

GUARDIAN INSURANCE COMPANY, INC.

OF CHARLOTTE AMALIE, ST. THOMAS, U.S. VIRGIN ISLANDS

**GENERAL AGREEMENT
OF
INDEMNITY AND SECURITY**

This agreement entered into by and between the undersigned, herein called the Indemnitor, and the Guardian Insurance Company, Inc. of Charlotte Amalie, St. Thomas, U.S. Virgin Islands, herein called the Company.

WITNESSETH:

WHEREAS, in the transaction of business certain bonds, undertakings and other writings, obligatory in the nature of a bond have heretofore been, and may hereafter be, required by, for, or on behalf of the Indemnitor, and application has been made to the Company to execute such bonds, and as a prerequisite to the execution of such bond or bonds, the Company requires complete indemnification.

NOW, THEREFORE, in consideration of the premises, and the payment by the Company of the sum of One Dollar (\$1.00) to each of the Indemnitor, receipt whereof is hereby acknowledged, and for other good and valuable considerations, the Indemnitor do, for themselves, their heirs, executors, administrators and assigns, jointly and severally, agree with the Company as follows:

1. The Indemnitor will pay to the Company, at its Home Office in the city of C Charlotte Amalie, St. Thomas, U.S. Virgin Islands, premiums and charges at the rates, and at the times specified in respect to each such bond in the Company's schedule of rates, which, with any additions or amendments thereto, is by reference made a part hereof, and will continue to pay the same where such premium of charge is annual, until the Company shall be discharged and released from any and all liability and responsibility upon and from such bond or matters arising therefrom, and until the Indemnitor shall deliver to the Company at its Home Office in the city of Charlotte Amalie, St. Thomas, US. Virgin Islands, competent written evidence satisfactory to the Company of its discharge from all liability on such bond or bonds,

2. The Indemnitor will indemnify and save the Company harmless from and against every claim, demand, liability, cost, charge, suit, judgment and expense which the Company may pay or incur in consequence of having executed, or procured the execution of, such bonds, or any renewals or continuations thereof or substitutes therefor, including fees and disbursements of attorneys, whether on salary, retainer or otherwise., and the expense of procuring, or attempting to procure, release from liability, or in bringing suit to enforce the obligation of any of the Indemnitor under this agreement. In the event of payments by the Company, the Indemnitor agree to accept the voucher or other evidence of such payments as prima facie evidence of the propriety thereof, and the Indemnitor' liability therefor to the Company.

3. If the Company shall set up a reserve to cover any claim, suit of judgment under any such bond, the Indemnitor will, immediately upon demand, deposit with the Company a sum of money equal to such reserve, such sum to be held by the Company as Collateral Security on such bond, and such some and any other money or property which shall have been, or shall, hereafter be Collateral Security on any such bond shall, unless otherwise agreed in writing by the Company, as Collateral Security on any other or all bonds coming within the scope of this Agreement.

4. The Indemnitor immediately upon becoming aware of any demand, notice or proceeding preliminary to determining or fixing any liability with which the Company may be subsequently charges under any such bond, shall notify the Company thereof in writing at its Home Office in the city of Charlotte Amalie, St. Thomas, U.S. Virgin Islands.

5. The Company shall have the exclusive right to determine for itself and the Indemnitor whether any claim or suit brought against the Company or the Principal upon any such bond shall be settled or defended and its decision shall be binding and conclusive upon the Indemnitor.

6. The Company, and its designated agents, shall, at any and all reasonable times, have free access to the books and records of the Indemnitor.

7. If any bond be given in connection with a Contract, the Company is hereby authorized, but not required, to consent to any change in the Contract or in the plans or specifications relating thereto; to make or guarantee advances or loans for the purpose of the Contract without necessity of seeing to the application thereof, it being understood that the amount of all such advances or loans, unless repaid with legal interest by the contractor to the Company when due, shall be conclusively presumed to be a loss hereunder. In the event the Indemnitor, or any of them, shall fail to pay any premium charge when due; or abandon, forfeit or breach such Contract; or have proceedings, instituted against them, or any of them, the effect of which may be to deprive any of them the use of any part of the equipment used in connection with the work under the Contract, so as to hinder, delay or impede the normal and satisfactory progress of the work, the Company shall have the right, but not the obligation, to take possession of the work under the Contract and under any other contract in connection with which the Company has given its bond or bonds within the purview of this General Agreement, and at the expense of the Indemnitor, to complete the Contract (s), or cause, or consent, to the completion thereof. The Indemnitor hereby assign, transfer, and set over to the Company (to be effective as of the date such bond or bonds, but only in the default as aforesaid), all of their rights under the Contract (s), including their own right, title and interest in and to all sub-contracts let in connection therewith; all machinery, plant, equipment, tools and materials which shall be upon the site of the work or elsewhere for the purposes of the Contract (s), any and all sums due, and the Indemnitor hereby authorize the Company to endorse in the name of the payee, and to receive and collect any check, draft, warrant or other instrument made or issued in payment of any such sum, and to disburse the proceeds thereof.

8. That it shall not be necessary for the Company to give the Indemnitor or any one or more of them, notice of the execution of any bonds, nor of any fact of information coming to the notice or knowledge of the Company affecting its right or liabilities or the rights or liabilities of the Indemnitor under any bond executed by it, notice of all such being hereby expressly waived.

9. In the event of any claim or demand being made by the Company against the Indemnitor, or any one or more of the parties so designated, by reason of the execution of a bond or bonds, the Company is expressly authorized to settle with any one or more of the Indemnitor individually, and without reference to the others, and such settlement or composition shall not affect the liability of any of the others, and each of the other Indemnitor hereby expressly waive the right to be discharged and released by reason of the release of one or more of the joint Indemnitor, and hereby consent to any settlement or composition that may hereafter be made.

10. The Company is not required, by reason of any applications for a bond or by reason of having issued a previous bond or bonds or otherwise, to execute or procure the execution of or to participate in the execution of any such bond or bonds of the Company, and at its option, may decline to execute or to participate in or procure the execution of any such bond without impairing the validity of this General Agreement.

11. If the Company procures the execution of such bonds by other companies or executes such bonds with cosureties, or reinsures any portion of such bonds with reinsuring companies, then all the terms and conditions of this agreement shall apply and operate for the benefit of such other companies, cosureties and reinsurers as their interest may appear.

12. The liability of the Indemnitor hereunder shall not be affected by the failure of the Principal to sign any bond, nor by any claim that other indemnity or security was to have obtained, nor by the release of any indemnity, or the return or exchange of any collateral security that may have been obtained and if any party signing this Agreement shall still be binding upon each and every other party.