

## IRREVOCABLE LETTER OF CREDIT

Tennessee Public Utility Commission  
502 Deaderick St  
4th Floor  
Nashville, Tennessee 37243-0505

REFERENCE: Name of company authorized by TPUC: \_\_\_\_\_  
Company ID# as assigned by the TPUC: \_\_\_\_\_  
Irrevocable Letter of Credit Number: \_\_\_\_\_  
Effective Date: \_\_\_\_\_  
Expiration Date: \_\_\_\_\_

Sir/Madam:

You have requested of **[Name of Lending Institution]** (the "Lender") that we establish an irrevocable letter of credit which will remain available on behalf of **[Applicant]** (the "Company") who has applied to the Tennessee Public Utility Commission (the "TPUC") for authority to provide telecommunications services in the state of Tennessee. The purpose of this letter of credit is to secure payment of any monetary sanction imposed against the Company, its representatives, successors or assigns, in any enforcement proceeding brought under Title 65 of Tennessee Code Annotated or the Consumer Telemarketing Act of 1990, by or on behalf of the TPUC.

We hereby establish and issue, in favor of the TPUC, an irrevocable letter of credit in the amount of twenty thousand dollars (\$20,000.00) lawful money of the United States of America. The TPUC may draw upon this letter of credit, at any time and from time to time, by delivering a Letter of Credit Notice, substantially in the form set forth below (a "Notice"), which Notice shall specify the amount (the "Draw Amount") to be drawn and the bank account (the "Bank Account") to which the Draw Amount should be delivered and shall be signed by an official designated and duly authorized by the TPUC, to Lender at the address listed below, or to such other address as the Lender shall notify the TPUC in writing by certified mail. Promptly after the delivery of each Notice, the Lender hereby covenants and agrees to deliver, by wire transfer of immediately available funds, the Draw Amount to the Bank Account.

This letter of credit shall be deemed automatically renewed without amendment for successive one-year periods and may be canceled by the Lender by giving thirty (30) days advanced written notice by certified mail of such cancellation to the TPUC and the Company, it being understood that the Lender shall not be relieved of liability that may have accrued under this letter of credit prior to the date of cancellation.

The Lender hereby represents and warrants that it is qualified and authorized to issue this letter of credit and is a bank designated by the Treasurer of the State of Tennessee as an authorized depository bank for the deposit of state funds.

Except as otherwise expressly stated, this letter of credit is subject to the Uniform Customs and Practice for Documentary Credit (1993 Revision) International Chamber of Commerce Publication No. 500, or any revisions thereto.

Yours Very Truly,

**[Name of Lending Institution]**

\_\_\_\_\_  
**Name:**  
**Title:**

**Address of Lender:**

\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

**APPROVAL AND INDORSEMENT**

This is to certify that I have examined the foregoing letter of credit and found the same to be sufficient and in conformity to law and that the same has been filed with the Tennessee Public Utility Commission, State of Tennessee, this \_\_\_\_\_ day of \_\_\_\_\_, 20\_\_\_\_.

\_\_\_\_\_  
Name:  
Title

**FORM OF  
LETTER OF CREDIT NOTICE**

[Name of Lender]  
[Address]

Re: Irrevocable Letter of Credit No. [ ]

Dear Sir or Madam:

You are hereby notified, and the undersigned hereby certifies, that the undersigned is an official designated and duly authorized by the TPUC to deliver this notice and that a monetary sanction in the amount of \$\_\_ (the "Draw Amount") has been imposed against [**Applicant**] its representatives, successors or assigns, in an enforcement proceeding brought under Title 65 of Tennessee Code Annotated or the Consumer Telemarketing Act of 1990, by or on behalf of the TPUC.

Pursuant to that certain Irrevocable Letter of Credit referenced above, we hereby request that you deliver payment of the Draw Amount to the bank account listed below by wire transfer of immediately available funds:

Name of Bank Account: \_\_\_\_\_  
Account Number: \_\_\_\_\_  
ABA Routing Number: \_\_\_\_\_  
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,

**Tennessee Public Utility Commission**

\_\_\_\_\_  
Name:  
Title: