

## PERFORMANCE BOND

Bond No. S9163433

This Performance Bond is made this 7th day of July, 2015, by Roy W. Green and Dorothy M. Green a Individuals in the State of Maryland, ("Principal") and Washington International Insurance Company, a corporation of the State of Maryland and authorized to execute performance bonds in the State of Maryland ("Surety"), which by this Performance Bond are held and firmly bound unto the City of Annapolis, a municipal corporation of the State of Maryland ("City"), in the sum of Sixty Thousand Seven Hundred Fourteen and 25/100 Dollars (\$ 60,714.25 ), for the payment of which the Principal and Surety, their heirs, personal representatives, successors and assigns, jointly and severally, jointly and severally, hereby bind themselves as set forth below.

WHEREAS, Principal has requested issuance of a Grading Permit, with a Grading Permit Number of GRD14-0031 for a project/development which is titled 800 Banneker Lane, \_\_\_\_\_ and with construction drawings prepared by Sigma/CPJ and dated 5/19/2015; and

WHEREAS, Principal is required by Sections 17.08.092 (Grading Permit) and 20.20.020 (Public Improvements) of the City of Annapolis Code to guarantee completion and to cover costs of construction and installation of all the terms and work stipulated in Grading Permit No. GRD14-0031 (hereby incorporated as part of this bond by reference and hereinafter referred to as "the Grading Permit") issued or to be issued by the City of Annapolis, Department of Neighborhood & Environmental Programs, including but not limited to: streets, culverts, water mains, sewer mains, drainage structures, earthmoving, erosion and sediment control measures, including vegetative stabilization, storm drains, storm water management systems and facilities (above and below ground) curbs, gutters, sidewalks, street lighting, signage, piping, manholes, fire hydrants, reproducible Mylar "as built" site drawings, roadways and roadway improvements and other public improvements.

NOW, THEREFORE, THE CONDITION OF THIS OBLIGATION IS SUCH THAT:

1. The Principal shall faithfully comply with Chapters 17.08 and 20.20 of the City of Annapolis Code (1996 Edition and Supplements thereto), shall complete not later than 7/31/2017, the improvements described in the construction drawings referenced above, shall satisfy any and all claims or demands by the City for performance or assurance of performance, shall fully indemnify and save harmless the City from all costs (including but not limited to all attorneys fees incurred by the City) and damage which the City may suffer by reason of the failure so to do, shall fully reimburse and repay the City all outlay and expense which the City may incur in making good any such default.

2. If Principal fails or refuses within thirty (30) days after demand by the City to meet any obligation under the preceding paragraph, the City shall have a direct right of action against the Principal and Surety, jointly and severally, under this obligation without further demand.

3. In addition to the foregoing, Principal and Surety, agree to pay the City for labor, materials and equipment furnished by any third party or by the City in the performance of Grading Permit which is incorporated herein by reference. This obligation shall be null and void if the Principal promptly makes payment, directly or indirectly, for all sums claimed.

4. The obligation of Principal and Surety under paragraph 3 shall be null and void if Surety promptly makes payment to the City, directly or indirectly, for all sums claimed.

5. Surety's total obligation to the City shall not exceed the amount of this Bond, and the amount due by Surety to the City under the terms of this Bond shall be credited for any payments made in good faith by Surety to the City.

6. Surety shall not be liable for obligations of Principal that are unrelated to the Grading Permit or the obligations set forth in Chapters 17.08 or 20.20 of the City Code. The City shall not be liable for payment of any costs or expenses of any third person(s) under this

Bond, and shall have under this Bond no obligations to any third person(s) unless the third person is retained by the City and then only for that work authorized after the third person is retained by the City.

7. Surety hereby waives notice of any change, including changes of time, to the Grading Permit or to related contracts, purchase orders and other obligations.

8. Notice to Principal, Surety and the City shall be mailed or delivered to the address shown on the signature page.

9. The venue for all actions brought pursuant to this Performance bond shall be the courts of Anne Arundel County, Maryland, and the parties hereby waive trial by jury in all such actions.

10. The intent of this Bond shall be to include without limitation in the terms "labor, materials or equipment" that part of water, gas, power, light, heat, oil, gasoline, telephone service or rental equipment used in the performance Grading Permit as well as architectural and engineering services required for performance of the work described in the Grading Permit and all other items

11. This Performance Bond shall be of a one year duration but shall automatically be extended, without notification to the Principal and Surety, for successive one-year periods of time unless the Principal notifies the City, by certified letter to the City Attorney, 160 Duke of Gloucester Street, Annapolis, Maryland, 21401, no later than thirty (30) days prior to the expiration date of this Performance Bond of its intention to substitute the Surety. The Substitute Surety shall be approved by the City and a substitute Performance Bond shall be in place, in a format approved by the City, prior to the expiration of the existing Performance Bond. If this Performance Bond is so extended, the dollar amount of this Performance Bond shall automatically be increased annually in proportion to the cost of living increase in the City as determined by the U.S. Bureau of Labor Statistics CPI or five (5) percent of the pre-existing amount of the Performance Bond, whichever is greater, without execution of further documents

or addenda. If necessary, the Principal shall sign a personal guaranty for any increases in the original amount of this Performance Bond.

The obligations under this Bond shall bind Principal and Surety, their heirs, executors, administrators, representatives, successors and assigns. The obligations of Principal and Surety hereunder shall be joint and several.

PRINCIPAL

Company: (Corporate Seal)

Signature: Roy W. Green  
Name and Title: Roy W. Green

Signature: Dorothy M. Green  
Name and Title: Dorothy M. Green  
Address: 11600 Locust Glen Drive  
Mitchellville, MD 20721  
Phone: 301-262-7242

SURETY

Company: (Corporate Seal)

Signature: Tina Grivas  
Name and Title: Tina Grivas, Attorney-in-Fact  
Address: 475 N. Martingale Road, Suite 850  
Schaumburg, IL 60173  
Phone: 603-644-6600

Approved as to form and legal sufficiency:

\_\_\_\_\_  
Date

City Attorney  
145 Gorman Street, 3<sup>rd</sup> Floor  
Annapolis, MD 21401  
410/263-7954

PRE-APPROVED FORMAT: 6/03/2010

[agree\bond.2]

NAS SURETY GROUP

NORTH AMERICAN SPECIALTY INSURANCE COMPANY  
WASHINGTON INTERNATIONAL INSURANCE COMPANY

GENERAL POWER OF ATTORNEY

KNOW ALL MEN BY THESE PRESENTS, THAT North American Specialty Insurance Company, a corporation duly organized and existing under laws of the State of New Hampshire, and having its principal office in the City of Manchester, New Hampshire, and Washington International Insurance Company, a corporation organized and existing under the laws of the State of New Hampshire and having its principal office in the City of Schaumburg, Illinois, each does hereby make, constitute and appoint:

WESLEY A. PUMPHREY, TINA GRIVAS, TODD GRADY ELLIS,  
MARIE C. PALMER, PATRICIA M. AMOS and JANETTA SMITH

JOINTLY OR SEVERALLY

Its true and lawful Attorney(s)-in-Fact, to make, execute, seal and deliver, for and on its behalf and as its act and deed, bonds or other writings obligatory in the nature of a bond on behalf of each of said Companies, as surety, on contracts of suretyship as are or may be required or permitted by law, regulation, contract or otherwise, provided that no bond or undertaking or contract or suretyship executed under this authority shall exceed the amount of:

FIFTY MILLION (\$50,000,000.00) DOLLARS

This Power of Attorney is granted and is signed by facsimile under and by the authority of the following Resolutions adopted by the Boards of Directors of both North American Specialty Insurance Company and Washington International Insurance Company at meetings duly called and held on the 9<sup>th</sup> of May, 2012:

"RESOLVED, that any two of the Presidents, any Managing Director, any Senior Vice President, any Vice President, any Assistant Vice President, the Secretary or any Assistant Secretary be, and each or any of them hereby is authorized to execute a Power of Attorney qualifying the attorney named in the given Power of Attorney to execute on behalf of the Company bonds, undertakings and all contracts of surety, and that each or any of them hereby is authorized to attest to the execution of any such Power of Attorney and to attach therein the seal of the Company; and it is

FURTHER RESOLVED, that the signature of such officers and the seal of the Company may be affixed to any such Power of Attorney or to any certificate relating thereto by facsimile, and any such Power of Attorney or certificate bearing such facsimile signatures or facsimile seal shall be binding upon the Company when so affixed and in the future with regard to any bond, undertaking or contract of surety to which it is attached."



By [Signature]  
Steven P. Anderson, Senior Vice President of Washington International Insurance Company  
& Senior Vice President of North American Specialty Insurance Company



By [Signature]  
Michael A. Ito, Senior Vice President of Washington International Insurance Company  
& Senior Vice President of North American Specialty Insurance Company

IN WITNESS WHEREOF, North American Specialty Insurance Company and Washington International Insurance Company have caused their official seals to be hereunto affixed, and these presents to be signed by their authorized officers this 11th day of May, 2015.

North American Specialty Insurance Company  
Washington International Insurance Company

State of Illinois  
County of Cook ss:

On this 11th day of May, 2015, before me, a Notary Public personally appeared Steven P. Anderson, Senior Vice President of Washington International Insurance Company and Senior Vice President of North American Specialty Insurance Company and Michael A. Ito, Senior Vice President of Washington International Insurance Company and Senior Vice President of North American Specialty Insurance Company, personally known to me, who being by me duly sworn, acknowledged that they signed the above Power of Attorney as officers of and acknowledged said instrument to be the voluntary act and deed of their respective companies.



[Signature]  
M. Kenny, Notary Public

I, Jeffrey Goldberg, the duly elected Assistant Secretary of North American Specialty Insurance Company and Washington International Insurance Company, do hereby certify that the above and foregoing is a true and correct copy of a Power of Attorney given by said North American Specialty Insurance Company and Washington International Insurance Company, which is still in full force and effect.

IN WITNESS WHEREOF, I have set my hand and affixed the seals of the Companies this 7th day of July, 2015.

[Signature]  
Jeffrey Goldberg, Vice President & Assistant Secretary of  
Washington International Insurance Company & North American Specialty Insurance Company