

## CHAPTER 7. CONTRACT ADMINISTRATION

### SECTION 13. PERFORMANCE AND PAYMENT BONDS AND CONSENT OF SURETY

#### **7.13.1 General.**

a. The Miller Act requires the contractor to furnish both performance and payment bonds for any construction contract exceeding \$100,000. As awarded, each Systems Contract requires the furnishing of performance and payment bonds in the amounts stated therein.

b. Definitions:

A *performance bond* secures performance and fulfillment of all contractual requirements by the contractor; whereas a *payment bond* assures he makes payments, as required by law to all persons who supply labor and/or materials during execution of the contract.

*Consents of Surety* advise the surety when changes to the contract are made. Additionally, their use ensures the surety's consent to extend the bond coverage accordingly. In other words, a *Consent of Surety* obtains the surety's acknowledgment that a bond given in connection with the original contract or subsequent modification continues in effect even after the change(s) are made.

#### **7.13.2 Amount Required.**

a. *Performance Bonds.* In most contracts, including each Systems Contract, the penal amount of each performance bond will equal 100 percent of the contract price at time of award, unless the Contracting Officer decides that a lesser amount would be adequate for the Government's protection. As awarded, the Contracting Officer chose to require performance bonds totaling 100 percent of the contract price.

When the contract value/price increases, the Government may require additional/increased bond protection. Generally, the amount of increased bond protection will equal 100 percent of the contract price increase and may be obtained by either directing the contractor to increase the penal amount of the existing bond(s) or to obtain an additional bond(s). See paragraph 7.13.3 for a discussion regarding Huntsville Center's policy for additional bond coverage requirements.

b. *Payment Bonds.* Payment bonds are necessary whenever performance bonds are required, i.e., and those contracts greater than \$100,000. Contractual penal amounts follow:

**(1) 100% of the contract amount unless the contracting officer finds that such a bond is unavailable.**

As is the case with Performance Bonds, the Government may secure additional bond protection when the contract price is increased. See paragraph 7.13.3 for a discussion regarding Huntsville Center's policy for additional bond coverage requirements.

**7.13.3 Additional Bond Coverage .**

a. *Policy.* Huntsville Center's policy on Phases II, III, and IV of the contract is to require additional bond protection for any modification increasing the basic contract price by \$100,000. Increased bond coverage will also be required when an out of scope supplemental agreement of \$100,000 or more is processed.

The requirement for additional bond protection may be accomplished by directing the contractor to either increase the penal sum of the existing bond or to obtain an additional bond. Finally, additional bond protection may be obtained from either the **Original** Surety/Sureties or it may be obtained from a **New** Surety/Sureties.

Regardless of how the contractor chooses to obtain the additional coverage; the aggregate of all modifications each less than \$100,000, must be reflected in the increased bond protection when the next modification greater than \$100,000 is processed. See the exhibits at the end of this section for copies of SF-25, SF-25-A, SF-1414, SF-1415, Checklist for Consent of Surety, Checklist for Performance and Payment Bonds, and a fully executed Consent package.

b. *Use of the SF-1415 and the SF-25-A.*

When additional bond coverage is required and is secured in whole or in part by the **Original Surety or Sureties**, the Contracting Officer shall use Standard Form (SF) 1415, Consent of Surety and Increase of Penalty.

When additional bond coverage is required and is secured in whole or in part by a **New Surety or Sureties**, the SF-25-A - Performance Bond shall be used.

c. *Use of the SF-1414.*

When the contract is modified, the Contracting Officer shall obtain a straight Consent of Surety from the contractor by using an SF-1414 if:

(1) An additional bond is obtained from other than the original surety;

(2) No additional bond is required and,

(I) The modification is for new work beyond the scope of the original contract or;

(ii) The modification does not change the contract scope but changes the contract price (upward or downward) by more than 25 % or \$50,000 or

(3) A Novation Agreement is executed.

**7.13.4 Procedures for Consent of Surety and Consent of Surety/Increase of Penalty.**

- | a. For modifications between \$50,000 and \$100,000; the REO will prepare the SF-1414 – Consent of Surety together with all supporting documentation (see below) and forward to the contractor for execution. When a modification is forwarded to HNC for signature, CT-D/CD-CA will prepare the SF-1414 together with all supporting documentation and forward to the contractor.
- | b. For modifications greater than \$100,000, CD-CA/CT-D will prepare SF-1415 together with all necessary supporting documentation and forward to the contractor for execution.
- | c. *Documentation.* Whenever possible all documentation to include the corresponding modification(s), the SF-1414/SF-1415, and any instructions thereto will be forwarded to the contractor for concurrent execution. In those cases when it is not possible to forward all documentation to the contractor concurrently, every effort will be made to furnish him the necessary bond documentation within seven working days after execution of the modification.
- | d. The contractor or his authorized representative will execute the Consents of Surety (SF-1414 and/or SF-1415) concurrently with the modification(s) again, when possible and return to the Resident Office within the time periods stated in the instruction letter.

If the individual signing the Consent form does so in a representative capacity, e.g., attorney in fact, but is not a member of the firm, partnership, or joint venture, or an officer of the corporation involved; then an original Power of Attorney or Certificate of Corporate Principal must be submitted with the executed consent form. [See fine print on the SF-1415.]

- | e. An original Power of Attorney is also required for the surety representative(s) executing each consent.

- | f. The RE Office/CD-CA/CT-D will review the executed Consents according to the Checklist for Consent of Surety, Exhibit 7-13\*5, paying particular attention to the dates and seals as noted on the checklist. The execution dates on the Consent must be the same or later than the effective date of the modification.

- | g. All supporting documentation accompanying the Bonds and Consents will become part of the original contract modification file and shall be maintained at the REO. As stated in Section 11, Chapter 7, a convenience file will be maintained by the Huntsville Center.

- | **7.13.5 Liability Limit.** Surety companies are limited by Treasury Department regulations in that the liability limit they can assume on any one risk. If the surety company reaches the liability limit, the contractor must arrange for a co-surety to assume the penalty increase. Also, the new surety may be required to furnish a performance bond, executed on a SF-25, to accompany the particular modification and consent form when the new surety begins participation as a Co-Surety. The penal sum for the second bond must cover the new insurer's share of liability in support of the modification attached to the first bond. For subsequent

modifications, the new surety company may increase the penal sum of its performance bond in the same manner as the other co-sureties by executing a Consent of Surety and Increase of Penalty. After a company has exhausted its underwriting capability, it must continue to execute consents on future modifications in a zero capacity (or none) so that it will not be released from its previous obligations. Increases in payment bonds will be accomplished in the same manner.

#### **7.13.5 Exhibits .**

Exhibit 7-13*1	SF-25. Performance Bond.
Exhibit 7-13*2	SF-25-A. Payment Bond.
Exhibit 7-13*3	SF-1414. Consent of Surety.
Exhibit 7-13*4	SF-1415. Consent of Surety and Increase of Penalty.
Exhibit 7-13*5	Checklist for Consent of Surety.
Exhibit 7-13*6	Checklist Performance and Payment Bonds.
Exhibit 7-13*7	Example of a Fully Executed Consent Package.

Bond No. 81443850

<b>PERFORMANCE BOND</b> (See instructions on reverse)	DATE BOND EXECUTED (must be same or later than date of contract) <b>March 5, 1996</b>	FORM APPROVED OMB NO. <b>9000-0045</b>
<small>Public reporting burden for this collection of information is estimated to average 25 minutes per response, including the time for reviewing instruction, searching existing data sources, gathering and maintaining the data needed, and completing and reviewing the collection of information. Send comments regarding this burden estimate or any other aspect of this collection of information, including suggestions for reducing this burden, to the FAR Secretariat (FAR), Office of Federal Acquisition Policy, GSA, Washington, D.C. 20402, and to the Office of Management and Budget, Paperwork Reduction Project (9000-0045), Washington, D.C. 20503.</small>		
PRINCIPAL (Legal name and business address): <b>Westinghouse Electric Corporation 11 Stanwix Street Pittsburgh, PA 15222-1384</b>	TYPE OF ORGANIZATION (Check one): <input type="checkbox"/> INDIVIDUAL <input type="checkbox"/> PARTNERSHIP <input type="checkbox"/> JOINT VENTURE <input checked="" type="checkbox"/> CORPORATION	
SURETY(IES) (Name(s) and business address(es)): <b>Federal Insurance Company 15 Mountain View Road Warren, NJ 07059</b>	PENAL SUM OF BOND MILLION(S)      THOUSAND(S)      HUNDREDS      CENTS <b>14                591                043                00</b>	
	CONTRACT DATE <b>02/29/96</b>	CONTRACT NO. <b>DAAA09-96-C-0018</b>

**OBLIGATION:**

We, the Principal and Surety(ies), are firmly bound to the United States of America (hereinafter called the Government) in the above penal sum. For payment of the penal sum, we bind ourselves, our heirs, executors, administrators, and successors, jointly and severally; however, where the Sureties are corporations acting as co-sureties, we, the Sureties, bind ourselves in such sum "jointly and severally" as well as "severally" only for the purpose of allowing a joint action or actions against any or all of us. For all other purposes, each Surety binds itself, jointly and severally with the Principal, for the payment of the sum shown opposite the name of the Surety. If no limit of liability is indicated, the limit of liability is the full amount of the penal sum.

**CONDITIONS**

The principal has entered into the contract identified above.

**WHEREFORE**

The above obligation is void if the Principal —

(a)(1) Performs and fulfills all the undertakings, covenants, terms, conditions, and agreements of the contract during the original term of the contract and any extensions thereof that are granted by the Government, with or without notice to the Surety(ies), and during the life of any guaranty required under the contract, and (2) performs and fulfills all the undertakings, covenants, terms, conditions, and agreements of any and all duly authorized modifications of the contract that hereafter are made. Notice of those modifications to the Surety(ies) are waived.

(b) Pays to the Government the full amount of the taxes imposed by the Government, if the said contract is subject to the Miller Act (40 U.S.C. 270b-270e), which are collected, deducted, or withheld from wages paid by the Principal in carrying out the construction contract with respect to which this bond is furnished.

**WITNESS**

The Principal and Surety(ies) executed this performance bond and affixed their seals on the above date.

Westinghouse Electric Corporation	PRINCIPAL	
IGNATURE(S): <i>James S. Moore</i>	(Seal)	(Seal)
NAME(S) & TITLE(S) (Type): James S. Moore President, GESCO	(Seal)	(Seal)
INDIVIDUAL SURETY(IES)		
IGNATURE(S):	(Seal)	(Seal)
NAME(S): (Type):		
CORPORATE SURETY(IES)		
NAME & ADDRESS: Federal Insurance Company 15 Mountain View Road, Warren, NJ 07059	STATE OF INC: Indiana	LIABILITY LIMIT: \$
SIGNATURE(S): <i>Christine A. Hartung</i>		
NAME(S) & TITLE(S) (Type): Christine A. Hartung Attorney-in-Fact		
SN 7540-01 1524060	EXPIRATION DATE 12-31-92	25-107
		STANDARD FORM 25 Prescribed by GSA -- FAR 12 CFR 25.107

Exhibit 7-13\*1. SF-25 – Performance Bond

**POWER OF ATTORNEY**  
**FEDERAL INSURANCE COMPANY**  
**ATTN: SURETY DEPARTMENT**  
**15 Mountain View Road, Warren, NJ 07059**  
**Telephone: (908) 903-2000**  
**Fax No.: (908) 903-3656**

Know all Men by these Presents. That FEDERAL INSURANCE COMPANY, an Indiana Corporation, has constituted and appointed, and does hereby constitute and appoint Leslie L. Rudat, Pamela L. Nunez and Christine A. Hartung of Pittsburgh, Pennsylvania

such its true and lawful Attorney-in-Fact to execute under such designation in its name and to affix its corporate seal to and deliver for and on its behalf as surety thereon or otherwise, bonds or obligations (other than Bill Bonds) given or executed in the course of its business, and any instruments amending or altering the same, and consents to the modification or alteration of any instruments referred to in said bonds or obligations.

In Witness Whereof, the said FEDERAL INSURANCE COMPANY has, pursuant to its By-Laws, caused these presents to be signed by its Vice President and Assistant Secretary and its corporate seal to be hereto affixed this 24th day of February 19 95



Kenneth C. Wendel  
Assistant Secretary

FEDERAL INSURANCE COMPANY  
BY

*Gerardo G. Mauriz*  
Gerardo G. Mauriz  
Vice President

STATE OF NEW JERSEY } ss.  
County of Somerset

On this 24th day of February 19 95, before me personally came Kenneth C. Wendel to me known and by me known to be Assistant Secretary of FEDERAL INSURANCE COMPANY, the corporation described in and which executed the foregoing Power of Attorney, and the said Kenneth C. Wendel being by me duly sworn, did depose and say that he is Assistant Secretary of FEDERAL INSURANCE COMPANY and knows the corporate seal thereof; that the seal affixed to the foregoing Power of Attorney is such corporate seal and was thereto affixed by authority of the By-Laws of said Company, and that he signed said Power of Attorney as Assistant Secretary of said Company by like authority; and that he is acquainted with Gerardo G. Mauriz and knows him to be the Vice President of said Company, and that the signature of said Gerardo G. Mauriz subscribed to said Power of Attorney is in the genuine handwriting of said Gerardo G. Mauriz and was thereto subscribed by authority of said By-Laws and in deponent's presence.

Notarial Seal



Acknowledged and Sworn to before me  
on the date above written.

*Janet A. Scavone*  
Notary Public

**IN THE EVENT YOU WISH TO NOTIFY US OF A CLAIM, VERIFY THE AUTHENTICITY OF THIS BOND OR  
NOTIFY US OF ANY OTHER MATTER, PLEASE WRITE TO US AT THE ADDRESS LISTED ABOVE.**

Form 15-10-0136 (Rev 5-90) CONSENT

JANET A. SCAVONE  
Notary Public, State of New Jersey  
No. 20x652U  
Commission Expires January 6, 2011

<b>PAYMENT BOND</b> (See instructions on reverse)		DATE BOND EXECUTED (Must be same or later than date of contract)	BOND NO. B1443850 FORM APPROVED OMB NO. 1400-0045
		March 5, 1996	
<small>PUBLIC REPORTING BURDEN FOR THIS COLLECTION OF INFORMATION IS ESTIMATED TO AVERAGE 25 MINUTES PER RESPONSE, INCLUDING THE TIME FOR REVIEWING INSTRUCTIONS, SEARCHING EXISTING DATA SOURCES, GATHERING AND MAINTAINING THE DATA NEEDED, AND COMPLETING AND REVIEWING THE COLLECTION OF INFORMATION. SEND COMMENTS REGARDING THIS BUREAU ESTIMATE OR ANY OTHER ASPECT OF THIS COLLECTION OF INFORMATION, INCLUDING SUGGESTIONS FOR REDUCING THIS BURDEN, TO THE FAR SECRETARIAL (FARS), OFFICE OF FEDERAL ACQUISITION POLICY, GSA, WASHINGTON, D.C. 20405, AND TO THE OFFICE OF MANAGEMENT AND BUDGET, PAPERWORK REDUCTION PROJECT (0400-0045), WASHINGTON, D.C. 20503.</small>			
<b>PRINCIPAL</b> (Legal name and business address) <b>Westinghouse Electric Corporation</b> <b>11 Stanwix Street</b> <b>Pittsburgh, PA 15222-1384</b>		<b>TYPE OF ORGANIZATION</b> (X) <input checked="" type="checkbox"/> INDIVIDUAL <input type="checkbox"/> PARTNERSHIP <input type="checkbox"/> JOINT VENTURE <input checked="" type="checkbox"/> CORPORATION	
<b>SURETY(IES) (Name(s) and business address(es))</b> <b>Federal Insurance Company</b> <b>15 Mountain View Road</b> <b>Warren, NJ 07059</b>		<b>STATE OF INCORPORATION:</b> <b>Pennsylvania</b>	
		<b>PENAL SUM OF BOND</b> <b>MILLION(S):</b> 3 <b>THOUSAND(S):</b> 500 <b>HUNDRED(S):</b> 00 <b>CENTS:</b> 00	
		CONTRACT DATE	CONTRACTING
		02/29/96	DAAA09-96-C-0018

**OBLIGATION.**

We, the Principal and Surety(ies), are firmly bound to the United States of America (hereinafter called the Government) in the above penal sum. For payment of the penal sum, we bind ourselves, our heirs, executors, administrators, and successors, jointly and severally. However, where the Sureties are corporations acting as co-sureties, we, the Sureties, bind ourselves in such sum "jointly and severally" as well as "severally" only for the purpose of allowing a joint action or actions against any or all of us. For all other purposes each Surety binds itself, jointly and severally with the Principal, for the payment of the sum shown opposite the name of the Surety. If no limit of liability is indicated, the limit of liability is the full amount of the penal sum.

**CONDITIONS**

The above obligation is void if the Principal promptly makes payment to all persons having a direct relationship with the Principal or a subcontractor of the Principal for furnishing labor, material or both in the prosecution of the work provided for in the contract identified above, and any authorized modifications of the contract that subsequently are made. Notice of those modifications to the Surety(ies) are waived.

**WITNESS:**

The principal and Surety(ies), executed this payment bond and affixed their seals on the above date.

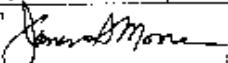
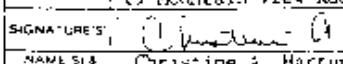
<b>Westinghouse Electric Corporation</b>		<b>PRINCIPAL</b>	
<b>SIGNATURE(S)</b>		1 Seal	
<b>NAME(S) &amp; TITLE(S) (Typed)</b>	James S. Moore President, GESCO	2 Seal	
<b>INDIVIDUAL SURETY(IES)</b>			
<b>SIGNATURE(S)</b>		3 Seal	
<b>NAME(S) (Typed)</b>		4 Seal	
<b>CORPORATE SURETY(IES)</b>			
<b>NAME &amp; ADDRESS</b>	Federal Insurance Company 15 Mountain View Road, Warren, NJ 07059	<b>STATE OF INC.</b> Indiana	<b>LIABILITY LIMIT</b> \$
<b>SIGNATURE(S)</b>		5 Seal	
<b>NAME(S) &amp; TITLE(S) (Typed)</b>	Christine A. Hartung Attorney-in-Fact		Corporate Seal
STANAGC FORM 25-A PUB. 1-1-73 EDITION 1-1-73	EXPIRATION DATE 12-31-98	15-705	STANAGC FORM 25-A PUB. 1-1-73 EDITION 1-1-73

Exhibit 7-13\*2. SF-25-A, Payment Bond

**POWER OF ATTORNEY**  
**FEDERAL INSURANCE COMPANY**  
**ATTN: SURETY DEPARTMENT**  
**15 Mountain View Road, Warren, NJ 07059**  
**Telephone: (908) 903-2000**  
**Fax No.: (908) 903-3656**

Know all Men by these Presents. That FEDERAL INSURANCE COMPANY, an Indiana Corporation, has constituted and appointed, and does hereby constitute and appoint Leslie L. Rudat, Pamela L. Nunez and Christine A. Hartung of Pittsburgh, Pennsylvania

each its true and lawful Attorney-in-Fact to execute under such designation in its name and to affix its corporate seal to and deliver for and on its behalf as surety thereon or otherwise, bonds or obligations (other than Bill Bonds) given or executed in the course of its business, and any instruments amending or altering the same, and consents to the modification or alteration of any instruments referred to in said bonds or obligations.

In Witness Whereof, the said FEDERAL INSURANCE COMPANY has, pursuant to its By-Laws, caused these presents to be signed by its Vice President and Assistant Secretary and its corporate seal to be hereto affixed this 24th day of February 19 95



Kenneth C. Wendel

Assistant Secretary

FEDERAL INSURANCE COMPANY  
BY

*Gerardo G. Mauriz*  
Gerardo G. Mauriz

Vice President

STATE OF NEW JERSEY } ss.  
County of Somerset

On this 24th day of February 19 95, before me personally came Kenneth C. Wendel to me known and by me known to be Assistant Secretary of FEDERAL INSURANCE COMPANY, the corporation described in and which executed the foregoing Power of Attorney, and the said Kenneth C. Wendel being by me duly sworn, did depose and say that he is Assistant Secretary of FEDERAL INSURANCE COMPANY and knows the corporate seal thereof; that the seal affixed to the foregoing Power of Attorney is such corporate seal and was thereto affixed by authority of the By-Laws of said Company, and that he signed said Power of Attorney as Assistant Secretary of said Company by like authority; and that he is acquainted with Gerardo G. Mauriz and knows him to be the Vice President of said Company, and that the signature of said Gerardo G. Mauriz subscribed to said Power of Attorney is in the genuine handwriting of said Gerardo G. Mauriz and was thereto subscribed by authority of said By-Laws and in deponent's presence.

Notarial Seal



Acknowledged and Sworn to before me  
on the date above written:

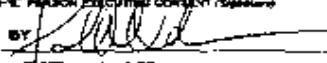
*Jeanne A. Scavone*  
Notary Public

IN THE EVENT YOU WISH TO NOTIFY US OF A CLAIM, VERIFY THE AUTHENTICITY OF THIS BOND OR  
NOTIFY US OF ANY OTHER MATTER, PLEASE WRITE TO US AT THE ADDRESS LISTED ABOVE.

Form 15-10-0136 (Rev 5-94) CONSENT

JANET A. SCAVONE  
Notary Public, State of New Jersey  
No. 200652U  
Commission Expires January 6, 2001

Exhibit 7-13\*2. SF-25-A, Payment Bond (Cont'd)

CONSENT OF SURETY		1. CONTRACT NUMBER DACA01-95-C-0081	2. MODIFICATION NUMBER P00029	3. DATED April 2, 1997
<p>The Surety (Co-Sureties) consents (consent) to the foregoing contract modification and agrees (agrees) that its (their) bond or bonds will apply and extend to the contract as modified or amended.</p>				
4. INDIVIDUAL PRINCIPAL	5. BUSINESS ADDRESS	6. SIGNATURE		
		7. TYPED NAME AND TITLE	(After Seal)	
		8. DATE THIS CONSENT EXECUTED		
9. CORPORATE PRINCIPAL	10. CORPORATE NAME AND BUSINESS ADDRESS  Head, Inc. 6200 Huntington Road Columbus, Ohio 43228	11. PERSON EXECUTING CONSENT (Signature)  		
		12. TYPED NAME AND TITLE  PAUL A. ONDERA, VICE PRES.	(After Seal)	
		13. DATE THIS CONSENT EXECUTED  4/2/97		
14. CORPORATE/INDIVIDUAL SURETY (CO-SURETIES)				
<p>The Principal or authorized representative shall execute this Consent of Surety with the modification to which it pertains. If the representative (e.g., attorney-in-fact) that signs the consent is not a member of the partnership, or joint venture, or an officer of the corporation / involved, a Power-of-Attorney or a Certificate of Corporate Principal must accompany the consent.</p>				
A	15. CORPORATE/INDIVIDUAL SURETY'S NAME AND ADDRESS  Firemen's Insurance Company of Newark New Jersey 130 Maiden Lane New York, New York 10038	16. PERSON EXECUTING CONSENT (Signature)  		
		17. TYPED NAME AND TITLE  Laura Hall, Attorney-in-Fact	(After Seal)	
		18. DATE THIS CONSENT EXECUTED  April 2, 1997		
B	19. CORPORATE/INDIVIDUAL SURETY'S NAME AND ADDRESS	20. PERSON EXECUTING CONSENT (Signature)		
		BY	(After Seal)	
		21. TYPED NAME AND TITLE		
		22. DATE THIS CONSENT EXECUTED		
C	23. CORPORATE/INDIVIDUAL SURETY'S NAME AND ADDRESS	24. PERSON EXECUTING CONSENT (Signature)		
		BY	(After Seal)	
		25. TYPED NAME AND TITLE		
		26. DATE THIS CONSENT EXECUTED		
D	27. CORPORATE/INDIVIDUAL SURETY'S NAME AND ADDRESS	28. PERSON EXECUTING CONSENT (Signature)		
		BY	(After Seal)	
		29. TYPED NAME AND TITLE		
		30. DATE THIS CONSENT EXECUTED		

(Add similar signature blocks on the back of this form if necessary for additional co-sureties)  
 Authorized for Local Reproduction  
 [Previous edition not usable]

STANDARD FORM 1414 (Rev. 10-93)  
 Prescribed by GSA, FAR (41 CFR) 32.228(c)

Exhibit 7-13\*3. SF-1414-Consent of Surety

**CONSENT OF SURETY AND  
INCREASE OF PENALTY**

 1. CONTRACT NO. 2. MODIFICATION NO. 3. DATED  
 HSN96-02210-BNI-001 A00486 January 22, 1998

4. The surety (co-sureties) consents (consent) to the foregoing contract modification and agrees (agrees) that its (their) bond or bonds shall apply and extend to the contract as modified or amended. The principal and surety (co-sureties) further agree that on or after the date of this consent, the penalty of the performance bond or bonds is increased by TWO MILLION dollars (\$2,000,000.00) and the penalty of the payment bond or bonds is increased by 0 dollars (\$0.00). However, the sum of the liability of each co-surety resulting from this consent shall not exceed the amount shown below.

**\*ONE HUNDRED FORTY NINE THOUSAND NINE HUNDRED SIX AND NO/100ths**

	5. NAME OF SURETY(IES)	6. INCREASE IN LIABILITY LIMIT UNDER PERFORMANCE BOND	7. INCREASE IN LIABILITY LIMIT UNDER PAYMENT BOND
A:	American Home Assurance Company	939,508.92	0
B:	National Union Fire Insurance Company of Pittsburgh, Pa.	1,210,397.08	0
C:			
D:	1. BUSINESS ADDRESS	2. DATE THIS CONSENT EXECUTED January 23, 1998	
E:	3. INDIVIDUAL PRINCIPAL	4. SIGNATURE	
F:	5. CORPORATE NAME AND BUSINESS ADDRESS Bechtel National Inc. 50 Beale Street P.O. Box 193965 San Francisco, CA 94119	6. DATE THIS CONSENT EXECUTED January 23, 1998	
G:	7. PERSON EXECUTING CONSENT (Signature) <i>S.P. Ogden</i>	8. TYPED NAME AND TITLE OF ABOVE PERSON Sandra P. Ogden Vice President	(Affix Corporate Seal)

The Principal or authorized representative shall execute this Consent of Surety and Increase of Penalty with the modification to whom it pertains. If the representative (e.g., attorney-in-fact) that signs the consent is not a member of the firm, partnership, or joint venture, or an officer of the corporation involved, a Power of Attorney or a Certificate of Corporate Principals must accompany the consent.

**10. CORPORATE SURETY(IES)**

	1. CORPORATE SURETY'S NAME AND ADDRESS American Home Assurance Company 2 Rincon Center 121 Spear Street San Francisco, CA 94105	2. PERSON EXECUTING CONSENT (Signature) <i>W.F. Ward</i>	(Affix Corporate Seal)
A:	3. CORPORATE SURETY'S NAME AND ADDRESS National Union Fire Insurance Company of Pittsburgh, Pa. 2 Rincon Center 121 Spear Street San Francisco, CA 94105	4. PERSON EXECUTING CONSENT (Signature) <i>W.F. Ward</i>	(Affix Corporate Seal)
B:	5. CORPORATE SURETY'S NAME AND ADDRESS C:	6. PERSON EXECUTING CONSENT (Signature) <i>W.F. Ward</i>	(Affix Corporate Seal)

(Add similar signature blocks on the back of this form if necessary for additional co-Sureties.)

AUTHORIZED FOR LOCAL REPRODUCTION

STANDARD FORM 1414 (REV. 11-8)  
Printed by GSA - FAR (41 CFR) 112.201

Exhibit 7-13\*4. SF-1414-Consent of Surety and Increase of Penalty

### CHECKLIST FOR CONSENTS OF SURETY

	YES
1. Is the consent executed on the correct form? SF1414 - (OCT 1993 REV.)? SF1415 (JUL 93 REV.)?	( )
2. Is the contract number listed in Block 1?	( )
3. Is the modification/delivery order number listed in Block 2?	( )
4. Is the modification/delivery order date listed in Block 3?	( )
5. Has the increase/decrease in penalty of performance/payment bonds been correctly inserted in Item 4?	( )
6. If penal sums have been decreased, has the work increased in Items 4,6, and 7 been changed to decreased?	( )
7. Does item 5 contain all co-sureties, and is the amount each assuming against the increase/decrease in bond penalty set out in Items 6 and 7 and does the total equal the amount in Item 4?	( )
8. If other modification/delivery orders are included in the consent; is recapitulation furnished?	( )
9. Is the principal's name and address typed in Block 9a?	( )
10. Did the principal execute the consent and is his/her name and title typed beneath the signature?	( )
11. Is the execution date in Item 9.d. the same or later than the modification/delivery order date?	( )
12. Is the corporate seal affixed on behalf of the principal and does it read the same as the name listed in item 9a?	( )
13. Is the name and address of the surety company listed in Item 10A?	( )
14. Is the name of the surety company exactly the same as it appears on the latest Treasury Department Circular	( )
15. Is the consent executed on behalf of the surety and is his/her name and title typed or printed beneath signature?	( )
16. Did the surety company date the consent in Block 10d?	( )
17. Has the corporate seal been affixed on behalf of the surety and does it read the same as the typed name in Item 10A?	( )
18. Is the original power of attorney for the surety company attached to the consent?	( )
19. If the consent was executed by a foreign surety company, is the commensurate statement included with the consent?	( )
20. Is the Attorney-in-Fact's name on the consent of surety the same as the name of the power of attorney?	( )
21. Is there a block on the power of attorney for the penal sum? If so, does it include increase in penal sum of both bonds? (The block can contain one total for both bonds or each penal sum can be listed separately)	( )
22. Does the power of attorney require an SBA Guarantee Agreement? If it does, it must be furnished with the power.	( )
23. Has the corporate seal been affixed on the power of attorney at the signature of the certifying officer?	( )
24. Is the certification date on the power of attorney the same as or later than the date in Block 10d?	( )
25. HAVE ALL CHANGES OR CORRECTIONS ON THE CONSENT BEEN INITIALED BY THE PRINCIPAL AND THE SURETY?	( )
26. Are all the following documents being forwarded to the Bonds Team? a. Copy of the modification or delivery order? Original signed or consents? b. Certificate of authority for principal when executed in a representative capacity? <b>c. A RETURN SELF ADDRESSED ENVELOPE?</b> d. Copy of this completed form with all questions entered <input type="checkbox"/> Y <input type="checkbox"/> and names and telephone numbers listed below?	( )

---

Reviewer's Name and Phone Number

---

Contract Specialist's Name and Phone Number

**Exhibit 7-13\*5. Checklist for Consent of Surety.**

**CHECKLIST FOR PERFORMANCE AND PAYMENT BONDS**

1. Is the performance bond executed on the correct form (MAY 1996 REV.)? Payment Bond (JAN 1990 REV.)? ....( )
2. Is the execution date the same as or later than the contract/award date?.....( )
3. Is the principal's name on the bonds and contract exactly the same?.....( )
4. If the principal is a partnership or joint venture, are all names listed in the upper corner of the principal's block? ...()
5. Is the type of organization correctly checked on behalf of the principal? .....( )
6. Is the state of incorporation listed on behalf of the principal? .....( )
7. Is the surety's name exactly as listed on the Treasury Department Circular and is it's business address listed? .....( )
8. Does the penal sum on each bond comply with FAR 28.102-2 .....( )
9. Is the penal sum of the performance bond within the surety's underwriting limitation from latest TD Circular .....( )
10. Is the contract date on the bonds the same as the award date in block 31C on SF1442? .....( )
11. Is the contract number on the bonds the same as the number in block 4 on SF1442? .....( )
12. Did the principal execute the bonds? Is the typed or printed name and title beneath the signature?.....( )
13. Is the corporate seal affixed to the bonds on behalf of the principal and does it read the same as the name(s) in the principal's block in the upper left hand corner of the bond form? If not, citation from state law which states that a seal is not required to bind the corporation must be furnished. .....( )
14. Is the name and address of the surety company listed? .....( )
15. Did the surety execute the bonds? Is the name and title typed or printed beneath the signature? .....( )
16. Is the corporate seal affixed to the bonds on behalf of the surety?.....( )
17. If co-sureties are executing, did each surety set out exact dollar amount assumed against penal sum of bond in block marked Liability Limit opposite its name, and do these figures total the penal sum of the bond? .....( )
18. If the bonds were executed by a foreign surety company, is the commensurate statement included with the bonds?()
19. Is the original power of attorney for the surety company attached to the bonds?.....( )
20. Is there a block on the power of attorney for the penal sum of the bond? If so, does it include penal sum of each bond? (It can be one total for both bonds or each penal sum listed separately). .....( )
21. Does the power of attorney require an SBA Guarantee Agreement? If so, it must be included with the power.....( )
22. Is the Attorney-in-Fact's name on the bonds the same as on the power of attorney?.....( )
23. Is the certification date on the power of attorney the same as or later than the bond execution date? .....( )
24. Has the corporate seal been affixed on the power of attorney at the signature of the certifying officer? .....( )
25. Are Reinsurance Agreements on the correct form (AUG 1990 REV.)? .....( )
26. If an irrevocable letter of credit is furnished, it must comply w/FAR 28.204-3 and the determination from local legal must be furnished. .....( )
27. **For Individual Sureties Only:** Is the individual surety's name and business address listed?.....( )
  - a) Do bonds comply with FAR 28.203 - only authorized assets used and escrow accounts set up and attached?....()
  - b) If real estate is used, are all of the required forms executed properly and do they comply with FAR28.203.3?..()
  - c) Did the individual surety execute the bond and is the name typed beneath the signature? .....( )

**Exhibit 7-13\*6. Checklist for Performance and Payment Bonds**

28. Have all changes and corrections on the bonds been initialed by the principal and the surety? ..... ( )
29. Are all of the following documents being forwarded to the U.S. Army Bonds Team?
- a) original signed bonds? ..... ( )
  - b) certificate of authority for principal when executed in a representative capacity? ..... ( )
  - c) reproduced completed copy of the contract/award page SF1442 front and back ..... ( )
  - d) copy of contract pages which contain the following:
    - the bond requirement..... ( )
    - the type of contract (e.g., requirements, indefinite quantity)..... ( )
  - e) **A Return Self Addressed Envelope?** ..... ( )
  - f) a copy of this completed form with all questions entered Y, the names and telephone numbers listed below?... ( )
30. If you cannot answer Yes, you must take the necessary steps to have the problem(s) corrected before submitting to the Bonds Team.

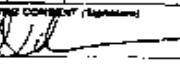
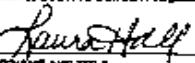
---

Reviewer's Name and Phone No.  
JALS FORM 892 (REV. 1/97)

---

Contract Specialist's Name and Phone No.

Exhibit 7-13\*6. Checklist for Performance and Payment Bonds. **(Continued)**

CONSENT OF SURETY		1. CONTRACT NUMBER DAGA01-95-C-0081	2. MODIFICATION NUMBER PB8025	3. DATED April 2, 1997	
<p>The Surety (Co-Sureties) consents (consent to the following contract modification and agrees (agrees) that its (their) bond or bonds shall apply and extend to the contract as modified or amended.</p>					
4. INDIVIDUAL PRINCIPAL	5. BUSINESS ADDRESS	6. SIGNATURES 7. TYPED NAME AND TITLE 8. DATE THIS CONSENT EXECUTED			
		9. PERSON EXECUTING CONSENT (Signature) BY  10. TYPED NAME AND TITLE PAUL A. ONDERA, VICE PRES. 11. DATE THIS CONSENT EXECUTED 4/2/97			(Affr Seal)
<b>6. CORPORATE/INDIVIDUAL SURETY (CO-SURETIES)</b>					
<p>The Principal or authorized representative shall execute this Consent of Surety with the modification to which it pertains. If the representative (e.g., attorney-in-fact) that signs the consent is not a member of the partnership, or joining venture, or an officer of the corporation involved, a Power-of-Attorney or a Certificate of Corporate Principal must accompany the consent.</p>					
A	12. CORPORATE/INDIVIDUAL SURETY'S NAME AND ADDRESS  Firemen's Insurance Company of Newark New Jersey 150 Maiden Lane New York, New York 10038	13. PERSON EXECUTING CONSENT (Signature) BY  14. TYPED NAME AND TITLE Laura Hall, Attorney-in-Fact 15. DATE THIS CONSENT EXECUTED April 2, 1997			(Affr Seal)
		16. PERSON EXECUTING CONSENT (Signature) BY 17. TYPED NAME AND TITLE 18. DATE THIS CONSENT EXECUTED			(Affr Seal)
B	12. CORPORATE/INDIVIDUAL SURETY'S NAME AND ADDRESS	13. PERSON EXECUTING CONSENT (Signature) BY 14. TYPED NAME AND TITLE 15. DATE THIS CONSENT EXECUTED			(Affr Seal)
		16. PERSON EXECUTING CONSENT (Signature) BY 17. TYPED NAME AND TITLE 18. DATE THIS CONSENT EXECUTED			(Affr Seal)
C	12. CORPORATE/INDIVIDUAL SURETY'S NAME AND ADDRESS	13. PERSON EXECUTING CONSENT (Signature) BY 14. TYPED NAME AND TITLE 15. DATE THIS CONSENT EXECUTED			(Affr Seal)
		16. PERSON EXECUTING CONSENT (Signature) BY 17. TYPED NAME AND TITLE 18. DATE THIS CONSENT EXECUTED			(Affr Seal)
D	12. CORPORATE/INDIVIDUAL SURETY'S NAME AND ADDRESS	13. PERSON EXECUTING CONSENT (Signature) BY 14. TYPED NAME AND TITLE 15. DATE THIS CONSENT EXECUTED			(Affr Seal)
		16. PERSON EXECUTING CONSENT (Signature) BY 17. TYPED NAME AND TITLE 18. DATE THIS CONSENT EXECUTED			(Affr Seal)

Add additional signature space on the back of this form if necessary for additional co-sureties.  
Unauthorized for Local Reproduction  
(Previous edition not usable)

STANDARD FORM 1414 (Rev. 10-92)  
Prescribed by GSA, FAR (48 CFR) 52.223(k)

#4 SAMPLE - WHEN NO INCREASE NEEDED  
< MOD LESS THAN \$100,000 >  
SF 1414 (1)

Exhibit 7-13\*7. Example of a Fully Executed Consent Package

## Firemen's Insurance Company of Newark, New Jersey

### GENERAL POWER OF ATTORNEY

Know all men by these Presents, That the FIREMEN'S INSURANCE COMPANY OF NEWARK, NEW JERSEY has made, constituted and appointed, and by these presents does make, constitute and appoint

John Hall of Columbus, Ohio

its true and lawful attorney, for it and in its name, place, and stead to execute on behalf of the said Company, as surety, bonds, undertakings and contracts of suretyship to be given to

ALL OBLIGORS

provided that no bond or undertaking or contract of suretyship executed under this authority shall exceed in amount the sum of

Fifteen Million (\$15,000,000) dollars

This Power of Attorney is granted and is signed and sealed by facsimile under and by the authority of the following Resolution adopted by the Board of Directors of the FIREMEN'S INSURANCE COMPANY OF NEWARK, NEW JERSEY at a meeting duly called and held on the 13th day of January, 1989:

"RESOLVED, that the Chairman of the Board, the Vice Chairman of the Board, the President, an Executive Vice President or a Senior Vice President or a Vice President of the Company, Inc. and that each or any of them hereinafter authorized in duplicate Powers of Attorney qualifying the authority named in the given Power of Attorney to execute in behalf of the FIREMEN'S INSURANCE COMPANY OF NEWARK, NEW JERSEY, bonds, undertakings and all contracts of suretyship; and that as Assistant Vice President, a Secretary or an Assistant Secretary be and that each or any of them hereinafter authorized to attest the execution of any such Power of Attorney, and to attest thereto the seal of the Company.

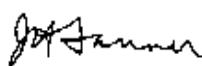
"FURTHER RESOLVED, that the signatures of such officer and the seal of the Company may be affixed to any such Power of Attorney or to any certificate attesting thereto by facsimile, and such Power of Attorney or certificate bearing such facsimile signatures or documents shall be valid and binding upon the Company when so affixed and in the future with respect to any bond, undertaking or contract of suretyship to which it is attached."

In Witness Whereof, the FIREMEN'S INSURANCE COMPANY OF NEWARK, NEW JERSEY has caused its official seal to be hereunto affixed, and these presents to be signed by one of its Vice Presidents and attested by one of its Assistant Secretaries this 15 day of July, 1998.

Attest:

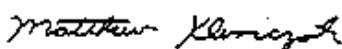
FIREMEN'S INSURANCE COMPANY OF NEWARK, NEW JERSEY

By



J. H. Tanner, Vice President





Matthew Klimczak, Vice President

STATE OF CONNECTICUT  
COUNTY OF HARTFORD

On this 25 day of July, 1998 before me personally came Matthew Klimczak, to me known, who being by me duly sworn, did depose and say that he is a Vice President of the FIREMEN'S INSURANCE COMPANY OF NEWARK, NEW JERSEY, the corporation described in and which executed the above 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 order of the Board of Directors of said corporation and that he signed his name thereto by like order.

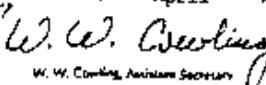


  
CLARA D. SEBOLD  
NOTARY PUBLIC  
My Commission Expires January 31, 1998

I, the undersigned, an Assistant Secretary of the FIREMEN'S INSURANCE COMPANY OF NEWARK, NEW JERSEY, a New Jersey corporation, DO HEREBY CERTIFY that the foregoing and attached Power of Attorney remains in full force and has not been revoked; and furthermore that the Resolution of the Board of Directors, set forth in the said Power of Attorney, is now in force.

Signed and sealed at the town of Farmington, the State of Connecticut. Dated the 2nd day of April, 1997.



  
W. W. Cowling  
Notary Public  
Printed in U.S.A.

NOTARY SEBOLD (1998)

NOTE  
THE DATE!

THIS IS NEEDED WITH #4-SAMPLE

(2)

Exhibit 7-13\*7. Example of a Fully Executed Consent Package (Cont'd)

Page 1 Of 2

<b>CONSENT OF SURETY AND INCREASE OF PENALTY</b>		1. CONTRACT NO.	2. MODIFICATION NO.	3. DATED
		DACAD01-95-D-0128	P00033	AUGUST 26, 1997

4. The surety (co-sureties) consents (consent) to the foregoing contract modification and agrees (agrees) that it (they) bond or bonds shall apply and extend to the agreement as modified or amended. The principal and surety (co-sureties) further agree that as a result of the execution of this consent, the penalty of the performance bond as bonds is increased by \$339,084.00 dollars (\$39,084.00) and the penalty of the payment bond as bonds is increased by \$0.00 dollars.

5. However, the increase of the liability of each surety resulting from this consent shall not exceed the sum shown below:

S. NAME OF SURETY(IES)	6. INCREASE IN LIABILITY LIMIT UNDER PERFORMANCE BOND	7. INCREASE IN LIABILITY LIMIT UNDER PAYMENT BOND
a. Seaboard Surety Company	\$ 318,084.65	0.00
b. National Union Fire Company	\$129,380.55	0.00
c. Federal Insurance Company	\$79,618.80	0.00

8. INDIVIDUAL PRINCIPAL	a. BUSINESS ADDRESS	b. SIGNATURE	(Attn: Beal)
		c. TYPED NAME AND TITLE	
	d. DATE THIS CONSENT EXECUTED	<i>[Signature]</i>	
9. CORPORATE PRINCIPAL	e. CORPORATE NAME AND BUSINESS ADDRESS Centex Rooney Construction Co., Inc. 6300 NW 5th Way Ft Lauderdale, FL 33309	f. PERSON EXECUTING CONSENT (Signature) By <i>[Signature]</i>	(Attn: Spell)
		g. TYPED NAME AND TITLE Gary W. Glenewinkel Executive Vice President/COO	
		h. DATE THIS CONSENT EXECUTED <i>9/3/97</i>	

\* The Principal or authorized representative shall execute the Consent of Surety and Increase in Penalty with the modification to which it pertains. If the representative (e.g., attorney-in-fact) that signs the document is not a member of the partnership, a joint venture, or an officer of the corporation involved, a Power-of-attorney or Certificate of Corporate Principal must accompany the consent.

## 10. CORPORATE/INDIVIDUAL SURETY (CO-SURETIES)

A	a. CORPORATE/INDIVIDUAL SURETY'S NAME AND ADDRESS Seaboard Surety Company Bedminster, NJ	b. PERSON EXECUTING CONSENT (Signature) <i>[Signature]</i>	(Attn: Spell)
		c. TYPED NAME AND TITLE PAT VAN HOOK ATTORNEY-IN-FACT	
	d. DATE THIS CONSENT EXECUTED SEPTEMBER 4, 1997		
B	e. CORPORATE/INDIVIDUAL SURETY'S NAME AND ADDRESS National Union Fire Company of Pittsburgh, PA New York, NY	f. PERSON EXECUTING CONSENT (Signature) <i>[Signature]</i>	(Attn: Spell)
		g. TYPED NAME AND TITLE PAT VAN HOOK ATTORNEY-IN-FACT	
		h. DATE THIS CONSENT EXECUTED SEPTEMBER 4, 1997	
C	i. CORPORATE/INDIVIDUAL SURETY'S NAME AND ADDRESS Federal Insurance Company Warren, NJ	j. PERSON EXECUTING CONSENT (Signature) <i>[Signature]</i>	
		k. TYPED NAME AND TITLE PAT VAN HOOK ATTORNEY-IN-FACT	
	l. DATE THIS CONSENT EXECUTED SEPTEMBER 4, 1997		

Previous version on page

2-92

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STANDARD FORM 1415 REV.

10/93 EDITION BY GSA - FAR 1415 GS-1

Front PAGE OF  
SAMPLE #2 (3)

Exhibit 7-13\*7. Example of a Fully Executed Consent Package (Cont'd).

Page 2 of 2

Mod No.	Increase or Decrease	Increase in Liability Limit Under		Effective Date
		Performance Bond	Payment Bond	
P00026	\$ 11,299.00	\$ 11,299.00	\$ 0.00	26 Mar 97
P00027	9,407.00	9,407.00	0.00	26 Mar 97
P00028	(193.00)	(193.00)	0.00	16 Apr 97
* P00029				
P00030	14,363.00	14,363.00	0.00	16 Apr 97
P00031	21,756.00	21,756.00	0.00	16 Apr 97
P00032	14,805.00	14,805.00	0.00	14 May 97
P00033	<u>326,657.00</u> \$398,094.00	<u>326,657.00</u> \$398,094.00	0.00	26 Aug 97

\*Modification not finalized yet.

↑ No increase  
needed because  
contract is >\$5,000,000

- ON BACK OF 1415, SHOW ALL MODS BETWEEN THE LAST ESTABLISHMENT OF PENALTY AMOUNTS.
- SEE THE CONSTRUCTION CONTRACT ADMINISTRATION GUIDE CHAPTER 1, PAGES 1-43 & 1-44 FOR GUIDANCE ON AMOUNTS REQUIRED FOR PERFORMANCE & PAYMENT BONDS.
- ADDITIONAL PERFORMANCE BOND PENALTY REQUIRED BY 1415<sup>SF</sup> FOR MODS  $\geq \$100,000$  INCREASE IN CONTRACT PRICE. SEE PAGE 1-44 FOR THE GUIDE ON AMOUNTS.
- IN THIS EXAMPLE, MODS P00026 THROUGH P00032, EACH WERE LESS THAN  $\$100,000$ . NO 1415 REQUIRED UNTIL MOD P00033, WHICH EXCEEDED  $\$100,000$ . THEN, WE LIST EACH MOD IN BETWEEN THE LAST SF1415 OR ORIGINAL CONTRACT AMOUNT, AS APPROPRIATE.

Back Page of  
Sample #2  
(4)

Exhibit 7-13\*7. Example of a Fully Executed Consent Package.

American Home Assurance Company  
 National Union Fire Insurance Company of Pittsburgh, Pa.  
 Principal Bond Office: 70 Pine Street, New York, N.Y. 10270

## POWER OF ATTORNEY

No. 09-B-10675

## KNOW ALL MEN BY THESE PRESENTS:

That American Home Assurance Company, a New York corporation, and National Union Fire Insurance Company of Pittsburgh, Pa., a Pennsylvania corporation, does each hereby appoint  
 —Lawrence W. Waldie, Henry W. Burch, III, Pat Van Hook, Theresa Misner, Lisa M. Bertolasio, Allyson Dean, of Dallas,  
 Texas—

its true and lawful Attorney(s)-in-Fact, with full authority to execute on its behalf bonds, undertakings, recognizances and other contracts of indemnity and writings obligatory in the nature thereof, issued in the course of its business, and to bind the respective company thereby.

IN WITNESS WHEREOF American Home Assurance Company and National Union Fire Insurance Company of Pittsburgh, Pa., have each executed these presents

This 4th day of June, 1996



Kristian P. Moor, President

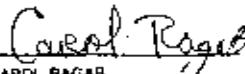
National Union Fire Insurance Company of Pittsburgh, PA.

Executive Vice President

American Home Assurance Company

STATE OF NEW YORK :  
 COUNTY OF NEW YORK) ss.

On this 4th day of June, 1996, before me came the above named officer of American Home Assurance Company and National Union Fire Insurance Company of Pittsburgh, Pa., to me personally known to be the individual and officer described herein, and acknowledged that he executed the foregoing instrument and affixed the seals of said corporations thereto by authority of his office.



CAROL RAGA

Notary Public, State of New York

No. 01RAS052011

Qualified in Kings County

Commission Expires Nov 13, 1997

## CERTIFICATE

Excerpts of Resolutions adopted by the Boards of Directors of American Home Assurance Company and National Union Fire Insurance Company of Pittsburgh, Pa., on May 18, 1976

"RESOLVED, that the Chairman of the Board, the President, or any Vice President be, and hereby is, authorized to appoint Attorneys-in-Fact to represent and act for and on behalf of the Company to execute bonds, undertakings, recognizances and other contracts of indemnity and writings obligatory in the nature thereof, and to attach thereto the corporate seal of the Company, in the transaction of its stated business;

"RESOLVED, that the signatures and alterations of such officers and the seal of the Company may be affixed to any such Power of Attorney or to any certificate relating thereto by facsimile, and any such Power of Attorney or certificate bearing such facsimile signatures or facsimile seal shall be valid and binding upon the Company when so affixed with respect to any bond, undertaking, recognizance or other contract of indemnity or writing obligatory in the nature thereof.

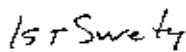
"RESOLVED, that any such Attorney-in-Fact delivering a notarial certification that the foregoing resolutions still be in effect may insert in such certification the date thereof, said date to be not later than the date of delivery thereof by such Attorney-in-Fact."

I, Elizabeth M. Tuck, Secretary of American Home Assurance Company and of National Union Fire Insurance Company of Pittsburgh, Pa., do hereby certify that the foregoing excerpts of Resolutions adopted by the Boards of Directors of these corporations, and the Powers of Attorney issued pursuant thereto, are true and correct, and that both the Resolutions and the Powers of Attorney are in full force and effect.

IN WITNESS WHEREOF, I have hereunto set my hand and affixed the facsimile seal of each corporation



NOTE → this 4TH day of SEPTEMBER, 1996  
 THE DATE! → Elizabeth M. Tuck  
 Same as page 1 of 1415. Elizabeth M. Tuck, Secretary



Power of Attorney with Sample # 2(5)

Exhibit 7-13\*7 Example of a Fully Executed Consent Package (Cont'd.)

Certified Copy - **SEABOARD SURETY COMPANY**  
 No. 14257-4  
 ADMINISTRATIVE OFFICES, BEDMINSTER, NEW JERSEY  
 WE ARE PLEASED TO CERTIFY THAT THE ATTACHED POWER OF ATTORNEY  
**KNOW ALL MEN BY THESE PRESENTS**, THAT SEABOARD SURETY COMPANY, a corporation of the State of New York, has  
 made, constituted and appointed and by these presents does make, constitute and appoint Pat Van Hook or Theresa  
 Misner or Lawrence W. McElroy or Henry W. Burch, III or Lisa M. Bertolasio or Allyson Dean  
 of Dallas, Texas, hereinafter referred to as "Attorneys-in-fact", to act for and in the name and on behalf of the said Company in all such  
 business, insurance, general, surety bonds, underwriting and  
 other instruments of the said Company.  
 Without Limitations  
 Such insurance policies, surety bonds, undertakings and instruments for said purposes, when duly executed by the aforesaid  
 Attorney-in-fact shall bind the said Company as fully and to the same extent as if signed by the duly authorized  
 officers of the Company and the Company shall be bound by the same as if it were its own signature thereto,  
 hereinafter referred to as "the Company".  
 The Company shall be bound by the acts of the aforesaid Attorney-in-fact in so far as they do not conflict with the  
 terms of the power of attorney, provided that the Company may at any time disclaim the authority of any  
 Attorney-in-fact by giving notice in writing to the aforesaid Attorney-in-fact and to the Company's  
 Secretary or Assistant Secretary.  
 The Company shall be bound by the acts of the aforesaid Attorney-in-fact in so far as they do not conflict with the  
 terms of the power of attorney, provided that the Company may at any time disclaim the authority of any  
 Attorney-in-fact by giving notice in writing to the aforesaid Attorney-in-fact and to the Company's  
 Secretary or Assistant Secretary.  
 IN WITNESS WHEREOF, I have hereunto set my hand and affixed the corporate seal of the Company to these presents this  
 4th day of SEPTEMBER 1996.  
  
 (Seal)   
 Diane M. Casciano  
 Assistant Secretary  
 Notary Public  
 My Commission Expires Sept. 9, 1998  
 CERTIFICATE  
 I, the undersigned Assistant Secretary of SEABOARD SURETY COMPANY do hereby certify that the original Power of Attorney of which the foregoing is  
 a full, true and correct copy, is in full force and effect on the date of this Certificate and do further certify that the Vice-President who executed the said Power of  
 Attorney was one of the Officers authorized by the Board of Directors to appoint an attorney-in-fact as provided in Article VI, Section 1, of the By-Laws of  
 SEABOARD SURETY COMPANY.  
 The Certificate may be signed and sealed by authority of the following resolution of the Executive Committee of the Board of  
 Directors of SEABOARD SURETY COMPANY at a meeting duly called and held on the 25th day of March 1970.  
 RESOLVED: (1) That the use of a printed facsimile of the corporate seal of the Company and of the signature of an Assistant Secretary on any  
 certification of the correctness of a copy of an instrument executed by the President or a Vice-President pursuant to Article VI, Section 7, of the By-Laws  
 specifying and authorizing an attorney-in-fact to sign in the name and on behalf of the Company surety bonds, underwriting understandings or other  
 instruments described in said Article VI, Section 1, will take effect as if such seal and such signature had been manually affixed and made, thereby  
 authorized and approved.  
 IN WITNESS WHEREOF, I have hereunto set my hand and affixed the corporate seal of the Company to these presents this  
 4th day of SEPTEMBER 1996.  
 \*  
 1923  
 \*  
 Seal of Seaboard Surety Company  
 Diane M. Casciano  
 Assistant Secretary  
 Form 667 (Rev. 1/64)  
 Note THIS DATE!  
 P.O.A. for Same #2 (6)  
 2nd  
 Surety

**Exhibit 7-13\*7. Example of a Fully Executed Consent Package (Cont'd).**

**POWER OF ATTORNEY**  
**FEDERAL INSURANCE COMPANY**  
ATTN: SURETY DEPARTMENT  
15 Mountain View Road, Warren, NJ 07059  
Telephone: (908) 903-2000  
Fax No.: (908) 903-3656

Know all Men by these Presents, That FEDERAL INSURANCE COMPANY, an Indiana Corporation, has constituted and appointed, and does hereby constitute and appoint Lawrence W. Waldie, Henry W. Burch, III, Pat Van Hook, Theresa Miesner, Lisa K. Bertolasio and Allyson Dean of Dallas, Texas—

each its true and lawful Attorney-in-Fact to execute under such designation in its name and to affix its corporate seal to and deliver for and on its behalf as surety thereon or otherwise, bonds of any of the following classes, to-wit:

1. Bonds and Undertakings (other than Bail Bonds) filed in any suit, matter or proceeding in any Court, or filed with any Sheriff or Magistrate, for the doing or not doing of anything specified in such Bond or Undertaking.
2. Surety bonds to the United States of America or any agency thereof, including those required or permitted under the laws or regulations relating to Customs or Internal Revenue; Licenses and Permit Bonds or other indemnity bonds under the laws, ordinances or regulations of any State, City, Town, Village, Board or other body or organization, public or private; bonds to Transportation Companies, Lost Instrument Bonds; Lease Bonds, Workers' Compensation Bonds, Miscellaneous Surety Bonds and bonds on behalf of Notaries Public, Sheriffs, Deputy Sheriffs and similar public officials.
3. Bonds on behalf of contractors in connection with bids, proposals or contracts.

In Witness Whereof, the said FEDERAL INSURANCE COMPANY has, pursuant to its By-Laws, caused these presents to be signed by its Vice President and Assistant Secretary and its corporate seal to be hereunto affixed this 7th day of June, 1996.

day of June 1996



Kenneth C. Wendel  
Assistant Secretary

FEDERAL INSURANCE COMPANY  
BY

Frank Robertson  
Vice President

STATE OF NEW JERSEY } ss.  
County of Somerset }

On this 7th day of June 1996, before me personally came Kenneth C. Wendel to me known and by me known to be Assistant Secretary of FEDERAL INSURANCE COMPANY, the corporation described in and which executed the foregoing Power of Attorney, and the said Kenneth C. Wendel being by me duly sworn, did depose and say that he is Assistant Secretary of FEDERAL INSURANCE COMPANY and knows the corporate seal thereof; that the seal affixed to the foregoing Power of Attorney is such corporate seal and was thereto affixed by authority of the By-Laws of said Company; and that he signed said Power of Attorney as Assistant Secretary of said Company by his authority; and that he is acquainted with Frank Robertson and knows him to be the Vice President of said Company, and that the signature of said Frank Robertson subscribed to said Power of Attorney is in the genuine handwriting of said Frank Robertson and was thereto subscribed by authority of said By-Laws and in defendant's presence.

Notarial Seal



Acknowledged and Sworn to before me  
on the date above written.

Theresa B. Cichowska  
Notary Public

IN THE EVENT YOU WISH TO NOTIFY US OF A CLAIM, VERIFY THE AUTHENTICITY OF THIS BOND OR  
NOTIFY US OF ANY OTHER MATTER, PLEASE WRITE TO US AT THE ADDRESS LISTED ABOVE.

Form 10-1007-03 (Ed. 8-80) GENERAL

THERESA B. CICHOWSKA  
Notary Public, State of New Jersey  
No. 0214101  
Commission Expires July 27, 2011

3rd Surety      P.O.A. with sample #2      (7)

Exhibit 7-13\*7. Example of a Fully Executed Consent Package (Cont'd).

## CERTIFICATION

STATE OF NEW JERSEY }  
County of Somerset }

I, the undersigned, Assistant Secretary of FEDERAL INSURANCE COMPANY, do hereby certify that the following is a true excerpt from the By-Laws of the said Company as adopted by its Board of Directors and that this By-Law is in full force and effect.

## \*ARTICLE XVIII.

Section 2. All bonds, undertakings, contracts and other instruments other than as above for and on behalf of the Company which it is authorized by law or its charter to execute, may and shall be executed in the name and on behalf of the Company either by the Chairman or the Vice Chairman or the President or a Vice President, jointly with the Secretary or an Assistant Secretary, under their respective designations, except that any one or more officers or attorneys-in-fact designated in any resolution of the Board of Directors or the Executive Committee, or in any power of attorney executed as provided for in Section 3 below, may execute any such bond, undertaking or other obligation as provided in such resolution or power of attorney.

Section 3. All powers of attorney for and on behalf of the Company may and shall be executed in the name and on behalf of the Company, either by the Chairman or the Vice Chairman or the President or a Vice President or an Assistant Vice President, jointly with the Secretary or an Assistant Secretary, under their respective designations. The signature of such officers may be engraved, printed or lithographed. The signature of each of the following officers: Chairman, Vice Chairman, President, any Vice President, any Secretary, any Assistant Secretary and the seal of the Company may be affixed by facsimile to any power of attorney or to any certificate relating thereto appointing Assistant Secretaries or Attorneys-in-Fact for purposes only of executing and attesting bonds and undertakings and other writings obligating in the nature thereof, and any such power of attorney or certificate bearing such facsimile signature or facsimile seal shall be valid and binding upon the Company and any such power so executed and certified by such facsimile signature and facsimile seal shall be valid and binding upon the Company with respect to any bond or undertaking to which it is attached."

I further certify that said FEDERAL INSURANCE COMPANY is duly licensed to transact fidelity and surety business in each of the States of the United States of America, District of Columbia, Puerto Rico, and each of the Provinces of Canada, with the exception of Prince Edward Island; and is also duly licensed to become sole surety on bonds, undertakings, etc., permitted or required by the law.

I, the undersigned Assistant Secretary of FEDERAL INSURANCE COMPANY, do hereby certify that the foregoing Power of Attorney is in full force and effect.

Given under my hand and the seal of said Company at Warren, N.J., this 4TH day of SEPTEMBER, 19 97

Corporate Seal



*Patricia A. Johnson*  
Assistant Secretary

Note  
THE  
DATE  
OF THE  
P.O.A. !

Surety #3

P.O.A. Sample #2, continued  
(8)

Exhibit 7-13\*7. Example of a Fully Executed Consent Package (Cont'd).

<b>CONSENT OF SURETY AND INCREASE OF PENALTY</b>		1. CONTRACT NO.	2. REVISION NUMBER	3. DATED
		DAC&01-95-C-0039	P00010	August 11, 1997
<p>WITNESS AND CERTIFY: I personally acknowledge to the foregoing contract modification and agree (legally) that for (herein) bond or bonds shall apply and extend to the principal and surety (hereinafter) further agreed that, on or after the execution of this document, the penalty of the performance to be modified or increased. The principal and surety (hereinafter) further agree that, on or after the execution of this document, the penalty of the payments paid or bonds to be increased by <u>\$120,356.00</u> dollars to <u>120,356.00</u>, and the penalty of the payments paid or bonds to be increased by <u>\$46,142.40</u> dollars to <u>46,142.40</u>. b. However, the liability of the surety of each payment resulting from this consent shall not exceed the sum(s) shown below:</p>				
5. NAME OF SURETY(IES)		6. INCREASE IN LIABILITY DIRECT UNDERTAKING PERFORMANCE BOND	7. INCREASE IN LIABILITY GENERAL LIABILITY LIEN UNDER PAYMENT BOND	
American Builders Company		6. <u>120,356.00</u>	7. <u>46,142.40</u>	
REMARKS MAIL	8. BUSINESS ADDRESS		9. SIGNATURE	
REMARKS MAIL	10. CORPORATE NAME AND BUSINESS ADDRESS		11. PERSON EXECUTING CONSENT AGREEMENT BY <u>James F. Davis</u>	
	The Davis Group, Inc. 780 Enterprise Drive Lexington, KY 40510		12. TYPED NAME AND TITLE <u>James F. Davis</u> President	
13. DATE THIS CONSENT EXECUTED <u>17 Aug 97</u>				
<p>Principal or authorized representative shall execute this Consent of Surety and Increase in Penalty with the modification to which it pertains. If the principal or authorized representative who signs this document is not a member of the partnership, or joint venture, or an officer of the corporation involved, a Power-of-Attorney (e.g., Attorney-in-Fact) that signs the document is not a member of the partnership, or joint venture, or an officer of the corporation involved, a Power-of-Attorney or Certificate of Corporate Privilege must accompany this consent.</p>				
<p><b>10. CORPORATE/INDIVIDUAL SURETY (CO-SURETIES)</b></p>				
14. CORPORATE/INDIVIDUAL SURETY'S NAME AND ADDRESS		15. PERSON EXECUTING CONSENT AGREEMENT BY <u>Jessiah B. Fritchard</u>		(AMCo Seal)
The American Insurance Company 777 San Marin Drive Novato, CA 94998		16. TYPED NAME AND TITLE <u>Jessiah B. Fritchard</u> Attorney-in-Fact		
		17. DATE THIS CONSENT EXECUTED <u>August 18, 1997</u>		
18. CORPORATE/INDIVIDUAL SURETY'S NAME AND ADDRESS		19. PERSON EXECUTING CONSENT AGREEMENT BY		(AMCo Seal)
		20. TYPED NAME AND TITLE		
		21. DATE THIS CONSENT EXECUTED		
22. CORPORATE/INDIVIDUAL SURETY'S NAME AND ADDRESS		23. PERSON EXECUTING CONSENT AGREEMENT BY		(AMCo Seal)
		24. TYPED NAME AND TITLE		
		25. DATE THIS CONSENT EXECUTED		
<p>Any written signatures placed on this form are temporary for individual reference.</p>				
<p>This document has been MAILED FOR LOCAL REPRODUCTION</p>				

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FRONT PAGE OF SAMPLE #3  
(g)

Exhibit 7-13\*7. Example of a Fully Executed Consent Package (Cont'd).

Page 2 of 2

Mod No.	Increase or Decrease	Increase in Liability Limit Under Performance Bond	Payment Bond	Effective Date
200010	\$120,356.00	\$120,356.00	\$ 48,142.40	11 Aug 97
Total:	\$120,356.00	\$120,356.00	\$48,142.40	

THIS CASE, CONTRACT IS LESS THAN \$5,000,000 AS MODIFIED.

NOTE: Previous mods have been excluded as they are have not finalized yet.

Back of Sample # 3

(10)

Exhibit 7-13\*7. Example of a Fully Executed Consent Package (Cont'd).



Page 1 of 2			
CONSENT OF SURETY AND INCREASE OF PENALTY	1. CONTRACT NO.	2. INCONCERNATION NO.	3. DATED
	DACAG1-B5-C-0061	PDD0039	September 19, 1997
<p>The surety (or sureties) consents (consent) to the foregoing contract modification and agrees (agrees) that its (their) bond or bonds shall apply and extend to the subject as additional or otherwise. The principal and surety (or sureties) further agree that as of the execution of this consent, the penalty of the performance bond herein is increased by <u>\$253,598.00</u>, dollars (<u>\$253,598.00</u>) and the penalty of the payment bond or bonds is increased by <u>\$0.00</u>, dollars (<u>\$0.00</u>). However, the increase of the liability of each co-surety resulting from this consent shall not exceed the amount shown below.</p>			
S. NAME OF SURETY(IES)	6. INCREASE IN LIABILITY LIMIT UNDER PERFORMANCE BOND	7. INCREASE IN LIABILITY LIMIT UNDER PAYMENT BOND	
1. Firemen's Insurance Company of Newark, New Jersey	\$ 253,598.00	\$	
2.			
3.			
4. INDIVIDUAL PRINCIPAL	a. BUSINESS ADDRESS  Head, Inc. 6200 Huntley Road Columbus, Ohio 43229	b. SIGNATURE   c. TYPED NAME AND TITLE  PAUL A. ONDERA VICE PRESIDENT	(Attn: Seal)
5. CORPORATE PRINCIPAL	a. CORPORATE NAME AND BUSINESS ADDRESS  Head, Inc. 6200 Huntley Road Columbus, Ohio 43229	b. PERSON EXECUTING CONSENT (Signature)  c. TYPED NAME AND TITLE  Laura Hall, Attorney-in-Fact	(Attn: Seal)
		d. DATE THIS CONSENT EXECUTED  9/19/97	
<p>* The Principal or authorized representative shall execute this Consent of Surety and Increase in Penalty with the modification to which it pertains. If the representative is (e.g., attorney-in-fact) that signs this consent, or has a member of his partnership, or joint venture, or an officer of the corporation involved, a Power-of-Attorney or Certificate of Corporate Principal must accompany the consent.</p>			
10. CORPORATE/INDIVIDUAL SURETY (CO-SURETIES)			
A	a. CORPORATE/INDIVIDUAL SURETY'S NAME AND ADDRESS  Firemen's Insurance Company of Newark, New Jersey 100 Maiden Lane New York, NY 10038	b. PERSON EXECUTING CONSENT (Signature)  c. TYPED NAME AND TITLE  Laura Hall, Attorney-in-Fact	(Attn: Seal)
B	a. CORPORATE/INDIVIDUAL SURETY'S NAME AND ADDRESS  _____	b. PERSON EXECUTING CONSENT (Signature)  c. TYPED NAME AND TITLE  _____	(Attn: Seal)
C	a. CORPORATE/INDIVIDUAL SURETY'S NAME AND ADDRESS  _____	b. PERSON EXECUTING CONSENT (Signature)  c. TYPED NAME AND TITLE  _____	(Attn: Seal)
<small>Additional signatures should be placed on the back of this form if necessary for multiple co-sureties.</small>			

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*Front PAGE, SAMPLE #1*

(12)

Exhibit 7-13\*7. Example of a Fully Executed Consent Package (Cont'd).

Mod No.	<u>Increase or Decrease</u>	<u>AMOUNT OF INCREASE OR DECREASE</u>		<u>Effective Date</u>
		<u>Performance Bond</u>	<u>Payment Bond</u>	
P00039	\$253,598.00	\$253,598.00	\$0.00	19 Sep 97
	\$253,598.00	\$253,598.00	\$0.00	

Contract → \$5,000,000.  
∴ NO increase needed.

SEE ATTACHED Power or Attorney.

P.O.A. must be DATED  
ON THE DATE THAT THE  
Person EXECUTED THE SF 1415  
to show they were authorized  
to bind the Surety.

Back of SF 1415, Sample #1  
(13)

Exhibit 7-13\*7. Example of a Fully Executed Consent Package (Cont'd).

## Firemen's Insurance Company of Newark, New Jersey

### GENERAL POWER OF ATTORNEY

Know all men by these Presents, That the FIREMEN'S INSURANCE COMPANY OF NEWARK, NEW JERSEY has made, constituted and appointed, and by these presents does make, constitute and appoint

Laura Hall, of Columbus, Ohio

its true and lawful attorney, for it and in its name, place, and stead to execute on behalf of the said Company, as surety, bonds, undertakings and contracts of suretyship to be given to

ALL DRAFTS

provided that no bond or undertaking or contract of suretyship executed under this authority shall exceed in amount the sum of  
Fifteen Million (\$15,000,000) Dollars

This Power of Attorney is granted and is signed and sealed by facsimile under and by the authority of the following Resolution adopted by the Board of Directors of the FIREMEN'S INSURANCE COMPANY OF NEWARK, NEW JERSEY at a meeting duly called and held on the 13th day of January, 1995:

"RESOLVED, that the Chairman of the Board, the Vice Chairman of the Board, the President, an Executive Vice President, or a Vice President of the Company, he and they each at any time, may, authorize and execute Power of Attorney specifying the attorney named in the given Power of Attorney to execute in behalf of the FIREMEN'S INSURANCE COMPANY OF NEWARK, NEW JERSEY, bonds, undertakings and all contracts of suretyship; and that an Assistant Vice President, a Secretary or an Assistant Secretary be, and that each or any of them, hereby be, authorized to attest the execution of any such Power of Attorney; and to attach thereto the seal of the Company.

"FURTHER RESOLVED, that the signatures of such officer and the seal of the Company may be affixed to any such Power of Attorney or to any certificate relating thereto by facsimile, and any such Power of Attorney or certificate bearing such facsimile signatures or facsimile seal shall be valid and binding upon the Company whence issued and in the future with respect to any bond, undertaking or contract of suretyship to which it is attached."

In Witness Whereof, the FIREMEN'S INSURANCE COMPANY OF NEWARK, NEW JERSEY has caused its official seal to be hereunto affixed, and these presents to be signed by one of its Vice Presidents and attested by one of its Assistant Secretaries this 15 day of July, 1994.

FIREMEN'S INSURANCE COMPANY OF NEWARK, NEW JERSEY

Attest:

*J.H. Tanner*

J.H. Tanner, Vice President



*Matthew Klemczak*

Matthew Klemczak, Vice President

STATE OF CONNECTICUT }  
COUNTY OF HARTFORD }

On this 15 day of July, 1994, before me personally came Matthew Klemczak, to me known, who being by me duly sworn, did depose and say that he is a Vice President of the FIREMEN'S INSURANCE COMPANY OF NEWARK, NEW JERSEY, the corporation described in and which executed the above 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 order of the Board of Directors of said corporation and that he signed his name thereto by like order.



*Gloria D. Seeks*  
Gloria D. Seeks  
Notary Public  
My Commission Expires January 31, 1995

I, the undersigned, an Assistant Secretary of the FIREMEN'S INSURANCE COMPANY OF NEWARK, NEW JERSEY, a New Jersey corporation, DO HEREBY CERTIFY that the foregoing and attached Power of Attorney remains in full force and has not been revoked; and furthermore that the Resolution of the Board of Directors, set forth in the said Power of Attorney, is now in force.

Signed and sealed at the town of Farmington, the State of Connecticut, Dated the 19th day of September, 1997.

*W.W. Cowling*  
W.W. Cowling, Assistant Secretary

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*Note  
THE  
DATE!*

*SAMPLE #1*

*(14)*

**Exhibit 7-13\*7. Example of Fully Executed Consent Package (Cont.)**