

INDEMNITY AGREEMENT

Indemnitor represents that all statements made in the Application are true and made without reservation to induce Surety to extend surety credit on its behalf in reliance upon the Agreement; confirms that it has a material and beneficial interest in the provision of each Bond requested including Bonds requested in other Applications or as otherwise permitted; and hereby agrees with Surety as follows:

1. Definitions applicable to the Indemnity Agreement:

Agreement: This Indemnity Agreement, and any other agreement between Indemnitor and Surety executed for Surety's benefit.

Bonds: Any and all bonds or other obligations, renewals, extensions, replacements and substitutions thereof, issued prior to or after the execution of this Agreement, and issued for or at the request of any Indemnitor, whether requested pursuant to this or any other Application.

Indemnitor: Each and all of the undersigned, their current and future subsidiaries and affiliates, and any person or business entity added by written amendment (to which amendment Indemnitors hereby agree may be executed solely by that new Indemnitor), joint and severally, whether acting alone or in joint venture with others, and, as to all of them, their successors, assigns, and heirs. Where used in the Agreement, the term applies to Indemnitors individually and collectively.

Loss: Any loss, fees, costs and expenses, including pre- and post-judgment interest at the maximum rate permitted by law, court costs, counsel fees, accounting, engineering and outside consulting fees, which Surety may sustain or incur or otherwise determine to pay in its sole and absolute discretion, by reason of: (a) a request for a Bond; (b) execution or procurement of a Bond, including any cost incurred by Surety in fulfilling its obligations under any Bond; (c) the failure of Indemnitors to comply with any covenants or conditions of this Agreement; or (d) in enforcing any of the covenants and conditions of this Agreement.

Surety: The Ohio Casualty Insurance Company and any other member of the Liberty Mutual Group for which Surety business is underwritten, severally not jointly; their respective successors and assigns; any co-surety, reinsurer, or surety that issues a Bond at the request of Surety.

2. **Premiums:** Indemnitor shall pay premiums when due, and to deliver evidence satisfactory to Surety, of the release of all liability;

3. **Indemnity:** Indemnitor shall exonerate, indemnify and hold harmless Surety from and against any and all Loss;

4. **Place in Funds:** Indemnitor shall place Surety in funds immediately upon demand in the amount Surety deems necessary to protect itself from any Loss or potential Loss, Surety having the right to use all or part of the funds in payment, settlement, or reimbursement to itself of any Loss;

5. **Assignment:** (I) **Scope:** Indemnitor assigns and pledges to Surety as security, a lien and security interest in its interest, title, and rights in and growing out of the following: (a) any bonded contract, any agreement related to a bonded contract including any labor or supply subcontract and any Bond in support thereof, and any action, claim or demand which Indemnitor may acquire against any party to these contracts or otherwise related to a bonded contract; (b) all machinery, supplies, equipment, plant, tools and materials used, or intended for use, in connection with the bonded contract, including materials purchased, being constructed, in storage, or in transit; (c) to the extent Surety determines necessary to fulfill or complete bonded obligations: licenses, patents, copyrights, trade secrets, limited partnership and general partnership interests; (d) any funds that are due or may become due on a bonded contract or other contract, including retention and recovery from claims. (II) **Exercise of Rights by Surety:** The assignment is effective upon the date of this Indemnity Agreement, but the Surety may exercise its rights only if Indemnitor: (i) breaches a bonded contract, Bond, or the Agreement; (ii) is declared in default by a Bond Obligor or a payment bond claim is made; (iii) makes an assignment for the benefit of creditors; an application for the appointment of a trustee or receiver is made; or files an application under the Bankruptcy Code or similar laws of any state; (iv) is subject to any proceeding which deprives it of the use of the materials referred to in (b), above; (v) is debarred or otherwise declared ineligible for public work; and (vi) if an individual, an Indemnitor's death, disappearance, incompetence, insolvency, conviction of a felony or imprisonment

6. **Jurisdiction:** As to any legal action or proceeding related to this Agreement, Indemnitors consent to the general jurisdiction of any local, state or Federal court of the United States, its territories, and commonwealths having proper subject matter jurisdiction or in any court of the United States, its territories, or commonwealths in which any claim may be brought against Surety under any Bonds, and waive any claim or defense in any such action or proceeding based on any alleged lack of personal jurisdiction, improper venue, forum non conveniens or any similar basis. Indemnitors further waive personal service or any and all process.

7. **Security Agreement:** This Agreement shall constitute a Security Agreement to the Surety and a Financing Statement, both in accordance with the Uniform Commercial Code of every jurisdiction in which such Code is in effect, but the filing or recording of the Agreement shall be solely at Surety's option, and the failure to file shall not release or impair any Indemnitor's obligations under the Agreement or otherwise, nor shall it be in any manner in derogation of any of the Surety's rights.

8. **Power of Attorney:** Indemnitor irrevocably appoints Surety as Attorney-in-fact with the full right and authority, but not the obligation, to exercise the rights of Indemnitor assigned to Surety above, and to execute on behalf of and sign Indemnitor's name to any document deemed necessary by Surety to give full effect to the purposes of the Agreement. Indemnitor hereby ratifies all acts taken by Surety as attorney-in-fact, acknowledges that this power of attorney is a power coupled with an interest, and agrees to hold harmless Surety from any claims, damages, loss or expense incurred by its use. If a Bond relates to a subdivision improvement agreement Surety may revert to acreage the real property which is the subject of this agreement. Indemnitors hereby ratify all acts by Surety or its designee as attorney-in-fact.

9. **Surety's Rights:** (a) **Loss:** Surety has the right at its sole discretion to pay or settle any Loss and the sworn voucher of payment signed by Surety shall be prima facie evidence of Indemnitor's liability; (b) **Suits:** Surety may bring separate lawsuits to recover under the Agreement, and doing so or recovering by way of judgment upon a cause of action shall not prejudice or bar the bringing of suits upon other causes of action, whenever they may arise; (c) **Other Agreements:** Any rights Surety may have or acquire against Indemnitor under the Agreement are in addition to and not in lieu of any rights afforded Surety under any other agreement related to surety credit; and, if Surety executes any Bond with a co-surety or reinsures all or part of a Bond, all the terms of the Agreement shall apply and operate for the benefit of the co-surety and reinsurer, as their interests may appear; (d) **Decline or Cancel Bonds:** Surety shall have the right to decline or cancel a Bond at any time, free of claim for loss or damage by Indemnitor, and Surety shall be under no obligation to disclose its reasons therefore, the provisions of any law to the contrary being hereby waived; (e) **Non-waiver:** the exercise, delay or failure by Surety to exercise any right, remedy or power whatsoever shall not preclude any subsequent exercise or waiver of these or any other rights, remedies by the Surety. (f) **Book and Records:** At any time, Surety shall have the right of reasonable access to the books, records and/or accounts of Indemnitors and Principals for the purpose of inspection, copying or reproduction. Failure to provide such access shall be a breach of this Agreement, and shall entitle Surety to demand, in its sole discretion, collateral, in a form acceptable to Surety, up to the penal sum of any outstanding Bond(s).

10. **Counterparts:** This Application may be executed in multiple counterparts, each being deemed an original but all of which constitute one and the same agreement. All parties agree that any scanned or electronically digitized copy or digital version of this Agreement shall be effective as the original and any digital or digitized signature will be considered as a wet signature original for all purposes.

11. **This Document:** If the execution of this Agreement shall be defective for any reason, such defect or invalidity shall not affect the validity of the Agreement as to any other Indemnitor. If any provision is held invalid, the remaining provisions shall retain their full force and effect. A facsimile, photocopy, or electronic reproduction shall be considered an original and shall be admissible in a court of law to the same extent as an original.

12. **Termination:** Indemnitor may terminate its indemnity obligations under this Indemnity Agreement for future bonds upon twenty (20) days written notice to Surety, sent by registered or certified mail, to 401 Plymouth Road, Suite 450, Plymouth Meeting, PA 19462-1636, Attn: Bond Department. Such notice shall not modify or discharge Indemnitor's obligations for Bonds authorized, executed, or committed to by Surety prior to the discharge date (including renewals, extensions, modifications and substitutions), or for final Bonds issued for bid bonds issued prior to the discharge date.

By signing below, each individual signing on behalf of a business entity and/or a trust, represents and warrants that he or she is duly authorized by the entity and/or trust to bind it to this Indemnity Agreement and that the entity and/or trust has a material interest in the issuance of any requested Bonds. In the case of a trust, the Trustee further represents and warrants that he or she has the ability and will resolve out of trust assets the obligations to the surety pursuant to the Indemnity Agreement regardless of any spendthrift provisions or any other limitations on distributions.

➡ This Indemnity Agreement is dated _____.

Print and Sign Indemnitor section below **OR** ☐ **Check** if you want to use Electronic Signature.

If you checked to use Electronic Signature be sure to include the e-mail for each individual on page 1. We will send the Indemnity Agreement to each individual to sign Electronically.

Indemnitor (Business):

Company Name: _____
Authorized Signature: _____
Printed Name: _____

Indemnitor (Business/Trust):

Company Name: _____
Authorized Signature: _____
Printed Name: _____

Indemnitor (Individual):

Signature: _____
Printed Name: _____

Indemnitor (Individual):

Signature: _____
Printed Name: _____

Indemnitor (Individual):

Signature: _____
Printed Name: _____

Indemnitor (Individual):

Signature: _____
Printed Name: _____

CREDIT AUTHORIZATION

Each Indemnitor authorizes Surety to obtain information from third parties, including personal credit reports, in connection with the Surety's underwriting and each Indemnitor's compliance with indemnity agreements, bonded contracts and bonds. Each Indemnitor releases such third parties from liability resulting from the provision of such information.

FRAUD NOTICES: PLEASE REVIEW THE STATUTORY FRAUD NOTICE APPLICABLE TO YOUR STATE.

Arkansas, Louisiana, Maryland, New Mexico, Rhode Island and West Virginia: Any person who knowingly presents a false or fraudulent claim for payment of a loss or benefit or knowingly presents false information in an application for insurance is guilty of a crime and may be subject to civil fines and criminal penalties.

Colorado: It is unlawful to knowingly provide false, incomplete, or misleading facts or information to an insurance company for the purpose of defrauding or attempting to defraud the company. Penalties may include imprisonment, fines, denial of insurance, and civil damages. Any insurance company or agent of an insurance company who knowingly provides false, incomplete, or misleading facts or information to a policyholder or claimant for the purpose of defrauding or attempting to defraud the policy holder or claimant with regard to a settlement or award payable from insurance proceeds shall be reported to the Colorado Division of Insurance within the department of regulatory agencies.

District of Columbia: Any person who knowingly presents a false or fraudulent claim for payment of a loss or benefit or knowingly presents false information in an application for insurance is guilty of a crime and may be subject to fines and confinement in prison.

Kentucky: Any person who knowingly and with intent to defraud any insurance company or other person files an application for insurance containing any materially false information or conceals, for the purpose of misleading, information concerning any fact material thereto commits a fraudulent insurance act, which is a crime.

New Jersey: Any person who knowingly files a statement of claim containing any false or misleading information is subject to criminal and civil penalties.

New York: Any person who knowingly and with intent to defraud any insurance company or other person files an application for insurance or statement of claim containing any materially false information, or conceals for the purpose of misleading, information concerning any fact material thereto, commits a fraudulent insurance act, which is a crime, and shall also be subject to a civil penalty not to exceed five thousand dollars and the stated value of the claim for such violation.

Oklahoma: WARNING: Any person who knowingly, and with intent to injure, defraud or deceive any insurer, makes any claim for the proceeds of an insurance policy containing any false, incomplete or misleading information is guilty of a felony.

Ohio: Any person who, with intent to defraud or knowing that he is facilitating a fraud against an insurer, submits an application or files a claim containing a false or deceptive statement is guilty of insurance fraud.

Pennsylvania: Any person who knowingly and with intent to defraud any insurance company or other person files an application for insurance or statement of claim containing any materially false information or conceals for the purpose of misleading, information concerning any fact material thereto commits a fraudulent insurance act, which is a crime and subjects such person to criminal and civil penalties.

Tennessee, Maine, Virginia, and Washington: It is a crime to knowingly provide false, incomplete or misleading information to an insurance company for the purpose of defrauding the company. Penalties include imprisonment, fines and denial of insurance benefits.