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RCLEC, Inc.
P.SC. No. 3 – Local Wholesale Access Tariff

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Section 2
Page No. 19
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Superseding Rev. No.:

REGULATIONS (CONT'D)

2.7 Allowances for Interruptions in Service (Cont'd)

2.7.5 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 equaling 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.

2.8 Cancellation of Service/Termination Liability

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 Section 2.7.1), Customer agrees to pay to 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 Section 2.6.2.

2.8.1 Termination Liability

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

- 1) all unpaid non-recurring charges reasonably expended by Company to establish service to Customer, plus;
- 2) any disconnection, early cancellation or termination charges reasonably incurred and paid to third parties by Company on behalf of Customer, plus;
- all Recurring Charges specified in the applicable Service Order for the balance of the then current term discounted at the prime rate announced in the <u>Wall Street Journal</u> on the third business day following the date of cancellation;
- 4) minus a reasonable allowance for costs avoided by the Company as a direct result of Customer's cancellation.

Issued By:

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