

ORIGINAL

FC



0000115571

DATE: JULY 02, 2010

IRREVOCABLE STANDBY LETTER OF CREDIT NO. [REDACTED]

REQUEST FOR CANCELLATION

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

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

ISSUER:
FORTIS BANK S.A./N.V.
NEW YORK BRANCH
JERSEY CITY, NJ 07310

Arizona Corporation Commission
DOCKETED

AUG 9 2010

DOCKETED BY [Signature]

T-20457A-06-0294

THIS IS NOT A NOTICE OF NON-RENEWAL OR NON-EXTENSION OF THIS LETTER OF CREDIT BUT INSTEAD IS A REQUEST FOR THE BENEFICIARY TO AGREE TO A CANCELLATION OF THIS LETTER OF CREDIT AND ACCEPT A REPLACEMENT LETTER OF CREDIT FROM BNP PARIBAS.

WE ARE REQUESTING THAT THIS LETTER OF CREDIT (THE "FORTIS LETTER OF CREDIT") BE CANCELLED AND REPLACED BY A LETTER OF CREDIT ISSUED BY BNP PARIBAS NEW YORK (THE "REPLACEMENT LETTER OF CREDIT"). THE REPLACEMENT LETTER OF CREDIT IS ENCLOSED WITH THIS CANCELLATION REQUEST BUT WILL BECOME OPERATIVE ONLY UPON RECEIPT OF YOUR WRITTEN CONSENT TO CANCELLATION OF THIS FORTIS LETTER OF CREDIT.

IF YOU ELECT NOT TO CONSENT TO THE CANCELLATION OF THE FORTIS LETTER OF CREDIT, WE WOULD ASK THAT YOU PROMPTLY RETURN THE REPLACEMENT LETTER OF CREDIT TO BNP PARIBAS AT THE NOTED ADDRESS FOR BNP PARIBAS.

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

[Signature]
AUTHORIZED SIGNATURE

PLEASE URGENTLY RETURN YOUR SIGNED WRITTEN CONSENT TO
FAX NO. 201-631-8330 OR EMAIL: USLCDEPT@US.FORTIS.COM.

WE HEREBY AGREE TO CANCEL FORTIS BANK SA/NV NEW YORK LETTER OF CREDIT NO. [REDACTED]

AUTHORIZED SIGNATURE

ARIZONA CORPORATION COMMISSION

RECEIVED
2010 AUG -9 P 3:51
ARIZONA CORPORATION
DOCKET CONTROL



BNP PARIBAS

BNP PARIBAS
TRADE SERVICES OPERATIONS
787 SEVENTH AVENUE
NEW YORK, NY 10019

DATE: JULY 02, 2010

FOR BNP PARIBAS REFERENCE ONLY:
LC NUMBER: ~~015000~~ USD AMOUNT: 35,000.00
EXPIRY DATE: APRIL 22, 2011

IRREVOCABLE STANDBY LETTER OF CREDIT NO. ~~015000~~

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

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

EXPIRATION DATE: APRIL 22, 2011 AT OUR COUNTERS

WE HEREBY ISSUE THIS LETTER OF CREDIT, IN REPLACEMENT OF FORTIS BANK S.A./N.V., NEW YORK LETTER OF CREDIT NUMBER ~~015000~~ INCLUSIVE OF ALL AMENDMENTS THERETO IF ANY. THEREFORE THIS LETTER OF CREDIT IS INOPERATIVE AT THIS TIME (AND THEREFORE NO PRESENTATIONS MAY BE MADE) BUT WILL BECOME AUTOMATICALLY OPERATIVE AND WILL THEN BE AVAILABLE FOR PRESENTATION ONLY UPON RECEIPT BY FORTIS BANK S.A./N.V., NEW YORK NO LATER THAN 5:00 P.M. NEW YORK CITY TIME ON AUGUST 2, 2010 OF A COPY OF YOUR WRITTEN AGREEMENT TO CANCEL THEIR LETTER OF CREDIT.

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. ~~015000~~ THIS LETTER OF CREDIT SHALL EXPIRE AT OUR OFFICE LOCATED AT BNP PARIBAS, EQUITABLE TOWER, 787 SEVENTH AVENUE, NEW YORK, NY 10019 ATTN: TRADE FINANCE SERVICES, AT OUR CLOSE OF BUSINESS ON APRIL 22, 2011, 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 (60) 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



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DATED: JULY 02, 2010
OUR REF: ~~99999999~~

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 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.

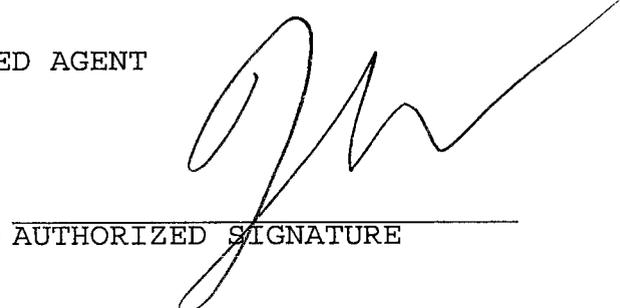
7. THIS LETTER OF CREDIT IS SUBJECT TO THE UNIFORM CUSTOMS AND PRACTICE FOR DOCUMENTARY CREDITS (2007 REVISION) INTERNATIONAL CHAMBER OF COMMERCE PUBLICATION NO. 600. NOTWITHSTANDING ARTICLE 36 OF SAID PUBLICATION, IN THE EVENT THAT ONE OR MORE OF THE OCCURRENCES SPECIFIED IN ARTICLE 36 OF SAID PUBLICATION 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 TO BNP PARIBAS IN ONE LOT VIA COURIER TO: BNP PARIBAS, EQUITABLE TOWER, 787 SEVENTH AVENUE, NEW YORK, NY 10019 ATTN: TRADE FINANCE SERVICES OR TO BNP PARIBAS RCC, INC., NEWPORT TOWER-SUITE 188, 525 WASHINGTON BOULEVARD, JERSEY CITY, NJ 07310 ATTN: TRADE FINANCE SERVICES.

CERTAIN ADMINISTRATIVE SERVICES FOR BNP PARIBAS MAY BE PROVIDED BY BNP PARIBAS RCC, INC. A WHOLLY OWNED SUBSIDIARY OF BNP PARIBAS.

BNP PARIBAS
BY: BNP PARIBAS RCC, INC., AS AUTHORIZED AGENT


AUTHORIZED SIGNATURE


AUTHORIZED SIGNATURE