

# FRONTIER COMMUNICATIONS CORP

## FORM 10-K/A (Amended Annual Report)

Filed 03/11/04 for the Period Ending 12/31/02

Address	HIGH RIDGE PK BLDG 3 STAMFORD, CT 06905
Telephone	2036145600
CIK	0000020520
Symbol	FTR
SIC Code	4813 - Telephone Communications, Except Radiotelephone
Industry	Communications Services
Sector	Services
Fiscal Year	12/31

# CITIZENS COMMUNICATIONS COMPANY

## FORM 10-K/A

ANNUAL REPORT PURSUANT TO SECTION 13 OR 15(d)

OF THE SECURITIES EXCHANGE ACT OF 1934

FOR THE YEAR ENDED DECEMBER 31, 2002

**CITIZENS COMMUNICATIONS COMPANY AND SUBSIDIARIES**

**UNITED STATES SECURITIES AND EXCHANGE COMMISSION  
WASHINGTON, D.C. 20549  
FORM 10-K/A  
(Amendment No.1)**

**ANNUAL REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934**

For the fiscal year ended December 31, 2002

OR

**TRANSITION REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934**

For the transition period from \_\_\_\_\_ to \_\_\_\_\_

Commission file number 001-11001

**CITIZENS COMMUNICATIONS COMPANY**  
(Exact name of registrant as specified in its charter)

Delaware

06-0619596

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(State or other jurisdiction of  
Incorporation or organization)

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(I.R.S. Employer Identification No.)

3 High Ridge Park  
Stamford, Connecticut

06905

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(Address of principal executive offices)

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(Zip Code)

Registrant's telephone number, including area code: (203) 614-5600

Securities registered pursuant to Section 12(b) of the Act:  
(Title of each class)

(Name of each exchange on which registered)

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Common Stock, par value \$.25 per share  
Guarantee of Convertible Preferred Securities of Citizens Utilities Trust  
Equity Units  
Citizens Convertible Debentures  
Guarantee of Partnership Preferred Securities of Citizens Utilities Capital L.P.

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New York Stock Exchange  
New York Stock Exchange  
New York Stock Exchange  
N/A  
N/A

Securities registered pursuant to Section 12(g) of the Act: NONE

Indicate by check mark whether the registrant (1) has filed all reports required to be filed by Section 13 or 15(d) of the Securities Exchange Act of 1934 during the preceding 12 months (or for such shorter period that the registrant was required to file such reports), and (2) has been subject to such filing requirements for the past 90 days.

Yes X No

Indicate by check mark if disclosure of delinquent filers pursuant to Item 405 of Regulation S-K is not contained herein, and will not be contained, to the best of registrant's knowledge, in definitive proxy or information statements incorporated by reference in Part III of this Form 10-K or any amendment to this Form 10-K.

Indicate by check mark whether the registrant is an accelerated filer (as defined in Rule 12b-2 of the Act). Yes X No

The aggregate market value of common stock held by non-affiliates of the registrant on June 30, 2002 was approximately \$2,282,096,740, based on the closing price of \$8.36.

The number of shares outstanding of the registrant's Common Stock as of February 28, 2003 was 282,913,758.

**DOCUMENTS INCORPORATED BY REFERENCE**

Portions of the Proxy Statement for the registrant's 2003 Annual Meeting of Stockholders to be held on May 13, 2003 are incorporated by reference into Part III of this Form 10-K.



## **Explanatory Note**

Citizens Communications Company (the Registrant) is filing this Amendment No. 1 to its Annual Report on Form 10-K to replace Item 14, Controls and Procedures, filed with the Securities and Exchange Commission (SEC) on March 24, 2003.

## **Item 14. Controls and Procedures**

### (a) Evaluation of disclosure controls and procedures

We carried out an evaluation, under the supervision and with the participation of our management, regarding the effectiveness of the design and operation of our disclosure controls and procedures. Based upon this evaluation, our principal executive officer and principal financial officer concluded, as of the end of the period covered by this report, December 31, 2002, that our disclosure controls and procedures are effective.

### (b) Changes in internal control over financial reporting

During the fourth quarter of 2002 we became aware of irregularities involving payments made by certain of our public utilities operations for services or benefits that we did not receive. The payments did not involve our operations in Arizona, Vermont, or Hawaii. With the assistance of forensic specialists, outside auditors, and counsel, we investigated these irregularities and identified a total of \$7.8 million that had been embezzled from the Company. These payments were reflected in our financial statements as charges to earnings (primarily during 2002). The U.S. Government recovered approximately \$6.0 million (which was turned over to us) and most of the remaining funds outstanding were reimbursed by insurance.

As a result of the matters described in the preceding paragraph and such investigation, we centralized our payment functions for our public services sector in our Stamford, Connecticut headquarters. We do not believe that such changes materially affected, or are reasonably likely to materially affect, the registrant's internal control over financial reporting.

There were no changes in our internal control over financial reporting identified in an evaluation thereof that occurred during the last fiscal quarter of 2002 that materially affected, or is reasonably likely to materially affect, our internal control over financial reporting.

## **Item 15. Exhibits**

### a) Exhibits:

31.1 Certification of Principal Executive Officer pursuant to Rule 13a-14(a) under the Securities Exchange Act of 1934.

31.2 Certification of Principal Financial Officer pursuant to Rule 13a-14(a) under the Securities Exchange Act of 1934.

32.1 Certification of Chief Executive Officer pursuant to 18 U.S.C. Section 1350, as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002.

32.2 Certification of Chief Financial Officer pursuant to 18 U.S.C. Section 1350, as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002.

**SIGNATURES**

Pursuant to the requirements of Section 13 or 15(d) of the Securities Exchange Act of 1934, the Registrant has duly caused this report to be signed on its behalf by the undersigned, thereunto duly authorized.

**CITIZENS COMMUNICATIONS COMPANY**

(Registrant)

By: /s/ Robert J. Larson

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Robert J. Larson  
Senior Vice President and  
Chief Accounting Officer

March 11, 2004

**Exhibit 31.1**

**CERTIFICATIONS**

I, Leonard Tow, certify that:

1. I have reviewed this amended annual report of Citizens Communications Company;
2. Based on my knowledge, this report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this report;
3. Based on my knowledge, the financial statements, and other financial information included in this report, fairly present in all material respects the financial condition, results of operations and cash flows of the registrant as of, and for, the periods presented in this report;
4. The registrant's other certifying officer(s) and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)) for the registrant and have:
  - (a) Designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under our supervision, to ensure that material information relating to the registrant, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this report is being prepared;
  - (b) Evaluated the effectiveness of the registrant's disclosure controls and procedures and presented in this report our conclusions about the effectiveness of the disclosure controls and procedures, as of the end of the period covered by this report based on such evaluation; and
  - (c) Disclosed in this report any change in the registrant's internal control over financial reporting that occurred during the registrant's most recent fiscal quarter (the registrant's fourth fiscal quarter in the case of an annual report) that has materially affected, or is reasonably likely to materially affect, the registrant's internal control over financial reporting; and
5. The registrant's other certifying officer(s) and I have disclosed, based on our most recent evaluation of internal control over financial reporting, to the registrant's auditors and the audit committee of the registrant's board of directors (or persons performing the equivalent functions):
  - (a) All significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting which are reasonably likely to adversely affect the registrant's ability to record, process, summarize and report financial information; and
  - (b) Any fraud, whether or not material, that involves management or other employees who have a significant role in the registrant's internal control over financial reporting.

*Date: March 11, 2004*

*By: /s/ Leonard Tow*

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*Leonard Tow  
Chief Executive Officer and  
Chairman of the Board of Directors  
(principal executive officer)*

**Exhibit 31.2**

**CERTIFICATIONS**

I, Jerry Elliott, certify that:

1. I have reviewed this amended annual report of Citizens Communications Company;
2. Based on my knowledge, this report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this report;
3. Based on my knowledge, the financial statements, and other financial information included in this report, fairly present in all material respects the financial condition, results of operations and cash flows of the registrant as of, and for, the periods presented in this report;
4. The registrant's other certifying officer(s) and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)) for the registrant and have:
  - (a) Designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under our supervision, to ensure that material information relating to the registrant, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this report is being prepared;
  - (b) Evaluated the effectiveness of the registrant's disclosure controls and procedures and presented in this report our conclusions about the effectiveness of the disclosure controls and procedures, as of the end of the period covered by this report based on such evaluation; and
  - (c) Disclosed in this report any change in the registrant's internal control over financial reporting that occurred during the registrant's most recent fiscal quarter (the registrant's fourth fiscal quarter in the case of an annual report) that has materially affected, or is reasonably likely to materially affect, the registrant's internal control over financial reporting; and
5. The registrant's other certifying officer(s) and I have disclosed, based on our most recent evaluation of internal control over financial reporting, to the registrant's auditors and the audit committee of the registrant's board of directors (or persons performing the equivalent functions):
  - (a) All significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting which are reasonably likely to adversely affect the registrant's ability to record, process, summarize and report financial information; and
  - (b) Any fraud, whether or not material, that involves management or other employees who have a significant role in the registrant's internal control over financial reporting.

*Date: March 11, 2004*

*By: /s/ Jerry Elliott*

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*Jerry Elliott*  
*Chief Financial Officer*  
*(principal financial officer)*

**CERTIFICATION PURSUANT TO  
18 U.S.C. SECTION 1350.  
AS ADOPTED PURSUANT TO**

SECTION 906 OF THE SARBANES-OXLEY ACT OF 2002

In connection with the Annual Report of Citizens Communications Company (the "Company") on Form 10-K/A for the year ended December 31, 2002 as filed with the Securities and Exchange Commission on the date hereof (the "Report"), I, Leonard Tow, Chief Executive Officer of the Company, certify, pursuant to 18 U.S.C.

Section 1350, as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002, that:

- (1) The Report fully complies with the requirements of Section 13(a) or 15(d) of the Securities Exchange Act of 1934; and
- (2) The information contained in the Report fairly presents, in all material respects, the financial condition and results of operations of the Company.

*/s/ Leonard Tow*  
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*Leonard Tow*  
*Chief Executive Officer*  
*March 11, 2004*

This certification is made solely for purpose of 18 U.S.C. Section 1350, subject to the knowledge standard contained therein, and not for any other purpose.

A signed original of this written statement required by Section 906, or other document authenticating, acknowledging, or otherwise adopting the signature that appears in typed form within the electronic version of this written statement required by Section 906, has been provided to Citizens Communications Company and will be retained by Citizens Communications Company and furnished to the Securities and Exchange Commission or its staff upon request.

**CERTIFICATION PURSUANT TO  
18 U.S.C. SECTION 1350.  
AS ADOPTED PURSUANT TO**

SECTION 906 OF THE SARBANES-OXLEY ACT OF 2002

In connection with the Annual Report of Citizens Communications Company (the "Company") on Form 10-K/A for the year ended December 31, 2002 as filed with the Securities and Exchange Commission on the date hereof (the "Report"), I, Jerry Elliott, Chief Financial Officer of the Company, certify, pursuant to 18 U.S.C.

Section 1350, as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002, that:

- (1) The Report fully complies with the requirements of Section 13(a) or 15(d) of the Securities Exchange Act of 1934; and
- (2) The information contained in the Report fairly presents, in all material respects, the financial condition and results of operations of the Company.

*/s/ Jerry Elliott*

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*Jerry Elliott*

*Chief Financial Officer*

*March 11, 2004*

This certification is made solely for purpose of 18 U.S.C. Section 1350, subject to the knowledge standard contained therein, and not for any other purpose.

A signed original of this written statement required by Section 906, or other document authenticating, acknowledging, or otherwise adopting the signature that appears in typed form within the electronic version of this written statement required by Section 906, has been provided to Citizens Communications Company and will be retained by Citizens Communications Company and furnished to the Securities and Exchange Commission or its staff upon request.