



FAITHFUL PERFORMANCE BOND

CITY OF MENIFEE, STATE OF CALIFORNIA

(Government Code Section 66499.1)

| | | | |
|--|-----------------|------------------|---|
| FOR: Streets / Drainage | \$ 2,303,000.00 | Tract Map | 36485-6 |
| Water System | \$ 441,500.00 | Other Proj. Ref. | IP17-043 |
| Rec. Water | \$ 0.00 | Bond No. | TM5224837 |
| Sewer System | \$ 391,500.00 | Premium | \$17,875.00 USD |
| Total | \$ 3,136,000.00 | | |
| Surety <u>The Guarantee Company of North America USA</u> | | Principal | <u>Sutter Mitland 01, LLC</u> |
| Address <u>One Town Square, Suite 1470</u> | | Address | <u>3200 Park Center Drive, Ste 1000</u> |
| City/State <u>Southfield, MI</u> | | City/State | <u>Costa Mesa, CA</u> |
| Zip code <u>48076</u> | | Zip | <u>92626</u> |
| Phone <u>(248)-281-0281</u> | | Phone | <u>(714) 427-6868</u> |

WHEREAS, the City of Meniffee, State of California, and Sutter Mitland 01, LLC (hereinafter designated as "principal") have entered into, or are about to enter into, the attached agreement(s) whereby principal agrees to install and complete the above designated public improvements relating to TM 36485-6, IP17-043, which agreement(s) is/are hereby referred to and made a part hereof; and,

WHEREAS, said principal is required under the terms of said agreement(s) to furnish bond(s) for the faithful performance of said agreement(s);

NOW, THEREFORE, we the principal and The Guarantee Company of North America USA, as surety, are held and firmly bound unto the City of Meniffee in the penal sum of Three Million One Hundred Thirty Six Thousand ----- 00/100, Dollars, \$ 3,136,000.00 lawful money of the United States, for the payment of which sum will and truly be made, we bind ourselves, our heirs, successors, executors and administrators, jointly and severally, firmly by these presents.

The condition of this obligation is such that if the above bonded 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 City of Meniffee, its officers, agents and employees, as therein stipulated, then this obligation shall become null and void; otherwise, it shall remain in full force and effect.

As a part of the obligation secured hereby and in addition to the face amount specified therefore, there shall be included costs and reasonable expenses and fees, including reasonable attorney's fees, incurred by the City in successfully enforcing such obligation, all to be taxed as costs and included in any judgment rendered.

FAITHFUL PERFORMANCE BOND




The surety hereby stipulates and agrees that no change, extension of time, alteration or addition to the terms of this agreement or to the work to be performed there under or the specifications accompanying the same shall in anywise affect its obligation on this bond, and it does hereby waive notice of any such change, extension of time, alteration or addition. Surety further stipulates and agrees that the provisions of Section 2845 of the Civil Code and commencement of construction are not conditions precedent to surety's obligations hereunder and are hereby waived by surety.

When the work covered by the agreement is complete, the City of Menifee will accept the work and thereupon, the amount of the obligation of this bond is reduced by 90% with the remaining 10% held as security for the one-year maintenance period provided for in the agreements(s).

IN WITNESS WHEREOF, this instrument has been duly executed by the principal and surety above named, on January 7th,
2019

NAME OF PRINCIPAL: Sutter Mitland 01 LLC

AUTHORIZED SIGNATURE(S):

By: 
Name: **DAVID E. BARTLETT**
Title: **Vice President**

(IF CORPORATION, AFFIX SEAL)

NAME OF SURETY: The Guarantee Company of North America USA

AUTHORIZED SIGNATURE: 
Debra Watterson, Its Attorney-in-Fact Title

(IF CORPORATION, AFFIX SEAL)

ATTACH NOTARIAL ACKNOWLEDGMENT OF SIGNATURES OF PRINCIPAL AND ATTORNEY-IN-FACT.

A notary public or other officer completing this certificate verified 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 Orange) ss.

On January 11, 2019, before me, Danielle Monique Moss, Notary Public, personally appeared David E. Bartlett, 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.



Danielle Monique Moss
Notary Public



MATERIAL AND LABOR BOND
CITY OF MENIFEE, STATE OF CALIFORNIA
(Government Code Section 66499.1)

| | |
|--|--|
| FOR: Streets / Drainage \$ <u>1,151,500.00</u> Water System \$ <u>220,750.00</u> Rec. Water \$ <u>0.00</u> Sewer System \$ <u>195,750.00</u> Total \$ <u>1,568,000.00</u> | Parcel Map <u>36485-6</u> Other Proj. Ref. <u>IP17-043</u> Bond No. <u>TM5224837</u> Premium <u>(Included in performance portion)</u> |
| Surety The Guarantee Company of <u>North America USA</u> | Principal <u>Sutter Mitland 01, LLC</u> |
| Address <u>One Town Square, Suite 1470</u> | Address <u>3200 Park Center Dr., Ste. 1000</u> |
| City/State <u>Southfield, MI</u> | City/State <u>Costa Mesa, CA</u> |
| Zip <u>48076</u> | Zip <u>92626</u> |
| Phone <u>248-281-0281</u> | Phone <u>(714) 427-6868</u> |

WHEREAS, the City of Menifee, State of California, and Sutter Mitland 01, LLC, (hereinafter designated as "principal") have entered into, or are about to enter into, the attached agreement(s) whereby principal agrees to install and complete the above designated public improvements relating to TR 36485-6, IP17-043, which agreement(s) is/are hereby referred to and made a part hereof; and,

WHEREAS, under the terms of said agreement, principal is required, before entering upon the performance of the work, to file a good and sufficient payment bond with the City of Menifee to secure the claims to which reference is made in Title 15 (commencing with Section 3082) of Part 4 of Division 3 of the Civil Code of the State of California;

NOW, THEREFORE, said principal and the undersigned, as corporate surety, are held firmly unto the City of Menifee and all contractors, subcontractors, laborers, material persons and other persons employed in the performance of said Civil Code in the sum of One Million Five Hundred Sixty Eight Thousand and no/100, Dollars, \$ 1,568,000.00 for materials furnished or labor thereon of any kind, or for amounts due under the Unemployment Insurance Act with respect to such work or labor, that said 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 City 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 upon that this bond shall inure to the benefit of any and all persons, companies and corporations entitles to full 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.


MATERIAL AND LABOR BOND

The surety hereby stipulates and agrees that no change, extension of time, alteration or addition to the terms of this agreement or to the specifications accompanying the same shall in anywise affect its obligation on this bond, and it does hereby waive notice of any such change, extension of time, alteration or addition. Surety further stipulates and agrees that the provisions of Section 2845 of the Civil Code are not a condition precedent to surety's obligations hereunder and are hereby waived by surety.

IN WITNESS WHEREOF, this instrument has been duly executed by the principal and surety above named, on January 7th, 2019.

NAME OF PRINCIPAL: Sutter Mitland 01 LLC

AUTHORIZED SIGNATURE(S):

By: 
Name: **DAVID E. BARTLETT**
Title: **Vice President**

(IF CORPORATION, AFFIX SEAL)

NAME OF SURETY: The Guarantee Company of North America USA

AUTHORIZED SIGNATURE:


Debra Watterson, Its Attorney-in-Fact Title

(IF CORPORATION, AFFIX SEAL)

ATTACH NOTARIAL ACKNOWLEDGMENT OF SIGNATURES OF PRINCIPAL AND ATTORNEY-IN-FACT.

A notary public or other officer completing this certificate verified 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 Orange) SS.

On January 11, 2019, before me, Danielle Monique Moss, Notary Public, personally appeared David E. Bartlett, 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.



Danielle Monique Moss
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 Michigan
County of Oakland)

On 1/7/2019 before me, Lora O'Brien
(insert name and title of the officer)

personally appeared Debra Watterson
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


Lora O'Brien

(Seal)

Lora O'Brien
Notary Public, State of Michigan
County of Oakland
My Commission Expires April 21, 2024
Acting in Oakland County



The Guarantee Company of North America USA
Southfield, Michigan

POWER OF ATTORNEY

NOW ALL BY THESE PRESENTS: That **THE GUARANTEE COMPANY OF NORTH AMERICA USA**, a corporation organized and existing under the laws of the State of Michigan, having its principal office in Southfield, Michigan, does hereby constitute and appoint

Debra Watterson, Edward G. Woods, Kathleen Runestad, Lora O'Brien, Sara Schrauben, Jeffrey Jubera,
Katie Coalson, Edward DeVries, Dwight Teter, Casey M. Strohauser
The Guarantee Company of North America USA

its true and lawful attorney(s)-in-fact to execute, seal and deliver for and on its behalf as surety, any and all bonds and undertakings, contracts of indemnity and other writings obligatory in the nature thereof, which are or may be allowed, required or permitted by law, statute, rule, regulation, contract or otherwise.

The execution of such instrument(s) in pursuance of these presents, shall be as binding upon **THE GUARANTEE COMPANY OF NORTH AMERICA USA** as fully and amply, to all intents and purposes, as if the same had been duly executed and acknowledged by its regularly elected officers at the principal office.

The Power of Attorney is executed and may be certified so, and may be revoked, pursuant to and by authority of Article IX, Section 9.03 of the By-Laws adopted by the Board of Directors of **THE GUARANTEE COMPANY OF NORTH AMERICA USA** at a meeting held on the 31st day of December, 2003. The President, or any Vice President, acting with any Secretary or Assistant Secretary, shall have power and authority:

1. To appoint Attorney(s)-in-fact, and to authorize them to execute on behalf of the Company, and attach the Seal of the Company thereto, bonds and undertakings, contracts of indemnity and other writings obligatory in the nature thereof; and
2. To revoke, at any time, any such Attorney-in-fact and revoke the authority given, except as provided below
3. In connection with obligations in favor of the Florida Department of Transportation only, it is agreed that the power and authority hereby given to the Attorney-in-Fact includes any and all consents for the release of retained percentages and/or final estimates on engineering and construction contracts required by the State of Florida Department of Transportation. It is fully understood that consenting to the State of Florida Department of Transportation making payment of the final estimate to the Contractor and/or its assignee, shall not relieve this surety company of any of its obligations under its bond.
4. In connection with obligations in favor of the Kentucky Department of Highways only, it is agreed that the power and authority hereby given to the Attorney-in-Fact cannot be modified or revoked unless prior written personal notice of such intent has been given to the Commissioner - Department of Highways of the Commonwealth of Kentucky at least thirty (30) days prior to the modification or revocation.

Further, this Power of Attorney is signed and sealed by facsimile pursuant to resolution of the Board of Directors of the Company adopted at a meeting duly called and held on the 6th day of December 2011, of which the following is a true excerpt:

RESOLVED that the signature of any authorized officer and the seal of the Company may be affixed by facsimile to any Power of Attorney or certification thereof authorizing the execution and delivery of any bond, undertaking, contracts of indemnity and other writings obligatory in the nature thereof, and such signature and seal when so used shall have the same force and effect as though manually affixed.

IN WITNESS WHEREOF, **THE GUARANTEE COMPANY OF NORTH AMERICA USA** has caused this instrument to be signed and its corporate seal to be affixed by its authorized officer, this 1st day of March, 2018.



THE GUARANTEE COMPANY OF NORTH AMERICA USA

STATE OF MICHIGAN
County of Oakland

Stephen C. Ruschak, President & Chief Operating Officer

Randall Musselman, Secretary

On this 1st day of March, 2018 before me came the individuals who executed the preceding instrument, to me personally known, and being by me duly sworn, said that each is the herein described and authorized officer of The Guarantee Company of North America USA; that the seal affixed to said instrument is the Corporate Seal of said Company; that the Corporate Seal and each signature were duly affixed by order of the Board of Directors of said Company.



Cynthia A. Takai
Notary Public, State of Michigan
County of Oakland

My Commission Expires February 27, 2024

Acting in Oakland County

IN WITNESS WHEREOF, I have hereunto set my hand at The Guarantee Company of North America USA offices the day and year above written.

I, Randall Musselman, Secretary of **THE GUARANTEE COMPANY OF NORTH AMERICA USA**, do hereby certify that the above and foregoing is a true and correct copy of a Power of Attorney executed by **THE GUARANTEE COMPANY OF NORTH AMERICA USA**, which is still in full force and effect.



IN WITNESS WHEREOF, I have thereunto set my hand and attached the seal of said Company this 7th day of January, 2019

Randall Musselman, Secretary

THE GUARANTEE COMPANY OF NORTH AMERICA USA

Home Office, Southfield, Michigan

STATUTORY BALANCE SHEET

December 31, 2017

ASSETS

| | |
|---|----------------------|
| Cash and Short-Term Investments | \$ 78,963,167 |
| Marketable Securities | 144,488,213 |
| Premium and Agents Balances (under 90 days) | 4,351,703 |
| Reinsurance Receivable on paid losses | 419,972 |
| Accrued Interest and Dividends | 1,129,133 |
| Net Deferred Tax Asset | 537,875 |
| Other Assets | <u>637,702</u> |
| Total Admitted Assets | <u>\$230,527,765</u> |

LIABILITIES

| | |
|---|----------------------|
| Reserve for Losses and Loss Adjustment Expenses | \$ 8,727,339 |
| Unearned Premium Reserve | 19,582,956 |
| Accrued Expenses | 3,281,062 |
| Ceded Reinsurance Premiums Payable | 1,091,893 |
| Taxes, Licenses and Fees Payable | 255,235 |
| Federal Income Tax Payable | 313,424 |
| Funds Held | 6,762,987 |
| Other Liabilities | <u>562,521</u> |
| Total Liabilities | <u>\$ 40,577,417</u> |

CAPITAL AND SURPLUS

| | |
|--|----------------------|
| Common Stock and Paid-In Capital | \$144,020,970 |
| Surplus | <u>45,929,378</u> |
| Total Policyholders' Surplus | <u>\$189,950,348</u> |
| Total Liabilities, Capital and Surplus | <u>\$230,527,765</u> |

State of Michigan
County of Oakland

Stephen C. Ruschak being duly sworn, says: That he is the President & COO of The Guarantee Company of North America USA; that said company is a corporation duly organized, existing, and engaged in business as a surety by virtue of the laws of the State of Michigan, and has duly complied with all the requirements of the laws of said state applicable to 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 of July 30, 1947, as amended (6 U.S.C. 6-13); that the foregoing is a full, true and correct statement of the financial condition of said company on the 31st day of December 2017.

Sworn to before me this 5th day of March 2018.

Cynthia A. Takai
Notary

Cynthia A. Takai
Notary Public, State of Michigan
County of Oakland
My Commission Expires February 27, 2024
Acting In Oakland County

Stephen C. Ruschak
Stephen C. Ruschak, President & COO