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UNITED STATES FIDELITY AND GUARANTY COMPANY
BALTIMORE, MARYLAND 21203

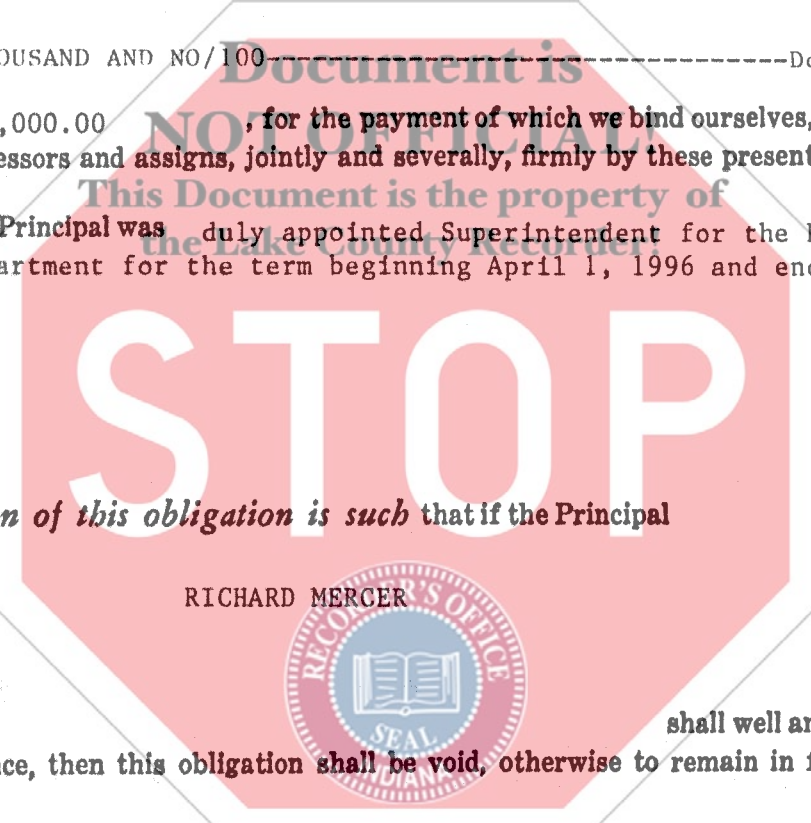
No. 31-0170-11436-94-7

Know all Men by these Presents: That we, **RICHARD MERCER**
HAMMOND, INDIANA

as Principal, and United States Fidelity and Guaranty Company,
a corporation incorporated under the laws of the State of Maryland, as Surety, are held and firmly
bound unto

ONE HUNDRED THOUSAND AND NO/100-----Dollars , Obligee,
in the sum of \$ 100,000.00 , for the payment of which we bind ourselves, our heirs, executors,
administrators, successors and assigns, jointly and severally, firmly by these presents.

Whereas the Principal was duly appointed Superintendent for the Hammond Water
Works Department for the term beginning April 1, 1996 and ending April 1, 1997



The condition of this obligation is such that if the Principal

RICHARD MERCER

shall well and faithfully perform
the duties of his office, then this obligation shall be void, otherwise to remain in full force and effect

Signed, sealed and dated March 26, 1996
(date)

RICHARD MERCER

BY: *Richard Mercer* (SEAL)
Principal

United States Fidelity and Guaranty Company,

By *Clyde E. Rector*
Clyde E. Rector, Attorney-in-fact

NOTARILY ANTHONY L. BONAVENTURA JTL
EXPIRES 7-28-97

N/C

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STATE OF INDIANA
LAKE COUNTY
FILED FOR RECORD
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ATTORNEY-IN-FACT AFFIDAVIT

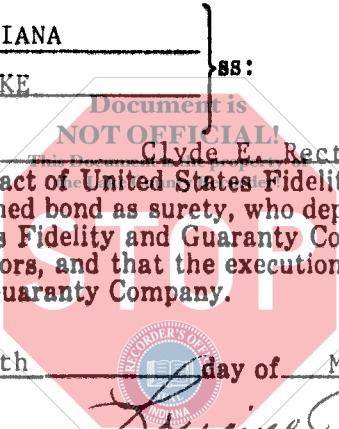
STATE OR COMMONWEALTH OF INDIANA
COUNTY OR CITY OF LAKE } SS:

Before me, a Notary Public, personally came Clyde E. Rector
known to me, and known to be the Attorney-in-Fact of United States Fidelity and Guaranty Company, a
Maryland Corporation, which executed the attached bond as surety, who deposed and said that his signa-
ture and the corporate seal of said United States Fidelity and Guaranty Company were affixed by order
and authority of said Company's Board of Directors, and that the execution of the attached bond is the
free act and deed of United States Fidelity and Guaranty Company.

Given under my hand and seal this 26th day of March, 1996.

Frederic J. Crisp
Notary Public.

My Commission expires 02/23/98



United States Fidelity and Guaranty Company

Power of Attorney

No. 109424



Know all men by these presents: That **United States Fidelity and Guaranty Company**, a corporation organized and existing under the laws of the State of Maryland and having its principal office at the City of Baltimore, in the State of Maryland, does hereby constitute and appoint **Howard J. Gescheidler, Jr., Clyde E. Rector, John H. Gescheidler and Lorraine J. Bogs**

of the City of **Hammond** , State of **Indiana** its 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 to, and to execute, seal and acknowledge any and all bonds, undertakings, contracts and other written instruments in the nature thereof on behalf of the Company in its business of guaranteeing the fidelity of persons; guaranteeing the performance of contracts; and executing or guaranteeing bonds and undertaking required or permitted in any actions or proceedings allowed by law.

In Witness Whereof, the said **United States Fidelity and Guaranty Company**, has caused this instrument to be sealed with its corporate seal, duly attested by the signatures of its Vice President and Assistant Secretary, this **14th** day of **July** , A.D. 19 **95**



United States Fidelity and Guaranty Company.

(Signed) By *[Signature]* Vice President

(Signed) By *[Signature]* Assistant Secretary

State of Maryland)

Baltimore City)

On this **14th** day of **July** , A.D. 19 **95** , before me personally came Gary A. Wilson, Vice President of **United States Fidelity and Guaranty Company**, and Thomas J. Fitzgerald, Assistant Secretary of said Company, with both of whom I am personally acquainted, who being by me severally duly sworn, said, that they, the said Gary A. Wilson and Thomas J. Fitzgerald were respectively the Vice President and the Assistant Secretary of the said **United States Fidelity and Guaranty Company**, the corporation described in and which executed the foregoing Power of Attorney; that they each knew the seal of said corporation; that the seal affixed to said Power of Attorney was such corporate seal, that it was so affixed by order of the Board of Directors of said corporation, and that they signed their names thereto by like order as Vice President and Assistant Secretary, respectively, of the Company.

My Commission expires the **1st** day of **August** , A.D. 1998



(Signed) By *[Signature]* Notary Public

This Power of Attorney is granted under and by authority of the following Resolutions adopted by the Board of Directors of the **United States Fidelity and Guaranty Company** on September 24, 1992:

Resolved, that in connection with the fidelity and surety insurance business of the Company, all bonds, undertakings, contracts and other instruments relating to said business may be signed, executed, and acknowledged by persons or entities appointed as Attorney(s)-in-Fact pursuant to a Power of Attorney issued in accordance with these resolutions. Said Power(s) of Attorney for and on behalf of the Company may and shall be executed in the name and on behalf of the Company, either by the Chairman, or the President, or an Executive Vice President, or a Senior Vice President, or a Vice President or an Assistant Vice President, jointly with the Secretary or an Assistant Secretary, under their respective designations. The signature of such officers may be engraved, printed or lithographed. The signature of each of the foregoing officers and the seal of the Company may be affixed by facsimile to any Power of Attorney or to any certificate relating thereto appointing Attorney(s)-in-Fact for purposes only of executing in and attesting bonds and undertakings and other writings obligatory in the nature thereof, and, unless subsequently revoked and subject to any limitations set forth therein, 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 upon the Company with respect to any bond or undertaking to which it is validly attached.

Resolved, That Attorney(s)-in-Fact shall have the power and authority, unless subsequently revoked and, in any case, subject to the terms and limitations of the Power of Attorney issued to them, to execute and deliver on behalf of the Company and to attach the seal of the Company to any and all bonds and undertakings, and other writings obligatory in the nature thereof, and any such instrument executed by such Attorney(s)-in Fact shall be as binding upon the Company as if signed by an Executive Officer and sealed and attested to by the Secretary of the Company.

I, Thomas J. Fitzgerald, an Assistant Secretary of the **United States Fidelity and Guaranty Company**, do hereby certify that the foregoing are true excerpts from the Resolutions of the said Company as adopted by its Board of Directors on September 24, 1992 and that these Resolutions are in full force and effect.

I, the undersigned Assistant Secretary of the **United States Fidelity and Guaranty Company**, do hereby certify that the foregoing Power of Attorney is in full force and effect and has not been revoked.

In Testimony Whereof, I have hereunto set my hand and the seal of the **United States Fidelity and Guaranty Company**, on this **26** day of **March** , 19 **96**



[Signature]
Assistant Secretary