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NY PSC Tariff No. 7 – TELEPHONE PAETEC Communications, Inc.

Initial Effective Date: 02/22/2004

SECTION 4 - DIRECT (DEDICATED) SERVICE (Cont'd)

4.4 <u>Rate Categories</u> (Cont'd)

4.4.6 <u>Volume Discounts</u>

Discounts for specified dollar volumes of traffic to a specific location or aggregate dollar volumes may apply, as specified in this tariff, to customers that subscribe to substantial volumes of Company's services.

Section: 4 Leaf: 9

Revision: 0

4.4.7 Term Discounts

Customers will be eligible for discounts for executing agreements for services for 1 to 5 years, as specified in this tariff.

4.5 Application of Rate Elements

The rate elements described in F1 of this tariff will be applied as follows:

4.5.1 Point-To-Point Services

- Channel Terminations (when applicable)
- Channel Mileage (when applicable)
- Optional Features and Functions (when applicable)
- Extraordinary Charges (when applicable)
- Volume Discounts (when applicable)
- Term Discounts (when applicable)

4.5.2 Multipoint Services

- Channel Terminations (one per designated Customer location)
- Channel Mileage (when applicable)
- Optional Features and Functions (when applicable)
- Extraordinary Charges (when applicable)
- Volume Discounts (when applicable)
- Term Discounts (when applicable)

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