

Jean L. Kiddoo
Brett P. Ferenchak
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April 19, 2013

Via Overnight Courier

Chairman James M. Allison
c/o Sharla Dillon, Dockets and Records Manager
Tennessee Regulatory Authority
460 James Robertson Parkway
Nashville, TN 37243



Re: Joint Application of TNCI Operating Company LLC, Assignee, and Trans National Communications International, Inc. (Debtor-In-Possession), Assignor, for Approval for Assignee to Acquire the Customers and Certain Assets, Including the Certificates of Public Convenience and Necessity, of Assignor

Dear Chairman Allison:

On behalf of TNCI Operating Company LLC ("TNCI-OpCo") and Trans National Communications International, Inc. (Debtor-In-Possession) ("TNCI-DIP"), enclosed for filing are an original and thirteen (13) copies of the above-referenced Application. Also enclosed is a check in the amount of \$25.00 to cover the requisite filing fee.

TNCI-OpCo requests confidential treatment of its Financial Information labeled as Exhibit D. Exhibit D contains commercially and financially sensitive and competitively significant information that is not otherwise released to the public. Unrestricted availability of this information would provide competitors with knowledge that would be otherwise unavailable and could place TNCI-OpCo at a competitive disadvantage. Confidential and trade secret treatment is therefore required to avoid commercial and competitive injury.

Please date-stamp the extra copy of this filing and return it in the envelope provided. Should you have any questions concerning this filing, please do not hesitate to contact us

Respectfully submitted,

A handwritten signature in dark ink, appearing to read "Brett P. Ferenchak". The signature is fluid and cursive, with the first letters of the first and last names being capitalized and prominent.

Jean L. Kiddoo
Brett P. Ferenchak

Counsel for TNCI-OpCo

Beijing
Boston
Frankfurt
Hartford
Hong Kong
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Orange County
San Francisco
Santa Monica
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Bingham McCutchen LLP
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20006-1806

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**BEFORE THE
TENNESSEE REGULATORY AUTHORITY**

Joint Application of	:	
	:	
TNCI Operating Company LLC , Assignee,	:	
	:	
and	:	TRA Docket No. _____
	:	
Trans National Communications	:	
International, Inc. (Debtor-In-	:	
Possession) , Assignor,	:	
	:	
For Approval for Assignee to Acquire the	:	
Customers and Certain Assets, Including the	:	
Certificates of Public Convenience and	:	
Necessity, of Assignor	:	

JOINT APPLICATION

TNCI Operating Company LLC (“TNCI-OpCo”) and Trans National Communications International, Inc. (Debtor-In-Possession) (“TNCI-DIP”) (together, “Applicants”), by their undersigned representatives and pursuant to Section 65-4-112, 65-4-113 of the Tennessee Code, Rule 1220-4-2-.56(d) of the Tennessee Regulatory Authority (“Authority”), and any other law or rule deemed applicable by the Authority, respectfully request Authority approval, to the extent required, for TNCI-OpCo to acquire the customers (including the customers’ contracts) and certain assets¹, including the Certificates of Public Convenience and Necessity (“Certificates”) of TNCI-DIP, through a sale pursuant to Section 363 of the United States Bankruptcy Code (the “Transaction”).² As a result of the Transaction, TNCI-DIP’s customers will be transferred to TNCI-OpCo, which will become the service provider for those customers.

¹ Petitioners note that TNCI-DIP does not own any physical assets (facilities, switches or other equipment) located in Tennessee that are used or useful in the provision of intrastate telecommunications service.

² *In re Trans National Communications International, Inc.*, Chapter 11, Case No. 11-19595-WCH, U.S. Bankr. Court (E.D. Mass.)

As described below, the Transaction will be virtually transparent to customers of TNCI-DIP in terms of the services that those customers receive and the rates and terms of those services -- even though structured as a Section 363 asset purchase under the Bankruptcy Code, the Transaction will appear to customers and the public more like a transfer of control since TNCI-OpCo will have the same "TNCI" name with which customers are familiar, will maintain the same rates and terms of service, and will share many of the same technical, operational and managerial personnel as TNCI-DIP.

In support of this filing, Applicants provide the following information:

I. INTRODUCTION AND REQUEST FOR EXPEDITED TREATMENT

On October 9, 2011, Trans National Communications International, Inc., filed a voluntary petition for relief under Chapter 11 of Title 11, U.S.C. §§ 101 et seq., as amended, in the United States Bankruptcy Court for the District of Massachusetts (the "Bankruptcy Court"). Throughout the proceeding, TNCI-DIP has continued to operate its business and provide telecommunications services to its customers. The Bankruptcy Court approved the Transaction on March 13, 2013. The Agreement (as defined below) and Sale Order provide for an Initial Closing following receipt of approvals from the Federal Communications Commission ("FCC"), and for additional closings at approximately 45-day intervals until the Final Closing, which will occur on or before the 180th day following the Initial Closing. At each closing, TNCI-DIP will assign to TNCI-OpCo those assets and customers for which applicable state governmental approvals have been obtained in order to complete the assignment. Given the Chapter 11 status of TNCI-DIP, Applicants submit that the public interest would be served by the prompt transition of the business to TNCI-OpCo as quickly as possible, and therefore urge that Authority promptly approve the requested transfer to permit the transfer of the Tennessee customers and assets at the earliest possible time.

II. DESCRIPTION OF THE APPLICANTS

A. TNCI Operating Company LLC

TNCI-OpCo is a newly formed Delaware limited liability company with principal offices located at 114 E. Haley Street, Suite A, Santa Barbara, California 93101. Copies of TNCI-OpCo's Certificate of Formation and authority to transact business in Tennessee from the Secretary of State are attached as Exhibit A and B, respectively. TNCI-OpCo is a wholly owned subsidiary of TNCI Holdings LLC ("TNCI Holdings"), a Delaware limited liability company. TNCI Holdings is wholly owned by investment funds managed by Garrison Investment Group (collectively, the "Garrison Group"), a leading middle market investor.

TNCI-OpCo does not currently provide telecommunications services. Accordingly, Applicants are seeking the requisite approvals to assign TNCI-DIP's FCC licenses and, where permitted under state laws, its state certifications and permits, to TNCI-OpCo. (In those states where Applicants understand that the TNCI-DIP certifications cannot be assigned, TNCI-OpCo is seeking the same authorizations as currently held by TNCI-DIP so that TNCI-OpCo can continue to provide the same services as customers currently receive from TNCI-DIP.) To date, TNCI-OpCo has obtained authority to provide intrastate telecommunications services in Montana.

TNCI-OpCo is managed by individuals with significant experience in the telecommunications industry and will share many of the same technical, operational and managerial personnel as TNCI-DIP. Biographies of the key personnel of TNCI-OpCo are attached as Exhibit C.³ Further, TNCI-OpCo has been funded by Garrison Group. *Pro Forma*

³ As described in Exhibit C, Applicants note that Mr. Jeff Compton, TNCI-OpCo's President and Chief Executive Officer and a member of its Board of Directors, also serves as Chief Executive Officer and is a co-owner (49%) and Director of Blue Casa Telephone, LLC ("Blue Casa"), a non-dominant local and long distance provider offering services in California. Mr. Howard Brand, the other co-owner and a Director of Blue Casa, will also hold a seat on the Board of TNCI-OpCo but will not be an officer of TNCI-OpCo.

financial information for TNCI-OpCo is provided under seal as Confidential Exhibit D. As demonstrated by this information, TNCI-OpCo has the managerial, technical and financial qualifications to provide high quality telecommunications services to the customers of TNCI-DIP.

B. Trans National Communications International, Inc. (Debtor-In-Possession)

TNCI-DIP is a Delaware corporation with a principal business address at 2 Charlesgate West, Boston, Massachusetts 02215. TNCI-DIP offers an array of communications services including local and long distance service, audio/web conferencing, dedicated Internet Protocol ("IP")-enabled, integrated voice and data services, private line, frame relay, and enhanced network solutions. TNCI-DIP only provides service to business and enterprise customers.

In Tennessee, TNCI-DIP is authorized to provide (1) resold and facilities-based local exchange telecommunications service pursuant to a Certificate granted in Docket No. 05-00147 and (2) resold interexchange telecommunications service pursuant to a Certificate granted in Docket No. 99-00730. TNCI-DIP is also authorized to provide intrastate telecommunications services in the District of Columbia and every other state except Alaska. TNCI-DIP is authorized by the FCC to provide interstate and international telecommunications services.

III. CONTACTS

Questions or any correspondence, orders, or other materials pertaining to this filing should be directed to the following.

For TNCI-OpCo:

Jean L. Kiddoo
Brett P. Ferencak
Bingham McCutchen LLP
2020 K Street, N.W., Suite 1100
Washington, DC 20006-1806
202-373-6000 (tel)
202-373-6001 (fax)
jean.kiddoo@bingham.com
brett.ferencak@bingham.com

With a copy to:

Jeff Compton
CEO/President
TNCI Operating Company LLC
114 E. Haley Street, Suite A
Santa Barbara, CA 93101
jcompton@bluecasa.com

For Assignor:

Andrew Isar
Millar Isar Inc.
4423 Point Fosdick Drive, N.W.
Suite 306
Gig Harbor, WA 98335
253-851-6700 (tel)
866-474-3630 (fax)
aisar@millarisar.com

With a copy to:

Brian Twomey, President
Trans National Communications
International, Inc.
2 Charlesgate West
Boston, MA 02215
btwomey@TNCII.com

IV. DESCRIPTION OF THE TRANSACTION

Pursuant to an Asset Purchase Agreement, dated as of January 31, 2013 (the “Agreement”),⁴ TNCI-OpCo will acquire certain of the assets of TNCI-DIP, including TNCI-DIP’s customer accounts and contracts, telecommunications equipment, and, to the extent permitted under applicable law and regulations, certificates, licenses, registrations or other authorizations to provide intrastate, interstate, and international telecommunications services. The Bankruptcy Court approved the Agreement and the Transaction contemplated thereby on March 13, 2013. The Agreement and Sale Order provide for an Initial Closing following receipt of approvals from the FCC, and for additional closings at approximately 45-day intervals until the Final Closing, which will occur no later than the 180th day following the Initial Closing. At each closing, TNCI-DIP will assign to TNCI-OpCo those customers and

⁴ A copy of the Agreement is provided as Exhibit E.

assets for which applicable governmental approvals have been obtained in order to complete the assignment.

In the interest of assuring seamless and uninterrupted service, all of the assigned customers will continue to receive service from TNCI-OpCo under the same rates, terms and conditions of services as were previously provided by TNCI-DIP. As noted above, TNCI-DIP provides services only to business and enterprise customers. Its contracts with those customers will be assigned to TNCI-OpCo without any changes in their rates, terms or conditions. TNCI-OpCo plans to adopt TNCI-DIP's existing access tariff upon assignment of the Tennessee assets, but TNCI-OpCo will elect market regulation for its retail services and provide such retail services on a detariffed basis.. Future changes in the rates, terms and conditions of service to the affected customers will be undertaken pursuant to customer contracts and the applicable federal and state notice and tariff requirements.

Accordingly, as noted above, even though structured as a Section 363 asset purchase under the Bankruptcy Code, the Transaction will appear to customers and the public more like a transfer of control since TNCI-OpCo will maintain the same "TNCI" name with which customers are familiar, will have the same rates and terms of service, and will share many of the same technical, operational and managerial personnel as TNCI-DIP.

IV. PUBLIC INTEREST CONSIDERATIONS

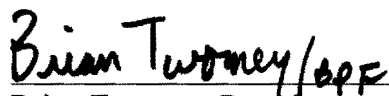
Applicants respectfully submit that the proposed Transaction serves the public interest. The Transaction will result in the assignment of TNCI-DIP customers to a financially stable company that will continue to provide telecommunications services to such assigned customers without interruption. TNCI-OpCo's operations will be overseen by a well-qualified management team with substantial telecommunications experience and technical expertise. In addition, the proposed Transaction is structured to assure an orderly transition of customers

from TNCI-DIP to TNCI-OpCo. In accordance with the terms of their service contracts and the rules and procedures of the FCC and applicable state(s), including this Authority, customers are being properly notified of the proposed transaction and the change in their telecommunications provider from TNCI-DIP to TNCI-OpCo. A sample of the notice that was sent to Tennessee customers on March 29, 2013, at least 30 days prior to their transfer, is provided in Exhibit F.

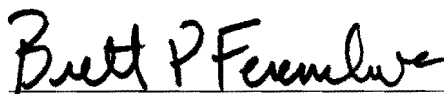
V. CONCLUSION

WHEREFORE, for the reasons set forth above, Applicants request the Authority grant all authority necessary for TNCI Operating Company LLC to acquire the customers and certain of the assets (including Certificates) of Trans National Communications International, Inc. (Debtor-In-Possession). Further, Applicants request that the Authority expeditiously act on this Application, so that TNCI-DIP's customers can be assigned to TNCI-OpCo at the earliest possible closing.

Respectfully submitted,



Brian Twomey, President
**TRANS NATIONAL COMMUNICATIONS
INTERNATIONAL, INC.**
2 Charlesgate West
Boston, MA 02215
617-369-1210 (tel)
617-369-1117 (fax)
btwomey@TNCII.com



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2020 K Street, N.W.
Washington, DC 20006-1806
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202-373-6001 (fax)
jean.kiddoo@bingham.com
brett.ferenchak@bingham.com

Counsel for TNCI Operating Company LLC

Dated: April 19, 2013

LIST OF EXHIBITS

Exhibit A	Certificate of Formation for TNCI-OpCo
Exhibit B	Authority to Transact Business for TNCI-OpCo
Exhibit C	Management Biographies for TNCI-OpCo
Exhibit D	Financial Information for TNCI-OpCo [CONFIDENTIAL -- SUBMITTED UNDER SEAL]
Exhibit E	Agreement
Exhibit F	Sample Customer Notice
Verification	

EXHIBIT A

Certificate of Formation for TNCI-OpCo

Delaware

PAGE 1

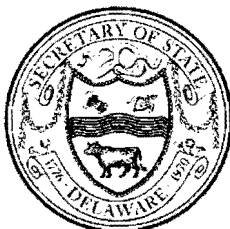
The First State


I, JEFFREY W. BULLOCK, SECRETARY OF STATE OF THE STATE OF DELAWARE, DO HEREBY CERTIFY THE ATTACHED IS A TRUE AND CORRECT COPY OF THE CERTIFICATE OF FORMATION OF "TNCI OPERATING COMPANY LLC", FILED IN THIS OFFICE ON THE NINTH DAY OF JANUARY, A.D. 2013, AT 4 O'CLOCK P.M.

5272302 8100

130030762

You may verify this certificate online
at corp.delaware.gov/authver.shtml




Jeffrey W. Bullock, Secretary of State
AUTHENTICATION: 0134267

DATE: 01-10-13

State of Delaware
Secretary of State
Division of Corporations
Delivered 04:51 PM 01/09/2013
FILED 04:00 PM 01/09/2013
SRV 130030762 - 5272302 FILE

**STATE of DELAWARE
LIMITED LIABILITY COMPANY
CERTIFICATE of FORMATION**

First: The name of the limited liability company is _____
TNCI Operating Company LLC

Second: The address of its registered office in the State of Delaware is _____
2711 Centerville Road, Suite 400 _____ in the City of Wilmington _____.
Zip code 19808 _____. The name of its Registered agent at such address is
Corporation Service Company

Third: (Use this paragraph only if the company is to have a specific effective date of dissolution: "The latest date on which the limited liability company is to dissolve is _____.")

Fourth: (Insert any other matters the members determine to include herein.)

--

In Witness Whereof, the undersigned have executed this Certificate of Formation this

9th _____ day of January _____, 2013.

By: _____
Authorized Person (s)

Name: Robert Feeney

EXHIBIT B

Authority to Transact Business for TNCI-OpCo



STATE OF TENNESSEE
Tre Hargett, Secretary of State
Division of Business Services
William R. Snodgrass Tower
312 Rosa L. Parks AVE, 6th FL
Nashville, TN 37243-1102

TNCI Operating Company LLC
STE A
114 E HALEY ST
SANTA BARBARA, CA 93101-2347

March 6, 2013

Filing Acknowledgment

Please review the filing information below and notify our office immediately of any discrepancies.

SOS Control # :	711954	Formation Locale:	DELAWARE
Filing Type:	Limited Liability Company - Foreign	Date Formed:	01/09/2013
Filing Date:	03/06/2013 11:06 AM	Fiscal Year Close:	12
Status:	Active	Annual Report Due:	04/01/2014
Duration Term:	Perpetual	Image # :	7158-1597
Managed By:	Manager Managed		

Document Receipt

Receipt # : 940328	Filing Fee:	\$300.00
Payment-Check/MO - CFS-1, NASHVILLE, TN		\$300.00

Registered Agent Address:
CORPORATION SERVICE COMPANY
2908 POSTON AVE
NASHVILLE, TN 37203-1312

Principal Address:
STE A
114 E HALEY ST
SANTA BARBARA, CA 93101-2347

Congratulations on the successful filing of your **Application for Certificate of Authority** for **TNCI Operating Company LLC** in the State of Tennessee which is effective on the date shown above. Visit the TN Department of Revenue website (apps.tn.gov/bizreg) to determine your online tax registration requirements.

You must file an Annual Report with this office on or before the Annual Report Due Date noted above and maintain a Registered Office and Registered Agent. Failure to do so will subject the business to Administrative Dissolution/Revocation.


Tre Hargett
Secretary of State

Processed By: Cheryl Donnell

**APPLICATION FOR CERTIFICATE OF AUTHORITY
LIMITED LIABILITY COMPANY** (ss-4233)

Page 1 of 2



Business Services Division
Tre Hargett, Secretary of State
State of Tennessee
312 Rosa L. Parks AVE, 6th Fl.
Nashville, TN 37243-1102
(615) 741-2286

Filing Fee: \$50.00 per member
(minimum fee = \$300, maximum fee = \$3,000)

For Office Use Only

FILED

To The Secretary of the State of Tennessee:

Pursuant to the provisions of T.C.A. §48-249-904 of the Tennessee Revised Limited Liability Company Act, the undersigned hereby applies for a certificate of authority to transact business in the State of Tennessee, and for that purpose sets forth:

1. The name of the Limited Liability Company is: TNCI Operating Company LLC

If different, the name under which the certificate of authority is to be obtained is: _____

NOTE: The Secretary of State of the State of Tennessee may not issue a certificate of authority to a foreign Limited Liability Company if its name does not comply with the requirements of T.C.A. §48-249-106 of the Tennessee Revised Limited Liability Company Act. If obtaining a certificate of authority under an assumed Limited Liability Company name, an application must be filed pursuant to T.C.A. §48-249-106(d).

2. The state or country under whose law it is formed is: Delaware

and the date of its formation is: 01 / 09 / 13 and the date it commenced doing business in Tennessee is: _____ / _____ / _____
Month Day Year Month Day Year

NOTE: Additional filing fees and proof of tax clearance confirming good standing may apply if the Limited Liability Company commenced doing business in Tennessee prior to the approval of this application. See T.C.A. §48-249-913(d) and T.C.A. §48-249-905(c)

3. This company has the additional designation of: _____

4. The name and complete address of its registered agent and office located in the state of Tennessee is:

Name: Corporation Service Company

Address: 2908 Poston Avenue

City: Nashville State: TN Zip Code: 37203 County: Davidson County

5. Fiscal Year Close Month: December

6. If the document is not to be effective upon filing by the Secretary of State, the delayed effective date and time is: (Not to exceed 90 days)

Effective Date: _____ / _____ / _____ Time: _____
Month Day Year

7. The LLC will be: ☒ Member Managed ☒ Manager Managed ☐ Director Managed ☐ Board Managed ☐ Other

8. Number of Members at the date of filing: 1

9. Period of Duration: ☒ Perpetual ☐ Other _____ / _____ / _____
Month Day Year

10. The complete address of its principal executive office is:

Address: 114 E Haley St Ste A

City: Santa Barbara State: CA Zip Code: 93106

78 3158.1597, 03/06/2013. 11:06:26. Received by Tennessee Secretary of State Tre Hargett

**APPLICATION FOR CERTIFICATE OF AUTHORITY
LIMITED LIABILITY COMPANY** (ss-4233)

Page 2 of 2



Business Services Division
Tre Hargett, Secretary of State
State of Tennessee
312 Rosa L. Parks AVE, 6th Fl.
Nashville, TN 37243-1102
(615) 741-2286

For Office Use Only

Filing Fee: \$50.00 per member
(minimum fee = \$300, maximum fee = \$3,000)

The name of the Limited Liability Company is: TNCI Operating Company

11. The complete mailing address of the entity (If different from the principal office) is:

Address: _____
City: _____ State: _____ Zip Code: _____

12. Non-Profit LLC (required only if the Additional Designation of "Non-Profit LLC" is entered in section 3.)

☐ I certify that this entity is a Non-Profit LLC whose sole member is a nonprofit corporation, foreign or domestic, incorporated under or subject to the provisions of the Tennessee Nonprofit Corporation Act and who is exempt from franchise and excise tax as not-for-profit as defined in T.C.A. §67-4-2004. The business is disregarded as an entity for federal income tax purposes.

13. Professional LLC (required only if the Additional Designation of "Professional LLC" is entered in section 3.)

☐ I certify that this PLLC has one or more qualified persons as members and no disqualified persons as members or holders.
☐ I certify that this entity meets the requirement of T.C.A. §48-249-1123(b)(3)

Licensed Profession: _____

14. Series LLC (required only if the Additional Designation of "Series LLC" is entered in section 3.)

☐ I certify that this entity meets the requirements of T.C.A. §48-249-309(i)

If the provisions of T.C.A. §48-249-309(i) (relating to foreign series LLCs) apply, then the information required by that section should be attached as part of this document.

15. Obligated Member Entity (list of obligated members and signatures must be attached)

☐ This entity will be registered as an Obligated Member Entity (OME) Effective Date: _____
Month Day Year

☐ I understand that by statute: THE EXECUTION AND FILING OF THIS DOCUMENT WILL CAUSE THE MEMBER(S) TO BE PERSONALLY LIABLE FOR THE DEBTS, OBLIGATIONS AND LIABILITIES FOR THE LIMITED LIABILITY COMPANY TO THE SAME EXTENT AS A GENERAL PARTNER OF A GENERAL PARTNERSHIP. CONSULT AN ATTORNEY.

16. Other Provisions: _____

3-3-12
Signature Date

President & CEO & Manager
Signer's Capacity (if other than individual capacity)

[Signature]
Signature

Jeff Compton
Name (printed or typed)

Delaware

PAGE 1

The First State

I, JEFFREY W. BULLOCK, SECRETARY OF STATE OF THE STATE OF DELAWARE, DO HEREBY CERTIFY "TNCI OPERATING COMPANY LLC" IS DULY FORMED UNDER THE LAWS OF THE STATE OF DELAWARE AND IS IN GOOD STANDING AND HAS A LEGAL EXISTENCE SO FAR AS THE RECORDS OF THIS OFFICE SHOW, AS OF THE TWENTY-FIRST DAY OF FEBRUARY, A.D. 2013.

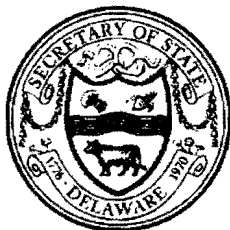
AND I DO HEREBY FURTHER CERTIFY THAT THE SAID "TNCI OPERATING COMPANY LLC" WAS FORMED ON THE NINTH DAY OF JANUARY, A.D. 2013.

AND I DO HEREBY FURTHER CERTIFY THAT THE ANNUAL TAXES HAVE NOT BEEN ASSESSED TO DATE.

5272302 8300

130202466

You may verify this certificate online
at corp.delaware.gov/authver.shtml




Jeffrey W. Bullock, Secretary of State
AUTHENTICATION: 0229421

DATE: 02-21-13

7158.1599, 03/06/2013, 11:06:27, Received by Tennessee Secretary of State Tre Hargett

EXHIBIT C

Management Biographies

JEFF COMPTON

**PRESIDENT AND CEO, TNCI OPERATING COMPANY LLC
MEMBER, TNCI HOLDINGS LLC**

Mr. Compton is the President and Chief Executive Officer of TNCI Operating Company LLC ("TNCI-OpCo") and a member of its parent company, TNCI Holdings LLC. He is also the President and Chief Executive Officer of Blue Casa Telephone, LLC ("BCT"), a land-line telephone company dedicated to serving the Hispanic market. As President and CEO of TNCI-OpCo and BCT, Mr. Compton manages all aspects of their telecommunications operations, including planning, marketing, sales, and day-to-day management. Mr. Compton has worked in the telecommunications industry for 18 years, and for the past 2 years has served as CEO/President of BCT, a CLEC offering residential and business telecommunication services. His areas of expertise include strategic planning, operation and administration of local exchange carriers, financing, program development, and general business management.

Mr. Compton began his telecommunications career as a Manager of Network Operations for FirstWorld Communications, a fiber over-builder in Anaheim California. Subsequently, Mr. Compton was one of the original 10 employees of Telscape Communications ("Telscape"), holding positions in network operations and provisioning and sales. Mr. Compton undertook regulatory responsibilities at Telscape between 2002 and 2009, ultimately as VP – Regulatory for Telscape. In that position, Mr. Compton was responsible for regulatory reporting, compliance, and communication with all regulatory agencies and Commissions. Following Telscape, Mr. Compton was an independent consultant for a number of CLECs helping them resolve regulatory compliance issues and industry disputes.

Most recently, Mr. Compton co-founded, and is currently the President and CEO of BCT, which purchased all of the assets of Blue Casa Communications, Inc. ("BCC"), a then failing telecommunications business. Mr. Compton successfully managed the transfer of customers from BCC to BCT with no disruption of service. This experience demonstrates his ability to successfully guide a company through the acquisition of assets and customers from a financially distressed company.

Mr. Compton has a Bachelor of Science degree in Business Management from the University of Phoenix.

HOWARD BRAND

MEMBER, TNCI HOLDINGS LLC

Over the past 30 years, Howard Brand has established himself as a successful and accomplished entrepreneur and executive, with a focus in manufacturing, production and operations. During this time period, Mr. Brand has been successful in the acquisition, management, repositioning and divestiture of many private companies.

Mr. Brand is the President of HNB Capital LLC, a Los Angeles-based investment banking firm, specializing in acquisitions and-debt based corporate finance. Mr. Brand is a director of Color Labs Enterprises, Chatsworth Data, IOG Products and Gameworks Entertainment. Mr. Brand provides management oversight through active participation on the Board of Directors/Managers. Mr. Brand helps management by, among other things, providing guidance in developing various corporate management tools (such as dashboards, SWOT analysis, metric reviews and budgeting).

Mr. Brand participated in the funding of Blue Casa Telephone, LLC in March, 2011 and is currently a Director of the company. Mr. Brand has assisted BCT with its financial reporting and procedures. With the new management team, Mr. Brand has stabilized its customer operations and made it profitable its acquired the assets of BCC.

Mr. Brand is a native of California and grew up in Los Angeles. He holds a BA in Economics from UCLA and an MBA from the University of West Los Angeles.

STEFANIE EDWARDS

Stefanie Edwards joined Blue Casa Telephone in 2005. She is currently Vice President of Operations at BCT and will have similar responsibilities at TNCI Operating Company LLC. Ms. Edwards is responsible for billing, finance and call center operations, risk management, regulatory and human resources. Her experience includes operations and processes reengineering, change management, quality assurance controls & standards, systems development & enhancements, performance management and leadership development.

Ms. Edwards hold a Bachelor of Arts in Psychology, from the University of California, Santa Barbara.

PETER A. HELMS

Mr. Helms is currently Director of Carrier Relations at Trans National Communications International, Inc. and will have similar responsibilities at TNCI Operating Company, LLC upon completion of the Transaction. In his current role, Mr. Helms is responsible

for product lifecycle for both on-net and resold services (collaborating with Network Engineering and Operations to roll out an on-net product offering – TNCInet), establishing and negotiating contracts with carriers and other vendors, and overseeing regulatory and corporate compliance with the FCC, PUCs, State and local authorities.

Mr. Helms began his telecommunication career in 1995 at Teleport Communications Group (“TCG”), one of the nation’s first Competitive Local Exchange Carriers (“CLEC”). During his tenure at TCG, Mr. Helms held roles in External Affairs (Public Affairs and Investor Relations), Marketing and Project Management. Six months after TCG was purchased by AT&T Corp., Mr. Helms began working for Network Plus in Product Management and Marketing where he lead the product definition process and successfully developed and established all resold and facility based pricing and product offerings. In 2002, Broadview Networks purchased Network Plus and retained him in the role of Director of Field Marketing where he continued to provide pricing, product and marketing support to all sales channels. In May of 2003, Mr. Helms was promoted to Director of Account Management where his team was responsible for 40% of the company’s billable customer base and met and exceeded churn targets and sales forecasts and ensured overall customer satisfaction.

Mr. Helms holds a Bachelor of Arts in English and Literature from Keene State University.

JOSHUA PLOUDE

Mr. Ploude has been Chief Technology Officer of Trans National Communications International, Inc. since 2008. He was responsible for planning and executing the deployment of a nationwide network for the company delivering business dialtone, dedicated internet access and MPLS VPN services. Mr. Ploude will have similar responsibilities at TNCI Operating Company LLC.

Mr. Ploude has been working in the telecommunications industry since 1999. In 2001 Ploude became the C.T.O. of PCS1, a California-wide facilities based CLEC. While at PCS1 Ploude was responsible for deploying legacy TDM and next-generation voice over IP network services across a 70 central office footprint in California. Ploude was also responsible for regulatory, provisioning, customer service and sales organizations during his time at PCS1. Following PCS1 Ploude founded and ran Ethos Communications Group, Inc. a consultancy focusing on technology and business development for communications service providers including CLECs, ISPs and triple-play service providers. Ethos also provided operational and OSS development services as well as network planning and deployments.

Mr. Ploude holds a B.S. in Political Science from U.C.L.A. and a M.S. in Telecommunications Management from Golden Gate University.

EXHIBIT D

Financial Information for TNCI-OpCo

[CONFIDENTIAL - SUBMITTED UNDER SEAL]

TNCI-OpCo requests confidential treatment of its Financial Information labeled as Exhibit D. Exhibit D contains commercially and financially sensitive and competitively significant information that is not otherwise released to the public. Unrestricted availability of this information would provide competitors with knowledge that would be otherwise unavailable and could place TNCI-OpCo at a competitive disadvantage. Confidential and trade secret treatment is therefore required to avoid commercial and competitive injury.

EXHIBIT E

Agreement

ASSET PURCHASE AGREEMENT

January 31, 2013

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TABLE OF CONTENTS

	Page
ARTICLE I DEFINITIONS	1
1.1 Defined Terms	1
ARTICLE II PURCHASE AND SALE OF ASSETS BY BUYER, ASSUMPTION OF LIABILITIES AND PURCHASE PRICE	5
2.1 Purchase and Sale of Assets	5
2.2 Excluded Assets	7
2.3 Assumption of Liabilities	8
2.4 Liabilities Not Assumed	8
2.5 Deposit; Purchase Price	9
ARTICLE III THE CLOSING	9
3.1 Closings	9
3.2 Conveyances at Closing	11
3.3 Transaction Expenses	12
3.4 Notices	12
3.5 Other Closing Matters	13
ARTICLE IV REPRESENTATIONS AND WARRANTIES OF SELLER	13
4.1 Authorization of Seller	13
4.2 Organization	13
4.3 Title to Assets; Monthly Operating Reports; Absence of Liens and Encumbrances, etc	13
4.4 Brokers	13
4.5 Governmental Permits	13
4.6 Consents and Approvals	15
4.7 Financial Statements	15
4.8 Litigation	15
4.9 Intellectual Property	16
ARTICLE V REPRESENTATIONS AND WARRANTIES OF BUYER	17
5.1 Carrier Agreements	17
5.2 Authorization	17
5.3 Organization of Buyer	17
5.4 Financing	17

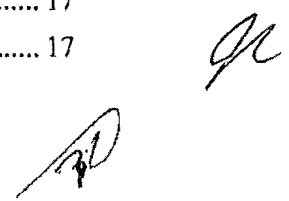


TABLE OF CONTENTS
(continued)

	Page
5.5 Brokers.....	17
ARTICLE VI COVENANTS	18
6.1 Access	18
6.2 Employees.....	18
6.3 Further Assurances	18
6.4 Condition of the Acquired Assets; Survival of Seller Representations and Warranties.....	18
6.5 Assumption of Executory Contracts	18
6.6 Access to Information; Maintenance of Records.....	19
6.7 Conduct of Seller's Business	20
6.8 Cooperation.....	20
6.9 Rates	21
6.10 Name.....	21
ARTICLE VII CONDITIONS TO SELLER'S OBLIGATIONS	21
7.1 Entry of Sale Approval Order	21
7.2 Instruments of Conveyance	21
7.3 Payment of the Purchase Price.....	21
7.4 Representation and Warranties	21
ARTICLE VIII CONDITIONS TO BUYER'S OBLIGATIONS.....	22
8.1 Entry of Bidding Procedure Order and Sale Approval Order.....	22
8.2 Instruments of Conveyance	22
8.3 Access to Books and Records.....	22
8.4 Representation and Warranties	22
8.5 Conduct of Seller's Business	22
8.6 Approvals.....	22
8.7 Taxes.....	22
8.8 Centurylink	22
8.9 Interim and Final Closing Conditions.....	23
ARTICLE IX MISCELLANEOUS	23
9.1 Sale Pleadings; Bidding Procedures; Termination Fee.....	23

TABLE OF CONTENTS
(continued)

	Page
9.2 Termination.....	26
9.3 Assignment; Successors.....	27
9.4 Notices	28
9.5 Choice of Law; Jurisdiction.....	28
9.6 Entire Agreement; Amendments and Waivers	29
9.7 Construction.....	29
9.8 Third Party Beneficiaries	29
9.9 No Waiver.....	29
9.10 Multiple Counterparts	29
9.11 Invalidity	29
9.12 Publicity	30
9.13 Cumulative Remedies	30
9.14 Representation by Counsel; Mutual Negotiation.....	30
9.15 Time.....	30

ASSET PURCHASE AGREEMENT

This Asset Purchase Agreement (this "Agreement"), dated as of January 31, 2013, is by and between Trans National Communications International, Inc., a Delaware corporation ("Seller"), and Blue Casa Telephone, LLC, a California limited liability company or its nominee ("Buyer" and together with Seller the "Parties", or individually a "Party").

WITNESSETH

WHEREAS, Seller has filed for protection as a debtor-in-possession under Chapter 11 of the United States Bankruptcy Code in Case No. 11-19595-WCH, (the "Bankruptcy Case") in the United States Bankruptcy Court for the District of Massachusetts (the "Bankruptcy Court");

WHEREAS, Buyer desires to purchase from Seller, and Seller desires to sell to Buyer, the Acquired Assets (as defined below), subject to the terms and conditions of this Agreement; and

WHEREAS, the Acquired Assets will be sold pursuant to the terms of this Agreement and an Order of the Bankruptcy Court approving and authorizing such sale under Section 363 of the Bankruptcy Code pursuant to a Sale Approval Order (as defined below).

NOW, THEREFORE, in consideration of the foregoing and the mutual covenants and promises contained herein and for other good and valuable consideration, the receipt and adequacy of which are hereby acknowledged, the Parties hereto agree as follows:

ARTICLE I

DEFINITIONS

1.1 **Defined Terms.** In addition to terms that are used and otherwise defined in this Agreement, the terms below shall have the following meanings:

"Accounts Receivable" shall mean the Seller's gross accounts receivable, notes receivable or other obligations receivable due from third parties, without adjustments for reserves or allowances for doubtful accounts, including, without limitation, CABS receivables.

"Acquired Assets" shall have the meaning set forth in Section 2.1.

"Agent" shall mean a sales agent with whom Seller has an executory contract and, in the plural, all such agents.

"Agreement" shall have the meaning set forth on page 1 of this Agreement.

"Approved States" shall mean any and all States with respect to which (a) Regulatory Approval has been obtained, and (b) Buyer has received all requisite licenses and approvals for operations by Buyer.

"Assumed Contract" shall mean any contract, agreement, lease and/or license that (a) is listed on Schedules 2.1(e), 2.1(f) and 2.1(g) of this Agreement, as same may be amended from time to time in accordance with Section 6.5 of this Agreement, or is an agreement with a current customer of Seller; (b) is subject to an order entered by the Bankruptcy Court that authorizes Seller to assume and assign the contract, agreement, lease and/or license to Buyer free and clear of Encumbrances; and (c) is actually assumed by Seller and assigned to Buyer.

"Assumed Liabilities" shall mean only those liabilities expressly assumed by Buyer under this Agreement, including, without limitation, liabilities for Assumed Contracts arising after such Assumed Contracts are assumed by Seller and assigned to Buyer, and no others.

"Auction" shall mean the auction that shall, subject to the terms of this Agreement, be scheduled to take place for the sale of the Acquired Assets pursuant to the Bidding Procedures Order.

"Bankruptcy Case" shall have the meaning set forth on page 1 of this Agreement.

"Bankruptcy Code" shall mean the United States Bankruptcy Code, 11 U.S.C. § 101 et seq., as amended to date.

"Bankruptcy Court" shall have the meaning set forth on page 1 of this Agreement.

"Bidding Deadline" shall have the meaning set forth in Section 9.1.

"Bidding Procedures" shall have the meaning set forth in Section 9.1.

"Bidding Procedures Motion" shall have the meaning set forth in Section 9.1.

"Bidding Procedures Order" shall have the meaning set forth in Section 9.1.

"Business Day" shall mean any day excluding Saturday, Sunday and any day that is a legal holiday within the meaning of Rule 9006(a) of the Federal Rules of Bankruptcy Procedure.

"CABS" shall mean Seller's carrier access billing services.

"Cancelled Accounts" shall mean all cancelled and/or non-active customer accounts that have been terminated within the 12 month period prior to the Initial Closing.

"Centurylink" shall have the meaning set forth in Section 8.8.

"Carriers" shall mean all carriers with whom Seller has contracts or agreements for local, long distance, data and/or other related telecommunications services.

"Carrier Consent and Waiver" shall mean an agreement between Buyer, Seller and a Carrier, on terms that are reasonably acceptable to Buyer and Seller, pursuant to which, among other things, the Carrier shall: (a) consent to the transactions contemplated by this Agreement, including, without limitation, the transfer to Buyer of Seller's Customer Accounts that are serviced by such Carrier; and (b) except for claims for post-Petition Date services provided in the

ordinary course of business and claims specifically preserved in the Carrier Consent and Waiver, release its claims against Seller and Seller's bankruptcy estate.

"Carrier Orders" shall mean the orders of the Bankruptcy Court providing Carriers with adequate assurance of payment pursuant to Section 366 of the Bankruptcy Code.

"Cash Purchase Price" shall have the meaning set forth in Section 2.5(b).

"Closing Date" shall mean the date on which a Closing is held.

"Closings" shall mean the Initial Closing, any Interim Closing(s) and the Final Closing, as defined in Section 3.1 of this Agreement.

"Competing Bid" shall have the meaning set forth in Section 9.1.

"Competing Transaction" shall have the meaning set forth in Section 9.1.

"Contract Assumption Schedules" shall have the meaning set forth in Section 6.5.

"Cure Claim" shall mean the amount necessary to cure, pursuant to Section 365(b) of the Bankruptcy Code, any defaults in an executory contract or unexpired lease of Seller, which amount shall be determined either: (a) by a written agreement, approved by the Bankruptcy Court, between Seller, Buyer and the counterparty to the executory contract or unexpired lease, or (b) by an Order of the Bankruptcy Court.

"Customer Accounts" shall mean the accounts of all of Seller's active customers[and Cancelled Accounts].

"Customer Contracts" shall have the meaning set forth in Section 2.1.

"Deposit" shall have the meaning set forth in Section 2.5.

"Encumbrance" shall mean any interest, pledge, lien, mortgage, security interest, judgment, demand, successor liability claim, charge of any kind or nature, claim (as and to the full extent that term is defined in Bankruptcy Code Section 101(5) of the Bankruptcy Code), obligation, option or right, whether imposed by agreement, understanding, law, equity or otherwise (whether legal or equitable, secured or unsecured, matured or unmatured, contingent or non-contingent, liquidated or unliquidated, senior or subordinated) in or with respect to any assets of Seller and/or against Seller.

"Escrow Agent" shall have the meaning set forth in Section 2.5.

"Escrow Agreement" shall have the meaning set forth in Section 3.2.

"Escrow Amount" shall have the meaning set forth in Section 3.1.

"Excluded Assets" shall have the meaning set forth in Section 2.2.

"FCC" shall mean the Federal Communications Commission.

"FCC Consents" shall have the meaning set forth in Section 5.2.

"Final Assets" shall mean all Acquired Assets other than any assets transferred to Buyer at the Initial Closing or an Interim Closing.

"Final Closing" shall have the meaning set forth in Section 3.1.

"Final Closing Date" shall have the meaning set forth in Section 3.1.

"Final Order" shall mean a final, non-appealable order entered by the Bankruptcy Court, as to which order no court of competent jurisdiction shall have reversed the order or entered an order staying the order pending appeal.

"Governmental Body" shall mean any government, quasi-governmental entity or other governmental or regulatory body or agency, whether foreign, federal, state or local, or any agency, instrumentality, court or authority thereof.

"Governmental Permits" has the meaning set forth in Section 4.5(a).

"Initial Assets" shall mean: (a) those Customer Accounts along with any and all other Acquired Assets associated with operations in Approved States, (b) Seller's Accounts Receivable as of the Initial Closing (as defined below), and (c) all other Acquired Assets that may be transferred to the Purchaser without Regulatory Approval and that are designated by Buyer for transfer at the Initial Closing.

"Initial Closing" shall have the meaning set forth in Section 3.1.

"Initial Closing Date" shall have the meaning set forth in Section 3.1.

"Interim Closing(s)" shall have the meaning set forth in Section 3.1.

"Licenses" shall have the meaning set forth in Section 2.1.

"Management Services Agreement" shall mean the agreement, in form and substance substantially similar to the agreement attached as Exhibit A, pursuant to which Buyer shall operate Seller's business following the Initial Closing.

"Parties" and **"Party"** shall have the meanings set forth on page 1 of this Agreement.

"Person" shall mean any individual, corporation, partnership, limited liability company, trust, association, joint venture or other entity of any kind whatsoever.

"Petition Date" shall mean October 9, 2011.

"Purchase Price" shall have the meaning set forth in Section 2.5.

"Receivables Purchase Price" shall have the meaning set forth in Section 2.5.

"Regulatory Approval" shall mean any consent, waiver, approval, order, communications license, or authorization of the FCC or the State PUCs required in connection with the execution and consummation of this Agreement.

"Regulatory Payments" shall mean the amounts necessary to satisfy any asserted regulatory fees, assessments, fines, penalties or other payments assessed by the FCC, any State PUC, and the Universal Service Administrative Company, based upon Seller's revenues or Seller's conduct of the business prior to the Initial Closing Date.

"Release Ratio" shall mean, with respect to the Initial Closing and the Interim Closings, the percentage derived by dividing (a) the amount of monthly revenue for the last full month preceding the respective Closing, generated by the Customer Accounts, as of the respective Closing, in those states as to which Regulatory Approval for the transfer of such Customer Accounts to Buyer has been received since the last Closing Date, by (b) the amount of monthly revenue, for the last full month prior to the Initial Closing for all of Seller's Customer Accounts.

"Requirements of Laws" means any federal, state and local laws, statutes, regulations, regulatory requirements, rules, codes or ordinances enacted, adopted, issued or promulgated by any Governmental Body or common law.

"Sale Approval Order" shall mean an Order of the Bankruptcy Court, naming Buyer as the winning bidder at the Auction and approving consummation of the transactions contemplated hereby by Buyer and Seller, certified by the clerk of the Bankruptcy Court as a true and correct copy of such Order, reasonably satisfactory in form and substance to Buyer, Seller and their respective counsel, entered after a hearing conducted on adequate notice given in the Bankruptcy Case.

"Sale Hearing" shall mean the hearing by the Bankruptcy Court on the Sale Motion.

"State PUC" shall mean the agencies or commission or other Governmental Bodies with jurisdiction over Seller, including, but not limited to, any public utility commission, statute regulatory agency or municipality.

"State PUC Consents" shall have the meaning set forth in Section 5.2.

"Termination Fee" shall have the meaning set forth in Section 9.1.

"Unbilled Revenue" shall mean the revenue associated with the goods and services provided by Seller to its customers (including, without limitation, CABS) as of the Initial Closing Date that has not been invoiced or billed to such customers as of the Initial Closing Date.

ARTICLE II

PURCHASE AND SALE OF ASSETS BY BUYER, ASSUMPTION OF LIABILITIES AND PURCHASE PRICE

2.1 **Purchase and Sale of Assets.** Upon the terms and subject to the conditions and provisions contained herein and in the Sale Approval Order, Seller shall sell, convey, transfer, assign and deliver to Buyer (or a nominee of Buyer), to the extent transferable under applicable laws, rules and regulations, and Buyer (or a nominee of Buyer) shall acquire and accept from Seller, free and clear of any and all Encumbrances, any and all right, title and interest in and to Seller's tangible and intangible assets used in the operation of its business (collectively the "Acquired Assets"), including, but not limited to, the following:

- (a) Accounts Receivable and Unbilled Revenue, as of the Initial Closing Date, and any Accounts Receivable and Unbilled Revenue generated by the Seller thereafter, subject to and in accordance with the Management Services Agreement;
- (b) Revenue from Seller's active Customer Accounts that accrues after the Initial Closing, subject to and in accordance with the Management Services Agreement;
- (c) All Customer Accounts and all Contracts with Customer Accounts as of the Initial Closing; provided, however, that the final listing of Customer Accounts and Contracts with Customer Accounts included in the Acquired Assets at the Initial Closing shall be set forth by Seller in the appropriate instrument of conveyance delivered at the applicable Closing and shall be materially accurate and complete as of the Initial Closing;
- (d) A list of all Cancelled Accounts, if any;
- (e) Subject to Section 6.5, the Assumed Contracts of Carriers set forth on Schedule 2.1(e);
- (f) Subject to Section 6.5, (i) the Assumed Contracts of Agents, and (ii) the two (2) switch site leases, in each case set forth on Schedule 2.1(f);
- (g) Furniture, fixtures and equipment, including (i) telephony infrastructure, switches, other voice and data switching equipment, network equipment, routing equipment and interconnection equipment; (ii) all furniture, signs and office equipment or otherwise used in the business, and (iii) the executory contracts, licenses and/or leases associated with the foregoing, all as set forth on Schedule 2.1(g); provided that, in the event Buyer does not assume the unexpired lease with RBS Asset Finance, Inc., the equipment that is the subject of that lease shall be an Excluded Asset;
- (h) Websites, web domain names and website development used to provision and support the current Customer Accounts, all as set forth on Schedule 2.1(g);

- (i) Seller's intangible assets (which may be otherwise described above) used in the operation of Seller's business, including Seller's name, and any and all goodwill of Seller, and any owned or licensed software;
- (j) Copies of any and all information and records related to the Customer Accounts that are captured in the Seller's operating support systems in electronic format, and all other documents and materials wherever located that are used in, held for use in or intended to be used in, or that arise out of or relate to, the business or the Acquired Assets, including materials and documents relating to services, marketing, advertising, promotional activities, trade shows, and all files, supplier lists, records, literature and correspondence, but excluding (i) personnel files for employees of Seller, (ii) such files as may be required to be withheld under applicable law regarding privacy, and (iii) any documents that are not relevant to the Acquired Assets;
- (k) Sellers' Operating Company Numbers, Access Customer Name Abbreviations and Carrier Identification Codes;
- (l) To the extent transfer is permitted under the Bankruptcy Code or other applicable law, all permits, licenses, certificates, variances, exemptions, orders, approvals, tariffs, rate schedules and similar documents from any Governmental Body (collectively, "Licenses") necessary for the lawful ownership of the Acquired Assets or other lawful conduct of the business as currently conducted;
- (m) All rights of Seller under non-disclosure or confidentiality, non-compete, or non-solicitation agreements with employees and agents of the seller or with third parties to the extent relating to the Acquired Assets, including, without limitation, the Customer Accounts, but excluding any employment agreements containing any such agreements;
- (n) All rights, claims, credits, causes of action or rights of set-off against third parties relating to the Acquired Assets (including, for the avoidance of doubt, those arising under, or otherwise relating, to the Assigned Contracts), including rights under vendors' and manufacturers' warranties, indemnities and guaranties; provided, however, that nothing in this subsection shall include any claims Seller may have arising out of or related to any actions commenced by Seller or any party pursuant to Chapter 5 of the Bankruptcy Code; and
- (o) Any counterclaims, setoffs or defenses that Seller may have with respect to any Assumed Liabilities.

2.2 **Excluded Assets.** Notwithstanding anything to the contrary contained in this Agreement, Buyer shall not acquire the following assets of Seller (the "Excluded Assets"):

- (a) Cash and cash equivalents on hand at the Initial Closing;
- (b) All credits due from Carriers for post-Petition Date true-ups under the Carrier Orders, which Carrier Orders are listed on Schedule 2.2(b);

- (c) Insurance policies and proceeds of insurance (~~provided, that~~, as to any insurance proceeds on account of damage to an Acquired Asset that are received prior to the transfer of such Acquired Asset to Buyer, at Buyer's option, Seller shall either apply said proceeds toward the repair of the Acquired Asset or turn over such insurance proceeds to Buyer at the Final Closing);
- (d) Rights and obligations under contracts, agreements, leases or licenses of Seller which do not constitute Assumed Contracts hereunder;
- (e) All rights to or claims for refunds or rebates of taxes for any period ending on or prior to the Initial Closing Date, and the benefit of net operating loss carryforwards, carrybacks or other credits of Seller relating to any such period;
- (f) Those certain prepaid expenses and deposits set forth on Schedule 2.2(f);
- (g) Causes of action, judgments, claims, demands, rights of recovery or set-off of whatever nature, condemnation awards, including, without limitation, avoidance actions arising under 11 U.S.C. §§544-551, but excluding causes of action arising in the ordinary course of business that are required to enforce Buyer's rights to ownership of the Acquired Assets; and
- (h) All books and records of Seller, other than those already included in the Acquired Assets, whether in hard copy or computer format.

2.3 **Assumption of Liabilities.** Upon the terms and subject to the conditions and provisions contained herein, Buyer shall: (a) pay all Cure Claims associated with the assumption and assignment of the Assumed Contracts (except for Cure Claims arising from amounts due for services provided after the Petition Date and prior to the Initial Closing Date which shall be paid by Seller); and (b) assume all of the liabilities and obligations of Seller arising under the Assumed Contracts with respect to the period from and after the respective Assumed Contract is assumed and assigned to Buyer. Except as otherwise set forth in this Agreement: (i) Seller shall not be responsible for the payment of any Cure Claims, and (ii) except as set forth in any Carrier Consent and Waiver, Seller's sole responsibility with respect to Carriers and Agents shall be the payment of amounts due for services provided after the Petition Date and prior to the Initial Closing. Buyer shall cooperate in demonstrating adequate assurance of future performance of the Assumed Contracts required for assumption and assignment.

2.4 **Liabilities Not Assumed.** Except for the Assumed Liabilities and as expressly set forth in this Agreement or in the Management Services Agreement: (a) Buyer shall not assume or perform any liability or obligation of Seller for any Encumbrance or otherwise, and (b) except as otherwise provided herein, the Acquired Assets shall be sold and conveyed to Buyer free and clear of all Encumbrances. For purposes of clarity, Buyer shall not assume any successor or vicarious liabilities of any kind or character whether known or unknown as of any of the Closings, now existing or hereafter arising, whether fixed or contingent, based, in whole or in part, on any theory of law, including without limitation, any theory of antitrust, environmental, successor or transferee liability, labor law, de facto merger or substantial continuity or arising under any employment contract, understanding or agreement, including without limitation, any

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collective bargaining agreement, employee pension plan, or employee welfare or benefit plans. Without limiting the generality of the foregoing, the Buyer shall not assume, and shall not be deemed to have assumed, any liability of the Seller, and the Seller shall be solely and exclusively liable for, all such liabilities, other than the Assumed Liabilities.

To the fullest extent permitted pursuant to Sections 105, 363(b) and 363(f), the Acquired Assets shall be sold free and clear of any Encumbrances and Buyer shall have no liability and no successor liability with respect to the Acquired Assets.

2.5 Deposit; Purchase Price.

(a) Deposit. Contemporaneously with the execution of this Agreement, Buyer is depositing into escrow a good faith deposit equal to Four Million and 00/100 dollars (\$4,000,000.00) in immediately available funds (the "Deposit") with Murphy & King, Professional Corporation counsel to Seller, as escrow agent ("Escrow Agent"), with such amount to be held in escrow in an interest bearing escrow account and paid as provided in this Agreement. In no event shall Escrow Agent be precluded from continuing its legal representation of Seller as a result of its role as Escrow Agent, even in the instance of a dispute between Seller and Buyer under this Agreement.

(b) Purchase Price. The purchase price shall be an amount equal to equal to the sum of Fourteen Million and 00/100 dollars (\$14,000,000.00) (the "Purchase Price"), consisting of the following: (i) Five Million Five Hundred Thousand and 00/100 dollars (\$5,500,000.00) for Seller's Accounts Receivable as of the Initial Closing (the "Receivable Purchase Price"); and (ii) Eight Million Five Hundred Thousand and 00/100 (\$8,500,000.00) in cash for the remaining Acquired Assets (the "Cash Purchase Price"). Buyer shall pay the Purchase Price in accordance with the terms of this Agreement by wire transfer of immediately available funds.

(c) Allocation of Purchase Price. The Purchase Price shall be allocated as described on Schedule 2.5.

ARTICLE III

THE CLOSING

3.1 Closings. The consummation of the transactions contemplated in this Agreement shall take place at the Closings. The Closings shall occur at the offices of Murphy & King, Professional Corporation, One Beacon Street, Boston, Massachusetts 02108, or at another location mutually agreed to by the Parties, as follows:

(a) Initial Closing.

(i) The initial closing (the "Initial Closing") shall occur on the last Business Day of the month in which the conditions to Closing set forth in Article VII and Article VIII (excepting only the conditions set forth in Sections 8.9 and/or 8.10) shall have been satisfied or waived (the "Initial Closing Date"), unless such date is extended by agreement of the Parties hereto.

(ii) At the Initial Closing:

- (A) Buyer shall deposit with Escrow Agent the balance of the Purchase Price (the "Escrow Amount") to be released by Escrow Agent to Seller in installments at the Closings in accordance with the terms of this Agreement;
- (B) Seller shall sell, and Buyer shall purchase, the Initial Assets, free and clear of all Encumbrances, and Buyer shall assume at the Initial Closing any Assumed Liabilities associated solely with the Initial Assets;
- (C) Seller and Buyer shall deliver to the Escrow Agent joint written instruction to transfer to Seller, by wire transfer of immediately available funds from the Escrow Amount to a bank account designated by Seller, an amount equal to the sum of (1) the Receivables Purchase Price, and (2) the Cash Purchase Price multiplied by the Release Ratio;
- (D) Seller shall either: (1) pay any Regulatory Payments, or (2) reserve a portion of the Purchase Price equal to the full amount of any disputed Regulatory Payment pending a determination by the Bankruptcy Court of the amount of such disputed Regulatory Payment; and
- (E) The balance of the Escrow Amount shall be retained by the Escrow Agent and applied in accordance with the terms of this Agreement.

(b) Interim Closing(s). Approximately every forty-five (45) days after the Initial Closing or as otherwise mutually agreed to by the Parties (an "Interim Closing"): (i) Seller shall sell, and Buyer shall purchase, the Customer Accounts and other Acquired Assets for those states that have become Approved States since the last Closing (either Initial or Interim, as applicable), free and clear of all Encumbrances, and Buyer shall assume any Assumed Liabilities associated solely with such Customer Accounts and Acquired Assets; and (ii) the Escrow Agent shall pay to Seller from the Escrow Amount and by wire transfer of immediately available funds to a bank account designated by Seller, an amount equal to the Purchase Price multiplied by the Release Ratio; and (iii) Seller shall either: (A) pay any Regulatory Payments, or (B) reserve a portion of the Purchase Price equal to the full amount of any disputed Regulatory Payment pending a determination by the Bankruptcy Court or a court of competent jurisdiction of the amount of such disputed Regulatory Payment.

(c) Final Closing.

(i) The final closing of the transactions contemplated in this Agreement (the "Final Closing") shall take place on the earlier to occur of (1) the 180th day following the Initial Closing Date, or (2) the second Business Day following the date on which all Regulatory Approval from State PUCs have been obtained by Buyer (the "Final Closing Date").

(ii) At the Final Closing:

- (A) Seller shall sell, and Buyer shall purchase, the Final Assets, free and clear of all Encumbrances, and Buyer shall assume any Assumed Liabilities associated with the Final Assets; and
- (B) the Escrow Agent shall pay to Seller, by wire transfer of immediately available funds to a bank account designated by Seller, the sum of: (1) the balance of the Escrow Amount, and (2) any interest accrued on the foregoing; and
- (C) Seller shall either: (1) pay any Regulatory Payments, or (2) reserve a portion of the Purchase Price equal to the full amount of any disputed Regulatory Payment pending a determination by the Bankruptcy Court or a court of competent jurisdiction of the amount of such disputed Regulatory Payment.

(iii) From and after the Final Closing, Buyer shall be entitled to retain one hundred percent (100%) of net profits for any ongoing operations in states where regulatory approvals have not been obtained as of the Final Closing.

(d) The Acquired Assets shall remain the property of Seller through the date immediately prior to the Closing Date at which such Acquired Assets are sold or conveyed to Buyer, and thereafter shall be the property of Buyer. Except to the extent otherwise set forth in this Agreement, the Assumed Liabilities shall remain the responsibility of Seller through the date immediately prior to the Closing Date at which such Assumed Liabilities are transferred to Buyer, and thereafter shall be the responsibility of Buyer.

3.2 Conveyances at Closing.

(a) At each Closing, and in connection with effecting and consummating the transactions contemplated hereby, Seller shall deliver the following to Buyer, if applicable:

(i) an executed Bill of Sale identifying the portion of the Acquired Assets being sold, assigned or transferred at such Closing;

(ii) if applicable, an executed counterpart of an Assumption and Assignment Agreement, substantially in the form attached as Exhibit B, with respect to the Assumed Contracts to be assumed and assigned at such Closing;

(iii) such other instruments as shall be reasonably requested by Buyer to vest in Buyer title in and to the portion of the Acquired Assets being sold, assigned or transferred at such Closing in accordance with the provisions hereof and the Sale Approval Order;

(iv) at the Initial Closing only:

- (A) an executed escrow release letter directing the Escrow Agent to release the Deposit to the Escrow Agent in accordance with Section 3.1(a); and
 - (B) an executed Management Services Agreement and an executed escrow agreement substantially in the form attached as Exhibit C (the "Escrow Agreement").
- (v) at each Interim Closing only, an executed escrow release letter directing the Escrow Agent to release to Seller the portion of the Cash Escrow Amount payable at each Interim Closing in accordance with Section 3.1(b).
- (vi) at the Final Closing only, an executed escrow release letter directing the Escrow Agent to release the Escrow Amount to Seller in accordance with Section 3.1(c).
- (b) In connection with effectuating and consummating the transactions contemplated hereby:
- (i) at the Initial Closing only, Buyer shall deliver:
 - (A) a certified copy of the Sale Approval Order;
 - (B) to Seller, the portion of the Purchase Price payable directly to Seller as set forth in Section 3.1(a), by wire transfer of immediately available funds;
 - (C) to Seller an executed Management Services Agreement and an executed Escrow Agreement in form and substance acceptable to Buyer, Seller and Escrow Agent (the "Escrow Agreement");
 - (D) to Escrow Agent, an executed escrow release letter directing the Escrow Agent to release the Deposit to the Escrow Agent in accordance with Section 3.1(a); and
 - (E) to Escrow Agent, the Cash Escrow Amount, by wire transfer of immediately available funds, to be held pursuant to the Escrow Agreement and paid to Seller in accordance with the terms of this Agreement.
 - (ii) at each Interim Closing only, Buyer shall deliver an executed escrow release letter directing the Escrow Agent to release to Seller the portion of the Cash Escrow Amount payable at each Interim Closing in accordance with Section 3.1(b).
 - (iii) at the Final Closing only, Buyer shall deliver to Escrow Agent, an executed escrow release letter directing the Escrow Agent to release to Seller the Cash Escrow Amount in accordance with Section 3.1(c).

To the extent that a form of any document to be delivered under this Agreement is not attached as an exhibit, such documents shall be in form and substance, and shall be executed and delivered in a manner, reasonably satisfactory to Buyer and Seller.

3.3 **Transaction Expenses.** Except as expressly provided in this Agreement, each Party shall bear its own costs and expenses, including attorney, accountant and other consultant fees, in connection with the execution and negotiation of this Agreement and the consummation of the transactions contemplated hereby; provided, that, Buyer shall bear the costs of obtaining Regulatory Approval for the transactions contemplated in this Agreement, including without limitation attorneys' fees and expenses of Buyer's counsel and advisors incurred in connection with such Regulatory Approvals.

3.4 **Notices.** Buyer shall be responsible for notifying the respective Governmental Bodies as required and securing approval, if required, for this transaction; provided that Seller shall, to the extent necessary, cooperate with Buyer to permit Buyer to provide such notice.

3.5 **Regulatory Payments.** Seller shall be responsible for the payment of: (a) any undisputed Regulatory Payments, and (b) Regulatory Payments the amount of which has been determined by a Final Order of the Bankruptcy Court.

3.6 **Other Closing Matters.** Each of the Parties shall use their reasonable efforts to take such other actions required hereby to be performed by it prior to or on the Closing Date.

ARTICLE IV

REPRESENTATIONS AND WARRANTIES OF SELLER

As an inducement to Buyer to enter into this Agreement, Seller hereby makes, as of the date hereof, the following representations and warranties to Buyer, but none of which shall survive the Initial Closing Date for any reason whatsoever:

4.1 **Authorization of Seller.** Subject to entry of the Sale Approval Order, Seller has all necessary right, power, capacity and authority to execute and deliver this Agreement, to consummate the transactions contemplated hereby and to perform its obligations hereunder. This Agreement has been duly executed and delivered by Seller and, subject to entry of the Sale Approval Order, is a valid and binding obligation of Seller enforceable against Seller in accordance with its terms.

4.2 **Organization.** The Seller is an entity duly organized and validly existing under the laws of the jurisdiction of its formation and has the power and authority to operate its properties and to carry on its business as it is now being conducted.

4.3 **Title to Assets; Monthly Operating Reports; Absence of Liens and Encumbrances, etc.** The bankruptcy schedules of assets that the Seller filed with the Bankruptcy Court were true, complete and correct as of the date filed. With the exception of any dispositions by the Seller in the ordinary course of business or pursuant to an order of the Bankruptcy Court, the bankruptcy schedules of assets of the Seller remain true and correct as of the date hereof. To the best of Sellers' knowledge, the monthly operating reports filed by Seller

with the Bankruptcy Court were true, complete and accurate as of the date filed. Seller will, upon the entry of the Sale Approval Order and the consummation of the transactions contemplated hereby, transfer, and the Buyer will obtain all right, title and interest in and to, the Acquired Assets free and clear of any and all Encumbrances other than the Assumed Liabilities.

4.4 **Brokers.** Except for Phoenix Capital Resources, no Person is entitled to any brokerage, financial advisory, finder's or similar fee or commission payable by Seller in connection with the transactions contemplated by this Agreement based upon arrangements made by or on behalf of Seller. Any amounts due to Phoenix Capital Resources shall be paid by Seller.

4.5 **Governmental Permits.** Except as set forth in Schedule 4.5 and to the best of Seller's knowledge, as of the date of this Agreement: (a) a list of all of the licenses, certificates, approvals, registrations and other permits and authorizations from a Government Body (collectively "Governmental Permits") that are held by Seller has been provided to Buyer; (b) Seller is unaware of any written or threatened in writing notice of cancellation or of default concerning any Governmental Permit used in the operation of Seller's business; (c) Seller is unaware of any written or threatened in writing notice of violation, notice of forfeiture, order to show cause or complaint concerning the suspension or revocation, or notice of apparent liability with respect to any Governmental Permit used in the operation of Seller's business; and (d) Seller is unaware of any written notice of violation, notice of forfeiture, order to show cause or complaint concerning Seller's compliance with applicable communications laws.

4.6 **Consents and Approvals.** To the best of Seller's knowledge, other than (a) the Sale Approval Order, and (b) the approval of the FCC and the approvals of each State PUC, no consent, approval or authorization of any court, regulatory authority, governmental body, or any other entity or person not a party to this Agreement is required for the consummation of the transactions described in this Agreement by Seller.

4.7 **Financial Statement.** Except as set forth in Schedule 4.7, to the best of Seller's Knowledge, the consolidated balance sheets and the related consolidated statements of income and cash flows of Seller [at November 30, 2012, and for the eleven (11) months then ended], as of such date, (a) were prepared in accordance with the books and records of Seller applied on a basis consistent with prior periods (except as otherwise noted therein and, subject, in the case of any unaudited interim financial statements, to normal year-end adjustments and the lack of footnotes), and (b) presented fairly, in all material respects, the financial position of Seller as of such date, and the results of its operations and its cash flows for the period presented therein.

4.8 **Litigation.** Except as set forth in Schedule 4.8 and to the best of Seller's knowledge: (a) there are no lawsuits, claims, suits or proceedings pending in which the Seller is (i) the plaintiff or claimant or (ii) the defendant or respondent; and (b) there is no action, suit or proceeding pending which questions the legality or propriety of the transactions contemplated by this Agreement.

4.9 **Intellectual Property.** To the best of Seller's knowledge, Seller is unaware of any written notice, complaint, lawsuit or other formal proceeding challenging Seller's use of any intellectual property used in the operation of Seller's business.

ARTICLE V

REPRESENTATIONS AND WARRANTIES OF BUYER

As an inducement to Seller to enter into this Agreement, Buyer hereby makes the following representations and warranties as of the date hereof to Seller, but none of which shall survive the Initial Closing Date for any reason whatsoever:

5.1 **Carrier Agreements.** With respect to the Carriers listed on Schedule 2.1(e), Buyer has provided Carrier Consent and Waivers to Seller. In the event that Buyer designates, pursuant to Section 6.5, contracts with other Carriers to be added to Schedule 2.1(e), Buyer shall pay the Cure Claims of such Carriers in accordance with Section 2.3, at no cost to Seller and with no reduction of the Purchase Price.

5.2 **Authorization.**

(a) To the best of Buyer's knowledge, except as set forth on the attached Schedule 5.2, (i) Buyer is not required to submit any notice, report or other filing with any Governmental Body in connection with the execution, delivery or performance by it of this Agreement or the consummation of the transactions contemplated hereby and (ii) no consent, approval or authorization of, or declaration to or filing with, any court, legislative, executive, administrative, governmental or regulatory authority or any other party or Person is required to be obtained by Buyer in connection with its execution, delivery and performance of this Agreement or the consummation of the transactions contemplated hereby.

(b) To the best of Buyer's knowledge, except with respect to the consents, approvals, authorizations and notices of the FCC and State PUCs (respectively, the "FCC Consents" and the "State PUC Consents") and the other consents, approvals, authorizations and notices set forth on Schedule 5.2, Buyer has all necessary power and authority to enter into this Agreement and has taken all action necessary to execute and deliver this Agreement, to consummate the transactions contemplated hereby and to perform its obligations hereunder, and no other corporate proceedings on the part of Buyer are necessary to authorize the execution, delivery and performance of this Agreement and the consummation of the transactions contemplated hereby. This Agreement has been duly executed and delivered by Buyer and is a valid and binding obligation of Buyer, enforceable against it in accordance with its terms.

5.3 **Organization of Buyer.** Buyer is duly organized, validly existing and in good standing under the laws of the jurisdiction of its formation and has the power and authority to operate its properties and to carry on its business as it is now being conducted or presently proposed to be conducted.

5.4 **Financing.** On the Initial Closing Date, Buyer will have sufficient cash on hand to deliver and/or escrow the Purchase Price. The closing of any financing shall not be a condition to Closing of the transactions contemplated by this Agreement.

5.5 **Brokers.** Except for Backbone Capital Advisors, LLC, no Person is entitled to any brokerage, financial advisory, finder's or similar fee or commission payable by Buyer in connection with the transactions contemplated by this Agreement based upon arrangements

made by or on behalf of Buyer. Any amounts due to Backbone Capital Advisors, LLC shall be paid by Buyer.

ARTICLE VI

COVENANTS

Seller and Buyer covenant and agree as follows:

6.1 **Access.** Between the date hereof and the Initial Closing Date, Buyer and its representatives shall, during regular business hours and upon reasonable notice, have reasonable access to all business records and operations of Seller related to the Acquired Assets.

6.2 **Employees.** Buyer may, in its sole and absolute discretion, but shall not be required to, offer employment to certain employees of Seller on terms and conditions that Buyer deems appropriate. Buyer anticipates hiring a substantial percentage of Seller's current employees on or before the Final Closing. In the event that Buyer determines in its sole and absolute discretion to assume any employment contract associated with a retained employee, Buyer shall be responsible for paying any and all cure amounts attributable to the assumption of the retained employee's contract.

6.3 **Further Assurances.** In addition to the provisions of this Agreement, from time to time after the Closing Dates, Seller and Buyer will use all commercially reasonable efforts to execute and deliver such other instruments of conveyance, transfer or assumption, as the case may be, and take such other actions as may be reasonably requested to implement more effectively the transactions contemplated hereby, and the conveyance and transfer of the Acquired Assets.

6.4 **Condition of the Acquired Assets; Survival of Seller Representations and Warranties.** Buyer agrees and acknowledges that (a) Buyer's decision to proceed with the transactions contemplated by this Agreement is based upon Buyer's own inspection and investigation of the Acquired Assets and the business of Seller; (b) Buyer is familiar with the Acquired Assets and the business of Seller and has been afforded the full opportunity, to the extent it desired to do so, to fully inspect and review (i) the books and records of Seller, and (ii) the title to the Acquired Assets, and (iii) such other information as was available in Seller's due diligence room or was obtained by Buyer through a public means, and (c) Buyer is satisfied with each of the foregoing matters, and will acquire the Acquired Assets, except as otherwise set forth in Section IV, without representation, warranty or indemnification, express or implied and in their then AS IS WHERE IS condition. This provision shall survive the Closing or early termination of this Agreement. The representations and warranties set forth in Articles IV and V of this Agreement shall not survive the Initial Closing Date for any reason whatsoever.

6.5 **Assumption of Executory Contracts.**

(a) Buyer shall have the right to designate those contracts, agreements, leases and/or licenses of Seller which are to be Assumed Contracts. An initial list of the contracts, agreements, leases and/or licenses that are to be Assumed Contracts (other than Seller's agreements with its customers), as well as the Cure Claims, if any, associated with such

Handwritten signature and initials in the bottom right corner of the page.

Assumed Contracts, are set forth in Schedules 2.1(e), 2.1(f) and 2.1(g) to this Agreement (the "Contract Assumption Schedules"). At least seven (7) days prior to the Sale Hearing, Buyer may by notice to Seller, designate additional contracts, agreements, leases and/or licenses to be assumed and assigned, provided that Buyer shall be responsible for the payment of any Cure Claims associated with such additional contracts in accordance with Section 2.3. From and after the date of this Agreement until the date that is seven (7) days prior to the Final Closing, Buyer may, by notice to Seller, designate contracts, agreements, leases and/or licenses that will not be assumed and assigned notwithstanding their prior inclusion in the Contract Assumption Schedules or prior designation by Buyer. Unless otherwise provided for in this Agreement or agreed to in writing by Seller and Buyer, executory contracts and unexpired leases designated by Buyer will be assumed by Seller and assigned to Buyer at the [Final] Closing.

(b) Cure Claims. Buyer shall be responsible for the payment of any Cure Claims associated with the assumption and assignment to Buyer of the Assumed Contracts in accordance with Section 2.3 (the amount of which shall be agreed to in advance by Buyer and the counterparty to the executory contract with Seller).

(c) Intellectual Property. With respect to any executory contract, license or lease of intellectual property and/or software listed on Schedule 2.1(g), Seller shall use its best efforts to assume and assign such contract, license or lease to Buyer, but Seller's failure to assign such licenses to Buyer shall not constitute a default under this Agreement.

(d) Sale Order. The Sale Approval Order shall provide, among other things as required herein, that the assumption and assignment of the Assumed Contracts shall be free and clear of all Encumbrances, except for Buyer's obligations as assignee of Seller under the Assumed Contracts and this Agreement. Buyer and/or Seller may file amended, supplemental, or additional pleadings, if required to address additions or deletions of contracts, agreements, leases and/or licenses made pursuant to this Section 6.5. Buyer shall assume no liability with respect to contracts not assumed by Seller and assigned by Seller to Buyer.

(e) Sales Agent Contracts. Until the 180th day following the Final Closing, Buyer shall not enter into any agreement with an Agent unless: (i) such agreement includes a waiver of Agent's non-priority unsecured claims against Seller and Seller's bankruptcy estate, or (ii) Seller approves of such agreement in writing, with such approval not to be unreasonably withheld.

(f) Post-Initial Closing Date Executory Contracts. Until the Initial Closing Date, Seller shall be responsible for any default by Seller under Seller's executory contracts and unexpired leases, including, without limitation, executory contracts with Centurylink. Notwithstanding any other provision of this Agreement, after the Initial Closing Date, any default by Seller occurring thereafter under Seller's executory contracts and/or unexpired leases, including, without limitation, a default that prevents the assumption and assignment to Buyer of an executory contract and/or an unexpired lease of Seller, including any agreements with Centurylink, shall not constitute a default by Seller under this Agreement or a failure of a condition to Buyer's obligations to consummate the transactions contemplated in this Agreement. If, as a result of a default by Buyer under any agreement between Buyer and any counter-party to an executory contract or unexpired lease with Seller, Seller cannot assume and assign to Buyer such executory contract and/or unexpired lease and/or the economic benefits of

those agreements, in whole or in part, such failure shall not constitute a default under this agreement or a failure of a condition to Buyer's obligations to consummate the transactions contemplated in this Agreement.

6.6 Access to Information; Maintenance of Records.

(a) Following the Closing for a period of the later of: (i) three (3) years after the Final Closing Date, or (ii) the date of entry of an Order of the Bankruptcy Court closing the Bankruptcy Case, or if converted to a case under Chapter 7 of the Bankruptcy Code, an Order of the Bankruptcy Court closing such case, each Party and its representatives shall have reasonable access to all of the books and records compiled with respect to the period prior to the Final Closing Date relating to the business of Seller or the Acquired Assets, including all information pertaining to the Assumed Contracts, all employee records or other personnel and medical records required by law, legal process or subpoena, in the possession of the other Party to the extent that such access may reasonably be required by such Party, or other matters relating to or affected by the operation of the business of Seller and the Acquired Assets.

(b) Such access shall be afforded by the Party in possession of such books and records upon receipt of reasonable advance notice and during normal business hours; provided, however, that: (i) any such access shall be conducted in such a manner as not to interfere unreasonably with the operation of the business of any Party; (ii) no Party shall be required to take any action which would constitute a waiver of the attorney-client privilege; (iii) no Party shall be required to take any action which would reveal confidential or proprietary information; and (iv) no Party shall be required to supply the other Party with any information which such Party is under a legal obligation not to supply. The applicable Party exercising this right of access shall be solely responsible for any costs or expenses incurred by it hereunder.

(c) If the Party in possession of such books and records shall desire to dispose of any such books and records prior to the expiration of such period, such Party shall, prior to such disposition, give the other Party a reasonable opportunity at such other Party's expense, to segregate and remove such books and records as such other Party may select.

6.7 Conduct of Seller's Business. (a) Prior to the Initial Closing Date, Seller will carry on its business in the usual and ordinary course and in substantially the same manner as conducted on the date of this Agreement, provided that Company is not obligated to make and shall not make capital expenditures of more than \$100,000 in any one month prior to the Initial Closing without Buyer's advance written approval, not to be unreasonably withheld by Buyer, and (b) between the date of this Agreement and the Initial Closing Date, the reasonable and necessary documented costs of capital expenditures actually made by Seller for the purpose of network improvements and the provision of service in response to customer demand (not to exceed \$100,000 per month unless approved by Buyer pursuant to paragraph 6.7(a)) shall be paid by Buyer to Seller as follows: (i) one half of the amount due on the Initial Closing Date, and (ii) one-half of the amount due on the Final Closing. Without limiting the generality of the foregoing, Seller shall maintain and keep its assets in good condition and repair (reasonable customer turnover and wear and tear excepted), keep in full force and effect its insurance coverage, continue advertising its business in accordance with past practice, and use all reasonable efforts to maintain in accordance with good business practice its present employees

and its relationships with its Agents, suppliers and customers so that such relationships shall be preserved for Buyer; provided that, Seller shall not be responsible for any loss of employees, Customer Accounts or Agents between the date of this Agreement and the Initial Closing Date. After the Initial Closing Date, Buyer shall operate Seller's business pursuant to the Management Services Agreement.

6.8 **Cooperation.** Seller and Buyer shall cooperate: (a) to create and distribute press releases at appropriate times after the receipt of FCC approval for the transactions contemplated in this Agreement; (b) to send a joint letter, in the form mandated by the FCC in its anti-slamming rules, to Seller's customers that are affected by the transaction contemplated by this Agreement at or before the Initial Closing, provided that no such letter shall be sent prior to the entry of the Sale Approval Order; and (c) as soon as reasonably practicable after the entry of the Initial Closing, execute any transfer agreements or other documents, in the form reasonably required by the incumbent local exchange carrier(s), interexchange carrier(s), and any other vendor(s), to enable the transfers of the Acquired Assets to Buyer. Notwithstanding the generality of the foregoing:

(a) Seller and Buyer shall act diligently and reasonably, and cooperate with each other, to secure the Regulatory Approvals; provided that the Seller shall not make any agreement or understanding affecting the Acquired Business or the Purchased Assets set forth as a condition for obtaining any such consents or approvals except with the prior written consent of the Buyer. Seller and Buyer shall file joint applications for all Regulatory Approvals, which applications shall be drafted by the Buyer and approved by the Seller prior to the filing of such application; and

(b) Each of Seller and Buyer shall use its commercially reasonable efforts to consummate the transactions contemplated by this Agreement.

6.9 **Rates.** Seller shall not change recurring or non-recurring rates or sales strategies or collections processes for the Acquired Assets prior to the Initial Closing without the prior written consent of Buyer, in its commercially reasonable discretion.

6.10 **Name.** Seller hereby consents to the use by Buyer or its affiliate of the name "Trans National Communications International" and variants thereof from and after the Initial Closing and hereby agrees to change its name promptly after the Final Closing so as to not include the words "Trans National Communications International."

ARTICLE VII

CONDITIONS TO SELLER'S OBLIGATIONS

Seller's execution of this Agreement is subject to the conditions that Buyer deliver to Seller, prior to the execution of this Agreement: (a) with respect to all of the Carriers listed on Schedule 2.1(e), Carrier Consent and Waivers for such Carriers or such other document reasonably acceptable to Seller evidencing the consent of a Carrier, and (b) a new lease with Seller's landlord on terms and conditions reasonably acceptable to Buyer and Seller. The foregoing conditions may be waived by Seller in its sole and absolute discretion.

The obligation of Seller to consummate the transactions contemplated hereby is subject, in the reasonable discretion of Seller, to the satisfaction, on or prior to the respective Closing Date, of each of the following conditions any of which may be waived (in whole or in part) by Seller in accordance with Section 9.6 hereof:

7.1 **Entry of Sale Approval Order.** The Sale Approval Order shall have been entered by the Bankruptcy Court and shall be a Final Order.

7.2 **Instruments of Conveyance.** Buyer shall have executed and delivered to Seller at the respective Closings all of the documents provided for in Section 3.2(b) hereof.

7.3 **Payment of the Purchase Price.** Buyer shall have paid and/or escrowed the Purchase Price, in accordance with Section 3.1, in immediately available funds.

7.4 **Representation and Warranties.** The representations and warranties of Buyer contained in this Agreement shall be true and correct at the Initial Closing in all material respects.

ARTICLE VIII

CONDITIONS TO BUYER'S OBLIGATIONS

The obligations of Buyer to purchase the Acquired Assets and to consummate the transactions contemplated hereby are subject, in the reasonable discretion of Buyer, to the satisfaction of each of the following conditions, any of which may be waived (in whole or in part) by Buyer in accordance with Section 9.6 hereof:

8.1 **Entry of Bidding Procedure Order and Sale Approval Order.** The Bidding Procedures Order and the Sale Approval Order shall each have been entered by the Bankruptcy Court as provided for herein and shall be Final Orders.

8.2 **Instruments of Conveyance.** Seller shall have executed and delivered to Buyer at the respective Closings all of the documents provided for in Section 3.2(a) hereof.

8.3 **Access to Books and Records.** Prior to the Initial Closing Date, Buyer shall have had reasonable access to the books and records, offices, officers and operations of Seller for purposes of business succession and progression planning.

8.4 **Representation and Warranties.** The representations and warranties of Seller contained in this Agreement shall be true and correct at the Initial Closing in all material respects.

8.5 **Conduct of Seller's Business.** Between the date of this Agreement and the Initial Closing Date, Seller shall have complied with Section 6.7 in all material respects, and there shall have been no material adverse change in the operation, results or condition of the business of Seller; provided that, the loss of employees, Customer Accounts, Agents, and/or any resulting decline in revenue from any of the foregoing, between the date of this Agreement and the Initial Closing Date, shall not constitute a material adverse change. In the event that any of the

foregoing conditions are not satisfied on or prior to the Initial Closing Date as a result of a breach or other default by Seller under the terms of this Agreement, Seller shall be permitted to cure such breach within twenty (20) days following delivery by Buyer of written notice to Seller notifying Seller of the nature of the breach or default.

8.6 **Approvals.** At each Closing other than the Final Closing, all FCC Consents and State PUC Consents and all consents or approval of any third parties necessary to complete the transfer of the asset to be conveyed at such Closing shall have been obtained. Not by way of limitation of the foregoing, the Initial Closing shall not occur until the FCC Consents have been obtained.

8.7 **Taxes.** At each Closing: (a) Seller shall pay in full or reserve for all amounts claimed to be due and owing by taxing authorities associated with operations and ownership of the Acquired Assets prior to the Initial Closing Date in each and every relevant jurisdiction associated with such Closing, and (b) Seller shall pay in full or reserve for any transfer taxes associated with the transactions effected under this Agreement.

8.8 **Centurylink.** Prior to the Initial Closing Date, Seller shall have settled and resolved all pending litigation with Qwest Corporation d/b/a Centurylink QC and Qwest Communications Company, LLC d/b/a Century Link QCC (collectively "Centurylink") associated with claims by Centurylink for amounts due from Seller to Centurylink prior to the Petition Date. Such settlement and resolution shall not impose any cost or liability on Buyer absent the express written consent of Buyer.

8.9 **Interim Closing Conditions.** Except as expressly stated otherwise or provided in this Section 8.9, the other conditions precedent to the obligations of Buyer set forth in Article VIII of this Agreement shall not apply to Interim Closing(s). The obligations of Buyer to consummate the transactions to occur at the Interim Closing(s) are subject to the fulfillment, on or prior to the Interim Closing(s) of each of the following conditions (any or all of which may be waived by Buyer in whole or in part to the extent permitted by applicable law):

(i) Buyer shall have received the regulatory approval of the FCC for the transaction contemplated in this Agreement;

(ii) the Sale Approval Order shall remain a Final Order;

(iii) there shall not be any material default of Seller under the Management Services Agreement that has not been cured within ten (10) days of the receipt by Seller of written of such default; and

(iv) there shall not be in effect any statute, rule, regulation, executive order enacted, issued, entered or promulgated by a Governmental Body of competent jurisdiction restraining, enjoining or otherwise prohibiting the consummation of the transactions contemplated hereby.

8.10 **Final Closing Conditions.** The other conditions precedent to the obligations of Buyer set forth in Article VIII of this Agreement shall not apply to the Final Closing. The obligations of Buyer to consummate the transactions to occur at the Final Closing are subject

only to the fulfillment, on or prior to the Final Closing, of each of the following conditions (any or all of which may be waived by Buyer in whole or in part to the extent permitted by applicable law):

(i) Buyer shall have received the regulatory approval of the FCC for the transaction contemplated in this Agreement;

(ii) the Sale Approval Order shall remain a Final Order;

(iii) there shall not be any material default of Seller under the Management Services Agreement that has not been cured within ten (10) days of the receipt by Seller of written of such default; and

(iv) there shall not be in effect any statute, rule, regulation, executive order enacted, issued, entered or promulgated by a Governmental Body of competent jurisdiction restraining, enjoining or otherwise prohibiting the consummation of the transactions contemplated hereby.

ARTICLE IX

MISCELLANEOUS

9.1 Sale Pleadings; Bidding Procedures; Termination Fee

(a) Sale Pleadings. Within two (2) Business Days following the execution of this Agreement, Seller shall file with the Bankruptcy Court motions requesting, among other things: (i) an order fixing the date of a hearing to consider the approval of each of the Bidding Procedures (as hereafter defined) (the "Bidding Procedures Motion"), and (ii) the approval of the sale of the Acquired Assets to Buyer pursuant to the terms of this Agreement (the "Sale Motion"). A hearing on the Bidding Procedures Motion shall occur on or prior to February 14, 2013 and a hearing on the Sales Motion shall occur on or before March 15, 2013.

(b) Bidding Procedures. The Bidding Procedures Motion shall request the following bidding procedures (collectively, the "Bidding Procedures");

(i) Any competing bid, offer, plan of reorganization or other arrangement shall be deemed to qualify as a competing bid (a "Competing Bid") only if: (A) made upon terms and provisions substantially similar to those set forth in this Agreement and in respect of the sale and purchase of substantially all of the Acquired Assets, (B) made for an aggregate purchase price in an aggregate amount of at least five percent (5%) in excess of the Purchase Price, and (C) that provides, with respect to each Carrier on Schedule 2.1(e) whose contract the competing bidder intends to assume, either (1) a Carrier Consent and Waiver, or similar agreement that is reasonably acceptable to Seller, with respect to such Carrier that does not reduce the Purchase Price, or (2) for the curing of any defaults under the Carrier's contract(s), including the payment in full of any Cure Claim by the bidder, without any reduction in the Purchase Price.

(ii) A Competing Bid must contain a case caption and be filed, in accordance with the applicable Federal and local Rules of Bankruptcy Procedure, with the United States Bankruptcy Court for the District of Massachusetts, John W. McCormack Post Office and Court House, 5 Post Office Square, Boston, Massachusetts, 02109-3949, on or before 4:30 p.m. on the fifth (5th) Business Day prior to the scheduled hearing on the Sale Motion (the "Bidding Deadline"). A Competing Bid must be served on (a) counsel for Seller, Harold B. Murphy, Esq., Murphy & King, Professional Corporation, One Beacon Street, Boston, Massachusetts, 02108; (b) counsel for Official Committee of Unsecured Creditors, Kenneth Miskin, Miles & Stockbridge, 1751 Pinnacle Drive, Suite 500, Tysons Corner, Virginia, 22102; (c) counsel for RBS Citizens, NA, Steven Fox, Riemer & Braunstein, Times Square Tower, Seven Times Square, New York, New York, 10036; (c) Jennifer Hertz, Esq., the Office of the United States Trustee, John W. McCormack Post Office and Court House, 5 Post Office Square, Boston, Massachusetts, 02109-3949; and (d) counsel for Buyer, Jonathan B. Alter, Esq., Bingham McCutchen LLP, One State Street, Hartford, CT 06103.

(iii) Any competing bidder must deliver a cash deposit equal to ten percent (10%) of the total purchase price to counsel for Seller at the time of submission of such bid. The cash deposit shall be in the form of a certified check or wire transfer, and must be received on or before the Bidding Deadline. The deposit delivered by a competing bidder will be forfeited in the event that such competing bidder is the successful bidder and fails to close on the sale through no fault of Seller.

(iv) Any party submitting a Competing Bid shall demonstrate to Seller's satisfaction that: (A) it is financially able to consummate the transactions contemplated by the Competing Bid, which ability may be demonstrated by submission of bank statements, current audited or unaudited financial statements, or other reasonable evidence, or, if the bidder is an entity formed for the purpose of acquiring the assets in question, current audited or unaudited financial statements or other reasonable evidence of the financial capability of the equity holders of the bidder, (B) it is able to perform under any assumed contracts and/or leases, (C) it is able to fulfill any remaining obligations under the respective agreement(s) associated with such Competing Bid, and (D) it will have sufficient cash on hand to deliver and/or escrow the total purchase price at the initial closing and that the closing of any financing shall not be a condition to the consummation of the transactions in question. For the purposes of clarity, Buyer shall not need to qualify in any way to participate in any Auction.

(v) Any party who wishes to view available information with respect to the Acquired Assets must execute a confidentiality agreement with Seller containing customary non-solicit and non-hire obligations and a standstill with respect to any customers (that are not current customers of such party), employees and agents of Seller covered in any commercial data provided to such party. All such confidentiality agreements shall have a one (1) year term and shall be assignable to the buyer of the Acquired Assets, and will be included as "Acquired Assets" under this Agreement.

(vi) An Auction for the Acquired Assets shall be held only if there is a timely Competing Bid. Only Persons that have submitted a timely qualified Competing Bid and Buyer may participate in any Auction for the Acquired Assets.

(vii) Bidding at any Auction for the Acquired Assets shall be conducted by the Court immediately prior to the Sale Hearing in accordance with bidding procedures to be announced at the time of the Auction. The Auction shall take place at the Court. The Auction shall be by open bid, provided that Seller reserves the right to request that the Court conduct the Auction by sealed bid(s). Any bids for the Acquired Assets shall be accepted only if the cash portion of such bid is from a qualified bidder and is at least \$50,000.00 greater than the previously submitted bid (subject to Sections 9.1(b)(ix) below).

(viii) Any party submitting a Competing Bid must agree to keep its offer open for at least forty-five (45) days following the entry of an Order approving the sale of the Acquired Assets, and must agree to close in the event the party who submits the successful bid fails to close.

(ix) At the Auction, Seller will take the Termination Fee into account when considering which offer constitutes the highest and best offer and with respect to the minimum incremental overbid requirement established pursuant to clause (vii) above. In addition, at the Auction, Seller will consider the impact upon the estate of contracts assumed by Buyer in determining the highest and best offer.

(c) Termination Fee. The Bidding Procedures Order shall approve the payment to Buyer of a termination fee ("Termination Fee") (i) in the event of an acceptance by Seller of a Competing Bid (a "Competing Transaction"), or (ii) in the event of a termination of this Agreement, through no fault of Buyer, pursuant to 9.2(a)(ii)(B), (C) or (D). The Parties hereto each hereby acknowledge and agree that Buyer has incurred substantial costs and expenses relating to this transaction, including without limitation, the costs and expenses associated with the performance of due diligence of Seller, the negotiation and execution of this Agreement (and the exhibits and Schedules annexed hereto) and the documents which preceded this Agreement, as well as the negotiation and execution of various agreements and documents with the Carriers and Agents, and has undertaken substantial risk as a result of incurring such costs and expenses. As a result of the foregoing and subject to the approval of the Bankruptcy Court, the Termination Fee shall equal \$400,000.00. The Bidding Procedures Order shall also provide, without limitation, that any Termination Fee shall: (i) if a Competing Transaction closes, be paid from the proceeds of the first scheduled Closing of a Competing Transaction, and (ii) be treated as an allowed Chapter 11 administrative expense pursuant to Sections 503(b) and 507(b) of the Bankruptcy Code. Notwithstanding the discretion of the Bankruptcy Court in determining the propriety of the Transaction Fee, the failure of the Bidding Procedures Order to provide for the Termination Fee as described herein shall constitute a default under the terms of this Agreement by Seller entitling Buyer to the right to terminate this Agreement under Section 9.2; provided that, in such an event, Buyer shall not be entitled to the Termination Fee.

(d) Entry of Orders. An Order approving the Bidding Procedures (the "Bidding Procedures Order") shall have been entered by the Bankruptcy Court on or before February 14, 2013. The Sale Approval Order shall have been entered by the Bankruptcy Court, in form and substance reasonably acceptable to Buyer, on or before March 15, 2013.

(e) Sale Order. Notwithstanding any provision of this Agreement, the Sale Approval Order shall approve the transactions contemplated by this Agreement and be in form and

substance satisfactory to Buyer in its reasonable discretion and include, without limitation, the following provisions: (i) a finding of good faith on the part of Buyer pursuant to Section 363(m) of the Bankruptcy Code; (ii) an acknowledgement that the sale is a valid exercise of Seller's business judgment; (iii) an Order that, to the fullest extent permitted pursuant to Sections 105, 363(b) and 363(f), the Acquired Assets are sold free and clear of any Encumbrances and that Buyer has no liability and no successor liability with respect to the Acquired Assets; (iv) an Order that, pursuant to Bankruptcy Rules 6006(d) and 6004(g), the Sale Approval Order shall not be stayed but shall be effective immediately; (v) a ratification of the sale process and Bidding Procedures; (vi) an approval of the assumption and assignment of the Assumed Contracts free and clear of any Encumbrance to the fullest extent permitted under Section 365 of the Bankruptcy Code, except for Buyer's obligations as assignee of Seller under the Assumed Contracts and this Agreement; (vii) an approval of the Management Services Agreement; and (viii) an Order that Seller is authorized and directed to execute, upon request by Buyer, one or more assignments in form, substance, and number reasonably acceptable to Buyer, evidencing the conveyance of the Acquired Assets to Buyer.

9.2 Termination.

(a) Termination. This Agreement may be terminated prior to a Closing:

(i) by the mutual written consent of Buyer and Seller (subject to the approval of the Bankruptcy Court) at any time, in which case the Deposit and all interest thereon shall be returned to Buyer;

(ii) by Buyer if (A) Buyer is not the winning bidder at the Auction, or (B) one or more of the conditions set forth in Article VIII is not satisfied on or before the dates specified in this Agreement for any reason other than a breach of this Agreement by Buyer, including if the Bidding Procedures Order is not entered in accordance with the terms of this Agreement, or (C) the Sale Approval Order is not entered by the Bankruptcy Court on or before March 15, 2013, through no fault of Buyer, or (D) the Initial Closing has not occurred on or before May 24, 2013, through no fault of Buyer, and in each such case the Deposit and any escrowed funds previously delivered to Buyer, together with any interest thereon shall be returned to Buyer; provided however, if Buyer is the second highest bidder at the Auction, Buyer may not terminate this Agreement pursuant to this Section 9.2(a)(ii), until the earlier of (x) the closing of a sale of the Acquired Assets with a party other than Buyer; (y) forty-five (45) days following entry of a Sale Approval Order naming a party other than Buyer as the winning bidder at the Auction and (z) sixty (60) days after the Auction;

(iii) by Seller (A) if Buyer is not the winning bidder at the Auction, or (B) the Initial Closing has not occurred on or before May 24, 2013, through no fault of Seller, and in each case the Deposit and any interest thereon shall be returned to Buyer;

(iv) by Seller if the conditions set forth in Section 7.2 or Section 7.3 or Section 7.4 are not satisfied on or before the Initial Closing Date (for any reason other than breach of this Agreement by Seller), or a breach of this Agreement by Buyer occurs and is not cured within ten (10) days after Buyer's receipt of written notice thereof, and in each case the Deposit and any interest thereon shall be paid to and retained by Seller for breach of this Agreement.

(b) Event of Termination; Remedies. In the event of termination of this Agreement pursuant to Section 9.2(a):

(i) each Party shall return all documents, work papers and other material of any other Party, or those prepared by a Party from the review of such documents, work papers and other material of the other Party, relating to the transactions contemplated hereby, whether obtained before or after the execution hereof, to the Party furnishing the same;

(ii) no confidential information received by any Party with respect to the business of any other Party or its affiliates shall be used or disclosed to any third Party, unless required by law;

(iii) Buyer shall be entitled to the immediate return of all Escrow Amounts without defense, setoff or recoupment of any kind or nature; and

(iv) the rights and obligations of the Parties hereto under this Agreement shall terminate (other than the provisions of this Section, the provisions related to payment of the Termination Fee and the treatment of the Deposit and escrowed funds under Section 9.1(b)) and there shall be no liability of any Party hereto to any other Party hereunder and each Party hereto shall bear its own expenses incurred in connection with the negotiation, preparation, execution and performance of this Agreement; provided that the foregoing shall not relieve any Party of liability for damages actually incurred by any other Party as a result of any breach of this Agreement resulting from act or omission of the Party permitting, causing or committing such breach.

(c) Standby Obligation. Notwithstanding the entry of a Sale Approval Order naming a party other than Buyer as the winning bidder at the Auction, Buyer shall, to the extent that Buyer is the second highest bidder at the Auction, remain committed to consummate the transactions contemplated hereby for a period of forty-five (45) days following entry of such order by the Bankruptcy Court. If Seller, at its sole election, delivers notice to Buyer, within thirty (30) days after entry of the third party Sale Approval Order, that the third party transaction will not be consummated and that Seller intends to consummate the transactions contemplated hereby, Buyer shall take all actions required in this Agreement to complete the purchase of the Acquired Assets on a Business Day within five (5) Business Days following such notification, as if Buyer had been the winning bidder at the Auction and the Sale Approval Order had been originally entered.

9.3 Assignment; Successors. Except for an assignment by Buyer to an affiliate of Buyer prior to Closing, neither this Agreement nor any of the rights or obligations hereunder may be assigned by any Party without the prior written consent of the other Party to this Agreement. Subject to the foregoing, this Agreement shall be binding upon and inure to the benefit of the Parties hereto and their respective representatives, heirs, legatees, successors and permitted assigns, including without limitation any Chapter 11 or Chapter 7 trustee appointed in the Bankruptcy Case, and no other Person shall have any right, benefit or obligation hereunder.

9.4 Notices. All notices, requests, demands and other communications which are required or may be given under this Agreement shall be in writing and shall be deemed to have

been duly given when received if personally delivered; when transmitted if transmitted by telecopy, upon receipt of telephonic confirmation; when transmitted if transmitted by electronic communication, the first Business Day after it is sent, if sent for next day delivery to a domestic address by recognized overnight delivery service (including Federal Express); and upon receipt, if sent by certified or registered mail, return receipt requested. In each case notice shall be sent to:

If to Seller, addressed to: Trans National Communications International, Inc.
Attn: Board of Directors
2 Charlesgate West
Third Floor
Boston, MA 02215

with a copy to: Harold B. Murphy, Esq.
Murphy & King, Professional Corporation
One Beacon Street
Boston, MA 02108
Fax: (617) 423-0498

If to Buyer, addressed to: Blue Casa Telephone, LLC
Attn.: Jeff Compton, President and CEO
114 E. Haley Street, Suite A
Santa Barbara, CA 93101
Fax: (805) 869-1445

with a copy to:

Jonathan B. Alter, Esq.
Bingham McCutchen LLP
One State Street
Hartford, CT 06103
Fax: (860) 240-2800

or to such other place and with such other copies as either Party may designate as to itself by written notice to the others.

9.5 **Choice of Law; Jurisdiction.** This Agreement shall be construed and interpreted, and the rights of the Parties determined in accordance with, the laws of the Commonwealth of Massachusetts (without regard to its conflicts of laws principles) and the Bankruptcy Code. Each Party irrevocably consents to the service of any and all process in any action or proceeding arising out of or relating to this Agreement by the transmitting of copies of such process to each Party at its address specified in Section 9.4 in a manner provided for in Section 9.4. The Parties hereto irrevocably submit to the exclusive jurisdiction of the Bankruptcy Court (or any court exercising appellate jurisdiction over the Bankruptcy Court) over any dispute arising out of or relating to this Agreement and any other agreement or instrument contemplated hereby or entered into in connection herewith, or any of the transactions contemplated hereby or thereby and any such dispute shall be deemed to have arisen in the

Commonwealth of Massachusetts. Each Party hereby irrevocably agrees that all claims in respect of such dispute or proceeding may be heard and determined in such courts. The Parties hereby irrevocably waive, to the fullest extent permitted by applicable law, any objection which they may now or hereafter have to the laying of venue of any such dispute brought in such court or any defense of inconvenient forum in connection therewith.

9.6 **Entire Agreement; Amendments and Waivers.** This Agreement, together with all exhibits and schedules hereto, constitutes the entire agreement among the Parties pertaining to the subject matter hereof and supersedes all prior agreements, understandings, negotiations and discussions, whether oral or written, of the Parties. No amendment, supplement, modification or waiver of this Agreement shall be binding unless executed in writing by on or behalf of the Party to be bound thereby. No waiver of any of the provisions of this Agreement shall be deemed or shall constitute a waiver of any other provision hereof (whether or not similar), nor shall such waiver constitute a continuing waiver unless otherwise expressly provided.

9.7 **Construction.** The headings and captions of the various Articles and Sections of this Agreement have been inserted solely for purposes of convenience, are not part of this Agreement, and shall not be deemed in any manner to modify, explain, expand or restrict any of the provisions of this Agreement. All exhibits and schedules attached are made a part hereof. All terms defined herein shall have the same meaning in the exhibits, except as otherwise provided therein. The terms "hereby", "hereof", "hereto", "hereunder" and any similar terms as used in this Agreement, refer to this Agreement in its entirety and not only to the particular portion of this Agreement where the term is used. Whenever in this Agreement provision is made for the payment of attorneys' fees, such provision shall be deemed to mean reasonable attorneys' fees and paralegals' fees. The term "including" when used herein shall mean "including, without limitation." Wherever in this Agreement the singular number is used, the same shall include the plural, and the masculine gender shall include the feminine and neuter genders, and vice versa, as the context shall require.

9.8 **Third Party Beneficiaries.** No Person other than the Parties hereto, shall have any rights or claims under this Agreement.

9.9 **No Waiver.** The failure of either Party hereto to seek redress for any breach, or to insist upon the strict performance, of any covenant or condition of the Agreement by the other shall not be, or be deemed to be, a waiver of the breach or failure to perform nor prevent a subsequent act or omission in violation of, or not strictly complying with, the terms hereof from constituting a default hereunder.

9.10 **Multiple Counterparts.** This Agreement may be executed in one or more counterparts, each of which shall be deemed an original, but all of which together shall constitute one and the same instrument.

9.11 **Invalidity.** In the event that any one or more of the provisions, or any portion thereof, contained in this Agreement or in any other instrument referred to herein, shall, for any reason, be held to be invalid, illegal or unenforceable in any respect, then such provision shall remain valid and enforceable to the maximum extent permitted by law. Such invalidity,

illegality or unenforceability shall not affect any other provision, or any portion thereof, of this Agreement or any other such instrument.

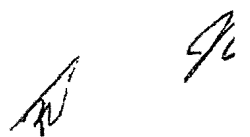
9.12 **Publicity.** Each Party shall consult with the other prior to issuing any press release or otherwise making any public statements with respect to the transactions contemplated hereby, and no Party shall issue any such press release or make any such public statements or comments relating to these transactions without the prior written consent of the other (which shall not be unreasonably withheld), except as may be required by applicable law.

9.13 **Cumulative Remedies.** All rights and remedies of either Party hereto are cumulative of each other and of every other right or remedy such Party may otherwise have at law or in equity, and the exercise of one or more rights or remedies shall not prejudice or impair the concurrent or subsequent exercise of other rights or remedies, including the right to specific performance of the terms hereof.

9.14 **Representation by Counsel; Mutual Negotiation.** Each Party has been represented by counsel of its choice in negotiating this Agreement. This Agreement shall therefore be deemed to have been negotiated and prepared at the joint request, direction and construction of the Parties, at arm's length with the advice and participation of counsel, and will be interpreted in accordance with its terms without favor to any Party. Each Party hereby consents to the representation by Bingham McCutchen LLP of both parties in connection with the Regulatory Approvals.


9.15 **Time.** Time is of the essence of this Agreement.


[Signature page(s) follow.]

Two handwritten signatures are present in the bottom right corner of the page. The first signature is a stylized, cursive mark, and the second is a more legible, cursive signature.

IN WITNESS WHEREOF, the Parties hereto have caused this Agreement to be duly executed under seal all as of the day and year first above written.

TRANS NATIONAL COMMUNICATIONS BLUE CASA TELEPHONE, LLC
INTERNATIONAL, INC.


By: Brian C. Timoney
Its: President/CEO


By: Jeff Compton
Its: CEO/President



 

EXHIBIT F

Sample Customer Notice



2 CHARLESGATE WEST
BOSTON, MA 02215

March 28, 2013

«MailToName»

«MailStreet1» «MailStreet2»

«MailCity», «MailState» «MailZip»-«MailZipPlus4»

Regarding Account #«AccountNumber» / «AccountName»

Dear Valued Customer:

Great news! TNCI Operating Company LLC ("TNCI") has reached an agreement with Trans National Communications International, Inc. to acquire its business, including your account. The new TNCI will do business under the familiar "TNCI" name and will assure that you continue to receive the same great service and dedication to your telecommunications needs.

Please rest assured that the transaction will not affect the services you currently receive. You will continue to receive services with the same rates, features, terms and conditions as you currently enjoy. Any changes to your service following the transaction will be made in compliance with your contract, service terms and applicable federal and state regulatory requirements, including a requirement that we provide written notice 30 days in advance of any increase in our rates for intrastate service in Tennessee, if any, that occurs within 90 days from the date of the transfer. TNCI will automatically become your telecommunications provider on or after May 1, 2013. (The specific date(s) of the transfer of your interstate and intrastate telephone services may differ somewhat depending upon when we receive the applicable federal and state regulatory approvals.)

This change will be completely seamless for you and you do not need to do anything in order for it to occur -- TNCI will take care of all of the details and TNCI will be responsible for any change fees associated with transferring your account to the new TNCI. However, it is important that you be aware of the following information. You are responsible for continued payment of your monthly recurring and usage charges throughout this period. Unless you have made arrangements on your own to switch your telephone service to a different telephone company prior to the date that your services are transferred to TNCI, your account will automatically be transferred and your service contract assigned to TNCI.¹ In addition, any deposit or prepayment you have paid, if any, will be transferred with your account to TNCI. Although you have the option to select another telephone carrier subject to the terms of your current contract, we value your business and we hope that TNCI may continue to serve you. If you should choose another telephone provider you will need to contact that carrier directly to arrange for the change prior to the transfer of your services to TNCI and also provide TNCI with notice per existing service terms. We note that it can take several weeks for a new carrier to make the switch and you may also incur service initiation fees from that provider such as service order, installation and other similar charges associated with establishing a new service account.

Our mission is to provide superior products and services to our customers. We want to thank you for your continued support. If you have any questions regarding your current services or would like more information about the transaction, please call our customer service department toll-free at 800-800-8400, which will remain the same following the transfer of your services.

TNCI looks forward to serving you.

Sincerely,

Jeff Compton
President & Chief Executive Officer
TNCI Operating Company LLC

Brian C. Twomey
President & Chief Executive Officer
Trans National Communications International, Inc.


¹ If you have previously arranged for a preferred carrier "freeze," TNCI will suspend that freeze in order to make the transfer and reinstate it upon completion of a transfer to TNCI. If you have selected an alternate local telephone provider prior to a transfer to TNCI, you will need to have that provider reinstate your preferred carrier freeze.

VERIFICATIONS

COMMONWEALTH OF MASSACHUSETTS)
)
COUNTY OF SUFFOLK)

VERIFICATION

I, Brian Twomey, state that I am President of Trans National Communications International, Inc. (the "Company"); that I am authorized to make this verification on behalf of the Company; that the foregoing filing was prepared under my direction and supervision; and that, with respect to the Company, the same are true and correct to the best of my knowledge, information and belief.



Brian Twomey
President
Trans National Communications International, Inc.

Subscribed and Sworn to me this 20th day of March, 2013.

Kennedy M
Notary Public


My Commission Expires: 6/28/13

SEAL

COMMONWEALTH OF MASSACHUSETTS)
)
COUNTY OF SUFFOLK)

VERIFICATION

I, Jeff Compton, state that I am Chief Executive Officer and President of TNCI Operating Company LLC (the "Company"); that I am authorized to make this verification on behalf of the Company; that the foregoing filing was prepared under my direction and supervision; and that, with respect to the Company, the same are true and correct to the best of my knowledge, information and belief.



Jeff Compton
Chief Executive Officer and President
TNCI Operating Company LLC

Subscribed and Sworn to me this 20th day of March, 2013.

Kentley M
Notary Public

My Commission Expires: 6/28/13

SEAL