



SUBDIVISION BOND APPLICATION & INDEMNITY AGREEMENT

DEVELOPER INFORMATION

Type of Business:
Check One → Individual/Proprietorship LLC Partnership Corporation
Name of Principal (as it is to appear on Bond(s)): _____
Street Address _____ FED.I.D. # _____
City _____ State _____ Zip _____ Phone: _____
Approx. Business Net Worth \$ _____ Fax: _____
Years of Development Experience: _____

Largest Projects Completed During the Past 6 Years:

Name and Location of Projects	Type of Project (Residential, Commercial, etc.)	\$ Amount of Offsites	Date Completed

Current Projects Underway:

Name and Location of Projects	Type of Project (Residential, Commercial, etc.)	\$ Amount of Offsites	% Completed

SPECIFIC PROJECT INFORMATION

Obligee Name (City or County that bond runs to): _____
Obligee Address: _____
Subdivision Name: _____
Location: _____ Tract or Parcel # _____
Type of Project (Commercial, Residential, Industrial, Mixed Use): _____
Number of Units: _____ Start Date: _____ Anticipated Completion Date: _____

Type of Bond(s) Needed:

	Performance	Payment or Labor & Material
1. Grading	\$ _____	\$ _____
2. Street	\$ _____	\$ _____
3. Water.....	\$ _____	\$ _____
4. Sewer and/or Storm Drain.....	\$ _____	\$ _____
5. Monument.....	\$ _____	\$ _____
6. Warranty or Maintenance.....	\$ _____	\$ _____
7. Other (Please Describe) _____	\$ _____	\$ _____

Contractor Information: Please supply names of contractors and contract amounts for each bond requirement (if known).

Financing Information: Name of Lender: _____
Name of Loan Officer: _____ Phone Number: _____
Total Amount of Construction Loan: _____
Is Set Aside Letter Available? _____

Attach the following information if applicable:

1. City or County Approved Engineers Estimated Bonding Amounts
2. Bond Forms
3. Partnership or LLC Agreement
4. Financial Statements of Principal and Owners

GENERAL INDEMNITY AGREEMENT

THIS AGREEMENT is made by the undersigned persons or entities, all of which are individually and collectively referred to, whether one or more, as "Principal," for the continuing benefit of Surety in connection with any Bond executed on behalf of Principal or any one or more of them.

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 for Principal or any other person or entity at their request 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 persons and entities, jointly and severally, signing below or 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 SureTec Insurance Company, 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: Principal:

1. Agrees to indemnify and save harmless Surety from and against any and all demands, claims, liabilities, costs, losses, 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 and adjustment of claims or potential claims, cost and loss containment, procuring or attempting to procure the discharge of Bond, or attempting to recover losses or expenses from Principal or third parties, whether Surety shall have paid out any such sums; and
2. Agrees to pay Surety and any producing agent all premiums on Bonds issued by Surety on behalf of 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
3. Agrees that in furtherance of such indemnity: (1) 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 Principal's liability under this Agreement, (2) Surety shall have the right to indemnify regardless of whether Surety has made any payment under any Bond, and (3) In any suit between 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 both defending and prosecuting such suit.

GENERAL PROVISIONS. The Principal further agrees as follows:

- A. If a claim or demand for performance of any obligation under any Bond is made against Surety, Principal, 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. Principal acknowledges and agrees that Surety shall be entitled to specific performance of this paragraph.
- B. Principal'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 Principal shall not release any other Principal. Principal shall not be released from liability under this Agreement because of the status, condition, or situation of any Principal.
- C. If the execution of this Agreement by any Principal is defective or invalid for any reason, such defect or invalidity shall not affect the validity hereof as to any other Principal. Should any provision of this Agreement be held invalid, the remaining provisions shall retain their full force and effect.
- D. Principal 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. Principal understands and agrees that this Agreement is a continuing agreement to indemnify over an indefinite period.
- E. Principal shall 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. Principal 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 Principal, or any person or entity, as a result of such declination. Neither the issuance of a bid bond nor other confirmation of bondability shall obligate Surety to issue final bonds.
- H. As further security, Principal hereby grants to Surety a security interest in, and lien on, all of their equipment, machinery, plant, inventory, insurance policies, vehicles, tools, real property, and materials, as well as sums, claims, causes of action, accounts, accounts receivable, and rights due or to become due in connection with any contract, whether or not bonded by Surety. This Agreement shall constitute a Security Agreement and a Financing Statement for the benefit of the Surety in accordance with the Uniform Commercial Code and all similar statutes and a deed of trust or mortgage, as applicable, and may be filed by the Surety without notice to perfect the security interests and liens granted herein. The Surety may add schedules, property descriptions, and other documents to this Agreement as necessary and may sign a copy of this Agreement, or copy thereof, where required for filing as a Financing Statement or to otherwise perfect any interest granted herein.
- I. Principal hereby irrevocably nominates and appoints the Surety and its designees as their attorney-in-fact with the right, power, and authority, but not the obligation, to exercise all of the rights and powers of the Principal assigned, transferred, and set over to the Surety in this

