

**IN THE UNITED STATES DISTRICT COURT OF ILLINOIS
FOR THE NORTHERN DISTRICT
EASTERN DIVISION**

EMPLOYERS MUTUAL CASUALTY)	
COMPANY,)	
An Iowa State Corporation,)	
)	
Plaintiff,)	No. 08 CV 6089
)	Honorable George W. Lindberg
vs.)	
)	
L. WALLER ENTERPRISES, INC., an Illinois)	
corporation, and RUBY L. WALLER, an Illinois)	
citizen,)	
)	
Defendants.)	

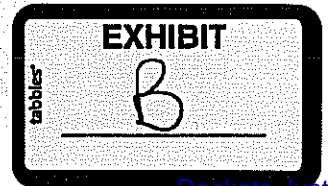
AFFIDAVIT OF LINDA HOFFMANN

I, Linda Hoffmann, having been first sworn on oath, depose and state, and could competently testify to the following matters within my personal knowledge if called upon to testify at the trial of the above referenced cause:

1. I am Bond Claim Manager for Employers Mutual Casualty Company ("EMC"). I manage and investigate performance, payment and other surety claims for EMC and at all relevant times have been responsible for managing the performance and payment bond claims against EMC involving L. Waller Enterprises, Inc. ("LWE").

2. During the relevant time period, EMC was in the business of issuing surety bonds to various entities guaranteeing, among other things, their performance and payment obligations for construction projects.

3. EMC issued payment and performance bonds (the "Bonds") on behalf of LWE, as principal. The Bonds secure the obligations of LWE to perform work required



by its contracts with various Illinois entities (the "Projects") and to pay for labor and materials required for the completion of the Projects. (True and accurate copies of the Bonds are attached hereto as Exhibit "A").

4. As a condition of EMC issuing the Bonds on behalf of LWE, LWE and Ruby L. Waller ("Waller" or "Indemnitor") executed an Agreement of Indemnity for Contractors ("Indemnity Agreement"). (A true and accurate copy of the Indemnity Agreement is attached hereto as Exhibit "B").

5. The Indemnity Agreement, in part, requires the Indemnitor to indemnify and hold EMC harmless from any claims asserted against the Bonds and costs incurred by EMC in enforcing the terms of the Indemnity Agreement, including attorneys' fees and expenses. Additionally, the Indemnity Agreement provides that the Indemnitor is required to post collateral upon EMC's demand to cover any loss, contingent or otherwise. (See Exhibit "B").

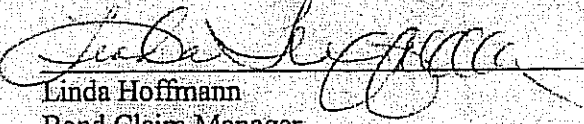
6. EMC has received payment and performance bond claims on the Bonds and has been required to defend lawsuits arising out of the Projects which have caused EMC to incur, as of February 2, 2009, net losses totaling over \$1,218,625.80 including attorneys fees, consulting fees, costs and expenses. An itemized statement of these losses are as follows:

Bond No.	Project	Net Payments	Attorneys Fees/Consulting Fees, Costs, Other Expenses	Total Loss
S341927	Quinn Chapel AME	\$622,570.00	\$74,949.34	\$697,519.34
S341901	Metra Contract No.: K55974	\$302,673.65	\$131,254.05	\$433,927.70
S341922	Ray Graham Capital Improvements	\$84,622.80		\$84,622.80
S341910	NH Housing Development HUD Project No. 071-HD137/IL06-QO31-006	\$2,556.00		\$2,556.00
TOTAL		\$1,012,422.40	\$206,203.39	\$1,218,625.80

7. EMC has demanded and requested that LWE and Waller indemnify and hold EMC harmless for the claims on the Bonds and post collateral in accordance with the terms of the Indemnity Agreement. As of the date of this Affidavit, neither LWE nor Waller have indemnified EMC, nor have they posted any collateral.

8. Since and after January 2009, EMC will continue to incur attorneys' fees and expenses that are recoverable under the Indemnity Agreement which are not yet included within the amounts set forth in Paragraph 6 above.

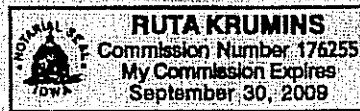
9. I swear under the penalty of perjury that the foregoing declaration is true and correct to the best of my knowledge, information and belief.


Linda Hoffmann
Bond Claim Manager
Employers Mutual Casualty Company

Subscribed and sworn to before me
This 21 day of February, 2009



Notary Public
My Commission Expires: 9-30-09



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Performance Bond

BOND NO. S341927

CONTRACTOR (Name and Address):

L. Waller Enterprises
1335 Troon
Roxbury, Illinois 60422

SURETY (Name and Principal Place of Business):

Employers Mutual Casualty Company
1815 S. Meyers Road
Oakbrook Terrace, IL 60181

OWNER (Name and Address):

Quinn Chapel A.M.E.
2401 S. Wabash Avenue
Chicago, Illinois 60616

CONSTRUCTION CONTRACT

Date: April 14, 2006

Amount: \$623,570.00

Description (Name and Location):

Quinn Chapel - Phase I Restoration
BOND

Date (Not earlier than Construction Contract Date): June 12, 2006

Amount: \$622,570.00

Modifications to this Bond: None See Last Page

CONTRACTOR AS PRINCIPAL

Company: (Corporate Seal)

L. Waller Enterprises, Inc.

Signature:

Name and

Title:

(Any additional signatures appear on the last page) Attorney-In-Fact

SURETY

Company: (Corporate Seal)

Employers Mutual Casualty Company

Signature:

Name and

Title: Kristian F. Relusilo,

Attorney-In-Fact

ADDITIONS AND DELETIONS:

The author of this document has added information needed for its completion. The author may also have revised the text of the original AIA standard form. Additions and Deletion Report that notes added information as well as references to the standard form that is available from the author and should be reviewed. A vertical line in the left margin of this document indicates where the author has added necessary information and where the author has added to or deleted from the original AIA text.

This document has important legal consequences.

Consultation with an attorney is recommended with respect to its completion by modification.

Any signature reference to Contract, Surety, Owner or other party shall be considered plural where applicable.

(FOR INFORMATION ONLY - Name, Address and Telephone)

AGENT or BROKER:

The Horton Group
10320 Orland Parkway
Orland Park, IL 60462

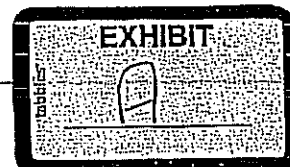
OWNER'S REPRESENTATIVE
(Architect, Engineer or other party):
JAC Corp.
27 N. Wacker Drive
Chicago, IL 60606

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by AIA member #173352 on 04/15/2006 under form No. (001) A312-1 which expires on 06/30/06, and is not for resale. Use Rules.

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(1-200503)185



§1 The Contractor and the Surety, jointly and severally, bind themselves, their heirs, executors, administrators, successors and assigns to the Owner for the performance of the Construction Contract, which is incorporated herein by reference.

§2 If the Contractor performs the Construction Contract, the Surety and the Contractor shall have no obligation under this Bond, except to participate in conferences as provided in Section 3.1.

§3 If there is no Owner Default, the Surety's obligation under this Bond shall arise after:

§3.1 The Owner has notified the Contractor and the Surety at its address described in Section 10 before that the Owner is considering declaring a Contractor Default and has requested and attempted to arrange a conference with the Contractor and the Surety to be held not later than fifteen days after receipt of such notice to discuss methods of performing the Construction Contract. If the Owner, the Contractor and the Surety agree, the Contractor shall be allowed a reasonable time to perform the Construction Contract, but such an agreement shall not waive the Owner's right, if any, subsequently to declare a Contractor Default; and

§3.2 The Owner has declared a Contractor Default and formally terminated the Contractor's right to complete the contract. Such Contractor Default shall not be declared earlier than twenty days after the Contractor and the Surety have received notice as provided in Section 3.1; and

§3.3 The Owner has agreed to pay the Balance of the Contract Price to the Surety in accordance with the terms of the Construction Contract or to a contractor selected to perform the Construction Contract in accordance with the terms of the contract with the Owner.

§4 When the Owner has satisfied the conditions of Section 3, the Surety shall promptly and at the Surety's expense take one of the following actions:

§4.1 Arrange for the Contractor, with consent of the Owner, to perform and complete the Construction Contract; or

§4.2 Undertake to perform and complete the Construction Contract itself, through its agents or through independent contractors; or

§4.3 Obtain bids or negotiated proposals from qualified contractors acceptable to the Owner for a contract for performance and completion of the Construction Contract, arrange for a contract to be prepared for execution by the Owner and the contractor selected with the Owner's concurrence, to be secured with performance and payment bonds executed by a qualified surety equivalent to the bonds issued on the Construction Contract, and pay to the Owner the amount of damages as described in Section 6 in excess of the Balance of the Contract Price incurred by the Owner resulting from the Contractor's default; or

§4.4 Waive its right to perform and complete, arrange for completion, or obtain a new contractor and with reasonable promptness under the circumstances:

1. After investigation, determine the amount for which it may be liable to the Owner and, as soon as practicable after the amount is determined, tender payment therefor to the Owner; or
2. Deny liability in whole or in part and notify the Owner citing reasons therefor.

§5 If the Surety does not proceed as provided in Section 4 with reasonable promptness, the Surety shall be deemed to be in default on this Bond fifteen days after receipt of an additional written notice from the Owner to the Surety demanding that the Surety perform its obligations under this Bond, and the Owner shall be entitled to enforce any remedy available to the Owner. If the Surety proceeds as provided in Section 4.4, and the Owner refuses the payment tendered or the Surety has denied liability, in whole or in part, without further notice the Owner shall be entitled to enforce any remedy available to the Owner.

§6 After the Owner has terminated the Contractor's right to complete the Construction Contract, and if the Surety elects to act under Sections 4.1, 4.2, or 4.3 above, then the responsibilities of the Surety to the Owner shall not be greater than those of the Contractor under the Construction Contract, and the responsibilities of the Owner to the Surety shall not be greater than those of the Owner under the Construction Contract. To the limit of the amount of this Bond, but subject to compliance by the Owner of the Balance of the Contract Price to mitigation of costs and damages on the Construction Contract, the Surety is obligated without duplication for

§ 8.1 The responsibilities of the Contractor for correction of defective work and completion of the Construction Contract;

§ 8.2 Additional legal, design professional and delay costs resulting from the Contractor's Default, and resulting from the actions or failure to act of the Surety under Section 4; and

§ 8.3 Liquidated damages, or if no liquidated damages are specified in the Construction Contract, actual damages caused by delayed performance or non-performance of the Contractor;

§ 7 The Surety shall not be liable to the Owner or others for obligations of the Contractor that are unrelated to the Construction Contract, and the Balance of the Contract Price shall not be reduced or set off on account of any such unrelated obligations. No right of action shall accrue on this Bond to any person or entity other than the Owner or its heirs, executors, administrators or successors;

§ 6 The Surety hereby waives notice of any change, including changes of time, in the Construction Contract or its related subcontract, purchase orders and other obligations.

§ 5 Any proceeding, legal or equitable, under this Bond may be instituted in any court of competent jurisdiction in the location in which the work or part of the work is located and shall be instituted within two years after Contractor Default or within two years after the Contractor ceased working or within two years after the Surety refuses or fails to perform its obligations under this Bond, whichever occurs first. If the provisions of this Paragraph are void or prohibited by law, the minimum period of limitation available to sureties as a defense in the jurisdiction of the suit shall be applicable.

§ 4 Notice to the Surety, the Owner or the Contractor shall be mailed or delivered to the address shown on the signature page.

§ 3 When this Bond has been furnished to comply with a statutory or other legal requirement in the location where the construction was to be performed, any provision in this Bond conflicting with said statutory or legal requirement shall be deemed deleted here from and provisions conforming to such statutory or other legal requirement shall be deemed incorporated herein. The intent is that this Bond shall be construed as a statutory bond and not as a common law bond.

§ 12 DEFINITIONS

§ 12.1 Balance of the Contract Price: The total amount payable by the Owner to the Contractor under the Construction Contract after all proper adjustments have been made, including allowances to the Contractor of any amounts received or to be received by the Owner in settlement of insurance or other claims for damages to which the Contractor is entitled, reduced by all valid and proper payments made to or on behalf of the Contractor under the Construction Contract.

§ 12.2 Construction Contract: The agreement between the Owner and the Contractor (identified on the signature page) including all Contract Documents and changes thereto.

§ 12.3 Contractor Default: Failure of the Contractor, which has neither been remedied nor waived, to perform or otherwise to comply with the terms of the Construction Contract.

§ 12.4 Owner Default: Failure of the Owner, which has neither been remedied nor waived, to pay the Contractor as required by the Construction Contract or to perform and complete or comply with the other terms thereof.

P. 8735

513 MODIFICATIONS TO THIS BOND ARE AS FOLLOWS:

(Space is provided below for additional signatures of added parties, other than those appearing on the cover page.)

CONTRACTOR AS PRINCIPAL

SURETY

Company: _____
(Corporate Seal)

Company: _____
(Corporate Seal)

Signature: _____
Name and Title:
Address:

Signature: _____
Name and Title:
Address:

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THE AMERICAN INSTITUTE OF ARCHITECTS



Bond No. S34-1901

AIA Document A311

Performance Bond

KNOW ALL MEN BY THESE PRESENTS that L. WALLER ENTERPRISES, INC. (Here insert full name and address of legal title of Contractor)

2818 CHAYES PARK DRIVE
FLOSSMOOR, IL 60422

as Principal, hereinafter called Contractor, and EMPLOYERS MUTUAL CASUALTY COMPANY (Here insert full name and address of legal title of Surety)

1815 S. MEYERS ROAD
OAKBROOK TERRACE, IL 60181

as Surety, hereinafter called Surety, are held and firmly bound unto NORTHEAST ILLINOIS REGIONAL COMMUTER RAILROAD CORPORATION (Here insert full name and address of legal title of Owner)

547 W. JACKSON BLVD
CHICAGO, IL 60661

as Obligor, hereinafter called Owner, in the amount of SEVEN HUNDRED FIFTY THOUSAND AND NO CENTS Dollars (\$ 750,000.00),

for the payment whereof Contractor and Surety bind themselves, their heirs, executors, administrators, successors and assigns, jointly and severally, firmly by these presents.

WHEREAS,

Contractor has by written agreement dated SEPTEMBER 23, 2005, entered into a contract with Owner for (Here insert full name, address, and description of project)

METRA CONTRACT NO. K55974
SUB-STATION BUILDING UPGRADES AT VARIOUS MET SUBSTATION SITES

in accordance with Drawings and Specifications prepared by (Here insert full name and address of legal title of Architect)

which contract is by reference made a part hereof, and is hereinafter referred to as the Contract.

PERFORMANCE BOND

NOW, THEREFORE, THE CONDITION OF THIS OBLIGATION is such that, if Contractor shall promptly and faithfully perform said Contract, then this obligation shall be null and void; otherwise it shall remain in full force and effect.

The Surety hereby waives notice of any alteration or extension of time made by the Owner.

Whenever Contractor shall be and declared by Owner to be in default under the Contract, the Owner having performed Owner's obligations thereunder, the Surety may promptly remedy the default, or shall promptly

- 1) Complete the Contract in accordance with its terms and conditions; or
- 2) Obtain a bid or bids for completing the Contract in accordance with its terms and conditions, and upon determination by Surety of the lowest responsible bidder, or if the Owner elects, upon determination by the Owner and the Surety jointly of the lowest responsible bidder, arrange for a contract between such bidder and Owner, and make available at Work progress, (even though there should be a default or a succession of

defaults under the contract or contracts of completion arranged under this paragraph) sufficient funds to pay the cost of completion less the balance of the contract price, but not exceeding, including other costs and damages for which the Surety may be liable hereunder, the amount set forth in the first paragraph hereof. The term "balance of the contract price," as used in this paragraph, shall mean the total amount payable by Owner to Contractor under the Contract and any amendments thereto, less the amount properly paid by Owner to Contractor.

Any suit under this bond must be instituted before the expiration of two (2) years from the date on which final payment under the Contract falls due.

No right of action shall accrue on this bond to or for the use of any person or corporation other than the Owner named herein or the heirs, executors, administrators or successors of the Owner.

Signed and sealed this 30TH

day of SEPTEMBER

2005

L. WALLER ENTERPRISES, INC.

(Principal)

(Seal)

(Witness)

(Title)

EMPLOYERS MUTUAL CASUALTY COMPANY

(Surety)

(Seal)

SEE ATTACHED JURAT

(Witness)

(Title)

KRISTAN F. RETUSNIC, ATTORNEY-IN-FACT



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THE AMERICAN INSTITUTE OF ARCHITECTS



BOND NO. S341901

AIA Document A311

Labor and Material Payment Bond

THIS BOND IS ISSUED SIMULTANEOUSLY WITH PERFORMANCE BOND IN FAVOR OF THE OWNER, CONDITIONED ON THE FULL AND FAITHFUL PERFORMANCE OF THE CONTRACT.

KNOW ALL MEN BY THESE PRESENTS, that L. WALLER ENTERPRISES, INC., 2818 CHAYES PARK DRIVE, FLOSSMOOR, IL 60422 (Here insert full name and address or legal title of Contractor)

as Principal, hereinafter called Principal, and EMPLOYERS MUTUAL CASUALTY COMPANY, 1816 S. MEYERS ROAD, OAKBROOK TERRACE, IL 60181 (Here insert full name and address or legal title of Surety)

as Surety, hereinafter called Surety, are held and firmly bound unto NORTH EAST ILLINOIS REGIONAL COMMUTER RAILROAD CORPORATION, 547 W. JACKSON BLVD, CHICAGO, IL 60661 (Here insert full name and address or legal title of Owner)

as Obligor, hereinafter called Owner, for the use and benefit of claimants as hereinafter defined, in the amount of SEVEN HUNDRED FIFTY THOUSAND AND NO CENTS (Here insert a sum equal to at least one-half of the contract price)

Dollars (\$750,000.00) for the payment whereof Principal and Surety bind themselves, their heirs, executors, administrators, successors and assigns, jointly and severally, firmly by these presents.

WHEREAS, Principal has by written agreement dated SEPTEMBER 23, 2005, entered into a contract with Owner for (Here insert full name, address and description of project) METRA CONTRACT NO K55974 SUB-STATION BUILDING UPGRADES AT VARIOUS MET SUB-STATION SITES in accordance with Drawings and Specifications prepared by (Here insert full name and address or legal title of Architect)

which contract is by reference made a part hereof, and is hereinafter referred to as the Contract.

LABOR AND MATERIAL PAYMENT BOND

NOW, THEREFORE, THE CONDITION OF THIS OBLIGATION is such that if Principal shall promptly make payment to all claimants as hereinafter defined for all labor and material used or reasonably required for use in the performance of the Contract, then this obligation shall be void; otherwise it shall remain in full force and effect, subject, however, to the following conditions:

1. A claimant is defined as one having a direct contract with the Principal or with a Subcontractor of the Principal for labor, material, or both, used or reasonably required for use in the performance of the Contract, labor and material being construed to include that part of water, gas, power, light, heat, fuel, gasoline, telephone service or rental of equipment directly applicable to the Contract.

2. The above named Principal and Surety hereby jointly and severally agree with the Owner that every claimant as herein defined, who has not been paid in full before the expiration of a period of ninety (90) days after the date on which the last of such claimant's work or labor was done or performed or materials were furnished by such claimant, may sue on this bond for the rate of such claimant, prosecute the suit to final judgment for such sum or sums as may be justly due claimant, and have execution thereon. The Owner shall not be liable for the payment of any costs or expenses of any such suit.

3. No suit or action shall be commenced hereunder by any claimant:

a) Unless claimant, other than one having a direct contract with the Principal, shall have given written notice to any two of the following: the Principal, the Owner, or the Surety above named, within ninety (90) days after such claimant did or performed the last of the work or labor, or furnished the last of the materials for which said claim is made, stating with substantial

accuracy the amount claimed and the name of the party to whom the materials were furnished, or for whom the work or labor was done or performed. Such notice shall be served by mailing the same by registered mail or certified mail, postage prepaid, in an envelope addressed to the Principal, Owner, or Surety, at any place where an office is regularly maintained for the transaction of business, or served in any manner in which legal process may be served in the state in which the aforesaid project is located, save that such service need not be made by a public officer.

b) After the expiration of one (1) year following the date on which Principal ceased work on said Contract, it being understood, however, that if any limitation embodied in this bond is prohibited by any law controlling the construction hereof such limitation shall be deemed to be amended so as to be equal to the minimum period of limitation permitted by such law.

c) Other than a state court of competent jurisdiction in and for the county or other political subdivision of the state in which the Project, or any part thereof, is situated, or in the United States District Court for the district in which the Project, or any part thereof, is situated, and not elsewhere.

4. The amount of this bond shall be reduced by and to the extent of any payment or payments made in good faith hereunder, inclusive of the payment by Surety of mechanics' liens, which may be filed or record against said improvement, whether or not claim for the amount of such lien be presented under and against this bond.

Signed and sealed this 30TH day of SEPTEMBER 2005

L. WALLER ENTERPRISES, INC.

(Principal)

Dr. 1

(Witness)

EMPLOYERS MUTUAL CASUALTY COMPANY

(Surety)

Dr. 1

SEE ATTACHED JURAT

(Witness)

KRISTAN F. RETUSNIC

(Title)

ATTORNEY-IN-FACT



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Payment Bond

AIA Document A312 - Electronic Format

BOND NO.: 5341822

CONTRACTOR *(Name and Address):*

L. WALLER ENTERPRISES, INC.
2818 CHAYES PARK DRIVE
FLOSSMOOR, IL 60422

SURETY *(Name and Principal Place of Business):*

EMPLOYERS MUTUAL CASUALTY COMPANY
1816 S. MEYERS ROAD
OAKBROOK TERRACE, IL 60181

OWNER *(Name and Address):*

RAY GRAHAM FOUNDATION, AN ILLINOIS NOT-FOR-PROFIT CORPORATION
2801 FINLEY ROAD
DOWNERS GROVE, IL 60516

CONSTRUCTION CONTRACT

Date: FEBRUARY 17, 2006

Amount: 379,941.00

Description *(Name and Location):* RAY GRAHAM CAPITAL IMPROVEMENTS - 50 SOUTH FAIRBANKS STREET
ADDISON, IL 60101

BOND

Date *(Not earlier than Construction Contract Date)* APRIL 3, 2006

Amount: 379,941.00

Modifications to this Bond:

None

CONTRACTOR AS PRINCIPAL

Company: L. WALLER ENTERPRISES, INC. *(Corporate Seal)*

SURETY

Company: EMPLOYERS MUTUAL CASUALTY COMPANY *(Corporate Seal)*

Signature:
Name and Title:

Signature:
Name and Title: KRISTAN F. RETUBNIC, ATTORNEY-IN-FACT

(Any additional signatures appear of the last page)

(FOR INFORMATION ONLY - Name, Address and Telephone)

AGENT OR BROKER THE HORTON GROUP
10320 ORLAND PARKWAY
ORLAND PARK, ILLINOIS 60467

OWNER'S REPRESENTATIVE *(Architect, Engineer or other party)* TYSON & BILLY ARCHITECTS, P.C.

1. The Contractor and the Surety, jointly and severally bind themselves, their heirs, executors, administrators, successors and assigns to the Owner to pay for labor, materials and equipment furnished for use in the performance of the Construction Contract, which is incorporated herein by reference.
2. With respect to the Owner, this obligation shall be null and void if the Contractor:
 - 2.1 Promptly makes payment, directly or indirectly, for all sums due Claimants, and
 - 2.2 Defends, indemnifies and holds harmless the Owner from claims, demands, liens or suits by any person or entity whose claim, demand, lien or suit is for the payment for labor, materials or equipment furnished for use in the performance of the Construction Contract, provided the the Owner has promptly notified the Contractor and the Surety (at the address described in Paragraph 12) of any claims, demands, liens or suits and tendered defense of such claims, demands, liens or suits to the Contractor and the Surety, and provided there is no Owner Default.
3. With respect to Claimants, this obligation shall be null and void if the Contractor promptly makes payment, directly or indirectly, for all sums due.
4. The Surety shall have no obligation to Claimants under this Bond until:
 - 4.1 Claimants who are employed by or have a direct contract with the Contractor have given notice to the Surety (at the address described in Paragraph 12) and sent a copy, or notice thereof, to the Owner, stating that a claim is being made under this Bond and, with substantial accuracy, the amount of the claim.
 - 4.2 Claimants who do not have a direct contract with the Contractor:
 - .1 Have furnished written notice to the Contractor and sent a copy, or notice thereof, to the Owner, within 90 days after having last performed labor or last furnished materials or equipment included in the claim stating, with substantial accuracy, the amount of the claim and the name of the party to whom the materials were furnished or supplied or for whom the labor was done or performed, and
 - .2 Have either received a rejection in whole or in part from the Contractor, or not received within 90 days of furnishing the above notice any communication from the Contractor by which the Contractor has indicated the claim will be paid directly or indirectly; and
 - .3 Not having been paid within the above 90 days, have sent a written notice to the Surety (at the address described in Paragraph 12) and sent a copy, or notice thereof, to the Owner, stating that a claim is being made under this Bond and enclosing a copy of the previous written notice furnished to the Contractor.
5. If a notice required by Paragraph 4 is given by the Owner to the Contractor or to the Surety, that is sufficient compliance.
6. When the Claimant has satisfied the conditions of Paragraph 4, the Surety shall promptly and at the Surety's expense take the following actions:
 - 6.1 Send an answer to the Claimant, with a copy to the Owner, within 45 days after receipt of the claim, stating the amounts that are undisputed and the basis for challenging any amounts that are disputed.
 - 6.2 Pay or arrange for payment of any undisputed amounts.
7. The Surety's total obligation shall not exceed the amount of this Bond, and the amount of this Bond shall be credited for any payments made in good faith by the Surety.
8. Amounts owed by the Owner to the Contractor under the Construction Contract shall be used for the performance of the Construction Contract and to satisfy claims, if any, under any Construction Performance Bond. By the Contractor furnishing and the Owner accepting this Bond, they agree that all funds earned by the Contractor in the performance of the Construction Contract are dedicated to satisfy obligations of the Contractor and the Surety under this Bond, subject to the Owner's priority to use the funds for the completion of the work.
9. The Surety shall not be liable to the Owner, Claimants or others for obligations of the Contractor that are unrelated to the Construction Contract. The Owner shall not be liable for payment of any costs or expenses of any Claimant under this Bond, and shall have under this Bond no obligations to make payments to, give notices on behalf of, or otherwise have obligations to Claimants under this Bond.
10. The Surety hereby waives notice of any change, including changes of time, to the Construction Contract or to related subcontracts, purchase orders and other obligations.
11. No suit or action shall be commenced by a Claimant under this Bond other than in a court of competent jurisdiction in the location in which the work or part of the work is located or after the expiration of one year from the

data (1) on which the Claimant gave the notice required by Subparagraph 4.1 or Clause 4.2.3, or (2) on which the last labor or service was performed by anyone or the last materials or equipment were furnished by anyone under the Construction Contract, whichever of (1) or (2) first occurs. If the provisions of this Paragraph are void or prohibited by law, the minimum period of limitation available to sureties as a defense in the jurisdiction of the suit shall be applicable

12 Notice to the Surety, the Owner or the Contractor shall be mailed or delivered to the address shown on the signature page. Actual receipt of notice by Surety, the Owner or the Contractor, however accomplished, shall be sufficient compliance as of the date received at the address shown on the signature page.

13 When this Bond has been furnished to comply with a statutory or other legal requirement in the location where the construction was to be performed, any provision in this Bond conflicting with said statutory or legal requirement shall be deemed deleted herefrom and provisions conforming to such statutory or other legal requirement shall be deemed incorporated herein. The intent is that this Bond shall be construed as a statutory bond and not as a common law bond.

14 Upon request by any person or entity appearing to be a potential beneficiary of this Bond, the Contractor shall promptly furnish a copy of this Bond or shall permit a copy to be made.

15 DEFINITIONS

MODIFICATIONS TO THIS BOND ARE AS FOLLOWS:

(Space is provided below for additional signatures of added parties, other than those appearing on the cover page.)

CONTRACTOR AS PRINCIPAL
Company:

(Corporate Seal) Company:

SURETY
(Corporate Seal)

Signature: _____
Name and Title:

Signature: _____
Name and Title:

15.1 Claimant: An individual or entity having a direct contract with the Contractor or with a subcontractor of the Contractor to furnish labor, materials or equipment for use in the performance of the Contract. The intent of this Bond shall be to include without limitation in the terms "labor, materials or equipment" that part of water, gas, power, light, heat, oil, gasoline, telephone service or rental equipment used in the Construction Contract, architectural and engineering services required for performance of the work of the Contractor and the Contractor's subcontractors, and all other items for which a mechanic's lien may be asserted in the jurisdiction where the labor, materials or equipment were furnished.

15.2 Construction Contract: The agreement between the Owner and the Contractor identified on the signature page, including all Contract Documents and changes thereto.

15.3 Owner Default: Failure of the Owner, which has neither been remedied nor waived, to pay the Contractor as required by the Construction

Contract or to perform and complete or comply with the other terms thereof.

State of Illinois
County of Will

On this 3RD day of APRIL, 20 06, before me personally appeared KRISTAN F. RETUSNIC, known to me to be the Attorney-in-fact of EMPLOYERS MUTUAL CASUALTY COMPANY, the corporation that executed the within instrument, and acknowledged to me that such corporation executed the same.

IN WITNESS WHEREOF, I have hereunto set my hand and affixed my official seal, at my office in the aforesaid county, the day and year in this certificate first above written.



Donna Gradenhofer
(Notary Public)

EMC Insurance Companies

P.O. Box 712, Des Moines, IA 50302-0712

No. 265017

CERTIFICATE OF AUTHORITY INDIVIDUAL ATTORNEY-IN-FACT

KNOW ALL MEN BY THESE PRESENTS, that:

- 1. Employers Mutual Casualty Company, an Iowa Corporation
 - 2. EMASCO Insurance Company, an Iowa Corporation
 - 3. Union Insurance Company of Providence, an Iowa Corporation
 - 4. The Hamilton Mutual Insurance Company, an Ohio Corporation
 - 5. The Hamilton Mutual Insurance Company, an Ohio Corporation
- hereinafter and severally as Companies, each does by these presents, make, constitute and appoint:
- FRANK O. HOPPE, JOHN N. NASO, JR., ILA J. DELMAN, KRISTAN F. RETUSNIC, INDIVIDUALLY, OR LINDA PARK, JOINTLY**

as its agent, attorney-in-fact, with full power and authority conferred to sign, seal, and execute its legal bonds, undertakings, and other obligatory instruments of any amount not exceeding five million dollars (\$5,000,000.00).

and to bind each Company hereby as fully and to the same extent as if such instruments were signed by the duly authorized officers of each such Company and the seals of said Companies in such authority hereby given are hereby ratified and confirmed.

April 1, 2008.

Unless sooner revoked.

AUTHORITY FOR POWER OF ATTORNEY

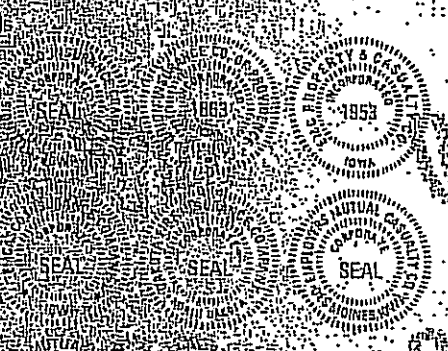
This Power of Attorney is made and executed pursuant to and by the authority of the following resolution of the Boards of Directors of each of the Companies at a regularly scheduled meeting of each Company duly called and held in 1999:

RESOLVED, that the Board of Directors of each Company shall have power and authority to (1) appoint, attorneys-in-fact and authorize them to execute on behalf of each Company and attach the seal of the Company thereto, bonds and undertakings and other obligatory instruments of indemnity and other writings obligatory in the nature thereof, and (2) to remove any such attorney-in-fact at any time and revoke the power and authority given to him or her. Attorneys-in-fact shall have power and authority, 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 thereto, bonds and undertakings, recognizances, affidavits of indemnity and other writings obligatory in the nature thereof, and any such instrument executed by any such attorney-in-fact shall be fully and in all respects binding upon the Company. In addition, the validity of any power of attorney authorized herein made by an officer of Employers Mutual Casualty Company shall be fully and in all respects binding upon the Company. The facsimile or mechanically reproduced signature of such officer, whether made hereafter or hereafter, whenever appearing upon the instrument, shall be valid and binding upon the Company with the same force and effect as though made by the officer in person.

IN WITNESS WHEREOF, the Companies have caused these presents to be signed for each by their officers as shown, and the Companies seals to be hereunto affixed.

Bruce G. Kelley
 Bruce G. Kelley, Chairman of Companies 2, 3, 4, 5 & 6; President of Company 1; Vice Chairman and CEO of Company 7

Jeffrey S. Birdsley
 Jeffrey S. Birdsley, Assistant Secretary of Company 1



On this 1st day of March, AD 2008, before me, Notary Public in and for the State of Iowa, personally appeared Bruce G. Kelley and Jeffrey S. Birdsley, who, being by me duly sworn, did say that they are, and are known to me to be, the Chairman, President, Vice Chairman and CEO, and/or Assistant Secretary, respectively, of each of the Companies above; that the seals affixed to this instrument are the seals of said corporations; that said instrument was signed and sealed on behalf of each of the Companies by authority of their respective Boards of Directors; and that the said Bruce G. Kelley and Jeffrey S. Birdsley, as such officers, acknowledge their execution of said instrument to be the voluntary and intended act of each of the Companies.

My Commission Expires September 30, 2006.

ARLITA KRUMINS
 Commission Number 170256
 My Comm. Exp. Sept. 30, 2006

CERTIFICATE
 David L. Renbough, Vice President of the Companies, do hereby certify that the foregoing resolution of the Boards of Directors by each of the Companies and the Power of Attorney issued pursuant thereto on March 11, 2005, are true and correct and are in full force and effect.

Resolution Whelan has subscribed my name and affixed the facsimile seal of each Company this 3rd day of APRIL, 2008.

D. Whelan

For verification of the authenticity of the Power of Attorney you may call (515) 280-2689



Performance Bond

AIA Document A312 - Electronic Format

BOND NO.: S341822

THIS DOCUMENT HAS IMPORTANT LEGAL CONSEQUENCES; CONSULTATION WITH AN ATTORNEY IS ENCOURAGED WITH RESPECT TO ITS COMPLETION OR MODIFICATION. AUTHENTICATION OF THIS ELECTRONICALLY DRAFTED AIA DOCUMENT MAY BE MADE BY USING AIA DOCUMENT D401.

Any singular reference to Contractor, Surety, Owner or Other Party shall be considered plural where applicable.

CONTRACTOR (Name and Address):
L. WALLER ENTERPRISES, INC.
2818 CHAYES PARK DRIVE
FLOSSMOOR, IL 60422

SURETY (Name and Principal Place of Business)
EMPLOYERS MUTUAL CASUALTY COMPANY
1816 S. MEYERS ROAD
OAKBROOK TERRACE, IL 60181

OWNER (Name and Address)
RAY GRAHAM FOUNDATION, AN ILLINOIS NOT-FOR-PROFIT CORPORATION
2801 FINLEY ROAD
DOWNERS GROVE, IL 60515

CONSTRUCTION CONTRACT

Date: FEBRUARY 17, 2005

Amount: 379,941.00

Description (Name and Location): RAY GRAHAM CAPITAL IMPROVEMENTS - 50 SOUTH FAIRBANKS STREET
ADDISON, IL 60101

BOND

Date (Not earlier than Construction Contract Date): APRIL 3, 2006

Amount: 379,941.00

Modifications to this Bond:

None

CONTRACTOR AS PRINCIPAL

Company: L. WALLER ENTERPRISES, INC. (Corporate Seal)

SURETY
Company: EMPLOYERS MUTUAL CASUALTY COMPANY (Corporate Seal)

Signature:
Name and Title:

Signature: KRISTAN F. RETUSMIC, ATTORNEY-IN-FACT

(Any additional signatures appear on the last page)

(FOR INFORMATION ONLY - Name, Address and Telephone)

AGENT OR BROKER: THE HORTON GROUP
10320 ORLAND PARKWAY
ORLAND PARK, 60467

OWNER'S REPRESENTATIVE (Architect, Engineer or other party) TYSON & BILLY ARCHITECTS, P.C.

AIA DOCUMENT A312 • PERFORMANCE BOND AND PAYMENT BOND • DECEMBER 1984 ED • AIA® • THE AMERICAN INSTITUTE OF ARCHITECTS, 1735 NEW YORK AVENUE, N.W., WASHINGTON, D.C., 20006-5282 • THIRD PRINTING • MARCH 1987. WARNING: Unlicensed photocopying violates U.S. copyright laws and is subject to legal prosecution. This document was electronically produced with permission of the AIA and can be reproduced without violation until the date of expiration as noted below.

- 1 The Contractor and the Surety, jointly and severally, bind themselves, their heirs, executors, administrators, successors and assigns to the Owner for the performance of the Construction Contract, which is incorporated herein by reference.
- 2 If the Contractor performs the Construction Contract, the Surety and the Contractor shall have no obligation under this Bond, except to participate in conferences as provided in Subparagraph 3.1.
- 3 If there is no Owner Default, the Surety's obligation under this Bond shall arise after:
 - 3.1 The Owner has notified the Contractor and the Surety at its address described in Paragraph 10 below that the Owner is considering declaring a Contractor Default and has requested and attempted to arrange a conference with the Contractor and the Surety to be held not later than fifteen days after receipt of such notice to discuss methods of performing the Construction Contract. If the Owner, the Contractor and the Surety agree, the Contractor shall be allowed a reasonable time to perform the Construction Contract, but such an agreement shall not waive the Owner's right, if any, subsequently to declare a Contractor Default; and
 - 3.2 The Owner has declared a Contractor Default and formally terminated the Contractor's right to complete the contract. Such Contractor Default shall not be declared earlier than twenty days after the Contractor and the Surety have received notice as provided in Subparagraph 3.1, and
 - 3.3 The Owner has agreed to pay the Balance of the Contract Price to the Surety in accordance with the terms of the Construction Contract or to a contractor selected to perform the Construction Contract in accordance with the terms of the contract with the Owner.
- 4 When the Owner has satisfied the conditions of Paragraph 3, the Surety shall promptly and at the Surety's expense take one of the following actions:
 - 4.1 Arrange for the Contractor, with consent of the Owner, to perform and complete the Construction Contract; or
 - 4.2 Undertake to perform and complete the Construction Contract itself, through its agents or through independent contractors; or
 - 4.3 Obtain bids or negotiated proposals from qualified contractors acceptable to the Owner for a contract for performance and completion of the Construction Contract, arrange for a contract to be prepared for execution by the Owner and the contractor selected with the Owner's concurrence, to be secured with performance and payment bonds executed by a qualified surety equivalent to the bonds issued on the Construction Contract, and pay to the Owner the amount of damages as described in Paragraph 6 in excess of the Balance of the Contract Price incurred by the Owner resulting from the Contractor's default; or
- 4.4 Waive its right to perform and complete, arrange for completion, or obtain a new contractor and with reasonable promptness under the circumstances:
 - 1 After investigation, determine the amount for which it may be liable to the Owner and, as soon as practicable after the amount is determined, tender payment therefor to the Owner; or
 - 2 Deny liability in whole or in part and notify the Owner of the reasons therefor.
- 5 If the Surety does not proceed as provided in Paragraph 4 with reasonable promptness, the Surety shall be deemed to be in default on this Bond fifteen days after receipt of an additional written notice from the Owner to the Surety demanding that the Surety perform its obligations under this Bond, and the Owner shall be entitled to enforce any remedy available to the Owner. If the Surety proceeds as provided in Subparagraph 4.4, and the Owner refuses the payment tendered or the Surety has denied liability, in whole or in part, without further notice the Owner shall be entitled to enforce any remedy available to the Owner.
- 6 After the Owner has terminated the Contractor's right to complete the Construction Contract, and if the Surety elects to act under Subparagraph 4.1, 4.2, or 4.3 above, then the responsibilities of the Surety to the Owner shall not be greater than those of the Contractor under the Construction Contract, and the responsibilities of the Owner to the Surety shall not be greater than those of the Owner under the Construction Contract. To the limit of the amount of this Bond, but subject to commitment by the Owner of the Balance of the Contract Price to mitigation of costs and damages on the Construction Contract, the Surety is obligated without duplication for:
 - 6.1 The responsibilities of the Contractor for correction of defective work and completion of the Construction Contract;
 - 6.2 Additional legal, design professional and delay costs resulting from the Contractor's Default, and resulting from the actions or failure to act of the Surety under Paragraph 4; and
 - 6.3 Liquidated damages, or if no liquidated damages are specified in the Construction Contract, actual damages caused by delayed performance or non-performance of the Contractor.

- 7 The Surety shall not be liable to the Owner or others for obligations of the Contractor that are unrelated to the Construction Contract, and the Balance of the Contract Price shall not be reduced or set off on account of any such unrelated obligations. No right of action shall accrue on this Bond to any person or entity other than the Owner or its heirs, executors, administrators or successors.
- 8 The Surety hereby waives notice of any change, including changes of time, to the Construction Contract or to related subcontracts, purchase orders and other obligations.
- 9 Any proceeding legal or equitable, under this Bond may be instituted in any court of competent jurisdiction in the location in which the work or part of the work is located and shall be instituted within two years after Contractor Default or within two years after the Contractor ceased working or within two years after the Surety refuses or fails to perform its obligations under this Bond, whichever occurs first. If the provisions of this Paragraph are void or prohibited by law, the minimum period of limitation available to sureties as a defense in the jurisdiction of the suit shall be applicable.
- 10 Notice to the Surety, the Owner or the Contractor shall be mailed or delivered to the address shown on the signature page.
- 11 When this Bond has been furnished to comply with a statutory or other legal requirement in the location where the construction was to be performed, any provision in this Bond conflicting with said statutory or legal requirement shall be
- 12 deemed deleted here from and provisions conforming to such statutory or other legal requirement shall be deemed incorporated herein. The intent is that this Bond shall be construed as a statutory bond and not as a common law bond.

12 DEFINITIONS

12.1 Balance of the Contract Price: The total amount payable by the Owner to the Contractor under the Construction Contract after all proper adjustments

MODIFICATIONS TO THIS BOND ARE AS FOLLOWS:

(Space is provided below for additional signatures of added parties, other than those appearing on the coverage page.)

CONTRACTOR AS PRINCIPAL
Company:

SURETY
(Corporate Seal) Company:

(Corporate Seal)

Signature: _____
Name & Title:

Signature: _____
Name & Title:

have been made, including allowance to the Contractor of any amounts received or to be received by the Owner in settlement of insurance or other claims for damages to which the Contractor is entitled, reduced by all valid and proper payments made to or on behalf of the Contractor under the Construction Contract

12.2 Construction Contract: The agreement between the Owner and the Contractor identified on the signature page, including all Contract Documents and changes thereto.

12.3 Contractor Default: Failure of the Contractor, which has neither been remedied nor waived, to perform or otherwise to comply with the terms of the Construction Contract.

12.4 Owner Default: Failure of the Owner, which has neither been remedied nor waived to pay the Contractor as required by the Construction Contract or to perform and complete or comply with the other terms thereof.

On this 3RD day of APRIL 20 06, before me personally appeared
KRISTAN F. RETUSNIC, known to me to be the Attorney-in-fact of
EMPLOYERS MUTUAL CASUALTY COMPANY, the corporation that executed the
within instrument, and acknowledged to me that such corporation executed the same.

IN WITNESS WHEREOF, I have hereunto set my hand and affixed my official seal, at my office in the
aforesaid county, the day and year in this certificate first above written.



Donna Grabenhofer
(Notary Public)

EMC Insurance Companies

P.O. Box 742 Des Moines, IA 50303-0742

No. 05501472

CERTIFICATE OF AUTHORITY INDIVIDUAL ATTORNEY-IN-FACT

KNOW ALL MEN BY THESE PRESENTS, that:

- 1. Employers Mutual Casualty Company, an Iowa Corporation
- 2. EMCASCO Insurance Company, an Iowa Corporation
- 3. Union Indemnity Company of Providence, an Iowa Corporation
- 4. EMCASCO Insurance Company, an Iowa Corporation
- 5. Dakota Fire Insurance Company, a North Dakota Corporation
- 6. EMCO Property & Casualty Company, an Iowa Corporation
- 7. The Hamilton Mutual Insurance Company, an Ohio Corporation

hereinafter referred to severally as "Company" and collectively as "Companies," each does by these presents, make known to all and certify that **RANKO POPPIE JOHN NASO, JR., ILLA J. DELMAN, KRISTAN F. RETUSNIC, INDIVIDUALLY OF LAND PARK, ILLINOIS**

is and lawfully is, with full power and authority conferred to sign, seal, and execute its lawful bonds, undertakings, and other obligatory instruments of a similar nature as follows:

IN ANY AMOUNT NOT EXCEEDING FIVE MILLION DOLLARS, and to the same extent as if such instruments were signed by the duly authorized officers of each such Company, and all of the acts of said attorney-in-fact and all authority hereby given are hereby ratified and confirmed.

This authority hereby granted shall expire April 1, 2008 unless sooner revoked.

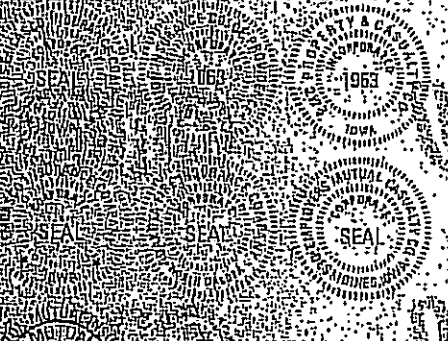
AUTHORITY FOR POWER OF ATTORNEY

This Power of Attorney is made and executed pursuant to and by the authority of the following resolution of the Boards of Directors of each of the Companies at a duly scheduled meeting of each company duly called and held in 1998:

RESOLVED that the President, Executive Officer, any Vice President, the Treasurer, and the Secretary of Employers Mutual Casualty Company shall have power and authority to employ, attorney-in-fact, and authorize them to execute on behalf of each Company, and attach the seal of the Company hereby, bonds and other obligations, recognizances, contracts of indemnity and other writings obligatory in the nature thereof, and (2) to remove any such attorney-in-fact at any time and revoke the power and authority given to him or her. Attorneys-in-fact shall have power and authority, 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, hereto, bonds and undertakings, recognizances, and contracts of indemnity and other writings obligatory in the nature hereof, and any such instrument executed by any such attorney-in-fact shall be fully and in all respects binding upon the Company and shall be as valid as if the power of attorney authorized herein made by an officer of Employers Mutual Casualty Company shall be fully and in all respects binding upon the Company. The facsimile or mechanically reproduced signature of such officer, whether made heretofore or hereafter, shall have the same force and effect as if the original signature of such officer were made by him or her. The facsimile or mechanically reproduced signature of such officer, whether made heretofore or hereafter, shall have the same force and effect as if the original signature of such officer were made by him or her.

IN WITNESS WHEREOF, the Companies have caused these presents to be signed on behalf of each of the Companies as shown, and the Corporations to be sealed and affixed with their seals, this 31st day of March, 2008.

Bruce G. Kelley *James S. Birdsley*
 Bruce G. Kelley, Chairman of Companies 2, 3, 4, 5, & 6; President of Company 1; Vice Chairman and CEO of Company 7 James S. Birdsley, Assistant Secretary



On this 31st day of March, 2008, I, the undersigned Notary Public in and for the State of Iowa, personally appeared Bruce G. Kelley and James S. Birdsley, who, being by me duly sworn, did say that they are and are known to me to be the Chairman, President, Vice Chairman and CEO, and an Assistant Secretary, respectively, of each of the Companies above; that the seals affixed to the instrument and the seals of said corporations; that said instrument was signed and sealed on behalf of each of the Companies by authority of their respective Boards of Directors; and that the said Bruce G. Kelley and James S. Birdsley, as such officers, acknowledge the execution of said instrument to be the voluntary and true deed of each of the Companies.

David C. Krumins
 Notary Public in and for the State of Iowa

CERTIFICATE

David C. Krumins, Vice President of the Companies, do hereby certify that the foregoing resolution of the Boards of Directors of each of the Companies, and this Power of Attorney issued pursuant thereto on March 31, 2008, and the acts of said attorney-in-fact and all authority hereby given are hereby ratified and confirmed.

In testimony whereof, I have subscribed my name and affixed the facsimile seal of each Company this 3RD day of APRIL, 2008.

For verification of the authenticity of the Power of Attorney you may call (515) 280-2669.

**Bond
Dual Obligees**

U.S. Department of Housing
and Urban Development
Office of Housing

BOND NO. S341910

Under Section 202 of the Housing Act 1953 and
Section 811 of the National Affordable Housing Act of 1990

Project Number: 071-HD137/IL06-Q031-006	Project Name: NH HOUSING DEVELOPMENT	Location: 1645 WILLIAMS COURT AND 884 DORSETSHIRE; CRETE IL
--	---	---

Know all men by these presents: That we (Name of Contractor) L. WALLER ENTERPRISES, INC.
a (Corporation, Partnership, or Individual) CORPORATION
(Surety) EMPLOYERS MUTUAL CASUALTY COMPANY of State of IOWA hereinafter called "Principal" and
called the "Surety" are held and firmly bound unto (Owner) NH HOUSING DEVELOPMENT, NFP hereinafter
of 1624 EAST 164TH STREET; DOLTON, IL 60419 hereinafter call "Owner" and unto the Secretary of Housing and Urban
Development, hereinafter called "HUD" as their respective interests may appear as Obligees in the penal sum of ** SEE BELOW *
Dollars (\$ 1,122,822.00) in lawful money of the United States, for the payment of which sum well and truly to be made, we bind ourselves,
our heirs, executors, administrators, and successors, jointly and severally, firmly by these presents.

** ONE MILLION ONE HUNDRED TWENTY TWO THOUSAND EIGHT HUNDRED TWENTY TWO AND 00/100

The Condition of This Obligation is such that Where as the Principal entered into a certain contract with the Owner
dated the 30th day of November, 2005 a copy of which is hereto attached and made a part hereof for the
construction of: NH HOUSING DEVELOPMENT
HUD PROJECT NO. 071-HD137/IL06-Q031-006

And Whereas, HUD has agreed to lend to Owner a sum of money to be secured by a mortgage on said project and to be used in making payment
under said contract, and desires protection as its interest may appear, in event of default by Principal under said contract, said protection to
be subject to the performance by the Obligees, or either of them, of the obligations to Principal in connection with said Contract.

Now, Therefore, if the Principal shall well, truly and faithfully perform its duties, all the undertakings, covenants, terms, conditions, and
agreements of said Contract during the original term thereof, and any authorized extension or modification thereof, with or without notice to
the Surety, and if he shall satisfy all claims and demands incurred under such contract, and fully indemnify and save harmless the Obligees
from all costs and damages which they may suffer by reason of failure to do so, and shall reimburse and repay the Obligees all outlay and expense
which they may incur in making good any default, and shall promptly make payment to all persons, firms, subcontractors, and corporations
furnishing materials for or performing labor in the prosecution of the work provided for in such contract, and any authorized extension or
modification thereof, including all amounts due for materials, lubricants, oil, gasoline, coal and coke, repairs on machinery, equipment and
tools, consumed or used in connection with the construction of such work, and all insurance premiums on said work, and for all labor performed
in such work whether by subcontractor or otherwise, then this obligation shall be void; otherwise to remain in full force and effect.

Provided, Further, that the said Surety, for value received hereby stipulates and agrees that no change, extension of time, alteration or addition
to the terms of the contract or to the work to be performed thereunder or the specifications accompanying the same shall in any wise affect
its obligation on this bond, and it does hereby waive notice of any such change, extension of time, alteration or addition to the terms of the
contract or to the work or to the specifications.

Provided, Further, that no final settlement between the Owner and the Contractor shall abridge the right of any beneficiary hereunder, whose
claim may be unsatisfied.

In Witness Whereof, this instrument is executed in six (6) counterparts, each one of which shall be deemed an original, this the 11 30th day of November, 2005

ATTEST:

L. WALLER ENTERPRISES, INC.
(Principal)

(Principal) Secretary

(SEAL)

By [Signature]
LARRY WALLER, PRESIDENT
2818 CHAYES PARK DRIVE
FLOSSMOOR, IL 60422
(Address - ZIP Code)

EMPLOYERS MUTUAL CASUALTY COMPANY
(Surety)

ATTEST:

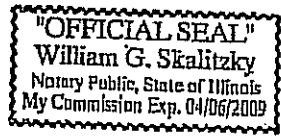
By [Signature]
JOHN J. NASO, JR. (Attorney-in-Fact)

1815 S. MEYERS ROAD
OAK BROOK TERRACE, IL 60181
(Address - Zip Code)

(Surety) Secretary

(SEAL)

[Signature]
Witness as to Surety.
10320 ORLAND PARKWAY
ORLAND PARK, IL 60467
(Address - Zip Code)



NOTE: Date of Bond must not be prior to date of Contract. If Contractor is Partnership, all partners must execute Bond.

THE FACE OF THIS DOCUMENT HAS A COLORED BACKGROUND ON WHITE PAPER - BACK OF THIS DOCUMENT HAS A SIMULATED WATERMARK - HOLD AT AN ANGLE TO VIEW.

EMC Insurance Companies

P.O. Box 742, Des Moines, IA 50303-0742

No. 632888

CERTIFICATE OF AUTHORITY INDIVIDUAL ATTORNEY-IN-FACT

KNOW ALL MEN BY THESE PRESENTS, that:

- Employers Mutual Casualty Company, an Iowa Corporation
- EMCASCO Insurance Company, an Iowa Corporation
- Union Insurance Company of Providence, an Iowa Corporation
- Multiple EMCASCO Insurance Company, an Iowa Corporation
- Dakota Fire Insurance Company, a North Dakota Corporation
- EMC Property & Casualty Company, an Iowa Corporation
- North Hamilton Mutual Insurance Company, an Ohio Corporation

Hereinafter referred to severally as "Company" and collectively as "Companies," each does, by these presents, make, constitute and appoint **FRANK Q. POPPIE, JOHN J. NASO, JR., ILA J. DELMAN, KRISTAN F. RETUSNIC, INDIVIDUALLY, OF LAND PARK, ILLINOIS**

its true and lawful attorney-in-fact, with full power and authority conferred to sign, seal, and execute its lawful bonds, undertakings, and other obligatory instruments of a similar nature as follows:

IN AN AMOUNT NOT EXCEEDING FIVE MILLION DOLLARS (\$5,000,000.00) and to bind each Company, hereby as fully and to the same extent as if such instruments were obtained by the duly authorized officers of each such Company and all of the acts of said attorney pursuant to the authority hereby given are hereby ratified and confirmed.

The authority hereby granted shall expire April 1, 2008 unless sooner revoked.

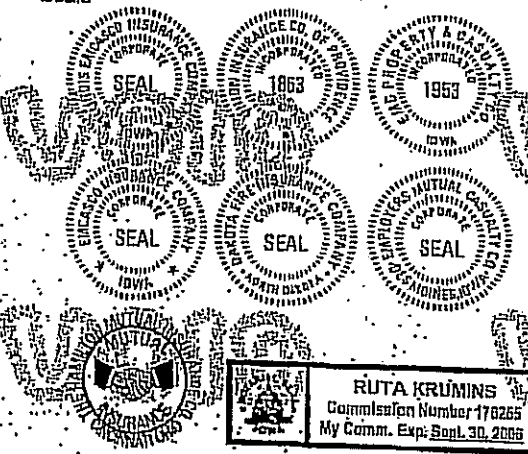
AUTHORITY FOR POWER OF ATTORNEY

This Power of Attorney is made and executed pursuant to and by the authority of the following resolution of the Boards of Directors of each of the Companies at a regularly scheduled meeting of each Company duly called and held in 1999:

RESOLVED, The President and Chief Executive Officer, any Vice President, the Treasurer and the Secretary of Employers Mutual Casualty Company, shall have power and authority, (1) to appoint attorney-in-fact and authorize them to execute on behalf of each Company and attach the seal of the Company thereto, bonds and undertakings, recognizances, contracts of indemnity and other writings obligatory in the nature thereof, and (2) to remove any such attorney-in-fact at any time and revoke the power and authority given to him or her. Attorneys-in-fact shall have power and authority, 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 thereto, bonds and undertakings, recognizances, contracts of indemnity and other writings obligatory in the nature thereof, and any such instrument executed by any such attorney-in-fact shall be fully and in all respects binding upon this Company. Certification as to the validity of any power-of-attorney authorized herein made by an officer of Employers Mutual Casualty Company shall be fully and in all respects binding upon this Company. The facsimile or mechanically reproduced signature of such officer, whether made heretofore or hereafter, wherever appearing upon a certified copy of any power-of-attorney of the Company, shall be valid and binding upon the Company with the same force and effect as though manually written.

IN WITNESS WHEREOF, the Companies have caused these presents to be signed for each by their officers as shown, and the Corporate seals to be hereunto affixed.

Seals



Bruce G. Kelley
 Bruce G. Kelley, Chairman
 of Companies 2, 3, 4, 5 & 6; President
 of Company 1; Vice Chairman and
 CEO of Company 7

Jeffrey S. Birdsley
 Jeffrey S. Birdsley
 Assistant Secretary

On this 11 day of March AD 2005, before me, Notary Public in and for the State of Iowa, personally appeared **Bruce G. Kelley and Jeffrey S. Birdsley**, who, being by me duly sworn, did say that they are, and are known to me to be the Chairman, President, Vice Chairman and CEO, and/or Assistant Secretary, respectively, of each of the Companies above; that the seals affixed to this instrument are the seals of said corporations; that said instrument was signed and sealed on behalf of each of the Companies by authority of their respective Boards of Directors; and that the said **Bruce G. Kelley and Jeffrey S. Birdsley**, as duly officers, acknowledge the execution of said instrument to be the voluntary act and deed of each of the Companies.

My Commission Expires September 30, 2006.

RUTA KRUMINS
 Commission Number 170265
 My Comm. Exp. Sept. 30, 2006

Notary Public in and for the State of Iowa

CERTIFICATE

David L. Hixenbaugh, Vice President of the Companies, do hereby certify that the foregoing resolution of the Boards of Directors by each of the Companies, and this Power of Attorney issued pursuant thereto on March 11, 2005 on behalf of **Frank Q. Poppie, John J. Naso, Jr., Ila J. Delman, Kristan F. Retusnic** are true and correct and are still in full force and effect.

In testimony whereof I have subscribed my name and affixed the facsimile seal of each Company this 30 day of November, 2005.

David L. Hixenbaugh
 Vice-President



1815 S. Meyers Road • Suite 500
Oakbrook Terrace, IL 60181
P.O. Box 5001
Oakbrook Terrace, IL 60181-5001
Phone 830.820.2040 • WATS 800.942.7440
FAX 830.820.3995
Claims FAX 830.820.5195 Write to Direct Dial Number
www.emcinsurance.com

November 30, 2005

U.S. Department of Housing and Urban Development
Chicago Regional Office, Region V
77 W. Jackson Blvd.
Chicago, Illinois 60604-3507
Attention: Chief Counsel

Re: NH Housing Development
Bond No.: S341910
FHA Project No.: 071-HD137/IL06-Q031-006

Ladies and Gentlemen:

Please be advised that Employers Mutual Casualty Company is providing the Performance and Payment Bond in connection with the construction of the referenced project, which Bond is being presented to the United States Department of Housing and Urban Development ("HUD") at the Initial Closing of the mortgage loan for said Project.

This will confirm that John J. Naso, Jr. is an authorized attorney-in-fact of Employers Mutual Casualty Company and has the authority to execute the performance and payment bond in the amount of \$1,122,822.00, wherein the named principal is L. Waller Enterprises, Inc., an Illinois Corporation. This power of attorney continues in full force and effect on this date and, therefore, HUD may accept and rely upon this bond as legally binding on this Company at the Initial Closing of the mortgage loan for the Project.

Please note that John J. Naso, Jr. also has the authority to sign and/or initial the construction plans and specifications on behalf of this Company.

The power of attorney referenced above will not be revoked by this Company within ten (10) business days from this date without prior written notification to HUD.

Very Truly Yours,

Employers Mutual Casualty Company

David L. Hixenbaugh
Vice President Bonds

Employers Mutual Casualty Company
EMC National Life Company
EMCASCOC Insurance Company
EMC Property & Casualty Company

EMC Reinsurance Company
EMC Risk Services, Inc.
EMC Underwriters, LLC
Dakota Fire Insurance Company

Farm and City Insurance Company
Hamilton Mutual Insurance Company
Illinois EMCASCOC Insurance Company
Union Insurance Company of Providence





EMC Insurance Companies

Employers Mutual Casualty Company, 717 Mulberry Street, Des Moines, Iowa 50309
EMCASCO Insurance Company, 717 Mulberry Street, Des Moines, Iowa 50309
Dakota Fire Insurance Company, 1838 E. Interstate Avenue, Bismarck, North Dakota 58501
Illinois EMCASCO Insurance Company, 815 Commerce Drive, Oak Brook, Illinois 60523
Union Insurance Company of Providence, 60 Jefferson Park, Warwick, Rhode Island 02888
EMC Property & Casualty Company, 717 Mulberry Street, Des Moines, Iowa 50309
Hamilton Mutual Insurance Company, 1520 Madison Road, Cincinnati, Ohio 45206

(Hereinafter referred to collectively as the Surety)



GENERAL APPLICATION AND AGREEMENT OF INDEMNITY

THIS AGREEMENT is made by the Undersigned for the continuing benefit of the Surety (as defined above) for the purpose of saving it harmless and indemnifying it from all loss and expense in connection with any Bonds executed on behalf of any one or more of the following persons, firms or corporations: **L. WALLER ENTERPRISES, INC.**

(hereinafter one of which may be the Principal)

WITNESSETH:

WHEREAS, the Principal, in the performance of contracts and the fulfillment of obligations generally, whether in its own name solely or as co-adventurer with others, may desire, or be required to give or procure certain surety bonds, undertakings or instruments of guarantee, and to renew or continue or substitute the same from time to time; or new bonds, undertakings, or instruments of guarantee with the same or different penalties, and/or conditions, may be desired or required, in renewal, continuation, extension or substitution thereof; any one or more of which are heretofore and hereafter called Bonds; or the Undersigned may request the Surety to refrain from canceling said Bonds; and

WHEREAS, at the request of the Undersigned and upon the express understanding that this agreement of indemnity be given, the Surety has executed or procured to be executed, and may from time to time hereafter execute or procure to be executed, said Bonds on behalf of the Principal; and WHEREAS, the Undersigned have a substantial, material and beneficial interest in the obtaining of the Bonds or in the Surety's refraining from canceling said Bonds.

NOW, THEREFORE, in consideration of the premises the Undersigned for themselves, their heirs, executors, administrators, successors and assigns, jointly and severally hereby covenant and agree with the Surety, its successors and assigns as follows:

Section 1 — PREMIUMS

The Undersigned will pay to the Surety, at its Administrative Office in the City of Des Moines, Iowa, premiums or charges at the rates and at the times specified in respect of each such instrument in the Surety's manual of rates which, with any additions or amendments thereto, is by reference made a part hereof, and will continue to pay the same where such premium or charge is annual until the Surety shall be discharged and released from any and all liability and responsibility upon and from each such instrument or matters arising therefrom, and until the Principal and/or Undersigned shall serve or cause to be served upon the Surety competent written legal evidence of such discharge or release from each such instrument and all liability by reason thereof. The Surety may also retain for the purpose of offset, any and all earned premiums subject to refund or rebate to the Principal and/or Undersigned in the event its right to indemnity is activated.

Section 2 — INDEMNITY

The Undersigned shall exonerate, indemnify, and keep indemnified the Surety from and against any and all liability for losses and/or expenses of whatsoever kind or nature (including, but not limited to interest, court costs and counsel fees) and from and against any and all such losses and/or expenses which the Surety may sustain and incur: (1) By reason of having executed or procured the execution of the Bonds, (2) By reason of the failure of the Principal or the Undersigned to perform or comply with the covenants and conditions of this Agreement or (3) In enforcing any of the covenants and conditions of this Agreement. Payment by reason of the aforesaid causes shall be made to the Surety by the Undersigned as soon as liability exists or is asserted against the Surety whether or not the Surety shall have made any payment therefor. In the event Surety shall have set a reserve, it may also retain any and all earned premiums which may be available for refund or rebate to the Principal and/or Undersigned. This right shall be in addition to its stated rights herein, not in substitution for same. Such payment shall be equal to the amount of the reserve set by the Surety. The surety may pay or compromise any claim, demand, suit, judgement or expense arising out of such bond or bonds and any such payment or compromise shall be binding upon the Undersigned and included as a liability, loss or expense covered by this indemnity Agreement. In the event of any such payment or compromise by the Surety, an itemized statement thereof sworn to by an officer of the Surety, or the voucher or vouchers of other evidence of such payment or compromise, shall be prima facie evidence of the fact and amount of the liability of the Undersigned under this Agreement.

Section 3 — SETTLEMENT OF CLAIMS

The Surety shall have the exclusive right for itself and for the Undersigned to decide and determine whether any claim, demand, suit or judgment upon any such bonds shall, on the basis of liability, expedience or otherwise be paid, settled, defended or appealed, and its determination shall be final, conclusive and binding upon the Undersigned.

Section 4 — ASSIGNMENT AND SECURITY INTEREST

To facilitate the carrying out of all provisions of this Agreement and to secure the obligations in any and all paragraphs of this Agreement and the payment and all other performance of all the Undersigned(s), present and future debts, obligations and liabilities to Surety, of whatever nature ("Obligations"), the Undersigned assign, transfer and set over to Surety and grant Surety a security interest in all the Undersigned(s) equipment, fixtures, accounts, contract rights, chattel paper, instruments, documents, general intangibles and inventory, whether now owned or hereafter acquired and all additions and accessions to, and all proceeds and products of, any of the foregoing ("Collateral"); and (a) all the rights of Principal in and growing in any manner out of, all contracts referred to in the Bonds, or in, or growing in any manner out of the Bonds; (b) all the rights, title and interest of the Principal in and to all machinery, equipment, plant, tools and materials which are now or may hereafter be, about or upon the site or sites of any and all of the contractual work referred to in the Bonds or elsewhere, including materials purchased for or chargeable to any and all contracts referred to in the Bonds, materials which may be in process of construction, in storage elsewhere, or in transportation to any and all of said sites; (c) all the rights, title and interest of Principal in and to all subcontracts let or to be let in connection with any and all contracts referred to in the Bonds, and in and to all surety bonds supporting such subcontracts; (d) all other sources of value, claims and demands which are or may be due or payable to or for the Principal in and to all contracts referred to in the Bonds, and in and to all surety bonds supporting such subcontracts.

(hereinafter any one of which may be the Principal)

WITNESSETH:

WHEREAS, the Principal, in the performance of contracts and the fulfillment of obligations generally, whether in its own name solely or as co-adventurer with others, may desire, or be required to give or procure certain surety bonds, undertakings or instruments of guarantee, and to renew or continue or substitute the same from time to time; or new bonds, undertakings, or instruments of guarantee with the same or different penalties, and/or conditions, may be desired or required, in renewal, continuation, extension or substitution thereof; any one or more of which are heretofore and hereafter called Bonds; or the Undersigned may request the Surety to refrain from cancelling said Bonds; and

WHEREAS, at the request of the Undersigned and upon the express understanding that this agreement of indemnity be given, the Surety has executed or procured to be executed, and may from time to time hereafter execute or procure to be executed, said Bonds on behalf of the Principal; and

WHEREAS, the Undersigned have a substantial, material and beneficial interest in the obtaining of the Bonds or in the Surety's refraining from cancelling said Bonds.

NOW, THEREFORE, in consideration of the premises the Undersigned for themselves, their heirs, executors, administrators, successors and assigns, jointly and severally hereby covenant and agree with the Surety, its successors and assigns as follows:

Section 1 - PREMIUMS

The Undersigned will pay to the Surety, at its Administrative Office in the City of Des Moines, Iowa, premiums or charges at the rates and at the times specified in respect of each such instrument in the Surety's manual of rates which, with any additions or amendments thereto, is by reference made a part hereof, and will continue to pay the same where such premium or charge is annual until the Surety shall be discharged and released from any and all liability and responsibility upon and from each such instrument or matters arising therefrom, and until the Principal and/or Undersigned shall serve or cause to be served upon the Surety competent written legal evidence of such discharge or release from each such instrument and all liability by reason thereof. The Surety may also retain for the purpose of offset, any and all earned premiums subject to refund or rebate to the Principal and/or Undersigned in the event its right to indemnity is activated.

Section 2 - INDEMNITY

The Undersigned shall exonerate, indemnify, and keep indemnified the Surety from and against any and all liability for losses and/or expenses of whatsoever kind or nature (including, but not limited to interest, court costs and counsel fees) and from and against any and all such losses and/or expenses which the Surety may sustain and incur: (1) By reason of having executed or procured the execution of the Bonds, (2) By reason of the failure of the Principal or the Undersigned to perform or comply with the covenants and conditions of this Agreement or (3) In enforcing any of the covenants and conditions of this Agreement. Payment by reason of the aforesaid causes shall be made to the Surety by the Undersigned as soon as liability exists or is asserted against the Surety whether or not the Surety shall have made any payment therefor. In the event Surety shall have set a reserve, it may also retain any and all earned premiums which may be available for refund or rebate to the Principal and/or Undersigned. This right shall be in addition to its stated rights herein, not in substitution for same. Such payment shall be equal to the amount of the reserve set by the Surety. The surety may pay or compromise any claim, demand, suit, judgement or expense arising out of such bond or bonds and any such payment or compromise shall be binding upon the Undersigned and included as a liability, loss or expense covered by this Indemnity Agreement. In the event of any such payment or compromise by the Surety, an itemized statement thereof sworn to by an officer of the surety, or the voucher or vouchers of other evidence of such payment or compromise, shall be prima facie evidence of the fact and amount of the liability of the Undersigned under this Agreement.

Section 3 - SETTLEMENT OF CLAIMS

The Surety shall have the exclusive right for itself and for the Undersigned to decide and determine whether any claim, demand, suit or judgment upon any such bonds shall, on the basis of liability, expedience or otherwise be paid, settled, defended or appealed, and its determination shall be final, conclusive and binding upon the Undersigned.

Section 4 - ASSIGNMENT AND SECURITY INTEREST

To facilitate the carrying out of all provisions of this Agreement and to secure the obligations in any and all paragraphs of this Agreement and the payment and all other performance of all the Undersigned(s), present and future debts, obligations and liabilities to Surety, of whatever nature ("Obligations"), the Undersigned assign, transfer and set over to Surety and grant Surety a security interest in all the Undersigned(s) equipment, fixtures, accounts, contract rights, chattel paper, instruments, documents, general intangibles and inventory, whether now owned or hereafter acquired and all additions and accessions to, and all proceeds and products of, any of the foregoing ("Collateral"); and (a) all the rights of Principal in and growing in any manner out of, all contracts referred to in the Bonds, or in, or growing in any manner out of the Bonds; (b) all the rights, title and interest of the Principal in and to all machinery, equipment, plant, tools and materials which are now or may hereafter be, about or upon the site or sites of any and all of the contractual work referred to in the Bonds or elsewhere, including materials purchased for or chargeable to any and all contracts referred to in the Bonds, materials which and to all subcontracts let or to be let in connection with any and all contracts referred to in the Bonds, and in and to all surety bonds supporting such subcontracts; (c) all the rights, title and interest of Principal in subcontracts; (d) all actions, causes of action, claims and demands whatsoever which Principal may have or acquire against any subcontractor, laborer or materialman, or any person furnishing or agreeing to furnish or supply labor, material, supplies, machinery, tools or other equipment in connection with or on account of any and all contracts referred to in the Bonds; and against any surety or sureties of any subcontractor, laborer or materialman; (e) any and all sums that may be due or hereafter become due on account of any and all contracts referred to in the Bonds and all other contracts whether bonded or not in which Principal has an interest; (f) all rights the Undersigned have in patents, patented processes, licenses, copyrights, trademarks and all other intellectual property rights required for the performance of the work for which the Surety issued Bonds, and expressly authorizes the Surety to use these properly rights as required in the Surety's discretion to complete the work for which the Surety issued Bonds.

The Surety and its attorneys are hereby authorized, without notice to the Undersigned, to make schedules of all property assigned under this Agreement, and to attach the same hereto at any time, and the same when attached, shall by this reference be incorporated herein and make a part of this Agreement, and when any such schedules have been made and attached, the Surety and its attorneys are authorized to file or record a copy of same under provisions of law governing such.

Section 5 - DEFAULT

Upon the occurrence of one or more of these events of default: (a) any abandonment, forfeiture or breach of any contracts referred to in the Bonds or of any breach of any said Bonds; (b) any breach of the provisions of any of the paragraphs of this Agreement or the Obligations; (c) a default in discharging such other indebtedness or liability when due; (d) any assignment by Principal for the benefit of creditors, or the appointment, or any application for the appointment of a receiver or trustee for Principal, whether insolvent or not, or Principal becomes insolvent or the subject of bankruptcy or insolvency proceedings; (e) any proceeding which deprives Principal of the use of any of the machinery, equipment, plant, tools, or materials referred to in Section 4 hereof; (f) Principal dies, ceases to exist, absconds, disappears, becomes incompetent, is convicted of a felony, or imprisoned, if Principal

be an individual: (g) any representation made to induce Surety to execute any bond is false in a material respect when made; or (h) any other event which causes Surety in the reasonable belief to deem itself insecure; all of the Obligations will, at the option of Surety and without notice or demand, mature immediately; and Surety will have all rights and remedies provided for herein, all rights and remedies for default provided by the Uniform Commercial Code as well as under any other applicable law and the Obligations. With respect to these rights and remedies, (1) Surety may require Principal to assemble the collateral and to make it available to Surety at a convenient place designated by Surety; (2) written notice, when required by law, sent to any address of the Undersigned in this Agreement at least five calendar days (counting the day of sending) before the date of a proposed disposition of the Collateral or other action is reasonable notice; (3) the Undersigned shall reimburse Surety for any expense incurred by Surety in protecting or enforcing its rights under the Agreement, including without limitation, reasonable attorney's fees and legal expenses and all expenses of taking possession, holding, preparing for disposition and disposing of the Collateral. After deduction of these expenses, Surety may apply the proceeds of disposition to the Obligations in such order and amounts as it deems; (4) Surety may permit the Undersigned to remedy a default without waiving the default remedied, and Surety may waive a default without waiving another subsequent or prior default by the Undersigned.

Section 6 - COMMERCIAL CODE

This Agreement shall constitute a Security Agreement to the Surety and also a Financing Statement, both in accordance with the provisions of the Uniform Commercial Code of every jurisdiction wherein such Code is in effect and may be so used by the Surety without in any way abrogating, restricting or limiting the rights of the Surety under this Agreement or under law, or in equity.

Section 7 - TAKEOVER

In the event of any breach or default asserted by the obligee in any said Bonds, or the Principal has abandoned the work on or forfeited any contract or contracts covered by any said Bonds, or has failed to pay obligations incurred in connection therewith or in the event of the death, disappearance, Principal's conviction for a felony, imprisonment, incompetency, insolvency or bankruptcy of the Principal, or the appointment of a receiver or trustee for the Principal or the property of the Principal, or in the event of an assignment for the benefit of creditors of the Principal, or if any action is taken by or against the Principal under or by virtue of the National Bankruptcy Act, or should reorganization or arrangement proceedings be filed by or against the Principal under said Act, or if any action is taken by or against the Principal under the insolvency laws of any state, possession or territory of the United States or upon any other event which causes Surety in the reasonable belief to deem itself insecure, the Surety shall have the right, at its option and in its sole discretion and is hereby authorized, with or without exercising any other right or option conferred upon it by law or in the terms of this Agreement, to take possession of any part of all of the work under any contract or contracts covered by any said Bonds, and at the expense of the Undersigned to complete or arrange for the completion of the same, and the Undersigned shall promptly upon demand pay to the Surety all losses and expenses so incurred.

Section 8 - RIGHT OF JOINT CONTROL

If it becomes necessary or advisable in the judgment of the Surety to control, administer, operate or manage any or all matters connected with the performance of any contract within the purview of this agreement for the purpose of attempting to minimize any ultimate loss to the Undersigned or the Surety or for the purpose of enabling Surety to discharge its obligations of suretyship, the Undersigned expressly covenant and agree that such action on the part of the Surety shall be entirely within its rights and remedies under the terms of this agreement and as Surety.

Section 9 - BOOKS, RECORDS AND INFORMATION

At any time, and until such time as the liability of the surety under any and all said Bonds is terminated, the Surety shall have the right to reasonable access to the books, records, and accounts of the Undersigned; and any bank depository, materialman, supply house, or other person, firm, or corporation when requested by the Surety is hereby authorized to furnish the Surety any information requested including, but not limited to, the status of the work under contracts being performed by the Principal, the condition of the performance of such contracts and payments of accounts.

Section 10 - TRUST FUND

The Undersigned covenant and agree that all payments received for or on account of contract(s) which are bonded by the Surety shall be held as trust funds in which the Surety has an interest. To secure said interest, it is agreed that all monies paid to the Principal and/or Undersigned covered by the Bond(s) are trust funds for the benefit of and the payment for direct labor, materials and services furnished in the prosecution of the work specified in the contract(s) for which the Surety may be or become liable under any of said Bond(s). The trust funds are specifically reserved as set forth above, and any breach of said duty shall be deemed a breach of the duties or obligations of the Undersigned under this Agreement of Indemnity.

Section 11 - RIGHT TO DEMAND RESERVE

If for any reason the Surety shall be required or at its option and in its sole discretion shall deem it necessary to set up a reserve in any amount to cover any; (a) judgment, actual or contingent, with interest and costs, in any action instituted against one or more of the Undersigned or, (b) unadjusted claim(s) or other claims under said Bond or Bonds of which the Surety has notice or, (c) loss, costs, attorneys' fees, engineers' fees, investigative charges and other disbursements and/or expenses in connection with said Bond or Bonds or in anticipation of loss thereunder, whether or not the Surety shall heretofore have paid any such sums or any part thereof, or (d) any default(s) of the Principal or, (e) abandonment of any contracts, failure to comply with any material provision thereof or cease to promptly perform any part of the work required to be performed thereunder, or to pay claims of suppliers of labor, material or services required under such contracts or, (f) liens filed or, (g) disputes with the owner or obligee or, (h) for any reason whatever and regardless of any proceedings contemplated or taken by the Principal or the pendency of any appeal, the Undersigned, within 10 calendar days after mailing by the Surety of written demand by registered or certified mail shall deposit with the Surety, cash or collateral in the amount of such reserve and every increase thereof, to be held by the Surety as collateral with the right to use any such funds or any part thereof, at any time, without notice to the Undersigned in payment or compromise of any judgment, claim, liability, loss, damage, attorneys' fees, engineers' fees, investigative charges and other disbursements and/or expenses in connection with said Bond or Bonds or in anticipation of loss thereunder. If the Undersigned shall fail to deposit such cash or collateral with the Surety, upon such request, the Surety at its option and in its sole discretion may engage counsel to proceed by suit or otherwise to procure the deposit with the Surety of such cash or collateral and the Undersigned shall be obligated to pay the Surety its reasonable costs, charges and expenses including counsel fees, incident to such litigation.

The Surety is hereby irrevocably authorized by the Undersigned to release or return to the Undersigned any part of such cash or collateral at any time, without prejudice to any of the Surety's present or future rights, remedies and defenses against the Undersigned. The Surety shall have no obligation to invest, or to provide a return on said cash or collateral deposited by the Undersigned.

Any notice or demand hereunder shall be sufficient if sent by registered mail or certified mail to the Undersigned at the addresses stated in this instrument or the addresses last known to the Surety.

Section 12 - NOTICE OF SUIT

Upon any demand being made, notice given or action or proceeding commenced against the Principal upon any claim for which the Surety may be held liable in whole or in part, one or more of the Undersigned will immediately cause written notice thereof to be given by registered mail to the Surety at its Administrative Office in Des Moines, Iowa. In the event of a suit or legal proceedings against the Surety upon or on account of any such Bond, the Surety shall have the right to apply to the court in which such action is brought for an order making one or more of the Undersigned parties defendant, and each of them hereby consents to the granting of such application and agrees to become such a party defendant and, in the event any judgment be rendered against the Surety to allow judgment in the amount to be rendered against one or more of the Undersigned, in favor of the Surety if the Surety so requests. The Surety shall be entitled to enforce the obligations hereof directly against the Undersigned, without the necessity of first proceeding against the Principal. The Surety shall be entitled to reasonable attorneys' fees in the enforcement of this agreement.

Section 13 - WAIVER OF EXEMPTIONS

the Principal or the property of the Principal or the event or assignment for the benefit of creditors of the Principal, or if any action is taken by or against the Principal under or by virtue of the National Bankruptcy Act, or should reorganization or arrangement proceedings be filed by or against the Principal under said Act, or if any action is taken by or against the Principal under the insolvency laws of any state, possession or territory of the United States or upon any other event which causes Surety in the reasonable belief to deem itself insecure, the Surety shall have the right, at its option and in its sole discretion and is hereby authorized, with or without exercising any other right or option conferred upon it by law or in the terms of this Agreement, to take possession of any part of all of the work under any contract or contracts covered by any said Bonds, and at the expense of the Undersigned to complete or arrange for the completion of the same, and the Undersigned shall promptly upon demand pay to the Surety all losses and expenses so incurred.

Section 8 — RIGHT OF JOINT CONTROL

If it becomes necessary or advisable in the judgment of the Surety to control, administer, operate or manage any or all matters connected with the performance of any contract within the purview of this agreement for the purpose of attempting to minimize any ultimate loss to the Undersigned or the Surety or for the purpose of enabling Surety to discharge its obligations of suretyship, the Undersigned expressly covenant and agree that such action on the part of the Surety shall be entirely within its rights and remedies under the terms of this agreement and as Surety.

Section 9 — BOOKS, RECORDS AND INFORMATION

At any time, and until such time as the liability of the surety under any and all said Bonds is terminated, the Surety shall have the right to reasonable access to the books, records, and accounts of the Undersigned; and any bank depository, materialman, supply house, or other person, firm, or corporation when requested by the Surety is hereby authorized to furnish the Surety any information requested including, but not limited to, the status of the work under contracts being performed by the Principal, the condition of the performance of such contracts and payments of accounts.

Section 10 — TRUST FUND

The Undersigned covenant and agree that all payments received for or on account of contract(s) which are bonded by the Surety shall be held as trust funds in which the Surety has an interest. To secure said interest, it is agreed that all monies paid to the Principal and/or Undersigned covered by the Bond(s) are trust funds for the benefit of and the payment for direct labor, materials and services furnished in the prosecution of the work specified in the contract(s) for which the Surety may be or become liable under any of said Bond(s). The trust funds are specifically reserved as set forth above, and any breach of said duty shall be deemed a breach of the duties or obligations of the Undersigned under this Agreement of Indemnity.

Section 11 — RIGHT TO DEMAND RESERVE

If for any reason the Surety shall be required or at its option and in its sole discretion shall deem it necessary to set up a reserve in any amount to cover any: (a) judgment, actual or contingent, with interest and costs, in any action instituted against one or more of the Undersigned or, (b) unadjusted claim(s) or other claims under said Bond or Bonds of which the Surety has notice or, (c) loss, costs, attorneys' fees, engineers' fees, investigative charges and other disbursements and/or expenses in connection with said Bond or Bonds or in anticipation of loss thereunder, whether or not the Surety shall heretofore have paid any such sums or any part thereof, or (d) any default(s) of the Principal or, (e) abandonment of any contracts, failure to comply with any material provision thereof or cease to promptly perform any part of the work required to be performed thereunder, or to pay claims of suppliers of labor, material or services required under such contracts or, (f) liens filed or, (g) disputes with the owner or obligee or, (h) for any reason whatever and regardless of any proceedings contemplated or taken by the Principal or the pendency of any appeal, the Undersigned, within 10 calendar days after mailing by the Surety of written demand by registered or certified mail shall deposit with the Surety, cash or collateral in the amount of such reserve and every increase thereof, to be held by the Surety as collateral with the right to use any such funds or any part thereof, at any time, without notice to the Undersigned in payment or compromise of any judgment, claim, liability, loss, damage, attorneys' fees, engineers' fees, investigative charges and other disbursements and/or expenses in connection with said Bond or Bonds or in anticipation of loss thereunder. If the Undersigned shall fail to deposit such cash or collateral with the Surety, upon such request, the Surety at its option and in its sole discretion may engage counsel to proceed by suit or otherwise to procure the deposit with the Surety of such cash or collateral and the Undersigned shall be obligated to pay the Surety its reasonable costs, charges and expenses including counsel fees, incident to such litigation.

The Surety is hereby irrevocably authorized by the Undersigned to release or return to the Undersigned any part of such cash or collateral at any time, without prejudice to any of the Surety's present or future rights, remedies and defenses against the Undersigned. The Surety shall have no obligation to invest, or to provide a return on said cash or collateral deposited by the Undersigned.

Any notice or demand hereunder shall be sufficient if sent by registered mail or certified mail to the Undersigned at the addresses stated in this instrument or the addresses last known to the Surety.

Section 12 — NOTICE OF SUIT

Upon any demand being made, notice given or action or proceeding commenced against the Principal upon any claim for which the Surety may be held liable in whole or in part, one or more of the Undersigned will immediately cause written notice thereof to be given by registered mail to the Surety at its Administrative Office in Des Moines, Iowa. In the event of a suit or legal proceedings against the Surety upon or on account of any such Bond, the Surety shall have the right to apply to the court in which such action is brought for an order making one or more of the Undersigned parties defendant, and each of them hereby consents to the granting of such application and agrees to become such a party defendant and, in the event any judgment be rendered against the Surety to allow judgment in like amount to be rendered against one or more of the Undersigned, in favor of the Surety if the Surety so requests. The Surety shall be entitled to enforce the obligations hereof directly against the Undersigned, without the necessity of first proceeding against the Principal. The Surety shall be entitled to reasonable attorneys' fees in the enforcement of this agreement.

Section 13 — WAIVER OF EXEMPTIONS

Each of the Undersigned does, jointly and severally, bind his or her property and does hereby release and abandon, as to the Surety all right to claim property including their homestead (except where prohibited by state law or constitution), as exempt from levy, execution sale or other legal process under the law of any state, province or other government, as against the rights of the Surety to proceed against the Undersigned for indemnity hereunder.

Section 14 — AGREEMENT NOT TO LIMIT RIGHTS

The Undersigned shall continue to remain bound under the terms of this Agreement even though the Surety may have from time to time heretofore or hereafter, with or without notice to or knowledge of the Undersigned, accepted or released other agreements of indemnity or collateral in connection with the execution or procurement of said Bonds, from the Undersigned or others, it being expressly understood and agreed by the Undersigned that any and all other rights which the Surety may have or acquire against the Undersigned and/or other under any such other or additional agreements of indemnity or collateral shall be in addition to, and not in lieu of the rights afforded the Surety under this Agreement.

Section 15 — CHANGES NOT TO AFFECT

The Surety is authorized and empowered, without notice to or knowledge of the Undersigned to assent to any change whatsoever in the Bonds and/or any contracts referred to in the Bonds, and/or in the general conditions, plans and/or specifications accompanying said contracts, including, but not limited to, any change in the time for the completion of said contracts and to payments or advances thereunder before the same may be due, and to assent to or take any assignment or assignments, to execute or consent to the execution of any continuations, extensions or renewals of the Bonds and to execute any substitute or substitutes therefor, with the same or different conditions, provisions and obligees and with the same or larger or smaller penalties, it being expressly understood and agreed that the Undersigned shall remain bound under the terms of this Agreement even though any such assent by the Surety does or might substantially increase the liability of said Undersigned.

Section 16 — ATTORNEY IN FACT

The Undersigned hereby irrevocably nominate, constitute, appoint and designate the Surety as their attorney-in-fact with the right, but not the obligation, to exercise all of the rights of the Undersigned that are assigned, transferred and set over to the Surety in this Agreement, and in the name of the Undersigned to make, execute, and deliver any and all additional or other assignments, documents or papers deemed necessary and proper by the Surety in order to give full effect not only to the intent and meaning of the within assignments, but also in the full protection intended to be herein given to the Surety under all other provisions of this Agreement. The Undersigned hereby ratify and confirm all acts and actions taken and done by the Surety as such attorney-in-fact.

Section 17 — NOTICE OF EXECUTION

The Undersigned hereby waive notice of the execution of said Bonds and of the acceptance of this Agreement, and the Undersigned hereby waive all notice of any default, or any other act or acts giving rise to any claim under said Bonds, as well as notice of any and all liability of the Surety under said Bonds, and any and all liability on their part hereunder, to the end and effect that, the Undersigned shall be and continue liable hereunder notwithstanding any notice of any kind to which they might have been or be entitled, and notwithstanding any defenses they might have been entitled to make.

Section 18 — OTHER SURETIES

In the event the Surety procures the execution of the Bonds by other sureties, or executed the Bonds with co-sureties, or reinsures any portion of said Bonds with reinsuring sureties, then all the terms and conditions of this Agreement shall inure to the benefit of such other sureties, co-sureties and reinsuring sureties, as their interest may appear.

Section 19 — ADVANCES AND LOANS

The Surety is authorized and empowered to guarantee loans, to advance or lend to the Principal any money, which the Surety may see fit, for the purpose of any contracts referred to in, or guaranteed by the Bonds; and all money expended in the completion of any such contracts by the Surety, or lent or advanced from time to time to the Principal, or guaranteed by the Surety for the purposes of any such contracts, and all costs, and expenses incurred by the Surety in relation thereto, unless repaid with legal interest by the Principal to the Surety when due, shall be presumed to be a loss by the Surety for which the Undersigned shall be responsible, notwithstanding that said money or any part thereof should not be used by the Principal.

Section 20 — SETTLEMENT WITH ONE

In the event of any claim or demand made by the Surety against the Undersigned by reason of the execution of any Bonds, the Surety is hereby expressly authorized to settle with one or more of the Undersigned individually and without reference to the others, and, such settlement or composition shall not affect the liability of any of the other parties included in the designation "Undersigned", and the Undersigned hereby expressly waive the right to be discharged and released by reason of the release of one or more of the joint debtors, and hereby consents to any settlement or composition that may hereafter be made.

Section 21 — RIGHT TO OBTAIN OWN RELEASE

The Surety may at any time hereafter take such steps as it may deem necessary or proper to obtain its release from any and all liability under any Bonds, and to secure and further indemnify itself against loss, and all damages and expenses which the Surety may sustain or incur, or be put to, in obtaining such release, or in further securing itself against loss, shall be borne and paid by the Undersigned. In addition, the Undersigned will, on request of the Surety, procure the discharge of the Surety from any such Bond, and from all liability by reason thereof. Such request may be made and such discharge procured whether or not the Principal is in default of any undertaking underwritten by the Surety.

Section 22 — DECLINE EXECUTION

Unless otherwise specifically agreed in writing, the Surety may decline to execute any Bond and the Undersigned agrees to make no claim to the contrary in consideration of the Surety's receiving this Agreement; and if the Surety shall execute a Bid or Proposal Bond, it shall have the right to decline to execute any and all of the Bonds that may be required in connection with any award that may be made under the proposal for which the Bid or Proposal Bond is given and such declination shall not diminish or alter the liability that may arise by reason or having executed the Bid or Proposal Bond.

Section 23 — SEVERAL SUITS

Separate suits may be brought hereunder as causes of action accrue, and the bringing of suit or the recovery of judgement upon any cause of action shall not prejudice or bar the bringing of other suits upon other causes of action, whether theretofore or thereafter arising.

Section 24 — RIGHT TO EXERCISE RIGHTS

The Surety, its officers, directors, agents, servants, employees and attorneys, shall not be liable to one or more of the Undersigned for any damages or injuries that may be sustained by them, whatever kind or nature such may be, caused by or arising out of any action taken or statements, verbal, written or otherwise, made, in the reasonable belief by the Surety in exercising or attempting to exercise any of its rights or privileges under this agreement or under any other agreement between the Surety and any one or more of the Undersigned, or under law or in equity, or under or relating to any Bonds executed by the Surety. All rights and remedies of the Surety under this Agreement shall be cumulative, and the exercise of or failure to exercise, any right or remedy at any time shall not be an election of remedy or a waiver of any other right or remedy. Failure of the Surety to pursue any remedy against one or more of the Undersigned shall not release or waive any right against any other of the Undersigned. The Surety is not required to exhaust its rights or remedies against the Principal or to await receipt of any dividends from the legal representatives of the Principal before asserting its rights under this agreement against the Undersigned.

Section 25 — WAIVER OF DEFECTS

In case any of the parties mentioned in this Agreement fail to execute the same, or in case the execution hereof by any of the parties be defective or invalid for any reason, such failure, defect or invalidity shall not in any manner affect the validity of this Agreement or the liability hereunder of any of the parties executing the same, but each and every party so executing shall be and remain fully bound and liable hereunder to the same extent as if such failure, defect or invalidity had not existed. It is understood and agreed by the Undersigned that the rights, powers, and remedies given the Surety under this Agreement shall be and are in addition to, and not in lieu of, any and all other rights, powers and remedies which the Surety may have or acquire against the Undersigned or others whether by the terms of any other agreement or by operation of law or otherwise.

Section 26 — INVALIDITY OF ONE PROVISION

If any provision or provisions of this instrument be void or unenforceable under the laws of any place governing its construction or enforcement, this instrument shall not be void or vitiated thereby, but shall be construed and enforced with the same effect as though such provision or provisions were omitted.

Section 27 — CONSTRUCTION

This obligation shall be liberally construed so as to fully protect and indemnify the Surety. It shall be construed and interpreted in accordance with the laws of the State of Iowa.

Section 28 — MODIFICATION

This Agreement may not be changed or modified orally. No change or modification shall be effective unless made by written endorsement executed to form a part hereof.

Section 29 — TERMINATION

purpose of any contract referred to in or guaranteed by the Bonds; and all money expended in the completion of any such contracts by the Surety, or lent or advanced from time to time to the Principal, or guaranteed by the Surety for the purposes of any such contracts, and all costs, and expenses incurred by the Surety in relation thereto, unless repaid with legal interest by the Principal to the Surety when due, shall be presumed to be a loss by the Surety for which the Undersigned shall be responsible, notwithstanding that said money or any part thereof should not be used by the Principal.

Section 20 — SETTLEMENT WITH ONE

In the event of any claim or demand made by the Surety against the Undersigned by reason of the execution of any Bonds, the Surety is hereby expressly authorized to settle with one or more of the Undersigned individually and without reference to the others, and, such settlement or composition shall not affect the liability of any of the other parties included in the designation "Undersigned", and the Undersigned hereby expressly waives the right to hereafter be made.

Section 21 — RIGHT TO OBTAIN OWN RELEASE

The Surety may at any time hereafter take such steps as it may deem necessary or proper to obtain its release from any and all liability under any Bonds, and to secure and further indemnify itself against loss, and all damages and expenses which the Surety may sustain or incur, or be put to, in obtaining such release, or in further securing itself against loss, shall be borne and paid by the Undersigned. In addition, the Undersigned will, on request of the Surety, procure the discharge of the Surety from any such Bond, and from all liability by reason thereof. Such request may be made and such discharge procured whether or not the Principal is in default of any undertaking underwritten by the Surety.

Section 22 — DECLINE EXECUTION

Unless otherwise specifically agreed in writing, the Surety may decline to execute any Bond and the Undersigned agree to make no claim to the contrary in consideration of the Surety's receiving this Agreement; and if the Surety shall execute a Bid or Proposal Bond, it shall have the right to decline to execute any and all of the Bonds that may be required in connection with any award that may be made under the proposal for which the Bid or Proposal Bond is given and such declination shall not diminish or alter the liability that may arise by reason of having executed the Bid or Proposal Bond.

Section 23 — SEVERAL SUITS

Separate suits may be brought hereunder as causes of action accrue, and the bringing of suit or the recovery of judgement upon any cause of action shall not prejudice or bar the bringing of other suits upon other causes of action, whether theretofore or thereafter arising.

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The Surety, its officers, directors, agents, servants, employees and attorneys, shall not be liable to one or more of the Undersigned for any damages or injuries that may be sustained by them, whatever kind or nature such may be, caused by or arising out of any action taken or statements, verbal, written or otherwise, made, in the reasonable belief by the Surety in exercising or attempting to exercise any of its rights or privileges under this agreement or executed by the Surety. All rights and remedies of the Surety under this Agreement shall be cumulative, and the exercise of or failure to exercise, any right or remedy at any time shall not be an election of remedy or a waiver of any other right or remedy. Failure of the Surety to pursue any remedy against one or more of the Undersigned shall not release or waive any right against any other of the Undersigned. The Surety is not required to exhaust its rights or remedies against the Principal or to await receipt of any dividends from the legal representatives of the Principal before asserting its rights under this agreement against the Undersigned.

Section 25 — WAIVER OF DEFECTS

In case any of the parties mentioned in this Agreement fail to execute the same, or in case the execution hereof by any of the parties be defective or invalid for any reason, such failure, defect or invalidity shall not in any manner affect the validity of this Agreement or the liability hereunder of any of the parties executing the same, but each and every party so executing shall be and remain fully bound and liable hereunder to the same extent as if such failure, defect or invalidity had not existed. It is understood and agreed by the Undersigned that the rights, powers, and remedies given the Surety under this Agreement shall be and are in addition to, and not in lieu of, any and all other rights, powers and remedies which the Surety may have or acquire against the Undersigned or others whether by the terms of any other agreement or by operation of law or otherwise.

Section 26 — INVALIDITY OF ONE PROVISION

If any provision or provisions of this instrument be void or unenforceable under the laws of any place governing its construction or enforcement, this instrument shall not be void or violated thereby, but shall be construed and enforced with the same effect as though such provision or provisions were omitted.

Section 27 — CONSTRUCTION

This obligation shall be liberally construed so as to fully protect and indemnify the Surety. It shall be construed and interpreted in accordance with the laws of the State of Iowa.

Section 28 — MODIFICATION

This Agreement may not be changed or modified orally. No change or modification shall be effective unless made by written endorsement executed to form a part hereof.

Section 29 — TERMINATION

Each of the Undersigned expressly recognizes and covenants that this Agreement is a continuing obligation applying to and indemnifying the Surety; however, one or more of the Undersigned may notify the Surety at its Administrative Office, 717 Mulberry Street, Des Moines, Iowa 50309, of such Undersigned's withdrawal from this Agreement; such notice shall be sent by certified or registered mail and shall state when, not less than twenty days after receipt of such notice by the Surety, such withdrawal shall be effective. Such Undersigned will not be liable under this Agreement as to any Bonds executed by the Surety after the effective date of such notice; provided, that as to any and all such Bonds executed or authorized by the Surety prior to the effective date of such notice and as to any and all renewals, continuations and extensions thereof or substitutions therefor (and, if a proposal or bid Bond has been executed or authorized prior to such effective date, as to any contract Bond executed pursuant thereto) regardless of when the same are executed, such Undersigned shall be and remain fully liable hereunder, as if said notice had not been served. Such withdrawal by any Undersigned shall in no way affect the obligation of any other Undersigned who has given no such notice of termination.

Section 30 — SPECIAL PROVISIONS:


(If none, write "NIL")

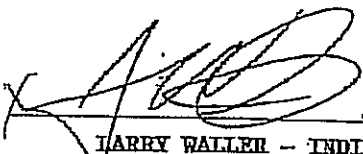
"THE UNDERSIGNED REPRESENTS TO THE SURETY THAT THEY HAVE CAREFULLY READ THE ENTIRE AGREEMENT AND THAT THERE ARE NO OTHER AGREEMENTS OR UNDERSTANDINGS WHICH MAY IN ANY WAY LESSEN OR MODIFY THE OBLIGATIONS SET FORTH HEREIN"

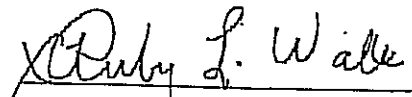
IN WITNESS WHEREOF, we have executed this Agreement to be effective the 23RD day of

MAY, 2002

L. WALLER ENTERPRISES, INC.
2818 CHAVES PARK DRIVE
ELOSSMOOR, IL 60422


LARRY WALLER, PRESIDENT


LARRY WALLER - INDIVIDUAL


RUBY L. WALLER - INDIVIDUAL

EACH ACKNOWLEDGEMENT TAKEN MUST BE SIGNED AND SEALED BY A NOTARY PUBLIC

INDIVIDUAL ACKNOWLEDGEMENT

STATE OF ILLINOIS
COUNTY OF _____

ss:

On this 23RD day of MAY, in the year 2002, before me personally come(s)
RUBY L. WALLER AND LARRY WALLER

to me known and known to me to be the person(s) who (is) (are) described in and who executed the foregoing instrument and acknowledge(s) to me that
They _____ executed the same.



[Signature]
LARRY WALLER - INDIVIDUAL

[Signature]
RUBY L. WALLER - INDIVIDUAL

EACH ACKNOWLEDGEMENT TAKEN MUST BE SIGNED AND SEALED BY A NOTARY PUBLIC

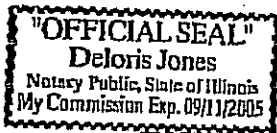
INDIVIDUAL ACKNOWLEDGEMENT

STATE OF ILLINOIS
COUNTY OF _____

SS:

On this 23RD day of MAY, in the year 2002, before me personally come(s)
RUBY L. WALLER AND LARRY WALLER

to me known and known to me to be the person(s) who (is) (are) described in and who executed the foregoing instrument and acknowledge(s) to me that
The _____ executed the same.



[Signature]
(Signature of Notary Public - My commission expires: _____)

CORPORATE ACKNOWLEDGEMENT

STATE OF ILLINOIS
COUNTY OF _____

SS:

On this 23RD day of MAY, in the year 2002, before me personally come(s)
LARRY WALLER

to me known, who being by me duly sworn, deposes and says that he resides in the City of BLOSSMOOR
that he is the PRESIDENT of the L. WALLER ENTERPRISES, INC.

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

[Signature]
(Signature of Notary Public - My commission expires: _____)