

ORIGINAL

**iNETWORKS**

Group

125 S. Wacker Drive, Suite 2510  
Chicago, IL 60606  
312-212-0824

RECEIVED

2012 JUL -2 P 12:40

June 28, 2012

AZ CORP COMMISSION  
DOCKET CONTROL



0000137668

Arizona Corporation Commission  
Atten: Director of Utilities  
1200 W. Washington Street  
Phoenix, AZ 85007-2927

RE: iNETWORKS Group, Inc.  
Compliance Docket No. T-20639A-08-0579  
Decision No. 71219  
Replacement Letter of Credit

Arizona Corporation Commission  
**DOCKETED**

JUL 02 2012

**DOCKETED** *LM*

Dear Utilities Director:

In accordance with Decision No. 71219, iNETWORKS Group, Inc was required to provide an Irrevocable Letter of Credit to obtain and maintain a Certificate of Convenience and Necessity to provide Resold Local Exchange and Long Distance Communication Services (CC&N). The original Letter of Credit No. CTCS-768461, is dated June 19, 2009 and expires on June 30, 2012. The required value of the letter of credit is \$25,000. Please find attached the copy of replacement Letter of Credit for the Commission's review and acceptance by NORTH SHORE COMMUNITY BANK & TRUST COMPANY, 7800 LINCOLN AVENUE, SKOKIE, IL 60077. Once replacement Letter of Credit is accepted by the AZ Corporation Commission, the original letter of credit is to be returned to originating bank, JP Morgan Chase, N.A. at 131 South Dearborn, 5th Floor, Mail Code: IL1-0236, Chicago, Illinois 60603-5506. Please include the original letter of credit number in the correspondence.

If you need additional information please do not hesitate to contact me at 312-212-0824 or e-mail at [rokleshen@ingts.com](mailto:rokleshen@ingts.com).

Sincerely,

*Rhonda Okleshen*

Rhonda Okleshen  
Director of Finance

Enclosure (s)

**NORTH SHORE  
COMMUNITY BANK**  
& TRUST COMPANY<sup>®</sup>

DATE: JUNE 26, 2012

IRREVOCABLE STANDBY LETTER OF CREDIT NUMBER: [REDACTED]

BENEFICIARY:  
ARIZONA CORPORATION COMMISSION  
1200 W. WASHINGTON STREET  
PHOENIX, AZ 85007-2927

APPLICANT:  
INETWORKS GROUP INC.  
ATTN: DAVID J. SMAT  
125 S. WACKER DRIVE - SUITE 2510  
CHICAGO, IL 60606

EXPIRATION: DECEMBER 31, 2012 AT OUR COUNTERS  
AMOUNT: NOT EXCEEDING USD 25,000.00

INFORMATIONAL PURPOSE ONLY:

“WE ARE INFORMED THAT THE PURPOSE OF THIS LETTER OF CREDIT IS FOR THE SOLE BENEFIT OF THE COMPANY’S CUSTOMERS, IF THE COMMISSION FINDS IN ITS DISCRETION THAT THE COMPANY (INCLUDING ITS REPRESENTATIVES, SUCCESSORS OR ASSIGNS) IS IN DEFAULT OF ITS OBLIGATIONS ARISING FROM ITS CERTIFICATE OF CONVENIENCE AND NECESSITY. THE COMMISSION MAY USE THE LETTER OF CREDIT ON BEHALF OF THE COMPANY’S CUSTOMERS AS APPROPRIATE TO PROTECT THE COMPANY’S CUSTOMERS AND THE PUBLIC INTEREST AND TAKE ANY AND ALL ACTIONS THE COMMISSION DEEMS NECESSARY, IN ITS DISCRETION, INCLUDING, BUT NOT LIMITED TO RETURNING PREPAYMENTS, ADVANCES OR DEPOSITS COLLECTED FROM THE COMPANY’S CUSTOMERS.”

INETWORKS GROUP, INC. HAS REQUESTED OF NORTH SHORE COMMUNITY BANK & TRUST COMPANY (THE “LENDER”) TO ESTABLISH AN IRREVOCABLE LETTER OF CREDIT WHICH WILL REMAIN AVAILABLE UNTIL THE EXPIRATION DATE OR ANY FURTHER EXPIRATION DATE ON BEHALF OF INETWORKS GROUP, INC. (THE “COMPANY”) WHO HAS APPLIED TO THE ARIZONA CORPORATION COMMISSION (THE “ACC”) FOR AUTHORITY TO PROVIDE TELECOMMUNICATIONS SERVICES IN THE STATE OF ARIZONA.

WE HEREBY ISSUE IN FAVOR OF THE ACC, THIS IRREVOCABLE LETTER OF CREDIT AVAILABLE WITH US, IN THE AMOUNT OF TWENTY FIVE THOUSAND U.S. DOLLARS (USD 25,000.00) LAWFUL MONEY OF THE UNITED STATES OF AMERICA.

THE ACC MAY DRAW UPON THIS LETTER OF CREDIT BY DELIVERING THIS ORIGINAL LETTER OF CREDIT AND A LETTER OF CREDIT NOTICE, SUBSTANTIALLY IN THE FORM ATTACHED (“NOTICE”), WHICH NOTICE SHALL SPECIFY THE AMOUNT (THE “DRAW AMOUNT”) TO BE DRAWN AND THE BANK ACCOUNT (THE “BANK ACCOUNT”) TO WHICH THE DRAWN AMOUNT SHOULD BE DELIVERED AND SHALL BE SIGNED BY AN OFFICIAL DESIGNATED AND DULY AUTHORIZED BY THE ACC, TO THE LENDER AT THE ADDRESS LISTED BELOW, OR SUCH OTHER ADDRESS AS THE LENDER SHALL NOTIFY THE ACC IN WRITING BY COURIER. PROMPTLY AFTER THE DELIVERY OF EACH NOTICE IN COMPLIANCE WITH THE TERMS AND CONDITIONS OF THIS LETTER OF CREDIT, THE LENDER HEREBY COVENANTS AND AGREE TO DELIVER, BY WIRE TRANSFER OF IMMEDIATELY AVAILABLE FUNDS, THE DRAWN AMOUNT TO THE BANK ACCOUNT NUMBER AS INDICATED ON THE “NOTICE”.

THIS IS AN INTEGRAL PART OF NORTH SHORE COMMUNITY BANK & TRUST COMPANY STANDBY

PARTIAL DRAWINGS ARE NOT ALLOWED.

IT IS A CONDITION OF THIS LETTER OF CREDIT THAT THE EXPIRATION DATE SHALL BE AUTOMATICALLY EXTENDED WITHOUT AMENDMENT FOR ONE YEAR FROM THE EXPIRATION DATE HEREOF OR ANY FUTURE EXPIRATION DATE UNLESS AT LEAST THIRTY (30) DAYS PRIOR TO SUCH EXPIRATION DATE WE SEND NOTICE TO YOU (ACC) BY COURIER AT THE ADDRESS STATED ABOVE, THAT WE ELECT NOT TO EXTEND THIS LETTER OF CREDIT FOR ANY SUCH ADDITIONAL PERIOD. HOWEVER, IN NO EVENT SHALL THIS LETTER OF CREDIT EXTEND BEYOND JUNE 30, 2020.

THIS ORIGINAL LETTER OF CREDIT AND THE LETTER OF CREDIT NOTICE MUST BE PRESENTED AT OUR OFFICE AT NORTH SHORE COMMUNITY BANK & TRUST COMPANY, C/O WINTRUST FINANCIAL CORPORATION, 190 S LASALLE STREET, 22<sup>ND</sup> FLOOR, CHICAGO, IL 60603, ATTN: INTERNATIONAL SERVICES DEPT. NO LATER THAN DECEMBER 31, 2012 OR ANY FUTURE EXPIRATION DATE.

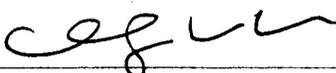
THE LENDER HEREBY REPRESENTS AND WARRANTS THAT IT IS QUALIFIED AND AUTHORIZED TO ISSUE THIS IRREVOCABLE STANDBY LETTER OF CREDIT.

THIS LETTER OF CREDIT IS GOVERNED BY, AND CONSTRUED IN ACCORDANCE WITH THE LAWS OF THE STATE OF NEW YORK, AND, EXCEPT AS OTHERWISE EXPRESSLY STATED HEREIN, TO THE INTERNATIONAL STANDBY PRACTICES 1998 ("ISP98"), INTERNATIONAL CHAMBER OF COMMERCE PUBLICATION NO. 590. AND IN THE EVENT OF ANY CONFLICT, THE LAWS OF THE STATE OF NEW YORK WILL CONTROL, WITHOUT REGARD TO PRINCIPLES OF CONFLICT OF LAWS.

EXCEPT AS EXPRESSLY STATED HEREIN, THE UNDERTAKING IS NOT SUBJECT TO ANY AGREEMENT, CONDITION OR QUALIFICATION. THE OBLIGATION OF NORTH SHORE COMMUNITY BANK & TRUST UNDER THIS LETTER OF CREDIT IS THE INDIVIDUAL OBLIGATION OF NORTH SHORE COMMUNITY BANK & TRUST AND IS NO WAY CONTINGENT UPON REIMBURSEMENT WITH RESPECT THERETO.

PLEASE CONTACT INTERNATIONAL SERVICES GROUP BY EMAIL AT [INTERNATIONALSERVICES@WINTRUST.COM](mailto:INTERNATIONALSERVICES@WINTRUST.COM) OR BY PHONE AT 312-291-2934 or 2939 REGARDING ANY INQUIRIES UNDER THIS LETTER OF CREDIT QUOTING THIS LETTER OF CREDIT NUMBER.

NORTH SHORE COMMUNITY BANK & TRUST COMPANY

  
\_\_\_\_\_  
AUTHORIZED SIGNATURE

  
\_\_\_\_\_  
AUTHORIZED SIGNATURE

THIS IS AN INTEGRAL PART OF NORTH SHORE COMMUNITY BANK & TRUST COMPANY STANDBY LETTER OF CREDIT NUMBER [REDACTED]

LETTER OF CREDIT NOTICE

TO:  
NORTH SHORE COMMUNITY BANK & TRUST COMPANY  
C/O WINTRUST FINANCIAL CORPORATION  
190 S LASALLE STREET, 22<sup>ND</sup> FLOOR  
CHICAGO, IL 60603  
ATTN: INTERNATIONAL SERVICES DEPARTMENT

DATE: \_\_\_\_\_

RE: LETTER OF CREDIT NUMBER [REDACTED]

YOU ARE HEREBY NOTIFIED, AND THE UNDERSIGNED HEREBY CERTIFIES, THAT THE UNDERSIGNED IS AN OFFICIAL DESIGNATED AND DULY AUTHORIZED BY THE ARIZONA CORPORATION COMMISSION TO DELIVER THIS NOTICE THAT THE COMMISSION HAS DETERMINED THAT THE COMPANY IS IN DEFAULT OF ITS OBLIGATIONS UNDER ITS CERTIFICATE OF CONVENIENCE AND NECESSITY THUS NECESITATING COMMISSION USE AND ACTION WITH RESPECT TO THE LETTER OF CREDIT REQUIRED BY DECISION NO. ....

IN ACCORDANCE WITH THE LETTER OF CREDIT REFERENCED ABOVE, WE HEREBY REQUEST THAT YOU DELIVER PAYMENT OF THE FULL AMOUNT OF THE LETTER OF CREDIT IN THE AMOUNT OF U.S.\$\_\_\_\_\_ ("DRAW AMOUNT") TO THE BANK ACCOUNT LISTED BELOW BY WIRE TRANSFER OF IMMEDIATELY AVAILABLE FUNDS:

NAME OF BANK: \_\_\_\_\_  
ACCOUNT NUMBER: \_\_\_\_\_  
ABA/ROUTING NUMBER: \_\_\_\_\_  
REFERENCE: \_\_\_\_\_  
NAME OF CONTACT: \_\_\_\_\_  
TELEPHONE NUMBER: \_\_\_\_\_  
FACSIMILE NUMBER: \_\_\_\_\_

PLEASE CONFIRM RECEIPT OF THIS NOTICE AND THE FEDERAL RESERVE WIRE CONFIRMATION NUMBER OF THE DELIVERY OF THE DRAW AMOUNT BY SENDING A FACSIMILE TO THE PERSON AT THE NUMBER LISTED ABOVE.

SINCERELY,

\_\_\_\_\_  
ARIZONA CORPORATION COMMISSION

