

CONTRACT BONDS

KNOW ALL MEN BY THESE PRESENTS, That we, the undersigned, LOFTUS CONSTRUCTION, INC., 1903 TAYLORS LN, CINNAMINSON, NJ 08077, as Principal, and

Western Surety Company

(Surety Company)

P.O. Box 5077, Sioux Falls, SD 57117-5077 (215) 448-3334

(Address and Telephone Number)

A corporation organized and existing under the laws of the State of South Dakota. As Surety are held and firmly bound unto the Commonwealth of Pennsylvania as hereinafter set forth, in the full and just sums of

- (a) ONE MILLION FOUR HUNDRED NINETY TWO THOUSAND AND 00/100 DOLLARS (\$1,492,000.00) for faithful performance of the contract as designated in Paragraph "A"; and
- (b) ONE MILLION FOUR HUNDRED NINETY TWO THOUSAND AND 00/100 DOLLARS (\$1,492,000.00) for payment of labor, material, equipment rental and public utility services under the contract as designated in Paragraph "B"; and
- (c) SEVEN HUNDRED FORTY SIX THOUSAND AND 00/100 DOLLARS (\$746,000.00) for maintenance upon completion of the contract as designated in Paragraph "C", lawful money of the United States of America, to be paid to the said Commonwealth of Pennsylvania, or its assigns to which payment well and truly to be made and done, we bind ourselves, our heirs, executors, administrators and successors, jointly and severally, firmly by these presents.

Sealed with our respective seals and dated this 7th day of October, 2011.



WHEREAS, the above bounden Principal has entered into a contract with the said Commonwealth of Pennsylvania, by and through the Department of Conservation and Natural Resources, dated 7th day of October, 2011, Bridge Replacement, Structure No. 2470, Ferry Street over Delaware Canal, Delaware Canal State Park, New Hope Borough, Bucks County, Pennsylvania, Contract No. FDC-450-4345.1. Upon certain terms and conditions in said contract more particularly mentioned; and

WHEREAS, it is one of the conditions of the award of the Department of Conservation and Natural Resources, acting for and on behalf of the Commonwealth of Pennsylvania, pursuant to which said contract is about to be entered into, that these presents be executed.

NOW, THEREFORE, the joint and several conditions of these Contract Bonds are such:

A. That if the above bounden Principal as CONTRACTOR shall well and faithfully do and perform the things agreed by him to be done and performed according to the terms of said contract, including the plans and specifications and other contract documents therein referred to and made part thereof, and such alterations as may be made in said plans and specifications as therein provided, and which are hereby made part of this bond the same as though they were set forth herein, and shall indemnify and save harmless the said COMMONWEALTH and all of its officers, agents and employees from any expenses incurred through the failure of said CONTRACTOR to complete the work as specified and for any damages growing out of the manner of performance of said contract by said CONTRACTOR or his sub-contractors or his or their agents or servants, including patent, trademark and copyright infringements, then this part of this obligation shall be void; otherwise it shall be and remain in full force and effect.

B. That if the above bounden Principal shall and will promptly pay or cause to be paid all sums of money which may be due by the Principal or any of his sub-contractors to any individual, firm, partnership, association or corporation for all material furnished and labor supplied or performed in prosecution of the contract work, whether or not the said material or labor enter into and become component parts of the work or improvement contemplated, and for rental of equipment used and services rendered by public utilities in, or in connection with, the prosecution of such work, then this part of this obligation shall be void; otherwise it shall be and remain in full force and effect.

C. That if the above bounden Principal shall remedy without cost to the COMMONWEALTH any defects which may develop during the period of one year (365 days) from the date of completion and acceptance of the work performed under said contract; provided in the judgment of the COMMONWEALTH or its successors having jurisdiction in the premises, such defects are caused by defective or inferior materials or workmanship, then this part of this obligation shall be void; otherwise it shall be and remain in full force and effect.

It is further agreed that any alterations which may be made in the terms of the contract or in the work to be done or materials to be furnished or labor to be supplied or performed, or equipment to be rented or public utility services to be rendered under it, or the giving by the COMMONWEALTH of any extension of time of the performance of the contract or any other forbearance on the part of either the COMMONWEALTH or the Principal to the other, shall not in any way release the Principal and the Surety or Sureties or either or any of them, their heirs, executors, administrators, successors or assigns, from their liability hereunder, notice to the Surety or Sureties of any such alterations, extensions, or forbearances being hereby waived.

The Principal and Surety hereby jointly and severally agree with the COMMONWEALTH that every individual, firm, partnership, association or corporation who, whether as sub-contractor or otherwise, has furnished material or supplied or performed labor or rented equipment in prosecution of the work as above provided and any public utility which has rendered services in, or in connection with, the prosecution of such work, and who has not been paid therefor, may sue in assumpsit on the Bond obligation set forth in Paragraph "B" hereof, in his, their, or its name for his, their or its use and prosecute the same to final judgment for such sum or sums as may be jointly due him, them or it and have execution thereon; provided, however, that the COMMONWEALTH shall not be liable for the payment of any costs or expenses of such suit.

It is further agreed that in case of default in, or any action arising out of, rights and liabilities secured by this obligation, any party hereto or any person claiming by or through such party, may use for the purposes of establishing his, its or their claim, a copy of this obligation certified to be correct by the Contracting Officer of the Department of Conservation and Natural Resources and the action or actions, if any, arising on the within bonds, shall not be a bar to any subsequent action that may arise through any liability incurred in any other section herein and based upon any other part of this obligation.

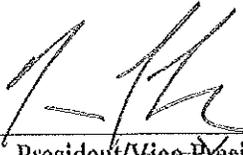
IN WITNESS WHEREOF, the said Principal and Surety have duly executed these bonds under seal the day and year above written.

ATTEST:

LOFTUS CONSTRUCTION, INC.


Secretary/Treasurer
(cross one out)

Jeffrey Given, PE
Typed/Printed Name

 (SEAL)
President/Vice President
(cross one out)

Kevin J. Loftus
Typed/Printed Name

ATTEST/WITNESS:

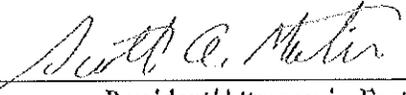
WESTERN SURETY COMPANY



Cecelia D. Brown, Witness

Typed/Printed Name

Surety Company

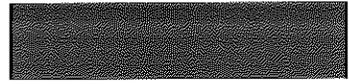
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Scott A. Martin, Attorney-in-Fact

Typed/Printed Name

Pennsylvania address of Bonding Company's representative to be used for contract correspondence purposes:

Western Surety Company
Three Radnor Corporate Center
100 Matsonford Rd, Suite 200
Radnor, PA 19087



Registration Number
PA Insurance Department

*Must be signed or countersigned by a PA Resident Agent registered with the PA Insurance Department for Surety named on the Bonds.

Approved as to legality and form

PRE-APPROVED
Office of Attorney General


Chief/Assistant Counsel
Department of Conservation and
Natural Resources

Western Surety Company

POWER OF ATTORNEY APPOINTING INDIVIDUAL ATTORNEY-IN-FACT

Know All Men By These Presents, That WESTERN SURETY COMPANY, a South Dakota corporation, is a duly organized and existing corporation having its principal office in the City of Sioux Falls, and State of South Dakota, and that it does by virtue of the signature and seal herein affixed hereby make, constitute and appoint

Kevin Mc Cabe, Charles Mc Cabe, Scott A Martin, Cecelia D Brown, Individually

of Mullica Hill, NJ, its true and lawful Attorney(s)-in-Fact with full power and authority hereby conferred to sign, seal and execute for and on its behalf bonds, undertakings and other obligatory instruments of similar nature

- In Unlimited Amounts -

and to bind it thereby as fully and to the same extent as if such instruments were signed by a duly authorized officer of the corporation and all the acts of said Attorney, pursuant to the authority hereby given, are hereby ratified and confirmed.

This Power of Attorney is made and executed pursuant to and by authority of the By-Law printed on the reverse hereof, duly adopted, as indicated, by the shareholders of the corporation.

In Witness Whereof, WESTERN SURETY COMPANY has caused these presents to be signed by its Senior Vice President and its corporate seal to be hereto affixed on this 4th day of October, 2010.



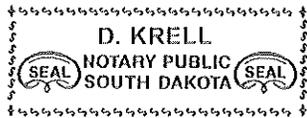
WESTERN SURETY COMPANY

Paul T. Bruflat
Paul T. Bruflat, Senior Vice President

State of South Dakota }
County of Minnehaha } ss

On this 4th day of October, 2010, before me personally came Paul T. Bruflat, to me known, who, being by me duly sworn, did depose and say: that he resides in the City of Sioux Falls, State of South Dakota; that he is the Senior Vice President of WESTERN SURETY COMPANY described in and which executed the above instrument; that he knows the seal of said corporation; that the seal affixed to the said instrument is such corporate seal; that it was so affixed pursuant to authority given by the Board of Directors of said corporation and that he signed his name thereto pursuant to like authority, and acknowledges same to be the act and deed of said corporation.

My commission expires
November 30, 2012



D. Krell
D. Krell, Notary Public

CERTIFICATE

I, L. Nelson, Assistant Secretary of WESTERN SURETY COMPANY do hereby certify that the Power of Attorney hereinabove set forth is still in force, and further certify that the By-Law of the corporation printed on the reverse hereof is still in force. In testimony whereof I have hereunto subscribed my name and affixed the seal of the said corporation this 7th day of October, 2011.



WESTERN SURETY COMPANY

L. Nelson
L. Nelson, Assistant Secretary

WESTERN SURETY COMPANY
Sioux Falls, South Dakota
Statement of Condition and Affairs
December 31, 2010

ASSETS

Bonds	\$1,325,363,817
Stocks	21,890,144
Cash and short-term investments	37,261,545
Uncollected premiums and agents' balances	33,361,392
Amounts recoverable from reinsurers	335,279
Funds held by or deposited with reinsured companies	22,831,236
Net deferred tax asset	18,318,016
Electronic data processing equipment and software	2,016,332
Investment income due and accrued	17,101,571
Other assets	<u>2,812,199</u>
Total Assets	<u>\$1,481,291,531</u>

LIABILITIES AND SURPLUS

Losses	\$255,341,187
Loss adjustment expense	77,225,536
Contingent and other commissions payable	4,572,077
Other expense	31,451,726
Taxes, licenses and fees	2,605,647
Federal and foreign income taxes payable	16,293,774
Unearned premiums	239,599,691
Retroactive reinsurance reserve assumed	10,222,969
Other liabilities	<u>18,340,246</u>
Total Liabilities	655,652,853

Surplus Account:

Capital paid up	\$4,000,000
Gross paid in and contributed surplus	176,435,232
Unassigned funds	<u>645,203,446</u>

Surplus as regards policyholders	\$825,638,678
Total Liabilities and Capital	<u>\$1,481,291,531</u>

I, Philip E. Lundy, Vice President and Treasurer of Western Surety Company hereby certify that the above is an exact copy of the financial statement of the Company dated December 31, 2010, as filed with the various Insurance Departments and is a true and correct statement of the condition of Western Surety Company as of that date.



Western Surety Company

By Philip E. Lundy
Vice President, Treasurer

Subscribed and sworn to me this 22nd day of February, 2011.

My commission expires:

KATHRYN J. SCHROEDER
My Commission Expires 7-21-2015

Kathryn J. Schroeder
Notary Public