

PRINCIPAL

Shapell Industries, Incorporated
100 North Milpitas Boulevard
Milpitas, CA 95035
Attn: Dave Suico
408-946-1550

TITLE COMPANY

First American Title Co.
6683 Owens Drive
Pleasanton, CA 94588
Attn: Bernadette Salas
Phone: 925-738-4043

Order Number: 0192-4352367

SURETY

Name: RLI Insurance Company
Address: 101 Bradford Road Suite 200
Wexford, PA 15090
Phone #: 724-934-1240

BOND #CMS0282906

Tax year 2015/ 2016

BOND AGAINST TAXES

KNOW ALL MEN BY THESE PRESENTS:

THAT, **Shapell Industries, Inc., a Delaware Corporation** as principal and (Surety) **RLI Insurance Company**, a corporation organized and existing under the laws of the State of Illinois, and authorized to transact surety business in California as surety are held and firmly bound unto the County of **Contra Costa**, State of California, in the penal sum of **Two Hundred One Thousand Six Hundred Ten and 00/100** Dollars (\$201,610.00), to be paid to said County of **Contra Costa**, for the payment of which will and truly be made, we and each of us bind ourselves, our heirs, executors, administrators and successors, jointly and severally, firmly by these presents.

Sealed with our Seals and dated this 12 TH day of AUGUST, 2015.

The conditions of the above obligation is such that WHEREAS, the above bounded principal is about to file a map entitled **Subdivision Map 9314** and covering a subdivision of a tract of land in said County of **Contra Costa** and there are certain liens for taxes and special assessments collected as taxes, against the said tract of land covered by said map, which taxes and special assessments collected as taxes, are not as yet due or payable.

NOW, THEREFORE, if the said **Principal**, shall pay all of the taxes and special assessments collected as taxes which are a lien against said tract of land covered by said map, at the time of the filing of said map of said tract, then this obligation shall be void and of no effect, otherwise it shall remain in full force and effect.

Shapell Industries, Incorporated, a Delaware Corporation

RLI INSURANCE COMPANY

By: _____

Name _____

Title: _____

Robert D. Moore
Div. President

William F. Sinkiss
William F. Sinkiss, Attorney-in-Fact

Principal

Surety

DATE: *August 18, 2015*
BOND REVIEWED AND APPROVED
CONTRA COSTA COUNTY
TREASURER - TAX COLLECTOR
BY: *[Signature]*

STATE OF _____)SS
COUNTY OF _____)

On _____, before me, _____, Notary
Public, personally appeared _____, who
proved to me on the basis of satisfactory evidence to be the person(s) whose name(s) 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(s), or the entity upon behalf of
with the person(s) 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

My Commission Expires: _____

This area for official notarial seal

Notary Name: _____

Notary Phone: _____

Notary Registration Number: _____

County of Principal Place of Business: _____

CALIFORNIA ALL-PURPOSE ACKNOWLEDGEMENT

Civil Code § 1189

A notary public or other officer completing this certificate verifies only the identity of the individual who signed the document to which this certificate is attached, and not the truthfulness, accuracy or validity of that document.

State of PENNSYLVANIA

County of CHESTER

On AUGUST 12, 2015 before me, ARLENE OSTROFF, Notary Public

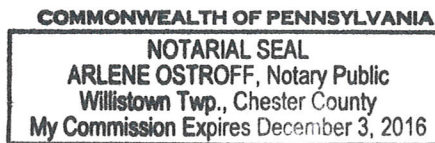
personally appeared WILLIAM F. SIMKISS

Who proved to me on the basis of satisfactory evidence to be the person(s) whose name(s) 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(s), or the entity upon behalf of which the person(s) 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 [Signature]



Place Notary Public Seal Above

OPTIONAL

Though the information below is not required by law, it may prove valuable to the persons relying on the document and could prevent fraudulent removal and reattachment of this form to another document.

Description of Attached Document

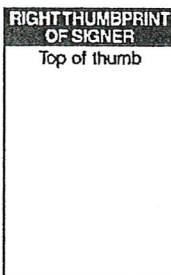
Title or Type of Document _____

Document Date _____ Number of Pages: _____

Signer's Name: _____

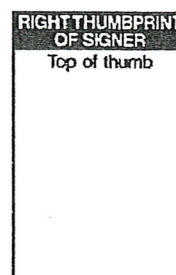
- ☐ Individual
- ☐ Corporate Officer – Title(s): _____
- ☐ Partner - ☐ Limited ☐ General
- ☐ Guardian or Conservator
- ☒ Attorney-in-Fact
- ☐ Trustee
- ☐ Other: _____

Signer is representing _____
 RLI INSURANCE COMPANY



- ☐ Individual
- ☐ Corporate Officer – Title(s): _____
- ☐ Partner - ☐ Limited ☐ General
- ☐ Guardian or Conservator
- ☐ Attorney-in-Fact
- ☐ Trustee
- ☐ Other: _____

Signer is representing _____





RLI Insurance Company
P.O. Box 3967 Peoria IL 61612-3967
Phone: 309-692-1000 Fax: 309-683-1610

RLI Insurance Company

December 31, 2014

Admitted Assets

Investments:

Fixed maturities	\$ 578,763,554
Equity securities	917,648,978
Short-term investments	10,259,714
Real estate	22,187,806
Properties held to produce income	0
Cash on hand and on deposit	19,674,128
Other invested assets	10,686,345
Receivables for securities	764,088
Agents' balances	103,623,266
Investment income due and accrued	5,788,863
Funds held	4,000
Reinsurance recoverable on paid losses	10,302,704
Federal income taxes receivable	0
Net deferred tax asset	0
Guarantee funds receivable or on deposit	88,398
Electronic data processing equipment, net of depreciation	1,179,933
Receivable from affiliates	21,465,694
Other admitted assets	4,544,437

Total Admitted Assets \$ 1,706,981,908

State of Illinois

County of Peoria

Liabilities and Surplus

Liabilities:

Reserve for unpaid losses and loss adjustment expenses	\$ 458,619,890
Unearned premiums	215,181,323
Accrued expenses	60,283,644
Funds held	764,068
Advance premiums	5,609,431
Amounts withheld	59,014,706
Dividends declared and unpaid	13,599
Ceded reinsurance premium payable	27,664,360
Payable for securities	5,272,496
Statutory penalties	1,016,799
Current federal & foreign income taxes	612,972
Federal income tax payable	15,764,547
Borrowed money and accrued interest	1,288
Drafts outstanding	0
Payable to affiliate	4,983,685
Other liabilities	2,882,254
Total Liabilities	\$ 857,685,062

Surplus:

Common stock	\$ 10,000,375
Additional paid-in capital	242,451,084
Unassigned surplus	596,845,387

Total Surplus \$ 849,296,846

Total Liabilities and Surplus \$ 1,706,981,908

The undersigned, being duly sworn, says: That he is the President of **RLI Insurance Company**; that said Company is a corporation duly organized, in the State of Illinois, and licensed and engaged in business in the State of CA and has duly complied with all the requirements of the laws of said State applicable of said Company and is duly qualified to act as Surety under such laws; that said Company has also complied with and is duly qualified to act as Surety under the Act of Congress approved July 1947, 6U.S.C sec. 6-13; and that to the best of his knowledge and belief the above statement is a full, true, and correct statement of the financial condition of the said Company on the 31st day of December 2014.

Attest:



{ Corporate
Seal
Affixed }

Michael J. Stone President

Cynthia S. Dohm Assistant Secretary

Sworn to before me this 3rd day of March, 2015.



{ Notarial
Seal
Affixed }

Jacqueline M. Bockler Notary Public, State of Illinois



RLI Surety
9025 N. Lindbergh Dr. | Peoria, IL 61615
Phone: (800)645-2402 | Fax: (309)689-2036
www.rlicorp.com

POWER OF ATTORNEY

RLI Insurance Company

Know All Men by These Presents:

That this Power of Attorney is not valid or in effect unless attached to the bond which it authorizes executed, but may be detached by the approving officer if desired.

That **RLI Insurance Company**, an Illinois corporation, does hereby make, constitute and appoint:

William F. Simkiss, Richard J. Decker, Daniel P. Dunigan, James L. Hahn, Brian C. Block, Joseph W. Kolok Jr., jointly or severally

in the City of Paoli, State of Pennsylvania its true and lawful Agent and Attorney in Fact, with full power and authority hereby conferred, to sign, execute, acknowledge and deliver for and on its behalf as Surety, the following described bond.

Any and all bonds provided the bond penalty does not exceed Twenty Five Million Dollars (\$25,000,000.00).

The acknowledgment and execution of such bond by the said Attorney in Fact shall be as binding upon this Company as if such bond had been executed and acknowledged by the regularly elected officers of this Company.

The **RLI Insurance Company** further certifies that the following is a true and exact copy of the Resolution adopted by the Board of Directors of **RLI Insurance Company**, and now in force to-wit:

"All bonds, policies, undertakings, Powers of Attorney or other obligations of the corporation shall be executed in the corporate name of the Company by the President, Secretary, any Assistant Secretary, Treasurer, or any Vice President, or by such other officers as the Board of Directors may authorize. The President, any Vice President, Secretary, any Assistant Secretary, or the Treasurer may appoint Attorneys in Fact or Agents who shall have authority to issue bonds, policies or undertakings in the name of the Company. The corporate seal is not necessary for the validity of any bonds, policies, undertakings, Powers of Attorney or other obligations of the corporation. The signature of any such officer and the corporate seal may be printed by facsimile."

IN WITNESS WHEREOF, the **RLI Insurance Company** has caused these presents to be executed by its Vice President with its corporate seal affixed this 8th day of October, 2014.

RLI Insurance Company

By: Roy C. Die Vice President



State of Illinois
County of Peoria

} SS

On this 8th day of October, 2014, before me, a Notary Public, personally appeared Roy C. Die, who being by me duly sworn, acknowledged that he signed the above Power of Attorney as the aforesaid officer of the **RLI Insurance Company** and acknowledged said instrument to be the voluntary act and deed of said corporation.

By: Jacqueline M. Bockler Notary Public



CERTIFICATE

I, the undersigned officer of **RLI Insurance Company**, a stock corporation of the State of Illinois, do hereby certify that the attached Power of Attorney is in full force and effect and is irrevocable; and furthermore, that the Resolution of the Company as set forth in the Power of Attorney, is now in force. In testimony whereof, I have hereunto set my hand and the seal of the **RLI Insurance Company** this 12TH day of AUGUST, 2015.

RLI Insurance Company

By: Roy C. Die Vice President

ACKNOWLEDGMENT

A notary public or other officer completing this certificate verifies only the identity of the individual who signed the document to which this certificate is attached, and not the truthfulness, accuracy, or validity of that document.

State of California
County of Alameda)

On August 14, 2015 before me, April Crawford, Notary Public-----
(insert name and title of the officer)

personally appeared Robert D. Moore, who proved to me on the basis of satisfactory evidence to be the person whose name is subscribed to the within instrument and acknowledged to me that he executed the same in his authorized capacity, and that by his 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

April Crawford

(Seal)

