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## UNITED CASUALTY AND SURETY INSURANCE COMPANY

### GENERAL INDEMNITY AGREEMENT

This Agreement of Indemnity, made and entered into this \_\_\_\_\_ day of \_\_\_\_\_, 20\_\_\_\_ is executed by the Undersigned for the purpose of indemnifying the Surety, herein referred to as "Surety," (as defined in "1. Definitions", below) in connection with any Bonds written on behalf of

herein referred to as the "Principal":

1. DEFINITIONS - The following definitions apply in this Agreement:

**BOND** - Any contractual obligation undertaken by Surety for Principal, before or after the date of this Agreement and any renewal or extension of said obligation.

**PRINCIPAL** - The person(s) or entity(ies) set forth above or any one of them or any combination thereof, or their successors in interest, whether alone or joint venture with others named herein or not.

**SURETY** - UNITED CASUALTY AND SURETY INSURANCE COMPANY, and/or any surety/insurance company or companies issuing bond(s) in favor of the principal, their reinsurers or any other person(s) or entity(ies) which the Surety may procure to act as a Surety or as a Co-Surety on any Bond, or any other person or entity who executes a Bond at the request of the Surety.

**CONTRACT** - Any agreement of Principal, including that which is bonded by the Surety.

2. INDEMNITY - In consideration of the execution and delivery by the Surety of a Bond or any Bonds on behalf of the Principal, the Undersigned agree to indemnify and hold the Surety harmless from and against any and all demands, liabilities, losses, costs, damages, attorneys' fees and expenses of whatever kind or nature which arise by reason of, or in consequence of, the execution by the Surety of any Bond on behalf of the Principal and whether or not the Surety shall have paid any sums in partial or complete payment thereof, including but not limited to: sums paid including interest, or liabilities incurred in settlement of claim: expenses paid or incurred in connection with claims, suits, or judgements under such Bonds: expenses paid or incurred in enforcing the terms of this Agreement: expenses paid or incurred in procuring or attempting to recover losses or expenses paid or incurred: attorneys' fees and all legal expenses related to any items herein: including in-house attorneys' fees, costs and expenses: investigation, accounting or engineering services; adjustment of claims; premiums on Bonds issued by the Surety on behalf of the Principal: monies advanced or loaned in accordance with Section 4(d) of this Agreement. In furtherance of such indemnity:

- A. The liability of the Undersigned shall extend to and include all amounts paid by the Surety in good faith under the belief that
  - 1) Principal was in default as hereinafter described in Section 3 of this Agreement: 2) Surety was or might be liable therefor; 3) such payments were necessary or advisable to protect any of the Surety's rights as to avoid or lessen Surety's liability or alleged liability.
- B. Surety shall have the right to incur such expenses in handling a claim as it shall deem necessary, including but not limited to the expense for investigative, accounting, engineering and legal services.
- C. Surety shall have the foregoing rights, irrespective of the fact that the Undersigned may have assumed, or offered to assume, the defense of the Surety upon such claim.
- D. In any claim or suit hereunder, an itemized statement of the aforesaid losses and expenses, sworn to by an officer of Surety, or the vouchers or other evidence of disbursement by Surety; shall be prima facie evidence of the fact and extent of the liability hereunder of the Undersigned.
- E. Surety shall have the right to reimbursement of its expenses, premiums, attorneys' fees, including in-house attorneys' fees, costs and expenses hereunder, irrespective of whether any Bond loss payment has been made by Surety. In any suit on this Agreement, Surety may recover its further expenses and attorneys' fees, including in-house attorneys' fees, costs and expenses incurred in suit.
- F. If the Principal advises the Surety in a timely manner of its defenses relating to any claim arising out of any bond written pursuant to this agreement, and instructs the Surety not to pay or otherwise perform thereunder, based upon such defenses, the Undersigned agrees to indemnify hold harmless and reimburse the Surety for any consequential or other damages - including but not limited to attorneys' fees (whether for outside attorneys or in-house counsel), legal costs, bad faith judgements, etc. - which thereafter may arise.

3. DEFAULT - Principal shall be in Default with respect to a Contract and hereunder if any of the following occur:

- A. Principal breaches, abandons or repudiates any Contract.
- B. Any Obligee declares Principal to be in default.
- C. Principal fails to pay for any labor or materials when such payment is due.
- D. Principal diverts any Contract funds from one contract to another, prior to complete discharge of Surety.
- E. Principal, or any one of the Undersigned, breaches any provision of this Agreement.
- F. Principal, or any one of the Undersigned, becomes the subject of any Agreement or proceedings of composition, insolvency, bankruptcy, receivership, trusteeship, or assignment of creditors.
- G. Principal, or any one of the Undersigned, becomes actually insolvent.
- H. Principal (if an individual) dies, is adjudged mentally incompetent, convicted of a felony, becomes a fugitive from justice or disappears and cannot be located with the usual methods.

4. REMEDIES UPON DEFAULT - In the event of a Default, as defined above, Surety may at its option and sole discretion:
- A. Take over any Contract and arrange for its completion.
  - B. Take possession of the Principal's equipment, materials and supplies at the site of the work or elsewhere, and utilize the same for Completion of any Contract.
  - C. Take possession of the office equipment, books and records of Principal as are necessary for completion of any Contract.
  - D. Loan such funds or guarantee a loan for such funds (prior to or after default), as Surety shall deem necessary for the completion of any Contract and for the discharge of Surety in connection with any Contract. Repayment of such loan shall be the responsibility of the Undersigned.
  - E. File an immediate suit to enforce the provisions of this Agreement.
5. COLLATERAL SECURITY - If a claim is made against the Surety, whether disputed or not, or if Surety deems it necessary to establish a reserve for potential claims, and upon demand from Surety, the Undersigned shall deposit with Surety cash or other property acceptable to the Surety, as collateral security, in sufficient amount to protect the Surety with respect to such claim or potential claims and any expense or attorneys' fees. Such collateral will be held or utilized by Surety, at its sole discretion, until the Surety has received evidence of its complete discharge from such claim or potential claims, and until it has been fully reimbursed for all loss, expense, attorneys' fees including any in-house attorneys' fees and unpaid premiums. Surety shall have the absolute right to disburse and pay such collateral at any time for all loss, expense, unpaid premiums, attorneys' fees, including any in-house attorneys' fees, whether such fees are incurred in the absence of actual litigation or arbitration under any bond or incurred in the enforcement or defense of this Indemnity Agreement or otherwise. If said collateral, or collateral previously deposited with Surety, is deemed insufficient by Surety, the Undersigned agree to deposit additional or substitute collateral in an amount and type acceptable to the Surety. This may include the Surety's demand for cash collateral in substitution for trust deed collateral.
- The Undersigned further agrees to reimburse the Surety for all attorneys' fees, costs, expenses, etc. including any in-house attorneys' fees, in Surety's defense of any action brought by the Principal or Indemnitors to effect the return of their collateral, if the Court subsequently upholds the Surety's position in retaining that collateral.
6. ASSIGNMENT - As security for the performance of all provisions of this Agreement, the Undersigned hereby assign, transfer, pledge and convey to the Surety (effective as of the date of each Bond or Bonds, but only in the event of Default referred to in preceding Section 3):

- A. All rights in connection with any Contract, including but not limited thereto:
  1. All subcontracts let in connection therewith and such subcontractors Surety Bonds.
  2. All machinery, plant equipment, or tools which shall be upon the site or sites of the work or elsewhere for the purpose of any Contract, including all material ordered for any Contract.
  3. Any and all sums due or which may thereafter become due under any Contract and all other sum or sums due or to become due on all other Contracts, bonded or unbonded, in which any of the Undersigned have an interest.
  4. All rights arising out of insurance policies, notes and accounts receivable, and choices in action.

7. POWER OF ATTORNEY - The Undersigned hereby irrevocably nominate, constitute, appoint and designate the Surety or its designee as their Attorney-in-Fact with the power, but not the obligation to exercise all of the rights assigned, transferred and set over to the Surety by the Undersigned in this Agreement, and to make, execute and deliver any and all additional or other assignments, documents or papers, including but not limited to: the execution of instruments referred to in Section 6, the endorsement of checks or other instruments payable to any of the Undersigned deemed necessary and proper by the Surety in order to give full effect to the intent and meaning of the within assignment for the full protection intended to be given to the Surety under all provisions of this Agreement. The Undersigned hereby ratify and affirm all acts and actions taken and done by the Surety or its designee as Attorney-in-Fact.

8. GENERAL PROVISIONS:

- A. The obligations of the Undersigned hereunder are joint and several. Surety may bring separate suits hereunder against any or all of the Undersigned as causes of action may accrue hereunder. Surety need not proceed first against the Principal.
- B. Undersigned will, on request to Surety, procure the discharge of Surety from any Bond, and all Bond and all liability by reason thereof.
- C. Undersigned warrant that each of them is specifically and beneficially interested in obtaining each Bond and agree to pay the initial, renewal and additional premiums thereon, including premiums based on overrun in contract price according to the Company's current rate manual recognizing that the initial premium is fully earned upon execution of said Bond.
- D. Undersigned waive notice of: any Default, the making of a claim against the Surety, or Surety's loaning funds to Principal.
- E. Undersigned agree to give to Surety prompt notice of any facts which might arise to any claim or suits against Surety upon Bond.
- F. Surety shall have the right, at its option and in its sole discretion, to issue or cancel or decline the execution of any bond, or renewal thereof, including a Final Bond when it has furnished a Bid Bond.
- G. Surety may consent to any changes or alterations in a Contract or Bond, without affecting the liability hereunder of the Undersigned, including but not limited to riders extending the time of completion, or increases or decreases in the penal sum of the bond, who hereby agree to pay any additional premium resulting from said changes or alterations, without giving notice thereof to the Indemnitors.
- H. Surety shall have every right, defense or remedy which a personal Surety without compensation would have, including the right of exoneration.
- I. Until the Surety has been furnished with conclusive evidence of its discharge without loss from any Bonds, and until the Surety has been otherwise fully indemnified as hereunder provided, Surety shall have right of free access to the books, records and accounts of the Undersigned for the purpose of examining and copying them. The Undersigned hereby authorizes third parties, including but not limited to depositories of funds of the Undersigned, to furnish to Surety any information requested by Surety in connection with any transaction. Surety may furnish any information, which it now has or may hereafter acquire concerning the Undersigned, to other persons, firms or entities for the purpose of procuring Co-Suretyship or reinsurance or of advising such persons, firms or entities as it may deem appropriate.

- J. If the execution of this Agreement by any of the Undersigned be found defective or invalid for any reason, such defect or invalidity shall not affect the validity of this Agreement with respect to any other of the Undersigned. The invalidity of any provision of this Agreement by reason of the law of any state or by any other reason shall not affect the validity of any other provision of this Agreement.
  - K. The Surety may, at its option file or record this Agreement or any other document executed by any or all of the Undersigned, individually or jointly, in connection with the application, issuance or execution of any Bond or Bonds, or renewal thereof, coming within the scope of this instrument as: a security agreement or as part of a financing statement or, as notice of its prior interest and assignment under the provisions of the Uniform Commercial Code or any other statute, ordinance or regulation of any jurisdiction or agency. The filing or recording of such document shall be solely at the option of the Surety. The failure to so file shall not release or discharge any of the obligations of the Undersigned under this Agreement.
  - L. The Surety shall have the right to fill in any blanks left herein and to correct any errors in filling in any blank herein.
  - M. The Undersigned waive any defense that this instrument was executed subsequent to the date of any such Bond, admitting and covenanting that such Bond was executed pursuant to the Undersigned's request and in reliance on the Undersigned's promise to execute this instrument.
  - N. This Agreement may not be changed or modified orally. No change or modification shall be effective unless specifically agreed to in writing.
  - O. In the event any of the Undersigned shall fail to execute this Agreement or become insolvent, or in the event any of the Undersigned who execute this Agreement, shall not be bound for any reason, the other Undersigned shall, nevertheless, be bound hereunder for the full amount of the liability as aforesaid.
  - P. Repeated actions may be maintained by Surety on this instrument as breaches of it occur without any former action operating as a bar to any subsequent action.
  - Q. Wherever used in this instrument, the plural shall include the singular, the singular shall include the plural, and the neuter shall include both genders as the circumstances require.
  - R. The liability of the Undersigned hereunder shall not be affected by: (a) the failure of the principal to sign any bond, (b) any claim that other indemnity or security was to have been obtained, (c) the release of any indemnity, (d) the return or exchange of any collateral that may have been submitted.
  - S. The Undersigned and their successors, executors and administrators agree to hold all money or other proceeds of a Contract, however received, as a trust for the benefit of Surety and to use such money or other proceeds for the purpose of performing the Contract and discharging the obligations of the Bond, and for no other purpose until the Bond is completely exonerated.
9. WAIVER OF NOTICE - We agree that the Company need not give us, or any of us, notice of any act, fact or information coming to the notice or knowledge of the Company concerning or affecting its rights or liabilities under any such bond or our rights or liabilities hereunder, notice of all such being hereby expressly waived.
10. CREDIT RELATIONSHIP - Each of the Undersigned further affirms that he understands bonds are a credit relationship and hereby authorizes United Casualty and Surety Insurance Company, Inc. to gather such credit information it considers necessary and appropriate for purposes of evaluating whether such credit should be affected or continued.
11. TERMINATION - This Agreement is a continuing obligation of the Undersigned unless terminated by written notice to Surety as hereinafter provided, and such termination by a particular Undersigned shall in no way affect the obligation of any other Undersigned who has not given such notice. The liability of the Undersigned hereunder as to the future Bonds of Principal shall not terminate by reason of failure of Surety to disclose facts known about the Principal, even though such facts materially increase the risk beyond that which the Undersigned might intend to assume. Whether Surety may have reason to believe such facts are unknown to the Undersigned, or whether the Surety may have reasonable opportunity to communicate such facts to the Undersigned, the Undersigned hereby waive notice of such facts. In order to terminate liability as to future Bonds of Principal, an Undersigned must:
- A. Give written notice by means of certified mail to Surety at its executive offices: 170 Milk Street, Boston, Massachusetts 02109 of such termination; and
  - B. State in such notice the effective date (not less than thirty days after receipt thereof by Surety) of termination of such Undersigneds' liability for future bonds.

After the effective date of such termination by giving notice, the Undersigned shall nonetheless be liable hereunder for:

- A. Bonds executed or authorized prior to such date, and renewals, substitutions and extensions thereof; and
- B. Bonds executed pursuant to a bid or proposal bond executed or authorized prior to such date, and renewals, substitutions and extensions thereof; and
- C. Any maintenance or guarantee bonds executed or authorized prior to such date, and renewals substitutions and extensions thereof.

**PRINCIPALS**

\_\_\_\_\_  
Principal(s) Name

BY \_\_\_\_\_  
Title

BY \_\_\_\_\_  
Title

BY \_\_\_\_\_  
Title

BY \_\_\_\_\_  
Title

**INDEMNITOR(S)**

\_\_\_\_\_  
Signature

\_\_\_\_\_  
Name Typed

\_\_\_\_\_  
Residence Address

\_\_\_\_\_  
Residence Phone #                      SS#

\_\_\_\_\_  
Signature

\_\_\_\_\_  
Name Typed

\_\_\_\_\_  
Residence Address

\_\_\_\_\_  
Residence Phone #                      SS#

\_\_\_\_\_  
Signature

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Name Typed

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Residence Address

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Residence Phone #                      SS#

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Signature

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Residence Address

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Residence Address

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Residence Phone #                      SS#

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Signature

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Name Typed

\_\_\_\_\_  
Residence Address

\_\_\_\_\_  
Residence Phone #                      SS#

**INDIVIDUAL ACKNOWLEDGEMENTS**

STATE OF \_\_\_\_\_

SS.:

COUNTY OF \_\_\_\_\_

On this \_\_\_\_\_ day of \_\_\_\_\_, 20\_\_\_\_ before me personally appeared \_\_\_\_\_ personally known to me or proved to me on the basis of satisfactory evidence to be the person whose name is subscribed to this instrument, and acknowledged to me that he/she executed the same.

My commission expires: \_\_\_\_\_

Notary Public

County of Residence: \_\_\_\_\_

Notary Name (Print/Type)

STATE OF \_\_\_\_\_

SS.:

COUNTY OF \_\_\_\_\_

On this \_\_\_\_\_ day of \_\_\_\_\_, 20\_\_\_\_ before me personally appeared \_\_\_\_\_ personally known to me or proved to me on the basis of satisfactory evidence to be the person whose name is subscribed to this instrument, and acknowledged to me that he/she executed the same.

My commission expires: \_\_\_\_\_

Notary Public

County of Residence: \_\_\_\_\_

Notary Name (Print/Type)

STATE OF \_\_\_\_\_

SS.:

COUNTY OF \_\_\_\_\_

On this \_\_\_\_\_ day of \_\_\_\_\_, 20\_\_\_\_ before me personally appeared \_\_\_\_\_ personally known to me or proved to me on the basis of satisfactory evidence to be the person whose name is subscribed to this instrument, and acknowledged to me that he/she executed the same.

My commission expires: \_\_\_\_\_

Notary Public

County of Residence: \_\_\_\_\_

Notary Name (Print/Type)

STATE OF \_\_\_\_\_

SS.:

COUNTY OF \_\_\_\_\_

On this \_\_\_\_\_ day of \_\_\_\_\_, 20\_\_\_\_ before me personally appeared \_\_\_\_\_ personally known to me or proved to me on the basis of satisfactory evidence to be the person whose name is subscribed to this instrument, and acknowledged to me that he/she executed the same.

My commission expires: \_\_\_\_\_

Notary Public

County of Residence: \_\_\_\_\_

Notary Name (Print/Type)

STATE OF \_\_\_\_\_

SS.:

COUNTY OF \_\_\_\_\_

On this \_\_\_\_\_ day of \_\_\_\_\_, 20\_\_\_\_ before me personally appeared \_\_\_\_\_ personally known to me or proved to me on the basis of satisfactory evidence to be the person whose name is subscribed to this instrument, and acknowledged to me that he/she executed the same.

My commission expires: \_\_\_\_\_

Notary Public

County of Residence: \_\_\_\_\_

Notary Name (Print/Type)

STATE OF \_\_\_\_\_

SS.:

COUNTY OF \_\_\_\_\_

On this \_\_\_\_\_ day of \_\_\_\_\_, 20\_\_\_\_ before me personally appeared \_\_\_\_\_ personally known to me or proved to me on the basis of satisfactory evidence to be the person whose name is subscribed to this instrument, and acknowledged to me that he/she executed the same.

My commission expires: \_\_\_\_\_

Notary Public

County of Residence: \_\_\_\_\_

**CORPORATE ACKNOWLEDGEMENTS**

STATE OF \_\_\_\_\_

SS.:

COUNTY OF \_\_\_\_\_

On this \_\_\_\_\_ day of \_\_\_\_\_, 20\_\_\_\_ before me personally appeared \_\_\_\_\_ personally known to me or proved to me on the basis of satisfactory evidence to be the person who has executed the within instrument as \_\_\_\_\_ of the corporation therein named and acknowledged to me that the corporation executed it.

My commission expires: \_\_\_\_\_

Notary Public

County of Residence: \_\_\_\_\_

Notary Name (Print/Type)

STATE OF \_\_\_\_\_

SS.:

COUNTY OF \_\_\_\_\_

On this \_\_\_\_\_ day of \_\_\_\_\_, 20\_\_\_\_ before me personally appeared \_\_\_\_\_ personally known to me or proved to me on the basis of satisfactory evidence to be the person who has executed the within instrument as \_\_\_\_\_ of the corporation therein named and acknowledged to me that the corporation executed it.

My commission expires: \_\_\_\_\_

Notary Public

County of Residence: \_\_\_\_\_

Notary Name (Print/Type)

STATE OF \_\_\_\_\_

SS.:

COUNTY OF \_\_\_\_\_

On this \_\_\_\_\_ day of \_\_\_\_\_, 20\_\_\_\_ before me personally appeared \_\_\_\_\_ personally known to me or proved to me on the basis of satisfactory evidence to be the person who has executed the within instrument as \_\_\_\_\_ of the corporation therein named and acknowledged to me that the corporation executed it.

My commission expires: \_\_\_\_\_  
Notary Public

County of Residence: \_\_\_\_\_  
Notary Name (Print/Type)

STATE OF \_\_\_\_\_

SS.:

COUNTY OF \_\_\_\_\_

On this \_\_\_\_\_ day of \_\_\_\_\_, 20\_\_\_\_ before me personally appeared \_\_\_\_\_ personally known to me or proved to me on the basis of satisfactory evidence to be the person who has executed the within instrument as \_\_\_\_\_ of the corporation therein named and acknowledged to me that the corporation executed it.

My commission expires: \_\_\_\_\_  
Notary Public

County of Residence: \_\_\_\_\_  
Notary Name (Print/Type)

PARTNERS ACKNOWLEDGEMENTS

STATE OF \_\_\_\_\_

SS.:

COUNTY OF \_\_\_\_\_

On this \_\_\_\_\_ day of \_\_\_\_\_, 20\_\_\_\_ before me personally appeared \_\_\_\_\_ personally known to me or proved to me on the basis of satisfactory evidence to be the person(s) that executed this instrument on behalf of the partnership known as \_\_\_\_\_ partnership name and acknowledged to me that the partnership executed it.

My commission expires: \_\_\_\_\_  
Notary Public

County of Residence: \_\_\_\_\_  
Notary Name (Print/Type)

STATE OF \_\_\_\_\_

SS.:

COUNTY OF \_\_\_\_\_

On this \_\_\_\_\_ day of \_\_\_\_\_, 20\_\_\_\_ before me personally appeared \_\_\_\_\_ personally known to me or proved to me on the basis of satisfactory evidence to be the person(s) that executed this instrument on behalf of the partnership known as \_\_\_\_\_ partnership name and acknowledged to me that the partnership executed it.

My commission expires: \_\_\_\_\_  
Notary Public

County of Residence: \_\_\_\_\_  
Notary Name (Print/Type)