

1809-04

**CONTRACT
BETWEEN
THE CITY OF JACKSONVILLE
AND
OREM ENTERPRISES, LLC d/b/a PESTMASTER SERVICES OF JACKSONVILLE
FOR
VEGETATION MANAGEMENT COUNTYWIDE**

THIS CONTRACT is executed as of this 16 day of May, 2014, by and between the CITY OF JACKSONVILLE, a municipal corporation in Duval County, Florida (hereinafter the "Owner" or the "City"), and OREM ENTERPRISES, LLC d/b/a PESTMASTER SERVICES OF JACKSONVILLE, a Florida limited liability company with principal office at 1170 Giovanni Street, Deltona, Florida 32725 (hereinafter the "Contractor"), for vegetation management countywide.

WITNESSETH, that for the consideration and under the provisions hereinafter stated and referred to moving from each to the other of said parties respectively, it is mutually understood and agreed as follows:

1. That Contractor is the lowest responsive and responsible bidder for furnishing, not by way of limitation, all labor, materials, and equipment, and performing all operations necessary to provide countywide vegetation management (hereinafter the "Project") by applying herbicides to vegetation growing in certain drainage outfall ditches, including but not limited to roadside ditches, outfall ditches, drainage structures, side drains, paved areas, retention ponds, and appurtenant work located throughout the City of Jacksonville, as well as other properties or easements which may lie outside the boundaries of Duval County, and all other related work shown on construction plans and described in the Scope of Work, all in accordance with plans, drawings, and specifications hereinafter referred to, and has been awarded this Contract for said work pursuant to award made April 11, 2014.

2. The Contractor will at its own cost and expense do the work required to be done and furnish the materials required to be furnished on said work in accordance with plans and specifications prepared by the Right of Way and Grounds Maintenance Division of the Department of Public Works of the City of Jacksonville, bid numbered SC-0442-14, bid date March 12, 2014, designated as *Bid Specifications for Vegetation Management Countywide*, and strictly in accordance with the advertisement calling for bids, plans, specifications, blueprints, addenda, requirements of the City of Jacksonville, proposal of the said Contractor, and award therefor (hereinafter collectively the "Contract Documents") now on file in the Office of the Chief of the Procurement Division of the City of Jacksonville, all of which are by this reference specifically made a part hereof to the same extent as if fully set out herein, in the total amount not-to-exceed EIGHTY-THREE THOUSAND FIVE HUNDRED SEVENTY-TWO AND 96/100 USD (\$83,572.96), at and for the prices and on the terms contained in the Contract Documents.

3. On Contractor's faithful performance of this Contract, the Owner will pay the Contractor in accordance with the terms and on the conditions stated in the Contract Documents.

4. The term of this Contract shall commence as of April 10, 2014, and shall continue in full force and effect as to all of its provisions, terms, and conditions, unless earlier terminated as provided in the Contract Documents, until September 30, 2014; provided, however, this Contract may be renewed, in the sole discretion of Owner, for up to three (3) additional one (1) year terms upon conditions that are mutually acceptable to the parties.

5. Contractor shall submit and record all payment and performance bonds in the Official Records of Duval County, as required by Section 255.05, Florida Statutes.

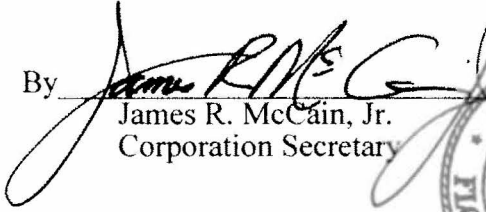
6. This Contract and all amendments thereto may be executed in several counterparts, each of which shall be deemed to be an original, and all of such counterparts together shall constitute one and the same instrument.

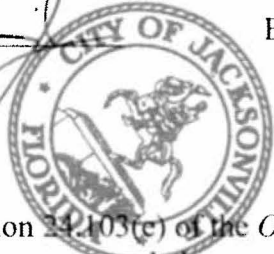
[Remainder of page left blank intentionally. Signature page follows immediately.]


IN WITNESS WHEREOF, the parties hereto have duly executed this Contract in duplicate the day and year first above written.

ATTEST:


CITY OF JACKSONVILLE, FLORIDA

By 
James R. McCain, Jr.
Corporation Secretary



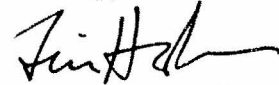
By 
Alvin Brown, Mayor
OWNER

In accordance with Section 24.103(c) of the Ordinance Code of the City of Jacksonville, I do hereby certify that there is an unexpended, unencumbered, and unimpounded balance in the appropriation sufficient to cover the foregoing agreement and that provision has been made for the payment of monies provided therein to be paid.


Director of Finance
7809-04

Encumbrance & funding information is found on the next page.

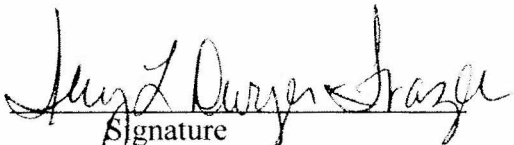
Form Approved:

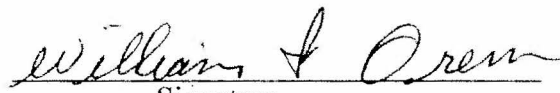

Office of General Counsel

Karen Bowling
Chief Administrative Officer
For: Mayor Alvin Brown
Under Authority of:
Executive Order No. 2013-04

WITNESS:

**OREM ENTERPRISES, LLC d/b/a
PESTMASTER SERVICES OF
JACKSONVILLE**


Signature
My Dwyer-Frazee
Type/Print Name
Legal Secretary
Title


Signature
William F Orem
Type/Print Name
President
Title

CONTRACTOR

ENCUMBRANCE & FUNDING INFORMATION:

Account..... PWML461SW-03410

Amount..... \$83,572.96

THIS IS AN APPROVED FORM. DO NOT SUBSTITUTE OR REVISE.

CONTRACT NUMBER 7809-04
(Contract Number to be inserted by the City of Jacksonville)

PERFORMANCE BOND NUMBER CE 12073700001

REQUIRED BY SECTION 255.05, FLORIDA STATUTES

As to the Contractor/Principal:

Name: Orem Enterprises, LLC d/b/a Pestmaster Services of Jacksonville

Principal Business Address: 1170 Giovanni Street, Deltona, Florida 32725

Telephone: 904-636-0633

As to the Surety:

Name: Philadelphia Indemnity Insurance Company

4050 Crums Mill Rd., Suite 201

Principal Business Address: Harrisburg, PA 17112

Telephone: () 717-540-2837

As to the Owner of the Property/Contracting Public Entity:

Name: The City of Jacksonville, Florida (c/o Public Works Department)

Principal Business Address: 609 St. Johns Bluff Road North, Jacksonville, Florida 32202

Telephone: (904) 998-5396

Description of Project including address and description of improvements: furnishing, not by way of limitation, all labor, materials, and equipment, and performing all operations necessary to provide countywide vegetation management by applying herbicides to vegetation growing in certain drainage outfall ditches, including but not limited to roadside ditches, outfall ditches, drainage structures, side drains, paved areas, retention ponds, and appurtenant work located throughout the City of Jacksonville, as well as other properties or easements which may lie outside the boundaries of Duval County, and all other related work shown on construction plans and described in the Scope of Work.

easements which may lie outside the boundaries of Duval County, and all other related work shown on construction plans and described in the Scope of Work, all in accordance with plans and specifications entitled *Bid Specifications for Vegetation Management Countywide* for the City of Jacksonville, Florida, in strict accordance with plans and specifications prepared by the Right of Way and Grounds Maintenance Division of the Department of Public Works of the City of Jacksonville, bid numbered SC-0442-14, bid date March 12, 2014, and any advertisement for bids for said work and the drawings, plans, and specifications for said work and requirements of the City request for bids and award therefor, and of the Contract and all documents included as a part of the Contract, all of which are, by this reference, made a part hereof to the same extent as if fully set out herein.

NOW, THEREFORE, THE CONDITIONS OF THIS OBLIGATION are such that if Contractor shall: **(1)** promptly and faithfully perform the construction work and other work in the time and manner prescribed in said Contract, which is made a part of this Bond by reference, in strict compliance with the Contract requirements; **(2)** perform the guarantee and maintenance of all work and materials furnished under the Contract for the time specified in the Contract; and, **(3)** pay the City all losses, delay and disruption damages, and all other damages, expenses, costs, and statutory attorney's fees, including those incurred in appellate proceedings, that the City sustains because of a default by Contractor under the Contract, then this Bond shall be void; otherwise, it shall remain in full force and effect, both in equity and in law, in accordance with the laws and statutes of the State of Florida.

PROVIDED, that the Surety hereby waives notice of any alteration or extension of time made by the City, and any changes in or under the Contract and compliance or noncompliance with any formalities connected with the Contract or the changes does not affect Surety's

obligation under this bond.

PROVIDED FURTHER, that whenever Contractor shall be declared by the City to be in default under the Contract, the City having performed the City's obligations thereunder, the Surety shall, at the City's sole option, take one (1) of the following actions:

- (1) Within a reasonable time, but in no event later than thirty (30) days after the City's written notice of termination for default, arrange for Contractor with the City's consent, which shall not be unreasonably withheld, to complete the Contract and the Surety shall pay the City all losses, delay and disruption damages, and all other damages, expenses, costs, and statutory attorney's fees, including those incurred in appellate proceedings, that the City sustains because of a default by the Contractor under the Contract; or
- (2) (A) Within a reasonable time, but in no event later than sixty (60) days after the City's written notice of termination for default, award a contract to a completion contractor and issue a notice to proceed. Surety shall obtain a bid or bids for completing the Contract in accordance with its terms and conditions, and upon determination by Surety of the lowest responsible qualified bidder, award a contract; (B) alternatively, the City may elect to have the Surety determine jointly with the City the lowest responsible qualified bidder, to have the Surety arrange for a contract between such bidder and the City, and for the Surety to make available as Work progresses sufficient funds to pay the cost of completion less the balance of the Contract price (even though there should be a default or a succession of defaults under the contract or contracts of completion arranged under this paragraph). The term "balance of the Contract price", as used in this

Bond, shall mean the total amount payable by the City to Contractor under the Contract and any approved change orders thereto, less the amount properly paid by the City to Contractor. (C) Either way, the Surety shall pay the City all remaining losses, delay and disruption damages, expenses, costs, and statutory attorney's fees, including those incurred in appellate proceedings, that the City sustains because of a default by Contractor under the Contract; or

- (3) Within a reasonable time, but in no event later than thirty (30) days after City's notice of termination for default, waive its right to complete or arrange for completion of the Contract and, within twenty-one (21) days thereafter, determine the amount for which it may be liable to the City and tender payment to the City of any amount necessary in order for the City to complete performance of the Contract in accordance with its terms and conditions less the balance of the Contract price, and shall also indemnify and save the City harmless on account of all claims and damages arising from the Contractor's default under the Contract, and pay the City for all losses, delay and disruption damages, and other damages, expenses, costs, and statutory attorney's fees, including those incurred in appellate proceedings, that the City sustains because of a default of the Contractor under the Contract.

PROVIDED FURTHER, the Surety shall indemnify and save the City harmless from any and all claims and damages arising from the Contractor's default under the Contract, including but not limited to contractual damages, expenses, costs, injury, negligent or intentional default, patent infringement, and actual damages (including delay and disruption damages) in accordance with the Contract, and including all other damages and assessments which may arise

by virtue of failure of the product to perform or any defects in work or materials within a period of one (1) year from the date on which the Contractor receives from the City a certificate of final completion under the Contract.

PROVIDED FURTHER, that during any interim period after the City has declared Contractor to be in default but Surety has not yet remedied the default in the manner acceptable to the City, Surety shall be responsible for securing and protecting the work site, including but not limited to the physical premises, structures, fixtures, materials, and equipment, and shall be responsible for securing and protecting materials and equipment stored off-site in accordance with the Contract.

PROVIDED FURTHER, no right of action shall accrue on this Bond to or for the use of any person or corporation other than the City named herein or the heirs, executors, administrators, or successors of the City.

[Remainder of page intentionally left blank. Signature page follows immediately.]

SIGNED AND SEALED this 16 day of May, 2014.

ATTEST:

OREM ENTERPRISES, LLC d/b/a
PESTMASTER SERVICES OF
JACKSONVILLE

Michelle Parrish
Signature
Michelle Parrish
Type/Print Name
Witness
Title

William F. Orem
Signature
William F. Orem
Type/Print Name
President
Title

AS PRINCIPAL

Signed, Sealed and Delivered
in the Presence of:

Philadelphia Indemnity
Insurance Company

By Danielle Kocher
Its Danielle Kocher, Attorney-in-Fact

AS SURETY

Lesron Insurance
Name of Agent: Agency, Inc.

Address: 1440 N. Harbor Blvd., Suite 610

Fullerton, Ca. 92835

Note. Date of Bond Must Not Be Prior to Date of Contract

Form Approved:

Tim H. [Signature]
Office of General Counsel

THIS IS AN APPROVED FORM. DO NOT SUBSTITUTE OR REVISE.

CONTRACT NUMBER 7809-04
(Contract Number to be inserted by the City of Jacksonville)

PAYMENT BOND NUMBER CE 12073700001

REQUIRED BY SECTION 255.05, FLORIDA STATUTES

As to the Contractor/Principal:

Name: Orem Enterprises, LLC d/b/a Pestmaster Services of Jacksonville

Principal Business Address: 1170 Giovanni Street, Deltona, Florida 32725

Telephone: 904-636-0633

As to the Surety:

Name: Philadelphia Indemnity Insurance Company

Principal Business Address: 4050 Crums Mill Rd., Suite 201
Harrisburg, PA 17112

Telephone: () 717-540-2837

As to the Owner of the Property/Contracting Public Entity:

Name: The City of Jacksonville, Florida (c/o Public Works Department)

Principal Business Address: 609 St. Johns Bluff Road North, Jacksonville, Florida 32202

Telephone: (904) 998-5396

Description of project including address and description of improvements: furnishing, not by way of limitation, all labor, materials, and equipment, and performing all operations necessary to provide countywide vegetation management by applying herbicides to vegetation growing in certain drainage outfall ditches, including but not limited to roadside ditches, outfall ditches, drainage structures, side drains, paved areas, retention ponds, and appurtenant work located throughout the City of Jacksonville, as well as other properties or easements which may lie outside the boundaries of Duval County, and all other related work shown on construction plans and described in the Scope of Work.

THIS IS AN APPROVED FORM. DO NOT SUBSTITUTE OR REVISE.

CITY OF JACKSONVILLE, FLORIDA

PAYMENT BOND

REQUIRED BY SECTION 255.05, FLORIDA STATUTES

KNOW ALL MEN BY THESE PRESENTS, that OREM ENTERPRISES, LLC d/b/a PESTMASTER SERVICES OF JACKSONVILLE, as Principal (hereinafter the "Contractor") and Philadelphia Indemnity Insurance Company, a corporation organized and existing under the laws of the State of Pennsylvania and duly authorized to conduct and carry on a general surety business in the State of Florida, as Surety (hereinafter called "Surety"), are each held and firmly bonded unto the City of Jacksonville, a municipal corporation in Duval County, Florida, as Obligee (hereinafter called "City"), in the sum of EIGHTY-THREE THOUSAND FIVE HUNDRED SEVENTY-TWO AND 96/100 USD (\$83,572.96), lawful money of the United States of America, for the payment whereof Contractor and Surety bind themselves, their respective heirs, executors, administrators, legal representatives, successors, and assigns, jointly and severally, firmly by these presents.

WHEREAS, the Principal made and entered into City Contract Number 7809-04 (to be inserted by the City) (the "Contract"), dated as of the 16 day of May, 2014, for furnishing, not by way of limitation, all labor, materials, and equipment and performing all operations necessary to provide countywide vegetation management by applying herbicides to vegetation growing in certain drainage outfall ditches, including but not limited to roadside ditches, outfall ditches, drainage structures, side drains, paved areas, retention ponds, and appurtenant work located throughout the City of Jacksonville, as well as other properties or easements which may lie outside the boundaries of Duval County, and all other related work

shown on construction plans and described in the Scope of Work, in strict accordance with plans and specifications prepared by the Right of Way and Grounds Maintenance Division of the Department of Public Works of the City of Jacksonville entitled *Bid Specifications for Vegetation Management Countywide*, bid numbered SC-0442-14, bid date March 12, 2014, and any advertisement for bids for said work and the drawings, plans, and specifications for said work and requirements of the City request for bids and award therefor and of the Contract and all documents included as a part of the Contract, all of which are, by this reference, made a part hereof to the same extent as if fully set out herein.

NOW, THEREFORE, THE CONDITIONS OF THIS BOND are such that if the said Principal:

(1) Promptly makes payments to all claimants, as defined in Sections 255.05 and 713.01, Florida Statutes, supplying Principal with labor, materials, or supplies that are consumed or used directly or indirectly by Principal in connection with the prosecution of the work provided for in such Contract and including all insurance premiums on the work and any authorized extensions or modifications of such Contract; and

(2) Defends, indemnifies, and saves the City harmless from claims, demands, liens, or suits by any person or entity whose claim, demand, lien, or suit is for the payment of labor, materials, or equipment furnished for use in the performance of the Contract, provided the City has promptly notified the Principal and Surety of any claims, demands, liens, or suits and provided there is no failure by the City to pay the Principal as required by the Contract; and

(3) Pays the City all losses, damages, expenses, costs, and attorney's fees, including those incurred in appellate proceedings, that the City sustains because of the Principal's failure to promptly make payments to all claimants as provided above, then this Bond is void; otherwise, it

remains in full force and effect, both in equity and in law, in accordance with the statutes and the laws of the State of Florida and specifically Section 255.05, Florida Statutes.

PROVIDED, no suit or action for labor, materials, or supplies shall be instituted hereunder against the Principal or the Surety unless a claimant provides to each of them both of the proper notices in accordance with the requirements of Section 255.05(2)(a), Florida Statutes. Both notices must be given in order to institute such suit or action.

PROVIDED FURTHER, an action, except for an action exclusively for recovery of retainage, must be instituted against the Principal or Surety on this Payment Bond within one (1) year after the performance of the labor or completion of delivery of the materials or supplies in accordance with the requirements of Section 255.05(2)(a), Florida Statutes.

PROVIDED FURTHER, an action exclusively for the recovery of retainage must be instituted against the Principal or Surety within one (1) year after the performance of the labor or completion of delivery of the materials or supplies, or within ninety (90) days after the Principal's receipt of final payment (or the payment estimate containing the owner's final reconciliation of quantities if no further payment is earned and due as a result of deductive adjustments) by the Principal or Surety, whichever comes last, in accordance with the requirements of Section 255.05(2)(a), Florida Statutes.

PROVIDED FURTHER, that the said Surety hereby stipulates and agrees that no change, extension of time, alteration, or addition to the terms of the Contract or to the work to be performed thereunder or the specifications accompanying the same shall in any wise affect its obligation on this Bond, and it does hereby waive notice of any such change, extension of time, alteration, or addition to the terms of the Contract or to the work or to the specifications.

SIGNED AND SEALED this 16 day of May, 2014.

ATTEST:

OREM ENTERPRISES, LLC d/b/a
PESTMASTER SERVICES OF
JACKSONVILLE

Michelle Parrish
Signature
Michelle Parrish
Type/Print Name
Witness
Title

William F. Orem
Signature
William F. Orem
Type/Print Name
President
Title

AS PRINCIPAL

Signed, Sealed and Delivered
in the Presence of:

Philadelphia Indemnity
Insurance Company
By: Danielle Kocher
Its Danielle Kocher, Attorney-in-Fact

AS SURETY

Lesron Insurance
Name of Agent: Agency, Inc.

Address: 1440 N. Harbor Blvd., Suite 610
Fullerton, Ca. 92835

Form Approved:
[Signature]
Office of General Counsel

Note. Date of Bond Must Not Be Prior to Date of Contract

PHILADELPHIA INDEMNITY INSURANCE COMPANY

One Bala Plaza, Suite 100
Bala Cynwyd, PA 19004
Power of Attorney

KNOW ALL PERSONS BY THESE PRESENTS: that PHILADELPHIA INDEMNITY INSURANCE COMPANY (the Company), a corporation organized and existing under the laws of the Commonwealth of Pennsylvania, does hereby constitute and appoint: Dennis Ferretti, Danielle Kocher, Joseph DeSantis, Darcy Clancy, Melissa Hibbs and Thomas McNally of Philadelphia Indemnity Insurance Company.

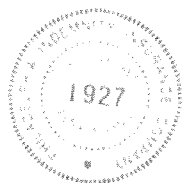
Its true and lawful Attorney(s) in fact with full authority to execute on its behalf bonds, undertakings, recognizances and other contracts of indemnity and writings obligatory in the nature thereof, issued in the course of its business and to bind the Company thereby, in an amount not to exceed \$Unlimited

This Power of Attorney is granted and is signed and sealed by facsimile under and by the authority of the following Resolution adopted by the Board of Directors of PHILADELPHIA INDEMNITY INSURANCE COMPANY at a meeting duly called the 1st day of July, 2011.

RESOLVED: That the Board of Directors hereby authorizes the President or any Vice President of the Company to: (1) Appoint Attorney(s) in Fact and authorize the Attorney(s) in Fact to execute on behalf of the Company bonds and undertakings, contracts of indemnity and other writings obligatory in the nature thereof and to attach the seal of the Company thereto; and (2) to remove, at any time, any such Attorney-in-Fact and revoke the authority given. And, be it

FURTHER RESOLVED: That the signatures of such officers and the seal of the Company may be affixed to any such Power of Attorney or certificate relating thereto by facsimile, and any such Power of Attorney so executed and certified by facsimile signatures and facsimile seal shall be valid and binding upon the Company in the future with the respect to any bond or undertaking to which it is attached.

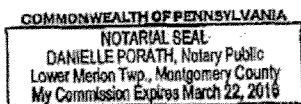
IN TESTIMONY WHEREOF, PHILADELPHIA INDEMNITY INSURANCE COMPANY HAS CAUSED THIS INSTRUMENT TO BE SIGNED AND ITS CORPORATE SEAL TO BE AFFIXED BY ITS AUTHORIZED OFFICE THIS 7TH DAY OF FEBRUARY 2013.



(Seal)

Robert D. O'Leary Jr., President & CEO
Philadelphia Indemnity Insurance Company

On this 7th day of February 2013, before me came the individual who executed the preceding instrument, to me personally known, and being by me duly sworn said that he is the therein described and authorized officer of the PHILADELPHIA INDEMNITY INSURANCE COMPANY; that the seal affixed to said instrument is the Corporate seal of said Company; that the said Corporate Seal and his signature were duly affixed.



(Notary Seal)

Notary Public:

residing at:

Bala Cynwyd, PA

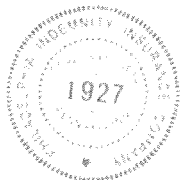
My commission expires:

March 22, 2016

I, Craig P. Keller, Executive Vice President, Chief Financial Officer and Secretary of PHILADELPHIA INDEMNITY INSURANCE COMPANY, do hereby certify that the foregoing resolution of the Board of Directors and this Power of Attorney issued pursuant thereto are true and correct and are still in full force and effect. I do further certify that Robert D. O'Leary Jr., who executed the Power of Attorney as President, was on the date of execution of the attached Power of Attorney the duly elected President of PHILADELPHIA INDEMNITY INSURANCE COMPANY,

In Testimony Whereof I have subscribed my name and affixed the facsimile seal of each Company this 7th day of May, 2014.

Craig P. Keller, Executive Vice President, Chief Financial Officer & Secretary
PHILADELPHIA INDEMNITY INSURANCE COMPANY



PHILADELPHIA INDEMNITY INSURANCE COMPANY

Statutory Statements of Admitted Assets, Liabilities and Capital and Surplus

Admitted Assets

	<u>As of December 31,</u>	
	<u>2012</u>	<u>2011</u>
Bonds, at statement value (market value \$5,554,079,175 and \$5,046,924,657)	\$ 5,148,801,438	\$ 4,750,406,952
Common stocks, at fair value (cost \$6,228,900 and \$8,781,800)	6,228,900	8,781,800
Cash, cash equivalents and short-term investments	81,992,739	(17,628,077)
Receivable for sold securities	<u>126,883</u>	<u>371,131</u>
Cash and invested assets	5,237,149,960	4,741,931,806
Premiums receivable, agents' balances and other receivables	527,610,866	484,522,495
Reinsurance receivable	28,657,053	35,774,455
Accrued investment income	57,334,128	53,873,363
Receivable from affiliates	7,831,835	4,984,299
Net deferred tax asset	160,215,214	141,306,884
Federal income taxes recoverable	28,147,210	-
Guaranty funds receivable	<u>323,335</u>	<u>364,087</u>
Total admitted assets	<u>\$ 6,047,269,601</u>	<u>\$ 5,462,757,389</u>

Liabilities and Capital and Surplus

Liabilities:

Unpaid loss and loss adjustment expenses	\$ 2,653,172,627	\$ 2,372,160,617
Unearned premiums	1,077,599,587	970,619,442
Reinsurance payable on paid loss and loss adjustment expenses	7,839,717	8,466,755
Ceded reinsurance premiums payable	59,827,255	44,910,680
Commissions payable, contingent commissions and other similar charges	178,129,692	146,801,930
Accrued expenses and other liabilities	29,154,215	26,791,853
Federal income taxes payable	-	13,107,499
Payable to affiliates	5,445,626	1,544,202
Provision for reinsurance	1,397,979	2,773,455
Payable for purchased securities	<u>17,524,284</u>	<u>8,576,135</u>
Total liabilities	<u>\$ 4,030,090,982</u>	<u>\$ 3,595,752,568</u>

Capital:

Common stock, par value of \$10 per share; 1,000,000 shares authorized, 359,995 shares issued and outstanding	<u>3,599,950</u>	<u>3,599,950</u>
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Surplus:

Gross paid-in and contributed surplus	386,970,317	386,970,317
Special surplus funds	-	41,960,315
Unassigned surplus	<u>1,626,608,352</u>	<u>1,434,474,239</u>
Total surplus	<u>2,013,578,669</u>	<u>1,863,404,871</u>
Total capital and surplus	<u>2,017,178,619</u>	<u>1,867,004,821</u>
Total liabilities and capital and surplus	<u>\$ 6,047,269,601</u>	<u>\$ 5,462,757,389</u>

The undersigned, being duly sworn, says: That she is the Executive Vice President and Chief Financial Officer of Philadelphia Indemnity Insurance Company; that said Company is a corporation duly organized in the state of Pennsylvania, and licensed and engaged in the State of Pennsylvania and has duly complied with all the requirements of the laws of the said State applicable of the 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. And that to the best of her knowledge and belief the above statement is a full, true and correct statement of

Attest:



 Karen Gilmer-Pauciello, EVP & CFO

Sworn to before me this 11th day of June 2013.



 Kimberly Kessleski, Notary

