

# TENNESSEE REGULATORY AUTHORITY

## TENNESSEE WASTEWATER PUBLIC UTILITY SERVICE PROVIDER'S SURETY BOND

Bond #: 1061968

**WHEREAS**, Tennessee Wastewater Systems, Inc. ("Principal") is a wastewater public utility and holds a Certificate of Public Convenience and Necessity ("CCN") granted by the Tennessee Regulatory Authority, an agency of the State of Tennessee, for the provision of wastewater utility services in Tennessee; and

**WHEREAS**, under the provisions of Title 65, Chapter 4, Section 201(e) of the Tennessee Code Annotated, as amended, and Tenn. Comp. R. & Regs. Chapter 1220-4-13, the Principal is required to file this bond to secure the payment of any monetary obligation imposed in any enforcement proceeding brought under Title 65 Chapter 2, 4 and 5 of the Tennessee Code Annotated, or Tenn. Comp. R. & Regs. Chapter 1220-4-13, by or on behalf of the Tennessee Regulatory Authority (the "TRA"); and

**WHEREAS, Lexon Insurance Company ("Surety")**, a corporation licensed to do business in the State of Tennessee and duly authorized by the Tennessee Commissioner of Insurance to engage in the surety business in Tennessee pursuant to Title 56, Chapter 2 of the Tennessee Code Annotated, has agreed to issue this bond in order to permit the Principal to comply with the provisions of Title 65, Chapter 4, Section 201 of the Tennessee Code Annotated and Tenn. Comp. R. & Regs. Chapter 1220-4-13;

**NOW THEREFORE, BE IT KNOWN**, that we the Principal and the Surety are held and firmly bound to the STATE OF TENNESSEE, in accordance with the provisions of Tennessee Code Annotated, Title 65, Chapter 4, Section 201(e) and Tenn. Comp. R. & Regs. Chapter 1220-4-13 in the full amount of one million two hundred forty-eight thousand eight hundred eighty-two dollars (\$1,248,882.00) 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 enforcement proceeding brought under Title 65 Chapters 2, 4 and 5 of Tennessee Code Annotated, or Tenn. Comp. R. & Regs. Chapter 1220-4-13, by or on behalf of the TRA, for which obligation we bind ourselves, our representatives, successors and assigns, each jointly and severally, firmly and unequivocally by these presents.

This bond shall become effective on the 1<sup>st</sup> Day of October 2011 and shall be continuous; provided, however, that each annual renewal period or portion thereof shall constitute a new bond term. Regardless of the number of years this bond may remain in force, the liability of the Surety shall not be cumulative, and the aggregate liability of the Surety for any and all claims, suits or actions under this bond shall not exceed one million two hundred forty-eight thousand eight hundred eighty-two dollars (\$1,248,882.00). The Surety may cancel this bond by giving sixty (60) days advance written notice of such cancellation to the Tennessee Regulatory Authority and the Principal by certified mail, it being understood that the Surety shall not be relieved of liability that may have accrued under this bond prior to the date of cancellation.

### PRINCIPAL

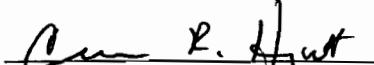
Tennessee Wastewater Systems, Inc.

#### Name of Wastewater Public Utility

849 Aviation Parkway  
Smyrna, TN 37167

#### Address of Principal

#### SIGNATURE OF PRINCIPAL



Name: Charles R. Hyatt  
Title: President

### SURETY

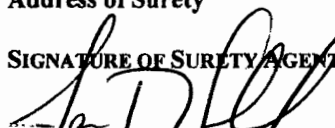
Lexon Insurance Company

#### Name of Surety

10002 Shelbyville Road, Suite 100  
Louisville, KY 40223

#### Address of Surety

#### SIGNATURE OF SURETY AGENT

  
Name: Jason D. Cromwell  
Title: Attorney-in-Fact

#### Address of Surety Agent:

Smith Manus  
2307 River Road, Suite 200  
Louisville, KY 40206

THIS BOND IS ISSUED IN ACCORDANCE WITH THE PROVISIONS OF SECTION 201, CHAPTER 4, TITLE 65 OF THE TENNESSEE CODE ANNOTATED AND TENN. COMP. R. & REGS. CHAPTER 1220-4-13. SHOULD THERE BE ANY CONFLICT WITH THE TERMS HEREOF AND THE STATUTE OR REGULATIONS PROMULGATED THEREUNDER, THE STATUTE OR REGULATIONS SHALL PREVAIL. (POWER OF ATTORNEY FROM AN APPROVED INSURANCE COMPANY MUST BE ATTACHED.)

11-00187  
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NOV - 2 AM 11 47  
T.R.A. DEBET ROOM

## ACKNOWLEDGMENT OF PRINCIPAL

STATE OF TENNESSEE

COUNTY OF Rutherford

Before me, a Notary Public of the State and County aforesaid, personally appeared Charles R. Hyatt with whom I am personally acquainted and who, upon oath, acknowledged himself to be the individual who executed the foregoing bond on behalf of Tennessee Wastewater Systems, Inc. and he acknowledged to me that he executed the same.

WITNESS my hand and seal this 1 day of November, 2011.

My Commission Expires:

January 19, 2015

Kelsie Hargrove  
Notary Public



## ACKNOWLEDGMENT OF SURETY

STATE OF KENTUCKY  
COUNTY OF JEFFERSON

Before me, a Notary Public of the State and County aforesaid, personally appeared Jason D. Cromwell with whom I am personally acquainted and who, upon oath, acknowledged himself to be the individual who executed the foregoing bond on behalf of Lexon Insurance Company, the within named Surety, a corporation licensed to do business in the State of Tennessee and duly authorized by the Tennessee Commissioner of Insurance to engage in the surety business in this state pursuant to Title 56, Chapter 2 of the Tennessee Code Annotated, and that he as such an individual being authorized to do so, executed the foregoing bond, by signing the name of the corporation by himself and as such individual.

WITNESS my hand and seal this 1st day of October, 2011.

My Commission Expires:

October 27, 2015

Bonnie J. Wortham  
Notary Public Bonnie J. Wortham

## APPROVAL AND INDORSEMENT

This is to certify that I have examined the foregoing bond and found the same to be sufficient and in conformity to law, that the sureties on the same are good and worth the penalty thereof, and that the same has been filed with the Tennessee Regulatory Authority, State of Tennessee, this \_\_\_\_\_ day of \_\_\_\_\_, 20\_\_\_\_.

\_\_\_\_\_  
Name:  
Title:

**Lexon Insurance Company**

KNOW ALL MEN BY THESE PRESENTS, that **LEXON INSURANCE COMPANY**, a Texas Corporation, with its principal office in Louisville, Kentucky, does hereby constitute and appoint:

Brook T. Smith, Kathy Hobbs, Raymond M. Hundley, Jason D. Cromwell, James H. Martin, Sandra F. Harper, \*\*\*\*

Myrtie F. Henry, Virginia E. Woolridge, Deborah Neichter, Jill Kemp, Jackie C. Koestel, Sheryon Quinn, Dawson West, Bonnie J. Wortham, Amy Meredith, Lynnette Long \*\*\*\*\*

its true and lawful Attorney(s)-In-Fact to make, execute, seal and deliver for, and on its behalf as surety, any and all bonds, undertakings or other writings obligatory in nature of a bond.

This authority is made under and by the authority of a resolution which was passed by the Board of Directors of **LEXON INSURANCE COMPANY** on the 1st day of July, 2003 as follows:

Resolved, that the President of the Company is hereby authorized to appoint and empower any representative of the Company or other person or persons as Attorney-In-Fact to execute on behalf of the Company any bonds, undertakings, policies, contracts of indemnity or other writings obligatory in nature of a bond not to exceed \$2,500,000.00, Two-million five hundred thousand dollars, which the Company might execute through its duly elected officers, and affix the seal of the Company thereto. Any said execution of such documents by an Attorney-In-Fact shall be as binding upon the Company as if they had been duly executed and acknowledged by the regularly elected officers of the Company. Any Attorney-In-Fact, so appointed, may be removed for good cause and the authority so granted may be revoked as specified in the Power of Attorney.

Resolved, that the signature of the President and the seal of the Company may be affixed by facsimile on any power of attorney granted, and the signature of the Vice President, and the seal of the Company may be affixed by facsimile to any certificate of any such power and any such power or certificate bearing such facsimile signature and seal shall be valid and binding on the Company. Any such power so executed and sealed and certificate so executed and sealed shall, with respect to any bond of undertaking to which it is attached, continue to be valid and binding on the Company.

IN WITNESS THEREOF, **LEXON INSURANCE COMPANY** has caused this instrument to be signed by its President, and its Corporate Seal to be affixed this 2nd day of July, 2003.

**LEXON INSURANCE COMPANY**

BY

David E. Campbell  
President

**ACKNOWLEDGEMENT**

On this 2nd day of July, 2003, before me, personally came David E. Campbell to me known, who being duly sworn, did depose and say that he is the President of **LEXON INSURANCE COMPANY**, the corporation described in and which executed the above instrument; that he executed said instrument on behalf of the corporation by authority of his office under the By-laws of said corporation.

**"OFFICIAL SEAL"**  
**MAUREEN K. AYE**  
Notary Public, State of Illinois  
My Commission Expires 09/21/13

Maureen K. Aye  
Notary Public

**CERTIFICATE**

I, the undersigned, Secretary of **LEXON INSURANCE COMPANY**, A Texas Insurance Company, DO HEREBY CERTIFY that the original Power of Attorney of which the foregoing is a true and correct copy, is in full force and effect and has not been revoked and the resolutions as set forth are now in force.

Signed and Sealed at Lombard, Illinois this 1st Day of October, 20 11.



Donald D. Buchanan  
Secretary

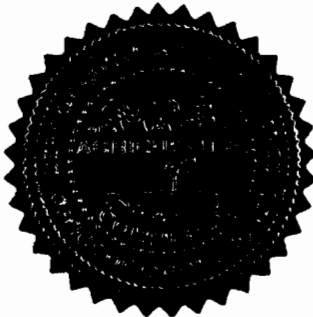
**"WARNING: Any person who knowingly and with intent to defraud any insurance company or other person, files an application for insurance or statement of claim containing any materially false information, or conceals for the purpose of misleading, information concerning any fact material thereto, commits a fraudulent insurance act, which is a crime and subjects such person to criminal and civil penalties."**

# State of Tennessee



## THE DEPARTMENT OF COMMERCE AND INSURANCE DIVISION OF INSURANCE

*Whereas*, the LEXON INSURANCE COMPANY, a corporation organized under the laws of the State of Texas and located at Houston, Texas, having complied with such of the requirements of the Insurance laws of Tennessee as are applicable to the said corporation in order to enable it to transact business herein; now, therefore, I, the undersigned, The Commissioner of Commerce and Insurance, do hereby license and authorize the said LEXON INSURANCE COMPANY subject to all the requirements and conditions of the laws to transact the business of Property, Casualty, and Surety Insurance in the State of Tennessee, from June 6, 2003 until suspended or revoked.



In witness whereof, I have hereunto set my hand and caused the seal of my office to be affixed, at City of Nashville, in the State of Tennessee, this 6th day of June, A.D. 2003.

*Paula A. Houser*

The Commissioner of Commerce and Insurance

## Company Search Look-up

**NAIC Consumer Information Source** (<https://eapps.naic.org/cis/>)

**CLOSE**

COMPANY DEMOGRAPHICS					
Company Name:	Lexon Insurance Company			FEIN:	76-0128873
State of Incorporation:	TEXAS	Incorporation Date:	03/16/1984	Issue Date:	12/31/1999
Company #:	604651	NAIC #:	13307		
NAIC Group #:		NAIC Group Name:			
Domicile Type :	Foreign	Company Type:	PROPERTY		
Status:	Active				
Effective Date:	12/31/1999				
Please select by clicking the appropriate link for additional information:					
<a href="#">Company Address</a>	<a href="#">Line of Business</a>	<a href="#">Company Name Change History</a>	<a href="#">Company Merger History</a>		
<b>LINE OF BUSINESS (LOB)</b>					
Line Name		Line Type		Effective Date	
06-Property		License		12/31/1999	
07-Casualty		License		12/31/1999	
09-Surety		License		12/31/1999	
<b>COMPANY NAME CHANGE HISTORY</b>					
OLD COMPANY NAME	EFFECTIVE FROM	EFFECTIVE TO	DOMICILE TYPE	COMPANY TYPE	
Underwriters Indemnity Company	12/31/1999		Foreign	NOT APPLICABLE	
<b>COMPANY MERGE HISTORY</b>					
MERGER COMPANY NAME	SURVIVING COMPANY NAME	DOMICILE TYPE	EFFECTIVE DATE		

No Mergers