US LEC Communications, LLC NY P.S.C. No. 2 – Telephone Effective Date: October 29, 2017 Leaf 34 Revision: 0 Superseding Revision:

## SECTION 2 – REGULATIONS, (CONT'D.)

- 2.5 Payment Arrangements, (Cont'd.)
  - 2.5.6 Cancellation of Application for Service
    - A. 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).
    - B. 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.
    - C. The special charges described in 2.5.6(A) through 2.5.6(B) 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.