

BINGHAM

Brett P. Ferenchak
Direct Phone: 202.373.6697
Direct Fax: 202.373.6425
brett.ferenchak@bingham.com
Our File No.: 0000325790

February 1, 2008

Via FedEx and E-Filing

Patricia Van Gerpen, Executive Director
South Dakota Public Utilities Commission
500 E. Capitol Avenue
Capitol Building, 1st Floor
Pierre, SD 57501-5070

Re: Docket TC07-101 - Sage Telecom, Inc.

Dear Ms. Van Gerpen:

On behalf of Sage Telecom, Inc. ("Sage"), enclosed is an original surety bond in the amount of \$25,000, which is filed in support of Sage's Application for a Certificate of Public Convenience and Necessity. Also enclosed are ten (10) copies of this filing, which has also been submitted via E-Filing.

Please date-stamp the extra copy of this filing and return it in the envelope provided. Should you have any additional questions, please do not hesitate to contact me.

Sincerely yours,



Brett P. Ferenchak

Counsel for Sage Telecom, Inc.

Boston
Hartford
Hong Kong
London
Los Angeles
New York
Orange County
San Francisco
Santa Monica
Silicon Valley
Tokyo
Walnut Creek
Washington

Bingham McCutchen LLP
2020 K Street NW
Washington, DC
20006-1806

T 202.373.6000
F 202.373.6001
bingham.com

INDEMNITY BOND
To the
PEOPLE OF THE STATE OF SOUTH DAKOTA

Bond. No. 16BSBEX6834

We, Sage Telecom, Inc. the principal and applicant for a CERTIFICATE OF AUTHORITY, Local Exchange and Interexchange telecommunications services within the State of South Dakota, and Hartford Fire Insurance Company, Hartford, CT as an admitted surety insurer, bind ourselves unto the Public Utilities Commission of the State of South Dakota and the consumers of South Dakota as Obligee, in the sum of \$25,000.00.

The conditions of the obligation are such that the principal, having been granted such CERTIFICATE OF AUTHORITY subject to the provision that said principal purchase this Indemnity Bond, and if said principal shall in all respects fully and faithfully comply with all applicable provisions of South Dakota State Law, and reimburse customers of Sage Telecom Inc. for any prepayment or deposits they have made which may be unable or unwilling to return to said customers as a result of insolvency or other business failure, then this obligation shall be void, discharges and forever exonerated, otherwise to remain in full force and effect.

This bond shall take effect as of the date hereon and shall remain in force and effect until the surety is released from liability by the written order of the Public Utilities Commission, provided that the surety may cancel this Bond and be relieved of further liability hereunder by delivering thirty (30) days written notice to the Public Utilities Commission. Such cancellation shall not affect any liability incurred or accrued hereunder prior to the termination of said thirty (30) day period.

Dated this 24th day of January, 2008
To be effective this 24th day of January, 2008

Sage Telecom, Inc.

Allen, TX

By *Ron W. McCausland*

Hartford Fire Insurance Company

Hartford, CT

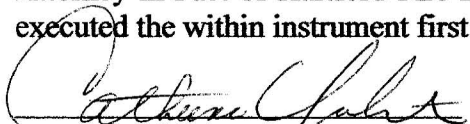
By *Eamon Long*
Eamon Long Attorney in Fact

SURETY ACKNOWLEDGMENT

STATE OF NEW YORK

COUNTY OF WESTCHESTER

On this 24th of January, 2008, personally appeared Eamonn Long, known to me to be the Attorney in Fact of Hartford Fire Insurance Company, and acknowledged to me that he executed the within instrument first written above.


Catherine Urquhart, Notary Public

MY COMMISSION EXPIRES: September 13, 2009

CATHERINE URQUHART
NOTARY PUBLIC, STATE OF NEW YORK
NO. 01UR000470
WESTCHESTER COUNTY
COMMISSION EXPIRES SEPTEMBER 13, 2009 09

POWER OF ATTORNEY

Direct Inquiries/Claims to:

**THE HARTFORD
BOND, T-4**

P.O. BOX 2103, 690 ASYLUM AVENUE
HARTFORD, CONNECTICUT 06115

call: 888-266-3488 or fax: 860-757-5835)

Agency Code: 16 162692

KNOW ALL PERSONS BY THESE PRESENTS THAT:

- Hartford Fire Insurance Company**, a corporation duly organized under the laws of the State of Connecticut
- Hartford Casualty Insurance Company**, a corporation duly organized under the laws of the State of Indiana
- Hartford Accident and Indemnity Company**, a corporation duly organized under the laws of the State of Connecticut
- Hartford Underwriters Insurance Company**, a corporation duly organized under the laws of the State of Connecticut
- Twin City Fire Insurance Company**, a corporation duly organized under the laws of the State of Indiana
- Hartford Insurance Company of Illinois**, a corporation duly organized under the laws of the State of Illinois
- Hartford Insurance Company of the Midwest**, a corporation duly organized under the laws of the State of Indiana
- Hartford Insurance Company of the Southeast**, a corporation duly organized under the laws of the State of Florida

having their home office in Hartford, Connecticut (hereinafter collectively referred to as the "Companies") do hereby make, constitute and appoint, **up to the amount of UNLIMITED** :
EAMONN LONG, JERI RUSSELL, CATHERINE URQUHART OF RYE, NEW YORK

their true and lawful Attorney(s)-in-Fact, each in their separate capacity if more than one is named above, to sign its name as surety(ies) only as delineated above by , and to execute, seal and acknowledge any and all bonds, undertakings, contracts and other written instruments 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, and as authorized by a Resolution of the Board of Directors of the Companies on January 22, 2004, the Companies have caused these presents to be signed by its Assistant Vice President and its corporate seals to be hereto affixed, duly attested by its Assistant Secretary. Further, pursuant to Resolution of the Board of Directors of the Companies, the Companies hereby unambiguously affirm that they are and will be bound by any mechanically applied signatures applied to this Power of Attorney.



Paul A. Bergenholtz
Paul A. Bergenholtz, Assistant Secretary

M. Ross Fisher
M. Ross Fisher, Assistant Vice President

STATE OF CONNECTICUT }
COUNTY OF HARTFORD } ss. Hartford

On this 1st day of February, 2004, before me personally came M. Ross Fisher, to me known, who being by me duly sworn, did depose and say: that he resides in the County of Hartford, State of Connecticut; that he is the Assistant Vice President of the Companies, the corporations described in and which executed the above instrument; that he knows the seals of the said corporations; that the seals affixed to the said instrument are such corporate seals; that they were so affixed by authority of the Boards of Directors of said corporations and that he signed his name thereto by like authority.

SCOTT E. PASEKA
NOTARY
PUBLIC
CERTIFICATE

Scott E. Paseka
Scott E. Paseka
Notary Public
My Commission Expires October 31, 2012

I, the undersigned, Assistant Vice President of the Companies, 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 still in full force effective as of January 17, 2008
Signed and sealed at the City of Hartford.



Gary W. Stumper
Gary W. Stumper, Assistant Vice President

Hartford Fire Insurance Company

Hartford Plaza

Hartford, Connecticut, 06115

Financial Statement, December 31, 2006

(Statutory Basis)

ASSETS		LIABILITIES	
U.S. Government Bonds	\$ 42,957,484	Reserve for Claims	\$
Bonds of other Governments	129,693,452	and Claim Expense.....	6,620,539,801
State, County, Municipal and		Reserve for Unearned Premiums	2,128,639,119
Miscellaneous Bonds	11,687,941,081	Reserve for Taxes, License	
Stocks	6,787,582,942	and Fees	75,064,117
Short Term Investments	398,285,361	Miscellaneous Liabilities	2,744,754,498
	<u>\$ 19,046,460,320</u>	Total Liabilities	\$ <u>11,568,997,535</u>
Real Estate	\$ 102,202,234	Capital Paid In \$	54,740,000
Cash	169,440,452	Surplus	<u>12,966,123,372</u>
Agents' Balances (Under 90 Day.....)	2,908,867,876	Surplus as regards Policyholders...	\$ <u>13,020,863,372</u>
Other Invested Assets	426,951,735	Total Liabilities, Capital	
Miscellaneous	1,935,938,290	 and Surplus	\$ <u>24,589,860,907</u>
Total Admitted Assets	\$ <u>24,589,860,907</u>		

STATE OF CONNECTICUT
 COUNTY OF HARTFORD
 CITY OF HARTFORD

}
 }
 }

ss.

Colleen Mastroianni, Vice-President, and Patricia A. Murrone, Assistant Secretary of the Hartford Fire Insurance Company, being duly sworn, each deposes and says that the foregoing is a true and correct statement of the said company's financial condition as of December 31, 2006.

Subscribed and sworn to before me this 29th
 day of March, 2007.

Patricia E. Davis

Patricia E. Davis
 Notary Public
 My Commission Expires September 30, 2007



Colleen Mastroianni

Colleen Mastroianni, Vice-President

Patricia A. Murrone

Patricia A. Murrone, Assistant Secretary