



**Merchants  
Bonding  
Company**

**HOME OFFICE**  
2100 FLEUR DRIVE  
DES MOINES, IOWA 50321-1158  
(515) 243-8171  
FAX (515) 243-0344

**AUSTIN OFFICE**  
P. O. BOX 26720  
AUSTIN, TEXAS 78755  
(512) 343-9033  
FAX (512) 343-8363

**BUSINESS SERVICES BOND**

Duplicate Original

BOND NO. TXF 1013

In consideration of an agreed premium, MERCHANTS BONDING COMPANY (MUTUAL) of Des Moines, Iowa, a corporation organized under the laws of the State of Iowa and duly authorized to transact business in the State of Texas as surety therein (hereinafter called "Surety"), hereby agrees to indemnify BHW Operating Company, LP dba UCS Cleaning of 1834 Ferguson Lane, Suite 1000 Austin, TX 78754 (hereinafter called "Obligee"), against direct loss of money or other property, from the premises of any and all subscribers (hereinafter called "Subscriber") to its services, and belonging to the Subscriber, or in which the Subscriber has a pecuniary interest or for which the Subscriber is legally liable, which the Subscriber shall sustain as the result of any employee dishonesty, as hereinafter defined, of an Employee or Employees of the Obligee and for which the Obligee is liable, to an amount not exceeding the aggregate Ten Thousand DOLLARS (\$ 10,000.00 ), the limit of the bond.

**THE FOREGOING AGREEMENT IS SUBJECT TO THE FOLLOWING CONDITIONS AND LIMITATIONS:**

**TERM OF BOND:**

**SECTION 1.** The term of this bond begins with the 9th day of August, 2004, 12:00 o'clock night, standard time at the address of the Obligee above given, and ends at 12:00 o'clock night, standard time, on the effective date of the cancellation of this bond in its entirety.

**DISCOVERY PERIOD:**

**SECTION 2.** Loss is covered under this bond only (a) if sustained through any act or acts committed by an Employee of Obligee while this bond is in force as to such Employee, and (b) if discovered prior to the expiration or sooner cancellation of this bond in its entirety as provided in Section 14, or from its cancellation or termination in its entirety in any other manner, whichever shall first happen.

**NON-ACCUMULATION OF LIABILITY:**

**SECTION 3.** Regardless of the number of years this bond shall continue in force, or the number of premiums which shall be payable or paid, or the number of occurrences for which claims are made, the liability of the Surety under this bond shall not exceed the applicable limit of bond shown above and shall not be cumulative in amount from year to year or from period to period.

**DEFINITION OF EMPLOYEE:**

**SECTION 4.** The word Employee or Employees, as used in this bond, shall be deemed to mean, respectively, one or more of the natural persons (except directors or trustees of the Obligee, if a corporation, who are not also officers or employees thereof in some other capacity) while in the regular service of the Obligee in the ordinary course of the Obligee's business during the term of this bond, and who the Obligee compensates by salary, or wages and has the right to govern and direct in the performance of such service, and who are engaged in such service within any of the States of the United States of America, or within the District of Columbia, Puerto Rico, the Virgin Islands, or elsewhere for a limited period, but not to mean brokers, factors, commission merchants, consignees, contractors, or other agents or representatives of the same general character.

**DEFINITION OF EMPLOYEE DISHONESTY:**

**SECTION 5.** Employee dishonesty shall mean only the fraudulent or dishonest occurrences causing loss during the time the Employee is engaged in services on the premises of the Subscriber or Subscribers and which is punishable under the Criminal Code in the jurisdiction within which the occurrence took place, for which said Employee(s) is tried and convicted by a court of proper jurisdiction.

**DEFINITION OF CONVICTION:**

**SECTION 6.** An adjudication of guilt or an order of deferred adjudication entered against a person by a court of competent jurisdiction whether or not (a) the imposition of the sentence is subsequently probated and the person is discharged from community supervision; or (b) the person is pardoned for the offense, unless the pardon is expressly granted for subsequent proof of innocence.

**DEFINITION OF OCCURRENCE:**

**SECTION 7.** Occurrence means all loss(es) caused by or involving one or more Employees whether the result of a single act or a series of acts without regard to the number of Subscribers involved.

**DEFINITION OF PREMISE:**

**SECTION 8.** Premise shall mean only the interior of the Subscriber's building or structure or any part thereof for which the Subscriber is the tenant or owner and for which the Obligee is rendering a service to the Subscriber but shall not include driveways, parking spaces, or appurtenant structures for which the Obligee is not performing a service.

**MERGER OR CONSOLIDATION:**

**SECTION 9.** If any natural persons shall be taken into the regular service of the Obligee through merger or consolidation with some other concern, the Obligee shall give the Surety written notice thereof and shall pay an additional premium on any increase in the number of Employees covered under this bond as a result of such merger or consolidation, computed pro rata from the date of such merger or consolidation to the end of the current premium period.

**LIMIT OF LIABILITY UNDER THIS BOND AND PRIOR INSURANCE:**

**SECTION 10.** With respect to loss or losses caused by an Employee or which are chargeable to such Employee as provided in Section 5 and which occur partly under this bond and partly under other bonds or policies issued by the Surety to the Obligee or to any predecessor in interest of the Obligee and terminated or cancelled or allowed to expire and in which the period for discovery has not expired at the time any such loss or losses thereunder are discovered, the total liability of the Surety under this bond and under such other bonds or policies shall not exceed, in the aggregate, the amount carried under this bond on such loss or losses or the amount available to the Obligee under such other bonds or policies, as limited by the terms and conditions thereof for any such loss or losses, if the latter amount be the larger.

**TRANSFER OF RIGHTS OF RECOVERY:**

**SECTION 11.** The Obligee, as condition to coverage under this bond, must transfer to the Surety all rights of recovery to the extent that a loss is paid by a third party person or company for any loss the Obligee sustains and for which the Surety has paid or settled the claim. The Obligee must also do everything necessary to secure those rights and must do nothing after any loss to impair those rights.

**SALVAGE:**

**SECTION 12.** If the Obligee shall sustain any loss covered by this bond in excess of the amount of coverage provided by this bond, the Obligee shall first be entitled to all recoveries (except from suretyship, insurance, reinsurance security and indemnity taken by or for the benefit of the Surety) by whomsoever made on account of such excess loss under this bond, until fully reimbursed less the actual cost of effecting the same, and any remaining salvage shall thereafter be applied to the reimbursement of the Surety.

**CANCELLATION AS TO ANY EMPLOYEE:**

**SECTION 13.** This bond shall be deemed cancelled as to any Employee: (a) Immediately upon discovery by the Obligee, or by any partner or officer thereof not in collusion with such Employee, of any fraudulent or dishonest act on the part of such Employee; or (b) at 12:00 o'clock night standard time, upon the effective date specified in a written notice served upon the Insured or sent by mail. Such date, if the notice be served, shall be not less than ten days after such service, or, if sent by mail, not less than fifteen days after the date of mailing. The mailing by Surety of notice, as aforesaid, to the Obligee at its principal office shall be sufficient proof of notice.

**CANCELLATION AS TO BOND IN ITS ENTIRETY:**

**SECTION 14.** This bond shall be deemed cancelled in its entirety at 12:00 o'clock night, standard time, upon the effective date specified in a written notice served by the Obligee upon the Surety or served by the Surety upon the Obligee, or sent by mail. Such date, if the notice be served by the Surety shall be not less than ten days after such service, or if sent by the Surety by mail, not less than fifteen days after the date of mailing. The mailing by the Surety of notice, as aforesaid, to the Obligee at its principal office shall be sufficient proof of notice. The Surety shall refund to the Obligee the unearned premium computed pro rata if this bond be cancelled at the instance of the Surety, or at short rates if cancelled or reduced at the instance of the Obligee.

**PRIOR FRAUD, DISHONESTY OR CANCELLATION:**

**SECTION 15.** No Employee, to the best of the knowledge of the Obligee or of any partner or officer thereof not in collusion with such Employee, has committed any fraudulent or dishonest act in the service of the Obligee or otherwise. If prior to the issuance of this bond, any fidelity insurance in favor of the Obligee or any predecessor in interest of the Obligee and covering one or more of the Obligee's employees shall have been cancelled as to any of such employees by reason of (a) the discovery of any fraudulent or dishonest act on the part of such employees, or (b) the giving of written notice of cancellation by the insurer issuing said fidelity insurance, whether the Surety or not and if such employees shall not have been reinstated under the coverage of said fidelity insurance, or superseding fidelity insurance, the Surety shall not be liable under this bond on account of such employees unless the Surety shall agree in writing to include such employees within the coverage of this bond.

**LOSS-NOTICE-PROOF-LEGAL PROCEEDINGS:**

**SECTION 16.** At the earliest practical moment, and at all events not later than fifteen days after discovery of any fraudulent or dishonest act on the part of any Employee by the Obligee, or by any partner or officer thereof not in collusion with such Employee, the Obligee shall give the Surety written notice thereof and within four months after such discovery shall file with the Surety affirmative proof of loss, itemized and duly sworn to, and shall upon request of the Surety render every assistance, not pecuniary, to facilitate the investigation and adjustment of any loss. No suit to recover on account of such loss under this bond shall be brought after the expiration of 750 days from the discovery as aforesaid of the fraudulent or dishonest act causing such loss. If any limitation in this bond for giving notice, filing claim or bringing suit is prohibited or made void by any law controlling the construction of this bond, such limitation shall be deemed to be amended so as to be equal to the minimum period of limitation permitted by such law.

**EXCLUSIONS:**

**SECTION 17.** This bond does not apply:

- (a) to the defense of any legal proceeding brought against the Obligee or Subscriber, or to fees, costs or expenses incurred or paid by the Obligee or Subscriber in prosecuting or defending any legal proceeding whether or not such proceeding results or would result in a loss to the Obligee or Subscriber covered by this bond.
- (b) to potential income including but not limited to interest and dividends, not realized by the Obligee or Subscriber because of a loss covered under this bond.
- (c) to damages of any type for which the Obligee or Subscriber is legally liable, except direct compensatory damages arising from a loss covered under this bond.
- (d) to costs, fees and other expenses incurred by the Obligee or Subscriber in establishing the existence of or amount of loss covered under this bond.

SIGNED, SEALED AND DATED \_\_\_\_\_ August 9, 2004 \_\_\_\_\_

MERCHANTS BONDING COMPANY (MUTUAL)

The initial one/three year premium on this bond is \_\_\_\_\_ 185.00 \_\_\_\_\_ payable upon delivery.

By: Audrey Williams  
Audrey Williams Attorney-in-Fact

**THIS BOND HAS AN EMPLOYEE CONVICTION REQUIREMENT TO SUBSTANTIATE ANY LOSS OR CLAIM.**

Agency Name Consolidated Insurance  
Street Address 3108 N. Lamar  
City, State, Zip Austin, TX 78705

# Merchants Bonding Company

(Mutual)

## POWER OF ATTORNEY for Company Employees

Know All Persons By These Presents, that the MERCHANTS BONDING COMPANY (MUTUAL), a corporation duly organized under the laws of the State of Iowa, and having its principal office in the City of Des Moines, County of Polk, State of Iowa, hath made, constituted and appointed, and does by these presents make, constitute and appoint the following company employees

**Audrey Williams**

of **Austin** and State of **Texas** its true and lawful Attorney-in-Fact, with full power and authority hereby conferred in its name, place and stead, to sign, execute, acknowledge and deliver in its behalf as surety any and all bonds, undertakings, recognizances or other written obligations in the nature thereof, subject to the limitation that any such instrument shall not exceed the amount of:

**Unlimited**

and to bind the MERCHANTS BONDING COMPANY (MUTUAL) thereby as fully and to the same extent as if such bond or undertaking was signed by the duly authorized officers of the MERCHANTS BONDING COMPANY (MUTUAL), and all the acts of said Attorney-in-Fact, pursuant to the authority herein given, are hereby ratified and confirmed.

This Power-of-Attorney is made and executed pursuant to and by authority of the following Amended Substituted and Restated By-Laws adopted by the Board of Directors of the MERCHANTS BONDING COMPANY (MUTUAL) on November 16, 2002.

ARTICLE II, SECTION 8 - The Chairman of the Board or President or any Vice President or Secretary shall have power and authority to appoint Attorneys-in-Fact, and to authorize them to execute on behalf of the Company, and attach the Seal of the Company thereto, bonds and undertakings, recognizances, contracts of indemnity and other writings obligatory in the nature thereof.

ARTICLE II, SECTION 9 - The signature of any authorized officer and the Seal of the Company may be affixed by facsimile to any Power of Attorney or Certification thereof authorizing the execution and delivery of any bond, undertaking, recognizance, or other suretyship obligations of the Company, and such signature and seal when so used shall have the same force and effect as though manually fixed.

In Witness Whereof, MERCHANTS BONDING COMPANY (MUTUAL) has caused these presents to be signed by its President and its corporate seal to be hereto affixed, this 1st day of January, 2008.



MERCHANTS BONDING COMPANY (MUTUAL)

By *Larry Taylor*  
President

STATE OF IOWA  
COUNTY OF POLK ss.

On this 1st day of January, 2008, before me appeared Larry Taylor, to me personally known, who being by me duly sworn did say that he is President of the MERCHANTS BONDING COMPANY (MUTUAL), the corporation described in the foregoing instrument, and that the Seal affixed to the said instrument is the Corporate Seal of the said Corporation and that the said instrument was signed and sealed in behalf of said Corporation by authority of its Board of Directors.

In Testimony Whereof, I have hereunto set my hand and affixed my Official Seal at the City of Des Moines, Iowa, the day and year first above written.

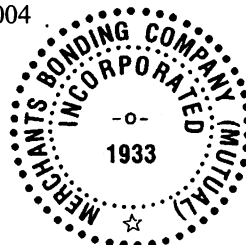
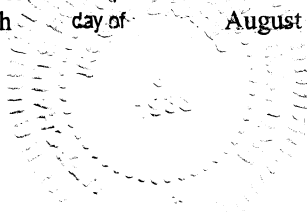


*Cindy Smyth*  
Notary Public, Polk County, Iowa

STATE OF IOWA  
COUNTY OF POLK ss.

I, William Warner, Jr., Secretary of the MERCHANTS BONDING COMPANY (MUTUAL), do hereby certify that the above and foregoing is a true and correct copy of the POWER-OF-ATTORNEY executed by said MERCHANTS BONDING COMPANY (MUTUAL), which is still in full force and effect and has not been amended or revoked.

In Witness Whereof, I have hereunto set my hand and affixed the seal of the Company on this 9th day of August, 2004.



*William Warner Jr.*  
Secretary

# IMPORTANT NOTICE

To obtain information or make a complaint:

You may contact your insurance agent at the telephone number provided by your insurance agent.

You may call Merchants Bonding Company's toll-free telephone number for information or to make a complaint at:

**1-800-678-8171**

You may contact the Texas Department of Insurance to obtain information on companies, coverages, rights or complaints at:

**1-800-252-3439**

You may write the Texas Department of Insurance at:

P. O. Box 149104

Austin, TX 78714-9104

FAX # (512) 475-1771

**PREMIUM AND CLAIM DISPUTES:** Should you have a dispute concerning your premium or about a claim you should contact the agent first. If the dispute is not resolved, you may contact the Texas Department of Insurance.

**ATTACH THIS NOTICE TO YOUR POLICY:** This notice is for information only and does not become a part or condition of the attached document.