

AD Form B: Proposal Security

Part A: Form of Proposal Letter of Credit

Per the proposal bond provider, AD Form B, Part A is for a security in the form of a letter of credit. Since The Boring Company is submitting a proposal bond as a security, a letter of credit is not required in addition to the proposal bond. The Boring Company is prepared to provide a letter of credit if required.

Part B: Form of Proposal Bond

Bond No. 94830-Euler-22-001

WHEREAS, on 10/14/2022, The Boring Company, a Company ("Principal"), submitted its Proposal to the City of San José ("Obligee"), in response to Obligee's Request for Proposals (as amended or supplemented the "RFP") to seek competitive proposals to develop a proposed transit connection between the San José Mineta International Airport and Diridon Station in Downtown San José (the "Project"), initially through a predevelopment agreement with the Obligee (the "PDA").

WHEREAS, Principal is required to furnish this bond as a condition to Obligee's acceptance of the Proposal.

NOW, THEREFORE, Principal and Euler Hermes North America Insurance Company, a Company ("Surety"), an admitted surety insurer in the State of California, are held and firmly bound unto Obligee in the amount of \$200,000.00 (the "Bonded Sum"), for payment of which sum Principal and Surety jointly and severally firmly bind themselves and their heirs, executors, administrators, representatives, successors, and assigns.

THE CONDITION OF THIS OBLIGATION IS SUCH THAT:

Concurrently with the delivery of this Bond to Obligee, Principal is submitting a Proposal to Obligee for the scope of work and services for the Project as described in the RFP and PDA.

NOW, THEREFORE, Principal and Obligee agree as follows:

43. The obligation to pay the Bonded Sum hereunder is absolute and unconditional, and unless said obligation is sooner discharged as provided below, upon receipt by Principal and Surety or by Principal and Sureties listed on the attached page (the "Co-Sureties") of notice of such forfeiture from Obligee.
44. If Obligee has not previously delivered notice of forfeiture hereunder, upon occurrence of any of the following events, then this obligation shall be null and void; otherwise it shall remain in full force and effect:
 - a. Principal's receipt of written notification from Obligee that (i) the Obligee has cancelled the RFP, or (ii) Obligee has awarded a PDA(s) for the Project to another Preferred Proposer(s) that is not the Principal, has received the executed PDA(s) from that Preferred Proposer(s) and other required documents, and does not intend to award the PDA to Principal
 - b. Expiry of the Proposal Validity Period
 - c. Following selection of Principal as a Preferred Proposer, Principal's performance of all of its obligations under the RFP in connection with award of the PDA, including execution and delivery of the PDA and delivery of all other items required to be provided under the RFP as a condition to award and execution and delivery of the PDA
45. Correspondence or claims relating to this Proposal Bond should be sent to Surety at the following address
800 Red Brook Blvd Baltimore, MD 21117.
46. If a lawsuit is brought on this bond by Obligee and judgment is recovered, Principal and Surety shall pay all costs incurred by Obligee in bringing such lawsuit, including, without limitation, actual attorneys' fees and costs as determined by the court.
47. Surety agrees that its obligation shall not be impaired by any extension(s) of the time for acceptance of Principal's Proposal that Principal may grant to Obligee, in accordance with the RFP or otherwise, and waives any notice of such extension(s).
48. This agreement shall be binding on the Principal and Surety executing the same, their legal representatives, successors, and assigns.

49. Capitalized terms used but not defined above shall have the following meaning:

“Preferred Proposer” means the Proposer or two Proposers that offer the City the best value for the Project, as determined and notified in accordance with the evaluation and selection process set out in the RFP.

“Proposal Due Date” means the date and time by which the Proposal must be submitted as shown in the RFP (as amended or supplemented).

“Proposal Validity Period” means a period of 180 consecutive days commencing on (and including) the Proposal Due Date, as such period may be extended in accordance with the RFP.

IN WITNESS WHEREOF, Principal and Surety have caused this bond to be executed and delivered as of
October 10, 2022.

Principal: The Boring Company

By: 

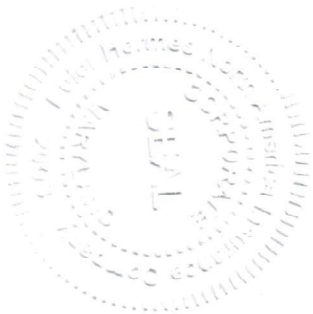
Its: Corporate Controller

Co-Sureties: Euler Hermes North America Insurance Company

By: 

Ann Mullins, Attorney in Fact
Attorney-in-Fact

[Add appropriate Surety acknowledgments]



All-Purpose Certificate of Acknowledgment

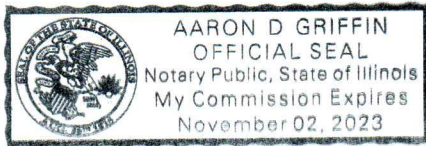
State of Illinois
City of Chicago }

On October 10, 2022 before me, Aaron D. Griffin,
DATE NAME OF NOTARY PUBLIC

personally appeared Ann Mullins
NAME(S) OF SIGNER(S)

☒ personally known to me - OR

☐ proved to me on the basis of satisfactory evidence to be the person(s) whose name(s) is/are subscribed to the within instrument and acknowledged to me that he/she/they executed the same in his/her/their authorized capacity(ies), and that by his/her/their signature(s) on the instrument the person(s), or the entity upon behalf of which the person(s) acted, executed the instrument.



Witness my hand and official seal.


SIGNATURE OF NOTARY PUBLIC

Though the data below is not required by law, it may prove valuable to persons relying on the document and prevent fraudulent reattachment of this form.

CAPACITY CLAIMED BY SIGNER

- ☐ Individual(s)
☐ Corporate Officer:
☐ Title(s)
☐ Partner(s)
☒ Attorney-in-Fact
☐ Trustee(s)
☐ Subscribing Witness
☐ Guardian/Conservator
☐ Other: _____

DESCRIPTION OF ATTACHED DOCUMENT(S)

Type of Document

Bid Bond

Number of Pages

4

Date of Document

October 10, 2022

Signer(s) Other Than Named Above

SIGNER IS REPRESENTING:

NAME OF PERSON(S) OR ENTITY(IES)

Euler Hermes North America Insurance Company

EULER HERMES NORTH AMERICA INSURANCE COMPANY
800 Red Brook Boulevard * Owings Mills, Maryland 21117

The number of persons authorized by this
Power of Attorney is not more than:

3 POWER OF ATTORNEY

KNOW ALL MEN BY THESE PRESENTS: That EULER HERMES NORTH AMERICA INSURANCE COMPANY (EULER HERMES), a corporation organized and existing under the laws of the state of Maryland, does hereby nominate, constitute, and appoint the person or persons named below, each individually if more than one is named, its true and lawful attorney-in-fact, for and in its name, place, and stead to execute on behalf of EULER HERMES, as surety, any and all bonds, undertakings, and contracts of suretyship, or other written obligations in the nature thereof; provided that the liability of EULER HERMES on any such bond, undertaking, or contract of suretyship executed under this authority shall not exceed the limit stated below.

NAME	ADDRESS	LIMIT OF POWER
Aaron D. Griffin	Marsh USA Inc.	Unlimited
Ann Mullins	540 W. Madison St.	
Daniel Machado	Suite 1100	
	Chicago, IL 60661	

This Power of Attorney revokes all previous powers issued on behalf of the attorney(s)-in-fact named above.

IN WITNESS WHEREOF, EULER HERMES has caused these presents to be signed and attested by its appropriate officers and its corporate seal hereunder affixed this 1st day of January, 20 21.



[Signature]

James Daly, President and CEO-The Americas

[Signature]

Keith Sherman, Senior Vice President and
Chief Operating Officer-Surety

State of Maryland, County of Baltimore

On this 1st day of January, 20 21, before me personally appeared Keith Sherman, to me known, being duly sworn, deposes and says that he resides in Phoenix, MD; that he is the Senior Vice President and Operating Officer-Surety of EULER HERMES, the Company described herein and which executed the above instrument; that he know the seal of EULER HERMES; that the seal affixed to said instrument is such corporate seal; that it was so affixed by authority of the Board of Directors of EULER HERMES; and that he signed his name thereto by like authority.



[Signature]

Notary Public

This Commission Expires April 4, 2023

This Power of Attorney is granted by authority of the following resolutions adopted by the Board of Directors of EULER HERMES NORTH AMERICA INSURANCE COMPANY (Company) by unanimous consent on October 1, 2015.

RESOLVED: That the President, Executive Vice President, Senior Vice President, Vice President, Secretary, Assistant Vice Secretary, and Senior Vice President and Chief Operating Officer-Surety, be and hereby are authorized from time to time to appoint one or more Attorneys-in-Fact to execute on behalf of the Company, as surety, any and all bonds, undertakings and contracts of suretyship, or other written obligation in the nature thereof; to proscribe their respective duties and all respective limits of their authority; and to revoke any such appointment at any time.

RESOLVED FURTHER: That the Company seal and signature of the aforesaid officers and may be affixed by facsimile to any Power of Attorney given for the execution of any bond, undertaking, contract of suretyship, or other written obligations in the nature thereof, such signature and seal when so used being hereby adopted by the Company as the original signature of such officer and the original seal of the Company, to be valid and binding upon the Company with the same force and effect as thought manually affixed.

CERTIFICATION

I, Keith Sherman, Senior Vice President and Chief Operating Officer-Surety of EULER HERMES NORTH AMERICA INSURANCE COMPANY, do hereby certify that the foregoing Power of Attorney and the Resolutions of the Board of Directors of October 1, 2015, have not been revoked and are now in full force and effect.

Signed and sealed this 10th day of October, 20 22.



[Signature]

Keith Sherman, Senior Vice President and
Chief Operating Officer-Surety

