

# NOWALSKY, BRONSTON & GOTHARD

A Professional Limited Liability Company

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Philip R. Adams, Jr.

April 14, 2008

RECEIVED

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PUBLIC SERVICE  
COMMISSION

**VIA OVERNIGHT DELIVERY**

Executive Secretary  
Kentucky Public Utilities Commission  
211 Sower Boulevard  
Frankfort, KY 40602

Re: Notice of Indebtedness

Dear Sir or Madam:

This letter is filed on behalf of Vanco Direct USA, LLC ("Vanco") which is authorized to provide resold interexchange and local services in this State. Vanco's parent company, Vanco plc, presently has a revolving credit facility (the "Facility") with Lloyds TSB Bank plc ("Lloyds") in the amount of 100 million pounds Sterling (approximately \$200 million) which is secured by the guarantee of Vanco, a security interest in Vanco's assets and a pledge of Vanco's membership interests. The purpose of the letter is to inform the Commission of a transaction whereby the Facility will be increased by 23.3 million pounds Sterling (approximately \$46.6 million) to a total borrowing capacity of 123.3 million pounds Sterling (approximately \$246.6 million).

The subject transaction will not result in a change of control of any entity. The transaction will enable Vanco to achieve better liquidity and capitalization, which in turn, will enhance its ability to provide quality services to customers of this State at competitive prices, thereby serving the public interest.

Vanco is a Delaware limited liability company with principal offices located at 200 S. Wacker Drive, Suite 1600, Chicago, Illinois, 60606. As previously stated, Vanco is authorized to provide resold interexchange and local services in this State.<sup>1</sup>

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<sup>1</sup> Vanco's authorization to provide resold interexchange and local services in this State was granted on 7/18/05, IXC 22205492, CLEC 5054920.