



Managed Fraud Protection Standard Terms and Conditions

In addition to the general terms and conditions contained in the service agreement between PAETEC and Customer (the "Agreement"), of which this Schedule is a part, Customer agrees that the following terms and conditions apply to the Managed Fraud Protection Service provided to Customer by PAETEC.

Managed Fraud Protection is available to Customers of PAETEC's Dedicated Outbound Toll service, Switched Toll service and Dedicated Business line service. This service limits the qualifying Customer's liability for International Toll Fraud Usage charges and provides priority notification of any suspected fraud on Outbound Toll identified by PAETEC Communications Inc.

1. Definitions

The following definitions shall apply:

A. A "Customer Location" is defined as a single Customer location PBX or electronic key system with or without adjuncts such as voice mail and auto-attendants, that is owned or leased by the PAETEC Communications customer and used to connect the customer premise location to the PAETEC provided Dedicated Outbound Toll service Switched Toll Service, and Dedicated Business line service. The Locations CPE equipment must be under the Customer's direct control and located within the 48 coterminous United States.

B. "International Toll Fraud (ITF)" is defined as unauthorized calls originated through a Customer's covered Customer Location using the Customer's covered Dedicated Outbound Toll service, Switched Toll service or Dedicated Business line service that was not placed neither by Customer or agents of the Customer, and made by means of remotely accessing the covered locations CPE equipment from another location and breaching the security of that covered locations CPE Equipment. Remote International Toll Fraud also does not include any calls placed by means of a Authorization Code, calling card or credit card provided or issued by any company, or an operator service. "International Toll Fraud Usage Charges" are defined as charges for ITF for which the breach of security occurred at a Covered Customer Location.

C. A "Fraud Notification" is defined as a telephone call, Fax or Email made by PAETEC Communications Inc. Fraud Department to a Customer contact number or email address to provide notice to the Customer of suspected Toll Fraud involving the covered Customer Location. A Fraud Notification will be completed at the earlier of the time when (1) the PAETEC Fraud Department reaches a designated representative of the Customer at a Customer contact number, or (2) when PAETEC has attempted to contact the Customer's authorized representative by all means provided by the Customer including, a call placed to the designated Customer contact telephone numbers, a facsimile transmission or an electronic mail message.

D. Covered Outbound Services include and are limited to one or more of the following PAETEC services from a covered Customer Location to international countries/areas, not including Canada; provided that PAETEC provided Dedicated Outbound Toll service Switched Toll service, or Dedicated Business line service is utilized. Covered Outbound Services do not include Local, Domestic Toll, 800 service, Calling Card, Operator Services, and 101XXXX dialed calls over another carrier.

2. Responsibilities of the Customer

When the Customer subscribes to a Managed Fraud Protection Service, the Customer assumes responsibilities as follows:

A. Security Requirements

(1) The Customer must provide PAETEC a list of all outbound telephone numbers assigned to each covered location CPE as well as all changes to the list. Managed Fraud Protection Service will not apply to Remote Toll Fraud involving any telephone number which, at the time of such Remote Toll Fraud, had not been provided to the PAETEC Communications. Management of telephone numbers and responsible fraud contact information is updatable via PAETEC's account management portal.

(2) The Customer has the option to provide to The PAETEC Communications Fraud Department the following information: PBX/Key System Model, System Vendor and contact information; Voice Mail Model; and Auto Attendant Model, as applicable via the account management portal.

B. Administrative Requirements

(1) Pre-Activation Requirements. Prior to activation of Managed Fraud Protection Service for a Covered Customer Location:

(a) Customer must provide the PAETEC Communications Fraud Department with a means to contact an authorized representative of the Customer (at least one individual) 24 hours per day/7 days per week said representative that has the authority to take necessary action to stop suspected Remote Toll Fraud involving the covered Customer Location. For each such authorized representative, the Customer must provide current customer contact telephone numbers, email addresses, wireless numbers and/or facsimile numbers. The Customer must notify the PAETEC Communications Fraud Department immediately of changes to the contact list or customer contact numbers via PAETEC's Webfront account management portal.

(b) Customer must verify the Managed Fraud Protection Service customer profile information for completeness and accuracy. If no corrections are requested by the Customer, the service will start automatically.

(2) PAETEC Communications will provide notifications via PAETEC's account management Portal after acceptance of all applicable Terms and Conditions are satisfied.

C. Remote International Toll Fraud Requirements

(1)The Customer must immediately make a Customer Notification to the PAETEC Communications Fraud Department at 1-877-999-7705 when any suspected active remote Toll Fraud involving a Covered Customer Location is detected.

(2)For suspected International Toll Fraud in the absence of an applicable Fraud Notification or Customer Notification, the Customer must contact the PAETEC Fraud Department Hotline at 1-877-999-7705 immediately. The Customer is responsible for reviewing their PAETEC bill and notifying PAETEC in writing within 90 days after the date of the bill that it suspects that International Toll Fraud Usage Charges may be included in the bill. Usage charges for which such notice is not provided within the specified 90 day period will not qualify as International Toll Fraud Usage Charges. The Customer must identify all fraud usage charges by way of call detail, station message detail recording (SMDR) and or system configuration documentation that each International usage charge identified in accordance with this section falls within the definition of International Toll Fraud Usage Charges.

(3) The Customer must notify the PAETEC Communications Fraud Department in writing within 30 days of the termination of the International Toll Fraud incident of the means by which the fraud occurred and the changes made to the Managed Fraud Protection Covered Customer Location to stop the Remote Toll Fraud.

3. Responsibilities of PAETEC Communications

(A) PAETEC Communications is responsible for the provisioning, billing and profile maintenance of Managed Fraud Protection Services Customer accounts. PAETEC Communications Customer Service may be reached from 8am to 9pm Eastern time at 1-877-340-2600.

(B) The PAETEC Communications Fraud Department monitors outbound domestic and international outbound services over the PAETEC Network. The PAETEC Communications Fraud Department monitors 7 days per week/24 hours per day on a near real-time basis. In the event of suspected fraud, the PAETEC Communications Fraud Department will attempt to notify the Customer as previously defined.

(C) PAETEC Communications Fraud Department will make a Fraud Notification after detecting suspected Toll Fraud, International Toll Fraud associated with a covered Customer Location. When suspicious calling patterns are detected, PAETEC Communications Fraud Department will call the Customer representative telephone numbers and assist the Customer's efforts to stop the toll fraud at the Customer location. If the Customer can not be reached on any one of its provided contact numbers, PAETEC Communications Fraud Department will send a facsimile or an email message to the Customer designated facsimile number or email. PAETEC reserves the right to block all PAETEC covered services international outbound traffic calling out of the covered location until the problem area has been isolated and corrected. If at any time during the actual or suspected fraud incident, the Customer requests PAETEC Communications Fraud Department to block all or part of their Covered Outbound Services including 101XXXX capabilities out of the Covered Customer location, PAETEC will comply. PAETEC Communications will restore service at any time during the incident upon the Customer's request.

4. Customer's Liability – Enhanced Protection

(A) Customers subscribed to Managed Fraud Protection Enhanced Service will remain liable for the first \$1,500 in Remote International Toll Fraud Usage Charges per covered Customer Location in question, which commence before a PAETEC Fraud Notification attempt or a Customer Notification but shall have such pre-notification liability capped at \$1,500 per covered Customer Location for 30 consecutive days. Notification is complete when (1) The PAETEC fraud department reaches the designated representative or (2) PAETEC Fraud Department having attempted unsuccessfully to reach the designated representative at the contact number, fax and or email address. Customers subscribing to Managed Fraud Protection Enhanced Protection Service remain liable for all International Toll Fraud Usage charges which are incurred after an PAETEC Fraud Notification or a Customer Notification.

(B) If an International Toll Fraud incident occurs which triggers the application of the pre-notification liability cap described above, such liability cap will not cover the covered Customer Locations CPE in question again until thirty (30) consecutive days have elapsed from the termination of the incident without a subsequent Remote Toll Fraud incident affecting the same covered Service Locations CPE. Thus, if the covered Service Location CPE suffers any subsequent Remote Toll Fraud event prior to the expiration of the thirty (30) day period, coverage of such covered location CPE will not become effective until the completion of the thirty (30) day period dating from the last such subsequent incident.

(C) Managed Fraud Protection Enhanced Service will not cover the following:

- (1) Toll Fraud Usage charges that are Local, Domestic (including Canada), or Toll Free on the covered Customer Location.
- (2) International Toll Fraud Usage Charges resulting from the negligence or intentional acts of the Customer, its employees, former employees, agents, vendors or independent contractors.

(D) The following example illustrates toll fraud usage charges incurred during the same incident featured previously:

- Total International Fraud prior to Fraud Notification or Customer Notification: \$20,000
- Subscriber's liability limit (subscriber pays): \$1,500
- PAETEC's responsibility: \$18,500
- Subscriber's portion of the covered Customer Location fraud: \$1,500

Once a Covered Customer Location has incurred usage charges due to toll fraud, the \$1,500 liability cap will cover the location again after 30 consecutive days have elapsed from the termination of the last reported toll fraud incident, however, each additional toll fraud incident will raise the liability cap by \$1,500. For example: on a second offense the liability cap will be \$3,000, for a third offense the liability cap will be \$4,500. If the Covered Customer Location suffers toll fraud prior to the expiration period, coverage of that Location will become effective after a thirty (30) day period dating from the latest incident.

5. Customer's Liability – Premier Protection

(A) Customers subscribed to Managed Fraud Protection Premier Service will have zero liability for International Toll Fraud Usage Charges for the covered Customer Location in question, which commence before a PAETEC Fraud Notification attempt or a Customer Notification. Customers subscribing to Managed Fraud Protection Premier Service remain liable for all International Toll Fraud Usage charges which are incurred after an PAETEC Fraud Notification or a Customer Notification.

(B) If an International Toll Fraud incident occurs, PAETEC will not cover the customer location in question again until thirty (30) consecutive days have elapsed from the termination of the incident without a subsequent Toll Fraud incident affecting the same covered Customer Locations CPE. Thus, if the covered Customer Location suffers any subsequent Toll Fraud event prior to the expiration of the thirty (30) day period, coverage of such Covered Customer Location will not become effective until the completion of the thirty (30) day period dating from the last such subsequent incident.

(C) Managed Fraud Protection Premier Service will not cover the following:

- (1) Toll Fraud Usage charges that are Local, Domestic (including Canada), or Toll Free on the covered Location CPE.
- (2) International Toll Fraud Usage Charges resulting from the negligence or intentional acts of the Customer, its employees, former employees, agents, vendors or independent contractors.

(D) Managed Fraud Protection Premier subscribers receive zero liability for first incident per Covered Customer Location for thirty (30) consecutive days. The liability cap applies from the first fraud call until a PAETEC Fraud Notification is completed.

(E) The following example illustrates toll fraud usage charges incurred during the same incident featured previously:

- Total International Fraud prior to PAETEC Fraud Notification or Customer Notification: \$20,000
- Subscriber’s liability limit (subscriber pays): \$0
- PAETEC’s responsibility: \$20,000
- Subscriber’s portion of the covered Customer Location fraud: \$0

Once a Covered Customer Location has incurred usage charges due to toll fraud, the liability cap will cover the location again after thirty (30) consecutive days have elapsed from the termination of the last reported toll fraud incident, however, each additional toll fraud incident will raise the liability cap by \$1,000. For example: on a second offense the liability cap will be \$1,000, for a third offense the liability cap will be \$2,000. If the Covered Location suffers toll fraud prior to the expiration period, coverage of that Location will become effective after a thirty (30) day period dating from the latest incident.

6. Rates and Charges

A nonrecurring Setup Charge, and a monthly recurring Service Charge applies per Covered Customer Location. The monthly recurring charge will be billed on a Month by Month basis in advance.

Rates and Charges

Enhanced Protection	Non Charge	Recurring	Monthly Charge	Recurring
Per Covered Location CPE				
1 Year Term Commitment	\$14.95		\$14.95	
2-3 Year Term Commitment	\$12.95		\$12.95	
4 –5 Year Term Commitment	\$9.95		\$9.95	
Premier Protection	Non Charge	Recurring	Monthly Charge	Recurring
Per Covered Location CPE				
1 Year Term Commitment	\$179.95		\$179.95	
2-3 Year Term Commitment	\$162.95		\$162.95	
4 –5 Year Term Commitment	\$145.95		\$145.95	

7. Enhanced Protection Examples

The following are examples of Managed Fraud Protection Enhanced Service Customers who have received a PAETEC Fraud Notification or have made a Customer notification of suspected International Toll Fraud calling. The Customers have complied with all Product conditions. The following International Toll Fraud Usage Charges were incurred during the incidents.

Example A – First Fraud Incident – Covered Customer Location

The Customer will not be liable for International Toll Fraud Usage Charges above the first \$1,500 incurred prior to the PAETEC Fraud Department Notification.

Total International Charges		Customer Liability		PAETEC's Responsibility
\$40,000	Minus	\$1,500	Equals	\$38,500

Total Customer Liability for Remote Toll Fraud Usage Charges = \$1,500

Example B – First Fraud Incident – Covered Customer Location

The Customer will not be liable for International Toll Fraud Usage Charges above the first \$1,500 incurred prior to the PAETEC Notification.

Total Incurred International Charges Pre-Notification		Customer Liability		PAETEC's Responsibility
\$40,000	Minus	\$1,500	Equals	\$38,500

The Customer will be liable for all International Toll Fraud Usage Charges incurred following the PAETEC Fraud Department Notification.

Total Incurred International Charges Post Notification		Customer Liability		PAETEC's Responsibility
\$1,000	Minus	\$1,000	Equals	\$0.00

Total Customer Liability for Remote International Toll Fraud Usage Charges = \$2,500

Example C – First Fraud Incident – Covered Customer Location

In this example, the Customer made a Customer Notification prior to the receipt of a PAETEC Fraud Notification. The Customer will not be liable for International Toll Fraud usage charges above the first \$1,500 incurred prior to the Customer Notification.

Total Incurred Charges		Customer Liability		PAETEC's Responsibility
\$40,000	Minus	\$1,500	Equals	\$38,500

The Customer will be liable for all International Toll Fraud Usage Charges incurred following the PAETEC Fraud Notification or Customer Notification.

Total Incurred Charges Post Notification		Customer Liability		PAETEC's Responsibility
\$1,000	Minus	\$1,000	Equals	\$0.00

Total Customer Liability for International Toll Fraud Usage Charges = \$2,500

8. Premier Protection Examples

The following are examples of Managed Fraud Protection Premier Service Customers who have received a PAETEC Fraud Department Notification or have made a customer notification of suspected International Toll Fraud calling. The Customers have complied with all Product conditions. The following International Toll Fraud Usage Charges were incurred during the incidents.

Example A – First Fraud Incident – Covered Customer Location

The Customer will not be liable for International Toll Fraud Usage Charges incurred prior to the PAETEC Fraud Department Notification.

Total International Charges		Customer Liability		PAETEC's Responsibility
\$40,000	Minus	\$0.00	Equals	\$40,000

Total Customer Liability for Toll Fraud Usage Charges = \$0.00

Example B – First Fraud Incident – Covered Customer Location

The Customer will not be liable for International Toll Fraud Usage Charges incurred prior to the PAETEC Fraud Notification.

Total Incurred International Charges Pre-Notification		Customer Liability		PAETEC's Responsibility
\$40,000	Minus	\$0.00	Equals	\$40,000

The Customer will be liable for all International Toll Fraud Usage Charges incurred following the PAETEC Fraud Notification.

Total Incurred International Charges Post Notification		Customer Liability		PAETEC's Responsibility
\$1,000	Minus	\$1,000	Equals	\$0.00

Total Customer Liability for International Toll Fraud Usage Charges = \$1,000

Example C – First Fraud Incident – Covered Customer Location

In this example, the Customer made a Customer Notification prior to the receipt of a PAETEC Fraud Notification. The Customer will not be liable for Toll Fraud usage charges incurred prior to the Customer Notification.

Total Incurred Charges		Customer Liability		PAETEC's Responsibility
\$40,000	Minus	\$0.00	Equals	\$40,000

The Customer will be liable for all International Toll Fraud Usage Charges incurred following the PAETEC Fraud Notification or Customer Notification.

Total Incurred Charges Post Notification		Customer Liability		PAETEC's Responsibility
\$1,000	Minus	\$1,000	Equals	\$0.00

Total Customer Liability for Remote International Toll Fraud Usage Charges = \$1,000

Example D – Second Fraud Incident – Covered Customer Location

The Customer will be liable for the first \$1,000 of Toll Fraud Usage Charges incurred prior to the PAETEC Fraud Notification.

Total Incurred Charges		Customer Liability		PAETEC's Responsibility
\$20,000	Minus	\$1,000	Equals	\$19,000

Total Customer Liability for Toll Fraud Usage Charges = \$1,000

9. Upgrade of Service

If the Customer discontinues its Managed Fraud Protection Enhanced Service and subscribes to Managed Fraud Protection Premier Service, the Customer will be billed for the difference between the actual billed nonrecurring charges under Managed Fraud Protection Premier Service and the nonrecurring charges applicable to Managed Fraud Protection Enhanced Service.

10. Discontinuance of Service

Discontinuance of Managed Fraud Protection Enhanced Service and subscription to Managed Fraud Protection Premier Service must be done concurrently. If the Customer discontinues its Managed Fraud Protection Enhanced Service and does not subscribe to Managed Fraud Protection Premier Service, the Customer must notify the PAETEC Communications at 1-877-340-2600 thirty (30) days prior to its date of discontinuance. Note: If you are not upgrading to Premier Service you cannot discontinue service until the completion of your selected term agreement.