

**FARRIS MATHEWS BRANAN  
BOBANGO HELLEN & DUNLAP PLC**

ATTORNEYS AT LAW

MEMPHIS DOWNTOWN  
One Commerce Square, Suite 2000  
Memphis, Tennessee 38103  
Telephone: 901-259-7100  
Facsimile: 901-259-7150

HISTORIC CASTNER-KNOTT BUILDING  
618 CHURCH STREET, SUITE 300  
NASHVILLE, TN 37219

(615) 726-1200 telephone  
(615) 726-1776 facsimile

Kristi Stout  
kstout@farrismathews.com

MEMPHIS-EAST  
1100 Ridgeway Loop Road, Suite 400  
Memphis, Tennessee 38120  
Telephone: 901-259-7120  
Facsimile 901-259-7180

Reply to:  
Nashville Office

March 13, 2006

Chairman Ron Jones  
Attn: Sharla Dillon  
Tennessee Regulatory Authority  
460 James Robertson Parkway  
Nashville, Tennessee 37243-0505

VIA HAND DELIVERY

OS-00105

RE: Integrated Resources Management, Inc., d/b/a IRM Utility, Inc. (Corporate Surety Bond)

Dear Chairman Jones:

Please find enclosed an original and 13 copies of the Corporate Surety Bond for IRM Utility, Inc. that is to be filed with this Authority according to the new Wastewater Regulation Chapter 1220-4-13 of the Tennessee Regulatory Authority Rules.

Thank you for your assistance regarding this matter. If you have any questions, or if I may be of further assistance, please do not hesitate to contact me.

Very truly yours,

FARRIS MATHEWS BRANAN  
BOBANGO HELLEN & DUNLAP, PLC



Kristi Stout

1220-4-13-.08 STANDARD FORMS FOR FILING FINANCIAL SECURITY.

- (1) The following is a form to be used by wastewater service providers under the jurisdiction of the Tennessee Regulatory Authority when filing a corporate surety bond pursuant to this Chapter.

**CORPORATE SURETY BOND**

Tennessee Regulatory Authority  
460 James Robertson Parkway  
Nashville, Tennessee 37243-0505

REFERENCE: Name of Company authorized by TRA: **IRM Utility, Inc.**

Company ID # as assigned by the TRA:  
Corporate Surety Bond #: **4933653**  
Effective Date: **March 9, 2006**  
Expiration Date: **March 9, 2007**

**IRM Utility, Inc.** White Pine, TN **Great American Insurance Company**  
(Name of Utility) of (City), (State), as Principal, and (Name of Surety), a corporation created and existing under the laws of (State), as Surety, (hereinafter called "Surety") are bound to the State of Tennessee in the sum of <sup>Twenty</sup> ~~Thousand~~ Dollars (~~\$20,000.00~~), and Principal and Surety hereby bind themselves, their successors and assigns, to pay in accordance with the following terms:

**THE CONDITION OF THIS BOND IS:**

The Principal is or intends to become a public wastewater utility subject to the laws of the State of Tennessee and the rules and regulations of the Tennessee Regulatory Authority ("Authority"), relating to the operation of a public wastewater utility: Soil Testing under the auspice of the TRA

Tennessee Code Annotated § 65-4-201 requires the holder of a franchise for water or sewer service to furnish a bond with sufficient surety, as approved by the Authority, conditioned as prescribed in Tenn. Comp. R. & Regs. Chapter 1220-4-13.

The Principal and Surety have delivered to the Authority a Surety Bond with an endorsement as required by the Authority.

After notice to the Principal and Surety and a contested case hearing that results in the suspension or revocation of the Principal's Certificate of Public Convenience and Necessity (CCN), the replacement of an operator by the Authority, or the appointment of a receiver by a court, the Authority may assess a sum sufficient of this bond, up to its maximum sum, to enable the continued operation of the public wastewater utility.

The Principal and the Surety are held and firmly bound to the State of Tennessee, in accordance with the provisions of Tenn. Comp. R. & Regs. Chapter 1220-4-13, in the amount of <sup>Twenty</sup> ~~Thousand~~ Dollars (~~\$20,000.00~~) lawful money of the United States of America to be used for the full and prompt payment of any monetary obligation imposed against the Principal, its representatives, successors or assigns, in any contested case proceeding brought under

(Rule 1220-4-13-.08, continued)

Chapter 1220-4-13, by or on behalf of the Authority, for which obligation the Principal and the Surety bind themselves, their representatives, successors and assigns, each jointly and severally, firmly and unequivocally by these presents.

Upon entry of an Order that finds a monetary obligation pursuant to Chapter 1220-4-13, and delivery to the Surety of a Bond Notice, substantially in the form set forth below ("Notice"), the Surety promises to pay, by wire transfer of immediately available funds, the amount of the monetary obligation as stated in the Order and Notice.

If for any reason, the Surety Bond is not to be renewed upon its expiration, the Surety shall, at least 60 days prior to the expiration date of the Surety Bond, provide written notification by means of certified mail, return receipt requested, to the Tennessee Regulatory Authority, that the Surety Bond will not be renewed beyond the then current maturity date for an additional period.

Failure to renew the Surety Bond shall operate to forfeit the Surety Bond, without the necessity of the Authority being required to hold a hearing concerning the Principal's operation or CCN. In such an event and upon a directive from the Authority, the Surety agrees to deposit the maximum sum of this Surety Bond with the administrator of the Authority's bonding program to enable the continued operation of the public wastewater utility.

The bond shall become effective after execution by the Principal and Surety and upon filing with the Authority, and shall continue from year to year unless the obligations of the Principal under this bond are expressly released by the Authority in writing.

The Principal and Surety consent to the conditions of this Bond and agree to be bound by them.

This 9th day of March 20<sup>06</sup>

(Principal)

Great American Insurance Company

(Surety)

By:

James T. Smith, Attorney-In-Fact

**FORM OF**  
**BOND NOTICE**

Great American Insurance Company  
2307 River Road, Suite, 200  
Louisville, KY 40206

Re: Bond No. 4933653

Dear Sir or Madam:

You are hereby notified, and the undersigned hereby certifies, that the undersigned is an official designated and duly authorized by the Tennessee Regulatory Authority to deliver this notice and that a monetary obligation in the amount of ~~Twenty~~ <sup>thousand</sup> Dollars (\$20,000.00) (the "Draw Amount") has been imposed against (Principal) its representatives, successors or assigns, in a contested case proceeding brought under Title 65 of Tennessee Code Annotated by or on behalf of the Authority.

Pursuant to the bond referenced above, we hereby request that you deliver payment of the Draw Amount to the bank account listed below by wire transfer of immediately available funds:

Name of Bank Account:  
Account Number:  
ABA Routing Number:

December, 2005

WASTEWATER REGULATIONS

CHAPTER 1220-4-13

(Rule 1220-4-13-.08, continued)

Reference:

Name of Contact:

Telephone Number:

Facsimile Number:

Please confirm receipt of this Notice and the Federal Reserve wire confirmation number of the delivery of the Draw Amount by sending a facsimile to the person at the number listed above.

Sincerely,

TENNESSEE REGULATORY AUTHORITY

Name:

Title:

# GREAT AMERICAN INSURANCE COMPANY®

Administrative Office: 580 WALNUT STREET • CINCINNATI, OHIO 45202 • 513-369-5000 • FAX 513-723-2740

The number of persons authorized by  
this power of attorney is not more than Five

No 0 18170

## POWER OF ATTORNEY

**KNOW ALL MEN BY THESE PRESENTS:** That the GREAT AMERICAN INSURANCE COMPANY, a corporation organized and existing under and by virtue of the laws of the State of Ohio, does hereby nominate, constitute and appoint the person or persons named below its true and lawful attorney-in-fact, for it and in its name, place and stead to execute in behalf of the said Company, as surety, any and all bonds, undertakings and contracts of suretyship, or other written obligations in the nature thereof, provided that the liability of the said Company on any such bond, undertaking or contract of suretyship executed under this authority shall not exceed the limit stated below

Name	Address	Limit of Power
James T. Smith	Jason D Crommwell	all of
Raymond M. Hundley	Brook T. Smith	Unlimited
James H. Martin	Louisville, Kentucky	

This Power of Attorney revokes all previous powers issued in behalf of the attorney(s)-in-fact named above  
IN WITNESS WHEREOF the GREAT AMERICAN INSURANCE COMPANY has caused these presents to be signed and attested by its appropriate officers and its corporate seal hereunto affixed this 23rd day of August, 2005  
Attest  
GREAT AMERICAN INSURANCE COMPANY

STATE OF OHIO, COUNTY OF HAMILTON - ss

On this 23rd day of August, 2005, before me personally appeared DAVID C. KITCHIN, to me known, being duly sworn, deposes and says that he resides in Cincinnati, Ohio, that he is the Divisional Senior Vice President of the Bond Division of Great American Insurance Company, the Company described in and which executed the above instrument, that he knows the seal of the said Company, that the seal affixed to the said instrument is such corporate seal, that it was so affixed by authority of his office under the By-Laws of said Company, and that he signed his name thereto by like authority

DAVID C. KITCHIN (513-412-4602)

This Power of Attorney is granted by authority of the following resolutions adopted by the Board of Directors of Great American Insurance Company by unanimous written consent dated March 1, 1993

**RESOLVED** That the Division President, the several Division Vice Presidents and Assistant Vice Presidents, or any one of them, be and hereby is authorized, from time to time, to appoint one or more Attorneys-in-Fact to execute on behalf of the Company, as surety, any and all bonds, undertakings and contracts of suretyship, or other written obligations in the nature thereof, to prescribe their respective duties and the respective limits of their authority, and to revoke any such appointment at any time

**RESOLVED FURTHER** That the Company seal and the signature of any of the aforesaid officers and any Secretary or Assistant Secretary of the Company may be affixed by facsimile to any power of attorney or certificate of either given for the execution of any bond, undertaking, contract or suretyship, or other written obligation in the nature thereof, such signature and seal when so used being hereby adopted by the Company as the original signature of such officer and the original seal of the Company, to be valid and binding upon the Company with the same force and effect as though manually affixed

## CERTIFICATION

I, RONALD C. HAYES, Assistant Secretary of Great American Insurance Company, do hereby certify that the foregoing Power of Attorney and the Resolutions of the Board of Directors of March 1, 1993 have not been revoked and are now in full force and effect.

Signed and sealed this 9th day of March, 2006