

Entrix Telecom, Inc.
520 Broad Street
Newark, NJ 07102-3111

December 15, 2006

Via Overnight Mail

Illona Jeffcoat-Sacco
Director
ND Public Service Commission
600 E. Boulevard, Dept.408
Bismarck, ND 58505-0480

Re: Entrix Telecom, Inc. – Indemnity Bond

Dear Director Jeffcoat-Sacco,

Entrix Telecom, Inc., a certified provider of resold interexchange services in North Dakota, is hereby submitting a new indemnity bond to replace the one previously on file with the Commission.

Please contact me at (973) 438-4491 or ana.bataille@corp.idt.net with any questions or concerns regarding this matter.

Sincerely,



Ana Bataille
Regulatory

Enclosure

INDEMNITY BOND
TO THE
PEOPLE OF THE STATE OF NORTH DAKOTA

Bond. No. CMS-233085

We, Entrix Telecom, Inc., as Principal and provider of resold intrastate interexchange, telecommunications service with the State of North Dakota, and RLI INSURANCE COMPANY, as an admitted surety insurer, bind ourselves unto the Public Utilities Commission of the State of North Dakota, as Obligee, in the penal sum of FIVE THOUSAND AND 00/100 (\$5,000.00) Dollars.

The total aggregate liability under this bond is limited to FIVE THOUSAND AND 00/100 (\$5,000.00) Dollars.

The conditions of the obligation are such that the principal shall in all respects fully and faithfully comply with all applicable provisions North Dakota Law. This obligation shall be used to refund prepayments to individuals who have purchased prepaid telecommunications services of the principal if the principal is unable to provide such Utility or return the prepayments to its customers. Within twenty-four (24) hours of such event, principal shall provide to insurer a list of prepaid-calling service account codes it believes to be outstanding in the state of North Dakota together with the remaining balances.

This bond shall take effect as of the date hereon and shall remain in full force and effect until the surety is released from liability by the written order of the North Dakota 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 North Dakota Public Utilities Commission. Such cancellation shall not affect any liability incurred or accrued hereunder prior to the termination of said thirty (30) day period for an amount equal to or greater than the value of this instrument unless the Obligee and the Principal agree otherwise.

Signed, sealed and dater this 29TH day of NOVEMBER, 2006.

Entrix Telecom, Inc.

Principal

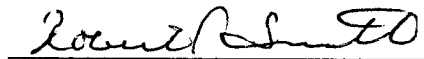
By:


Norman Rosenberg

RLI INSURANCE COMPANY

Surety

BY:


ROBERT P. SCAVETTA, ATTORNEY-IN-FACT

Individual Acknowledgment

State of _____ }
County of _____ } ss.

On this _____ day of _____, 20____, before me personally came _____ to me known, and known to me to be the individual described in and who executed the foregoing instrument, and acknowledged to me that he executed the same.

My commission expires _____ Notary Public

Firm Acknowledgment

State of _____ }
County of _____ } ss.

On this _____ day of _____, 20____, before me personally came _____ to me known and known to me to be a member of the firm of _____ described in and who executed the foregoing instrument, and he thereupon acknowledged to me that he executed the same as and for the act and deed of said firm.

My commission expires _____ Notary Public

Corporation Acknowledgment

State of NEW JERSEY }
County of ESSEX } ss.

On this 15TH day of DECEMBER, 2006, before me personally came NORMAN ROSENBERG, to me known, who being by me duly sworn, did depose and say that he is the SECRETARY of ENTRIX TELECOM, INC.

the corporation described in and which executed the above instrument; that he knows the seal of said corporation; that the seal affixed to said instrument is such corporate seal that it was so affixed by order of the Board of Directors of said corporation, and that he signed his name thereto by like order.

My commission expires _____ My Commission Expires 9/21/08 Wendy Moreano Notary Public

Surety Acknowledgment

State of NEW YORK }
County of WESTCHESTER } ss.

On this 29TH day of NOVEMBER, 2006, before me personally came ROBERT P. SCAVETTA to me known, who, being by me duly sworn, did depose and say that he is an attorney-in-fact of RLI INSURANCE COMPANY the corporation described in and which executed the within instrument; that he knows the corporate seal of said corporation; that the seal affixed to the within instrument is such corporate seal, and that he signed the said instrument and affixed the said seal as Attorney-in-Fact by authority of the Board of Directors of said corporation and by authority of this office under the Standing Resolutions thereof.

My commission expires _____ PATRICIA A. SCAVETTA Notary Public

Patricia A. Scavetta
Notary Public



RLI Surety
 A Division of RLI Insurance Company
 P.O. Box 3967 Peoria, IL 61612-3967
 Phone: 309-692-1000 Fax: 309-692-8637

RLI Insurance Company

December 31, 2005

Admitted Assets

Investments:	
Fixed maturities	\$ 571,645,536
Equity securities	611,816,336
Short-term investments	16,001,776
Real estate	6,081,232
Cash on hand and on deposit	-1,965,994
Other invested assets	6,500,000
Agents' balances	54,880,790
Investment income due and accrued	7,330,537
Funds held	4,000
Reinsurance recoverable on paid losses	21,397,323
Federal income taxes receivable	0
Electronic data processing equipment, net of depreciation	1,490,986
Receivable from affiliates	0
Other admitted assets	5,088,054
Total Admitted Assets	\$ 1,300,270,576

Liabilities and Surplus

Liabilities:	
Reserve for unpaid losses and loss adjustment expenses	\$ 352,022,397
Unearned premiums	128,759,357
Accrued expenses	46,306,449
Funds held	605,482
Advance premiums	3,897,814
Amounts withheld	18,299,338
Ceded reinsurance premium payable	30,710,750
Payable for securities	1,990,357
Statutory penalties	4,779,400
Federal income tax payable	11,404,067
Borrowed money and accrued interest	6,254,554
Drafts outstanding	0
Payable to affiliate	3,293,020
Other liabilities	1,400,919
Total Liabilities	\$ 609,723,904
Surplus:	
Common stock	\$ 10,000,375
Additional paid-in capital	242,451,084
Unassigned surplus	438,095,213
Total Surplus	\$ 690,546,672
Total Liabilities and Surplus	\$ 1,300,270,576

State of Illinois }
 County of Peoria }

The undersigned, being duly sworn, says: That he is the President of **RLI Insurance Company**, that said Company is a corporation duly organized, in the State of Illinois, and licensed and engaged in business in the State of NORTH DAKOTA and has duly complied with all the requirements of the laws of said State applicable of said Company and is duly qualified to act as Surety under such laws; that said Company has also complied with and is duly qualified to act as Surety under the Act of Congress approved July 1947, 6U.S.C sec. 6-13; and that to the best of his knowledge and belief the above statement is a full, true, and correct statement of the financial condition of the said Company on the 31st day of December 2005.

Attest:



{ Corporate Seal Affixed }

Michael J. Stone
 Michael J. Stone President

Cynthia S. Dohm
 Cynthia S. Dohm Assistant Secretary

Sworn to before me this 8th day of February 2006.



{ Notarial Seal Affixed }

Cherie L. Montgomery
 Cherie L. Montgomery Notary Public, State of Illinois



RLI Surety
 A Division of RLI Insurance Company
 P.O. Box 3967 Peoria, IL 61612-3967
 Phone: 309-692-1000 Fax: 309-692-8637

POWER OF ATTORNEY

RLI Insurance Company

Know All Men by These Presents:

That this Power of Attorney is not valid or in effect unless attached to the bond which it authorizes executed, but may be detached by the approving officer if desired.

That **RLI Insurance Company**, an Illinois corporation, does hereby make, constitute and appoint:

ROBERT P. SCAVETTA, PATRICIA A. SCAVETTA, MONICA L. VENTORINO, JOINTLY OR SEVERALLY

in the City of Eastchester, State of New York its true and lawful Agent and Attorney-in-Fact, with full power and authority hereby conferred, to sign, execute, acknowledge and deliver for and on its behalf as Surety, the following described bond.

Any and all bonds provided the bond penalty does not exceed Ten Million Dollars (\$10,000,000).

The acknowledgment and execution of such bond by the said Attorney-in-Fact shall be as binding upon this Company as if such bond had been executed and acknowledged by the regularly elected officers of this Company.

All authority hereby conferred shall expire and terminate, without notice, unless used before midnight of June 14th, 2008, but until such time shall be irrevocable and in full force and effect.

The **RLI Insurance Company** further certifies that the following is a true and exact copy of the Resolution adopted by the Board of Directors of **RLI Insurance Company**, and now in force to-wit:

"All bonds, policies, undertakings, Powers of Attorney or other obligations of the corporation shall be executed in the corporate name of the company by the President, Secretary, any Assistant Secretary, Treasurer, or any Vice President, or by such other officers as the Board of Directors may authorize. The President, any Vice President, Secretary, any Assistant Secretary, or the Treasurer, may appoint Attorneys in Fact or Agents who shall have authority to issue bonds, policies or undertakings in the name of the Company. The corporate seal is not necessary for the validity of any bonds, policies, undertakings, Powers of Attorney or other obligations of the corporation. The signature of any such officer and the corporate seal may be printed by facsimile."

IN WITNESS WHEREOF, the **RLI Insurance Company** has caused these presents to be executed by its Vice President with its corporate seal affixed this 14th day of June, 2006.

State of Illinois }
 County of Peoria } SS



RLI Insurance Company

By: [Signature]
 Roy C. Die Vice President

CERTIFICATE

On this 14th day of June, 2006, before me, a Notary Public, personally appeared Roy C. Die, who being by me duly sworn, acknowledged that he signed the above Power of Attorney as the aforesaid officer of the **RLI Insurance Company** and acknowledged said instrument to be the voluntary act and deed of said corporation.

By: [Signature]
 Cherie L. Montgomery Notary Public



I, the undersigned officer of **RLI Insurance Company**, a stock corporation of the State of Illinois, do hereby certify that the attached Power of Attorney is in full force and effect and is irrevocable; and furthermore, that the Resolution of the Company as set forth in the Power of Attorney, is now in force. In testimony whereof, I have hereunto set my hand and the seal of the **RLI Insurance Company** this 29TH day of NOV., 2006.

RLI Insurance Company

By: [Signature]
 Roy C. Die Vice President