



PAETEC

PAETEC Holding Corp.
One PAETEC Plaza
600 Willowbrook Office Park
Fairport, New York 14450

March 1, 2007

To the Former Stockholders of US LEC Corp:

We are pleased to inform you that on February 28, 2007, US LEC Corp. (“US LEC”) completed its merger transaction with PAETEC Corp. (“PAETEC”). As a result of the merger transaction, each share of US LEC common stock owned by you at the time of the merger transaction was converted into the right to receive one share of common stock of PAETEC Holding Corp. (“PAETEC Holding”).

Please read and follow carefully the enclosed instructions. In order to receive your shares of PAETEC Holding common stock, you must complete, sign, date and return the enclosed Letter of Transmittal together with your US LEC stock certificates in accordance with the provisions of the Letter of Transmittal and the enclosed instructions. Each person listed on your US LEC stock certificates as a registered holder must sign the Letter of Transmittal. You should complete and sign a separate Letter of Transmittal for each certificate registered in a different name or form. Photocopies of the Letter of Transmittal may be used. If you have any questions, you should call the exchange agent, American Stock Transfer & Trust Company, toll-free at (877) 248-6417 or at (718) 921-8317.

Please note that the method of delivery is at your option and risk. If you send these documents by mail, we strongly recommend that you use registered mail, properly insured, with return receipt requested.

Following receipt of your US LEC stock certificate(s) and properly completed Letter of Transmittal, the exchange agent will record your shares of stock of PAETEC Holding in book-entry form, and mail to you a Direct Registration System (DRS) Statement to the address shown for you under “Description of Shares Surrendered” (unless you provide a different address in accordance with the Special Delivery Instructions in the Letter of Transmittal). More information on the DRS system can be found in the enclosed information. All questions as to validity, form and eligibility of any surrender of US LEC stock certificates will be determined by PAETEC Holding and by the exchange agent, and such determination will be final and binding.

Again, if you have any questions about the exchange of your US LEC stock certificate(s), please contact American Stock Trust & Transfer Company toll-free at (877) 248-6417 or at (718) 921-8317. We are pleased to have you as a stockholder of PAETEC Holding and look forward to enjoying your continued support of the combined company.

Sincerely Yours,

PAETEC Holding Corp.



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Frequently Asked Questions **Book-Entry Share Ownership Through A Direct Registration System**

1. What is a Direct Registration System (DRS)?

A Direct Registration System (DRS) is a method of recording shares of stock in book-entry form. Book-entry means PAETEC Holding's Transfer Agent (currently American Stock Transfer & Trust Company) maintains your shares on your behalf without the need for physical share certificates. Shares held in uncertificated book-entry form have the same rights and privileges as shares held in certificate form.

2. What are the benefits of DRS?

Holding shares in book-entry form through DRS has the following benefits:

- (a) It helps reduce the risks and costs associated with storing share certificate(s) and replacing lost or stolen certificate(s).
- (b) It enables electronic share transactions between your broker/dealer and the Company's transfer agent.
- (c) It reduces the overall administrative costs to PAETEC Holding and its stockholders.

3. Can I get a share certificate for my book-entry shares?

You may request a share certificate for all or a portion of your PAETEC Holding DRS book-entry shares at any time following the initial exchange of US LEC shares for PAETEC Holding shares. To request a certificate, you should contact the PAETEC Holding's Transfer Agent as detailed below. A certificate for your full shares will be mailed to you.

4. How do I transfer my shares to or from my brokerage account or sell my shares?

In order to sell shares held in your DRS account, you will need to have a brokerage account, which you may open (if you don't already have one) at the broker of your choosing. If you wish to transfer your shares to your brokerage account, whether or not you plan to sell your shares, contact your broker and provide him or her with your DRS account information (which appears on the Transaction Advice you will receive when you become a participant in DRS). Your broker will then electronically initiate the transfer of your book-entry shares based on your instructions.

5. How do I transfer shares held through DRS to a new owner?

You may transfer shares to a new owner by contacting the Transfer Agent. Your instruction must include a Medallion Signature Guarantee. More detailed instructions on transfer requirements are available at http://www.amstock.com/shareholder/sh_transfinst.asp.

6. What happens to my dividends if I hold my shares in DRS book-entry form?

If you hold your shares in DRS, you have the same choices as to how to receive your dividends as a stockholder who holds a certificate. Please contact the Transfer Agent if you have questions about the payment of dividends.

7. What documents will I receive showing my shares held through DRS?

You will receive a DRS Transaction Advice Form following each transaction involving your shares held through DRS.

8. What will it cost me to hold my shares through DRS?

You will not be charged by PAETEC Holding or its transfer agent for holding your shares of PAETEC Holding common stock through DRS. You should contact your brokerage firm to determine its fees if you transfer your shares to or sell your shares through your brokerage account.

9. How do I know my book-entry shares are safe and cannot be transferred without my consent?

Your written consent is required by the Transfer Agent to transfer shares to any third party other than your broker. If you choose to supply a broker with your DRS account information, your broker is responsible for obtaining instructions and documentation for any transfer or sale.

10. What is a Medallion Signature Guarantee and how do I obtain one?

A Medallion Signature Guarantee is a statement (stamp and signature) given by a financial institution such as a commercial bank, credit union, brokerage firm, etc., that is a member of the Securities Transfer Association Medallion Program (STAMP), New York Stock Exchange Program or Stock Exchange Medallion Program (SEMP, MSP). The Medallion Program is not a notarization. To obtain a Medallion Signature Guarantee please visit a financial institution that participates in the Medallion Program.

11. How do I contact the Company's Transfer Agent?

The Company's Transfer Agent may be reached as follows:

American Stock Transfer & Trust Company
Shareholder Services
6201 15th Avenue
Brooklyn, NY 11219
Toll-free: 866-621-2794

LETTER OF TRANSMITTAL

To accompany certificates of Class A Common Stock, \$0.01 par value per share, of US LEC Corp.

The undersigned represents that I (we) have full authority to surrender without restriction the certificate(s) for exchange. You are hereby authorized and instructed to prepare in the name of and deliver to the address indicated below (unless otherwise instructed in the boxes in the following page) a Direct Registration System (DRS) Statement with respect to shares of PAETEC Holding Corp. common stock.

Method of delivery of the certificate(s) is at the option and risk of the owner thereof. *See Instruction 1.*

Mail or deliver this Letter of Transmittal, or a facsimile, together with the certificate(s) representing your shares, to:



By Mail or Overnight Courier:

American Stock Transfer & Trust Company
 Operations Center
 Attn: Reorganization Department
 6201 15th Avenue
 Brooklyn, NY 11219

By Hand:

American Stock Transfer & Trust Company
 Attn: Reorganization Department
 59 Maiden Lane
 Concourse Level
 New York, NY 10038

For assistance call (877) 248-6417 or (718) 921-8317

Pursuant to the merger of WC Acquisition Sub U Corp., a wholly owned subsidiary of PAETEC Holding Corp. (“PAETEC Holding”), with and into U.S. LEC Corp. (“US LEC”), the undersigned encloses herewith and surrenders the following certificate(s) representing shares of US LEC stock:

DESCRIPTION OF SHARES SURRENDERED
(Please fill in.)

<p>Name(s) and Address of Registered Holder(s)</p> <p>If there is any error in the name or address shown below, please make the necessary corrections</p>

(Attach separate schedule if needed.)

Certificate No.(s)	Number of Shares
TOTAL SHARES ☞	

Check this box if your certificate(s) has been lost, stolen, misplaced or mutilated. See Instruction 5 on the reverse side of this form.

SPECIAL ISSUANCE INSTRUCTIONS

Complete **ONLY** if issuance is to be made in a name which differs from the name on the surrendered certificate(s). Issue to:

Name: _____

Address: _____

SPECIAL DELIVERY INSTRUCTIONS

Complete **ONLY** if delivery is to be made to some address other than the address reflected above. See Instructions 4. Mail to:

Name: _____

Address: _____

YOU MUST SIGN IN THE BOX BELOW AND PROVIDE YOUR TAX ID NUMBER ON THE BACK OF THIS FORM

SIGNATURE(S) REQUIRED

Signature(s) of Registered Holder(s) or Agent

Must be signed by the registered holder(s) EXACTLY as name(s) appear(s) on stock certificate(s). If signature is by a trustee, executor, administrator, guardian, attorney-in-fact, officer for a corporation acting in a fiduciary or representative capacity, or other person, please set forth full title. See Instructions 2, 3 and 6.

Registered Holder

Registered Holder

Title, if any

Date: _____

Phone No.: _____

SIGNATURE(S) GUARANTEED (IF REQUIRED)

See Instruction 3.

Unless the shares are tendered by the registered holder(s) of the common stock, or for the account of a participant in the Securities Transfer Agent's Medallion Program ("STAMP"), Stock Exchange Medallion Program ("SEMP") or New York Stock Exchange Medallion Signature Program ("MSP") (an "Eligible Institution"), the signature(s) must be guaranteed by an Eligible Institution. See Instruction 3.

Authorized signature

Name of Firm

Address of Firm – Please Print

INSTRUCTIONS FOR SURRENDERING CERTIFICATES

(Please read carefully the instructions below)

1. **Method of Delivery:** Your old certificate(s) and the Letter of Transmittal must be sent or delivered to American Stock Transfer & Trust Company (the "Exchange Agent"). Do not send your certificates to US LEC Corp. or PAETEC Holding Corp. The method of delivery of certificates to be surrendered to the Exchange Agent at the address set forth on the front of this Letter of Transmittal is at the option and risk of the surrendering stockholder. Delivery will be deemed effective only when received. If you submit this Letter of Transmittal by facsimile, you must also send or deliver your certificate(s) in order to receive a Direct Registration System (DRS) Statement with respect to shares of PAETEC Holding Corp. common stock. **If the certificate(s) are sent by mail, registered mail with return receipt requested and proper insurance is suggested.**

2. **Issuance in the Same Name:** If the DRS Statement with respect to shares of PAETEC Holding is issued in the same name as the surrendered certificate is registered, the Letter of Transmittal should be completed and signed exactly as the surrendered certificate is registered. Do not sign the stock certificate(s). Signature guarantees are not required if the certificate(s) surrendered herewith are submitted by the registered owner of such shares who has not completed the section entitled "Special Issuance Instructions" or are for the account of an Eligible Institution. If any of the shares surrendered hereby are owned by two or more joint owners, all such owners must sign this Letter of Transmittal exactly as written on the face of the certificate(s). If any shares are registered in different names on several certificates, it will be necessary to complete, sign and submit as many separate Letters of Transmittal as there are different registrations. Letters of Transmittal executed by trustees, executors, administrators, guardians, attorneys-in-fact, officers of corporations, or others acting in a fiduciary capacity who are not identified as such in the registration must be accompanied by proper evidence of the signer's authority to act.

3. **Issuance in Different Name:** If the section entitled "Special Issuance Instructions" is completed, then signatures on this Letter of Transmittal must be guaranteed by a firm that is a bank, broker, dealer, credit union, savings association or other entity that is an Eligible Institution. If the surrendered certificates are registered in the name of a person other than the signer of this Letter of Transmittal, or if issuance is to be made to a person other than the signer of this Letter of Transmittal, or if the issuance is to be made to a person other than the registered owner(s), then the surrendered certificates must be endorsed or accompanied by duly executed stock powers, in either case signed exactly as the name(s) of the registered owners appear on such certificate(s) or stock power(s), with the signatures on the certificate(s) or stock power(s) guaranteed by an Eligible Institution as provided herein.

4. **Special Issuance and Delivery Instructions:** Indicate the name in which and address to which the DRS Statement with respect to shares of PAETEC Holding is to be sent if different from the name and/or address of the person(s) signing this Letter of Transmittal.

5. **Letter of Transmittal Required; Surrender of Certificate(s); Lost Certificate(s):** You will not receive your DRS Statement with respect to shares of PAETEC Holding unless and until you deliver this Letter of Transmittal, properly completed and duly executed, to the Exchange Agent, together with the certificate(s) evidencing your shares and any required accompanying evidences of authority. **If your certificate(s) has been lost, stolen, misplaced or destroyed, contact the Exchange Agent for instructions at (877) 248-6417 or (718) 921-8317 prior to submitting your certificates for exchange.** Any US LEC stockholder who has lost certificates should make arrangements (which may include the posting of a bond or other satisfactory indemnification and an affidavit of loss) to replace lost certificates. Such arrangements should be made with Exchange Agent.

6. **Stock Transfer Taxes.** If surrendered certificates are registered in the name of any person other than the person(s) signing the Letter of Transmittal, the Exchange Agent shall retain the DRS Statement with respect to shares of PAETEC Holding until satisfactory evidence of the payment of any stock transfer taxes (whether imposed on the registered holder or such person) payable as a result of the transfer to such person, or exemption therefrom, is submitted. Except as provided in this Instruction 6, it will not be necessary for transfer tax stamps to be affixed to the certificates listed in the Letter of Transmittal.

All questions as to the validity, form and eligibility of any surrender of certificates will be determined by the Exchange Agent and PAETEC Holding and such determination shall be final and binding. Exchange Agent and the Company reserve the right to waive any irregularities or defects in the surrender of any certificates. A surrender will not be deemed to have been made until all irregularities have been cured or waived.