

Subdivision: Gale Ranch IV SD 16-9326

Bond No.: 58741056

Premium: \$2424.00

Any claim under this Bond should be sent

to the following address:

100 Matsonford Road

Radnor, PA 19087

**IMPROVEMENT SECURITY BOND
FOR SUBDIVISION AGREEMENT**
(Performance, Guarantee and Payment)
(Gov. Code, §§ 66499-66499.10)

1. **RECITAL OF SUBDIVISION AGREEMENT.** The Principal has executed an agreement with the County of Contra Costa (hereinafter "County") to install and pay for street, drainage and other improvements in Subdivision 9326 as specified in the Subdivision Agreement, and to complete said work within the time specified for completion in the Subdivision Agreement, all in accordance with State and local laws and rulings thereunder in order to satisfy conditions for filing of the Final Map or Parcel Map for said subdivision. Under the terms of the Subdivision Agreement, Principal is required to furnish a bond to secure the faithful performance of the Subdivision Agreement and payment to laborers and materialmen.

2. **OBLIGATION.** Shapell Industries, Inc., a Delaware Corporation, as Principal, and Western Surety Company, a corporation organized and existing under the laws of the State of South Dakota and authorized to transact surety business in California, as Surety, hereby jointly and severally bind ourselves, our heirs, executors, administrators, successors and assigns to the County of Contra Costa, California to pay it:

(A. Performance and Guarantee) Three Hundred Three Thousand and 00/100 Dollars (\$ 303,000.00) for itself or any city assignee under the above Subdivision Agreement.

(B. Payment) One Hundred Fifty Three Thousand Five Hundred and 00/100 Dollars (\$ 153,500.00) to secure the claims to which reference is made in Title XV (commencing with Section 3082) of Part 4 of Division III of the Civil Code of the State of California.

3. **CONDITION.** This obligation is subject to the following condition.

A. The condition of this obligation as to Section 2.(A) above is such that if the above bounded Principal, his or its heirs, executors, administrators, successors or assigns, shall in all things stand to and abide by, and well and truly keep and perform the covenants, conditions and provisions in the said agreement and any alteration thereof made as therein provided, on his or their part, to be kept and performed at the time and in the manner therein specified, and in all respects according to their true intent and meaning, and shall indemnify and save harmless the County of Contra Costa (or city assignee), its officers, agents and employees, as therein stipulated, then this obligation shall become null and void; otherwise it shall be and remain in full force and effect.

As part of the obligation secured hereby and in addition to the face amount specified therefor, there shall be included costs and reasonable expenses and fees, including reasonable attorney's fees, incurred by the County of Contra Costa (or city assignee) in successfully enforcing such obligation, and to be taxed as costs and included in any judgment rendered.

B. The condition of this obligation, as to Section 2.(B) above, is such that said Principal and the undersigned as corporate surety are held firmly bound unto the County of Contra Costa and all contractors, subcontractors, laborers, materialmen and other persons employed in the performance of the aforesaid Subdivision Agreement and referred to in the aforesaid Civil Code for materials furnished or labor thereon of any kind, or for amounts due under the Unemployment Insurance Act with respect to this work or labor, and that the Surety will pay the same in an amount not exceeding the amount hereinabove set forth, and also in case suit is brought upon this bond, will pay, in addition to the face amount thereof, costs and reasonable expenses and fees, including reasonable attorney's fees, incurred by the County of Contra Costa (or city assignee) in successfully enforcing such obligation, to be awarded and fixed by the court, and to be taxed as costs and to be included in the judgment therein rendered.

It is hereby expressly stipulated and agreed that this bond shall inure to the benefit of any and all persons, companies, and corporations entitled to file claims under Title 15 (commencing with Section 3082) of Part 4 of Division 3 of the Civil Code, so as to give a right of action to them or their assigns in any suit brought upon this bond.

Should the condition of this bond be fully performed, then this obligation shall become null and void; otherwise it shall be and remain in full force and effect.

C. No change, extension of time, alteration, or addition to the terms of said Subdivision Agreement or the work to be performed thereunder or any plan or specifications of said work, agreed to by the Principal and the County of Contra Costa (or city assignee) shall relieve any Surety from liability on this bond; and consent is hereby given to make such change, extension of time, alteration or addition without further notice to or consent by Surety; and Surety hereby waives the provisions of Civil Code Section 2819 and holds itself bound without regard to and independently of any action against the Principal whenever taken.

SIGNED AND SEALED on November 14, 20 16.

Shapell Industries, Inc., a Delaware Corporation
Principal: Corporation

Address: 6800 Kull Center Plaza #320
Placentia, CA Zip: 94566

By: [Signature]
Print Name: Robert B. Moore
Title: Division President

Surety: WESTERN SURETY COMPANY

Address: 100 Matsonford Road
Radnor, PA Zip: 19087

By: [Signature]
Print Name: Daniel P. Dunigan
Title: Attorney-in-Fact

[Note: All signatures must be acknowledged. For corporations, two officers must sign. The first signature must be that of the chairman of the board, president, or vice-president; the second signature must be that of the secretary, assistant secretary, chief financial officer, or assistant treasurer. (Civ. Code, § 1190 and Corps. Code, § 313.)]

Form Approved by County Counsel
[Rev. 1/06]

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 NOVEMBER 14, 2016 before me, ARLENE OSTROFF, Notary Public

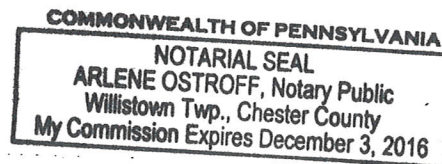
personally appeared DANIEL P. DUNIGAN

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 *Arlene Ostroff*
Notary Public 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

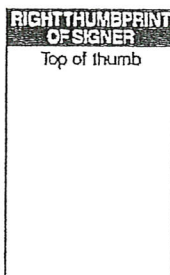
Title or Type of Document _____

Document Date _____ Number of Pages: _____

Signer's Name: _____

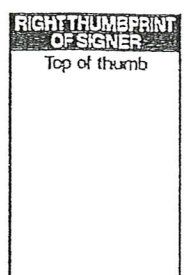
- ☐ Individual
- ☐ Corporate Officer – Title(s): _____
- ☐ Partner - ☐ Limited ☐ General
- ☐ Guardian or Conservator
- ☒ Attorney-in-Fact
- ☐ Trustee
- ☐ Other: _____

Signer is representing
WESTERN SURETY COMPANY



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

Signer is representing _____



Western Surety Company

POWER OF ATTORNEY APPOINTING INDIVIDUAL ATTORNEY-IN-FACT

Know All Men By These Presents, That WESTERN SURETY COMPANY, a South Dakota corporation, is a duly organized and existing corporation having its principal office in the City of Sioux Falls, and State of South Dakota, and that it does by virtue of the signature and seal herein affixed hereby make, constitute and appoint

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

of Paoli, PA, 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 it thereby as fully and to the same extent as if such instruments were signed by a duly authorized officer of the corporation and all the acts of said Attorney, pursuant to the authority hereby given, are hereby ratified and confirmed.

This Power of Attorney is made and executed pursuant to and by authority of the By-Law printed on the reverse hereof, duly adopted, as indicated, by the shareholders of the corporation.

In Witness Whereof, WESTERN SURETY COMPANY has caused these presents to be signed by its Vice President and its corporate seal to be hereto affixed on this 10th day of February, 2016.



WESTERN SURETY COMPANY

A handwritten signature in cursive script, appearing to read "Paul T. Bruflat".

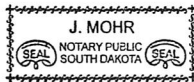
Paul T. Bruflat, Vice President

State of South Dakota }
County of Minnehaha } ss

On this 10th day of February, 2016, before me personally came Paul T. Bruflat, to me known, who, being by me duly sworn, did depose and say: that he resides in the City of Sioux Falls, State of South Dakota; that he is the Vice President of WESTERN SURETY COMPANY described in and which executed the above instrument; that he knows the seal of said corporation; 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 corporation and that he signed his name thereto pursuant to like authority, and acknowledges same to be the act and deed of said corporation.

My commission expires

June 23, 2021



A handwritten signature in cursive script, appearing to read "J. Mohr".

J. Mohr, Notary Public

CERTIFICATE

I, L. Nelson, Assistant Secretary of WESTERN SURETY COMPANY do hereby certify that the Power of Attorney hereinabove set forth is still in force, and further certify that the By-Law of the corporation 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 corporation this 14TH day of NOVEMBER, 2016.



WESTERN SURETY COMPANY

A handwritten signature in cursive script, appearing to read "L. Nelson".

L. Nelson, Assistant Secretary

Authorizing By-Law

ADOPTED BY THE SHAREHOLDERS OF WESTERN SURETY COMPANY

This Power of Attorney is made and executed pursuant to and by authority of the following By-Law duly adopted by the shareholders of the Company.

Section 7. 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, and 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.

WESTERN SURETY COMPANY
Sioux Falls, South Dakota
Statement of Net Admitted Assets and Liabilities
December 31, 2015

ASSETS


Bonds	\$ 1,694,282,606
Common stocks	24,218,356
Cash, cash equivalents, and short-term investments	25,339,975
Investment income due and accrued	20,596,996
Premiums and considerations	27,577,388
Amounts recoverable from reinsurers	9,329,459
Federal & foreign income taxes recoverable	3,597,963
Net deferred tax asset	16,095,068
Receivable from parent, subsidiaries, and affiliates	1,645,324
Other assets	1,016,832
Total Assets	<u>\$ 1,823,699,967</u>

LIABILITIES AND SURPLUS

Losses	\$ 214,978,759
Loss adjustment expense	56,382,252
Other expenses	1,040,680
Taxes, License and fees	2,313,346
Unearned premiums	207,378,031
Advance premiums	5,566,599
Ceded reinsurance premiums payable	1,844,830
Provision for reinsurance	681,280
Other liabilities	10,175,884
Total Liabilities	<u>\$ 500,361,661</u>
Surplus Account;	
Common stock	\$ 4,000,000
Gross paid in and contributed surplus	280,071,837
Unassigned funds	1,039,266,469
Surplus as regards policyholders	<u>\$ 1,323,338,306</u>
Total Liabilities and Capital	<u>\$ 1,823,699,967</u>

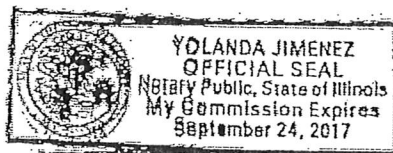
I, Troy Wray, Assistant Vice President of Western Surety Company hereby certify that the above is an accurate representation of the financial statement of the Company dated December 31, 2015, as filed with the various Insurance Departments and is a true and correct statement of the condition of Western Surety Company as of that date.

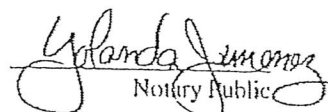
Western Surety Company

By 
Assistant Vice President

Subscribed and sworn to me this 21st day of March, 2016.

My commission expires:




Notary Public

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 November 14, 2016 before me, Jean R. Westphal, 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(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 Jean R. Westphal (Seal)

