

Fidelity and Deposit Company of Maryland
Home Office: P.O. Box 1227, Baltimore, MD 21203-1227

Bond No. CGB 7638082

UNDERTAKING ON PRELIMINARY INJUNCTION

**Supreme Court of the State of New York
County of New York: Part 61**

Real Estate Holdings Group, LDC,

Plaintiff,

Index No. 159254/13

- against -

**Board of Managers of Spencer
Condominium, et al.,**

Defendants.

WHEREAS, on the 8th day of November, 2013, the Defendant, Board of Managers of Spencer Condominium the above named, were granted a preliminary injunction, upon the posting of a bond in the amount of \$25,000.00, in the above entitled action, restraining the Plaintiff from doing certain things as more fully set forth in the order by the Hon. Anil C. Singh.

NOW, THEREFORE, the FIDELITY AND DEPOSIT COMPANY OF MARYLAND, having an office and principal place of business for the State of New York at One Liberty Plaza, 165 Broadway, New York, New York 10006, does hereby, pursuant to the Statute in such case made and provided, undertake that the Defendant, Board of Managers of Spencer Condominium will pay to the Plaintiff so enjoined, such damages and costs not exceeding the sum of Twenty Five Thousand and No/100 (\$25,000.00) Dollars as it may sustain by reason of the injunction, if the Court shall finally decide that the Defendant, Board of Managers of Spencer Condominium was not entitled thereto; such damages and costs to be ascertained by a reference, or otherwise as the Court shall direct.

DATED: November 13th, 2013

Fidelity and Deposit Company of Maryland

By: Annie Sawh
Annie Sawh, Attorney-in-fact

ACKNOWLEDGMENT OF SURETY

STATE OF NEW YORK }

COUNTY OF New York }

SS:

On the 13th day of November in year 2013 before me personally came

Annie Sawh

to me known, who being by me duly sworn, did

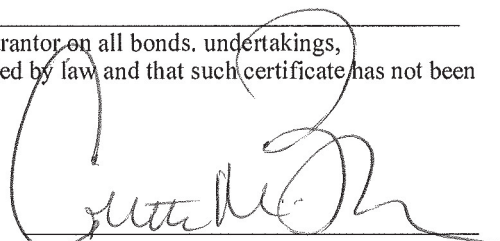
depose and say that he/she resides at One Liberty Plaza - 165 Broadway, New York, N.Y., 10006 ,

that he/she is the Attorney-in-Fact of Fidelity and Deposit Company of Maryland , the

corporation described in and which executed the above instrument; that he/she knows the corporate seal of said corporation, that the seal affixed to such instrument is such corporate seal: that it was so affixed by order of the Board of Directors of said corporation, and, that he/she signed his/her name thereto by like order; and that said corporation is duly authorized to transact business in the State of New York in pursuance of the statutes of such case made and provided, that the Superintendent of insurance of the State of New York, has, pursuant to Chapter 28 of the Consolidated Laws of the State of new York, known as the Insurance Law, issued to

Fidelity and Deposit Company of Maryland

a Certificate of Solvency and qualification to become surety or guarantor on all bonds, undertakings, recognizances, guaranties and other obligations required or permitted by law and that such certificate has not been evoked.



Notary Public

COLETTE M. BLAIKIE

Notary Public, State of New York

No.1BL4989857

Qualified in New York County

Certificate Filed in New York County

Commission Expires May 6, 2014

CGB7638082

Bond Number

Real Estate Holdings Group, LDC

Obligee

**ZURICH AMERICAN INSURANCE COMPANY
COLONIAL AMERICAN CASUALTY AND SURETY COMPANY
FIDELITY AND DEPOSIT COMPANY OF MARYLAND
POWER OF ATTORNEY**

KNOW ALL MEN BY THESE PRESENTS: That the ZURICH AMERICAN INSURANCE COMPANY, a corporation of the State of New York, the COLONIAL AMERICAN CASUALTY AND SURETY COMPANY, a corporation of the State of Maryland, and the FIDELITY AND DEPOSIT COMPANY OF MARYLAND a corporation of the State of Maryland (herein collectively called the "Companies"), by **Geoffrey Delisio, Vice President**, in pursuance of authority granted by Article V, Section 8, of the By-Laws of said Companies, which are set forth on the reverse side hereof and are hereby certified to be in full force and effect on the date hereof, do hereby nominate, constitute, and appoint Annie Sawh

its true and lawful agent and Attorney-in-Fact, to make, execute, seal and deliver, for, and on its behalf as surety, and as its act and deed: **any and all bonds and undertakings**, and the execution of such bonds or undertakings in pursuance of these presents, shall be as binding upon said Companies, as fully and amply, to all intents and purposes, as if they had been duly executed and acknowledged by the regularly elected officers of the ZURICH AMERICAN INSURANCE COMPANY at its office in New York, New York., the regularly elected officers of the COLONIAL AMERICAN CASUALTY AND SURETY COMPANY at its office in Owings Mills, Maryland., and the regularly elected officers of the FIDELITY AND DEPOSIT COMPANY OF MARYLAND at its office in Owings Mills, Maryland., in their own proper persons.

The said Vice President does hereby certify that the extract set forth on the reverse side hereof is a true copy of Article V, Section 8, of the By-Laws of said Companies, and is now in force.

IN WITNESS WHEREOF, the said Vice-President has hereunto subscribed his/her names and affixed the Corporate Seals of the said **ZURICH AMERICAN INSURANCE COMPANY, COLONIAL AMERICAN CASUALTY AND SURETY COMPANY, and FIDELITY AND DEPOSIT COMPANY OF MARYLAND**, this 13th day of November, A.D. 2013.

ATTEST:

**ZURICH AMERICAN INSURANCE COMPANY
COLONIAL AMERICAN CASUALTY AND SURETY COMPANY
FIDELITY AND DEPOSIT COMPANY OF MARYLAND**



By.

Gerald F. Haley

Assistant Secretary
Gerald F. Haley

Geoffrey Delisio

Vice President
Geoffrey Delisio

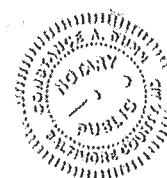
**State of Maryland
County of Baltimore**

On this 13th day of November, A.D. 2013, before the subscriber, a Notary Public of the State of Maryland, duly commissioned and qualified, **Geoffrey Delisio, Vice President and Gerald F. Haley, Assistant Secretary** of the Companies, to me personally known to be the individuals and officers described in and who executed the preceding instrument, and acknowledged the execution of same, and being by me duly sworn, depose and saith, that he/she is the said officer of the Company aforesaid, and that the seals affixed to the preceding instrument are the Corporate Seals of said Companies, and that the said Corporate Seals and the signature as such officer were duly affixed and subscribed to the said instrument by the authority and direction of the said Corporations.

IN TESTIMONY WHEREOF, I have hereunto set my hand and affixed my Official Seal the day and year first above written.

Constance A. Dunn

Constance A. Dunn, Notary Public
My Commission Expires: July 14, 2015



EXTRACT FROM BY-LAWS OF THE COMPANIES

"Article V, Section 8, Attorneys-in-Fact. The Chief Executive Officer, the President, or any Executive Vice President or Vice President may, by written instrument under the attested corporate seal, appoint attorneys-in-fact with authority to execute bonds, policies, recognizances, stipulations, undertakings, or other like instruments on behalf of the Company, and may authorize any officer or any such attorney-in-fact to affix the corporate seal thereto; and may with or without cause modify or revoke any such appointment or authority at any time."

CERTIFICATE

I, the undersigned, Vice President of the ZURICH AMERICAN INSURANCE COMPANY, the COLONIAL AMERICAN CASUALTY AND SURETY COMPANY, and the FIDELITY AND DEPOSIT COMPANY OF MARYLAND, do hereby certify that the foregoing Power of Attorney is still in full force and effect on the date of this certificate; and I do further certify that Article V, Section 8, of the By-Laws of the Companies is still in force.

This Power of Attorney and Certificate may be signed by facsimile under and by authority of the following resolution of the Board of Directors of the ZURICH AMERICAN INSURANCE COMPANY at a meeting duly called and held on the 15th day of December 1998.

RESOLVED: "That the signature of the President or a Vice President and the attesting signature of a Secretary or an Assistant Secretary and the Seal of the Company may be affixed by facsimile on any Power of Attorney...Any such Power or any certificate thereof bearing such facsimile signature and seal shall be valid and binding on the Company."

This Power of Attorney and Certificate may be signed by facsimile under and by authority of the following resolution of the Board of Directors of the COLONIAL AMERICAN CASUALTY AND SURETY COMPANY at a meeting duly called and held on the 5th day of May, 1994, and the following resolution of the Board of Directors of the FIDELITY AND DEPOSIT COMPANY OF MARYLAND at a meeting duly called and held on the 10th day of May, 1990.

RESOLVED: "That the facsimile or mechanically reproduced seal of the company and facsimile or mechanically reproduced signature of any Vice-President, Secretary, or Assistant Secretary of the Company, whether made heretofore or hereafter, wherever appearing upon a certified copy of any power of attorney issued by the Company, shall be valid and binding upon the Company with the same force and effect as though manually affixed.

IN TESTIMONY WHEREOF, I have hereunto subscribed my name and affixed the corporate seals of the said Companies, this 13th day of November, 2013.



A handwritten signature in cursive script, reading "Thomas O. McClellan".

Thomas O. McClellan, Vice President

FIDELITY AND DEPOSIT COMPANY

OF MARYLAND

600 Red Brook Blvd., Suite 600, Owings Mills, MD 21117

Statement of Financial Condition

As Of December 31, 2012

ASSETS

Bonds	\$ 157,177,826
Stocks	23,000,311
Cash and Short Term Investments.....	119,155
Reinsurance Recoverable.....	17,923,564
Other Accounts Receivable.....	35,473,256
TOTAL ADMITTED ASSETS	<u>\$ 233,694,113</u>

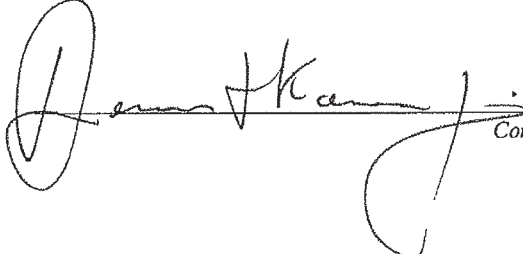
LIABILITIES, SURPLUS AND OTHER FUNDS

Reserve for Taxes and Expenses	\$ 74,782
Ceded Reinsurance Premiums Payable	48,323,524
Securities Lending Collateral Liability	1,716,240
TOTAL LIABILITIES	<u>\$ 50,114,546</u>
Capital Stock, Paid Up	\$ 5,000,000
Surplus	178,579,567
Surplus as regards Policyholders.....	183,579,567
TOTAL	<u>\$ 233,694,113</u>

Securities carried at \$59,468,002 in the above statement are deposited as required by law.

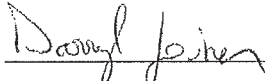
Securities carried on the basis prescribed by the National Association of Insurance Commissioners. On the basis of December 31, 2012 market quotations for all bonds and stocks owned, the Company's total admitted assets would be \$243,518,971 and surplus as regards policyholders \$193,404,425.

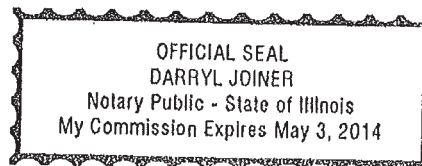
I, DENNIS F. KERRIGAN, Corporate Secretary of the FIDELITY AND DEPOSIT COMPANY OF MARYLAND, do hereby certify that the foregoing statement is a correct exhibit of the assets and liabilities of the said Company on the 31st day of December, 2012.


Corporate Secretary

State of Illinois }
City of Schaumburg } SS:

Subscribed and sworn to, before me, a Notary Public of the State of Illinois, in the City of Schaumburg, this 15th day of March, 2013.


Notary Public



Disclosure Statement



NOTICE OF DISCLOSURE FOR AGENT & BROKER COMPENSATION

If you want to learn more about the compensation Zurich pays agents and brokers visit:

<http://www.zurichnaproducercompensation.com>

or call the following toll-free number: (866) 903-1192.

This Notice is provided on behalf of Zurich American Insurance Company
and its underwriting subsidiaries.