



GENERAL TERMS:
(Applicable to Legacy McLeodUSA Master Services Agreements
executed on or before 5.16.08
for all non-carrier, PAETEC Services)

1. PRICING. The Services that you have selected to purchase from PAETEC are set forth in the Pricing Addendum. Only the monthly recurring price for the individual PAETEC Preferred Advantage[®] Services that you ordered, except features associated with any Preferred Advantage[®] Services or Preferred Advantage[®] Long Distance Services for International calls, at your original location are rate stabilized during the initial term of your Agreement. Prices do not include applicable federal, state and local use, excise, sales and privilege taxes; applicable surcharges related to universal service programs, emergency telephone service (911/E911), telecommunications relay service for the hearing impaired; payphone surcharges; and other similar surcharges for required programs. PAETEC may add, delete or modify such surcharges and taxes without notice during the term of the Agreement as necessary to implement changes imposed by law. Certain Services purchased under this Agreement may be provided, in part, by third-party vendor(s), which may be affiliated with PAETEC. The parties agree that changes to Local Line Packages and Preferred Advantage[®] Long Distance Services packages requested by Customer through PAETEC Customer Care will serve to amend the Agreement. You are responsible for monthly recurring charges, usage charges, one-time activation charges, one-time installation charges, build-out fees, escort service, colocation access fees and equipment purchase charges unless such charges are expressly waived in writing in this Agreement. The Pricing Addendum does not reflect special construction charges that may be applicable to services you have ordered. On all monthly bills totaling less than \$10.00, PAETEC will assess and the Customer agrees to pay a monthly Account Service Fee totaling \$2.99 for any residential customer and \$4.99 for any business customer. PAETEC will also apply and the Customer agrees to pay a monthly Interstate Long Distance Fee (ILDF) totaling \$1.29 on accounts that are invoiced for an outbound interstate long distance call within your billing period. This ILDF will be itemized in the "Other Charges and Credits" section of your monthly invoice. In response to regulatory changes, PAETEC is entitled to and will impose a monthly Access Recovery Surcharge (ARS) fee, which is a percentage of the customer bill based on the total amount spent on services. This fee is not a tax or charge imposed by a government entity. Customer acknowledges and agrees to pay the ARS fee.

2. TERM. The term begins with initial activation of a Service (for Switched Local and/or LD services) or fifty (50) calendar days after the Agreement is signed (for circuit based services) (the "Service Activation Date"). The addition of new locations or Services will not change the term length or Service Activation date of this Agreement. However, circuit-based services require a minimum 12 month term length. If you order a new, additional circuit-based service with less than 12 months remaining in the term of the existing Agreement, then the addition of that service shall automatically extend the term of the entire Agreement to coincide with the termination date of that new, additional circuit-based service. If you order a new, additional circuit-based service on an existing account with more than 12 months remaining in term, then the term of that new, additional circuit-based service will be at least as long as the remaining term on the existing Agreement, notwithstanding any other provision or term length set forth elsewhere in this Agreement.

3. CREDIT APPROVAL AND BILLING DISPUTES. PAETEC may require a deposit up to the maximum permitted by law or two months estimated usage, whichever is less, to initiate service or if you fail to pay your bill in full by the payment Due Date. Payment for services must be received by PAETEC on the Due Date, or Late Payment Charges billed at 1.5% per month or the maximum lawful rate allowable under applicable law, whichever is lower, will apply. PAETEC may disconnect service for non-payment of undisputed charges. You may submit in writing a good faith dispute of any invoiced amount to PAETEC's Billing Resolution group within 30 days of the invoice date. Your dispute must contain a written explanation and documentation that substantiates the disputed amount. Reasonable costs and expenses, including but not limited to reasonable attorney fees, expenses, court costs and service charges, incurred by PAETEC in collecting payment will be at the expense of and payable by Customer.

4. BILLING. Billing for a Service shall commence on the earlier of: (i) use of the Service by Customer; or (ii) thirty (30) days after delivery of the Service to Customer's service address. However, you will continue to be fully responsible for any third party charges for any underlying network facilities or equipment from the date that PAETEC is charged by the third party. All bills are due and payable upon receipt. Billing for circuit-based services will continue for up to 45 days following receipt by PAETEC of your written notice of termination. The written notice must specifically identify any terminating circuit identification. Upon request, PAETEC will provide a form circuit disconnect letter to ensure the written notice provides all required information. A written notice that does not provide all required information shall not be valid for purposes of satisfying the notice requirement.

5. SERVICE SUSPENSION/MAINTENANCE. PAETEC may perform scheduled network maintenance during a maintenance window of 12:00 a.m. CST to 4:00 a.m. CST. PAETEC may also perform unscheduled network maintenance that may result in a brief service interruption. PAETEC will give advance notification of unscheduled interruptions whenever reasonably

possible. Any PAETEC liability resulting from an unscheduled Service interruption will be determined in accordance with the governing Agreement.

6. LOCAL ACCESS. If required, you appoint PAETEC as your agent for the purpose of arranging for interconnection from PAETEC Points-of-Presence to your facilities (“Local Access”) for a circuit-based product. You understand that PAETEC may rely on a third party for installation of Local Access service. PAETEC is not responsible if Local Access service is not available on the requested Service Activation Date or for service issues on your side of the demarcation point. For data and Internet services, upon request PAETEC will extend the Local Access Loop for up to 25 feet by providing a cross-connect from the Demarc to a Customer-provided industry standard distribution panel or CSU/DSU located in the same room. Charges for this cross-connect will be on a time and material basis with rates. Final charges will not be determined until work is completed will be billed to customer within two billing cycles of the completed work.

7. LIMITATIONS OF SERVICE AND INDEMNIFICATION. Notwithstanding any other provision of this Agreement, this Agreement applies only to services provided directly to you for your use. These provisions shall not apply to offerings by you for services to your customers. This Agreement does not constitute a joint undertaking for the furnishing of any service to your customers. Services provided to you under this Agreement may be connected to other facilities between certain locations and thereby constitute a portion of end-to-end service furnished by you to your customers. PAETEC does not undertake to offer any services to any person or entity other than you. You agree to indemnify, defend and hold harmless PAETEC, any PAETEC affiliate and the officers, directors, employees, agents, successors and assigns of PAETEC and each PAETEC affiliate (each an “Indemnified Party”) against all losses, claims, damages liabilities, penalties, actions, proceedings, or judgments (collectively “Losses”) to which an Indemnified Party may become subject and to which Losses arise out of, or relate to this Agreement or your use of services or any of PAETEC’s equipment housed at your premise(s), including, but not limited to, fraudulent transactions committed with Customer’s Service ID and/or any end-user IDs.

8. SLA CREDITS. Total Credits under all SLAs are limited to, unless otherwise required by law, the monthly recurring charge for the affected service for the month in which the service does not meet the guarantees. The service credits provided under SLAs are your sole remedy unless otherwise required by law when PAETEC fails to meet a SLA. You must make a Performance Claim in writing no more than 14 days after the end of the outage event for which you claim that PAETEC failed to meet an SLA, or you waive your right to make a Performance Claim for that period. For purposes of this SLA, a “Performance Claim” is a written notice sent to the designated representative of PAETEC advising of the perceived violation of the SLA. Only one SLA parameter violation may be claimed per event. You must be in good standing with PAETEC with respect to account receivables being current to submit a performance claim.

9. CIRCUIT INSTALLATION SCHEDULE AND CHARGES

PAETEC will attempt to schedule circuit-based service installation in accordance with Customer’s availability. However, if PAETEC, using commercially reasonable efforts, is unsuccessful in coordinating service installation with Customer’s availability, PAETEC may unilaterally establish a “Scheduled Installation Date” for any circuit-based service that shall be no more than 60 days after Customer signs their Agreement. Customer agrees to pay PAETEC a nonrecurring circuit charge to connect service according to the following installation terms:

Schedule of Hours:

Standard Hours: hours during a normal business day between 8:00 a.m. CST and 5:00 p.m. CST, Monday through Friday.

Overtime Hours: hours outside of a normal business day (Monday through Friday) and on Saturdays.

Premium Hours: Sundays and/or holidays (PAETEC holidays observed are New Year’s Day, Memorial Day, Independence Day, Labor Day, Thanksgiving Day, the day after Thanksgiving, Christmas Day, the day before Christmas and the day after Christmas).

Charges:

Customer acknowledges and agrees that the following nonrecurring charges are in addition to any other scheduled charge that would normally apply:

Overtime Service Installation Connection charge (per service connection) – \$175.00 for work performed during *Overtime Hours* (Monday through Friday between 5:00 p.m. CST and 8:00 a.m. CST and on Saturdays).

Premium Service Installation Connection charge (per service connection) - \$240.00 for work performed during *Premium Hours* (work performed on Sundays and/or PAETEC holidays observed).

Extraordinary Circumstances Charge:

Customer acknowledges and agrees to pay PAETEC an Extraordinary Circumstances Charge (in addition to any other scheduled charge that would apply) at the rate of \$80.00 per hour per PAETEC employee or contracted agent if the installation is reasonably deemed by PAETEC to require extraordinary additional labor or at an extraordinary cost. PAETEC will notify Customer that the Extraordinary Circumstances Charge will apply. Such charges will apply in full hourly increments rounded to the nearest full hour.

10. CALL ATTEMPT THRESHOLD

Network Load will constitute the rate that PAETEC will accept call attempts from Customer. Peak hours are from 9:00 a.m. CST to 4:00 p.m. CST in the PAETEC serving switch (switch). Customer agrees to generate a maximum of 600 call attempts per DS-1 circuit per a 60-minute period during peak hours and a maximum of 1,800 call attempts per DS-1 circuit per 60-minute period during off-peak hours. If Customer wishes to increase the transmit rate up to a maximum of 1,000 call attempts per DS-1 per 60-minute period during peak hours and 3,000 call attempts per hour during off-peak hours, Customer agrees to pay a backhaul charge on all associated circuits for costs incurred by PAETEC to establish capacity in additional switches on the PAETEC network.

In the event that Customer violates section 10 stated above, Customer agrees to pay PAETEC an Overload Charge (OC). The OC will be determined by calculating the number of call attempts on each circuit during any 60-minute period. If the Customer exceeds the selected option, Customer agrees to pay \$0.10 per call attempt for all call attempts on all circuits occurring within the measured 60-minute period in addition to the "per minute" rate. Each violation of the call attempts per DS-1 circuit per 60-minute period threshold constitutes the calculation of a new OC. PAETEC damages are difficult or impossible to determine. The OC provided in this Amendment constitutes liquidated damages and is not intended as a penalty.

If Customer causes an OC three times within any 30-day period, or if the customer causes PAETEC to inhibit traffic on trunks three times in a 30-day period, this constitutes a breach of the Agreement by the Customer, and PAETEC may elect to immediately disconnect all service to the Customer without incurring any liability. **IN NO EVENT SHALL PAETEC BE LIABLE TO CUSTOMER FOR ANY INCIDENTAL, INDIRECT, SPECIAL OR CONSEQUENTIAL DAMAGES OF ANY KIND, INCLUDING BUT NOT LIMITED TO, ANY LOSS OF USE, LOSS OF BUSINESS, AND LOSS OF PROFIT OR GOODWILL.**

In the event Customer violates section 10 stated above by attempting to transmit over the selected call attempts per DS-1 circuit per a 60-minute period, Customer agrees that PAETEC may elect to reduce the Customer's current circuit availability without incurring any liability. **IN NO EVENT SHALL PAETEC BE LIABLE TO CUSTOMER FOR ANY INCIDENTAL, INDIRECT, SPECIAL OR CONSEQUENTIAL DAMAGES OF ANY KIND, INCLUDING BUT NOT LIMITED TO, ANY LOSS OF USE, LOSS OF BUSINESS, AND LOSS OF PROFIT OR GOODWILL.**

If PAETEC experiences overload of network in the process of providing service, we reserve the right to inhibit DS-1 circuits until the calls can be rerouted.

11. OTHER LEGAL PROVISIONS. Confidentiality. The information exchanged between you and PAETEC concerning Services, Networks and equipment configuration as well as information about you constitutes proprietary information. Both parties agree to keep any such information confidential unless either is obligated by law to disclose information contained herein. **Waiver.** No waiver of any nature, whether by conduct or otherwise, shall be deemed to be or construed as a continuing waiver of any breach of or non-compliance with any other term or provision of this Agreement. **Digitized Copy.** A digitized (electronic) copy of the executed Agreement shall be deemed the same as an original copy. **Survival.** Provisions in this Agreement that by their sense and context are intended to survive completion of performance, termination or cancellation of this Agreement, shall survive. **Counterparts.** This Agreement may be executed in any number of counterparts, including facsimile counterparts or electronic PDFs, each of which shall be deemed an original but all of which together shall constitute one and the same instrument.

12. EARLY TERMINATION CHARGE

If a Customer chooses to terminate service from PAETEC without cause prior to expiration of the Agreement, and the Customer's new Local Exchange Carrier (LEC)/Interexchange Carrier (IXC) or third party equipment vendor agrees to pay or in any way compensates any portion of the applicable early termination charges assessed by PAETEC, Customer agrees to notify PAETEC of the specific amount paid by the other party.

13. TERMINATION

In the event of a Service Outage for non-circuit-based local voice service (defined as the complete loss of your ability to receive incoming and make outgoing telephone calls at a Customer location for more than two consecutive days), you may terminate service for cause at the particular location where you experienced a Service Outage if PAETEC directly caused the Service Outage.