

Lisa Foust - NCC Letter of Credit

RECEIVED 10-00139

From: "Johnny McClanahan" <jmcclanahan@nctc.com>
To: <lisa.foust@tn.gov>
Date: 8/20/2010 4:45 PM
Subject: NCC Letter of Credit
CC: "Eileen Bodamer" <eileen@bodamer.com>

2010 NOV -3 PM 2: 58

T.R.A. DOCKET ROOM

Lisa,

The letter of credit for North Central Communications will be sent via FedEx to you on Monday.

Thanks,

Johnny McClanahan
VP Finance and Adm. Services
North Central Telephone Coop., Inc.
North Central Communications, Inc.
615-688-6419 voice
615-666-6244 fax

This message is intended solely for the use of the individual and entity to whom it is addressed, and may contain information that is privileged, confidential, and exempt from disclosure under applicable state and federal laws. If you are not the addressee, or are not authorized to receive for the intended addressee, you are hereby notified that you may not use, copy, distribute, or disclose to anyone this message or the information contained herein. If you have received this message in error, immediately advise the sender by reply email and destroy this message.

CITIZENS BANK

Main Office - 400 Highway 52 By-Pass West
P. O. Box 100 • Lafayette, TN 37083 • Phone (615) 666-2195

With Branches in Macon, Clay, Smith and Sumner Counties

IRREVOCABLE LETTER OF CREDIT

Tennessee Regulatory Authority
460 James Robertson Parkway
Nashville, Tennessee 37243-0505

REFERENCE: Name of Company authorized by TRA: North Central Communications, Inc.
Company ID # as assigned by TRA: 129097
Irrevocable Letter of Credit Number: 123
Effective Date: August 18, 2010
Expiration Date: August 18, 2011

Sir/Madam:

You have requested of Citizens Bank (the "Lender") that we establish an irrevocable letter of credit which will remain available on behalf of North Central Communications, Inc. (the "Company") who has applied to the Tennessee Regulatory Authority (the "TRA") for authority to provide telecommunication 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 TRA.

We hereby establish and issue, in favor of the TRA, an irrevocable letter of credit in the amount of twenty thousand dollars (\$20,000.00) lawful money of the United States of America. The TRA 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 TRA, to Lender at the address listed below, or to such other address as the Lender shall notify the TRA 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 TRA 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 Uniform Customs and Practice for Documentary Credit (1993 Revision) International Chamber of Commerce Publication No. 500, or any revisions thereto.

Yours Very Truly,

Citizens Bank


Name: Mike Whittemore
Title: Vice-President

Address of Lender:
400 Hwy. 52 By-Pass W.
P.O. Box 100
Lafayette, TN 37083

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 Regulatory Authority, State of Tennessee, this _____ day of _____, 20____.

Name:

Title:

FORM OF
LETTER OF CREDIT NOTICE

Citizens Bank
400 Hwy. 52 By-Pass W. /P.O. Box 100
Lafayette, TN 37083

Re: Irrevocable Letter of Credit No. 123

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 TRA 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 TRA.

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: _____
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,

TENNESSEE REGULATORY AUTHORITY

Name:

Title: