0001

Document Information Form

Mine Number: C/007/018

File Name: Incoming

To: DOGM

From:

Person N/A

Company SOLDIER CREEK COAL COMPANY

Date Sent: N/A

Explanation:

COAL PAP AMENDMENT.

cc:

File in:
C/ 007, 018, Incoming
Refer to:
- ☐ **Confidential**
- ☐ **Shelf**
- ☐ **Expandable**

Date _____ For additional information

✓ 007/018 pending

COAL PAP AMENDMENT/REVISION/NOV & EXPLORATION TRACKING FORM
(Revised: 9/14/87)

Type of Proposal:

MRP AMENDMENT ____ TDN #
MRP REVISION ____ NOV #N ____ ____ ____ ____, # ____ OF ____
EXPLORATION ____ CO #C ____ ____ ____ ____, # ____ OF ____

I. B. C. X (Incidental Boundary Change)

Title of Proposal: Underground Bleeder IBC

Company Name: Soldier Creek Coal Co.

Project or Mine Name: Soldier Canyon

File #: (INA / PRO / (ACT) / CEP) 007 / 018 - ~~88~~ 90C # New Acres: 38.43

LEAD Reviewers:

		Tech Memo Drafted YES	NO
HYDROLOGY	Rick	( )	( )
BIOLOGY	Lynn	( )	( )
ENGINEER		( )	( )
SOILS	Henry	( )	( )
GEOLOGY	Dave	( )	( )

*Please Check Appropriate Box!!

Dates:

(1) Initial Plan Received May 14, 1990
Tech Review Due May 24, 1990
Tech Review Complete ____
DOGM Response Sent ____
Optr. Response Due ____

(2) Optr. Response Rcvd. 9/14/90
Tech Review Due 10/1/90
Tech Review Complete ____
DOGM Response Sent ____
Optr. Response Due ____

13 copies recieved

(3) Optr. Response Rcvd. ____
Tech Review Due
Tech Review Comple
DOGM Response Sent
Optr. Response Due

(4) Optr. Resubmission ____
Tech Review Due ____
Tech Review Compl. ____
DOGM Response Sent ____
Optr. Response Due ____

(5) Optr. Resp. Rcvd. ____
Tech Review Due ____
Tech Review Compl. ____
DOGM Response Sent ____
Optr. Response Due ____

Condtn'l Approval ____
Stipulations Due ____
eived ____
nse Sent ____
oval ____
RP ____

File in:
- ☐ Confidential
- ☐ Shelf
- ☐ Expandable

Refer to Record No 0001 Date ____
In C/ 007, 018, Incoming
For additional information

COMMENTS: 2 copy

007/018 pending

COAL PAP AMENDMENT/REVISION/NOV & EXPLORATION TRACKING FORM
(Revised: 9/14/87)

Type of Proposal:

MRP AMENDMENT ____ TDN #
MRP REVISION ____ NOV #N ____ ____ ____ ____, # ____ OF ____
EXPLORATION ____ CO #C ____ ____ ____ ____, # ____ OF ____

I. B. C. X (Incidental Boundary Change)

Title of Proposal: Underground Bleeder IBC

Company Name: Soldier Creek Coal Co.

Project or Mine Name: Soldier Canyon

File #: (INA / PRO / (ACT) / CEP) 007 / 018 - ~~88~~ 90C # New Acres: 38.43

LEAD Reviewers:

		Tech Memo Drafted YES	NO
HYDROLOGY	Rick	( )	( )
BIOLOGY	Lynn	( )	( )
ENGINEER		( )	( )
SOILS	Henry	( )	( )
GEOLOGY	Dave	( )	( )

*Please Check Appropriate Box!!

Dates:

(1) Initial Plan Received May 14, 1990
Tech Review Due May 24, 1990
Tech Review Complete ____
DOGM Response Sent ____
Optr. Response Due ____

(2) Optr. Response Rcvd. 9/14/90
Tech Review Due 10/1/90
Tech Review Complete ____
DOGM Response Sent ____
Optr. Response Due ____

13 copies recieved

(3) Optr. Response Rcvd. ____
Tech Review Due ____
Tech Review Complete ____
DOGM Response Sent ____
Optr. Response Due ____

(4) Optr. Resubmission ____
Tech Review Due ____
Tech Review Compl. ____
DOGM Response Sent ____
Optr. Response Due ____

(5) Optr. Resp. Rcvd. ____
Tech Review Due ____
Tech Review Compl. ____
DOGM Response Sent ____
Optr. Response Due ____

Condtn'l Approval ____
Stipulations Due ____
Stips. Received ____
DOGM Response Sent ____
Final Approval ____
Filed in MRP ____
Author ____

COMMENTS: 2 copies Recieved

Page Replacement Instructions

Soldier Creek Coal Company
Soldier Canyon Mine
ACT/007/018

September 10, 1990

Volume	Section	Page	Comments
1	Correspondence	2-69 thru 76	Page Replacement
4	Maps	Exhibit 2.2-1	Map Replacement
4	Maps	Exhibit 2.2-2	Map Replacement

RECEIVED
SEP 14 1990
DIVISION OF
OIL, GAS & MINING

PGREPLAC/

Form 3400-12
(April 1986)

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

Serial Number

U-50722

MODIFIED COAL LEASE

PART I. LEASE RIGHTS GRANTED

This lease, entered into by and between the UNITED STATES OF AMERICA hereinafter called lessor, through the Bureau of Land Management, and *(Name and Address)*

Soldier Creek Coal Company
P. O. Box I
Price, Utah 84501

hereinafter called lessee, is modified effective *(date)* , for a period of 20 years and for so long thereafter as coal is produced in commercial quantities from the leased lands, subject to readjustment of lease terms at the end of the 20th lease year and each 10-year period thereafter.

Sec. 1. This lease is issued pursuant and subject to the terms and provisions of the:

☒ Mineral Lands Leasing Act of 1920, Act of February 25, 1920, as amended, 41 Stat. 437, 30 U.S.C. 181-287, hereinafter referred to as the Act;

☐ Mineral Leasing Act for Acquired Lands, Act of August 7, 1947, 61 Stat. 913, 30 U.S.C. 351-359;

and to the regulations and formal orders of the Secretary of the Interior which are now or hereafter in force, when not inconsistent with the express and specific provisions herein.

Sec. 2. Lessor, in consideration of any bonuses, rents, and royalties to be paid, and the conditions and covenants to be observed as herein set forth, hereby grants and leases to lessee the exclusive right and privilege to drill for, mine, extract, remove, or otherwise process and dispose of the coal deposits in, upon, or under the following described lands:

TRACT 1

T. 13 S., R. 11 E., SLM, Utah
Sec. 12, E½W½, W½E½;
Sec. 13, NW¼NE¼, NE¼NW¼.

Containing 400.00 acres

TRACT 2 *

T. 13 S., R. 11 E., SLM, Utah
Sec. 1, lot 8.

Containing 40.00 acres

* Limited to the coal reserves in the Rock Canyon Coal Seam only.

containing 440.00 acres, more or less, together with the right to construct such works, buildings, plants, structures, equipment and appliances and the right to use such on-lease rights-of-way which may be necessary and convenient in the exercise of the rights and privileges granted, subject to the conditions herein provided.

PART II. TERMS AND CONDITIONS

Sec. 1. (a) RENTAL RATE - Lessee shall pay lessor rental annually and in advance for each acre or fraction thereof during the continuance of the lease at the rate of $ 3.00 for each lease year.

(b) RENTAL CREDITS - Rental shall not be credited against either production or advance royalties for any year.

Sec. 2. (a) PRODUCTION ROYALTIES - The royalty shall be 8 & 12½ percent of the value of the coal as set forth in the regulations. Royalties are due to lessor the final day of the month succeeding the calendar month in which the royalty obligation accrues.

(b) ADVANCE ROYALTIES - Upon request by the lessee, the authorized officer may accept, for a total of not more than 10 years, the payment of advance royalties in lieu of continued operation, consistent with the regulations. The advance royalty shall be based on a percent of the value of a minimum number of tons determined in the manner established by the advance royalty regulations in effect at the time the lessee requests approval to pay advance royalties in lieu of continued operation.

Sec. 3. BONDS - Lessee shall maintain in the proper office a lease bond in the amount of $ 75,000 . The authorized officer may require an increase in this amount when additional coverage is determined appropriate.

Sec. 4. DILIGENCE - This lease is subject to the conditions of diligent development and continued operation, except that these conditions are excused when operations under the lease are interrupted by strikes, the elements, or casualties not attributable to the lessee. The lessor, in the public interest, may suspend the condition of continued operation upon payment of advance royalties in accordance with the regulations in existence at the time of the suspension. Lessee's failure to produce coal in commercial quantities at the end of 10 years shall terminate the lease. Lessee shall submit an operation and reclamation plan pursuant to Section 7 of the Act not later than 3 years after lease issuance.

The lessor reserves the power to assent to or order the suspension of the terms and conditions of this lease in accordance with, inter alia, Section 39 of the Mineral Leasing Act, 30 U.S.C. 209.

Sec. 5. LOGICAL MINING UNIT (LMU) - Either upon approval by the lessor of the lessee's application or at the direction of the lessor, this lease shall become an LMU or part of an LMU, subject to the provisions set forth in the regulations.

The stipulations established in an LMU approval in effect at the time of LMU approval will supersede the relevant inconsistent terms of this lease so long as the lease remains committed to the LMU. If the LMU of which this lease is a part is dissolved, the lease shall then be subject to the lease terms which would have been applied if the lease had not been included in an LMU.

Sec. 6. DOCUMENTS, EVIDENCE AND INSPECTION - At such times and in such form as lessor may prescribe, lessee shall furnish detailed statements showing the amounts and quality of all products removed and sold from the lease, the proceeds therefrom, and the amount used for production purposes or unavoidably lost.

Lessee shall keep open at all reasonable times for the inspection of any duly authorized officer of lessor, the leased premises and all surface and underground improvements, works, machinery, ore stockpiles, equipment, and all books, accounts, maps, and records relative to operations, surveys, or investigations on or under the leased lands.

Lessee shall allow lessor access to and copying of documents reasonably necessary to verify lessee compliance with terms and conditions of the lease.

While this lease remains in effect, information obtained under this section shall be closed to inspection by the public in accordance with the Freedom of Information Act (5 U.S.C. 552).

Sec. 7. DAMAGES TO PROPERTY AND CONDUCT OF OPERATIONS - Lessee shall comply at its own expense with all reasonable orders of the Secretary, respecting diligent operations, prevention of waste, and protection of other resources.

Lessee shall not conduct exploration operations, other than casual use, without an approved exploration plan. All exploration plans prior to the commencement of mining operations within an approved mining permit area shall be submitted to the authorized officer.

Lessee shall carry on all operations in accordance with approved methods and practices as provided in the operating regulations, having due regard for the prevention of injury to life, health, or property, and prevention of waste, damage or degradation to any land, air, water, cultural, biological, visual, and other resources, including mineral deposits and formations of mineral deposits not leased hereunder, and to other land uses or users. Lessee shall take measures deemed necessary by lessor to accomplish the intent of this lease term. Such measures may include, but are not limited to, modification to proposed siting or design of facilities, timing of operations, and specification of interim and final reclamation procedures. Lessor reserves to itself the right to lease, sell, or otherwise dispose of the surface or other mineral deposits in the lands and the right to continue existing uses and to authorize future uses upon or in the leased lands, including issuing leases for mineral deposits not covered hereunder and approving easements or rights-of-way. Lessor shall condition such uses to prevent unnecessary or unreasonable interference with rights of lessee as may be consistent with concepts of multiple use and multiple mineral development.

Sec. 8. PROTECTION OF DIVERSE INTERESTS, AND EQUAL OPPORTUNITY - Lessee shall: pay when due all taxes legally assessed and levied under the laws of the State or the United States; accord all employees complete freedom of purchase; pay all wages at lease twice each month in lawful money of the United States; maintain a safe working environment in accordance with standard industry practices; restrict the workday to not more than 8 hours in any one day for underground workers, except in emergencies; and take measures necessary to protect the health and safety of the public. No person under the age of 16 years shall be employed in any mine below the surface. To the extent that laws of the State in which the lands are situated are more restrictive than the provisions in this paragraph, then the State laws apply.

Lessee will comply with all provisions of Executive Order No. 11246 of September 24, 1965, as amended, and the rules, regulations, and relevant orders of the Secretary of Labor. Neither lessee nor lessee's subcontractors shall maintain segregated facilities.

Sec. 9. (a) TRANSFERS

- [X] This lease may be transferred in whole or in part to any person, association or corporation qualified to hold such lease interest.
- [ ] This lease may be transferred in whole or in part to another public body or to a person who will mine the coal on behalf of, and for the use of, the public body or to a person who for the limited purpose of creating a security interest in favor of a lender agrees to be obligated to mine the coal on behalf of the public body.
- [ ] This lease may only be transferred in whole or in part to another small business qualified under 13 CFR 121.

Transfers of record title, working or royalty interest *must* be approved in accordance with the regulations.

(b) RELINQUISHMENT - The lessee may relinquish in writing at any time all rights under this lease or any portion thereof as provided in the regulations. Upon lessor's acceptance of the relinquishment, lessee shall be relieved of all future obligations under the lease or the relinquished portion thereof, whichever is applicable.

Sec. 10. DELIVERY OF PREMISES, REMOVAL OF MACHINERY EQUIPMENT ETC - At such time as all portions of this lease are returned to lessor, lessee shall deliver up to lessor the land leased, underground timbering, and such other supports and structures necessary for the preservation of the mine workings on the leased premises or deposits and place all workings in condition for suspension or abandonment. Within 180 days thereof, lessee shall remove from the premises all other structures, machinery, equipment, tools, and materials that it elects to or as required by the authorized officer. Any such structures, machinery, equipment, tools, and materials remaining on the leased lands beyond 180 days, or approved extension thereof, shall become the property of the lessor, but lessee shall either remove any or all such property or shall continue to be liable for the cost of removal and disposal in the amount actually incurred by the lessor. If the surface is owned by third parties, lessor shall waive the requirement for removal, provided the third parties do not object to such waiver. Lessee shall, prior to the termination of bond liability or at any other time when required and in accordance with all applicable laws and regulations, reclaim all lands the surface of which has been disturbed, dispose of all debris or solid waste, repair the offsite and onsite damage caused by lessee's activity or activities incidental thereto, and reclaim access roads or trails.

Sec. 11. PROCEEDINGS IN CASE OF DEFAULT - If lessee fails to comply with applicable laws, existing regulations, or the terms, conditions and stipulations of this lease, and the noncompliance continues for 30 days after written notice thereof, this lease shall be subject to cancellation by the lessor only by judicial proceedings. This provision shall not be construed to prevent the exercise by lessor of any other legal and equitable remedy, including waiver of the default. Any such remedy or waiver shall not prevent later cancellation for the same default occurring at any other time.

Sec. 12. HEIRS AND SUCCESSORS-IN-INTEREST - Each obligation of this lease shall extend to and be binding upon, and every benefit hereof shall inure to, the heirs, executors, administrators, successors, or assigns of the respective parties hereto.

Sec. 13. INDEMNIFICATION - Lessee shall indemnify and hold harmless the United States from any and all claims arising out of the lessee's activities and operations under this lease.

Sec. 14. SPECIAL STATUTES - This lease is subject to the Clean Water Act (33 U.S.C. 1252 et. seq.), the Clean Air Act (42 U.S.C. 4274 et. seq.), and to all other applicable laws pertaining to exploration activities, mining operations and reclamation, including the Surface Mining Control and Reclamation Act of 1977 (30 U.S.C. 1201 et. seq.).

Sec. 15. SPECIAL STIPULATIONS -

- SEE ATTACHED STIPULATIONS -

THE UNITED STATES OF AMERICA

SOLDIER CREEK COAL COMPANY	By BUREAU OF LAND MANAGEMENT
Company or Lessee Name	
R W Olsen	Robert Lopez
(Signature of Lessee)	(Signing Officer)
PRESIDENT	Chief, Minerals Adjudication Section
(Title)	(Title)
AUGUST 21 1990	AUG 2 1 1990
(Date)	(Date)

Title 18 U.S.C. Section 1001, makes it a crime for any person knowingly and willfully to make to any department or agency of the United States any false, fictitious or fraudulent statements or representations as to any matter within its jurisdiction.

This form does not constitute an information collection as defined by 44 U.S.C. 3502 and therefore does not require OMB approval.

The following stipulations made part of this lease may be waived or amended with the mutual consent of the lessor and lessee.

1. In accordance with Sec. 523(b) of the "Surface Mining Control and Reclamation Act of 1977," surface mining and reclamation operations conducted on this lease are to conform with the requirements of this act and are subject to compliance with Office of Surface Mining regulations, or as applicable, a Utah program equivalent approved under cooperative agreement in accordance with Sec. 523(c). The United States Government does not warrant that the entire tract will be susceptible to mining.

2. The permitting of any mining operations on the lease will be subject to the possible designation of any portion of the lease as unsuitable for some or all kinds of surface mining under the regulations of the Department under the Surface Mining Control and Reclamation Act of 1977 (SMCRA) in effect at the time of action on the mine plan permit.

3. Before undertaking activities that may disturb the surface of previously undisturbed leased lands, the lessee may be required to conduct a cultural resource inventory of the areas to be disturbed. These studies shall be conducted by qualified professional cultural resource specialists and a report prepared itemizing the findings. A plan will then be submitted making recommendations for the protection of, or measures to be taken to mitigate impacts for identified cultural resources.

If significant cultural resources are discovered during operations under this lease, the lessee shall immediately bring them to the attention of the authorized officer who shall evaluate or have evaluated such discoveries and, within 5 working days, shall notify the lessee what action shall be taken with respect to such discoveries.

The cost of conducting the inventory, preparing reports, and carrying out necessary protective mitigating measures shall be borne by the lessee.

4. Before undertaking activities that may disturb the surface of previously undisturbed leased lands, the lessee may be required to conduct a paleontological appraisal of the areas to be disturbed. The appraisal shall be conducted by qualified paleontologists and a report prepared itemizing the findings. A plan will then be submitted making recommendations for the protection of, or measures to be taken to mitigate impacts for identified paleontological resources.

If paleontological remains (fossils) of significant scientific interest are discovered during operations under this lease, the lessee shall immediately bring them to the attention of the authorized officer who shall evaluate or have evaluated such discoveries brought to his attention and, within 5 working days, shall notify the lessee what action shall be taken with respect to such discoveries. Paleontological remains of significant scientific interest do not include leaves, ferns, or dinosaur tracks commonly encountered during underground mining operations.

The cost of conducting the inventory, preparing reports, and carrying out necessary protective mitigating measures shall be borne by the lessee. The cost of salvage of paleontological remains (fossils) shall be borne by the United States.

5. If there is reason to believe that threatened or endangered (T&E) species of plants or animals, or migratory species of high Federal interest occur in the area, the lessee shall be required to conduct an intensive field inventory of the area to be disturbed and/or impacted. A listing of migratory birds of high Federal interest in Federal coal producing regions is published by the Fish and Wildlife Service, Migratory Bird Management Office, Washington, D.C. The inventory shall be conducted by qualified specialist and a report of findings will be prepared. A plan will be prepared making recommendations for the protection of these species or action necessary to mitigate the disturbance.

The cost of conducting the inventory, preparing reports, and carrying out necessary protective mitigating measures shall be borne by the lessee.

6. The lessee shall be required to perform a study to secure adequate baseline data to quantify the existing surface resources on and adjacent to the lease area. Existing data may be used if such data is adequate for the intended purposes. The study shall be adequate to locate, quantify, and demonstrate the inter-relationship of the geology, topography, surface hydrology, vegetation, and wildlife. Baseline data will be established so that future programs of observation can be incorporated at regular intervals for comparison.

7. Powerlines on the lease area used in conjunction with the mining of coal from this lease shall be constructed so as to provide adequate protection for raptors and other large birds. When feasible, powerlines will be located at least 100 yards from public roads.

8. The lessee shall provide for the suppression and control of fugitive dust on haul roads and at coal handling and storage facilities on the lease area. The migration of road surfacing and subsurface materials into streams and water courses shall be prevented.

9. The lessee shall be required to establish a monitoring system to locate, measure, and quantify the progressive and final effects of underground mining activities on the topographic surface, underground and surface hydrology and vegetation. The monitoring system shall utilize techniques which will provide a continuing record of change over time and an analytical method for location and measurement of a number of points over the lease area. The monitoring shall incorporate and be an extension of the baseline data.

10. Except at specifically approved locations, underground mining operations shall be conducted in such a manner so as to prevent surface subsidence that would: 1) cause the creation of hazardous conditions such as potential escarpment failure and landslides, 2) cause damage to existing surface structures, or 3) damage or alter the flow of perennial streams.

11. In order to avoid surface disturbance on steep canyon slopes and to satisfy the need for surface access, all surface breakouts for ventilation tunnels shall be constructed from inside the mine, except at specifically approved locations.

12. Support facilities, structures, equipment, and similar developments will be removed from the lease area within 2 years after the final termination of use of such facilities. This provision shall apply unless the requirement of Section 10 of the lease form is applicable. Disturbed areas and those areas occupied by such facilities will be stabilized and rehabilitated, drainages reestablished, and the areas returned to a premining land use.

CHUBB

CHUBB GROUP OF INSURANCE COMPANIES

15 Mountain View Road, P.O. Box 1615, Warren, New Jersey 07061-1615

FEDERAL INSURANCE COMPANY

RIDER to be attached to and form a part of
Bond No. 8104-77-14 wherein
SUNEDCO COAL COMPANY
is named as Principal and FEDERAL INSURANCE COMPANY
AS SURETY, in favor of
UNITED STATES, DEPARTMENT OF THE INTERIOR, BUREAU OF LAND MANAGEMENT
in the amount of $300,000.00.
effective 8/14/85

Subsequently decreased to $5,000.00. effective 8/19/87, dated 9/14/87.

IT IS HEREBY STIPULATED AND AGREED THAT said bond is hereby amended as follows:

The name of the principal in said bond is changed from

SUNEDCO COAL COMPANY

TO

SAGE POINT COAL COMPANY

and that the Principal hereby binds itself, its successors and assigns, as Principal and FEDERAL INSURANCE COMPANY hereby binds itself, its successors and assigns, as Surety, in accordance with the terms, provisions and conditions of said bond as so amended.

IN WITNESS WHEREOF, the said Principal and Surety have caused this Rider to be duly signed and their respective seals to be hereunto affixed this 25th day of July, 1990

Accepted:

_____

BY _____

SAGE POINT COAL COMPANY

By: Kenneth A. Little

FEDERAL INSURANCE COMPANY

BY Lisa A. Kennedy
Lisa A. Kennedy
Attorney-In-Fact

POWER OF ATTORNEY

Know all Men by these Presents, That the **FEDERAL INSURANCE COMPANY**, 15 Mountain View Road, Warren, New Jersey, a New Jersey Corporation, has constituted and appointed, and does hereby constitute and appoint James D. McMahon, Brice R. Gamber, Denise DuMont, William J. Hill, Steven B. Cade, Lisa A. Kennedy and Matthew E. Lubin of Philadelphia, 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 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 Assistant Vice-President and Assistant Secretary and its corporate seal to be hereto affixed this 7th day of July 19 89

Corporate Seal

FEDERAL INSURANCE COMPANY NEW JERSEY

Richard D. O'Connor
Assistant Secretary

FEDERAL INSURANCE COMPANY
By

George McClellan
Assistant Vice-President

STATE OF NEW JERSEY
County of Somerset } ss.

On this 7th day of July 19 89, before me personally came Richard D. O'Connor to me known and by me known to be Assistant Secretary of the **FEDERAL INSURANCE COMPANY**, the corporation described in and which executed the foregoing Power of Attorney, and the said Richard D. O'Connor being by me duly sworn, did depose and say that he is Assistant Secretary of the **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 George McClellan and knows him to be the Assistant Vice-President of said Company, and that the signature of said George McClellan subscribed to said Power of Attorney is in the genuine handwriting of said George McClellan and was thereto subscribed by authority of said By-Laws and in deponent's presence

Notarial Seal

ALICE LEONARD NOTARY PUBLIC NEW JERSEY

Acknowledged and Sworn to before me
on the date above written

Alice Leonard
ALICE LEONARD Notary Public
NOTARY PUBLIC OF NEW JERSEY
My Commission Expires July 12, 1993

CERTIFICATION

STATE OF NEW JERSEY
County of Somerset } ss.

I, the undersigned, Assistant Secretary of the **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 on March 11, 1953 and most recently amended March 5, 1986 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 Assistant 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 obligatory 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 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 25th day of July 19 90

FEDERAL INSURANCE COMPANY NEW JERSEY

D. Mabley
Assistant Secretary

SC3 Revised 09/10/90 2-76

Form 21-10 0340 (Rev. 4-87) CONSENT

PRINTED IN U.S.A.