

Bonds for Contracts of \$100,000 Single or Aggregate Line

(See page 2 for instructions)

CONTRACTOR DATA

Type of Business: Partnership (S) Corporation (C) Corporation Sole Proprietorship LLC LLP
Company Name _____
Company Address _____
City _____ State _____ Zip _____ Phone _____
Type of Work _____

BOND REQUEST DATA

An incomplete application may cause a delay

Anticipated Start Date _____ Time for Completion _____ Maintenance Period _____
Obligee (Who is requiring the contractor get a bond?) _____
Obligee Address _____ City _____ State _____ Zip _____
Job Description _____

**This Application is not intended for use in connection with Asbestos Abatement, Completion, Subdivision, Hazardous Materials, Multi-Year Contracts, Site Improvement, Service Contracts, or Stand Alone Maintenance Contracts.*

Check and Complete:

(check one only)

Bid Bond: What is the bid date? _____ Estimated total amount of bid: \$ _____
Bid Bond % amount _____ OR, if flat amount, \$ _____

OR

Performance & Payment Bond **Supply Bond** **Subcontractor Performance & Payment Bond**
Contract Price \$ _____ Contract Date (Date when contract is signed) _____

Next two lowest bidders (if truly negotiated, check box)
1. _____ \$ _____ 2. _____ \$ _____

Status of Prior Bid or Performance Bonds:

Bond No. _____ Bid Awarded: Yes No Bond No. _____ Bid Awarded: Yes No

BOND FORM DATA

(check one)

CNA Form Obligee Form AIA Form State Form Federal
(Send copy for review) *(Send copy for review)* Contract # _____

Do you wish to execute this bond in your office? Yes No State of Incorporation _____

Name of Licensed Agent who will sign the bond for this job _____

OWNER DATA / INDEMNITORS

(Provide the information below on all owners; use additional sheet if necessary)

Name _____ Name _____
Address _____ Address _____
City/State/Zip _____ City/State/Zip _____
SS# _____ DOB _____ SS# _____ DOB _____
% of Business Ownership _____ % of Business Ownership _____
Spouse Name _____ Spouse Name _____
SS# _____ DOB _____ SS# _____ DOB _____

AGENCY DATA

Agency Name **James Stafford Insurance Agency** Date _____
Agency Code **4 2 - 2 2 7 6 9** Agency Phone **(903) 537-2819** Agency Fax **1-888-475-4437**

Any person who knowingly and with intent to defraud any insurance company or person files an application 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 under applicable law. The applicants and indemnitors certify the truth of all statements in the application and authorize the Company to verify this information and to obtain additional information from any source including obtaining a credit report.

CNA SURETY
James Stafford Insurance Agency



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INSTRUCTIONS

- 1) This Application must be fully completed to avoid any processing delays.
** Please discuss with the applicant(s) the use of personal credit history to facilitate the underwriting review process.
- 2) **GENERAL INDEMNITY AGREEMENT—This is part of the application and must be signed** on behalf of the company as Principal and the business owners and their spouses as Indemnitors. No bond can be issued without a properly completed General Indemnity Agreement.
- 3) This application is **not** intended for:
 - a) Single Contract or Aggregate Line over \$100,000.
 - b) Contracts in connection with Asbestos Abatement, Completion, Subdivision, Hazardous Materials, Multi-Year, Site Improvement, Service, or Stand Alone Maintenance Contracts.

DEFINITIONS

Aggregate Line — Total contract amounts for open bid and performance bonds.

Asbestos Abatement — Removal of asbestos from a structure or building.

Bid Results — Bid tabulations of all bidders for the particular project.

Completion — Surety guarantees to the lender that if the principal fails to perform, the surety will complete the project according to the plan and given time limit.

Hazardous Materials — Activities that have a long-term and gradual adverse effect on the environment.

Multi-Year Contracts — Contract obligation more than one year.

Service Contracts — Contracts that cover useful labor that does not produce a tangible commodity.

Site Improvement — Guarantees the completion of improvements in the future and/or specified time as required by the obligee/ordinance. The bond may be required as a condition of occupancy.

Stand Alone Maintenance — Provides coverage for defective workmanship or faulty materials discovered after the project has been completed and accepted, when a performance bond was not required.

Subdivision — A parcel of land divided into blocks, lots, or plats for immediate or future use or sale or for building developments.

**IF YOU HAVE ANY QUESTIONS ABOUT THE APPLICATION,
PLEASE CALL 1-888-869-4904**

GENERAL INDEMNITY AGREEMENT

(FT Edition 2000)

THIS AGREEMENT is made by the undersigned Principal(s) (signing below as the "Company") and Indemnitor(s), all of which are individually and collectively referred to as "Undersigned," for the continuing benefit of Surety in connection with any Bond executed on behalf of any Indemnitor or any Principal.

DEFINITIONS. The following terms shall have the following definitions in this Agreement:

Bond: Any surety bond, undertaking, or other express or implied obligation of guaranty of suretyship executed or committed to by Surety on, before or after this date, and any riders, endorsements, extensions, continuations, renewals, substitutions, increases or decreases in penal sum, reinstatements or replacements thereto.

Principal: The person(s) and entity(ies), for whom any Bond is issued or committed to by Surety, or any one or combination thereof, or their successors in interest, whether alone or in joint venture with others named herein or not named herein, and any person or entity that directly or indirectly, through one or more intermediaries, controls or is controlled by, or is under common control with any party to this Agreement.

Surety: Any and all of Western Surety Company, Universal Surety of America, their respective reinsurers, and any other person or entity which may act as surety or co-surety on any Bond, or any other person or entity who executes any Bond at its request.

INDEMNITY. The Undersigned:

- A. Agrees to defend, indemnify, and save harmless Surety from and against any and all demands, liabilities, costs, penalties, obligations, interest, damages and expenses of whatever nature of kind, including but not limited to attorneys' fees (including those of both outside and in-house attorneys) and costs and fees incurred in investigation of claims or potential claims, adjustment of claims, procuring or attempting to procure the discharge of Bond, or attempting to recover losses or expenses from the Undersigned or third parties, whether Surety shall have paid out any such sums; and
- B. Agrees to pay Surety all premiums on Bonds issued by Surety on behalf of any Principal, in accordance with Surety's rates in effect when each payment is due. Premiums on contract bonds are based on the contract price, without reference to the penal sum of the Bond, and shall be adjusted due to changes in the total contract price. On any Bond where Surety charges an annual premium, such annual premium shall be due upon execution of the Bond and upon the renewal or anniversary date of such Bond until satisfactory evidence of termination of Surety's liability as a matter of law under the Bond is furnished to Surety's satisfaction; and
- C. Agrees that in furtherance of such indemnity:
 - i) In any claim or suit arising out of or related to either or both any Bond and this Agreement, an itemized statement of Surety's loss and expense, sworn to by a representative of Surety, or other evidence of disbursement by Surety, shall be prima facie evidence of the fact and extent of Undersigned's liability under this Agreement.
 - ii) Surety shall have the right to defense and indemnity regardless of whether Surety has made any payment under any Bond.
 - iii) In any suit between any Undersigned or Principal and Surety under this agreement or arising out of any Bond, Surety may recover its further expenses and attorneys' fees incurred in such suit either or both defending or prosecuting such suit.

GENERAL PROVISIONS. The Undersigned further agrees as follows:

- A) If a claim or demand for performance of any obligation under any Bond is made against Surety, Undersigned, upon Surety's demand, shall immediately deposit with Surety United States legal currency, as collateral security, in an amount equal to the reserves posted by Surety with respect to such claim or demand, plus an amount equivalent to Surety's estimate of its anticipated expenses and attorneys' fees to be incurred in connection therewith. Undersigned acknowledges and agrees that Surety shall be entitled to specific performance of this paragraph.
- B) Undersigned's obligations under this Agreement are joint and several. Repeated actions under this Agreement or as otherwise permitted may be maintained by Surety without any former action operating as a bar to any subsequent action. Surety's release of any one Undersigned shall not release any other Undersigned. No action or inaction of Surety with respect to anyone other than Undersigned shall relieve the Undersigned of any obligation owned under this Agreement. Undersigned shall not be released from liability under this Agreement because of the status, condition, or situation of any party to this Agreement or any Principal.
- C) If the execution of this Agreement by any Undersigned is defective or invalid for any reason, such defect or invalidity shall not affect the validity hereof as to any other Undersigned. Should any provision of this Agreement be held invalid, the remaining provisions shall retain their full force and effect.
- D) Undersigned waives any defense that this instrument was executed subsequent to the date of any Bond and acknowledges that such Bond was executed pursuant to Undersigned's request and in reliance on Undersigned's promise to execute this Agreement. Undersigned understands and agrees that this Agreement is a continuing agreement to indemnify over an indefinite period.
- E) Undersigned has the right to review all Bonds executed by Surety for errors and omissions prior to delivery of the Bond to the obligee, and hereby waives any claim against Surety arising out of any such error or omission.
- F) Surety shall have the right in its sole discretion to decide whether any claims arising out of or related to any Bond shall be paid, compromised, defended, prosecuted or appealed regardless of whether or not suit is actually filed or commenced against Surety upon such claim. Absent Surety's intentional wrongdoing, Undersigned agrees to be conclusively bound by Surety's determination.
- G) Surety may decline to execute any Bond for any reason and shall not be liable to Undersigned, or any person or entity, as a result of such declination.
- H) Undersigned may terminate liability to Surety under this Agreement ONLY by sending written notice by registered mail of intent to terminate to Surety, in care of Western Surety Company, P.O. Box 5077, Sioux Falls, South Dakota 57117-5077. Termination will be effective twenty days after actual receipt of such notice by Surety, only for Bonds signed or committed to by Surety after the effective date.
- I) Undersigned understands and agrees that other than for the entity issuing a Bond, no other entity included within definition of the "Surety" in this Agreement assumes any obligation whatsoever with respect to either this Agreement or such Bond.
- J) A facsimile of this Agreement shall be considered an original and shall be admissible in a court of law to the same extent as an original copy.

Dated: _____ (Month) _____ (Day) _____ (Year)

Company Name (Print): _____

Signature X _____

(Person authorized to sign for the company) Name: _____ Title: _____

Indemnitors:

Signature X _____

Signature X _____

(Indemnitor) Print Name here: _____

(Spouse) Print Name here: _____

Signature X _____

Signature X _____

(Indemnitor) Print Name here: _____

(Spouse) Print Name here: _____