

ORIGINAL



0000081007

FORTIS

50

DATE: APRIL 22, 2008

PAGE: 1

IRREVOCABLE STANDBY LETTER OF CREDIT NO. [REDACTED]

BENEFICIARY:

DOCKET CONTROL CENTER
ARIZONA CORPORATION COMMISSION
1200 WEST WASHINGTON STREET
PHOENIX, ARIZONA 85007

APPLICANT:

IPC NETWORK SERVICES, INC
HARBORSIDE FINANCIAL CENTER
PLAZA 10, 1500 PLAZA 10, 15TH FL
JERSEY CITY, NJ 07311

ISSUER:

FORTIS BANK S.A./N.V.
NEW YORK BRANCH
C/O 101 HUDSON STREET, 21ST FLR.
JERSEY CITY, NEW JERSEY 07302

Arizona Corporation Commission
DOCKETED

APR 24 2008

DOCKETED BY [Signature]

AMOUNT: NOT EXCEEDING USD 35,000.00
(NOT EXCEEDING THIRTY FIVE THOUSAND AND 00/100 US DOLLARS)

EXPIRATION DATE: APRIL 22, 2009 AT OUR COUNTERS

1. WE HEREBY ESTABLISH THIS CLEAN, IRREVOCABLE AND UNCONDITIONAL LETTER OF CREDIT IN YOUR FAVOR IN THE AMOUNT OF \$35,000 AVAILABLE BY YOUR DRAFT(S) DRAWN ON US, AT SIGHT, BEARING THE NUMBER OF THIS LETTER OF CREDIT NO. [REDACTED] THIS LETTER OF CREDIT SHALL EXPIRE AT OUR OFFICE LOCATED AT 101 HUDSON STREET, 21ST FLOOR JERSEY CTY, NEW JERSEY 07302, AT OUR CLOSE OF BUSINESS ON APRIL 22, 2009, UNLESS AS HEREINAFTER EXTENDED.

2. THIS LETTER OF CREDIT IS ISSUED ON BEHALF OF IPC NETWORK SERVICES, INC. PURSUANT TO ARIZONA CORPORATION COMMISSION DOCKET NO. T-20457A-06-0294 AND DECISION 70196.

3. THIS LETTER OF CREDIT SHALL BE AUTOMATICALLY EXTENDED FOR ADDITIONAL PERIODS, EACH OF ONE YEAR, UNLESS AT LEAST SIXTY CALENDAR DAYS PRIOR TO THE THEN RELEVANT EXPIRATION DATE WE HAVE ADVISED YOU IN WRITING THAT WE ELECT NOT TO EXTEND. IN THAT EVENT, YOU MAY DRAW HEREUNDER ON OR PRIOR TO THE THEN RELEVANT EXPIRATION DATE, UP TO THE FULL AMOUNT THEN AVAILABLE HEREUNDER, AGAINST YOUR SIGHT DRAFT(S) ON US, BEARING THE NUMBER OF THIS LETTER OF CREDIT. OUR NOTIFICATION WILL BE SENT TO YOU BY REGISTERED MAIL OR OVERNIGHT COURIER AT THE ADDRESS SET FORTH ABOVE.

4. THE FOREGOING PROVISION IS NOT MEANT TO LIMIT YOUR ABILITY TO DRAW HEREUNDER, UP TO THE FULL AMOUNT THEN AVAILABLE HEREUNDER, IN THE EVENT OF COURT ORDERED RECEIVERSHIP OR OTHERWISE, AT ANY TIME.

5. EXCEPT AS STATED HEREIN, THIS UNDERTAKING IS NOT SUBJECT TO ANY REQUIREMENT OR QUALIFICATION. OUR OBLIGATION UNDER THIS LETTER OF CREDIT IS THE INDIVIDUAL OBLIGATION OF THE BANK, IN

RECEIVED
2008 APR 24 P 2:26
AZ CORP COMMISSION
DOCKET CONTROL



DATE: APRIL 22, 2008

PAGE: 2

IRREVOCABLE STANDBY LETTER OF CREDIT NO. [REDACTED]

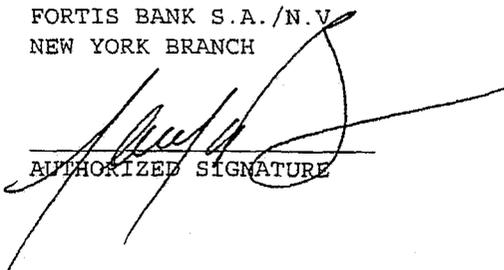
NO WAY CONTINGENT UPON REIMBURSEMENT WITH RESPECT THERETO, OR UPON OUR ABILITY TO PERFECT ANY LIEN OR SECURITY INTEREST.

6. EACH SIGHT DRAFT SO DRAWN AND PRESENTED SHALL BE PROMPTLY HONORED BY US IF PRESENTED BY YOU OR YOUR DESIGNEE ON OR PRIOR TO THE ABOVE STATED EXPIRATION DATE OR ANY EXTENSION THEREOF AS ABOVE PROVIDED.

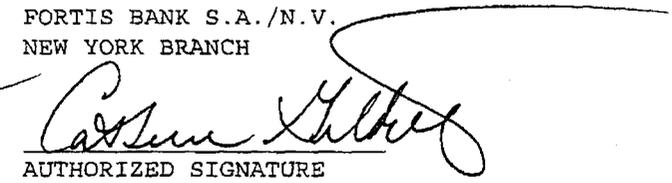
7. THIS LETTER OF CREDIT IS SUBJECT TO THE UNIFORM CUSTOMS AND PRACTICE FOR DOCUMENTARY CREDITS (2007 REVISION) INTERNATIONAL CHAMBER OF COMMERCE PUBLICATION NO. 600. NOTWITHSTANDING ARTICLE 36 OF SAID PUBLICATION, IN THE EVENT THAT ONE OR MORE OF THE OCCURRENCES SPECIFIED IN ARTICLE 36 OF SAID PUBLICATION OCCURS, THEN THE BANK HEREBY SPECIFICALLY AGREES THAT THIS LETTER OF CREDIT SHALL BE EXTENDED SO AS NOT TO EXPIRE DURING SUCH INTERRUPTION OF BUSINESS AND SHALL EXTEND FOR TEN DAYS AFTER SUCH RESUMPTION OF BUSINESS.

DOCUMENTS MUST BE PRESENTED, IN ONE LOT, TO
C/O 101 HUDSON STREET, 21ST FLOOR
JERSEY CITY, NEW JERSEY 07302
ATTENTION: TRADE SERVICES
PHONE: 201-631-8324
FAX: 201-631-8330

FORTIS BANK S.A./N.V.
NEW YORK BRANCH


AUTHORIZED SIGNATURE

FORTIS BANK S.A./N.V.
NEW YORK BRANCH


AUTHORIZED SIGNATURE