

STATE OF NORTH CAROLINA  
DEPARTMENT OF TRANSPORTATION  
RALEIGH, N.C.

C202899

CONTRACT AND  
CONTRACT BONDS

FOR CONTRACT NO. C202899

WBS 45438.3.13 BRIMS-040-1(227)

T.I.P NO. BP-5300N

COUNTY OF HAYWOOD  
THIS IS THE STRUCTURE CONTRACT  
ROUTE NUMBER I40 LENGTH 0.270 MILES  
LOCATION BRIDGES #124, 142, 171, 205, AND 208 ON I-40.

CONTRACTOR KLICOS PAINTING COMPANY, INC.  
ADDRESS 7738 HARFORD RD  
BALTIMORE, MD 21234

BIDS OPENED JANUARY 17, 2012  
CONTRACT EXECUTION FEB 23 2012

**Vendor 4 of 7: KLICOS PAINTING COMPANY, INC. (1824)  
Call Order 042 (Proposal: C202899)**

**Bid Information**

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**County:** HAYWOOD

**Address:** 7738 Harford Rd  
Baltimore , MD , 21234

**Signature Check:** George\_Klicos\_1824

**Time Bid Received:** January 16, 2012 05:32 PM

**Amendment Count:** 0

**Bid Checksum:** 8587AA04

**Bid Total:** \$2,303,948.25 ✓

**Items Total:** \$2,303,948.25

**Time Total:** \$0.00

**Bidding Errors:**

None.

DBE GOAL SET 0.0

DBE GOAL MET 0.0

Vendor 4 of 7: KLICOS PAINTING COMPANY, INC. (1824)  
Call Order 042 (Proposal: C202899)

**Bid Bond Information**

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**Projects:**

**Counties:**

**Bond ID:** K9LD-Q72V-NARD-NEES

**Paid by Check:** No

**Bond Percent:**

**Bond Maximum:**

**State of Incorporation:**

**Agency Execution Date:** Jan 17, 2012

**Surety Name:** SurePathNetwork

**Bond Agency Name:** International Fidelity  
Insurance Company

Vendor 1824's Bid Information for Call 042, Letting L120117, 01/17/12

Klicos Painting Company, Inc (1824)  
Call Order 042 (Proposal ID C202899)

Miscellaneous Data Info - Contractor Responses:  
=====

NON-COLLUSION AND DEBARMENT CERTIFICATION

Explanation of the prospective bidder that is unable to certify to any of the statements in this certification:

Explanation:  
NOT ANSWERED  
NOT ANSWERED  
NOT ANSWERED  
NOT ANSWERED

AWARD LIMITS ON MULTIPLE PROJECTS

By answering YES to this statement, the bidder acknowledges that they are using the award limits on multiple projects. No

It is the desire of the Bidder to be awarded contracts, the value of which will not exceed a total of NOT ANSWERED for those projects indicated herein, for which bids will be opened on (MM/DD/YY)

The Award Limits shall apply to the following projects:

Contract Number	County
NOT ANSWERED	
NOT ANSWERED	
NOT ANSWERED	
NOT ANSWERED	
NOT ANSWERED	
NOT ANSWERED	

Bid Bond Data Info - Contractor Responses:  
=====

BondID: K9LD-Q72V-NARD-NEES  
Surety Registry Agency: SurePathNetwork  
Verified?: Yes  
Surety Agency: International Fidelity Insurance Company  
Bond Execution Date: Jan 17, 2012  
Bond Amount: \$115,197.41 (Five Percent of Bid)

Contract ID: C202899 Project(s): BRIMS-040-1(227)  
Letting Date: 01-17-12 Call Order: 042  
Bidder: 1824 - Klicos Painting Company, Inc

Line No.	Item Description	Approx. Quantity and Units	Unit Price Dollars   Cts	Bid Amount Dollars   Ct
Section 0001 ROADWAY ITEMS				
Alt Group				
0001	0000100000-N MOBILIZATIO N	LUMP	LUMP	110,000.00
0002	4405000000-E WORK ZONE SIGNS (PORTABLE)	224.000 SF	10.00000	2,240.00
0003	4415000000-N FLASHING ARROW BOARD	1.000 EA	3,000.00000	3,000.00
0004	4420000000-N PORTABLE CHANGEABLE MESSAGE SIGN	2.000 EA	10,500.00000	21,000.00
0005	4430000000-N DRUMS	60.000 EA	50.00000	3,000.00
0006	4450000000-N FLAGGER	240.000 HR	15.00000	3,600.00
0007	4480000000-N TMA	1.000 EA	8,000.00000	8,000.00
0008	8860000000-N GENERIC STRUCTURE ITEM BRIDGE JACKING	LUMP	LUMP	79,200.00
0009	8860000000-N GENERIC STRUCTURE ITEM CLEANING AND REPAINTING BRIDGE#124	LUMP	LUMP	142,412.00
0010	8860000000-N GENERIC STRUCTURE ITEM CLEANING AND REPAINTING BRIDGE#142	LUMP	LUMP	268,891.00
0011	8860000000-N GENERIC STRUCTURE ITEM CLEANING AND REPAINTING BRIDGE#171	LUMP	LUMP	733,384.00

Contract ID: C202899

Project(s): BRIMS-040-1(227)

Letting Date: 01-17-12 Call Order: 042

Bidder: 1824 - Klicos Painting Company, Inc

Line No.	Item Description	Approx. Quantity and Units	Unit Price		Bid Amount	
			Dollars	Cts	Dollars	Ct
0012	8860000000-N GENERIC STRUCTURE ITEM CLEANING AND REPAINTING BRIDGE#205	LUMP	LUMP			117,785.00
0013	8860000000-N GENERIC STRUCTURE ITEM CLEANING AND REPAINTING BRIDGE#208	LUMP	LUMP			117,785.00
0014	8860000000-N GENERIC STRUCTURE ITEM DECK DRAIN MODIFICATION	LUMP	LUMP			66,000.00
0015	8860000000-N GENERIC STRUCTURE ITEM POLLUTION CONTROL	LUMP	LUMP			20,000.00
0016	8860000000-N GENERIC STRUCTURE ITEM UNDERSTRUCTURE WORK PLATFORM	LUMP	LUMP			300,000.00
0017	8867000000-E GENERIC STRUCTURE ITEM EPOXY RESIN INJECTION	476.000 LF		82.50000		39,270.00
0018	8882000000-E GENERIC STRUCTURE ITEM CONCRETE REPAIRS	143.000 CF		330.00000		47,190.00
0019	8882000000-E GENERIC STRUCTURE ITEM SHOTCRETE REPAIRS	408.000 CF		330.00000		134,640.00
0020	8889000000-E GENERIC STRUCTURE ITEM STRUCTURAL STEEL REPAIRS	5,785.000 LB		13.25000		76,651.25
0021	8897000000-N GENERIC STRUCTURE ITEM BOLT REMOVAL AND REPLACEMENT	200.000 EA		49.50000		9,900.00
	Section 0001 Total					2,303,948.25
	Bid Total					2,303,948.25

NON-COLLUSION AND DEBARMENT CERTIFICATION

The bidder certifies that neither he, nor any official, agent or employee of the bidder has entered into any agreement, participated in any collusion, or otherwise taken any action which is in restraint of free competitive bidding in connection with this bid, and that the bidder intends to do the work with its own bonafide employees or subcontractors and is not bidding for the benefit of another contractor. In addition, submitting this electronic bid constitutes the bidder's certification of Status under penalty of perjury under the laws of the United States and in accordance with the Debarment Certification on file with the Department.

By submitting this bid, the bidder certifies to the best of his knowledge and belief that he and his principals:

- a. Are not presently debarred, suspended, proposed for debarment, declared ineligible, or voluntarily excluded from covered transactions by any Federal department or agency;
- b. Have not within a three-year period preceding this proposal been convicted of or had a civil judgment rendered against them for commission of fraud or a criminal offense in connection with obtaining, attempting to obtain, or performing a public (Federal, State or local) transaction or contract under a public transaction; violation of Federal or State antitrust statutes or commission of embezzlement, theft, forgery, bribery, falsification or destruction of records; making false statements; or receiving stolen property;
- c. Are not presently indicted for or otherwise criminally or civilly charged by a governmental entity (Federal, State or local) with commission of any of the offenses enumerated in paragraph b. of this certification; and
- d. Have not within a three-year period preceding this proposal had one or more public transactions (Federal, State or local) terminated for cause or default.

Where the prospective bidder is unable to certify to any of the statements in this certification, the bidder shall submit an explanation in the blanks provided herein. The explanation will not necessarily result in denial of participation in a contract.

Explanation:  
NOT ANSWERED  
NOT ANSWERED  
NOT ANSWERED  
NOT ANSWERED

If the prequalified bidder's status changes, he shall immediately submit a new fully executed non-collusion affidavit and debarment certification with an explanation of the change to the Contract Office prior to submitting the bid.

Failure to furnish a certification or an explanation will be grounds for rejection of a bid

AWARD LIMITS ON MULTIPLE PROJECTS

By answering YES to this statement, the bidder acknowledges that they are using the award limits on multiple projects. No

A bidder who desires to bid on more than one project on which bids are to be opened on the same date, and who also desires to avoid receiving an award of more projects than he is equipped to handle, may bid on any number of projects but may limit the total amount of work awarded to him on selected projects by completing the AWARD LIMITS ON MULTIPLE PROJECTS.

The Award Limits on Multiple Projects must be filled in on each project bid for which the Bidder desires protection.

It is the desire of the Bidder to be awarded contracts, the value of which will not exceed a total of NOT ANSWERED for those

projects indicated herein, for which bids will be opened on (MM/DD/YY)

The Award Limits shall apply to the following projects:

Contract Number	County
NOT ANSWERED	
NOT ANSWERED	
NOT ANSWERED	
NOT ANSWERED	
NOT ANSWERED	
NOT ANSWERED	

It is agreed that if I am (we are) the low Bidder(s) on indicated projects, the total value of which is more than the above stipulated award limits, the Board of Transportation will award me (us) projects from among those indicated that have a total value not to exceed the award limit and will result in the lowest total bids to the Department of Transportation.



Line #	ItemNumber	Sec #	Description	Quantity Unit	Unit Bid Price	Amount Bid
<b>ROADWAY ITEMS</b>						
0001	0000100000-N	800	MOBILIZATION	Lump Sum LS	110,000.00	110,000.00
0002	4405000000-E	1110	WORK ZONE SIGNS (PORTABLE)	224 SF	10.00	2,240.00
0003	4415000000-N	1115	FLASHING ARROW BOARD	1 EA	3,000.00	3,000.00
0004	4420000000-N	1120	PORTABLE CHANGEABLE MESSAGE SIGN	2 EA	10,500.00	21,000.00
0005	4430000000-N	1130	DRUMS	60 EA	50.00	3,000.00
0006	4450000000-N	1150	FLAGGER	240 HR	15.00	3,600.00
0007	4480000000-N	1165	TMA	1 EA	8,000.00	8,000.00
0008	8860000000-N	SP	GENERIC STRUCTURE ITEM BRIDGE JACKING	Lump Sum LS	79,200.00	79,200.00
0009	8860000000-N	SP	GENERIC STRUCTURE ITEM CLEANING AND REPAINTING BRIDGE #124	Lump Sum LS	142,412.00	142,412.00
0010	8860000000-N	SP	GENERIC STRUCTURE ITEM CLEANING AND REPAINTING BRIDGE #142	Lump Sum LS	268,891.00	268,891.00
0011	8860000000-N	SP	GENERIC STRUCTURE ITEM CLEANING AND REPAINTING BRIDGE #171	Lump Sum LS	733,384.00	733,384.00
0012	8860000000-N	SP	GENERIC STRUCTURE ITEM CLEANING AND REPAINTING BRIDGE #205	Lump Sum LS	117,785.00	117,785.00
0013	8860000000-N	SP	GENERIC STRUCTURE ITEM CLEANING AND REPAINTING BRIDGE #208	Lump Sum LS	117,785.00	117,785.00
0014	8860000000-N	SP	GENERIC STRUCTURE ITEM DECK DRAIN MODIFICATION	Lump Sum LS	66,000.00	66,000.00
0015	8860000000-N	SP	GENERIC STRUCTURE ITEM POLLUTION CONTROL	Lump Sum LS	20,000.00	20,000.00
0016	8860000000-N	SP	GENERIC STRUCTURE ITEM UNDERSTRUCTURE WORK PLATFORM	Lump Sum LS	300,000.00	300,000.00

## Contract Item Sheets For C202899

Line #	ItemNumber	Sec #	Description	Quantity Unit	Unit Bid Price	Amount Bid
0017	8867000000-E	SP	GENERIC STRUCTURE ITEM EPOXY RESIN INJECTION	476 LF	82.50	39,270.00
0018	8882000000-E	SP	GENERIC STRUCTURE ITEM CONCRETE REPAIRS	143 CF	330.00	47,190.00
0019	8882000000-E	SP	GENERIC STRUCTURE ITEM SHOTCRETE REPAIRS	408 CF	330.00	134,640.00
0020	8889000000-E	SP	GENERIC STRUCTURE ITEM STRUCTURAL STEEL REPAIRS	5,785 LB	13.25	76,651.25
0021	8897000000-N	SP	GENERIC STRUCTURE ITEM BOLT REMOVAL AND REPLACEMENT	200 EA	49.50	9,900.00

TOTAL AMOUNT OF BID FOR ENTIRE PROJECT

\$2,303,948.25

1358/Jan31/Q7550/D150757100000/E21

Contract No. C202899  
County Haywood

Rev. 5-19-11

**EXECUTION OF CONTRACT  
NON-COLLUSION AFFIDAVIT, DEBARMENT CERTIFICATION AND GIFT BAN CERTIFICATION**

**CORPORATION**

The Contractor being duly sworn, solemnly swears (or affirms) that neither he, nor any official, agent or employee has entered into any agreement, participated in any collusion, or otherwise taken any action which is in restraint of free competitive bidding in connection with this Contract, that the Contractor has not been convicted of violating *N.C.G.S. § 133-24* within the last three years, and that the Contractor intends to do the work with its own bonafide employees or subcontractors and did not bid for the benefit of another contractor.

By submitting this Execution of Contract, Non-Collusion Affidavit and Debarment Certification, the Contractor is certifying his status under penalty of perjury under the laws of the United States in accordance with the Debarment Certification attached, provided that the Debarment Certification also includes any required statements concerning exceptions that are applicable.

*N.C.G.S. § 133-32* and Executive Order 24 prohibit the offer to, or acceptance by, any State Employee of any gift from anyone with a contract with the State, or from any person seeking to do business with the State. By execution of any response in this procurement, you attest, for your entire organization and its employees or agents, that you are not aware that any such gift has been offered, accepted, or promised by any employees of your organization.

**SIGNATURE OF CONTRACTOR**

Klicos Painting Company, Inc  
Full name of Corporation

7738 Hartford Road - Baltimore, MD 21234  
Address as Prequalified

Attest [Signature]  
Secretary/Assistant Secretary  
Select appropriate title

By [Signature]  
President/Vice President/Assistant Vice President  
Select appropriate title

Andreas Savvakis  
Print or type Signer's name

George Klicos  
Print or type Signer's name

**CORPORATE SEAL**

**AFFIDAVIT MUST BE NOTARIZED**

Subscribed and sworn to before me this the

7<sup>th</sup> day of February 2012

[Signature]  
Signature of Notary Public

**NOTARY SEAL**

of Baltimore County

State of MARYLAND

My Commission Expires: 1-9-2015

Contract No. C202899  
County Haywood

Rev. 5-19-11

## DEBARMENT CERTIFICATION

### Conditions for certification:

1. The prequalified bidder shall provide immediate written notice to the Department if at any time the bidder learns that his certification was erroneous when he submitted his debarment certification or explanation filed with the Department, or has become erroneous because of changed circumstances.
2. The terms *covered transaction, debarred, suspended, ineligible, lower tier covered transaction, participant, person, primary covered transaction, principal, proposal, and voluntarily excluded*, as used in this provision, have the meanings set out in the Definitions and Coverage sections of the rules implementing Executive Order 12549. A copy of the Federal Rules requiring this certification and detailing the definitions and coverages may be obtained from the Contract Officer of the Department.
3. The prequalified bidder agrees by submitting this form, that he will not knowingly enter into any lower tier covered transaction with a person who is debarred, suspended, declared ineligible, or voluntarily excluded from participation in NCDOT contracts, unless authorized by the Department.
4. For Federal Aid projects, the prequalified bidder further agrees that by submitting this form he will include the Federal-Aid Provision titled *Required Contract Provisions Federal-Aid Construction Contract (Form FHWA PR 1273)* provided by the Department, without subsequent modification, in all lower tier covered transactions.
5. The prequalified bidder may rely upon a certification of a participant in a lower tier covered transaction that he is not debarred, suspended, ineligible, or voluntarily excluded from the covered transaction, unless he knows that the certification is erroneous. The bidder may decide the method and frequency by which he will determine the eligibility of his subcontractors.
6. Nothing contained in the foregoing shall be construed to require establishment of a system of records in order to render in good faith the certification required by this provision. The knowledge and information of a participant is not required to exceed that which is normally possessed by a prudent person in the ordinary course of business dealings.
7. Except as authorized in paragraph 6 herein, the Department may terminate any contract if the bidder knowingly enters into a lower tier covered transaction with a person who is suspended, debarred, ineligible, or voluntarily excluded from participation in this transaction, in addition to other remedies available by the Federal Government.

Contract No. C202899  
County Haywood

Rev. 5-19-11

### DEBARMENT CERTIFICATION

The prequalified bidder certifies to the best of his knowledge and belief, that he and his principals:

- a. Are not presently debarred, suspended, proposed for debarment, declared ineligible, or voluntarily excluded from covered transactions by any Federal department or agency;
- b. Have not within a three-year period preceding this proposal been convicted of or had a civil judgment rendered against them for commission of fraud or a criminal offense in connection with obtaining, attempting to obtain, or performing a public (Federal, State or local) transaction or contract under a public transaction; violation of Federal or State antitrust statutes or commission of embezzlement, theft, forgery, bribery, falsification or destruction of records; making false statements; or receiving stolen property;
- c. Are not presently indicted for or otherwise criminally or civilly charged by a governmental entity (Federal, State or local) with commission of any of the offenses enumerated in paragraph b. of this certification; and
- d. Have not within a three-year period preceding this proposal had one or more public transactions (Federal, State or local) terminated for cause or default.
- e. Will submit a revised Debarment Certification immediately if his status changes and will show in his bid proposal an explanation for the change in status.

If the prequalified bidder cannot certify that he is not debarred, he shall provide an explanation with this submittal. An explanation will not necessarily result in denial of participation in a contract.

Failure to submit a non-collusion affidavit and debarment certification will result in the prequalified bidder's bid being considered non-responsive.

Check here if an explanation is attached to this certification.

**Contract No**      **C202899**

**County (ies):**    **Haywood**

ACCEPTED BY THE  
DEPARTMENT OF TRANSPORTATION



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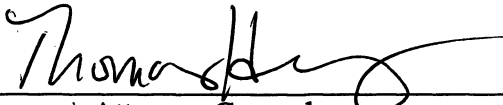
Contract Officer

2/23/12

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Date

Execution of Contract and Bonds  
Approved as to Form:



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ASST. Attorney General

Contract No. C202899  
County Haywood

Rev 5-17-11

Bond No. PAIFSU 0568199

### CONTRACT PAYMENT BOND

Date of Payment Bond Execution February 3, 2012

Name of Principal Contractor Klicos Painting Company, Inc.

Name of Surety: International Fidelity Insurance Company

Name of Contracting Body: North Carolina Department of Transportation  
Raleigh, North Carolina

Amount of Bond: \$2,303,948.25  
Two Million Three Hundred Three Thousand Nine Hundred Forty Eight Dollars & 25/100

Contract ID No.: C202899

County Name: Haywood

KNOW ALL MEN BY THESE PRESENTS, That we, the PRINCIPAL CONTRACTOR (hereafter, PRINCIPAL) and SURETY above named, are held and firmly bound unto the above named Contracting Body, hereinafter called the Contracting Body, in the penal sum of the amount stated above for the payment of which sum well and truly to be made, we bind ourselves, our heirs, executors, administrators, and successors, jointly and severally, firmly by these presents.

THE CONDITION OF THIS OBLIGATION IS SUCH, that whereas the principal entered into a certain contract with the Contracting Body, numbered as shown above and hereto attached:

NOW THEREFORE, if the principal shall promptly make payment to all persons supplying labor and material in the prosecution of the work provided for in said contract, and any and all duly authorized modifications of said contract that may hereafter be made, notice of which modifications to the surety being hereby waived, then this obligation to be void; otherwise to remain in full force and virtue.

IN WITNESS WHEREOF, the above-bound parties have executed this instrument under their several seals on the date indicated above, the name and corporate seal of each corporate party being hereto affixed and these presents duly signed by its undersigned representative, pursuant to authority of its governing body.

Contract No. C202899  
County Haywood


Rev 5-17-11

**CONTRACT PAYMENT BOND**

*Affix Seal of Surety Company*

International Fidelity Insurance Company  
Print or type Surety Company Name

By John R. Waite, Jr.  
Print, stamp or type name of Attorney-in-Fact

  
Signature of Attorney-in-Fact

  
Signature of Witness

Melissa Bannon, Witness  
Print or type Signer's name

One Newark Center, 20th Floor, Newark, NJ 07102-5207  
Address of Attorney-in-Fact



Contract No. C202899  
County Haywood

Rev 5-17-11

**CONTRACT PAYMENT BOND**

**CORPORATION**

SIGNATURE OF CONTRACTOR (Principal)

Klicos Painting Company, Inc.

Full name of Corporation

7738 Harford Road, Baltimore, MD 21234

Address as prequalified

By

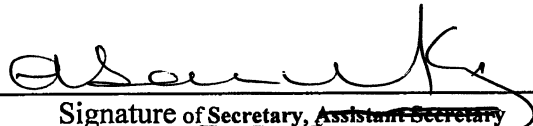


~~Signature of President, Vice President, Assistant Vice President~~  
*Select appropriate title*

George Klicos, President  
Print or type Signer's name

*Affix Corporate Seal*

Attest



~~Signature of Secretary, Assistant Secretary~~  
*Select appropriate title*

Andreas Savvakis  
Print or type Signer's name

Contract No. C202899  
County Haywood

Rev 5-17-11

Bond No. PAIFSU 0568199

### CONTRACT PERFORMANCE BOND

Date of Performance Bond Execution: February 3, 2012

Name of Principal Contractor: Klicos Painting Company, Inc.

Name of Surety: International Fidelity Insurance Company

Name of Contracting Body: North Carolina Department of Transportation  
Raleigh, North Carolina

Amount of Bond: \$2,303,948.25  
Two Million Three Hundred Three Thousand Nine Hundred Forty Eight Dollars & 25/100

Contract ID No.: C202899

County Name: Haywood

KNOW ALL MEN BY THESE PRESENTS, That we, the PRINCIPAL CONTRACTOR (hereafter, PRINCIPAL) and SURETY above named, are held and firmly bound unto the above named Contracting Body, hereinafter called the Contracting Body, in the penal sum of the amount stated above for the payment of which sum well and truly to be made, we bind ourselves, our heirs, executors, administrators, and successors, jointly and severally, firmly by these presents.

THE CONDITION OF THIS OBLIGATION IS SUCH, that whereas the principal entered into a certain contract with the Contracting Body, numbered as shown above and hereto attached:

NOW THEREFORE, if the principal shall well and truly perform and fulfill all the undertakings, covenants, terms, conditions, and agreements of said contract during the original term of said contract and any extensions thereof that may be granted by the Contracting Body, with or without notice to the Surety, and during the life of any guaranty required under the contract, and shall also well and truly perform and fulfill all the undertakings, covenants, terms, conditions, and agreements of any and all duly authorized modifications of said contract that may hereafter be made, notice of which modifications to the surety being hereby waived, then this obligation to be void; otherwise to remain in full force and virtue.

IN WITNESS WHEREOF, the above-bound parties have executed this instrument under their several seals on the date indicated above, the name and corporate seal of each corporate party being hereto affixed and these presents duly signed by its undersigned representative, pursuant to authority of its governing body.

Contract No. C202899  
County Haywood

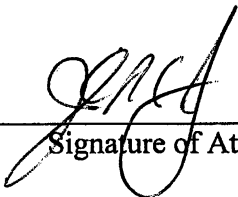
Rev 5-17-11


**CONTRACT PERFORMANCE BOND**

*Affix Seal of Surety Company*

International Fidelity Insurance Company  
Print or type Surety Company Name

By John R. Waite, Jr.  
Print, stamp or type name of Attorney-in-Fact

  
\_\_\_\_\_  
Signature of Attorney-in-Fact

  
\_\_\_\_\_  
Signature of Witness

Melissa Bannon, Witness  
Print or type Signer's name

One Newark Center, 20th Floor, Newark, NJ 07102-5207  
Address of Attorney-in-Fact

Contract No. C202899  
County Haywood

Rev 5-17-11

**CONTRACT PERFORMANCE BOND**

**CORPORATION**

SIGNATURE OF CONTRACTOR (Principal)

Klicos Painting Company, Inc.

Full name of Corporation

7738 Harford Road, Baltimore, MD 21234

Address as prequalified

By

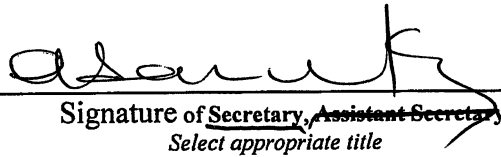


Signature of President, ~~Vice President~~, ~~Assistant Vice President~~  
Select appropriate title

George Klicos, President  
Print or type Signer's name

*Affix Corporate Seal*

Attest

  
Signature of Secretary, ~~Assistant Secretary~~  
Select appropriate title

Andreas Sarvakis  
Print or type Signer's name

STATE OF NORTH CAROLINA DEPARTMENT OF INSURANCE

L I C E N S E

NUMBER: 2724

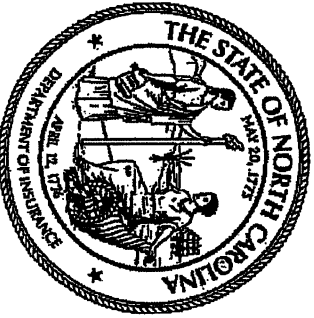
Initial Effective Date: October 09, 1984

International Fidelity Insurance Company  
an Insurance Company Domiciled in New Jersey

International Fidelity Insurance Company has complied with the necessary requirements pursuant to Chapter 58 of the North Carolina General Statutes to transact subject to all provisions of the laws of this State, the following kinds of insurance as defined in N.C.G.S. 58-7-15:

16

This license shall continue in force and in effect, subject to timely payment of the annual license continuation fee in accordance with N.C.G.S. 58-6-7 and subject to any other applicable provision of the insurance laws of this state.



*Janner E. Ferguson*  
Commissioner of Insurance

**North Carolina Department of Insurance  
Financial Analysis Division**

1203 Mall Service Center, Raleigh, NC-27699-1203 (919) 733-2205 fax (919) 715-7490

February 20, 2004

TO THE CHIEF EXECUTIVE OFFICER OF THE INSURANCE COMPANY

Re: Perpetual Insurance Company Licenses  
in the State of North Carolina

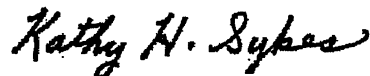
Dear Sir:

North Carolina has amended its statutes regarding the issuance of renewal licenses as of January 1, 2004. Instead of issuing renewal licenses to insurance companies annually as it has done in the past, North Carolina now issues perpetual licenses. Attached is the Company's Perpetual License indicating the kinds of insurance that the Company may write in North Carolina as defined and authorized by Chapter 58 of the North Carolina General Statutes. Any restrictions that may have been placed on the Company's authority is also stated on the Perpetual License. This license shall continue in effect, subject to timely payment of the annual license continuation fee in accordance with N. C. General Statute 58-6-7 and subject to all other applicable provision of the insurance laws of this State.

Please retain this Perpetual License in your permanent files. Your Company will only receive amended licenses in the future when changes occur that would necessitate a change to the license. Your Company is still required to file the License Update Form and pay the annual continuation license fee to this office no later than March 1<sup>st</sup> of each year. Also, for this year, you are required to file the President's Sworn Statement along with the License Update Form and fee to my attention no later than March 1, 2004.

Should you have any questions regarding this matter, please contact me at (919) 424-6264.

Sincerely yours,



Kathy H. Sykes  
Corporate Records Administrator  
Financial Analysis Division

khs

Attachment

**INTERNATIONAL FIDELITY INSURANCE COMPANY**  
 ONE NEWARK CENTER, 20<sup>TH</sup> FLOOR, NEWARK, NEW JERSEY 07102-5207

STATEMENT OF ASSETS, LIABILITIES, SURPLUS AND OTHER FUNDS

AT DECEMBER 31, 2010

ASSETS

Bonds (Amortized Value) . . . . .	\$46,649,126
Common Stocks (Market Value) . . . . .	62,328,576
Mortgage Loans on Real Estate . . . . .	2,167,950
Cash & Bank Deposits . . . . .	97,628,047
Short Term Investments . . . . .	1,544,986
Other Invested Assets . . . . .	435,828
Unpaid Premiums & Assumed Balances . . . . .	7,067,426
Reinsurance Recoverable from Reinsurers . . . . .	2,981,958
Electronic Data Processing Equipment . . . . .	338,089
Investment Income Due and Accrued . . . . .	263,824
Current Federal & Foreign Income Tax Recoverable & Interest Thereon . . . . .	589,361
Net Deferred Tax Assets . . . . .	4,800,000
Receivables from Parent, Subsidiaries and Affiliates . . . . .	912,570
Other Assets . . . . .	<u>2,287,918</u>
 TOTAL ASSETS . . . . .	 <u>\$229,995,658</u>

LIABILITIES, SURPLUS & OTHER FUNDS

Losses (Reported Losses Net as to Reinsurance Ceded and Incurred But Not Reported Losses) . . . . .	\$16,522,284
Loss Adjustment Expenses . . . . .	4,990,366
Contingent Commissions & Other Similar Charges . . . . .	5,064,116
Other Expenses (Excluding Taxes, Licenses and Fees) . . . . .	3,142,789
Taxes, Licenses & Fees (Excluding Federal Income Tax) . . . . .	284,768
Unearned Premiums . . . . .	30,565,137
Dividends Declared & Unpaid: Policyholders . . . . .	500,000
Ceded Reinsurance Premiums Payable . . . . .	2,529,630
Funds Held by Company under Reinsurance Treaties . . . . .	1,031
Amounts Withheld by Company for Account of Others . . . . .	71,612,437
Provisions for Reinsurance . . . . .	2,104
Payable to Parent, Subsidiaries and Affiliates . . . . .	73,243
Other Liabilities . . . . .	<u>6,721</u>
 TOTAL LIABILITIES . . . . .	 <u>\$135,294,626</u>
 Common Capital Stock . . . . .	 \$1,500,000
Gross Paid-in & Contributed Surplus . . . . .	374,600
Surplus Note . . . . .	16,000,000
Unassigned Funds (Surplus) . . . . .	77,831,432
Less: Treasury Stock at cost (22,333 shares common) (value incl. \$45.) . . . . .	<u>1,005,000</u>
 Surplus as Regards Policyholders . . . . .	 <u>\$94,701,032</u>
 TOTAL LIABILITIES, SURPLUS & OTHER FUNDS . . . . .	 <u>\$229,995,658</u>

I, Francis L. Mitterhoff, President of INTERNATIONAL FIDELITY INSURANCE COMPANY, certify that the foregoing is a fair statement of Assets, Liabilities, Surplus and Other Funds of this Company, at the close of business, December 31, 2010, as reflected by its books and records and as reported in its statement on file with the Insurance Department of the State of New Jersey.



IN TESTIMONY WHEREOF, I have set my hand and affixed the seal of the Company, this 24<sup>th</sup> day of February, 2011.  
 INTERNATIONAL FIDELITY INSURANCE COMPANY

# POWER OF ATTORNEY INTERNATIONAL FIDELITY INSURANCE COMPANY

HOME OFFICE: ONE NEWARK CENTER, 20TH FLOOR  
NEWARK, NEW JERSEY 07102-5207

**KNOW ALL MEN BY THESE PRESENTS:** That **INTERNATIONAL FIDELITY INSURANCE COMPANY**, a corporation organized and existing laws of the State of New Jersey, and having its principal office in the City of Newark, New Jersey, does hereby constitute and appoint

**CHRISTINE A. HARTUNG, WILLIAM L. RUSHTON, JOHN R. WAITE JR.**

Lansdale, PA.

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, and the execution of such instrument(s) in pursuance of these presents, shall be as binding upon the said **INTERNATIONAL FIDELITY INSURANCE COMPANY**, 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 its principal office.

This Power of Attorney is executed, and may be revoked, pursuant to and by authority of Article 3-Section 3, of the By-Laws adopted by the Board of Directors of **INTERNATIONAL FIDELITY INSURANCE COMPANY** at a meeting called and held on the 7th day of February, 1974.

The President or any Vice President, Executive Vice President, Secretary or Assistant Secretary, shall have power and authority

- (1) To appoint Attorneys-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 remove, at any time, any such attorney-in-fact and revoke the authority given.

Further, this Power of Attorney is signed and sealed by facsimile pursuant to resolution of the Board of Directors of said Company adopted at a meeting duly called and held on the 29th day of April, 1982 of which the following is a true excerpt:

Now therefore the signatures of such officers and the seal of the Company may be affixed to any such power of attorney or any certificate relating thereto by facsimile, and any such power of attorney or certificate bearing such facsimile signatures or facsimile seal shall be valid and binding upon the Company and any such power so executed and certified by facsimile signatures and facsimile seal shall be valid and binding upon the Company in the future with respect to any bond or undertaking to which it is attached.



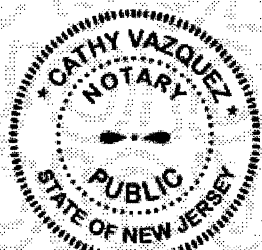
IN TESTIMONY WHEREOF, **INTERNATIONAL FIDELITY INSURANCE COMPANY** has caused this instrument to be signed and its corporate seal to be affixed by its authorized officer, this 16th day of October, A.D. 2007.

**INTERNATIONAL FIDELITY INSURANCE COMPANY**

STATE OF NEW JERSEY  
County of Essex

Secretary

On this 16th day of October 2007, before me came the individual who executed the preceding instrument, to me personally known, and, being by me duly sworn, said he is the therein described and authorized officer of the **INTERNATIONAL FIDELITY 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 by order of the Board of Directors of said Company.



IN TESTIMONY WHEREOF, I have hereunto set my hand affixed my Official Seal, at the City of Newark, New Jersey the day and year first above written.

A NOTARY PUBLIC OF NEW JERSEY  
My Commission Expires March, 27, 2014

### CERTIFICATION

I, the undersigned officer of **INTERNATIONAL FIDELITY INSURANCE COMPANY** do hereby certify that I have compared the foregoing copy of the Power of Attorney and affidavit, and the copy of the Section of the By-Laws of said Company as set forth in said Power of Attorney, with the ORIGINALS ON IN THE HOME OFFICE OF SAID COMPANY, and that the same are correct transcripts thereof, and of the whole of the said originals, and that the said Power of Attorney has not been revoked and is now in full force and effect.

IN TESTIMONY WHEREOF, I have hereunto set my hand this **3rd** day of **February, 2012.**

Assistant Secretary