

ALLEGIANCE SURETY ASSOCIATES, INC.

7901 Sandy Spring Road , Suite 515
 Laurel, MD 20707-3589
 Phone (301) 369-9155 or (410)792-2226 Fax (301)369-9453

AGENCY	AGENCY CODE NO.	BOND NO.
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I. APPLICATION FOR MISCELLANEOUS BOND

Application is hereby made to the Company for a bond of suretyship, in the penalty of \$ _____
 for the term of _____, beginning _____
 in favor of _____
(State, County, City or other obligee) (Address)

- to cover _____
1. Name of applicant _____ Social Security No. _____
 2. Business Address _____ Zip _____ Business Tel. No. _____
 Residence Address _____ Zip _____ Residence Tel. No. _____
 3. Description of applicant's business _____ Employer _____
 How long engaged therein? _____
 4. Financial statement of applicant as of _____

II. WHERE REQUIRED, ATTACH CURRENT FINANCIAL STATEMENT OR COMPLETE THE FOLLOWING

ASSETS		LIABILITIES	
Cash in _____ Bank <small>(Name bank)</small>		Notes payable _____ Bank <small>(Name bank)</small>	
Cash in _____ Bank <small>(Name bank)</small>		Due _____ How secured? _____	
Cash in office, including check for deposit _____		Notes payable _____ Bank <small>(Name bank)</small>	
Stocks, Bonds, etc. (market value) consisting of _____		Due _____ How secured? _____	
_____		Other Notes payable _____ <small>(Name to whom payable)</small>	
_____		Due _____ How secured? _____	
Notes receivable _____		Borrowed or due on stock and bonds _____	
Due _____ How secured? _____		Accounts payable _____	
Accounts receivable _____		Not past due \$ _____	
Less than 30 days old \$ _____		Past due \$ _____	
30-60 days old \$ _____		Reserve for income and excess profits taxes _____	
Over 60 days old \$ _____		Other liabilities, if any, consisting of _____	
Merchandise, inventories, etc. (at cost) _____		_____	
Equipment (conservative value) _____		Mortgage(s) on equipment _____	
Real estate (give location, description and appraised value of each parcel)		Real estate mortgages (give amount on each parcel)	
1. _____		1. _____	
2. _____		2. _____	
3. _____		Total Liabilities	
Other assets, if any, consisting of _____		Capital stock _____	
_____		Surplus and undivided profits _____	
_____		Net Worth (if individual or partnership) _____	
Total Assets		Total Equity	
		Total Liabilities and Equity	

5. Are you liable as endorser or surety for others? _____
6. Are there any lawsuits, judgments or liens pending against you? _____
7. Are you interested in any other line of business? _____
8. What surety company previously executed your bonds? _____ 8a. Reason for change? _____
9. Have you applied to any other surety company for this bond? _____ If so, give full particulars _____

FOR WAREHOUSE BONDS COMPLETE SUPPLEMENTAL APPLICATION

III. INDEMNITY AGREEMENT

The undersigned Applicant and Indemnitors, hereby certify and represent the information and statements contained in this application to be true and request the Company to become Surety for and furnish the above bond and such other bond(s) as may now or hereafter be requested on behalf of the named Applicant including any continuation, substitution, extension or alteration thereof, hereby authorizes and requests banks, materialmen or other individuals, firms or corporations, including governmental entities, to furnish any information requested concerning any transaction with the undersigned, and specifically waives any confidentiality requirements whether internal or imposed by statute, regulation, etc. Should the Company execute said bond(s), the undersigned agree as follows: (1) To pay the Company the premium as long as liability shall continue under the bond and until evidence of termination of liability is furnished satisfactory to the Company. (2) To indemnify the Company and hold it harmless against all loss, liability, costs, claim, damages, and expense internal or external of whatever kind and nature including but not limited to investigative, accounting, engineering, the fee and disbursement of counsel, including costs and fees incurred by the Surety in enforcing the terms of the agreement, whether on salary, retainer or otherwise whether pre or post judgment which the Company may sustain or incur for or by reason of said Company writing said bond(s), considering said bond(s), issuing, delivering, canceling or becoming liable on said bond(s) and/or defense of any claim brought against the company thereon, to enforce the right of the Company to any collateral taken specifically or otherwise. (3) If requested, to place the Company in funds immediately to meet any claim or demand before the Company shall be required to make payment. (4) The undersigned, and each of them, assign, transfer and convey to the Company all rights, title, interest and estate in and to all property, real, personal or mixed, tangible or intangible, wherever situated or of whatever nature and all interests and rights now owned and hereafter acquired and if sold the proceeds therefrom, the foregoing personal and mixed property to include but not be limited to all goods, consumer or otherwise, all commercial paper, negotiable or otherwise; all monies, bank accounts and deposits, checking, saving or otherwise; all warehouse receipts, bills of lading and other documents of title; all securities, investments or otherwise; all accounts, receivable or otherwise; all contract rights; all equipment, machines, tools and part(s); all furniture and fixtures; all general intangibles; all farm products; all inventory and all property described in Article 9 of the Uniform Commercial Code in which the undersigned presently have or hereafter acquire an interest, the assignment being effective as the date hereof, unless there is no abandonment of, breach of, delay or default in the performance of the obligations contracted in or covered in such bond or of this agreement or any other agreement with the Company and no failure of the undersigned to promptly pay, discharge or satisfy any and all obligations which might constitute a claim under such bond. (5) To authorize the Company and its representatives, without notice to make schedules of all property assigned under this agreement and to attach the same thereto at any time and when attached shall by reference be incorporated herein; and in addition, shall be authorized to file or record this agreement and attachments or a copy thereof under any provision of law governing such; this document constitutes a financial statement in accordance with the Uniform Commercial Code with such additions as needed to permit its filing under such Code. (6) To irrevocably nominate and appoint the Company and its authorized representatives as attorney-in-fact with the right, but not the obligation to exercise all rights assigned, transfer and set over to the Company and in name of the undersigned to make, execute and deliver, but not be obligated, additional documents deemed necessary to give full effect to the assignment. (7) To authorize the Company to adjust, settle or compromise any claim, demand, suit or judgment upon said bond(s) and defend such suit and appeal such judgment or at its election to have the case, cross-action or proceeding, or any part of it or them dismissed or any appeal, writ of error certiorari or any part thereto dismissed and to fill in any blank or blanks left in this application and Indemnity Agreement. (8) To accept as prima facie evidence, voucher(s) and itemized statement(s) sworn to by officer of the Company in the event of payment by the Company. (9) To waive all right or claim to property including homestead, as exempt from levy, execution, sale or legal process under the law of any State(s) including any specific law or statute limiting the liability of the undersigned. (10) At the Company's option, monies due or to become due the undersigned from any Company in Old Republic International General Insurance Group, through insurance proceeds, or bonding payments may be utilized to pay or help pay obligations incurred under this agreement as an offset. (11) In the event of any payment by the Company, Indemnitors agree to pay the Company interest at the prime rate plus 2% (unless prohibited by law, then at the maximum rate allowed) as determined by First National Bank of Chicago, Illinois.

The Company may decline to become surety on any bond of the Applicant and in case it does act as surety shall have the right to withdraw or cancel same whenever it shall see fit, without disclosing the reason on which its act is based and the Company shall not be responsible for any loss or damage that may be sustained by reason of such action. Separate actions may be brought as they accrue and that bringing of suit or recovery of judgment shall not prejudice or bar other suits on other causes of action whether therefore or hereafter arising. Nothing shall be construed to waive or abridge any rights or remedies which the Company might have if this instrument were not executed. The Applicant and Indemnitor(s) shall continue to be bound under this agreement even though Surety may accept or release other Agreements of Indemnity.

The Applicant agrees that this Application shall be deemed to have been made in the State of Incorporation of the Company and that the Company's acceptance thereof and performance of the Company's obligations in respect thereof shall be deemed to have taken place in the said State of Incorporation. The Company shall be entitled to enforce the Indemnity Agreement herein contained by an action, arbitration or proceeding brought in the said State of Incorporation or in the State where Company's principal office is located, and the Applicant/Indemnitor agrees that, in any such action, arbitration or proceeding he will be subject to the jurisdiction of any court of competent jurisdiction in the said State of Incorporation and in the State where the Company's principal office is located, and service of process may be made on the Applicant/Indemnitor in any manner then permitted under applicable law, and that venue shall be proper and convenient in the County in which the Company's principal office may be located. Interpretation and enforcement of the said Indemnity Agreement at the Company's option shall be governed by laws of said State of Incorporation (excluding conflict of laws principles). For the purposes of this paragraph the principal office for the Company shall be deemed to be located in Brookfield, Waukesha County, Wisconsin.

If any provision(s) or sub-part of any provision of this Agreement is held to be void or unenforceable under the laws of the place governing its construction or enforcement, this Agreement shall not be void or unenforceable thereby, but shall continue as though such provision or sub-part of such provision were omitted.

This agreement shall bind the undersigned, the heirs, executors, administrators, successors and assigns of the undersigned, jointly and severally.

AGREEMENT

FAIR CREDIT REPORTING ACT NOTICE This notice is given to comply with the Federal Fair Credit Reporting Act (Public law 91-508) and any similar state law which is applicable. As part of our underwriting procedure, a routine inquiry may be made which will provide information concerning character, general reputation, personal characteristics and mode of living. Upon request, additional information as to the nature and scope of the report, if one is made, will be provided.

Please be sure application is dated, witnessed or attested, signed and notarized in full.

This Agreement shall be effective this _____ day of _____, _____.

Applicant

Witness or Attest: _____ (SEAL)

By: _____ (Officers name and title if a corporation)

State of _____)
County of _____)

NOTARY ACKNOWLEDGMENT of Applicant's Signature

Subscribed and sworn to before this _____ day of _____, _____ NOTARY PUBLIC

INDEMNITY

In consideration of the Company executing the bond or instrument herein applied for, the undersigned join or joins in the foregoing Indemnity Agreement, and agree or agrees to be jointly and severally bound thereunder, and by all of the terms, covenants, and conditions thereof; the undersigned admits and declares that it has a material, substantial, and financial interest in the performance of the obligation which the bond or instrument applied for is given to secure, or in execution of the bond or instrument applied for, and asserts that if a corporation or a partnership is fully empowered to obligate itself hereby.

INDEMNITORS

WITNESS: _____ (SEAL)

Signature

Address

WITNESS: _____ (SEAL)

Signature

Address

State of _____)
County of _____)

NOTARIAL ACKNOWLEDGMENT of Indemnitor's Signatures

Subscribed and sworn to before this _____ day of _____, _____ NOTARY PUBLIC