

ORIGINAL



0000109697

Silicon Valley Bank

A Member of SVB Financial Group

RECEIVED

IRREVOCABLE STANDBY LETTER OF CREDIT NO. [REDACTED]

2010 APR -1 P 2:27

DATE: MARCH 12, 2010

AZ CORP COMMISSION
DOCKET CONTROL

BENEFICIARY:
ARIZONA CORPORATION COMMISSION
1200 WEST WASHINGTON
PHOENIX, AZ 85007-2996

APPLICANT:
IBASIS RETAIL INC.
20 SECOND AVENUE
BURLINGTON, MA 01803

T-20618A-08-0469

Arizona Corporation Commission
DOCKETED

AMOUNT: US\$10,000.00 (U.S. DOLLARS TEN THOUSAND EXACTLY)

APR -1 2010

EXPIRATION DATE: MARCH 12, 2011

LOCATION: SANTA CLARA, CALIFORNIA

DOCKETED BY [Signature]

DEAR SIR/MADAM:

WE HEREBY ESTABLISH OUR IRREVOCABLE STANDBY LETTER OF CREDIT NO. [REDACTED] IN YOUR FAVOR FOR AN AGGREGATE AMOUNT NOT TO EXCEED THE AMOUNT INDICATED ABOVE. THIS LETTER OF CREDIT IS AVAILABLE BY YOUR DRAFTS DRAWN ON US AT SIGHT IN THE FORM OF EXHIBIT "A" ATTACHED AND ACCOMPANIED BY THE FOLLOWING DOCUMENTS:

1. THE ORIGINAL OF THIS LETTER OF CREDIT AND ALL AMENDMENT(S), IF ANY.
2. A DATED CERTIFICATION FROM THE BENEFICIARY SIGNED BY ONE OF ITS AUTHORIZED OFFICIALS, FOLLOWED BY HIS/HER DESIGNATED TITLE, STATING EITHER OF THE FOLLOWING:
 - (A) "BENEFICIARY HEREBY CERTIFIES THAT IBASIS RETAIL INC. IS IN DEFAULT OF ITS OBLIGATIONS TO PROVIDE LONG DISTANCE SERVICES IN ARIZONA PURSUANT TO TERMS AND CONDITIONS OF A CERTAIN SERVICE AGREEMENT BY AND BETWEEN IBASIS RETAIL INC. AND ARIZONA CORPORATION COMMISSION. THE AMOUNT OF THIS DRAWING USD \$ [REDACTED] [INSERT DRAW AMOUNT] UNDER SILICON VALLEY BANK LETTER OF CREDIT NO. [REDACTED] REPRESENTS FUNDS DUE TO BENEFICIARY BY IBASIS RETAIL INC."
 - OR
 - (B) "BENEFICIARY HAS RECEIVED A NOTICE FROM SILICON VALLEY BANK THAT LETTER OF CREDIT NUMBER [REDACTED] WILL NOT BE EXTENDED FOR ANOTHER YEAR AND APPLICANT HAS FAILED TO PROVIDE A NEW LETTER OF CREDIT SATISFACTORY TO BENEFICIARY AT LEAST 30 DAYS PRIOR TO THE CURRENT EXPIRY DATE."

THE SERVICE AGREEMENT MENTIONED ABOVE IS FOR IDENTIFICATION PURPOSES ONLY AND IT IS NOT INTENDED THAT SAID SERVICE AGREEMENT BE INCORPORATED HEREIN OR FORM PART OF THIS LETTER OF CREDIT.

PARTIAL DRAWS ARE ALLOWED. THIS ORIGINAL LETTER OF CREDIT MUST ACCOMPANY ANY DRAWINGS HEREUNDER FOR ENDORSEMENT OF THE DRAWING AMOUNT AND WILL BE RETURNED TO THE BENEFICIARY UNLESS IT IS FULLY UTILIZED.

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[Signature]

Silicon Valley Bank)

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IRREVOCABLE STANDBY LETTER OF CREDIT NO. [REDACTED]

© 2010

DATE: MARCH 12, 2010

DRAFT(S) AND DOCUMENTS MUST INDICATE THE NUMBER AND DATE OF THIS LETTER OF CREDIT.

IT IS A CONDITION OF THIS IRREVOCABLE LETTER OF CREDIT THAT IT SHALL BE AUTOMATICALLY EXTENDED WITHOUT AMENDMENT FOR ADDITIONAL ONE YEAR PERIODS FROM THE PRESENT OR EACH FUTURE EXPIRATION DATE, UNLESS AT LEAST SIXTY (60) DAYS PRIOR TO SUCH DATE, WE SEND YOU A NOTICE IN WRITING BY OVERNIGHT CARRIER AT THE ABOVE ADDRESS THAT WE ELECT NOT TO RENEW THIS LETTER OF CREDIT FOR SUCH ADDITIONAL PERIOD. THIS LETTER OF CREDIT SHALL REMAIN IN EFFECT UNTIL FURTHER ORDER OF THE ARIZONA CORPORATION COMMISSION. THIS LETTER OF CREDIT MAY NOT BE AMENDED OR CANCELLED WITHOUT THE PROPER WRITTEN CONSENT OF BENEFICIARY.

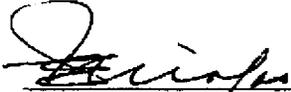
ALL DEMANDS FOR PAYMENT SHALL BE MADE BY PRESENTATION OF THE ORIGINAL APPROPRIATE DOCUMENTS TO US BY OVERNIGHT DELIVERY SERVICE ON A BUSINESS DAY AT OUR OFFICE (THE "BANK'S OFFICE") AT: SILICON VALLEY BANK, 3003 TASMAN DRIVE, SANTA CLARA, CA 95054, ATTENTION: STANDBY LETTER OF CREDIT NEGOTIATION SECTION.

WE HEREBY AGREE WITH THE DRAWERS, ENDORSERS AND BONAFIDE HOLDERS THAT THE DRAFTS DRAWN UNDER AND IN ACCORDANCE WITH THE TERMS AND CONDITIONS OF THIS LETTER OF CREDIT SHALL BE DULY HONORED UPON PRESENTATION TO THE DRAWEE, IF NEGOTIATED ON OR BEFORE THE EXPIRATION DATE OF THIS CREDIT.

IF ANY INSTRUCTIONS ACCOMPANYING A DRAWING UNDER THIS LETTER OF CREDIT REQUEST THAT PAYMENT IS TO BE MADE BY TRANSFER TO YOUR ACCOUNT WITH ANOTHER BANK, WE WILL ONLY EFFECT SUCH PAYMENT BY FED WIRE TO A U.S. REGULATED BANK, AND WE AND/OR SUCH OTHER BANK MAY RELY ON AN ACCOUNT NUMBER SPECIFIED IN SUCH INSTRUCTIONS EVEN IF THE NUMBER IDENTIFIES A PERSON OR ENTITY DIFFERENT FROM THE INTENDED PAYEE.

THIS LETTER OF CREDIT IS SUBJECT TO THE INTERNATIONAL STANDBY PRACTICES ISP98, INTERNATIONAL CHAMBER OF COMMERCE, PUBLICATION NO. 590.

SILICON VALLEY BANK



AUTHORIZED SIGNATURE

Enrico M. Nicolas



AUTHORIZED SIGNATURE

Linda Wu

PAGE 2 OF 2

EXHIBIT "A"

DATE: _____	REF. NO. _____
AT SIGHT OF THIS DRAFT	
PAY TO THE ORDER OF _____	US\$ _____
USDOLLARS _____	
DRAWN UNDER SILICON VALLEY BANK, SANTA CLARA, CALIFORNIA, STANDBY LETTER OF CREDIT NUMBER NO. _____ DATED _____	
TO: SILICON VALLEY BANK 3003 TASMAN DRIVE SANTA CLARA, CA 95054	_____ (BENEFICIARY'S NAME)
..... Authorized Signature	

GUIDELINES TO PREPARE THE DRAFT

1. DATE: ISSUANCE DATE OF DRAFT.
2. REF. NO.: BENEFICIARY'S REFERENCE NUMBER, IF ANY.
3. PAY TO THE ORDER OF: NAME OF BENEFICIARY AS INDICATED IN THE L/C (MAKE SURE BENEFICIARY ENDORSES IT ON THE REVERSE SIDE).
4. US\$: AMOUNT OF DRAWING IN FIGURES.
5. USDOLLARS: AMOUNT OF DRAWING IN WORDS.
6. LETTER OF CREDIT NUMBER: SILICON VALLEY BANK'S STANDBY L/C NUMBER THAT PERTAINS TO THE DRAWING.
7. DATED: ISSUANCE DATE OF THE STANDBY L/C.
8. BENEFICIARY'S NAME: NAME OF BENEFICIARY AS INDICATED IN THE L/C.
9. AUTHORIZED SIGNATURE: SIGNED BY AN AUTHORIZED SIGNER OF BENEFICIARY.

IF YOU NEED FURTHER ASSISTANCE IN COMPLETING THIS DRAFT, PLEASE CALL OUR L/C PAYMENT SECTION AND ASK FOR:

JOHN DOSSANTOS: 408-654-6274
LINDA WU: 408-654-7716