



RLI Surety
 A Division of RLI Insurance Company
 P.O. Box 3967
 Peoria, IL 61612-3967
 Phone: 309-692-1000 800-645-2402
 Fax: 309-692-8637

LICENSE AND PERMIT BOND

STATE OF INDIANA
 LAKE COUNTY
 FILED FOR RECORD

2003 107589

Bond No. PRS 2003011
 2003 OCT -7 PM 2:50

MORRIS W. CARTER
 RECORDER

KNOW ALL MEN BY THESE PRESENTS:

That we, Tile Effects, Ltd.
PO Box 594
St. John, IN 46373-0594

as Principal, and the **RLI Insurance Company**, a corporation duly licensed to do business in the state of Indiana, as Surety, are held and firmly bound unto the Board of Commissioners of Lake County and all Cities and Towns of Lake County, State of Indiana, Obligees, in the penal sum of Five Thousand, (\$ 5,000.00) DOLLARS, lawful money of the United States, to be paid to the said Obligees, for which payment well and truly to be made, we bind ourselves and our legal representatives, jointly and severally by these presents.

THE CONDITION OF THE ABOVE OBLIGATION IS SUCH, That whereas, the said Principal has been licensed as a(n) _____ flooring contractor by the Obligees.

NOW, THEREFORE, if the said Principal shall faithfully perform the duties and in all things comply with the laws and ordinances, including all Amendments thereto, pertaining to the license or permit applied for, then this obligation to be void, otherwise to remain in full force and effect until for a period commencing on the 7th day of October, 2003, and ending on the 7th day of October, 2004.

This bond may be terminated at any time by the Surety upon sending written notice to the clerk of the Political Subdivision with whom this bond is filed and to the Principal, addressed to them at their first known address, and at the expiration of thirty (30) days from the mailing of said notice, or as soon thereafter as permitted by applicable law, whichever is later, this bond shall terminate and the Surety shall thereupon be relieved from any liability for any acts or omissions of the Principal subsequent to said date.

Dated this 7th day of October, 2003.

Principal
 (Individual, Partner or Corporate Officer)

Patty Melan
 Principal
 (Additional Partner or Partners)



Countersigned

By John J. Sulecki
 Resident Agent



RLI Insurance Company

By Jonathan E. Michael
 Jonathan E. Michael
 President

R1326203-10/20,30

Handwritten notes: 14.00 RM, CK# 4198, \$400.00



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POWER OF ATTORNEY

RLI Insurance Company

Bond No. PRS1083041

Know All Men by These Presents:

That the **RLI Insurance Company**, a corporation organized and existing under the laws of the State of Illinois, and authorized and licensed to do business in all states and the District of Columbia does hereby make, constitute and appoint: _____
Jonathan E. Michael in the City of Peoria, State of Illinois its regularly elected President, Chief Operating Officer, as Attorney-in-Fact, with full power and authority hereby conferred upon him to sign, execute, acknowledge and deliver for and on its behalf as Surety, in general, any and all bonds, undertakings, and recognizances in an amount not to exceed Ten Million Dollars (\$10,000,000) for any single obligation, and specifically for the following described bond.

Principal: Tile Effects, Ltd.
 Obligee: Lake County Board of Commissioners
 Type Bond: License and Permit Bond
 Bond Amount: \$ 5,000.00
 Effective Date: October 7, 2003

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

Document is NOT OFFICIAL!

"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, and 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, 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 _____ President with its corporate seal affixed this 7th day of October, 2003.

ATTEST:

Camille J. Hensey
 Camille J. Hensey Corporate Secretary



RLI Insurance Company

Jonathan E. Michael
 Jonathan E. Michael President

On this 7th day of October, 2003 before me, a Notary Public, personally appeared Jonathan E. Michael, and Camille J. Hensey, who being by me duly sworn, acknowledged that they signed the above Power of Attorney as President and Corporate Secretary, respectively, of the said **RLI Insurance Company**, and acknowledged said instrument to be the voluntary act and deed of said corporation.

Jacqueline M. Bockler
 Jacqueline M. Bockler Notary Public





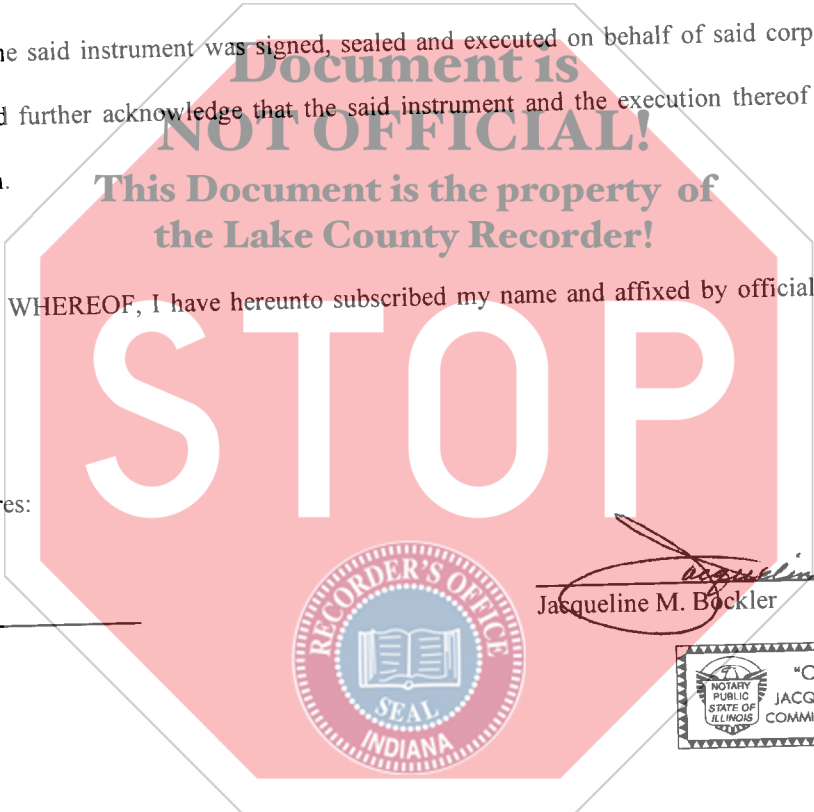
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ACKNOWLEDGMENT OF SURETY

RLI Insurance Company

STATE OF ILLINOIS
 COUNTY OF PEORIA } ss.

On this 7th day of October, 2003, before me, a Notary Public in and for said County, personally appeared Jonathan E. Michael, personally known to me, who being by me duly sworn, did say that he is the aforesaid officer of the **RLI Insurance Company** of Peoria, Illinois, a corporation duly organized and existing under the laws of the State of Illinois, that the seal affixed to the foregoing instrument is the corporate seal of said corporation, that the said instrument was signed, sealed and executed on behalf of said corporation by authority of its Board of Directors, and further acknowledge that the said instrument and the execution thereof to be a voluntary act and deed of said corporation.



IN WITNESS WHEREOF, I have hereunto subscribed my name and affixed by official seal the day and year last above written.

My Commission Expires:

3/1/2006

Jacqueline M. Bockler
 Jacqueline M. Bockler Notary Public

