

Decrease PENALTY RIDER

BOND NO. 1013945

To be attached and form a part of Bond No. 1013945 dated the 28th day of December, 2015, executed by The Hanover Insurance Company as surety, on behalf of Shapell Industries, Inc., a Delaware Corporation as current principal of record, and in favor of County of Contra Costa, as Obligee, and in the amount of One Million Six Hundred Seventy Thousand Dollars and 00/100 (\$1,670,000.00).

In consideration of the agreed premium charged for this bond, it is understood and agreed that The Hanover Insurance Company hereby consents that effective from the 22nd day of May, 2017, said bond shall be amended as follows:

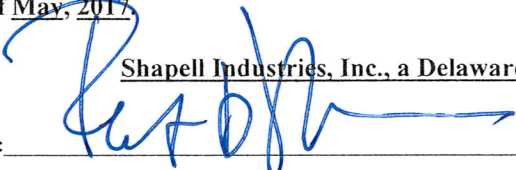
THE BOND PENALTY SHALL BE Decreased:

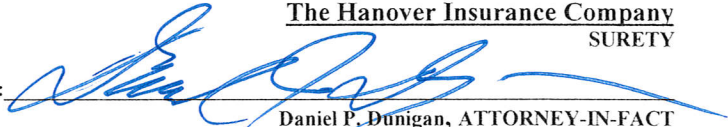
FROM: One Million Six Hundred Seventy Thousand Dollars and 00/100 (\$1,670,000.00)

TO: Two Hundred Fifty Thousand Five Hundred Dollars and 00/100 (\$250,500.00)

The Decrease of said bond penalty shall be effective as of the 22nd day of May, 2017, and does hereby agree that the continuity of protection under said bond subject to changes in penalty shall not be impaired hereby, provided that the aggregate liability of the above mentioned bond shall not exceed the amount of liability assumed by it at the time the act and/or acts of default were committed and in no event shall such liability be cumulative.

Signed, sealed and dated this 31st day of May, 2017.

BY:  Shapell Industries, Inc., a Delaware Corporation
PRINCIPAL

BY:  The Hanover Insurance Company
SURETY
Daniel P. Dunigan, ATTORNEY-IN-FACT

TITLE

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.

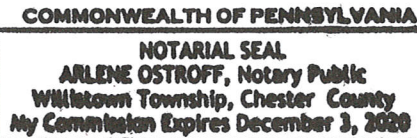
State of PENNSYLVANIA

County of CHESTER

On May 31, 2017 before me, ARLENE OSTROFF, Notary Public

personally appeared DANIEL P. DUNIGAN
Name and or Names of Signer(s)

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 _____
The Hanover Insurance Company



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

Signer is representing _____



THE HANOVER INSURANCE COMPANY
MASSACHUSETTS BAY INSURANCE COMPANY
CITIZENS INSURANCE COMPANY OF AMERICA

POWERS OF ATTORNEY
CERTIFIED COPY

KNOW ALL MEN BY THESE PRESENTS: That THE HANOVER INSURANCE COMPANY and MASSACHUSETTS BAY INSURANCE COMPANY, both being corporations organized and existing under the laws of the State of New Hampshire, and CITIZENS INSURANCE COMPANY OF AMERICA, a corporation organized and existing under the laws of the State of Michigan, do hereby constitute and appoint

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

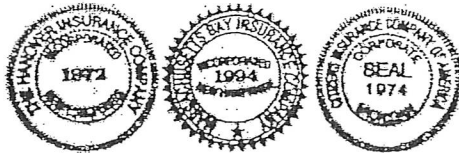
of Paoli, PA and each is a true and lawful Attorney(s)-in-fact to sign, execute, seal, acknowledge and deliver for, and on its behalf, and as its act and deed any place within the United States, or, if the following line be filled in, only within the area therein designated any and all bonds, recognizances, undertakings, contracts of indemnity or other writings obligatory in the nature thereof, as follows:

Any such obligations in the United States, not to exceed Ten Million and No/100 (\$10,000,000) in any single instance

and said companies hereby ratify and confirm all and whatsoever said Attorney(s)-in-fact may lawfully do in the premises by virtue of these presents. These appointments are made under and by authority of the following Resolution passed by the Board of Directors of said Companies which resolutions are still in effect:

"RESOLVED, That the President or any Vice President, in conjunction with any Vice President, be and they are hereby authorized and empowered to appoint Attorneys-in-fact of the Company, in its name and as its acts, to execute and acknowledge for and on its behalf as Surety any and all bonds, recognizances, contracts of indemnity, waivers of citation and all other writings obligatory in the nature thereof, with power to attach thereto the seal of the Company. Any such writings so executed by such Attorneys-in-fact shall be as binding upon the Company as if they had been duly executed and acknowledged by the regularly elected officers of the Company in their own proper persons." (Adopted October 7, 1981 - The Hanover Insurance Company; Adopted April 14, 1982 - Massachusetts Bay Insurance Company; Adopted September 7, 2001 - Citizens Insurance Company of America)

IN WITNESS WHEREOF, THE HANOVER INSURANCE COMPANY, MASSACHUSETTS BAY INSURANCE COMPANY and CITIZENS INSURANCE COMPANY OF AMERICA have caused these presents to be sealed with their respective corporate seals, duly attested by two Vice Presidents, this 9th day of July 2012.



THE HANOVER INSURANCE COMPANY
MASSACHUSETTS BAY INSURANCE COMPANY
CITIZENS INSURANCE COMPANY OF AMERICA

Robert Thomas, Vice President

Joe Brenstrom, Vice President

THE COMMONWEALTH OF MASSACHUSETTS)
COUNTY OF WORCESTER) ss.

On this 9th day of July 2012 before me came the above named Vice Presidents of The Hanover Insurance Company, Massachusetts Bay Insurance Company and Citizens Insurance Company of America, to me personally known to be the individuals and officers described herein, and acknowledged that the seals affixed to the preceding instrument are the corporate seals of The Hanover Insurance Company, Massachusetts Bay Insurance Company and Citizens Insurance Company of America, respectively, and that the said corporate seals and their signatures as officers were duly affixed and subscribed to said instrument by the authority and direction of said Corporations.



BARBARA A. GARLICK
Notary Public
Commonwealth of Massachusetts
My Commission Expires Sept. 21, 2018

Barbara A. Garlick, Notary Public
My Commission Expires September 21, 2018

I, the undersigned Vice President of The Hanover Insurance Company, Massachusetts Bay Insurance Company and Citizens Insurance Company of America, hereby certify that the above and foregoing is a full, true and correct copy of the Original Power of Attorney issued by said Companies, and do hereby further certify that the said Powers of Attorney are still in force and effect.

This Certificate may be signed by facsimile under and by authority of the following resolution of the Board of Directors of The Hanover Insurance Company, Massachusetts Bay Insurance Company and Citizens Insurance Company of America.

"RESOLVED, That any and all Powers of Attorney and Certified Copies of such Powers of Attorney and certification in respect thereto, granted and executed by the President or any Vice President in conjunction with any Vice President of the Company, shall be binding on the Company to the same extent as if all signatures therein were manually affixed, even though one or more of any such signatures thereon may be facsimile." (Adopted October 7, 1981 - The Hanover Insurance Company; Adopted April 14, 1982 - Massachusetts Bay Insurance Company; Adopted September 7, 2001 - Citizens Insurance Company of America)

GIVEN under my hand and the seals of said Companies, at Worcester, Massachusetts, this 31ST day of MAY 20 17

THE HANOVER INSURANCE COMPANY
MASSACHUSETTS BAY INSURANCE COMPANY
CITIZENS INSURANCE COMPANY OF AMERICA

Glenn Margosian, Vice President

**The Hanover Insurance Company, Bedford, New Hampshire
Assets and Liabilities as of December 31, 2015**

ASSETS

	2015
Cash in Banks (Including Short-Term Investments).....	\$ 17,879,085
Bonds and Stocks	\$5,157,345,953
Other Admitted Assets	<u>\$1,751,113,764</u>
Total Admitted Assets	<u>\$6,926,338,802</u>

LIABILITIES, CAPITAL AND SURPLUS

Reserve for Unearned Premiums	\$1,500,006,384
Reserve for Loss and Loss Expense.....	\$2,575,997,846
Reserve for Taxes.....	\$ 27,386,244
Funds held under reinsurance treaties	\$ 3,466,200
Reserve for all other liabilities.....	\$ 631,441,115
Capital Stock - \$1.00 par	\$ 5,000,000
Net Surplus	<u>\$2,183,041,013</u>
Policyholders' Surplus	<u>\$2,188,041,013</u>
Total Liabilities, Capital and Surplus.....	<u>\$6,926,338,802</u>

COMMONWEALTH OF MASSACHUSETTS

COUNTY OF WORCESTER

I, Andrew C. Furman, Treasurer of The Hanover Insurance Company, being duly sworn deposes and says that he is the above described officer of said Company, and certifies that the forgoing statement is a true statement of the condition and affairs of the said Company on December 31, 2015.

Andrew C. Furman,
Treasurer

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 June 8, 2017 before me, Kristine E. Desrosiers, 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

Kristine E. Desrosiers

(Seal)

