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

Initial Effective Date: 02/22/2004

Section: 1 Leaf: 6 Revision: 0

SECTION 1 - GENERAL REGULATIONS (Cont'd)

1.3 UNDERTAKING OF THE COMPANY (Cont'd)

1.3.1 LIABILITY OF THE COMPANY

The Liability of the Company for damages arising out of the furnishing of these 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 of commission or omission, shall be limited to the extension of allowances as set forth in Section 1.6. The extension of such allowances shall be the sole remedy of the Customer, authorized user, or joint user and the sole liability of the Company. The Company will not be liable for any special, consequential, exemplary or punitive damages a Customer may suffer, whether or not caused by the intentional acts or omissions or negligence of the Company's employees or agents.

The Company shall not be liable for any failure of performance or equipment due to causes beyond its control, including, but not limited to: acts of God, fire, flood or other catastrophes; any law, order, regulation, direction, action or request of the federal government, or of any other government, including federal 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-out, work stoppages, or other labor difficulties.

The Company shall not be liable for any act or omission of any entity furnishing to the Company or the Company's Customers facilities or equipment used for or with the services the Company offers.

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.

Issued By: Richard E. Ottalagana, Executive Vice President, Fairport, New York