

CONSTRUCTION MAINTENANCE BOND # 14,731

Any singular reference to Contractor, Surety, OWNER, or other party shall be considered plural where applicable.

CONTRACTOR (Name and Address):
Reclamation Contractors of Texas (RCT & Co.)
10503 SH 323 West
Overton, Texas 75684

SURETY (Name and Principal Place of Business):
FCCI Insurance Company
2435 N. Central Expressway, Suite 1000
Richardson, Texas 75080

FILED FOR RECORD
11:50 o'clock a M
JUL 25 2017

OWNER (Name and Address):
Nautical Shores, LLC and County Judge John Horn of Hunt County Texas or His Successors in Office
P.O. Box 3669 2500 Lee Street, Suite 2
Quinlan, Texas 75474 Greenville, Texas 75401

JENNIFER LINDENZWEIG
County Clerk Hunt County, TX
By: *Jennifer Lindenzweig*

CONSTRUCTION CONTRACT
Date:

Amount (In Numbers and Words):
(\$199,426.32) One Hundred Ninety-Nine Thousand Four Hundred Twenty-Six and 32/100

Description (Name and Location):
Nautical Shores, Phase 1-4 in Hunt County
Grading, Paving & Drainage Improvements Contract

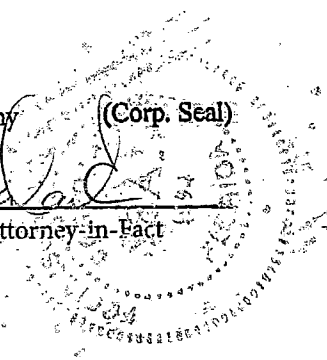
BOND
Date (Not earlier than Contract Date): June 19, 2017

Amount (In Numbers and Words):
(\$199,426.32 One Hundred Ninety-Nine Thousand Four Hundred Twenty-Six and 32/100

Modifications to this Bond Form: None

CONTRACTOR AS PRINCIPAL
Company: Reclamation Contractors of Texas (RCT & Co.) (Corp. Seal)
Signature: *Dale K. Farrow*
Name and Title: Dale K. Farrow

SURETY
Company: FCCI Insurance Company (Corp. Seal)
Signature: *Beverly A. Ireland*
Name and Title: Beverly A. Ireland, Attorney-in-Fact



WHEREAS:

1. The CONTRACTOR and the Surety, jointly and severally, bind themselves, their officers, directors, shareholders, partners, heirs, executors, administrators, successors, and assigns to the OWNER for the performance of the Construction Contract during the warranty and guarantee periods, which is incorporated herein by reference.

2. If the CONTRACTOR repairs any and all Defects in Work during the maintenance period, the Surety and the CONTRACTOR shall have no obligation under this Bond, except to participate in conferences as provided in Subparagraph 3.1.

3. If there is no OWNER Default, the Surety's obligation under this Bond shall arise after:

3.1. The OWNER has notified the CONTRACTOR and the Surety at its address described in Paragraph 10 below that the OWNER is considering declaring a CONTRACTOR Default and has requested and attempted to arrange a conference with the CONTRACTOR and Surety to be held not later than fifteen (15) days after receipt of such notice to discuss methods of performing the Construction Contract. If the OWNER, the CONTRACTOR, and the Surety agree, the CONTRACTOR shall be allowed a reasonable time to perform the Warranty Work, but such an agreement shall not waive the OWNER's right, if any, subsequently to declare a CONTRACTOR Default; and

3.2. The OWNER has declared a CONTRACTOR Default and formally terminated the CONTRACTOR's right to complete the Warranty Work. Such CONTRACTOR Default shall not be declared earlier than twenty (20) days after the CONTRACTOR and the Surety have received notice as provided in Subparagraph 3.1; and

4. When the OWNER has satisfied the conditions of Paragraph 3 above, the Surety shall, within thirty (30) days after notice of default, and at the Surety's expense, take one of the following actions:

4.1. Arrange for the CONTRACTOR, with consent of the OWNER, to perform and complete the Warranty Work; or

4.2. Undertake to perform and complete the Warranty Work itself, through its agents or through independent contractors; or

4.3. Waive its right to perform and complete, arrange for completion, or obtain a new contractor and with reasonable promptness under the circumstances:

4.3.1 After investigation, determine the amount for which it may be liable to the OWNER, and as soon as practicable after the amount is determined, tender payment therefor to the OWNER; or

4.3.2 Deny liability in whole or in part and notify the OWNER citing reasons therefor.

5. If the Surety does not proceed as provided in Paragraph 4, the Surety shall be deemed to be in default on this Bond fifteen (15) calendar days after receipt of an additional written notice from the OWNER to the Surety demanding that the Surety perform its obligations under this Bond, and the OWNER shall be entitled to enforce any remedy available to the OWNER. If the Surety proceeds as provided in Subparagraph 4.3, and the OWNER refuses the payment tendered, or the Surety has denied liability, in whole or in part, without further notice, the OWNER shall be entitled to enforce any remedy available to the OWNER.

6. After the OWNER has terminated the CONTRACTOR's right to complete the Warranty Work, and if the Surety elects to act under Subparagraph 4.1 or 4.2 above, then the responsibilities of the Surety to the OWNER shall not be greater than those of the CONTRACTOR under the Construction Contract, and the responsibilities of the OWNER to the Surety shall not be greater than those of the OWNER under the Construction Contract. To the limit of the amount of this Bond, the Surety is obligated without duplication for:

6.1. The responsibilities of the CONTRACTOR for correction of defective work;

6.2. Additional legal, design professional, and delay costs resulting from the CONTRACTOR's Default, and resulting from the actions or failure to act of the Surety under Paragraph 4 above; and

7. The Surety shall not be liable to the OWNER or others for obligations of the CONTRACTOR that are unrelated to the Construction Contract. No right of action shall accrue on this Bond to any person or entity other than the OWNER or its heirs, executors, administrators, or successors.

8. The Surety hereby waives notice of any change, including changes of time, to the Construction Contract or to related subcontractors, purchase orders and other obligations.

9. Any proceeding, legal or equitable, under this Bond may be instituted in any court of competent jurisdiction in the location in which the work or part of the work is located and shall be instituted within one year after CONTRACTOR Default, or within one year after the CONTRACTOR ceased working, or within two years after the Surety refuses or fails to perform its obligations under this Bond, whichever occurs first. If the provisions of this paragraph are void or prohibited by law, the minimum period of limitation available to sureties as a defense in the jurisdiction of the suit shall be applicable.

10. Notice to the Surety, the OWNER, or the CONTRACTOR shall be mailed or delivered to the address shown on the signature page.

11. When this Bond has been furnished to comply with a statutory or other legal requirement in the location where the construction was to be performed, any provision in this Bond conflicting with said statutory or legal requirement shall be deemed deleted herefrom, and provisions conforming to such statutory or other legal requirement shall be deemed incorporated herein. The intent is that this Bond shall be construed as a statutory bond and not as a common-law bond.

12. Definitions.

12.1. Construction Contract: The agreement between the OWNER and the CONTRACTOR identified on the signature page, including all Contract Documents and changes thereto.

12.2. CONTRACTOR Default: Failure of the CONTRACTOR, which has neither been remedied nor waived, to perform or otherwise to comply with the terms of the Construction Contract.

12.3. OWNER Default: Failure of the OWNER, which has neither been remedied nor waived, to pay the CONTRACTOR as required by the Construction Contract, or to perform and complete or comply with the other terms thereof.

END OF SECTION



More than a policy. A promise.

GENERAL POWER OF ATTORNEY

Know all men by these presents: That the FCCI Insurance Company, a Corporation organized and existing under the laws of the State of Florida (the "Corporation") does make, constitute and appoint:

Sharon Cavanaugh; Sharen Groppe; David R Groppe; Francine Hay; Roxanne G. Brune; Beverly A Ireland; Sue Kohler; Kurt A Risk; Gloria M. Villa

Each, its true and lawful Attorney-In-Fact, to make, execute, seal and deliver, for and on its behalf as surety, and as its act and deed in all bonds and undertakings provided that no bond or undertaking or contract of suretyship executed under this authority shall exceed the sum of (not to exceed \$7,500,000):

This Power of Attorney is made and executed by authority of a Resolution adopted by the Board of Directors. That resolution also authorized any further action by the officers of the Company necessary to effect such transaction.

The signatures below and the seal of the Corporation may be affixed by facsimile, and any such facsimile signatures or facsimile seal shall be binding upon the Corporation when so affixed and in the future with regard to any bond, undertaking or contract of surety to which it is attached.

In witness whereof, the FCCI Insurance Company has caused these presents to be signed by its duly authorized officers and its corporate Seal to be hereunto affixed, this 25TH day of September 2016.

Attest: Craig Johnson, President FCCI Insurance Company



Thomas A. Koval Esq., EVP, Chief Legal Officer, Government Affairs and Corporate Secretary FCCI Insurance Company

State of Florida County of Sarasota

Before me this day personally appeared Craig Johnson, who is personally known to me and who executed the foregoing document for the purposes expressed therein.

My commission expires: 9/25/2020

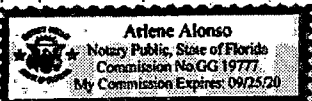


Arlene Alonso, Notary Public

State of Florida County of Sarasota

Before me this day personally appeared Thomas A. Koval, Esq., who is personally known to me and who executed the foregoing document for the purposes expressed therein.

My commission expires: 9/25/2020



Arlene Alonso, Notary Public

CERTIFICATE

I, the undersigned Secretary of FCCI Insurance Company, a Florida Corporation, DO HEREBY CERTIFY that the foregoing Power of Attorney remains in full force and has not been revoked; and furthermore that the February 24, 2011, Resolution of the Board of Directors, referenced in said Power of Attorney, is now in force.

Dated this 19th day of August 2016

Thomas A. Koval, Esq., EVP, Chief Legal Officer, Government Affairs and Corporate Secretary

IMPORTANT NOTICE

To obtain information or make a complaint:

You may call FCCI Insurance Group's (FCCI)* toll-free telephone number for information or to make a complaint at 1-800-226-3224.

You may also write to FCCI Insurance Group Compliance Department e-mail at StateComplaints@fcci-group.com.

For Claims, you may write to FCCI Insurance Group Claim Department e-mail at newclaim@fcci-group.com.

You may contact the Texas Department of Insurance to obtain information on companies, coverages, rights or complaints at 1-800-252-3439.

You may write the Texas Department of Insurance:

PO Box 149104

Austin TX 78714-9104

Fax: 1-512-490-1007

Web: <http://www.tdi.texas.gov>

E-mail: ConsumerProtections@tdi.texas.gov

PREMIUM OR CLAIM DISPUTES

Should you have a dispute concerning your premium or about a claim you should contact FCCI first. If the dispute is not resolved, you may contact the Texas Department of Insurance.

ATTACH THIS NOTICE TO YOUR BOND

This notice is for information only and does not become a part or condition of the attached documents.

*The FCCI Insurance Group includes the following insurance carriers: Brierfield Insurance Company, FCCI Advantage Insurance Company, FCCI Commercial Insurance Company, FCCI Insurance Company, Monroe Guaranty Insurance Company, and National Trust Insurance Company.

Kimley»Horn

Transmittal

Date: 7/19/17 Job Number: 063223300.2.777

Project Name: Nautical Shores

To: Commissioner Phillip Martin

Hunt County Courthouse

2507 Lee St., Room 107

Greenville, TX 75403

(903) 408-4195

We are sending these by

U.S. Mail

FedEx Standard Overnight

Hand Deliver

Other: _____

We are sending you

Attached Under separate cover via _____ the following items:

Shop Drawings Prints/Plans Samples Specifications Change Orders

Other: MAINTENANCE BOND

Copies	Date	Pgs.	Description
1			Construction Maintenance Bond for Nautical Shores, Phases 1-4

These are transmitted as checked below:

For your use

Approved as submitted

Resubmit

Copies for approval

As requested

Approved as noted

Submit

Copies for distribution

For review and comment

Returned for corrections

Return

Corrected prints

Remarks:

Thank You,

Copy to: _____

Signed

