

HCC SURETY GROUP



Pre-Qualifying Quick “N” EZ Contract
For Bonds On Contracts Less Than \$100,000.

Application Instructions

APPLICATION – be sure to complete the application in full.

GENERAL INDEMNITY AGREEMENT (GIA)– When instructed by us the GIA must be signed on behalf of the company as Principal and the business owners and their spouses as Indemnitors. Return the GIA to us with these original signatures. No bond can be issued without a properly completed GIA.

If the contract price is over \$100,000, please call us for more details.

The qualification and approval is BASED on your personal credit history. Our Company WILL perform a credit report on you.

Should you have any questions regarding any portion of this application process –
Please call 1-800-787-3896

HCC SURETY GROUP

Pre-Qualifying Quick "N" EZ Contract Bond Application For Bonds On Contracts Less Than \$100,000.

CONTRACTOR INFORMATION

Type of Business: Proprietorship Partnership Corporation Other _____

Company Name _____ FED I.D. # _____

Company Address _____

City _____ State _____ Zip _____ Phone _____

Con. Lic. # _____ Fax _____ Cell Phone _____

Approx. Business Net Worth \$ _____ E-Mail _____

SPECIFIC JOB INFORMATION

Bid Performance & Payment

Bid Date _____ Anticipated Start Date _____ Anticipated Completion Date _____

Maintenance Period _____ Liquidated Damages \$ _____ Completion Time _____

Estimated Bid Price/Contract Price \$ _____ Bid % _____ Bid Bond Amount _____

Obligee/Owner _____

Obligee Address _____ City _____ State _____ Zip _____

Job Description _____

Approx. Amt. Subcontracted \$ _____ Approx. Amt. of Materials \$ _____

On competitive bid basis, please list the three lowest bidders and their amounts:

	\$
	\$
	\$

INDEMNITORS

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

Name _____ Res. Address _____ City/State/Zip _____ SS # _____ Do you own real estate? ___ Yes ___ No Are Any of Your Assets in Trust? _____ Spouse Name _____ SS # _____ Personal Net Worth, Excluding Business \$ _____ % of Bus. Ownership _____	Name _____ Res. Address _____ City/State/Zip _____ SS # _____ Do you own real estate? ___ Yes ___ No Are Any of Your Assets in Trust? _____ Spouse Name _____ SS # _____ Personal Net Worth, Excluding Business \$ _____ % of Bus. Ownership _____
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AGENCY DATA

Agency Name _____ Contact _____

Phone _____ Fax _____ Date _____

INDEMNITY AGREEMENT

THIS AGREEMENT is made by the undersigned Principal(s) and indemnitor(s), in consideration of American Contractors Indemnity Company, Texas Bonding Company and/or U. S. Specialty Insurance Company ("Surety") issuing or committing to issue a bond or bonds to Principals, 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.

- a. **Bond:** Any surety bond, undertaking, or other express or implied obligation or guarantee 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.
- b. **Principal:** The person(s) and entity(ies) for whom any bond is issued, or committed to be issued, by Surety or anyone or more combinations thereof, or their successors in interest, whether alone or in a 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 and their successors and assigns.
- c. **Surety:** American Contractors Indemnity Company, Texas Bonding Company, U. S. Specialty Insurance Company, their respective reinsurers, and any other person or entity which may act as surety or co-surety on any bond of any other person or entity who executes any bond at its request.
- d. **Undersigned:** Includes the Principal, all indemnitors and others executing this indemnity for the benefit of Surety.

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 or 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, adjustments 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 due 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 any renewal 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 any claim or suit arising out of or related to any bond or this Agreement, an itemized statement of Surety's loss and expense, or other evidence of disbursement by Surety, shall be prima facie evidence of the fact and extent of Undersigned's liability under this Agreement; and Surety shall have the right to defense and indemnity regardless of whether Surety has made any payment under any bond; and in any suit relating to this Agreement or any bond, Surety may recover its expenses and attorneys' fees incurred in 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 and this Agreement.
- 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 anyone of the Undersigned shall not release any other Undersigned. No action or inaction of Surety with respect to anyone shall relieve the Undersigned of any obligation owed under this Agreement. Undersigned shall not be released from liability under this Agreement because of the legal 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 the Agreement be held invalid the remaining provision shall retain their full force and effect.
- D. Undersigned waives any defense that this Agreement 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 agrees this Agreement is a continuing agreement to indemnify Surety 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 Oblige, 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 its future liability to Surety under this Agreement by sending written notice by registered mail of Undersigned's intent to terminate liability to Surety by sending the notice to Surety at its home office, 9841 Airport Blvd, 9th Floor, Los Angeles, CA 90045. Termination will be effective 20 days after actual receipt of such notice by Surety and only for bonds signed or committed to by Surety after the effective date of termination.
- I. Undersigned 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.
- K. Principal hereby assigns for collateral purposes all contract funds for any bond or bonds issued by Surety. Undersigned hereby appoints Surety or its designated representative as Undersigned's attorney-in-fact for the purpose of executing any documents to perfect and secure any lien position in funds or assets of Undersigned, including but not limited to all UCC forms, Deeds of Trust, Security Agreements and Mortgages Surety deems necessary to perfect its lien claim for assets of Undersigned.
- L. Regardless of the date of signature, this indemnity is effective as of the date of execution of the aforementioned bond and is continuous until Surety is satisfactorily discharged from liability pursuant to the terms and conditions contained herein.

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

Principal: _____

Indemnitors:
 X _____ (Indemnitor's Signature) _____ (Print Name)

X _____ (Indemnitor's Signature) _____ (Print Name)

X _____ (Principal's Duly Authorized Representative's Signature and Title)

X _____ (Indemnitor's Signature) _____ (Print Name)

X _____ (Indemnitor's Signature) _____ (Print Name)

Fraud Notice: Any person who knowingly presents false information in an application for insurance is guilty of a crime and may be subject to fines and confinement in prison.

NOTARY ACKNOWLEDGEMENT FOR QUICK "N" EZ CONTRACT BOND PROGRAM

STATE OF _____

COUNTY OF _____

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On _____, 200__ before me, the undersigned Notary Public 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 the within instrument and acknowledged that he/she executed the same in his/her authorized capacity, and that by his/her signature on the instrument the person, or the entity upon behalf of which the person acted, executed the within instrument.

WITNESS my hand and official seal.

Signed, sealed and dated this _____ day of _____, _____.

Notary Signature: _____

STATE OF _____

COUNTY OF _____

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On _____, 200__ before me, the undersigned Notary Public 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 the within instrument and acknowledged that he/she executed the same in his/her authorized capacity, and that by his/her signature on the instrument the person, or the entity upon behalf of which the person acted, executed the within instrument.

WITNESS my hand and official seal.

Signed, sealed and dated this _____ day of _____, _____.

Notary Signature: _____

STATE OF _____

COUNTY OF _____

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On _____, 200__ before me, the undersigned Notary Public 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 the within instrument and acknowledged that he/she executed the same in his/her authorized capacity, and that by his/her signature on the instrument the person, or the entity upon behalf of which the person acted, executed the within instrument.

WITNESS my hand and official seal.

Signed, sealed and dated this _____ day of _____, _____.

Notary Signature: _____

STATE OF _____

COUNTY OF _____

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On _____, 200__ before me, the undersigned Notary Public 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 the within instrument and acknowledged that he/she executed the same in his/her authorized capacity, and that by his/her signature on the instrument the person, or the entity upon behalf of which the person acted, executed the within instrument.

WITNESS my hand and official seal.

Signed, sealed and dated this _____ day of _____, _____.

Notary Signature: _____