

ZenFi Networks, Inc.  
Tariff NY PSC No. 1  
Effective Date: September 27, 2014

Leaf No. 12  
Revision: 0  
Superseding Revision:

H. where service is requested in advance of the Company's normal construction schedule.

#### 4.2 Rates, Terms and Conditions

##### A. Individual Case Basis (ICB) Arrangements

Rates for ICB Arrangement will be developed on a case-by case basis in response to a bona fide request from a Customer or prospective customer for service which vary from tariffed arrangements. ICB rates will be offered to Customers in writing and will be made available to similarly situated Customers. Once ICB Rates are established with an individual Customer, the Company and the Customer will enter into a written contract which will supersede the rates, charges and regulations set forth in this tariff. The Company will maintain records of its ICB arrangements for Commission review as conditions or circumstances may require. ICB Rates may vary depending on a number of factors which may include the following: (i) length of circuits, (ii) volume and/or term commitments, (iii) varying equipment types and configurations, (iv) special construction, (v) types of Services, (vi) cost differences, (labor, taxes, fees paid to LEC for interconnection, co-location, etc.), (vii) other miscellaneous fees and charges (e.g. rights-of-way charges, franchise fees), (viii) market conditions and/or competitive considerations, (ix) availability of existing Facilities.

B. Lit fiber services may be provided pursuant to an ICB as set forth in a Service Order.

C. Rates, Terms and Conditions for custom network engineering designs and new construction shall be provided pursuant to an ICB as set forth in a Service Order. Rates and charges for special construction will be based on the costs incurred by the Company and may include (1) nonrecurring type charges, (2) recurring type charges, (3) termination liabilities, or (4) combinations thereof. The costs referred to in the preceding sentence may include one or more of the following items to the extent they are applicable:

1. Costs to install the Facilities to be provided including estimated costs for the re-arrangement of existing facilities. These costs include: (i) equipment and materials provided or used; (ii) engineering, labor and supervision, (iii) transportation, (iv) rights-of-way and any required easements, (v) cost of maintenance, (vi) depreciation on the estimated cost installed of any Facilities provided, based upon the anticipated useful service life of the Facilities with an appropriate allowance for the estimated net salvage value, (vii) administration, taxes, and uncollectable revenue on the basis of a reasonable average cost for these items, (viii) Service Order preparation, processing and related fees,

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