.00%
3.	Minimum Usage:	\$750 (Customer's total monthly usage from all services)		
	Term	1 Year	2 Years	3 Years
	Percent Discount:	20.00%	25.00%	30.00%

TOLL FREE SERVICE

5.2 Rates (cont'd)

5.2.3 Option 3 (cont'd)

C. Metro Calling Plan Discounts (cont'd)

4.	Minimum Usage:	\$1000 (Customer's total monthly usage from all services)		
	Term	1 Year	2 Years	3 Years
	Percent Discount:	25.00%	30.00%	34.00%
5.	Minimum Usage:	\$2000 (Customer's total monthly usage from all services)		
	Term	1 Year	2 Years	3 Years
	Percent Discount:	30.00%	34.00%	36.00%
6.	Minimum Usage:	\$5000 (Customer's total monthly usage from all services)		
	Term	1 Year	2 Years	3 Years
	Percent Discount:	34.00%	36.00%	37.00%
7.	Minimum Usage:	\$7500 (Customer's total monthly usage from all services)		
	Term	1 Year	2 Years	3 Years
	Percent Discount:	36.00%	37.00%	38.00%
8.	Minimum Usage:	\$10000 (Customer's total monthly usage from all services)		
	Term	1 Year	2 Years	3 Years
	Percent Discount:	37.00%	38.00%	39.00%

TOLL FREE SERVICE

5.2 Rates (cont'd)

5.2.4 Option 4 (Switched Toll Free Service)

Option 4 Service is an inbound only service in which callers located within the State may place toll-free calls to a telephone in the toll free area codes assigned to the Customer. Option 4 is only available to customers who subscribe to Local Service with US LEC.

BILLING: 18 second minimum/6 second increments

USAGE RATES:

A.	Domestic Base Rate Per Minute	\$0.255
B. Domestic Toll Free Discounts		
1.	Minimum Usage:	\$100 (Customer's total monthly usage from all services)
	Term	1 Year 2 Years 3 Years
	Percent Discount	0.00% 10.00% 20.00%
2.	Minimum Usage:	\$500 (Customer's total monthly usage from all services)
	Term	1 Year 2 Years 3 Years
	Percent Discount:	10.00% 20.00% 28.00%
3.	Minimum Usage:	\$750 (Customer's total monthly usage from all services)
	Term	1 Year 2 Years 3 Years
	Percent Discount:	20.00% 28.00% 30.00%

TOLL FREE SERVICE

5.2 Rates (cont'd)

5.2.4 Option 4 (Switched Toll Free Service) (cont'd)

USAGE RATES (cont'd)

B. Domestic Toll Free Discounts (cont'd)

4.	Minimum Usage:	\$1000 (Customer's total monthly usage from all services)		
	Term	1 Year	2 Years	3 Years
	Percent Discount	28.00%	30.00%	36.00%
5.	Minimum Usage:	\$2000 (Customer's total monthly usage from all services)		
	Term	1 Year	2 Years	3 Years
	Percent Discount:	30.00%	36.00%	40.00%
6.	Minimum Usage:	\$5000 (Customer's total monthly usage from all services)		
	Term	1 Year	2 Years	3 Years
	Percent Discount:	36.00%	40.00%	42.00%
7.	Minimum Usage:	\$7500 (Customer's total monthly usage from all services)		
	Term	1 Year	2 Years	3 Years
	Percent Discount:	40.00%	42.00%	44.00%
8.	Minimum Usage:	\$10000 (Customer's total monthly usage from all services)		
	Term	1 Year	2 Years	3 Years
	Percent Discount:	42.00%	44.00%	45.00%

TOLL FREE SERVICE

5.2 Rates (cont'd)

5.2.4 Option 4 (Switched Toll Free Service) (cont'd)

USAGE RATES (cont'd):

C. Metro Calling Plan Discounts

Effective January 15, 2000, this plan is no longer available to new subscribers.

Metro Calling Plan provides for special pricing for calls between selected cities served by US LEC. All US LEC Metro Calling Plan customers will receive the following discounts on eligible calls when subscribing to Option 4.

Metro Calling Plan

City Availability:

Asheville	Nashville	Jacksonville	Durham
Atlanta	Memphis	Chattanooga	Ft Lauderdale
Charlotte	Knoxville	Tampa	Birmingham
Greensboro	Orlando	Norfolk	
Raleigh	Miami	Richmond	

1.	Minimum Usage:	\$100 (Customer's total monthly usage from all services)		
	Term	1 Year	2 Years	3 Years
	Percent Discount	0.00%	10.00%	20.00%
2.	Minimum Usage:	\$500 (Customer's total monthly usage from all services)		
	Term	1 Year	2 Years	3 Years
	Percent Discount:	10.00%	20.00%	28.00%
3.	Minimum Usage:	\$750 (Customer's total monthly usage from all services)		
	Term	1 Year	2 Years	3 Years
	Percent Discount:	20.00%	28.00%	30.00%

TOLL FREE SERVICE

5.2 Rates (cont'd)

5.2.4 Option 4 (Switched Toll Free Service) (cont'd)

USAGE RATES (cont'd):

C. Metro Calling Plan Discounts (cont'd)

4.	Minimum Usage:	\$1000 (Customer's total monthly usage from all services)		
	Term	1 Year	2 Years	3 Years
	Percent Discount	28.00	30.00%	36.00%
5.	Minimum Usage:	\$2000 (Customer's total monthly usage from all services)		
	Term	1 Year	2 Years	3 Years
	Percent Discount	30.00%	36.00%	40.00%
6.	Minimum Usage:	\$5000 (Customer's total monthly usage from all services)		
	Term	1 Year	2 Years	3 Years
	Percent Discount:	36.00%	40.00%	42.00%
7.	Minimum Usage:	\$7500 (Customer's total monthly usage from all services)		
	Term	1 Year	2 Years	3 Years
	Percent Discount:	40.00%	42.00%	44.00%
8.	Minimum Usage:	\$10000 (Customer's total monthly usage from all services)		
	Term	1 Year	2 Years	3 Years
	Percent Discount	42.00	44.00%	45.00%

TOLL FREE SERVICE

5.2 Rates (cont'd)

5.2.5 Enhanced Toll Free Routing

	<u>MRC</u>	<u>NRC</u>
Basic Routing Package:	\$50	\$25
-Time of Day	\$50	\$25
-Day of Week	\$50	\$25
-Holidays	\$50	\$50
-By Traffic Percentage	\$50	\$25
-Take Back and Transfer	\$50	\$25
-By Originating Number	\$50	\$25
-Area Code Selectivity	\$50	\$25
-Emergency Override On Net	\$150	\$10
-Emergency Override Off Net	\$150	\$150
-All Trunks Busy - On Net	\$150	\$10
-All Trunks Busy - Off Net	\$150	\$150

Effective June 1, 2002, the features in Section 5.2.5 will no longer be available to new subscribers

5.2.6 Miscellaneous Toll Free Options

	<u>MRC</u>	<u>NRC</u>
Toll Free Number Reservation:	NA	\$2
Toll Free Directory Listing:	\$25	\$25

TOLL FREE SERVICE

5.2 Rates (cont'd)

5.2.7 Advantage Plan Toll Free Calling

Toll Free Calling is offered in conjunction with a subscription to the Advantage Calling Plan.

Per Minute Rates for a One-Year Term Commitment

Commitment Levels	Non-Advantage Area		Advantage Area	
	Dedicated	Switched	Dedicated	Switched
\$500	\$0.1050	\$0.1250	\$0.0825	\$0.1150
\$750	\$0.0900	\$0.1250	\$0.0775	\$0.1100
\$1,000	\$0.0700	\$0.1200	\$0.0725	\$0.1000
\$2,000	\$0.0650	\$0.1150	\$0.0675	\$0.0950
\$3,500	\$0.0625	\$0.1100	\$0.0650	\$0.0925
\$5,000	\$0.0600	\$0.1050	\$0.0625	\$0.0900
\$7,500	\$0.0575	\$0.1000	\$0.0600	\$0.0875
\$10,000	\$0.0550	\$0.0950	\$0.0575	\$0.0850
\$20,000	\$0.0550	\$0.0925	\$0.0550	\$0.0825

TOLL FREE SERVICE

5.2 Rates (cont'd)

5.2.7 Advantage Plan Toll Free Calling (cont'd)

Toll Free Calling is offered in conjunction with a subscription to the Advantage Calling Plan.

Per Minute Rates for a Two-Year Term Commitment

Commitment Levels	Non-Advantage Area		Advantage Area	
	Dedicated	Switched	Dedicated	Switched
\$500	\$0.1000	\$0.1200	\$0.0775	\$0.1100
\$750	\$0.0850	\$0.1200	\$0.0725	\$0.1050
\$1,000	\$0.0650	\$0.1150	\$0.0675	\$0.0950
\$2,000	\$0.0600	\$0.1100	\$0.0625	\$0.0900
\$3,500	\$0.0575	\$0.1050	\$0.0600	\$0.0875
\$5,000	\$0.0550	\$0.1000	\$0.0575	\$0.0850
\$7,500	\$0.0525	\$0.0950	\$0.0550	\$0.0825
\$10,000	\$0.0500	\$0.0900	\$0.0525	\$0.0800
\$20,000	\$0.0500	\$0.0875	\$0.0500	\$0.0775

Per Minute Rates for a Three-Year Term Commitment

Commitment Levels	Non-Advantage Area		Advantage Area	
	Dedicated	Switched	Dedicated	Switched
\$500	\$0.0950	\$0.1150	\$0.0725	\$0.1150
\$750	\$0.0800	\$0.1150	\$0.0675	\$0.1000
\$1,000	\$0.0600	\$0.1100	\$0.0625	\$0.0900
\$2,000	\$0.0575	\$0.1050	\$0.0575	\$0.0850
\$3,500	\$0.0525	\$0.1000	\$0.0550	\$0.0825
\$5,000	\$0.0500	\$0.0950	\$0.0525	\$0.0800
\$7,500	\$0.0475	\$0.0900	\$0.0500	\$0.0775
\$10,000	\$0.0450	\$0.0850	\$0.0475	\$0.0750
\$20,000	\$0.0450	\$0.0825	\$0.0450	\$0.0725

TOLL FREE SERVICE

5.2 Rates (continued)

5.2.8 Switched 800

Switched 800 service is an inbound only service in which callers located within the State may place toll-free calls to a telephone in the toll free area codes assigned to the Customer. Switched 800 service is only available to customers who subscribe to Local Service with US LEC. Locations where Switched Long Distance service is offered will be billed on the basis of a minimum billing increment of 30 seconds, with 6 second increments thereafter.

Commitment Levels			
	1 year	2 year	3 year
\$100	\$ 0.0600	\$ 0.0575	\$ 0.0550
\$500	\$ 0.0575	\$ 0.0550	\$ 0.0525
\$750	\$ 0.0575	\$ 0.0550	\$ 0.0525
\$1,000	\$ 0.0575	\$ 0.0550	\$ 0.0525
\$2,000	\$ 0.0575	\$ 0.0550	\$ 0.0525
\$3,500	\$ 0.0575	\$ 0.0550	\$ 0.0525
\$5,000	\$ 0.0575	\$ 0.0550	\$ 0.0525
\$7,500	\$ 0.0575	\$ 0.0550	\$ 0.0525
\$10,000+	\$ 0.0575	\$ 0.0550	\$ 0.0525

A Monthly Recurring Charge (MRC) is required for any and all locations as follows.

	<u>Per Line</u>
Multi-line Business	\$4.25
Centrex Lines	\$2.00

TOLL FREE SERVICE

5.2 Rates (continued)

5.2.9 Flat Rate Toll Free

The Flat Rate Toll Free plan is an inbound service which allows customers in all markets to receive interstate toll calls at the rates described below. This plan has no monthly recurring charge, and the customer must meet only the \$500 monthly billing minimum for all combined services. The Flat Rate Toll Free plan may also be used in conjunction with other calling plans. Customers must have US LEC selected as their Primary Interexchange Carrier (PIC) in order for US LEC to be able to properly rate the calls.

Commitment Levels				
	1 year	2 year	3 year	
\$500	\$ 0.0850	\$ 0.0750	\$ 0.0700	
\$750	\$ 0.0750	\$ 0.0700	\$ 0.0650	
\$1,000	\$ 0.0650	\$ 0.0600	\$ 0.0550	
\$2,000	\$ 0.0650	\$ 0.0600	\$ 0.0550	
\$3,500	\$ 0.0600	\$ 0.0550	\$ 0.0500	
\$5,000	\$ 0.0550	\$ 0.0550	\$ 0.0550	
\$7,500	\$ 0.0550	\$ 0.0550	\$ 0.0550	
\$10,000	\$ 0.0550	\$ 0.0550	\$ 0.0550	
\$20,000+	\$ 0.0550	\$ 0.0550	\$ 0.0550	

TOLL FREE SERVICE

5.2 Rates (continued)

5.2.10 Monthly Recurring Charges

MRC per toll-free number	\$3
--------------------------	-----

5.2.11 Enhanced Toll Free Features

	Rate Per Number	
	<u>Monthly Recurring</u>	<u>Non Recurring</u>
Toll Free DNIS Delivery	\$10	\$10
Toll Free ANI Delivery	\$10	\$10
Toll Free Overflow	\$10	\$10
Toll Free Blocking	\$10	\$10
Toll Free Routing	\$10	\$10
Toll Free Emergency Re-Route	\$10	\$10
Toll Free Account Codes	\$10	\$10
Toll Free Disaster Recovery ¹	\$250	\$250

¹Toll Free Disaster Recovery Rate is per T-1 facility

TOLL FREE SERVICE

5.3 Restrictions on the Use of Toll-Free Numbers

The abuse of toll free service is prohibited. The following activities constitute abuse:

- a. Using toll free service to make calls that might reasonably be expected to frighten, abuse, torment, or harass another, or
- b. Using toll free service in such a way that interferes unreasonably with the use of the service by others.
- c. Using toll free service or any other telephone number advertised or widely understood to be toll free, in a manner that would result in (1) the calling party or the subscriber to the originating line being assessed, by virtue of completing the call, a charge for the call; (2) the calling party being connected to a pay-per-call service; (3) the calling party being charged for information conveyed during the call unless:
 1. The calling party has a written agreement (including an agreement transmitted through electronic medium) that specifies the material terms and conditions under which the information is offered and includes:
 - i. The rate at which charges are assessed for the information;
 - ii. The information provider's name;
 - iii. The information provider's business address;
 - iv. The information provider's regular business telephone number;
 - v. The information provider's agreement to notify the subscriber at least one billing cycle in advance of all future changes in the rates charged for the information;
 - vi. The subscriber's choice of payment method, which may be by direct remit, debit, prepaid account, phone bill, or credit or calling card and, if a subscriber elects to pay by means of a phone bill, a clear explanation that the subscriber will be assessed for calls made to the information service from the subscriber's phone line;

TOLL FREE SERVICE

5.3 Restrictions on the Use of Toll-Free Numbers (Cont'd)

- vii. A unique personal identification number or other subscriber-specific identifier that must be used to obtain access to the information service and instructions on its use, and, in addition, assures that any charges for services accessed by use of the subscriber's personal identification number or subscriber-specific identifier be assessed to subscriber's source of payment elected pursuant to paragraph (c)(1)(vi) of this section; or
- 2. The calling party is charged for the information by means of a credit, prepaid, debit, charge, or calling card and the information service provider includes in response to each call an introductory message that:
 - i. Clearly states that there is a charge for the call;
 - ii. Clearly states the service's total cost per minute and any other fees for the service to which the caller may be transferred;
 - iii. Explains that the charges must be billed on either a credit, prepaid, debit, charge, or calling card;
 - iv. Asks the caller for the card number;
 - v. Clearly states that charges for the call begin at the end of the introductory message; and
 - vi. Clearly states that the caller can hang up at or before the end of the introductory message without incurring any charge whatsoever.
- d. The calling party being called back collect for the provision of audio or data information services, simultaneous voice conversation services, or products; and
- e. The calling party being assessed by virtue of the caller being asked to connect or otherwise transfer to a pay-per-call service, a charge for the call.

TOLL FREE SERVICE

5.3 Restrictions on the Use of Toll-Free Numbers (Cont'd)

f. Provided, however, that:

1. Notwithstanding paragraph (c)(1) of this section, a written agreement that meets the requirements of that paragraph is not required for:
 - i. Calls utilizing telecommunications devices for the deaf;
 - ii. Directory services provided by a common carrier or its affiliate or by a local exchange carrier or its affiliate; or
 - iii. Any purchase of goods or of services that are not information services.
2. The requirements of paragraph (c)(2) of this section shall not apply to calls from repeat callers using a bypass mechanism to avoid listening to the introductory message: Provided, that information providers shall disable such a bypass mechanism after the institution of any price increase for a period of time determined to be sufficient by the Federal Trade Commission to give callers adequate and sufficient notice of a price increase.

OTHER SERVICE ARRANGEMENTS

6.1 Long Distance Access Only T-1 Service

6.1.1 Description

Long Distance Access Only T-1 Service is a dedicated access facility that only completes Originating and Terminating Toll traffic and Terminating Toll-Free traffic. It does not support local traffic. Long Distance Access Only T-1 Service is a dedicated service requiring dedicated facilities. It has a minimum commitment level of a 1 Year Term and \$5,000/month minimum usage guarantee. Billing is in 18 second/minimum with 6 second increments. Customer PBX must send 1+10 digits to the US LEC network.

6.1.2 Rate Schedule Definitions

A Customer's rate schedule is dependent on the distance between the Customer's respective ILEC serving wire center and a US LEC switch.

Rate Schedule 1

Any customer whose Serving Wire Center (Central Office) is located between 0 and 5 miles from a US LEC switch.

Rate Schedule 2

Any customer whose Serving Wire Center (Central Office) is located between 6 and 10 miles from a US LEC switch.

Rate Schedule 3

Any customer whose Serving Wire Center (Central Office) is located between 11 and 20 miles from a US LEC switch.

Remote

Any customer whose Serving Wire Center (Central Office) is located 21+ miles from a US LEC switch or is located in an independent telephone property where we do not have an interconnect agreement.

OTHER SERVICE ARRANGEMENTS

6.1 Long Distance Access Only T-1 Service (Cont'd.)

6.1.3 Rates

Long Distance Access Only T-1 Service includes a Monthly Recurring Charge, Monthly Usage Charge, and applicable Non-Recurring Charge.

A) Monthly Recurring Charge:

<u>Term</u>	<u>1 Year</u>	<u>2 Year</u>	<u>3 Year</u>
Rate Schedule 1	\$ 550.00	\$ 500.00	\$ 300.00
Rate Schedule 2	\$ 750.00	\$ 650.00	\$ 500.00
Rate Schedule 3	\$ 950.00	\$ 800.00	\$ 700.00
Remote	\$1150.00	\$1000.00	\$ 900.00

B) Usage Charge:

Usage is rated per US LEC Corp.'s documented Message Telecommunications Service Option 1 (Section 4.2 c.) and 800 Service Option 3 (Section 5.2 c.) rates, respectively. Minimum usage of \$5000.00/month and minimum term of 1 year is required.

C) Non-Recurring Charge:

Per Facility Installation \$1000.00

OTHER SERVICE ARRANGEMENTS

6.2 Frame Relay Service

Frame Relay Service (FRS) is a data communications service that provides for data connectivity between/among widely distributed locations. FRS routes Frame Relay Data Units between a customer's premises, within a LATA, using assigned Permanent Virtual Circuits (PVCs) provided via a dedicated Frame Relay Subscriber Network Access Line and a switch dedicated to FRS and other high-speed data services.

A Frame Relay Subscriber Network Access Line (NAL) is a dedicated digital line, utilizing the Frame Relay User to Network Interface standards. A Frame Relay Subscriber NAL provides connectivity from the customer's premises to the telephone company hub or serving wire center. The effective data rate of the line is 56/64 kbps for narrowband connectivity and 1.536 Mbps for wideband connectivity.

Each Frame Relay Data Unit is routed through the Frame Relay Network with an address that specifies the PVC connection. A PVC connection is a virtual connection between two Frame Relay Subscriber NALs, e.g. customer's premises.

Each Frame Relay Subscriber NAL is assigned at least one PVC. However, a customer may elect to subscribe to multiple PVCs. Additional PVCs are provisioned over the Frame Relay Subscriber NAL via address mapping, which enable the customer to route Frame Relay Data Units via virtual connections to multiple locations.

Frame Relay Service is available only where technically feasible and where US LEC has adequate facilities in place to provision it. This service will be available after September 30, 1999.

OTHER SERVICE ARRANGEMENTS

6.2 Frame Relay Service (continued)**T-1 Access Digital Facility**

(Data Only)	<u>Monthly Recurring Charges</u>		
	<u>1 Year</u>	<u>2 Year</u>	<u>3 Year</u>
Schedule 1	\$500.00	\$350.00	\$300.00
Schedule 2	\$600.00	\$450.00	\$400.00
Schedule 3	\$700.00	\$550.00	\$500.00
Remote	\$700.00	\$550.00	\$500.00

DS-0 Access Digital Facility

(Data Only)	<u>Monthly Recurring Charges</u>		
	<u>1 Year</u>	<u>2 Year</u>	<u>3 Year</u>
Schedule 1	\$120.00	\$110.00	\$100.00
Schedule 2	\$130.00	\$120.00	\$110.00
Schedule 3	\$150.00	\$130.00	\$120.00
Remote	\$175.00	\$160.00	\$150.00

Non-Recurring Charges:

Per Access Facility Installation	\$1000.00
----------------------------------	-----------

OTHER SERVICE ARRANGEMENTS

6.2 **Frame Relay Service** (continued)

25% CIR Data Ports

	<u>1 year</u>	<u>2 year</u>	<u>3 Year</u>
56/64K FRS Port	\$ 225.00	\$ 215.00	\$ 200.00
112/128K FRS Port	\$ 350.00	\$ 340.00	\$ 325.00
224/256K FRS Port	\$ 475.00	\$ 465.00	\$ 450.00
336/384K FRS Port	\$ 600.00	\$ 590.00	\$ 575.00
448/512K FRS Port	\$ 725.00	\$ 715.00	\$ 700.00

26-50% CIR Data Ports

	<u>1 year</u>	<u>2 year</u>	<u>3 Year</u>
56/64K FRS Port	\$ 250.00	\$ 235.00	\$ 225.00
112/128K FRS Port	\$ 375.00	\$ 360.00	\$ 350.00
224/256K FRS Port	\$ 500.00	\$ 485.00	\$ 475.00
336/384K FRS Port	\$ 625.00	\$ 610.00	\$ 600.00
448/512K FRS Port	\$ 750.00	\$ 735.00	\$ 725.00

51-75% CIR Data Ports

	<u>1 year</u>	<u>2 year</u>	<u>3 Year</u>
56/64K FRS Port	\$ 300.00	\$ 285.00	\$ 275.00
112/128K FRS Port	\$ 425.00	\$ 410.00	\$ 400.00
224/256K FRS Port	\$ 550.00	\$ 535.00	\$ 525.00
336/384K FRS Port	\$ 675.00	\$ 660.00	\$ 650.00
448/512K FRS Port	\$ 800.00	\$ 785.00	\$ 775.00

76-100% CIR Data Ports

	<u>1 year</u>	<u>2 year</u>	<u>3 Year</u>
56/64K FRS Port	\$ 325.00	\$ 315.00	\$ 300.00
112/128K FRS Port	\$ 550.00	\$ 440.00	\$ 425.00
224/256K FRS Port	\$ 675.00	\$ 565.00	\$ 550.00
336/384K FRS Port	\$ 800.00	\$ 690.00	\$ 675.00
448/512K FRS Port	\$ 925.00	\$ 815.00	\$ 800.00

OTHER SERVICE ARRANGEMENTS

6.2 Frame Relay Service (continued)IntraLATA Data Ports

	<u>1 year</u>	<u>2 year</u>	<u>3 Year</u>
56/64K FRS Port	\$ 150.00	\$ 135.00	\$ 125.00
112/128K FRS Port	\$ 225.00	\$ 200.00	\$ 160.00
224/256K FRS Port	\$ 525.00	\$ 450.00	\$ 350.00
336/384K FRS Port	\$ 550.00	\$ 475.00	\$ 400.00
448/512K FRS Port	\$ 675.00	\$ 550.00	\$ 475.00

Performance Standards available for US LEC Frame Relay service are Core Network Availability, On-Net and Off-Net End-to-End Network Availability, Network Transit delay (NTD), Frame delivery Ration (FDR), Data Delivery Ratio (DDR) and Mean Time to Repair (MTTR),

	<u>Frame Relay Service Performance Standards</u>	<u>Guarantee</u>
A	Core Network Availability	99.95%
B.1	On-Net End-to-End Network Availability	99.85%
B.2	Off-Net End-to-End Network Availability	99.80%
C	Network Transit Delay	140 Milliseconds – Round Trip
D	Frame Delivery within CIR (FDR)	99.90%
E	Data Delivery within CIR (DDR)	99.90%
F	Mean Time to Repair (MTTR)	8 hours

OTHER SERVICE ARRANGEMENTS

6.3 ATM Service

US LEC's Asynchronous Transfer Mode (ATM) Service is a data transport and traffic prioritization technology that can integrate data, voice, and video over the same communications channel. Uniquely, ATM enables the transmission of multiple kinds of data at different speeds and with different prioritizations over a single User Network Interface (UNI = ATM Port). With US LEC's ATM service, users of local ATM Customer Premises Equipment (CPE) switches can connect to other ATM switches over a wide area *without* protocol conversions. Additionally, US LEC ATM services are mileage independent and offer significant network redundancy and resiliency.

ATM is available within the US LEC "serviceable" footprint from our own network and nationally via our network partner.

ATM is a technology based upon international standards for cell-switched, connection-oriented data transmission allowing voice, video, and data communications over a single virtual network. ATM represents a specific implementation of cell relay, where the data packets are known as cells and have a fixed length of 53 octets.

Once the connection is made, information in the header of each cell is used to route the cell to its destination. All the nodes on the network are connected via one or more switched nodes, which route the cells to their destinations. The ATM switch (CPE), as required, allocates the total available transmission bandwidth. Because of the fixed-cell-length transmission can be carried out simultaneously for a number of cells. ATM guarantees service and provides Quality of Service options (QoS) for customers.

The use of these fixed-length cells allows ATM to support a range of applications and traffic types. Cells are statistically multiplexed and network capacity is dynamically allocated based on the real-time needs of the applications supported. This implies that a single port can be provisioned with aggregate PVC Peak Cell Rates exceeding the port size, but not exceeding the aggregate PVC Sustained Cell Rates.

A benefit of ATM technology is the ability to service both LAN, MAN and WAN environments. Additional benefits are realized as ATM also provides scalability for customers' current and future needs, with access speeds ranging from 1.544 Mbs up to 622 Mbs (Maximum of 45 Mbs for US LECs ATM offering). ATM combines the high speeds of circuit switching with the flexibility of packet switching over a single, simplified network infrastructure. With US LEC, customers are taking advantage of a highly redundant DS-3 backbone to obtain these networking advantages.

OTHER SERVICE ARRANGEMENTS

6.3 ATM Service (continued)

US LEC's ATM service is a public data networking service that can support multiple service classes, such as voice, data, imaging and video. The virtual nature of ATM service allows it to provide users with the security and control of a private network, plus the flexibility and economies of a public network.

All US LEC ATM services are delivered via Digital Transport using "clear channel" (C-Bit) DS1 and DS3 Dedicated Access lines. US LEC leases lines from reliable CAPs and ILECs. DS1/NxDS1 and fractional DS3/DS3 services are delivered on T-1 and T-3 local loops respectively. Customer must provide their own CPE to correctly accept services.

Various applications require different service categories, or classes of service depending on their basic characteristics and requirements. US LEC offers customers a variety of choices to suit their needs: CBR, VBR-RT, VBR-NRT and UBR.

CBR (Constant Bit Rate) - Supported by a constant cell transfer rate, CBR is designed for applications that require stable bandwidth levels and low latency (in other words, those which *cannot* tolerate variances in delay or cell loss). Examples of applications that require CBR service include boardroom quality video and private line circuit emulation. CBR is only available as an ICB.

VBR-RT (Variable Bit Rate – Real Time) - VBR-RT is designed for applications that require stable bandwidth levels and low-to-medium latency (in other words, those which *cannot* tolerate variances in delay or cell loss). Examples of applications that require VBR-RT service include desktop quality video and packetized voice applications. This service class can also carry SNA traffic. VBR-RT has a less stringent variance tolerance than CBR, and demands less significant resources from the ATM network than CBR. In effect, VBR-RT offers customers services closer to CBR quality, in a more cost-effective manner.

VBR-NRT (Variable Bit Rate – Non-Real Time) - The VBR-NRT service category is designed for servicing bursty data applications such as E-mail and other LAN data applications. As such, VBR is often used with delay and loss-sensitive data, as well as packetized voice and video. This service class can also carry SNA traffic if the CDV is set within acceptable limits.

UBR (Unspecified Bit Rate) - Unspecified Bit Rate (UBR) service is designed for data applications that do not require guarantees on when or if the data is delivered. With UBR the Sustained Cell Rate (SCR) is set to zero and all traffic is tagged. The customer can choose the Peak Cell Rate value and is charged based on this value.

OTHER SERVICE ARRANGEMENTS6.3 ATM Service (continued)**US LEC ATM Pricing**

Local Loop						
	Schedule	NRC	MRC			
			1 Year	2 Year	3 Year	
DS1	On net	\$ 1,250	\$ 500	\$ 350	\$ 300	
	Off net	\$ 1,250	\$ 600	\$ 450	\$ 400	
	NNI	\$ 1,250	\$ 700	\$ 550	\$ 500	
DS3	On net	\$ 3,500	\$ 4,000	\$ 3,750	\$ 3,500	
	Off net	\$ 3,500	\$ 6,000	\$ 5,500	\$ 5,000	
	NNI	\$ 3,500	\$ 4,000	\$ 3,750	\$ 3,500	
DS1 Co-lo	Co-lo	\$ 1,250	\$ 74	\$ 74	\$ 74	
DS3 Co-lo	Co-lo	\$ 3,500	\$ 960	\$ 960	\$ 960	

ATM Port (>12 Mb Requires 45 Mb DS3 Port)						
	Schedule	NRC	MRC			
			1 Year	2 Year	3 Year	
1.5 Mb (DS1)	ALL	N/A	\$ 775	\$ 750	\$ 700	
45 Mb (DS3)	On net	N/A	\$ 4,000	\$ 3,750	\$ 3,500	
	Off net	N/A	\$ 5,000	\$ 4,750	\$ 4,500	

PVCs (Per PVC, Simplex Pricing)						
SCR (Term & Schedule Independent)						
QoS	NRC	PCR	0-56 Kb	64+ Kb	1.5+ Mb	
		Per 64 Kb	Per 8 Kb	Per 64 Kb	Per 1.5 Mb	
CBR	\$100	1:1 SCR	\$ 2.250	\$ 18.00	\$ 432.00	
VBR-rt*	\$100	4:1 SCR	\$ 2.125	\$ 17.00	\$ 408.00	
VBR-nrt*	\$100	4:1 SCR	\$ 2.000	\$ 16.00	\$ 384.00	
UBR	\$100	N/A	\$ 0.500	\$ 4.00	\$ 96.00	
* SCR for VBR-rt and VBR-nrt PVCs must be at least 25% of PCR						

Volume Discounts (Per solution, all elements)		
MRC	Discount	
10K	5%	
20K	10%	
30K	15%	
50K	20%	

OTHER SERVICE ARRANGEMENTS

6.3 ATM Service (continued)

Performance Standards available for US LEC ATM service are Core Network Availability, On-Net and Off-Net End-to-End Network Availability, Network Transit Delay (NTD) and Mean Time to Repair (MTTR).

ATM Performance Standards	Guarantee
Core Network Availability	99.90%
B.1 On-Net End-to-End Network Availability (Domestic)	99.85%
B.2 Off-Net End-to-End Network Availability (Domestic)	99.80%
C.1 Network Transit Delay for Constant Bit Rate (CBR)	50 Milliseconds One-Way
C.2 Network Transit Delay for Variable Bit Rate – Real Time (VBR-RT)	55 Milliseconds One-Way
C.3 Network Transit Delay for Variable Bit Rate – Non Real Time (VBR-NRT)	60 Milliseconds One-Way
C.4 Network Transit Delay for Unspecified Bit Rate - (UBR)	100 Milliseconds One-Way
D Mean Time to Repair (MTTR)	8 Hours

OTHER SERVICE ARRANGEMENTS

6.4 US LEC Conferencing

PRODUCT DESCRIPTION

US LEC conferencing provides an 8xx number to each customer to the service that the customer then distributes to participants the customer wants to engage in a conference. The conference does not begin until the customer dials into the 8xx “conference room” him/herself and enters a PIN, no other participant is required to enter or know a PIN. A variety of features can be used in the conference including; selective mute, sub conferences, enforcing a PIN for all participants, “locking” the conference to new participants and enforced termination of a conference.

US LEC conferencing is available to any US LEC T-1 facility based customer, provided the location has 8xx dialing capability.

PER MINUTE RATES

Monthly Commitment Levels			
	1 year term	2 year term	3 year term
Up to \$2,000	\$ 0.4050	\$ 0.4050	\$ 0.4050
\$2,000-\$4,999	\$ 0.3250	\$ 0.3250	\$ 0.3250
\$5,000-\$9,999	\$ 0.2850	\$ 0.2850	\$ 0.2850
\$10,000-\$19,999	\$ 0.2450	\$ 0.2450	\$ 0.2450
\$20,000 and up	\$ 0.2050	\$ 0.2050	\$ 0.2050

OTHER SERVICE ARRANGEMENTS

6.5 Local Toll FreeDescription

Local Toll Free service allows customers who have no presence outside a LATA to appear to have a local presence. This product is also a toll-free solution without the 8XX number. US LEC will establish a local number in a region where US LEC has a switch. When a caller dials into the Local Toll Free number, US LEC's local switch will remote call forward the call to a number terminating at the US LEC customer's location. The call will be remote call forwarded on the US LEC interLATA network. US LEC Local Toll Free service is available only to US LEC Long Distance customers who have local service. The US LEC Local Toll Free number utilized must be a number on the US LEC local network. Local Toll Free is an InterLATA service only. Both the local toll-free and the terminating number must be within the US LEC network. Per minute usage is billed at 18-second minimum increments and continues with 6-second increments.

Rates

Monthly Rate per Local Toll Free Number	<u>Monthly</u> \$2.00
Local Toll Free Usage Rate	<u>Per Minute</u> \$0.030
Installation per Local Toll Free Number	<u>Non-recurring</u> \$100.00

MISCELLANEOUS SERVICES

7.1 Service Implementation

7.1.1 Description

Absent a promotional offering, service implementation charges will apply to new service orders or to orders to change existing service.

7.1.2 Rates

Non-Recurring

Per Service Order	\$25.00
-------------------	---------

7.2 Restoration of Service

7.2.1 Description

A restoral charge applies to the re-establishment of service and facilities suspended because of nonpayment of bills and is payable at the time that the re-establishment of the service and facilities suspended is arranged for. The restoral charge does not apply when, after disconnection of service, service is later re-established.

7.2.2 Rates

Non-Recurring

Per Occasion	\$25.00
--------------	---------

MISCELLANEOUS SERVICES

7.3 Operator Services

7.3.1 Description

Operator Handled Calling Services are provided to Customers and Users of Company-provided Network Services, and to Customers and Users of exchange access lines which the Customer has pre-subscribed to the Company's Pre-Subscribed MTS.

7.3.2 Definitions

Person-to-Person: Calls completed with the assistance of a Company operator to a particular person, station, department, or PBX extension specified by the calling party. Charges may be billed to the Customer's commercial credit card and/or LEC calling card, calling station, called station, or a designated third-party station. Calls may be dialed with or without the assistance of a Company operator.

Collect Call: Calls completed with the assistance of a Company Operator for which charges are billed -- not to the originating telephone number, but to the destination or terminating number.

Operator Dialed Charge: The end user places the call without dialing the destination number, although the capability to do it himself exists. The end user will dial "0" for local calls and "00" for long distance calls and then requests the operator to dial the called station.

Billed to Non-Proprietary Calling Card: Refers to calls that are dialed by the customer in accordance with standard dialing instructions and billed to a non-proprietary calling card issued by another carrier.

7.3 Operator Services (Cont'd)

7.3.3 Rates

Interstate Long Distance calls may be placed on an Operator Assisted basis. In addition to usage charges at the Company's Option 2 (Non-Committal) rate, the following operator-assisted charges will apply:

	<u>Per Call</u>
Calling Card	\$3.95
Collect	\$3.95
Third Number Billing	\$3.95
Person-to-Person	\$6.50

MISCELLANEOUS SERVICES7.4 Directory Assistance7.4.1 Description

Customers and Users of the Company's calling services (excluding 800 services), may obtain assistance in determining telephone numbers within the United States by calling Directory Assistance.

7.4.2 Rates

A) Up to three numbers may be requested with each call.

Per Call	\$1.99
----------	--------

B) A credit will be given for calls to Directory Assistance when:

- the Customer experiences poor transmission or is cut-off during the call,
- the Customer is given an incorrect telephone number, or
- the Customer inadvertently misdials an incorrect Directory Assistance NPA.

7.5 Payphone Surcharge7.5.1 Description

US LEC charges a surcharge for calls originating from any payphone used to access the US LEC network. The charge is in addition to standard documented usage charges and surcharges.

7.5.2 Rates

Per call	\$0.30
----------	--------

SECTION 8 - MISCELLANEOUS SERVICES7.6 US LEC (Post Paid)7.6.1 Description

Post Paid Calling Cards provide Customers the ability to complete telephone calls from any touch tone phone while directing billing for such calls to their US LEC account. The US LEC Calling Card is a proprietary, 800 number based, calling card product. A distinctive 800/888/877 number, unique to US LEC, is provided upon a unique physical card. Usage will be billed by US LEC to the Customer's US LEC account, broken out by individual user card number.

7.6.2 Rates

Per minute	\$0.19
------------	--------

SPECIAL ARRANGEMENTS

8.1 Special Construction

8.1.1 Basis for Charges

Where the Company furnishes a facility or service for which a rate or charge is not specified in the Company's documents, charges will be based on the costs incurred by the Company and may include:

- A) non-recurring type charges;
- B) recurring type charges;
- C) termination liabilities; or
- D) combinations thereof.

8.1.2 Basis for Cost Computation

The costs referred to in 8.1.1 preceding may include one or more of the following items to the extent they are applicable:

- A) cost installed of the facilities to be provided including estimated costs for the rearrangements of existing facilities. Cost installed includes the cost of:
 - 1) equipment and materials provided or used,
 - 2) engineering, labor and supervision,
 - 3) transportation, and
 - 4) rights of way;
- B) cost of maintenance;
- C) depreciation on the estimated cost installed of any facilities provided, based on the anticipated useful service life of the facilities with an appropriate allowance for the estimated net salvage;

SPECIAL ARRANGEMENTS8.1 Special Construction (Cont'd.)8.1.2 Basis for Computation (Cont'd.)

- D) administration, taxes and uncollectible revenue on the basis of reasonable average costs for these items;
- E) license preparation, processing and related fees;
- F) document preparation, processing and related fees;
- G) any other identifiable costs related to the facilities provided; or
- H) an amount for return and contingencies.

8.1.3 Termination Liability

To the extent that there is no other requirement for use by the Company, a termination liability may apply for facilities specially constructed at the request of the customer.

- A) The termination liability period is the estimated service live of the facilities provided.
- B) The amount of the maximum termination liability is equal to the estimated amounts for:

SPECIAL ARRANGEMENTS8.1 Special Construction (Cont'd.)8.1.3 Termination Liability (Cont'd)

B) (Cont'd.)

- 1) Cost installed of the facilities provided including estimated costs for rearrangements of existing facilities and/or construction of new facilities as appropriate, less net salvage. Cost installed includes the cost of:
 - (a) equipment and materials provided or used,
 - (b) engineering, labor and supervision,
 - (c) transportation, and
 - (d) rights of way;
- 2) license preparation, processing, and related fees;
- 3) document preparation, processing, and related fees;
- 4) cost of removal and restoration, where appropriate; and
- 5) any other identifiable costs related to the specially constructed or rearranged facilities.

- C) The applicable termination liability method for calculating the unpaid balance of a term obligation. The amount of such charge is obtained by multiplying the sum of the amounts determined as set forth in Section 8.1.3(B) preceding by a factor related to the unexpired period of liability and the discount rate for return and contingencies. The amount determined in section 8.1.3(B) preceding shall be adjusted to reflect the redetermined estimate net salvage, including any reuse of the facilities provided. This product is adjusted to reflect applicable taxes.

SPECIAL ARRANGEMENTS

8.2 Individual Case Basis (ICB) Arrangements

Arrangements will be developed on a case-by-case basis in response to a bona fide request from a Customer or prospective Customer to develop a competitive bid for a service offered under this document. Rates quoted in response to such competitive requests may be different than those specified for such services in this document. ICB rates will be offered to the Customer in writing and on a non-discriminatory basis.

8.3 Temporary Promotional Programs

The Company may establish temporary promotional programs wherein it may waive or reduce non-recurring or recurring charges, to introduce present or potential Customers to a service not previously received by the Customers.

8.4 Employee Rates

Employees of US LEC Corp. and its subsidiaries are eligible to receive the following rates for interstate calls.

<u>Service</u>	<u>Rate per minute</u>	<u>Per Toll Free Number</u>
Switched Long Distance	\$.055	
Switched Toll Free	\$.055	\$3.00
Calling Card	\$.195	

MISCELLANEOUS CHARGES & FEES

9.1 Invoice Options

A Business Customer's invoice information is presented electronically via the Internet with e-mail notification to the Customer. In addition, a summary with a remittance slip is presented on paper via standard mail. Both of these options are available at no charge to the Customer. Should the Customer choose to receive by mail, a paper invoice or electronic version on CD in addition to the on-line invoice and summary, the Customer may be responsible for a monthly charge as indicated in the rate section following. This billing service is independent of additional paper invoices, documents or other Company services that provide specific call detail information or other data not normally provided in the invoice as rendered. Upon Customer request, additional copies of invoice or bill reprints will be provided, if available, at the per page rates as listed below as well as an additional service fee per copy or reprint requested. If the Customer elects to receive the additional copy or reprint in CD format, only the CD Invoicing fee will apply.

A. Rates

A customer can choose a summary with a remittance slip at no charge. All other paper or CD invoice charges are as follows:

Number of Sheets	Charge Amount
Summary	\$0.00
1 to 4	\$7.00
5 to 19	\$12.00
20 to 49	\$17.00
50 to 99	\$25.00
100 or more	\$30.00

Additional Charges	Charge Amount
CD Invoicing	\$15.00
Bill Copy Service Fee	\$10.00
Invoice Reprint Service Fee	\$10.00

MISCELLANEOUS CHARGES & FEES

9.2 Local Number Portability Surcharge

General Description:

LNP allows, where facilities permit:

- (a) a local exchange telephone service customer to maintain the same Directory Number when changing from one telecommunications service provider to another while remaining at the same location; and
- (b) callers to complete calls to numbers that have been ported. This capability has been activated on a switch specific basis as specified in the Local Exchange Routing Guide (LERG) and/or the National Exchange Carrier Association Inc., FCC No. 4 tariff.

LOCAL NUMBER PORTABILITY (LNP) SURCHARGE:

The Local Number Portability Surcharge (LNPS) recovers the Company's costs directly related to the providing long term number portability. It is billed on a monthly basis to all end users, access customers, unbundled switch port customers, and resale customer, except for those customers who participate in the Lifeline Assistance Program.

9.2.1 SURCHARGE RATES:

State	ILEC Territory	Per Line	Per T1	Per ISDN-PRI
Alabama	AT&T	\$0.28	\$2.52	\$1.40
Arizona	Qwest	\$0.43	\$3.87	\$2.15
Arkansas	AT&T	\$0.28	\$2.52	\$1.40
California	AT&T (former SBC)	\$0.28	\$2.52	\$1.40
California	Verizon (former GTE)	\$0.23	\$2.07	\$1.15
Colorado	Qwest	\$0.43	\$3.87	\$2.15
Connecticut	AT&T (former SBC)	\$0.39	\$3.51	\$1.95
Connecticut	Verizon	\$0.23	\$2.07	\$1.15
Delaware	Verizon	\$0.23	\$2.07	\$1.15

MISCELLANEOUS CHARGES & FEES (cont'd)

 9.2.1 LOCAL NUMBER PORTABILITY (LNP) SURCHARGE RATES
 (cont'd)

State	ILEC Territory	Per Line	Per T1	Per ISDN-PRI
District of Columbia	Verizon	\$0.23	\$2.07	\$1.15
Florida	AT&T	\$0.35	\$3.15	\$1.75
Georgia	AT&T	\$0.35	\$3.15	\$1.75
Idaho	Qwest	\$0.43	\$3.87	\$2.15
Illinois	AT&T	\$0.28	\$2.52	\$1.40
Indiana	AT&T	\$0.28	\$2.52	\$1.40
Iowa	Qwest	\$0.43	\$3.87	\$2.15
Kansas	AT&T	\$0.28	\$2.52	\$1.40
Kentucky	AT&T	\$0.35	\$3.15	\$1.75
Louisiana	AT&T	\$0.35	\$3.15	\$1.75
Maine	Fairpoint	\$0.23	\$2.07	\$1.15
Maryland	Verizon	\$0.23	\$2.07	\$1.15
Massachusetts	Verizon	\$0.23	\$2.07	\$1.15
Michigan	AT&T	\$0.28	\$2.52	\$1.40
Minnesota	Qwest	\$0.43	\$3.87	\$2.15
Mississippi	AT&T	\$0.35	\$3.15	\$1.75
Missouri	AT&T	\$0.28	\$2.52	\$1.40
Montana	Qwest	\$0.43	\$3.87	\$2.15
Nebraska	Qwest	\$0.43	\$3.87	\$2.15
Nevada	AT&T	\$0.28	\$2.52	\$1.40
New Hampshire	Fairpoint	\$0.23	\$2.07	\$1.15
New Jersey	Verizon	\$0.23	\$2.07	\$1.15
New Mexico	Qwest	\$0.43	\$3.87	\$2.15
New York	Frontier of Rochester	\$0.34	\$3.06	\$1.70
New York	Verizon (former GTE)	\$0.23	\$2.07	\$1.15
North Carolina	AT&T	\$0.35	\$3.15	\$1.75
North Dakota	Qwest	\$0.43	\$3.87	\$2.15
Ohio	AT&T	\$0.28	\$2.52	\$1.40
Oklahoma	AT&T	\$0.28	\$2.52	\$1.40
Oregon	Qwest	\$0.43	\$3.87	\$2.15
Pennsylvania	Verizon	\$0.23	\$2.07	\$1.15
Rhode Island	Verizon	\$0.23	\$2.07	\$1.15
South Carolina	AT&T	\$0.35	\$3.15	\$1.75
South Dakota	Qwest	\$0.43	\$3.87	\$2.15
Tennessee	AT&T	\$0.35	\$3.15	\$1.75
Texas	AT&T	\$0.28	\$2.52	\$1.40

MISCELLANEOUS CHARGES & FEES (cont'd)

9.2.1 LOCAL NUMBER PORTABILITY (LNP) SURCHARGE RATES
(cont'd)

State	ILEC Territory	Per Line	Per T1	Per ISDN-PRI
Utah	Qwest	\$0.43	\$3.87	2.15
Vermont	Fairpoint	\$0.23	\$2.07	1.15
Virginia	Verizon	\$0.23	\$2.07	1.15
Washington	Qwest	\$0.43	\$3.87	2.15
West Virginia	Verizon	\$0.23	\$2.07	1.15
Wisconsin	AT&T	\$0.28	\$2.52	1.40
Wyoming	Qwest	\$0.43	\$3.87	2.15

9.3 REGULATORY ASSESSMENT SURCHARGE (RAS)

As a telecommunications company, US LEC d/b/a PAETEC Business Services ("PAETEC") must make various payments to local, state, and federal departments and agencies, including, but not limited to, administration fees, inspection and supervision fees, and general public utility commission assessments. RAS is designed to help PAETEC recover the cost of these payments. PAETEC assesses RAS on end-user customers based on the individual customer's respective interstate and international services invoiced.

Regulatory Assessment Surcharge – The applicable percentage rate may vary. For the most current rate in effect please refer to www.paetec.com/notice/legalnotice.html