

PARKER POE

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Attorneys and Counselors at Law

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Partner

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www.parkerpoe.com

June 3, 2009

VIA FEDERAL EXPRESS

Darlene Standley
Utilities Division Chief
c/o Ms. Sharla Dillon, Dockets
Tennessee Regulatory Authority
460 James Robertson Parkway
Nashville, Tennessee 37243-0505

filed electronically in docket office on 06/03/09

Re: *Docket No. 09-00051, Application of DukeNet Communications, LLC for a Certificate to Provide Local Exchange and Interexchange Telecommunications Services as a Competitive Local Exchange Carrier in Tennessee*

Dear Ms. Standley:

In response to your request for information dated April 24, 2009, DukeNet Communications, LLC (DukeNet) respectfully submits the following information:

1. **Q:** What is the legal name of the company? The Secretary of State certification included with the application was for DukeNet Communication Services, LLC.

 A: The legal name of the company is DukeNet Communications, LLC. DukeNet Communication Services, LLC is a sister company also authorized to conduct business in Tennessee. DukeNet Communication Services, LLC's Secretary of State certification was submitted with DukeNet's application in error. The true and correct Secretary of State certification for DukeNet Communications, LLC is attached hereto as Attachment A, and we respectfully request that it be considered as part of DukeNet's application and the DukeNet Communication Services, LLC certification be disregarded for purposes of this docket.

2. **Q:** The application states that the Exhibit E is DukeNet Communications, LLC's "local exchange tariff...describing the terms and conditions under which it will offer local exchange telecommunications services in Tennessee." However, Exhibit E contains a tariff titled "DukeNet Communications, LLC Regulations

CHARLESTON, SC
CHARLOTTE, NC
COLUMBIA, SC
MYRTLE BEACH, SC
SPARTANBURG, SC

and Schedule of Charges Applying to Interexchange Telecommunications Services within the State of Tennessee.” Will DukeNet Communications, LLC be providing local exchange services in Tennessee? If so, provide an informational tariff for the local exchange services to be offered.

A: The illustrative tariff attached to the application as Exhibit E is intended to be an Interexchange Telecommunications Services Tariff and accurately sets forth the services DukeNet intends to offer in Tennessee. As described in the answer to question number three, DukeNet will not be providing basic local exchange services in Tennessee.

3. Q: The description of services DukeNet plans to offer provided on page 4 of the application appears to contradict the statement on page 6 of the application that reads, “DukeNet does not plan to provide voice grade services in Tennessee.” Does DukeNet plan to offer local telecommunications services? If so, provide a Toll Dialing Parity Plan.

A: DukeNet does not plan to provide voice grade service or otherwise offer services to end users but rather will be a “carrier’s carrier” installing fiber to be leased by other carriers providing services to end users.

4. Q: What is DukeNet’s expected demand for NXXs per NPA within a year of approval of your application?

A: For the reasons set forth in the answer to question number three, DukeNet does not expect to have any demand for NXXs.

5. Q: Will DukeNet provide access to 911 and E911 services, white page directory listings and directory assistance, access to and support for the Tennessee Relay Center in the same manner as incumbent local exchange telephone companies, free blocking for 900/976 type services in accordance with Authority policy, LifeLine and Link-Up services to qualifying citizens of Tennessee and educational discounts in existence as of June 6, 1995 in accordance with TRA Rule 1220-4-8-.04?

A: For the reasons set forth in the answer to question number three, principally that DukeNet does not intend to provide basic local exchange service in Tennessee, DukeNet will not be in a position to provide access to 911 and E911 services, white page directory listing and directory assistance, access to and support for the Tennessee Relay Center in the same manner as incumbent local exchange telephone companies, free blocking for 900/976 type services, LifeLine and Link-Up services and educational discounts in existence as of June 6, 1995

6. Q: Provide a sample bill.

- A: DukeNet is engaged in the business of leasing fiber to carriers and therefore does not have a sample retail customer bill to offer.
7. Q: For what reason did DukeNet cancel its certification in the state of Florida in 2006 and then get recertified in 2007?
- A: DukeNet was originally certificated in Florida in anticipation of a business opportunity. When that business opportunity did not materialize, DukeNet canceled its certification in Florida. Shortly thereafter, a new and unanticipated business opportunity was presented in Florida, and DukeNet was re-certificated in 2007 in order to pursue the new opportunity.
8. Q: Provide the educational background for Mr. Cockerham and Mr. Lane and more detailed information regarding previous telecommunications experience including positions held, dates and duties and responsibilities for each prior position. Detail the day-to-day duties and responsibilities of each officer for the company's Tennessee operations.
- A: Please find the updated information for Mr. Cockerham and Mr. Lane attached hereto as **Attachment B**.
9. Q: DukeNet provided the financial information for its parent company, Duke Energy Corp. Does DukeNet Communications, LLC have its own financials? If so, provide the most recent Balance Sheet, Income Statement and Statement of Cash Flows. If the company does not have financial information, provide a statement from an authorized representative of Duke Energy Corp. agreeing to provide financial resources for DukeNet Communications, LLC's Tennessee operations.
- A: Enclosed as **Attachment C**, please find a statement issued by Stephen G. De May, Senior Vice President and Treasurer of Duke Energy, Corp., agreeing to provide financial resources for DukeNet Communications, LLC's Tennessee operations when necessary.
10. Q: Provide a sworn statement from an officer of DukeNet Communications, LLC that the company will adhere to all applicable state and federal laws and TRA rules.
- A: Attached hereto as **Attachment D**, please find a sworn statement of Tony Cockerham, Vice President of Sales and Customer Operations for DukeNet, acknowledging DukeNet's intent to adhere to all applicable state and federal laws and TRA rules.
11. Q: Provide a bond or letter of credit in compliance with Tenn. Code Ann. § 65-4-125(j).

Darlene Standley
June 3, 2009
Page 4

A: Attached hereto as Attachment E, please find a corporate surety bond in the amount of \$20,000.

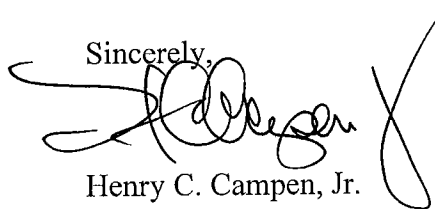
12. Q: How will the company comply with Tenn. Code Ann. § 65-21-114, which requires toll-free calling within each county in Tennessee?

A: DukeNet will not bill for countywide calls within Tennessee because DukeNet will not be providing or billing for services to end users.

In accordance with TRA Rules, I am submitting the original and four written copies of this response and all attachments and an electronic version via email to Ms. Sharla Dillon.

Thank you for your assistance with this matter. Please do not hesitate to contact me or Tracy Kimbrell at 919-835-4628 if you have any questions or need additional information.

Sincerely,

A handwritten signature in black ink, appearing to read "H. Campen, Jr.", with a long, sweeping horizontal line extending to the right.

Henry C. Campen, Jr.

HCC:twk

Enclosures

Attachment A

Secretary of State Certification for DukeNet Communications, LLC

Secretary of State
Division of Business Services
312 Rosa L. Parks Avenue
6th Floor, William R. Snodgrass Tower
Nashville, Tennessee 37243

DATE: 01/30/09
REQUEST NUMBER: 6432-2490
TELEPHONE CONTACT: (615) 741-2286
FILE DATE/TIME: 01/29/09 0833
EFFECTIVE DATE/TIME: 01/29/09 0833
CONTROL NUMBER: 0595166

TO:
DUKENET COMMUNICATIONS LLC
526 S CHURCH ST
EC-03T
CHARLOTTE, NC 28202

RE:
DUKENET COMMUNICATIONS, LLC
APPLICATION FOR CERTIFICATE OF AUTHORITY -
LIMITED LIABILITY COMPANY

WELCOME TO THE STATE OF TENNESSEE. THE ATTACHED LIMITED LIABILITY COMPANY
CERTIFICATE OF AUTHORITY HAS BEEN FILED WITH AN EFFECTIVE DATE AS INDICATED
ABOVE.

A LIMITED LIABILITY COMPANY ANNUAL REPORT MUST BE FILED WITH THE SECRETARY OF
STATE ON OR BEFORE THE FIRST DAY OF THE FOURTH MONTH FOLLOWING THE CLOSE OF THE
LIMITED LIABILITY COMPANY'S FISCAL YEAR. ONCE THE FISCAL YEAR HAS BEEN
ESTABLISHED, PLEASE PROVIDE THIS OFFICE WITH WRITTEN NOTIFICATION. THIS OFFICE
WILL MAIL THE REPORT DURING THE LAST MONTH OF SAID FISCAL YEAR TO THE LIMITED
LIABILITY COMPANY AT THE ADDRESS OF ITS PRINCIPAL OFFICE OR TO A MAILING
ADDRESS PROVIDED TO THIS OFFICE IN WRITING. FAILURE TO FILE THIS REPORT OR TO
MAINTAIN A REGISTERED AGENT AND OFFICE WILL SUBJECT THE LIMITED LIABILITY
COMPANY TO ADMINISTRATIVE REVOCATION OF ITS CERTIFICATE OF AUTHORITY.

WHEN CORRESPONDING WITH THIS OFFICE OR SUBMITTING DOCUMENTS FOR FILING, PLEASE
REFER TO THE LIMITED LIABILITY COMPANY CONTROL NUMBER GIVEN ABOVE.

FOR: APPLICATION FOR CERTIFICATE OF AUTHORITY -
LIMITED LIABILITY COMPANY

ON DATE: 01/29/09

FROM:
DUKE ENERGY CORPORATION/400 SOUTH TRYON
400 SOUTH TRYON ST.
SUITE 258
CHARLOTTE, NC 28285-0000

RECEIVED: FEES \$300.00 \$0.00

TOTAL PAYMENT RECEIVED: \$300.00

RECEIPT NUMBER: 00004521293
ACCOUNT NUMBER: 00273353



SS-4458

Tre Hargett

TRE HARGETT
SECRETARY OF STATE

State of Tennessee



Department of State
Corporate Filings
312 Rosa L. Parks Avenue
6th Floor, William R. Snodgrass Tower
Nashville, TN 37243

APPLICATION FOR
CERTIFICATE OF AUTHORITY
(Limited Liability Company)

FILED
RECEIVED
STATE OF TENNESSEE
2009 JAN 29 AM 8:33
Tre Hargett
Secretary of State

To the Secretary of State of the State of Tennessee:

Pursuant to the provisions of §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: DukeNet Communications, 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 § 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 § 48-249-106(d).

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

and its date of its formation is: December 15, 2000 (must be month, day and year)

3. The complete street address (including zip code) of its principal executive office is:

<u>526 S. Church Street, EC-03T</u>	<u>Charlotte, NC</u>	<u>28202</u>
Street	City/State	Zip Code

4. The complete street address (including the county and the zip code) of its registered office in Tennessee:

<u>800 S. Gay Street, Suite 2021</u>	<u>Knoxville, Tennessee</u>	<u>37929</u>
Street	City/State	County

The name of its registered agent at that office is: CT Corporation System

5. If the provisions of TCA §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.

6. The number of members at the date of filing if more than six (6): _____

7. If the limited liability company commenced doing business in Tennessee prior to the approval of this application, the date of commencement (month, day and year) _____. **NOTE:** Additional filing fees may apply. See section 48-249-913(d).

NOTE: This application must be accompanied by a certificate of existence or a document of similar import (for example, a certificate of good standing) duly authenticated by the Secretary of State or other official having custody of the Limited Liability Company records in the state or country under whose law it is organized. The certificate shall not bear a date of more than two (2) months prior to the date the application is filed in this state.

January 26th, 2009.

Signature Date

Secretary

Signer's Capacity

DukeNet Communications, LLC

Name of Limited Liability Company

Kodwo Gharley-Tagoe
Signature

Kodwo Gharley-Tagoe

Name (typed or printed)

Delaware

The First State

RECEIVED
STATE OF TENNESSEE
PAGE 1
2009 JAN 29 AM 8:33
Tre Hargett
Secretary of State

6432.2491

I, HARRIET SMITH WINDSOR, SECRETARY OF STATE OF THE STATE OF DELAWARE, DO HEREBY CERTIFY "DUKENET COMMUNICATIONS, 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 JANUARY, A.D. 2009.

AND I DO HEREBY FURTHER CERTIFY THAT THE ANNUAL TAXES HAVE BEEN PAID TO DATE.



3330516 8300

090052301

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

Harriet Smith Windsor

Harriet Smith Windsor, Secretary of State

AUTHENTICATION: 7092036

DATE: 01-21-09

Attachment B

Updated Biographical Information for Mr. Cockerham and Mr. Lane

Tony Cockerham
VP – Sales and Business Development, Wireless
DukeNet Communications

Education:

- Master of Science, Telecommunications Systems Management – Southern Methodist University – 1993
- Bachelor of Science, Electrical Engineering (Magna Cum Laude) – NC State University – 1990

Work Experience:

- Vice President – Sales and Business Development, Wireless – DukeNet Communications - Overall P&L responsibility for the sector of DukeNet's business that serves the wireless carrier customer segment. This includes managing the sales function and developing relationships with fiber and microwave network partners/suppliers. – February 2009 thru current
- Vice President – Sales and Customer Operations – DukeNet Communications - Managed sales and customer operations function across multiple market segments (wireless, inter-exchange carrier, CLEC). The customer operations function includes order management, service delivery, and customer service acceptance. - April 2006 thru February 2009
- Vice President – Engineering and Operations – DukeNet Communications - Oversaw network planning and engineering functions for the entire DukeNet fiber network. This included the deployment and sales engineering functions. - October 2003 thru April 2006
- Director – Network Planning and Engineering – DukeNet Communications - Managed the network, planning, and engineering functions, reporting to the VP of Engineering and Operations. February 2001 thru October 2003
- Project Manager – DukeNet Communications – Managed network upgrade and customer projects, ensuring project deadlines, budgets, and specifications were met. - April 1999 thru February 2001
- Telecommunications Engineer – Duke Energy IT – Provided detailed engineering specs/drawings for network upgrade and customer projects across the Duke Energy/DukeNet footprint. - July 1996 thru April 1999
- Project Manager – BellSouth Telecommunications – Managed complex network upgrade and customer projects throughout North Carolina. February 1994 thru July 1996
- Network Planning Manager – BellSouth Telecommunications – Managed the outside plant planning function for BellSouth's Greensboro, NC fiber and copper network. – March 1992 thru February 1994
- Outside Plant Engineer – BellSouth Telecommunications – Engineered fiber optic and copper outside plant jobs for installation and turn-up by field personnel. Worked with field personnel to resolve issues. – June 1990 thru March 1992

Kevin Lane

Vice President of Engineering and Operations – DukeNet
400 South Tryon Street
ST29B
Charlotte, North Carolina 28202

Kevin Lane was named vice president of engineering and operations of DukeNet Communications in March of 2006. Prior to his current position, Lane joined DukeNet in 2005 and was responsible for business development in DukeNet. Lane brought many opportunities to DukeNet that enabled them to expand their network and customer base.

Lane has been with Duke Energy since April of 1997. His first role at the new Duke Energy was overall responsibility for the implementation of PeopleSoft Financial system for the pipelines, power company and international business units of Duke Energy. As a division manager, Lane was responsible for include the management of the workstation and enterprise database management services teams that provided this service corporate wide.

Before joining Duke Energy in 1997, Lane's career has spanned 20 years in various technical and managerial positions within Information Technology spanning application development, systems management and project management roles in the energy, aerospace and manufacturing business sectors.

Some of the key companies that Lane was a member included Duquesne Light Company from 1990 to 1996 and was responsible for the implementation of the integrated Customer Information system. CIS effort was a complete business re-engineering effort that was a 120 man year effort completed in 2.5 years at a cost of \$24M. Implemented and integrated the ITRON Radio Frequency base meter reading system to enable remote reading of all residential and commercial meters.

Lane is a graduate of the State University of New York where he received a B.S. in Computer Science in 1978. Lane was born in 1955. He is married to Joanne, a Guidance Counselor at NorthWest Middle School in the community where they live in Concord, North Carolina. They have 3 Children.

Attachment C

Guarantee Issued by Duke Energy, Corp.



STEPHEN G. DE MAY
Senior Vice President,
Treasurer & Chief Risk Officer

Duke Energy
526 South Church St.
Charlotte, NC 28202

Mailing Address:
EC04Z / PO Box 1006
Charlotte, NC 28201-1006

704-382-2620
704-382-3288 fax

June 2, 2009

Tennessee Regulatory Authority
460 James Robertson Parkway
Nashville, Tennessee 37243-0505

Re: DukeNet Communications, LLC

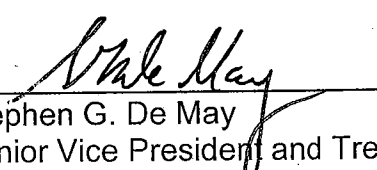
Ladies and Gentlemen:

DukeNet Communications, LLC, a limited liability company organized under the laws of the State of Delaware ("DukeNet"), is filing an application for a certificate to provide local exchange and interexchange telecommunication services as a competitive local exchange carrier in Tennessee.

Duke Energy Corporation, as indirect parent of DukeNet, hereby indicates that it is our intention to enter into mutually acceptable credit support agreements with DukeNet counterparties to support the competitive local exchange carrier obligations of DukeNet in the State of Tennessee when necessary.

Duke Energy Corporation

By:


Stephen G. De May
Senior Vice President and Treasurer

Attachment D

Sworn Statement of Tony Cockerham

**IN THE MATTER OF THE APPLICATION
OF DUKENET COMMUNICATIONS, LLC
FOR A CERTIFICATE TO PROVIDE
LOCAL EXCHANGE AND INTEREXCHANGE
TELECOMMUNICATIONS SERVICES
AS A COMPETITIVE LOCAL EXCHANGE CARRIER**

PPA-20156Q853v1

Attachment E

Corporate Surety Bond

TENNESSEE REGULATORY AUTHORITY

TENNESSEE TELECOMMUNICATIONS SERVICE PROVIDER'S SURETY BOND

Bond #: 105270291

WHEREAS, DUKENET COMMUNICATIONS, LLC
400 South Tryon Street, ST29B, Charlotte, NC 28285 (the "Principal"), has
applied to the Tennessee Regulatory Authority for authority to provide telecommunications services in the State of Tennessee; and

WHEREAS, under the provisions of Title 65, Chapter 4, Section 125(j) of the Tennessee Code Annotated, as amended, the Principal is
required to file this bond in order to obtain such authority and to secure the payment of any monetary sanction imposed in any enforcement
proceeding brought under Title 65 of the Tennessee Code Annotated or the Consumer Telemarketing Act of 1990 by or on behalf of the
Tennessee Regulatory Authority (the "TRA"); and

WHEREAS, TRAVELERS CASUALTY AND SURETY COMPANY OF AMERICA
One Tower Square, Hartford, CT 06183
(the "Surety"), a corporation licensed to do business in the State of Tennessee and duly authorized by the Tennessee Commissioner of
Insurance to engage in the surety business in this state pursuant to Title 56, Chapter 2 of the Tennessee Code Annotated, has agreed to
issue this bond in order to permit the Principal to comply with the provisions of Title 65, Chapter 4, Section 125(j) of the Tennessee Code
Annotated;

NOW THEREFORE, BE IT KNOWN, that we the Principal and the Surety are held and firmly bound to the STATE OF TENNESSEE, in
accordance with the provisions of Tennessee Code Annotated, Title 65, Chapter 4, Section 125(j), in the full amount of twenty thousand
dollars (\$20,000.00) lawful money of the United States of America to be used for the full and prompt payment of any monetary sanction
imposed against the Principal, its representatives, successors or assigns, in any enforcement proceeding brought under Title 65 of
Tennessee Code Annotated or the Consumer Telemarketing Act of 1990, by or on behalf of the TRA, for which obligation we bind
ourselves, our representatives, successors and assigns, each jointly and severally, firmly and unequivocally by these presents.

This bond shall become effective on the 17th day of April, 2009, and shall be continuous; provided, however, that each
annual renewal period or portion thereof shall constitute a new bond term. Regardless of the number of years this bond may remain in force,
the liability of the Surety shall not be cumulative, and the aggregate liability of the Surety for any and all claims, suits or actions under this
bond shall not exceed Twenty Thousand Dollars (\$20,000.00). The Surety may cancel this bond by giving thirty (30) days written notice of
such cancellation to the TRA and Principal by certified mail, it being understood that the Surety shall not be relieved of liability that may
have accrued under this bond prior to the date of cancellation.

PRINCIPAL

DUKENET COMMUNICATIONS, LLC
Name of Company authorized by the TRA

Company ID # as assigned by TRA

SURETY

TRAVELERS CASUALTY AND SURETY COMPANY
OF AMERICA

Name of Surety
One Tower Square
Hartford, CT 06183

Address of Surety

SIGNATURE OF PRINCIPAL

Kevin A. Lane
Name: KEVIN A. LANE
Title: VP ENGINEERING & FIELD OPERATIONS

SIGNATURE OF SURETY AGENT

Maureen McNeill
Name: Maureen McNeill
Title: Attorney-in-Fact

Address of Surety Agent:
Aon Risk Services Central, Inc.
Philadelphia PA Office
Philadelphia, PA 19103

**THIS BOND IS ISSUED IN ACCORDANCE WITH THE PROVISIONS OF SECTION 125, CHAPTER 4, TITLE 65 OF THE TENNESSEE
CODE ANNOTATED AS AMENDED BY CHAPTER NO. 586, 2000 PUBLIC ACTS. SHOULD THERE BE ANY CONFLICT WITH THE
TERMS HEREOF AND THE STATUTE OR REGULATIONS PROMULGATED THEREUNDER, THE STATUTE OR REGULATIONS
SHALL PREVAIL. (POWER OF ATTORNEY FROM AN APPROVED INSURANCE COMPANY MUST BE ATTACHED.)**

ACKNOWLEDGMENT OF PRINCIPAL

STATE OF North Carolina
COUNTY OF Mecklenburg

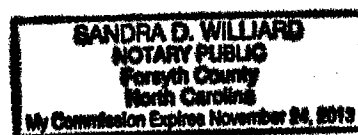
Before me, a Notary Public of the State and County aforesaid, personally appeared Kevin A. Lane
with whom I am personally acquainted and who, upon oath, acknowledged himself to be the individual who executed the foregoing
bond on behalf of DukeNet Communications, LLC, and he acknowledged to me that he executed the same.

WITNESS my hand and seal this 27th day of May, 2009.

My Commission Expires:

11-24-2013

Sandra D. Williard
Notary Public



ACKNOWLEDGMENT OF SURETY

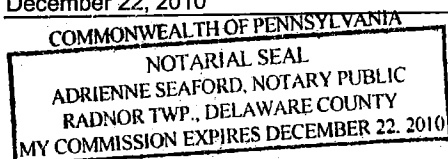
STATE OF PA
COUNTY OF Delaware

Before me, a Notary Public of the State and County aforesaid, personally appeared Maureen McNeill
with whom I am personally acquainted and who, upon oath, acknowledged himself to be the individual who executed the
foregoing bond on behalf of TRAVELERS CASUALTY AND SURETY COMPANY OF AMERICA, the within named Surety, a corporation licensed to do business in the
State of Tennessee and duly authorized by the Tennessee Commissioner of Insurance to engage in the surety business in this state
pursuant to Title 56, Chapter 2 of the Tennessee Code Annotated, and that he as such an individual being authorized to do so,
executed the foregoing bond, by signing the name of the corporation by himself and as such individual.

WITNESS my hand and seal this 17th day of April, 2009.

My Commission Expires:

December 22, 2010



Adrienne Seaford
Notary Public Adrienne Seaford

APPROVAL AND INDORSEMENT

This is to certify that I have examined the foregoing bond and found the same to be sufficient and in conformity to law, that the
sureties on the same are good and worth the penalty thereof, and that the same has been filed with the Tennessee Regulatory
Authority, State of Tennessee, this _____ day of _____, 20__.

Name:

Title:

TRAVELERS CASUALTY AND SURETY COMPANY OF AMERICA

HARTFORD, CONNECTICUT 06183

FINANCIAL STATEMENT AS OF JUNE 30, 2008

CAPITAL STOCK \$ 6,000,000

ASSETS		LIABILITIES & SURPLUS	
CASH & INVESTED CASH	\$ 101,379,041	UNEARNED PREMIUMS	\$ 825,843,836
BONDS	3,368,113,695	LOSSES	978,657,434
STOCK	13,398,405	LOSS ADJUSTMENT EXPENSES	205,777,063
INVESTMENT INCOME DUE AND ACCRUED	43,075,530	COMMISSIONS	30,972,464
PREMIUM BALANCES	290,407,551	TAXES, LICENSES AND FEES	28,855,278
NET DEFERRED TAX ASSET	39,490,406	OTHER EXPENSES	16,352,435
REINSURANCE RECOVERABLE	3,192,285	FUNDS HELD UNDER REINSURANCE TREATIES	115,705,233
RECEIVABLE FROM PARENT, SUBSIDIARIES & AFFILIATES	33,522,889	CURRENT FEDERAL AND FOREIGN INCOME TAXES	73,829,022
OTHER ASSETS	4,686,155	REMITTANCES AND ITEMS NOT ALLOCATED	32,042,841
		AMOUNTS WITHHELD / RETAINED BY COMPANY FOR OTHERS	40,286,524
		PAYABLE FOR SECURITIES	25,761,208
		RETROACTIVE REINSURANCE RESERVE	15,317,417
		POLICYHOLDER DIVIDENDS	9,430,500
		PROVISION FOR REINSURANCE	5,481,063
		CEDED REINSURANCE NET PREMIUMS PAYABLE	8,234,220
		OTHER ACCRUED EXPENSES AND LIABILITIES	2,239,183
		TOTAL LIABILITIES	\$2,414,787,321
		CAPITAL STOCK	\$ 6,000,000
		PAID IN SURPLUS	303,297,402
		OTHER SURPLUS	1,171,181,274
		TOTAL SURPLUS TO POLICYHOLDERS	\$1,480,478,676
TOTAL ASSETS	\$ 3,895,265,997	TOTAL LIABILITIES & SURPLUS	\$ 3,895,265,997

STATE OF CONNECTICUT)

COUNTY OF HARTFORD) ss.

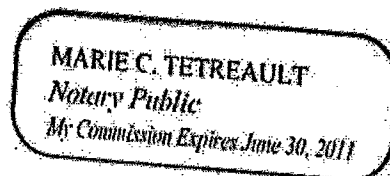
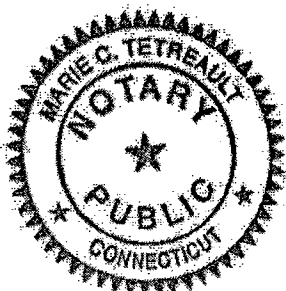
CITY OF HARTFORD)

LAWRENCE A. SIUTA, BEING DULY SWORN, SAYS THAT HE IS CHIEF FINANCIAL OFFICER - TRAVELERS BOND & FINANCIAL PRODUCTS, OF TRAVELERS CASUALTY AND SURETY COMPANY OF AMERICA, AND THAT TO THE BEST OF HIS KNOWLEDGE AND BELIEF, THE FOREGOING IS A TRUE AND CORRECT STATEMENT OF THE FINANCIAL CONDITION OF SAID COMPANY AS OF THE 30th DAY OF JUNE, 2008.

L. A. Siuta
CHIEF FINANCIAL OFFICER - BOND & FINANCIAL PRODUCTS

Marie C. Tetreault
NOTARY PUBLIC

SUBSCRIBED AND SWORN TO BEFORE ME THIS
22nd DAY OF AUGUST, 2008





POWER OF ATTORNEY

Farmington Casualty Company
Fidelity and Guaranty Insurance Company
Fidelity and Guaranty Insurance Underwriters, Inc.
Seaboard Surety Company
St. Paul Fire and Marine Insurance Company

St. Paul Guardian Insurance Company
St. Paul Mercury Insurance Company
Travelers Casualty and Surety Company
Travelers Casualty and Surety Company of America
United States Fidelity and Guaranty Company

Attorney-In Fact No. 220967

Certificate No. 002874178

KNOW ALL MEN BY THESE PRESENTS: That Seaboard Surety Company is a corporation duly organized under the laws of the State of New York, that St. Paul Fire and Marine Insurance Company, St. Paul Guardian Insurance Company and St. Paul Mercury Insurance Company are corporations duly organized under the laws of the State of Minnesota, that Farmington Casualty Company, Travelers Casualty and Surety Company, and Travelers Casualty and Surety Company of America are corporations duly organized under the laws of the State of Connecticut, that United States Fidelity and Guaranty Company is a corporation duly organized under the laws of the State of Maryland, that Fidelity and Guaranty Insurance Company is a corporation duly organized under the laws of the State of Iowa, and that Fidelity and Guaranty Insurance Underwriters, Inc. is a corporation duly organized under the laws of the State of Wisconsin (herein collectively called the "Companies"), and that the Companies do hereby make, constitute and appoint

Darella White, Richard G. Dicciani, Richard A. Jacobus, Mary C. O'Leary, Douglas R. Wheeler, Maureen McNeill, Wayne G. McVaugh, Rosemarie Caponi, Elizabeth Marrero, Sandra E. Bronson, and Adrienne Seaford

of the City of Philadelphia, State of Pennsylvania, their true and lawful Attorney(s)-in-Fact, each in their separate capacity if more than one is named above, to sign, execute, seal and acknowledge any and all bonds, recognizances, conditional undertakings and other writings obligatory in the nature thereof on behalf of the Companies in their business of guaranteeing the fidelity of persons, guaranteeing the performance of contracts and executing or guaranteeing bonds and undertakings required or permitted in any actions or proceedings allowed by law.

IN WITNESS WHEREOF, the Companies have caused this instrument to be signed and their corporate seals to be hereto affixed, this 11th day of March, 2009.

Farmington Casualty Company
Fidelity and Guaranty Insurance Company
Fidelity and Guaranty Insurance Underwriters, Inc.
Seaboard Surety Company
St. Paul Fire and Marine Insurance Company

St. Paul Guardian Insurance Company
St. Paul Mercury Insurance Company
Travelers Casualty and Surety Company
Travelers Casualty and Surety Company of America
United States Fidelity and Guaranty Company



State of Connecticut
City of Hartford ss.

By:

George W. Thompson
George W. Thompson, Senior Vice President

On this the 11th day of March, 2009, before me personally appeared George W. Thompson, who acknowledged himself to be the Senior Vice President of Farmington Casualty Company, Fidelity and Guaranty Insurance Company, Fidelity and Guaranty Insurance Underwriters, Inc., Seaboard Surety Company, St. Paul Fire and Marine Insurance Company, St. Paul Guardian Insurance Company, St. Paul Mercury Insurance Company, Travelers Casualty and Surety Company, Travelers Casualty and Surety Company of America, and United States Fidelity and Guaranty Company, and that he, as such, being authorized so to do, executed the foregoing instrument for the purposes therein contained by signing on behalf of the corporations by himself as a duly authorized officer.

In Witness Whereof, I hereunto set my hand and official seal.
My Commission expires the 30th day of June, 2011.



Marie C. Tetreault
Marie C. Tetreault, Notary Public

This Power of Attorney is granted under and by the authority of the following resolutions adopted by the Boards of Directors of Farmington Casualty Company, Fidelity and Guaranty Insurance Company, Fidelity and Guaranty Insurance Underwriters, Inc., Seaboard Surety Company, St. Paul Fire and Marine Insurance Company, St. Paul Guardian Insurance Company, St. Paul Mercury Insurance Company, Travelers Casualty and Surety Company, Travelers Casualty and Surety Company of America, and United States Fidelity and Guaranty Company, which resolutions are now in full force and effect, reading as follows:

RESOLVED, that the Chairman, the President, any Vice Chairman, any Executive Vice President, any Senior Vice President, any Vice President, any Second Vice President, the Treasurer, any Assistant Treasurer, the Corporate Secretary or any Assistant Secretary may appoint Attorneys-in-Fact and Agents to act for and on behalf of the Company and may give such appointee such authority as his or her certificate of authority may prescribe to sign with the Company's name and seal with the Company's seal bonds, recognizances, contracts of indemnity, and other writings obligatory in the nature of a bond, recognizance, or conditional undertaking, and any of said officers or the Board of Directors at any time may remove any such appointee and revoke the power given him or her; and it is

FURTHER RESOLVED, that the Chairman, the President, any Vice Chairman, any Executive Vice President, any Senior Vice President or any Vice President may delegate all or any part of the foregoing authority to one or more officers or employees of this Company, provided that each such delegation is in writing and a copy thereof is filed in the office of the Secretary; and it is

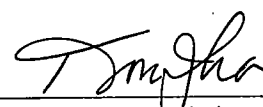
FURTHER RESOLVED, that any bond, recognizance, contract of indemnity, or writing obligatory in the nature of a bond, recognizance, or conditional undertaking shall be valid and binding upon the Company when (a) signed by the President, any Vice Chairman, any Executive Vice President, any Senior Vice President or any Vice President, any Second Vice President, the Treasurer, any Assistant Treasurer, the Corporate Secretary or any Assistant Secretary and duly attested and sealed with the Company's seal by a Secretary or Assistant Secretary; or (b) duly executed (under seal, if required) by one or more Attorneys-in-Fact and Agents pursuant to the power prescribed in his or her certificate or their certificates of authority or by one or more Company officers pursuant to a written delegation of authority; and it is

FURTHER RESOLVED, that the signature of each of the following officers: President, any Executive Vice President, any Senior Vice President, any Vice President, any Assistant Vice President, any Secretary, any Assistant Secretary, and the seal of the Company may be affixed by facsimile to any power of attorney or to any certificate relating thereto appointing Resident Vice Presidents, Resident Assistant Secretaries or Attorneys-in-Fact for purposes only of executing and attesting bonds and undertakings and other writings obligatory in the nature thereof, and any such power of attorney or certificate bearing such facsimile signature or facsimile seal shall be valid and binding upon the Company and any such power so executed and certified by such facsimile signature and facsimile seal shall be valid and binding on the Company in the future with respect to any bond or understanding to which it is attached.

I, Kori M. Johanson, the undersigned, Assistant Secretary, of Farmington Casualty Company, Fidelity and Guaranty Insurance Company, Fidelity and Guaranty Insurance Underwriters, Inc., Seaboard Surety Company, St. Paul Fire and Marine Insurance Company, St. Paul Guardian Insurance Company, St. Paul Mercury Insurance Company, Travelers Casualty and Surety Company, Travelers Casualty and Surety Company of America, and United States Fidelity and Guaranty Company do hereby certify that the above and foregoing is a true and correct copy of the Power of Attorney executed by said Companies, which is in full force and effect and has not been revoked.

IN TESTIMONY WHEREOF, I have hereunto set my hand and affixed the seals of said Companies this 17TH day of APRIL, 20 09

WARNING: THIS POWER OF ATTORNEY IS INVALID WITHOUT THE RED BORDER


Kori M. Johanson, Assistant Secretary



To verify the authenticity of this Power of Attorney, call 1-800-421-3880 or contact us at www.travelersbond.com. Please refer to the Attorney-In-Fact number, the above-named individuals and the details of the bond to which the power is attached.