

ORIGINAL
frontier

COMMUNICATIONS SOLUTIONS
RECEIVED



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April 10, 2008

AZ CORP COMMISSION
DOCKET CONTROL

Michael Kearns
Business Office
Arizona Corporation Commission
1200 West Washington Street
Phoenix, Arizona 85007-2927

**Re: Performance Bond Filing of Frontier Communications of America in
Compliance with Decision No. 70195 in Docket No. T-04036A-07-0108**

Dear Mr. Kearns:

Enclosed please find an original copy of the Performance Bond obtained by Frontier Communications of America in compliance with Decision No. 70195 in Docket No. T-04036A-07-0108.

Please direct any communications regarding this filing to me at 801-298-0757, at P.O. Box 708970, Sandy, UT 84070-8970, or at chuttsel@czn.com.

Sincerely,

Curt Huttzell, Ph.D.
Manager, Government and External Affairs

Arizona Corporation Commission
DOCKETED

APR 14 2008

DOCKETED BY	
KK	nr

Westchester Fire Insurance Company

Performance Bond

BOND # [REDACTED]

KNOW ALL MEN BY THESE PRESENTS: That **Frontier Communications of America, Inc. 3 High Ridge Road, Stamford, Connecticut 06905**. (hereinafter called the Principal), and **Westchester Fire Insurance Company** (hereinafter called the Surety), are held and firmly bound unto **Arizona Corporation Commission, 1200 West Washington Street, Phoenix, Arizona 85007** (hereinafter called the Obligee), in the full and just sum of One Hundred Thousand ----- and 00/100 Dollars (\$100,000.00), the payment of which sum, well and truly to be made, the said Principal and Surety bind themselves, and each of their heirs, administrators, executors, and assigns, jointly and severally, firmly by these presents.

WHEREAS, the Principal has by written agreement dated the 20th day of March, 2008 entered into a contract with the Obligee for **Facilities-based Local Exchange Telecommunications Services in Arizona** which contract is hereby referred to and made a part hereof.

NOW, THEREFORE, THE CONDITIONS OF THE ABOVE OBLIGATION IS SUCH, that if the Principal shall well and truly perform each and every obligation in said contract at the time and in the manner specified during the term of this bond, and shall reimburse said Obligee all loss and damage which said Obligee may sustain by reason of failure or default on the part of said Principal, then this obligation shall be void, otherwise to remain in full force and effect.

PROVIDED, HOWEVER, That this bond is subject to the following conditions:

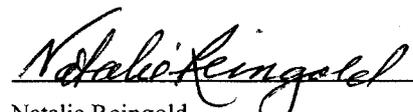
1. This bond is for the term beginning April 2, 2008 and ending April 2, 2009.
2. In the event of a default by the Principal in the performance of the contract during the term of this bond, the Surety shall be liable only for the loss to the Obligee due to actual excess costs of performance that occurred during the effective period of the bond, up to the maximum penalty of this bond.
3. No claim, action, suit or proceeding, except as hereinafter set forth, shall be had or maintained against the Surety on this instrument unless same be brought or instituted upon the Surety within one year from termination or expiration of the bond term.
4. Neither non-renewal by the surety, nor failure, nor inability of the Principal to file a replacement bond shall constitute loss to the Obligee recoverable under this bond.
5. This bond may be extended for additional terms at the option of the surety, by continuation certificate executed by the Surety.
6. No right of action shall accrue on this bond to or for the use of any person or corporation other than the Obligee named herein or the heirs, executors, administrator or successors of Obligee.

Signed and sealed this 2nd day of April, 2008.

Frontier Communications of America, Inc.

 (seal)
David Whitehouse -
(name & title) Vice President
and Treasurer

Westchester Fire Insurance Company

 (seal)
Natalie Reingold
Attorney-in-Fact

SURETY ACKNOWLEDGMENT

STATE OF CONNECTICUT

COUNTY OF FAIRFIELD

On April 2, 2008 before me personally came **NATALIE REINGOLD** to me known who being by me duly sworn did depose and say that he/she resides in *NORWALK, CONNECTICUT*, that he/she is Attorney-in-Fact of **WESTCHESTER FIRE INSURANCE COMPANY**, the corporation described in, and which executed the within instrument; that he/she knows the seal of said corporation; that the seal affixed by order of the Board of Directors of said corporation, and that he/she signed his/her name thereto by like order; and that the said company has received from the Superintendent of Insurance of the State of Connecticut, and that such certificate has not been revoked.

Pamela J. Filardi

PAMELA J. FILARDI
NOTARY PUBLIC
MY COMMISSION EXPIRES DEC. 31, 2008

Power of Attorney

WESTCHESTER FIRE INSURANCE COMPANY



Know all men by these presents: That **WESTCHESTER FIRE INSURANCE COMPANY**, a corporation of the State of New York, having its principal office in the City of Atlanta, Georgia, pursuant to the following Resolution, adopted by the Board of Directors of the said Company on December 11, 2006, to wit:

"RESOLVED, that the following authorizations relate to the execution, for and on behalf of the Company, of bonds, undertakings, recognizances, contracts and other written commitments of the Company entered into the ordinary course of business (each a "Written Commitment"):

- (1) Each of the Chairman, the President and the Vice Presidents of the Company is hereby authorized to execute any Written Commitment for and on behalf of the Company, under the seal of the Company or otherwise
- (2) Each duly appointed attorney-in-fact of the Company is hereby authorized to execute any Written Commitment for and on behalf of the Company, under the seal of the Company or otherwise, to the extent that such action is authorized by the grant of powers provided for in such persons written appointment as such attorney-in-fact
- (3) Each of the Chairman, the President and the Vice Presidents of the Company is hereby authorized, for and on behalf of the Company, to appoint in writing any person the attorney-in-fact of the Company with full power and authority to execute, for and on behalf of the Company, under the seal of the Company or otherwise, such Written Commitments of the Company as may be specified in such written appointment, which specification may be by general type or class of Written Commitments or by specification of one or more particular Written Commitments
- (4) Each of the Chairman, the President and Vice Presidents of the Company is hereby authorized, for and on behalf of the Company, to delegate in writing to any other officer of the Company the authority to execute, for and on behalf of the Company, under the Company's seal or otherwise, such Written Commitments of the Company as are specified in such written delegation, which specification may be by general type or class of Written Commitments or by specification of one or more particular Written Commitments
- (5) The signature of any officer or other person executing any Written Commitment or appointment or delegation pursuant to this Resolution, and the seal of the Company, may be affixed by facsimile on such Written Commitment or written appointment or delegation.

FURTHER RESOLVED, that the foregoing Resolution shall not be deemed to be an exclusive statement of the powers and authority of officers, employees and other persons to act for and on behalf of the Company, and such Resolution shall not limit or otherwise affect the exercise of any such power or authority otherwise validly granted or vested.

FURTHER RESOLVED, that the Resolution of the Board of Directors of the Company adopted at the meeting held on November 8, 1999 relating to the authorization of certain persons to execute, for and on behalf of the Company, Written Commitments and appointments and delegations, is hereby rescinded.

Does hereby nominate, constitute and appoint **NATALIE REINGOLD, ELY PSIJAS and CHRISTOPHER J. MCCARTY** all of the City of Norwalk, State of Connecticut, each individually if there be more than one named, its true and lawful attorney-in-fact, to make, execute, seal and deliver on its behalf, and as its act and deed any and all bonds, undertakings, recognizances, contracts and other writings in the nature thereof in penalties not exceeding Ten Million Dollars (\$10,000,000) and the execution of such writings in pursuance of these presents shall be as binding upon said Company, as fully and amply as if they had been duly executed and acknowledged by the regularly elected officers of the Company at its principal office.

IN WITNESS WHEREOF, the said **Stephen M. Haney**, Vice-President, has hereunto subscribed his name and affixed the corporate seal of the said **WESTCHESTER FIRE INSURANCE COMPANY** this 26th day of February, 2008.

WESTCHESTER FIRE INSURANCE COMPANY



Stephen M. Haney, Vice President

COMMONWEALTH OF PENNSYLVANIA
COUNTY OF PHILADELPHIA ss.

On this 26th day of February, A.D. 2008, before me, a Notary Public of the Commonwealth of Pennsylvania in and for the County of Philadelphia came **Stephen M. Haney**, Vice-President of the **WESTCHESTER FIRE INSURANCE COMPANY** to me personally known to be the individual and officer who executed the preceding instrument, and he acknowledged that he executed the same, and that the seal affixed to the preceding instrument is the corporate seal of said Company; that the said corporate seal and his signature were duly affixed by the authority and direction of the said corporation, and that Resolution, adopted by the Board of Directors of said Company, referred to in the preceding instrument, is now in force.

IN TESTIMONY WHEREOF, I have hereunto set my hand and affixed my official seal at the City of Philadelphia the day and year first above written.



COMMONWEALTH OF PENNSYLVANIA
NOTARIAL SEAL
KAREN E. BRANDT, Notary Public
City of Philadelphia, Phila. County
My Commission Expires September 26, 2010

Notary Public

I, the undersigned Assistant Secretary of **WESTCHESTER FIRE INSURANCE COMPANY**, do hereby certify that the original **POWER OF ATTORNEY**, of which the foregoing is a substantially true and correct copy, is in full force and effect.

In witness whereof, I have hereunto subscribed my name as Assistant Secretary, and affixed the corporate seal of the Corporation, this 2nd day of April, 2008



William L. Kelly, Assistant Secretary

THIS POWER OF ATTORNEY MAY NOT BE USED TO EXECUTE ANY BOND WITH AN INCEPTION DATE AFTER February 26, 2010

WESTCHESTER FIRE INSURANCE COMPANY

FINANCIAL STATEMENT

DECEMBER 31, 2006

ADMITTED ASSETS

BONDS	\$1,729,763,005
SHORT - TERM INVESTMENTS	25,153,792
STOCKS	154,887,336
REAL ESTATE	0
CASH ON HAND AND IN BANK	(74,947)
PREMIUM IN COURSE OF COLLECTION*	116,402,754
INTEREST ACCRUED	16,895,983
OTHER ASSETS	254,645,146
TOTAL ASSETS	<u><u>\$2,297,673,069</u></u>

LIABILITIES

RESERVE FOR UNEARNED PREMIUMS	\$391,811,211
RESERVE FOR LOSSES	1,243,956,960
RESERVE FOR TAXES	8,090,954
FUNDS HELD UNDER REINSURANCE TREATIES	0
OTHER LIABILITIES	(3,963,619)
TOTAL LIABILITIES	<u><u>1,639,895,506</u></u>

CAPITAL: SPECIAL SURPLUS	200,132,500
CAPITAL: 928,592 SHARES, \$4.85 PAR VALUE	4,503,671
CAPITAL: PAID IN	179,710,659
SURPLUS (UNASSIGNED)	273,430,733
SURPLUS TO POLICYHOLDERS	657,777,563
TOTAL	<u><u>\$2,297,673,069</u></u>

(*EXCLUDES PREMIUM MORE THAN 90 DAYS DUE.)

STATE OF PENNSYLVANIA

COUNTY OF PHILADELPHIA

John P. Taylor, being duly sworn, says that he is Vice President of Westchester Fire Insurance Company and that to the best of his knowledge and belief the foregoing is a true and correct statement of the said Company's financial condition as of the 31 st day of December, 2006.

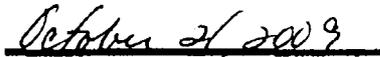
Sworn before me this 18th day of April, 2007.



Vice President



Notary Public



My commission expires

COMMONWEALTH OF PENNSYLVANIA
Notaria: Sea
Danielle M. Daroeri, Notary Public
City Of Philadelphia, Philadelphia County
My Commission Expires Oct. 21, 2009
Member, Pennsylvania Association of Notaries