



STATE OF NEW JERSEY
Board of Public Utilities
Two Gateway Center
Newark, NJ 07102
www.bpu.state.nj.us

IN THE MATTER OF THE PETITION OF	)	<u>TELECOMMUNICATIONS</u>
4CONNECTIONS LLC FOR APPROVAL TO	)	
INCUR DEBT OBLIGATIONS	)	ORDER
	)	
	)	DOCKET NO. TF07060400

(SERVICE LIST ATTACHED)

BY THE BOARD:

On June 21, 2007, 4Connections LLC, a privately held New Jersey limited liability company with principal offices in Parsippany, NJ, ("4Connections" or "Petitioner"), submitted a Verified Petition to the New Jersey Board of Public Utilities ("Board") pursuant to N.J.S.A. 48:3-7 and N.J.S.A. 48:3-9 requesting approval, to the extent necessary or required, to incur debt obligations of up to \$3.5 million pursuant to financing arrangements described herein.

4Connections is a non-dominant carrier with authority to provide facilities-based and resold local exchange and interexchange telecommunications services within the State of New Jersey pursuant to certification granted by the Board in Docket No. TE02010035, on March 22, 2002.

On September 15, 2006, pursuant to approval granted by the Board in Docket No. TF06090699, 4Connections entered into a Loan and Security Agreement ("Agreement") with Commerce Bank, N.A. ("Lender") for certain financing arrangements ("Credit Facilities"), which included a revolving credit facility ("Revolver") with a May 31, 2007 expiration date. In addition, under the Credit Facilities, Petitioner could convert up to \$1.5 million of indebtedness outstanding as of October 31, 2006, to a five (5) year term loan. Availability under the Revolver would then be lessened by that amount. Petitioner drew down on the Revolver by \$1.5 Million on or about October 31, 2006, which amount was converted to a term loan under the Credit Facilities. Thereafter, \$2.0 Million remained available to Petitioner under the Revolver until May 31, 2007.

Petitioner now seeks Board approval to enter into an amended financing arrangement which will allow it to incur debt obligations of up to \$3.5 Million ("Amended Credit Facilities") as described herein. 4Connections seeks to enter into a First Amendment to Loan and Security Agreement ("Amendment") with the Lender for the Amended Credit Facilities, which will extend the term of the Revolver and increase the amount available thereunder. Under the Amended Credit Facilities, the amount available under the Revolver will increase to \$3.5 Million until September 30, 2007 and then decrease to \$2.0 Million until May 31, 2008, at which time the Amended

Credit Facilities will expire. Prior to the expiration of the Amended Credit Facilities, Petitioner may convert up to \$1.5 Million of indebtedness under the Revolver, to a five (5) year term loan.

Petitioner's obligations under the Amended Credit Facilities will be unconditionally guaranteed by Gilberto Santaliz, President and Managing Member of 4Connections, and James Martini, Chief Financial Officer of 4Connections. Additionally, they will be secured by a lien on Petitioner's business assets.

Proceeds of the borrowings under the Amended Credit Facilities will be used to continue to expand and develop 4Connection's network and operations, and make other capital expenditures or permitted acquisitions necessary to execute its strategic business plan. Proceeds will also be used for working capital and other general corporate purposes.

Petitioner states that approval of the proposed financing arrangements described herein will serve the public interest in promoting competition among telecommunications carriers by providing 4Connections with greater financial resources which will strengthen its competitive position in the marketplace. The proposed financing transaction will benefit New Jersey consumers by increasing the breadth and scope of telecommunications services made available through the planned expansion of 4Connections' operations.

The Division of Rate Counsel has reviewed this matter and, by letter dated August 28, 2007, recommends that the Board approve this petition.

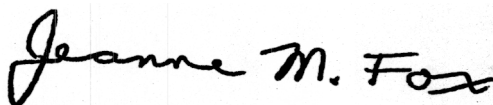
After review, the Board FINDS that the proposed transactions are consistent with the applicable law and HEREBY AUTHORIZES Petitioner to participate in the financing arrangements described herein. This Order is issued subject to the following provisions:

1. This Order shall not affect or in any way limit the exercise of the authority of the Board or the State of New Jersey in any future petition or in any proceeding regarding rates, costs of service, franchises, service, financing, accounting, capitalization, depreciation or any other matters affecting Petitioners.
2. Petitioners shall notify the Board, within five business days, of any material changes in the Agreements and Amendment, and shall provide complete details of such transactions including any anticipated effects upon service in New Jersey.
3. Petitioners shall notify the Board of any material default on the terms of the Agreements and Amendment within five business days of such occurrence.
4. Notwithstanding anything to the contrary in the documents executed pursuant to the financing transactions or other supporting documents, a default or assignment under such agreement does not constitute an automatic transfer of Petitioners' assets. Board approval must be sought pursuant to N.J.S.A. 48:1-1 et seq. where applicable.

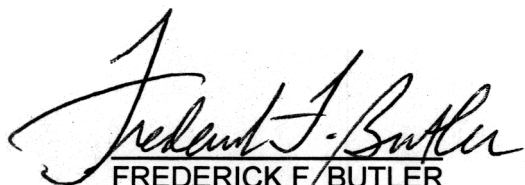
5. This order shall not be construed as directly or indirectly fixing for any purpose whatsoever any value of tangible or intangible assets now owned or hereafter to be owned by the Petitioner.

DATED: 9/13/07

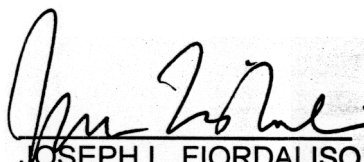
BOARD OF PUBLIC UTILITIES
BY:



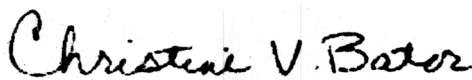
JEANNE M. FOX
PRESIDENT



FREDERICK F. BUTLER
COMMISSIONER



JOSEPH L. FIORDALISO
COMMISSIONER



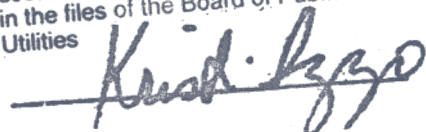
CHRISTINE V. BATOR
COMMISSIONER

ATTEST:



KRISTI IZZO
SECRETARY

I HEREBY CERTIFY that the within
document is a true copy of the original
in the files of the Board of Public
Utilities



In the Matter of the Petition of 4Connections LLC for Approval to Incur Debt Obligations

Docket No. TF07060400

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