

# RLI INSURANCE COMPANY

USDC SDNY DOCUMENT ELECTRONICALLY FILED DOC #: DATE FILED: <u>11/22/10</u>
----------------------------------------------------------------------------------------

STATE OF NEW YORK  
SOUTHERN DISTRICT OF NEW YORK

HARPER COLLINS PUBLISHERS L.L.C.

Plaintiff

BOND NO. RSB871909

Case No. 10 CIV 8782

UNDERTAKING ON TEMPORARY  
RESTRAINING ORDER

-against-

GAWKER MEDIA L.L.C.

Defendant

WHEREAS, the above named Plaintiff, Harper Collins Publishers L.L.C. has applied for a TEMPORARY RESTRAINING ORDER in the above entitled action, restraining the Defendant, Gawker Media L.L.C. from doing things as more fully set forth in the order granted by the Hon. Thomas P Grissa on November 20, 2010 under and by virtue of the Federal Rules of Civil Procedure upon the posting of an undertaking in the sum of ONE THOUSAND AND 00/100 (\$1,000.00) DOLLARS.

NOW, THEREFORE, RLI INSURANCE COMPANY, having an office and principal place of business in the State of New York at Three Franklin Square, Suite #8, Saratoga Springs, NY 12866, as Surety, does hereby undertake that the Plaintiff, HARPER COLLINS PUBLISHERS L.L.C., will pay to the Defendant, GAWKER MEDIA L.L.C. so enjoined, such damages and costs not exceeding the sum of ONE THOUSAND AND NO/100 (\$1,000.00) DOLLARS as they may sustain by reason of the Temporary Restraining Order, if the Court shall finally decide that the Petitioner was not entitled thereto; such damages and costs to be ascertained by a reference, or otherwise as the Court shall Direct.

Dated: November 22, 2010  
New York, New York

RLI INSURANCE COMPANY

By: Carolyn Offenhardt  
Carolyn Offenhardt, Attorney-in-Fact

*Approved 11/22/10*  
Ruby Kravitz  
Clerk  
*By* Ruby Kravitz  
Clerk

# ACKNOWLEDGMENT OF SURETY

STATE OF NEW YORK  
COUNTY OF NEW YORK

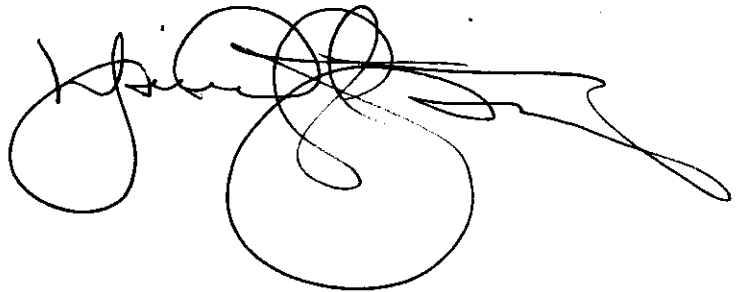
|  
| SS:  
|

On this 22<sup>nd</sup> day of November in the year 2010, before me, a Notary Public in and for said County, personally appeared **CAROLYN OFFENHARTZ**, personally known to me, who being by me duly sworn, did say that she is the aforesaid Attorney-in-Fact of the **RLI INSURANCE COMPANY**, a corporation duly organized and existing under the laws of the State of New York, that the seal affixed to the foregoing instrument is the corporate seal of said corporation, that the said instrument was signed, sealed and executed on behalf of said corporation by authority of its Board of Directors, and further acknowledge that the said instrument and the execution thereof to be a voluntary act and deed of said corporation.

IN WITNESS WHEREOF, I have hereunto subscribed my name and affixed by official seal the day and year last above written.

-----

**MICHAEL KEATING**  
Notary Public, State of New York  
Reg. No. 01-KE-4851559  
Qualified in New York County  
Commission Expires February 3, 20 14

A large, stylized handwritten signature in black ink, appearing to read 'Michael Keating', is written over the signature line. The signature is highly cursive and loops around itself.



RLI Surety  
 P.O. Box 3967 | Peoria, IL 61612-3967  
 Phone: (800)645-2402 | Fax: (309)689-2036  
 www.rlicorp.com

# POWER OF ATTORNEY

## RLI Insurance Company

**Know All Men by These Presents:**

That this Power of Attorney is not valid or in effect unless attached to the bond which it authorizes executed, but may be detached by the approving officer if desired.

That **RLI Insurance Company**, an Illinois corporation, does hereby make, constitute and appoint:  
Carolyn Offenhartz, William J. Pedersen

in the City of New York, State of New York its true and lawful Agent and Attorney in Fact, with full power and authority hereby conferred, to sign, execute, acknowledge and deliver for and on its behalf as Surety, the following described bond.

**Any and all bonds provided the bond penalty does not exceed Twenty Five Million Dollars (\$25,000,000.00).**

The acknowledgment and execution of such bond by the said Attorney in Fact shall be as binding upon this Company as if such bond had been executed and acknowledged by the regularly elected officers of this Company.

The **RLI Insurance Company** further certifies that the following is a true and exact copy of the Resolution adopted by the Board of Directors of **RLI Insurance Company**, and now in force to-wit:

"All bonds, policies, undertakings, Powers of Attorney or other obligations of the corporation shall be executed in the corporate name of the Company by the President, Secretary, any Assistant Secretary, Treasurer, or any Vice President, or by such other officers as the Board of Directors may authorize. The President, any Vice President, Secretary, any Assistant Secretary, or the Treasurer may appoint Attorneys in Fact or Agents who shall have authority to issue bonds, policies or undertakings in the name of the Company. The corporate seal is not necessary for the validity of any bonds, policies, undertakings, Powers of Attorney or other obligations of the corporation. The signature of any such officer and the corporate seal may be printed by facsimile."

IN WITNESS WHEREOF, the **RLI Insurance Company** has caused these presents to be executed by its Vice President with its corporate seal affixed this 2nd day of November, 2010.



**RLI Insurance Company**

By: [Signature]  
 Roy C. Die Vice President

State of Illinois }  
 County of Peoria } SS

**CERTIFICATE**

On this 2nd day of November, 2010, before me, a Notary Public, personally appeared Roy C. Die, who being by me duly sworn, acknowledged that he signed the above Power of Attorney as the aforesaid officer of the **RLI Insurance Company** and acknowledged said instrument to be the voluntary act and deed of said corporation.

I, the undersigned officer of **RLI Insurance Company**, a stock corporation of the State of Illinois, do hereby certify that the attached Power of Attorney is in full force and effect and is irrevocable; and furthermore, that the Resolution of the Company as set forth in the Power of Attorney, is now in force. In testimony whereof, I have hereunto set my hand and the seal of the **RLI Insurance Company** this 22<sup>nd</sup> day of November, 2010.

By: [Signature]  
 Cherie L. Montgomery Notary Public

**RLI Insurance Company**

By: [Signature]  
 Roy C. Die Vice President



3144046030110



RLI Indemnity Company  
P.O. Box 3967 Peoria IL 61612-3967  
Phone: 309-692-1000 Fax: 309-692-8637

# RLI Indemnity Company

December 31, 2009

## Admitted Assets

Investments:	
Fixed maturities	\$ 30,993,854
Equity securities	0
Short-term investments	8,563,067
Real estate	0
Cash on hand and on deposit	-1,601
Other invested assets	0
Agents' balances	89,824
Investment income due and accrued	348,458
Funds held	0
Reinsurance recoverable on paid losses	144,366
Federal income taxes receivable	5,736
Electronic data processing equipment, net of depreciation	0
Receivable from affiliates	0
Other admitted assets	435,321
<b>Total Admitted Assets</b>	<b>\$ 40,579,025</b>

## Liabilities and Surplus

Liabilities:	
Reserve for unpaid losses and loss adjustment expenses	\$ 236,986
Unearned premiums	191,123
Accrued expenses	77,490
Funds held	0
Amounts withheld	15,000
Ceded reinsurance premium payable	330,908
Statutory penalties	0
Federal income tax payable	29,658
Borrowed money and accrued interest	0
Drafts outstanding	59,101
Payable to affiliate	51,074
Other liabilities	0
<b>Total Liabilities</b>	<b>\$ 991,340</b>
Surplus:	
Common stock	\$ 4,200,000
Additional paid-in capital	18,800,000
Unassigned surplus	16,587,685
<b>Total Surplus</b>	<b>\$ 39,587,685</b>
<b>Total Liabilities and Surplus</b>	<b>\$ 40,579,025</b>

State of Illinois

County of Peoria

The undersigned, being duly sworn, says: That he is the President of **RLI Indemnity Company**; that said Company is a corporation duly organized in the State of Illinois, and licensed and engaged in business in the State of Illinois and has duly complied with all the requirements of the laws of said State applicable of said Company and is duly qualified to act as Surety under such laws; that said Company has also complied with and is duly qualified to act as Surety under the Act of Congress approved July 1947, 6U.S.C sec. 6-13; and that to the best of his knowledge and belief the above statement is a full, true, and correct statement of the financial condition of the said Company on the 31st day of December 2009.

Attest:



{ Corporate Seal Affixed }

*Michael J. Stone*

Michael J. Stone

President

*Cynthia S. Dorf*

Cynthia S. Dorf

Assistant Secretary

Sworn to before me this 4th day of March 2010.



{ Notarial Seal Affixed }

*Cherie L. Montgomery*

Cherie L. Montgomery

Notary Public, State of Illinois