



**STATE OF NEW JERSEY**  
**Board of Public Utilities**  
**Two Gateway Center**  
**Newark, NJ 07102**  
**[www.nj.gov/bpu/](http://www.nj.gov/bpu/)**

TELECOMMUNICATIONS

IN THE MATTER OF THE PETITION OF RNK, INC.	)	ORDER
FOR APPROVAL TO UNDERTAKE DEBT FINANCING	)	
	)	DOCKET NO. TF09090750

Cherie R. Kiser, Esq. Cahill, Gordon and Reindel LLP for Petitioner

**BY THE BOARD:**

On September 11, 2009, RNK, Inc., a Massachusetts corporation, ("RNK" or "Petitioner"), filed a petition with the New Jersey Board of Public Utilities ("Board") pursuant to N.J.S.A. 48:3-7 requesting approval to guarantee, pledge stock and grant a security interest in its assets in connection with certain loans pursuant to a loan and security agreement (the "Loan Agreement") entered into by RNK and its parent company, Wave2Wave Communications, Inc. ("Wave2Wave").

RNK is a full-service network communications service provider that offers a variety of origination and termination products, services, and customized network solutions.<sup>1</sup> The Board granted RNK authorization to provide local exchange and interexchange services on October 5, 2004, in Docket No. TE04080753.

Wave2Wave, a Delaware corporation, is the parent company of RNK, Wave2Wave VoIP Communications, LLC, Wave2Wave Data Communications, LLC and Wave2Wave Mid-West Region Communications, LLC.

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<sup>1</sup>RNK is also the parent of RNK VA LLC, a Virginia limited liability company with authority to provide facilities-based and resale competitive local exchange and interexchange access telecommunications services in Virginia.

On September 8, 2009, RNK and Wave2Wave (collectively, "Borrowers") entered into the Loan Agreement, which will allow the Borrowers to obtain up to \$9.3 million in term loans from Victory Park Credit Opportunities, L.P. and Victory Park Special Situations, L.P. ("Lender"). The loan will be made available immediately and refinance current debt and payment obligations. Any amounts loaned to the Borrowers pursuant to the Loan Agreement are secured by all assets of the Borrowers and a pledge of the stock of RNK. There are no inter-company transactions to accompany this transaction. The Borrowers will jointly and severally secure the debt.

The purpose of the transaction is to pay off a portion of existing indebtedness and provide ongoing financing to the Borrowers for working capital. Any accounting of the transaction will reflect the debt repayment and financing.

Petitioner states that the financing is in the public interest. RNK's current lender has discontinued its operations prior to the proposed maturity of the loan previously approved by the Board on April 8, 2008, in Docket No. TF08010075. Petitioner further states that replacement of this loan is necessary to avoid the shock that would have to be absorbed if RNK were required pay back the prior facility earlier than otherwise required due to that lender's exit from the market. RNK asserts that the proposed transaction will not result in any changes to its rates or services.

The Division of Rate Counsel has reviewed this matter and by letter dated October 1, 2009, recommends that the Board approve this petition.

After review, the Board FINDS that the proposed transaction is consistent with the applicable law and is not contrary to the public interest, and therefore HEREBY AUTHORIZES Petitioner to participate in the financing arrangements described herein.

This Order is issued subject to the following provisions:

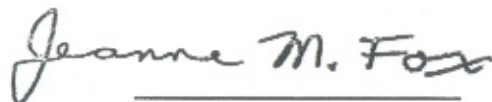
1. This Order shall not affect or in any way limit the exercise of the authority of the Board or the State of New Jersey in any future petition or in any proceeding regarding rates, costs of service, franchises, service, financing, accounting, capitalization, depreciation or any other matters affecting the Petitioner.
2. The Petitioner shall notify the Board, within five business days, of any material changes in the Loan Agreement and shall provide complete details of such transactions including any anticipated effects upon service in New Jersey.
3. The Petitioner shall notify the Board of any material default on the terms of the Loan Agreement 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 the Petitioner's assets. Board approval must be sought pursuant to N.J.S.A. 48:1-1 et seq. where applicable.



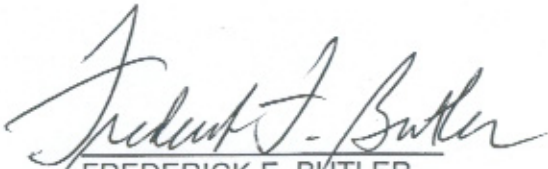
5. This order shall not be construed as directly or indirectly fixing for any purpose whatsoever any value of tangible or intangible assets now owned or hereafter to be owned by the Petitioner.

DATED: 10/28/09


BOARD OF PUBLIC UTILITIES  
BY:



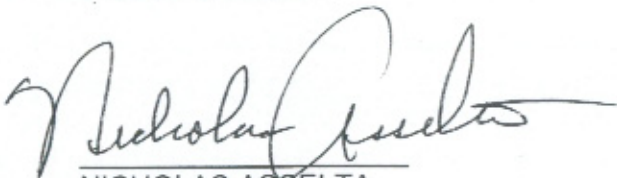
JEANNE M. FOX  
PRESIDENT



FREDERICK F. BUTLER  
COMMISSIONER



JOSEPH L. FIORDALISO  
COMMISSIONER

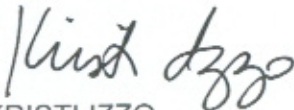


NICHOLAS ASSELTA  
COMMISSIONER



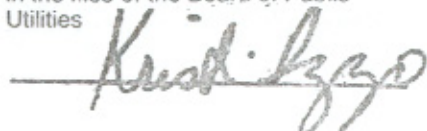
ELIZABETH RANDALL  
COMMISSIONER

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 RNK, Inc. for Approval to Undertake Debt Financing**

**Docket No. TF09090750**

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