

PA. P.U.C. TARIFF NO. 2

SCHEDULE

FOR

PaCLEC CORPORATION

COMPETITIVE ACCESS PROVIDER

INCLUDING

REGULATIONS

AND

SCHEDULES OF RATES

APPLYING TO THE PROVISION OF

COMPETITIVE ACCESS SERVICES

WITHIN THE COMMONWEALTH OF PENNSYLVANIA

Issued: July 5, 2002

Effective: July 6, 2002

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CHECK SHEET

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TARIFF INFORMATION

1.1 TARIFF FORMAT

1.1.1 Sheet Numbers

Sheet numbers appear in the upper right hand corner of the sheet. Sheets are numbered sequentially in each Section. When a new sheet is added between existing sheets with whole numbers, an alpha character is added. For example, a new page added between pages 4 and 5 would be 4A.

1.1.2 Revision Numbers

Revision numbers also appear in the upper right hand corner of the sheet. These numbers are used to determine the most current sheet version on file. For example, a Fourth revised sheet cancels a Third revised sheet.

1.1.3 Numbering Sequence

There are nine levels of alphanumeric coding. Each level is subservient to its next higher level. The following is an example of the numbering sequence used in this tariff.

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2.1.1.A.1.(a)
2.1.1.A.1.(a)I.
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TARIFF INFORMATION (Cont'd)

1.1 TARIFF FORMAT (Cont'd)

1.1.4 References To Other Rate Schedules

Whenever reference is made to other rate schedules, the reference is to the rate schedules in force as of the effective date of the reference, and to amendments thereto and successive issues thereof.

1.1.5 Explanation of Tariff Revisions Symbols

These symbols will appear in the right hand margin, when applicable.

- (I) - To signify increased rates.
- (D) - To signify decreased rates.
- (C) - To signify all other changes.

1.1.6 Trademarks and Service Marks

Trademarks and Service Marks to the extent, if any, used throughout this tariff, are Trademarks and Service marks of PaCLEC Corporation and are as specified in the Master Table of Contents and/or the appropriate Service of this tariff.

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SECTION 1 - APPLICATION OF TARIFF

1.1 APPLICATION

1.1.1 General

This tariff applies to the furnishing of Competitive Access services defined herein by PaCLEC Corporation (PaCLEC or the Company) and provided within the Commonwealth of Pennsylvania.

The provision of competitive access service is subject to existing regulations and terms and conditions specified in this tariff and the Company's current tariffs, and may be revised, added to or supplemented by superseding issues.

PaCLEC reserves the right to offer its Customers a variety of competitive services as deemed appropriate by the Company. Service will be provided where facilities, billing capability and/or the ability of PaCLEC to purchase ILEC network elements and retail service for resale at appropriate rates are available.

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SECTION 2 - GENERAL REGULATIONS**2.1 DEFINITIONS**

Commercial Service (Business) -- Service provided in offices, stores, factories and all other places of strictly business nature.

Company – PaCLEC Corporation unless otherwise clearly indicated from the context.

Customer – The person, firm, corporation, or other entity (such as another telecommunications carrier, cable television services provider, Internet service provider or other information services provider) that purchases the Company's service on a wholesale basis and provides that service to its End Users. A Customer is responsible for the payment of charges and for compliance with all terms of this tariff.

Customer Premises Equipment (CPE) - Equipment provided by the wholesale Customer or its End User for use with the Company's services.

Consumer Service -- Consumer Service denotes service provided when the main station is located in a private residence or a residential room or apartment of a building of any type. All listings of the service are in the names of individuals, without a business designation.

Customer Premises -- One Customer premises is all space in the same building occupied by a Customer and all space occupied by the same Customer in different buildings on continuous property.

End User – The person, firm, corporation or other entity that purchases the PaCLEC Corporation's service on a retail basis from the wholesale customer. The wholesale Customer is responsible for all charges incurred by its End Users.

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SECTION 2 - GENERAL REGULATIONS (Cont'd)**2.2 UNDERTAKING OF THE COMPANY****2.2.1 General**

The Company undertakes to provide the competitive access services offered in this tariff on the terms and conditions and at the rates and charges specified.

2.2.2 Terms and Conditions

Customers may be required to enter into written service orders which shall contain or reference a specific description of the service ordered, the rates to be charged, the duration of the services, and the terms and conditions in this tariff. The Customer will also be required to execute any other documents as may be reasonably requested by the Company.

At the expiration of the initial term specified in each service order, or in any extension thereof, service shall continue on a month to month basis at the then current rates unless terminated by either party upon written notice. Any termination shall not relieve the Customer of its obligation to pay any charges incurred under the service order and this tariff prior to termination. The rights and obligations which by their nature extend beyond the termination of the term of the service order shall survive such termination.

2.2.3 Limitations

2.2.3.A Service is offered subject to the availability of the necessary facilities and equipment and subject to the provisions of this tariff.

2.2.3.B The Company reserves the right to discontinue or limit service when necessitated by conditions beyond its control, or when the customer is using service in violation of provisions of this tariff, or in violation of the law.

2.2.3.C The Company does not undertake to transmit messages, but offers the use of its facilities when available, and will not be liable for errors in transmission or for failure to establish connections.

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SECTION 2 - GENERAL REGULATIONS (Cont'd)**2.2 UNDERTAKING OF THE COMPANY (Cont'd)****2.2.3 Limitations (Cont'd)**

2.2.3.D All facilities provided under this tariff are directly controlled by the Company, and the customer may not transfer or assign the use of service or facilities without the express written consent of the company. Such transfer or assignment shall only apply where there is no interruption of the use or location of the service or facilities.

2.2.3.E Prior written permission from the Company is required before any assignment or transfer. All regulations and conditions contained in this tariff shall apply to all such permitted assignees or transferees, as well as all conditions of service.

2.2.3 Notification of Service-Affecting Activities

The Company will provide the Customer reasonable notification of service-affecting activities that may occur in normal operation of its business. Such activities may include, but are not limited to, equipment or facilities additions, removals or rearrangements and routine preventive maintenance. Generally, such activities are not specific to an individual Customer but affect many Customers' services. No specific advance notification period is applicable to all service activities. The Company will work cooperatively with the Customer to determine the reasonable notification requirements. With some emergency or unplanned service-affecting conditions, such as an outage resulting from cable damage, notification to the Customer may not be possible.

2.2.4 Provision of Equipment and Facilities

The Company shall use reasonable efforts to make available services to a Customer on or before a particular date, subject to the provisions of and compliance by the Customer with the regulations contained in this tariff. The Company does not guarantee availability by any such date and shall not be liable for any delays in commencing service to any Customer.

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SECTION 2 – GEMERA; REGULATIONS (Cont'd)**2.2 UNDERTAKING OF THE COMPANY (Cont'd)****2.2.4 Provision of Equipment and Facilities (Cont'd)**

The Company shall use reasonable efforts to maintain facilities and equipment that it furnishes to the Customer. The Customer may not nor may the Customer permit others to rearrange, disconnect, remove, attempt to repair or otherwise interfere with any of the facilities or equipment installed by the Company, except upon the written consent of the Company.

The Company may substitute, change or rearrange any equipment or facility at any time and from time to time, but shall not thereby alter the technical parameters of the service provided to the Customer.

Equipment the Company provides or installs at the Customer premises for use in connection with the services the Company offers shall not be used for any purpose other than that for which the Company provided it.

The Customer shall be responsible for the payment of service charges, as set forth herein, for visits by the Company's agents or employees to the premises of the Customer when the service difficulty or trouble report results from the use of equipment or facilities provided by any party other than the Company, including but not limited to the Customer.

The Company shall not be responsible for the installation, operation or maintenance of any Customer-provided communications equipment. Where such equipment is connected to the facilities furnished pursuant to this tariff, the responsibility of the Company shall be limited to the furnishing of facilities offered under this tariff and to the maintenance and operation of such facilities. Subject to this responsibility, the Company shall not be responsible for:

- The transmission of signals by Customer-provided equipment or for the quality of, or defects in, such transmission; or
- The reception of signals by Customer-provided equipment.

SECTION 2 – GEMERA; REGULATIONS (Cont'd)**2.2 UNDERTAKING OF THE COMPANY (Cont'd)****2.2.5 Customer Equipment**

A Customer may transmit or recover information or signals via the facilities of the Company.

2.2.6 Station Equipment

Customer-provided terminal equipment on the Customer premises, and the electric power consumed by such equipment, shall be provided by and maintained at the expense of the Customer.

The Customer is responsible for ensuring that Customer-provided equipment connected to Company equipment and facilities is compatible with such equipment and facilities. The magnitude and character of the voltages and currents impressed on Company-provided equipment and wiring by the connection, operation or maintenance of such equipment and wiring must be such as not to cause damage to the Company-provided equipment and wiring or injury to the Company's employees or other persons. Any additional protective equipment required to prevent such damage or injury shall be provided by the Company at the Customer's expense.

2.2.7 Interconnection of Facilities

Any special interface equipment necessary to achieve compatibility between the facilities and equipment of the Company used for furnishing Competitive Access Services and the channels, facilities or equipment of others shall be provided at the Customer's expense.

2.2.8 Inspections

Upon reasonable notification to the Customer, and at a reasonable time, the Company may make such tests and inspections as may be necessary to determine that the Customer is complying with the requirements set forth in this section for the installation, operation and maintenance of customer-provided facilities, equipment and wiring in the connection of customer-provided facilities and equipment to Company-owned facilities and equipment.

SECTION 2 - GENERAL REGULATIONS (Cont'd)**2.2 UNDERTAKING OF THE COMPANY (Cont'd)****2.2.8 Inspections (Cont'd)**

If the protective requirements for customer-provided equipment are not being complied with, the Company may take such action as it deems necessary to protect its facilities, equipment and personnel. The Company will notify the Customer promptly if there is any need for further corrective action. Within ten days of receiving this notice, the Customer must take corrective action and notify the Company of the action taken. If the Customer fails to do this, the Company may take whatever additional action is deemed necessary, including the suspension of service, to protect its facilities, equipment and personnel from harm.

2.3 LIABILITY OF THE COMPANY**2.3.1 Service Liability**

The Company's liability, if any, for its willful misconduct is not limited by this tariff. With respect to any other claim or suit by a Customer or by any others, for damages associated with the installation, provision, termination, maintenance, repair or restoration of a service, and subject to the provisions following, the Company's liability, if any, shall not exceed an amount equal to the proportionate charge for the service for the period during which the service was affected. This liability for damages shall be in addition to any amounts that may otherwise be due the Customer under this tariff as a Credit Allowance for Interruptions.

The Company is not liable for any act or omission of any other communications utility which furnishes a portion of a service.

The Company is not liable for damages associated with the service which it does not furnish.

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SECTION 2 - GENERAL REGULATIONS (Cont'd)**2.3 LIABILITY OF THE COMPANY (Cont'd)****2.3.1 Service Liability (Cont'd)**

The Company shall be indemnified, defended and held harmless against any claim, loss or damage arising from the use of service offered under this tariff involving:

- Claims for libel, slander, invasion of privacy, or infringement of copyright arising from any communication;
- Claims for patent infringement arising from combining or using the service furnished by the Company in connection with facilities or equipment furnished by others; or
- All other claims arising out of any act or omission of others in the course of using services provided pursuant to this tariff.

The Company does not guarantee or make any warranty with respect to its services when used in an explosive atmosphere. The Company shall be indemnified, defended and held harmless by the Customer and authorized user from any and all claims by any person relating to the services so provided.

No license under patents (other than the limited license to use) is granted by the Company or shall be implied or arise by estoppel, with respect to any service offered under this tariff. The Company will defend the Customer and authorized user against claims of patent infringement arising solely from the use by the Customer or authorized user of services offered under this tariff and will indemnify such Customer or authorized user for any damages awarded based solely on such claims.

The Company's failure to provide or maintain services under this tariff shall be excused by labor difficulties, governmental orders, civil commotions, preemption of existing services to restore services in compliance with Part 64, Subpart D, Appendix A, of the F.C.C.'s Rules and Regulations, acts of God and other circumstances beyond the Company's reasonable control.

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SECTION 2 - GENERAL REGULATIONS (Cont'd)**2.3 LIABILITY OF THE COMPANY (Cont'd)****2.3.2 Temporary Suspension for Repairs**

The Company shall have the right to make necessary repairs or changes in its facilities at any time and will have the right to suspend or interrupt service temporarily for the purpose of making the necessary repairs or changes in its system. When such suspension or interruption of service for any appreciable period is necessary, the Company will give the Customers who may be affected as reasonable notice thereof as circumstances will permit, and will perform the work with reasonable diligence, and if practicable at times that will cause the Customer the least inconvenience. When the Company is repairing or changing its facilities, it shall take appropriate precautions to avoid unnecessary interruptions of communications or Customer's service.

2.3.3 Credit Allowance for Interruptions

Interruptions of twenty-four hours or more, which are reported to or detected by the Company, and which are not due to the negligence or willful act of the Customer are credited to the Customer at the proportionate monthly charge involved for each twenty-four hours or fraction thereof of interruption. Credit is not allowed for interruptions to service of less than twenty-four hours.

2.4 OBLIGATIONS OF THE CUSTOMER

The Customer shall be responsible for:

The payment of all applicable charges pursuant to this tariff;

Damage to or loss of the Company's facilities or equipment caused by the acts or omissions of the Customer or the noncompliance by the Customer with these regulations, or by fire or theft or other casualty on the Customer premises, unless caused by the negligence or willful misconduct of the employees or agents of the Company;

Providing at no charge, as specified from time to time by the Company, any needed personnel, equipment, space and power to operate Company facilities and equipment installed on the premises of the Customer, and the level of heating and air conditioning necessary to maintain the proper operating environment on such premises;

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SECTION 2 - GENERAL REGULATIONS (Cont'd)**2.4 OBLIGATION OF THE CUSTOMER (Cont'd)**

Obtaining, maintaining, and otherwise having full responsibility for all rights-of-way and conduit necessary for installation of associated equipment used to provide Local Exchange Services to the Customer from the cable building entrance or property line to the location of the equipment space described above. Any costs associated with obtaining and maintaining the rights-of-way described herein, including the Costs of altering the structure to permit installation of the Company provided facilities, shall be borne entirely by, or may be charged by the Company to the Customer; the Company may require the Customer to demonstrate compliance with this section prior to accepting an order for service;

Providing a safe place to work and complying with all laws and regulations regarding the working conditions on the premises at which Company employees and agents shall be installing or maintaining the Company's facilities and equipment. The Customer may be required to install and maintain Company facilities and equipment within a hazardous area if, in the Company's opinion, injury or damage to the Company employees or property might result from installation or maintenance by the Company. The Customer shall be responsible for identifying, monitoring, removing and disposing of any hazardous material (e g. asbestos) prior to any construction or installation work;

Complying with all laws and regulations applicable to, and obtaining all consents, approvals, licenses and permits as may be required with respect to the location of Company facilities and equipment in any Customer premises or the rights-of-way for which the Customer is responsible under this section; and granting or obtaining permission for Company agents or employees to enter the premises of the Customer for the purpose of installing, inspecting, maintaining, repairing, or upon termination of service as stated herein, removing the facilities or equipment of the Company;

Not creating or allowing to be placed any liens or other encumbrances on the Company's equipment or facilities; and

Making Company facilities and equipment available periodically for maintenance purposes at a time agreeable to both the Company and the Customer; no allowance will be made for the period during which service is interrupted for such purposes.

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SECTION 2 - GENERAL REGULATIONS (Cont'd)**2.4 OBLIGATION OF THE CUSTOMER (Cont'd)****2.4.1 Claims**

With respect to any service or facility provided by the Company, Customer shall indemnify, defend and hold harmless the Company from and against all claims, actions, damages, liabilities, costs and expenses, including reasonable attorneys' fees for:

Any loss, destruction or damage to property of the Customer or any third party, or the death or injury to persons, including, but not limited to employees or invitees of either party, to the extent caused by or resulting from the negligent or intentional act or omission of the Customer, its employees, agents, representatives or invitees; or

Any claim, loss, damage, expense or liability for infringement of any copyright, patent, trade secret, or any proprietary or intellectual property right of any third party, arising from any act of omissions by the Customer, including, without limitation, use of the Company's services and facilities in a manner not contemplated by the agreement between the Customer and the Company.

2.5 PAYMENTS AND CHARGES**2.5.1 Billing and Collection**

The Customer is responsible for payment of all charges for facilities and services furnished by the Company to the Customer regardless of whether such charges were incurred or authorized by the customer.

The Company will establish a monthly billing date for each Customer account and shall bill all charges incurred by, and credits due to the Customer under this tariff. Recurring charges are billed monthly, in advance of the month in which service is provided, except for usage sensitive charges which will be billed monthly for the preceding billing period. Bills are due by the payment due date shown on the bill -- under normal circumstances within 25 days of bill submission.

The Company complies with the requirements of Chapter 64 in Title 52 regarding billing standards and practices for residential customers. In instances where sections of this tariff may conflict with Chapter 64, regulations, the regulations in Chapter 64 will prevail.

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SECTION 2 – GENERAL REGULATIONS (Cont'd)**2.5 PAYMENTS AND CHARGES (Cont'd)****2.5.2 Advance Payments**

The Company may require a Customer to make an advance payment as a condition of continued or new service. The Company reserves the right to require from an applicant for service advance payments of nonrecurring charges, estimated usage charges, and other charges and guarantees in such amount as may be deemed necessary by the Company for safeguarding its interests. In addition, where special construction is involved, advance payment of the construction charges quoted, may be required at the time of application.

2.5.3 Deposits

Consistent with applicable P.U.C. rules, the Company may require an applicant or a customer to make a suitable cash deposit or an acceptable third party guarantee (residence customers only) to be held by the Company as a guarantee of the payment of charges for service. Except as otherwise specified in the Company's applicable tariffs, the amount of such deposit shall not exceed the amount of charges for services which it is estimated will accrue for a period of two months; however, after service has been established and experience demonstrates that the amount of the outstanding deposit is

not suitable to safeguard the interests of the Company, the Company may require an adjustment of the deposit not exceeding the charges which it is estimated will accrue for a period of two months. When service is terminated, any balance of the deposit remaining after deduction of all sums due the Company will be returned to the customer, or the deposit may be returned at any time previous thereto, at the option of the Company.

The fact that a deposit is held by the Company shall in no way relieve the applicant or customer from compliance with the Company's regulations as to advance payments and payment for service, nor constitute a waiver or modification of the regulations pertaining to the discontinuance of service for non-payment of any sums due the Company for the service rendered.

Interest on customer deposits accrue at the rate of the average of 1year US Treasury bills for September, October and November of the previous year and is payable on deposits.

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SECTION 2 – GENERAL REGULATIONS (Cont'd)**2.5 PAYMENTS AND CHARGES (Cont'd)****2.5.4 Returned Check Charges**

The Customer will be assessed a charge of twenty-five (\$25.00) dollars for each check, draft, or electronic funds transfer submitted by the Customer to the Company which a financial institution refuses to honor.

2.5.5 Minimum Period Charges

The minimum period for flat rate service is one month. When a service is discontinued prior to the expiration of the minimum period, the minimum period charge will apply. In addition all nonrecurring charges associated with the provision of the service will be billed.

2.5.6 Late Payment Charges

A late payment charge of 1.25% will be assessed after thirty (30) days of an unpaid balance per month.

2.6 DISCONTINUANCE OF SERVICE

Upon non-payment of any amounts owed to the Company pursuant to this tariff, the Company may discontinue service without incurring any liability.

Upon violation of any of the other material terms or conditions for furnishing service the Company may discontinue service without incurring any liability if such violation continues during that period.

Upon condemnation of any material portion of the facilities used by the Company to provide service to the Customer or if a casualty renders all or any material portion of such facilities inoperable beyond feasible repair, the Company may discontinue service without incurring any liability.

Upon any governmental prohibition or requirement, alteration of the services to be provided or any violation of an applicable law or regulation, the Company may immediately discontinue service without incurring any liability.

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SECTION 2 – GENERAL REGULATIONS (Cont'd)**2.6 DISCONTINUANCE OF SERVICE (Cont'd)**

In the event the Company incurs fees or expenses, including attorney's fees, in collecting or attempting to collect any charges owed the Company, the Customer will be liable to the Company for the payment of all such fees and expenses reasonably incurred.

Upon the Company's discontinuance of service to the Customer under this section, the Company, in addition to all other remedies that may be available to the Company at law or in equity or under any other provision of this tariff, may declare all future monthly and other charges which would have been payable by the Customer during the remainder of the term for which such services would have otherwise been provided to the Customer to be immediately due and payable.

2.6.1 Restoral of Service

If any Customer's service is restored after having been disconnected in accordance with this tariff but a Company service order to terminate such service has not been completed when such service is restored, the Customer will be required to pay a restoral of service charge.

When a Customer's service has been disconnected in accordance with this tariff and the service has been terminated through the completion of a Company service order, service will be re-established only upon the basis of an application for new service.

If service has been suspended or discontinued for non-payment, service will be re-established upon receipt of payment of all charges due, which includes charges for services and facilities during the period of suspension and which may include a service restoral fee. If the Customer has a history of payments returned for insufficient funds, the Company may require payment by cash, money order or certified check. If such payment is made by personal check, restoral of service will be effected upon clearance of the check by the bank.

2.6.2 Cancellation of Application for Service

Where the Customer cancels an application for service prior to the start of service or prior to any special construction, no charges will be imposed except for those specified below.

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SECTION 2 - GENERAL REGULATIONS (Cont'd)**2.6 DISCONTINUANCE OF SERVICE (Cont'd)****2.6.2 Cancellation of Application for Service (Cont'd)**

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.

Where the Company incurs an 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.

The special charges described above will be calculated and applied on a case-by-case basis.

2.6.3 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.

2.6.4 Notices and Communications

In lieu of the location where the service is provided, the Customer may designate on the service order an address to which the Company shall mail or deliver all notices and other communications, including the bill.

All notices at other communications required to be given pursuant to this tariff will be in writing. Notices and other communications of either party, and all bills mailed by the Company, shall be presumed to have been delivered to the other party on the third business day following placement of the notice, communication, or bill with the U.S. Mail or a private delivery service, prepaid and properly addressed, or when actually received or refused by the addressee, whichever occurs first.

SECTION 2 - GENERAL REGULATIONS (Cont'd)**2.6 DISCONTINUANCE OF SERVICE (Cont'd)****2.6.4 Notices and Communications (Cont'd)**

The Company or the Customer shall advise the other party of any changes to the addresses designated for notices, other communications or billing, by following the procedures for giving notice set forth herein.

2.6.5 Cancellation of Service

If a Customer with an established account cancels a service order or terminates services before the completion of the term for any reason whatsoever other than a service interruption, the Customer may be required to pay to the Company the following sums which shall become due and owing as of the effective date of the cancellation or termination and be payable within the period, as set forth in this tariff, all costs, fees and expenses reasonably incurred in connection with 1) all nonrecurring charges reasonably expended by Company to established service to the Customer, 2) any disconnection, early cancellation or termination charges reasonably incurred and paid to third parties by the Company on behalf of the Customer, and 3) all recurring charges specified in the applicable service order tariff for the balance of the then current term.

The Company may discontinue the furnishings of any and/or all service(s) to the Customer without incurring any liability:

- If written notice of termination is mailed to Customer at least ten (10) days prior to termination of services via U.S. first class mail.
- Immediately and without notice if the Company deems that such action is necessary to prevent or to protect against fraud or to otherwise protect its personnel, agents, facilities or services. The Company may discontinue service pursuant to the following:
 - The Customer refuses to furnish information to the Company regarding the Customer's credit-worthiness, its past or current use of common carrier communications services or its planned use of service(s); or

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SECTION 2 - GENERAL REGULATIONS (Cont'd)**2.6 DISCONTINUANCE OF SERVICE (Cont'd)****2.6.5 Cancellation of Service (Cont'd)**

- The Customer provides false information to the Company regarding the Customer's identity, address, credit-worthiness, past or current use of common carrier communications services, or its planned use of the Company's service(s); or
- The Customer states that it will not comply or fails to comply with a written request by the Company for security for the payment for service(s), as specified in this tariff; or
- The Customer has been given written notice by the Company of any past due amount (which remains unpaid in whole or in part) for any of the Company's common carrier communications services to which the Customer either subscribes or had subscribed or used; or
- The Customer uses service to transmit a message, locate a person or otherwise give or obtain information without payment for the service; or
- The Customer uses, or attempts to use, service with the intent to avoid the payment, either in whole or in part, of the tariffed charges for the service by:
 - Using or attempting to use service by rearranging, tampering with, or making connections to the Company's service not authorized by this tariff; or
 - Using tricks, schemes, false or invalid numbers, false credit devices, electronic devices; or
 - Any other fraudulent means or devices; or
- The Customer uses service or facilities of the Company for a call or calls, anonymous or otherwise, in a manner reasonably to be expected to frighten, abuse, torment, or harass another; or

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SECTION 2 - GENERAL REGULATIONS (Cont'd)**2.6 DISCONTINUANCE OF SERVICE (Cont'd)****2.6.5 Cancellation of Service (Cont'd)**

- The Customer uses profane or obscene language in conjunction with the Company's service or facilities; or
- The Customer violates any of the rules, regulations, or conditions under which service is furnished.

The discontinuance of service(s) by the Company pursuant to this Section does not relieve the Customer of any obligation to pay the Company for charges due and owing for service(s) furnished up to the time of discontinuance.

2.6.6 Assignment or Transfer of Service

Neither the Company nor the Customer may assign or transfer its rights or duties in connection with the services and facilities provided by the Company without the written consent of the other party, except that the Company may assign its rights and duties (a) to any subsidiary, parent company or affiliate of the Company, (b) pursuant to any sale or transfer or substantially all the assets of the Company, or (c) pursuant to any financing, merger or reorganization of the Company.

2.6.7 Shortage of Equipment or Facilities

The Company reserves the right to limit or to allocate the use of existing facilities or additional facilities offered by the Company when necessary because of lack of facilities or due to some other cause beyond the Company's control.

The furnishing of service under this tariff is subject to the availability on a continuing basis of all the necessary facilities and is limited to the capacity of the Company's facilities as well as facilities the Company may obtain from other carriers to furnish service from time to time as required at the sole discretion of the Company.

SECTION 2 - GENERAL REGULATIONS (Cont'd)

2.7 SPECIAL TAXES, FEES, CHARGES

Insofar as practicable, any sales, use, privilege, excise, franchise, or occupation tax, costs of furnishing service without charge or similar taxes or impositions levied by the Federal, State, or Local government, or any political subdivision or taxing authority against the Carrier may be billed by the Carrier to its Customers on a pro rated basis.

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SECTION 3 - SPECIAL ARRANGEMENTS

3.1 SPECIAL ARRANGEMENTS

3.1.1 Contracts

PaCLEC may offer customized service packages under special arrangements on a case-by-case basis. Service offered under this tariff provision will be provided to Customers pursuant to contract. Unless otherwise specified, the regulations for such arrangements are in addition to the applicable regulations and prices in other sections of the tariff. Such contracts will be filed with the Pennsylvania Commission.

3.1.2 Promotional Offerings

PaCLEC may offer services at a reduced rate, free of charge, or offer incentives including gift certificates and coupons for promotional, market research or rate experimentation purposes. Such offerings will be for a limited duration.

3.2. SPECIAL CONSTRUCTION

3.2.1. Basis for Charges

Where the Company furnishes a facility or service for which a rate or charge is not specified in the Company's tariffs, the Customer may be charged for the following construction costs to the extent they are applicable:

- A. Cost installed of the facilities to be provided including estimated costs for the rearrangements of existing facilities. Cost installed includes:
 - 1. equipment and materials provided or used,
 - 2. engineering, labor and supervision,
 - 3. transportation, and
 - 4. rights of way;
- B. Cost of maintenance;
- C. Depreciation on the estimated cost installed of any facilities provided, based on the anticipated useful service life of the facilities with an appropriate allowance for the estimated net salvage;

SECTION 3 - SPECIAL ARRANGEMENTS (cont'd)**3.2 SPECIAL CONSTRUCTION (Cont'd)****3.2.1. Basis for Charges (Cont'd)**

- D. Administration, taxes and uncollectible revenue on the basis of reasonable average costs or these items;
- E. License preparation, processing and related fees;
- F. Tariff preparation, processing and related fees;
- G. Any other identifiable costs related to the facilities provided; and
- H. An amount for return and contingencies.

3.2.2 Termination Liability

To the extent that there is no other use of facilities specially constructed at the request of the customer, a termination liability may apply for the customer's termination of service associated with the use of the facilities that are specially constructed for the customer.

- A. The termination liability period is the estimated service life of the facilities provided.
- B. The amount of the maximum termination liability is equal to the estimated amounts for:
 - 1. Cost installed of the facilities provided including estimated costs for rearrangements of existing facilities and/or construction of new facilities as appropriate, less net salvage. Cost installed includes the cost of:
 - a. equipment and materials provided or used,
 - b. engineering, labor and supervision,
 - c. transportation, and
 - d. rights of way;
 - 2. license preparation, processing, and related fees;
 - 3. Tariff preparation, processing, and related fees;

SECTION 3 - SPECIAL ARRANGEMENTS (cont'd)

3.3 SPECIAL CONSTRUCTION (Cont'd)

3.2.2 Termination Liability (Cont'd)

4. Cost of removal and restoration, where appropriate; and
 5. Any other identifiable costs related to the specially constructed or rearranged facilities.
- C. The termination liability is calculated based on the sum of the amounts identified in Section B. above, multiplied by a factor related to the unexpired period of liability and the discount rate for return and contingencies. The amount shall be adjusted to reflect the predetermined estimate net salvage, including any reuse of the facilities provided. This product is adjusted to reflect applicable taxes.

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SECTION 4 - DESCRIPTION OF SERVICE**4.1 LONG HAUL DATA ACCESS SERVICE****4.1.1 Description of Service**

Long Haul Data Access Service provides a Customer with a high-speed conduit to the public switched network, the Internet or to other telecommunications end user customers, over long distances that cross LATA boundaries. The service is available at DS-1 loop service speeds (1.544 Mbps [unchannelized]) or DS-3 loop service speeds (44.736 Mbps [unchannelized]).

Rates are offered under two pricing plans described in Section 5. Pricing is based on whether the Customer service location is On-Net or Off-Net. For purposes of this offering, On-Net service shall mean service to the Customer service location is provided entirely by PaCLEC Corporation over its own facilities. Off-Net service shall mean service to the Customer service location is not provided entirely by PaCLEC Corporation, including the use of unbundled network elements. A minimum one-year term commitment is required with the Off-Net service offering.

Customer and PaCLEC Corporation agree that in the event of a decision by a regulatory authority at the federal, state or local level, including but not limited to the approval of a new ILEC interconnection arrangement, which alters PaCLEC's ability to offer the current contract rate, upon 30 days written notification to Customer, PaCLEC Corporation may migrate the Customer to the Off-Net Price Plan for the remainder of the Customer's term commitment, if any. If PaCLEC Corporation chooses to migrate Customer to an Off-Net Price Plan for the remainder of Customer's term commitment, Customer may cancel service without penalty upon 30 days written notice to PaCLEC Corporation after receipt of the PaCLEC Corporation migration notice.

4.1.2 Availability of Service to Both Business and Residential Customers

Data Access Service is available to any customer—business or residential—that is willing to pay the prices prescribed in accordance with the terms and conditions of this tariff.

4.1.3 Non-regulated Services

Various non-regulated services are offered in conjunction with PaCLEC's Data Access Service. These services may involve additional charges.

SECTION 4 - DESCRIPTION OF SERVICE (Cont'd)

4.2 COLLOCATION

PaCLEC will offer Collocation service to Customers who wish to connect their equipment and facilities to PaCLEC's equipment and facilities that are located in buildings and sites operated and maintained by PaCLEC. Collocation service is an adjunct service that PaCLEC may choose to offer to Customers in connection with providing Customers with other tariff and/or special services that are prescribed in this Tariff.

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SECTION 5 - RATES

5.1 LONG HAUL DATA ACCESS SERVICE

5.1.1 Long Haul DS-1 – On-Net Service

Rate Elements

<u>Installation-Initial (Non-recurring)</u>	\$600
<u>Installation-Additional (Non-recurring)</u> ¹	\$254
<u>Channel Termination (Recurring)</u> per point of termination	ICB
<u>Channel Mileage- Fixed</u>	ICB
<u>Channel Mileage Per DS0 mile (On-Net)</u>	price ceiling of \$0.80
<u>Optional Features</u> - multiplexing, DS-1 to DS-0	ICB

5.1.2 Long Haul DS-1 – Off-Net Service

<u>Installation-Initial (Non-recurring)</u>	\$600
<u>Installation-Additional (Non-recurring)</u> ²	\$254
<u>Channel Termination (Recurring)</u> per point of termination	ICB
<u>Channel Mileage- Fixed</u>	ICB

SECTION 5 – RATES (Cont'd)

1 The additional local channel monthly rate and the Nonrecurring Charge apply to Data Access Services installed between the same locations as the initial channel.

2 The additional local channel monthly rate and the Nonrecurring Charge apply to Data Access Services installed between the same locations as the initial channel.

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SECTION 5 - RATES (Cont'd)

5.1 LONG HAUL DATA ACCESS SERVICES (Cont'd)

5.1.2 Long Haul DS-1 – Off-Net Service (Cont'd)

Channel Mileage Per DS0 mile price ceiling of \$0.99Optional Features

- Multiplexing, DS-1 to DS-0 ICB

5.1.3 Long Haul DS-3 – On-Net Service

DS-3 service is a digital transmission facility of 44.736 Mbps with a capacity of 28 DS-1 channels or 672 Voice, Analog Data or Digital Data Channels.

Rate ElementsInstallation-Initial (Non-recurring) ICBInstallation-Additional (Non-recurring)³ ICBChannel Termination (Recurring) ICB
per point of terminationChannel Mileage- Fixed ICBChannel Mileage Per DS0 mile price ceiling of \$0.45Optional Features

- Multiplexing, DS-3 to DS-1 ICB

- Multiplexing, DS-1 to DS-0 ICB

3 The additional local channel monthly rate and the Nonrecurring Charge apply to Data Access Services installed between the same locations as the initial channel.

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SECTION 5 - RATES (Cont'd)

5.1 LONG HAUL DATA ACCESS SERVICES (Cont'd)

5.1.4 Long Haul DS-3 - Off-Net Service

Rate Elements

<u>Installation-Initial (Non-recurring)</u>	ICB
<u>Installation-Additional (Non-recurring)</u> ⁴	ICB
<u>Channel Termination (Recurring)</u> per point of termination	ICB
<u>Channel Mileage- Fixed</u>	ICB
<u>Channel Mileage Per DS0 mile</u>	price ceiling of \$0.40
<u>Optional Features</u>	
- Multiplexing, DS-3 to DS-1	ICB
- Multiplexing, DS-1 to DS-0	ICB

Based on the term of the agreement and the configuration of the service offering, there may be a minimum mileage requirement.

5.2 COLLOCATION

Service offered pursuant to Section 4.4 will be individually negotiated and priced on an ICB basis.

4 The additional local channel monthly rate and the Nonrecurring Charge apply to Data Access Services installed between the same locations as the initial channel.

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