



RA-1245 (XREF SUB 07-8970)  
Gale Ranch III

### INCREASE - DECREASE RIDER

TO BE ATTACHED TO and form part of Bond Number 929 493 848 issued by the  
The Continental Insurance Company  
Surety, on behalf of Shapell Homes, a Division of Shapell Industries, Inc., a Delaware Corp. of  
Milpitas, CA, hereinafter referred  
to as the Principal, and in favor of County of Contra Costa  
of Martinez, CA, hereinafter  
referred to as the Obligor, effective the 5th day of March, 2010.

IN CONSIDERATION of the premium charged for the attached bond and other good and valuable consideration it  
is understood and agreed that effective the 13th day of December, 2010, and  
subject to all the terms, conditions and limitations of the attached bond, the penal sum thereof shall be and the  
same is hereby **\*\*DECREASED\*\*** from the sum of  
One Million Seven Hundred Thirty Seven Thousand No/100\*\*\* Dollars (\$ 1,737,000.00\*\*\*), to the  
sum of Two Hundred Sixty Thousand Five Hundred Fifty No/100\*\*\* Dollars (\$ 260,550.00\*\*\*).

IT IS FURTHER UNDERSTOOD and agreed that subject to all the terms, conditions and limitations of the  
attached bond, the aggregate liability of the Surety for any loss occurring prior to said date shall not exceed the  
sum of One Million Seven Hundred Thirty Seven Thousand No/100\*\*\* Dollars (\$ 1,737,000.00\*\*\*),  
or for any loss occurring subsequent to said date shall not exceed the sum of  
Two Hundred Sixty Thousand Five Hundred Fifty No/100\*\*\* Dollars (\$ 260,550.00\*\*\*).

In no event, however, shall the aggregate liability of the Surety exceed the larger of the aforementioned sums, it  
being the intent hereof to preclude cumulative liability.

SIGNED, SEALED AND DATED this 13th day of December, 2010

Accepted By:

County of Contra Costa

Shapell Homes, a Division of Shapell Industries, Inc.,  
A Delaware Corp.

(Principal)

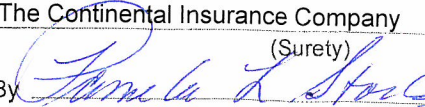
By \_\_\_\_\_

By  (Seal)

By  (Seal)

The Continental Insurance Company

(Surety)

By  (Seal)  
Pamela L. Stocks, Attorney-in-Fact

# POWER OF ATTORNEY APPOINTING INDIVIDUAL ATTORNEY-IN-FACT

**Know All Men By These Presents,** That The Continental Insurance Company, a Pennsylvania insurance company, is a duly organized and existing insurance company having its principal office in the City of Chicago, and State of Illinois, and that it does by virtue of the signature and seal herein affixed hereby make, constitute and appoint

**Pamela L Stocks, Beverly A Hall, Sandra V Hanner, Gina O'Shea, Individually**

of Sherman Oaks, CA, its true and lawful Attorney(s)-in-Fact with full power and authority hereby conferred to sign, seal and execute for and on its behalf bonds, undertakings and other obligatory instruments of similar nature

**- In Unlimited Amounts -**

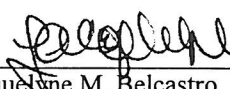
and to bind them thereby as fully and to the same extent as if such instruments were signed by a duly authorized officer of the insurance company and all the acts of said Attorney, pursuant to the authority hereby given is hereby ratified and confirmed.

This Power of Attorney is made and executed pursuant to and by authority of the By-Law and Resolutions, printed on the reverse hereof, duly adopted, as indicated, by the Board of Directors of the insurance company.

**In Witness Whereof,** The Continental Insurance Company has caused these presents to be signed by its Senior Vice President and its corporate seal to be hereto affixed on this 8th day of October, 2009.



The Continental Insurance Company

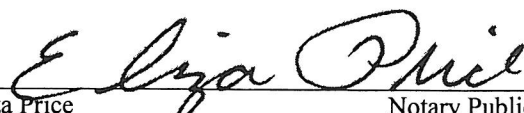
  
Jacquelyne M. Belcastro Senior Vice President

State of Illinois, County of Cook, ss:

On this 8th day of October, 2009, before me personally came Jacquelyne M. Belcastro to me known, who, being by me duly sworn, did depose and say: that she resides in the City of Chicago, State of Illinois; that she is a Senior Vice President of The Continental Insurance Company, a Pennsylvania insurance company, described in and which executed the above instrument; that she knows the seal of said insurance company; that the seal affixed to the said instrument is such corporate seal; that it was so affixed pursuant to authority given by the Board of Directors of said insurance company and that she signed her name thereto pursuant to like authority, and acknowledges same to be the act and deed of said insurance company.



My Commission Expires September 17, 2013

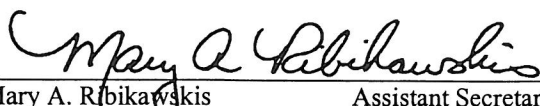
  
Eliza Price Notary Public

## CERTIFICATE

I, Mary A. Ribikawskis, Assistant Secretary of The Continental Insurance Company, a Pennsylvania insurance company, do hereby certify that the Power of Attorney herein above set forth is still in force, and further certify that the By-Law and Resolution of the Board of Directors of the insurance company printed on the reverse hereof is still in force. In testimony whereof I have hereunto subscribed my name and affixed the seal of the said insurance company this 13th day of December, 2010.



The Continental Insurance Company

  
Mary A. Ribikawskis Assistant Secretary

# CALIFORNIA ALL-PURPOSE ACKNOWLEDGMENT

State of California

County of Los Angeles

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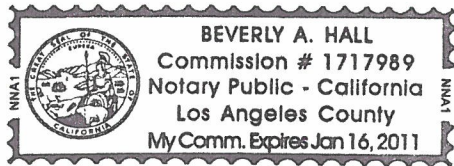
On December 13, 2010 before me, Beverly A. Hall, Notary Public

Date

Here Insert Name and Title of the Officer

personally appeared Pamela L. Stocks

Name(s) of Signer(s)



who proved to me on the basis of satisfactory evidence to be the person(x) whose name(x) is/are subscribed to the within instrument and acknowledged to me that ~~he/she/they~~ executed the same in ~~his/her/their~~ authorized capacity(ies), and that by ~~his/her/their~~ signature(s) on the instrument the person(x), or the entity upon behalf of which the person(x) acted, executed the instrument.

I certify under PENALTY OF PERJURY under the laws of the State of California that the foregoing paragraph is true and correct.

WITNESS my hand and official seal.

Notary Seal

Signature

Beverly A. Hall

Signature of Notary Public

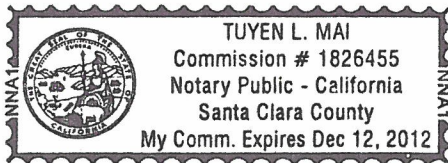
## CALIFORNIA ALL PURPOSE ACKNOWLEDGMENT

State of California

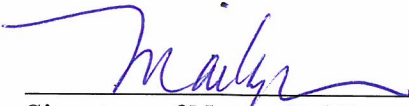
County of Santa Clara

On **December 17, 2010**, before me, **Tuyen L. Mai**, Notary Public personally appeared **Robert D. Moore and Samuel S. Worden** who proved to me on the basis of satisfactory evidence to be the persons whose names are subscribed to the within instrument and acknowledged to me that they executed the same in their authorized capacities, and that by their signature on the instrument the person, or the entity upon behalf of which the person acted, executed the instrument.

I certify under PENALTY OF PERJURY under the laws of the State of California that the foregoing paragraph is true and correct.



WITNESS my hand and official seal.

  
\_\_\_\_\_  
Signature of Notary Public

### Optional Information

Title or Type of Document: **Increase-Decrease Rider (Bond# 929-493-848)**