

TRAVELERS BOND

Construction Services Express (CSX)

Unmatched Dedication to Small and Emerging Contractors' Surety Needs

For over 20 years, we have provided a continuous market for small and emerging contractors. Of the top 10 Contract Surety writers, we have the longest standing continuous focus on the small contractor marketplace. This track record of excellence demonstrates our commitment to this industry niche, and we are building on this with an increase to our Construction Services Express (CSX) single and aggregate job size limits to \$500,000.

Construction Services Express: Where Speed and Simplicity Meet Market Expertise

CSX is a transactional business center designed to meet the contract bond needs of small contractors, such as bid, performance and payment bonds. Features of CSX include:

- **Competitive Service Standards:** typical turnaround time is 24 hours after receipt of a complete submission
- **Simplicity:** fax or e-mail your request and we'll take it from there
- **Responsive Expertise:** streamlined access to dedicated, responsive underwriters who understand the unique needs of the small contractor marketplace, supplemented by our local Core field underwriters
- **Financial Strength:** Travelers Casualty and Surety Company of America, Travelers Bond's main issuing company, is rated A++ (Superior) by AM Best for financial strength and claims-paying ability

Minimum Underwriting Submission Requirements:

- Completed Construction Services Express bond application
- For bonds up to \$250,000. at least one of the following: business financial statement, or business tax return, or personal financial statement, or personal tax return
- For bonds up to \$500,000. a business financial statement or business tax return and a personal financial statement or personal tax return
- Personal credit report (obtained by Travelers)
- Completed Construction Services Express general indemnity agreement, which includes company and personal indemnity of owners and spouses

Program Eligibility:

- Maximum bond and aggregate work program of \$500,000.
- Work must be within the contractor's proven field of expertise and within their ordinary operating territory
- Principal has not previously filed for bankruptcy
- Account is not currently involved in a claim or litigation situation
- Satisfactory credit history
- Sufficient business and/or personal financial resources
- Not available to environmental or hazardous trades

Other Underwriting Considerations:

- Principal has been in business at least 12 months

PLEASE FAX COMPLETED APPLICATION & GENERAL INDEMNITY AGREEMENT TO
National Surety Services, Inc.
770-394-6888

Travelers Casualty and Surety Company of America and its Affiliates • Hartford, CT 06183 • www.travelersbond.com
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BO-FMXSS New 11/03



TRAVELERS

TRAVELERS CASUALTY AND SURETY COMPANY OF AMERICA
Hartford, Connecticut 06183

Travelers Construction Services Express

Bond Application

Performance and Payment Bonds Under \$500,000

To Be Submitted By Agent

ORGANIZATION

1. Contractor/Applicant's Name (as listed on Contractor's License) _____ (Contractor's License #) / (State) _____

Address _____

(Street)

(City)

(State)

(zip)

(Telephone #)

2. Type of Business: Corporation Partnership Proprietorship Prior Surety if Any _____
Year Company Started: _____ How long has this business operated under current management? _____

3. Owners, Officers, Applicants (please include name and social security number of spouse):

Name & Address (No P.O. Boxes)	SS#	DOB	% of Ownership	Position	Years Experience

4. Has any individual or company listed above ever filed for bankruptcy or held a senior management position with a firm that has caused a surety or a bank a loss? Yes No If yes, please explain using a separate sheet of paper.

5. Are there any open claims with any other surety? Yes No If yes, please explain using a separate sheet of paper.

OPERATIONS

6. Type of Construction Engaged In: _____

7. Geographic Area of Operations (City, State): _____

8. Largest Job Completed (Description): _____

Contract Price _____ Gross Profit _____ Year Completed _____

BOND REQUEST Bid Final Bond

9. Obligee (Who is requiring the Bond?) _____ (Address) _____ (City) _____ (State) (Zip) _____
Job Description: _____

Total current work on hand/cost to complete (do not include this job request) _____

Bid Bond

Bid Date _____ Estimated Bid Amt. _____ Bid Bond Amt. _____ (% or \$)

Start Date: _____ Completion Date: _____ Job Location: _____

OR

Final Bond

Performance Bond Amt. _____ Payment Bond Amt. _____ (% or \$)

Contract Price _____ Date Contract Was Signed _____ Start Date _____

Job Location _____ Completion Date _____

AGENT INFORMATION

10. Agency Name _____ Agent's Name _____

Is Contractor an Existing Insurance Account? Yes No

Length of Relationship _____

Are All Insurance Premiums Current? Yes No

Agency Code _____

Agency Phone _____

Agency Fax _____

The Applicant hereby represents that the above statements and responses are accurate. As part of our underwriting process, St. Paul Travelers retains the right to investigate personal credit history. To the extent required by law, we will, upon request, requested by Travelers, and if so, of the name and address of the consumer reporting agency furnishing the report.

DATE: _____

PREPARED BY: _____

(Position)

SIGNATURE _____

General Agreement Of Indemnity

TRAVELERS CASUALTY AND SURETY COMPANY OF AMERICA
Hartford, Connecticut 06183

We the undersigned ("Indemnitors") enter into this General Agreement of Indemnity ("Agreement") with Travelers Casualty and Surety Company of America ("Company"), witnesseth:

WHEREAS, in the transaction of business, certain Bonds have heretofore been and may hereafter be required by, for, or on behalf of any one or more of the Indemnitors. Application has been made and will hereafter be made to execute such Bonds. In connection with the execution, delivery and/or assumption of obligations of such Bonds, the Company requires complete indemnification.

NOW, THEREFORE, as an inducement to the Company and in consideration of the Company's execution of one or more Bonds, delivery of one or more Bonds, refraining from canceling one or more Bonds, and/or assumption of obligations by the Company of one or more Bonds, and for other good and valuable consideration, the Indemnitors jointly and severally agree with the Company as follows:

1. **Definitions:** "Bond" shall mean any and all bonds, undertakings, guarantees and/or contractual obligations, including renewals and extensions thereof, which have heretofore been and may hereafter be required by, for, or on behalf of any one or more of the Indemnitors, including bonds and undertakings for which the Company has obligations as a result of an asset purchase, acquisition or like transaction. "Company" shall mean Travelers Casualty and Surety Company of America, its affiliated companies, successors, assigns, partners and subsidiaries whether in existence now or formed hereafter. "Contract" shall mean an agreement of the Indemnitors for which the Company executes a Bond, procures a Bond, assumed the obligations of a Bond, or has guaranteed performance. "Default" shall mean any of the following: (a) a declaration of Contract default by the obligee or entity for whom a Contract is performed; (b) actual breach or abandonment of any Contract; (c) a breach of any provision of this Agreement; (d) failure to make payment of a properly due and owing bill in connection with any Contract; (e) the Company's good faith establishment of a reserve; (f) improper diversion of Contract funds or Indemnitors' assets to the detriment of Contract obligations; (g) Indemnitors become the subject of any proceeding or agreement of bankruptcy, receivership, insolvency, or creditor assignment, or actually become insolvent; (h) Indemnitors die, become legally incompetent, are imprisoned, are convicted of a felony, or disappear and cannot be located; (i) any representation furnished to the Company by or on behalf of any of the Indemnitors proves to have been materially false or misleading when made. "Indemnitor(s)" shall mean undersigned, individually or jointly with others, or on behalf of any of their successors, assigns, heirs, executors, administrators, subsidiaries, parents, affiliates, partnerships, joint ventures, co-ventures and limited liability companies, whether in existence now or formed hereafter.

2. **Payment of Premium:** The Indemnitors shall pay to the Company all premiums for every Bond executed and all renewals and extensions thereof, until the Company is discharged and fully released in writing from each such Bond.

3. **Indemnification and Hold Harmless:** The Indemnitors shall exonerate, indemnify and save the Company harmless from and against every claim, loss, damage, demand, liability, cost, charge, Bond premium, suit, judgment, attorney's fee, and expense which the Company incurs in consequence of having obligations in connection with such Bonds. Expense includes but is not limited to: the cost incurred by reason of making any investigation in connection herewith; the cost of procuring or attempting to procure release from liability, including the defense of any action brought in connection herewith; and the cost incurred in bringing suit to enforce this Agreement against any of the Indemnitors. Amounts due Company shall be payable upon demand.

4. **Claim Settlement:** The Company shall have the right, in its sole discretion, to determine for itself and the Indemnitors whether any claim or suit brought against the Company or the Indemnitors upon any such Bond shall be paid, compromised, settled, defended or appealed, and its determination shall be final, binding and conclusive upon the Indemnitors. An itemized, sworn statement by an employee of the Company, or a copy of the voucher of payment, shall be prima facie evidence of the propriety and existence of Indemnitors' liability. The Company shall be entitled to immediate reimbursement for any and all payments made by it under the belief it was necessary or expedient to make such payments.

5. **Collateral Security:** Indemnitors agree to pay the Company, upon demand, an amount sufficient to discharge any claim or demand made against the Company on any Bond. Indemnitors further agree to pay the Company, upon demand, an amount equal to the value of any assets or Contract funds improperly diverted by Indemnitors. These sums may be used by the Company to pay such claim or be held by the Company as collateral security against any loss, claim, liability or unpaid premium on any Bond. The Company shall have no duty to invest, or provide interest on, the deposit.

6. **Remedies:** In the event of a Default, Indemnitors assign, convey, and transfer to the Company all of their rights and interest growing in any manner out of the Contracts and assign all rights, title, and interest of all of Indemnitors' plants, tools, vehicles, machinery, hardware, software, equipment and materials, to be effective as of the date of such Contracts. In addition, in the event of a Default, the Company shall have a right in its sole discretion to: (a) take possession of the work under any Contract and to complete said Contract, or cause, or consent to, the completion thereof; (b) take possession of the Indemnitors' equipment, tools, machinery, vehicles, materials, office equipment, books, records, documents, software, electronically stored information and supplies at the site of the work or elsewhere and utilize them for the completion of the work under the Contracts without payment for such use; (c) assert or prosecute any right or claim in the name of the Indemnitors and to settle any such right or claim as the Company sees fit; (d) execute in the name of the Indemnitors any instruments deemed necessary or desirable by the Company to: (i) provide the Company with title to assets, (ii) take immediate possession of Contract funds whether earned or unearned, (iii) collect such sums as may be due Indemnitors and to endorse in the name of the Indemnitors, and (iv) collect on any negotiable instruments; (e) take possession of the Indemnitors' rights, title and interest in and to all Contracts, subcontracts let and insurance policies in connection therewith; (f) be subrogated to all the rights, remedies, properties, funds, securities and receivables of the Indemnitors on all Contracts or any other contract of Indemnitors and have the right to offset losses on any Contract or Bond against proceeds, funds, or property due from another Contract, Bond or other contract.

7. **Joint and Several Liability:** The obligations of the Indemnitors hereunder are joint and several. The Company is authorized to settle with any one or more of the Indemnitors individually, and without reference to the others, and such settlement shall not bar or prejudice actions against or affect the liability of the others.

8. **Decline Execution:** The Company has the right to refuse to provide any Bond, including final Bonds where the Company provided a bid Bond, without incurring any liability whatsoever to Indemnitors.

9. **Trust Fund:** All payments due, received for or on account of any Contract shall be held in trust as trust funds by Indemnitors for the benefit and payment of all obligations for which the Company as beneficiary may be liable under any Bond issued by the Company. The Company may open a trust account or accounts with a bank for the deposit of the trust funds. Upon demand, Indemnitors shall deposit therein all trust funds received. Withdrawals from such trust accounts shall require the express consent of the Company.

10. **Books, Records and Credit:** Indemnitors shall furnish, and the Company shall have the right of free access to, at reasonable times, the records of the Indemnitors, including, but not limited to, books, papers, records, documents, accounts and electronically stored information, for the purpose of examining and copying them. Indemnitors expressly authorize Company access to their credit records, including, but not limited to, access to account numbers and/or account balances from financial institutions.

11. **Attorney in Fact:** Indemnitors constitute, appoint and designate the Company as their attorney in fact with the right, but not the obligation, to exercise all rights of the Indemnitors assigned or granted to the Company and to execute and deliver any other assignments or documents deemed necessary by the Company to exercise its rights under this Agreement in the name of the Indemnitors.

12. **Security Interest:** As security, the Indemnitors hereby grant to Company a security interest in all of their equipment, machinery, vehicles, tools, and material, as well as sums due or to become due in connection with any Contract or other contract. This Agreement, or a carbon, photographic, xerographic, facsimile, copy, or other reproduction of this Agreement, shall constitute a Security Agreement and a Financing Statement for the benefit of the Company in accordance with the Uniform Commercial Code and all similar statutes. This Agreement, or a carbon, photographic, xerographic, facsimile, copy, or other reproduction, may be filed by the Company, without notice, to perfect the security interest granted herein. The Company may add schedules or other documents to this Agreement as necessary to perfect its rights. The security interests are effective as of the date of each Contract for that Contract and for each contract for that contract.

13. **Termination:** This is a continuing Agreement, which remains in full force and effect until terminated. The sole method available to the Indemnitors to terminate their participation in this Agreement is by giving written notice, sent by certified or registered mail, to the Company of the Indemnitors' intent to terminate. The termination shall take effect no earlier than 30 days after the Company receives such notice ("Termination Date"). The obligation and liability of the Indemnitors giving such notice shall be limited to Bonds furnished before the Termination Date.

14. **Other Sureties:** If the Company procures the execution of Bonds by other sureties, executes Bonds with cosureties or obtains reinsurance, the provisions of this Agreement inure to the benefit of such other surety, cosurety or reinsurer.

15. **Nature of Rights:** If any provision or portion of this Agreement shall be unenforceable, this Agreement shall not be void, but shall be construed and enforced with the same effect as though such provision or portion were omitted. Assent or refusal to assent to changes in any Contract or Bond by the Company shall not affect the obligations of the Indemnitors to the Company. This Agreement is in addition to and not in lieu of any other agreement of indemnity, whether now existing or entered into hereafter. The Company's rights under this Agreement are in addition to all other rights of the Company however derived. The rights and remedies afforded to the Company by the terms of this Agreement can only be modified by a written rider to this Agreement signed by an authorized representative of the Company. If any of the Indemnitors fail to execute or improperly execute this Agreement, such failure shall not affect the obligations of Indemnitors. The failure to sign or the improper execution of a Bond shall not affect the Company's rights under this Agreement. Termination and/or limitation of any Indemnitors' obligations under this Agreement shall in no way affect the obligations of any of the other Indemnitors whose obligations have not been terminated and/or limited. Indemnitors acknowledge this Agreement can be amended via rider to add another person, entity or entities as Indemnitor(s) to this Agreement and Indemnitors waive any and all notice in connection with the addition of additional Indemnitors and further acknowledge the rights and obligations provided herein shall apply to all Indemnitors whenever made a party to the Agreement.

WE HAVE READ THIS INDEMNITY AGREEMENT CAREFULLY. THERE ARE NO SEPARATE AGREEMENTS OR UNDERSTANDINGS WHICH IN ANY WAY LESSEN OUR OBLIGATIONS AS ABOVE SET FORTH.

IN TESTIMONY HEREOF, the Indemnitors have set their hands and fixed their seals as set forth below.

If Indemnitor an Individual, sign below:

Indemnitor - Individual (signature) Month/Day/Year Address

Indemnitor - Individual (print or type) SS#

ACKNOWLEDGEMENT

STATE OF _____, County of _____

On this day of before me personally appeared of , known or proven to me to be the person described in and who executed the foregoing instrument, and he/she acknowledged to me that he/she executed the same. IN WITNESS WHEREOF, I have hereunto set my hand and affixed my OFFICIAL SEAL the day and year first above written.

Notary Public (signature)

Notary Public residing at:

Notary Public (print or type)

Commission expires: _____

Indemnitor - Individual (signature) Month/Day/Year Address

Indemnitor - Individual (print or type) SS#

ACKNOWLEDGEMENT
STATE OF _____, County of _____

On this day of _____, before me personally appeared _____ of _____, known or proven to me to be the person described in and who executed the foregoing instrument, and he/she acknowledged to me that he/she executed the same. IN WITNESS WHEREOF, I have hereunto set my hand and affixed my OFFICIAL SEAL the day and year first above written.

Notary Public (signature) Notary Public residing at:

Notary Public (print or type) Commission expires: _____

Indemnitor - Individual (signature) Month/Day/Year Address

Indemnitor - Individual (print or type) SS#

ACKNOWLEDGEMENT
STATE OF _____, County of _____

On this day of _____, before me personally appeared _____ of _____, known or proven to me to be the person described in and who executed the foregoing instrument, and he/she acknowledged to me that he/she executed the same. IN WITNESS WHEREOF, I have hereunto set my hand and affixed my OFFICIAL SEAL the day and year first above written.

Notary Public (signature) Notary Public residing at:

Notary Public (print or type) Commission expires: _____

Indemnitor- Individual (signature) Month/Day/Year Address

Indemnitor - Individual (print or type) SS#

ACKNOWLEDGEMENT
STATE OF _____, County of _____

On this day of _____, before me personally appeared _____ of _____, known or proven to me to be the person described in and who executed the foregoing instrument, and he/she acknowledged to me that he/she executed the same. IN WITNESS WHEREOF, I have hereunto set my hand and affixed my OFFICIAL SEAL the day and year first above written.

Notary Public (signature) Notary Public residing at:

Notary Public (print or type) Commission expires: _____

If Indemnitor a Corporation, Limited Liability Company, Partnership, or Trust sign below:

Indemnitor - Corporation, Limited Liability Company, Partnership, or Trust (circle one)	(Federal Tax ID)	Month/Date/Year
By _____ (Seal) (Signature of Authorized Officer)	By _____ (Seal) (Signature of Authorized Officer)	
_____ (Print or Type Name and Title)	_____ (Print or Type Name and Title)	
_____ (Address)	_____ (Address)	

ACKNOWLEDGEMENT

STATE OF _____ County of _____

On this ____ day of _____, before me personally appeared _____ known or proven to me to be the _____ of the (Corporation, Limited Liability Company, Partnership, or Trust (circle one)); hereinafter referred to as "Entity") and _____ known or proven to me to be the _____ of the Entity executing the above instrument, and acknowledged said instrument to be the free and voluntary act and deed of said Entity, for the uses and purposes therein mentioned and on oath stated that the seal affixed is the seal of said Entity and that it was affixed and that they executed said instrument by authority of the Board of Directors of said Entity. IN WITNESS WHEREOF, I have hereunto set my hand and affixed my OFFICIAL SEAL the day and year first above written.

Notary Public (signature)	Notary Public residing at:
Notary Public (print or type)	Commission expires: _____

Indemnitor - Corporation, Limited Liability Company, Partnership, or Trust (circle one)	(Federal Tax ID)	Month/Date/Year
By _____ (Seal) (Signature of Authorized Officer)	By _____ (Seal) (Signature of Authorized Officer)	
_____ (Print or Type Name and Title)	_____ (Print or Type Name and Title)	
_____ (Address)	_____ (Address)	

ACKNOWLEDGEMENT

STATE OF _____ County of _____

On this ____ day of _____, before me personally appeared _____ known or proven to me to be the _____ of the (Corporation, Limited Liability Company, Partnership, or Trust (circle one)); hereinafter referred to as "Entity") and _____ known or proven to me to be the _____ of the Entity executing the above instrument, and acknowledged said instrument to be the free and voluntary act and deed of said Entity, for the uses and purposes therein mentioned and on oath stated that the seal affixed is the seal of said Entity and that it was affixed and that they executed said instrument by authority of the Board of Directors of said Entity. IN WITNESS WHEREOF, I have hereunto set my hand and affixed my OFFICIAL SEAL the day and year first above written.

Notary Public (signature)	Notary Public residing at:
Notary Public (print or type)	Commission expires: _____

PERSONAL FINANCIAL STATEMENT

(This Form Must be Signed & Dated)

PERSONAL FINANCIAL STATEMENT AS OF _____, _____			
Name of Applicant:		Social Security Number:	Date of Birth:
Name of Spouse:		Social Security Number:	Date of Birth:
Residence Address (Street, City, State, & Zip Code):			Home Phone Number (Including Area Code):
ASSETS	Account Balance	LIABILITIES	Account Balance
Cash in Banks (Complete Schedule):	\$	Mortgages Payable (See Schedule):	\$
Cash - Retirement Accounts:	\$	Installment Accounts - Auto (See Schedule):	\$
Accounts Receivable (Complete Schedule):	\$	Loans Payable - Banks (Complete Schedule):	\$
Stocks/Bonds/Securities (Complete Schedule):	\$	Notes Payable (Complete Schedule):	\$
Real Estate - Residence (Complete Schedule):	\$	Accounts Payable (Complete Schedule):	\$
Real Estate - Investment/Other:	\$	Loans on Life Insurance (See Schedule):	\$
Cash Value Life Ins. (Complete Schedule):	\$	Taxes Payable:	\$
Automobiles - Present Value:	\$	Other Liabilities (Complete Schedule):	\$
Personal Property:	\$	TOTAL LIABILITIES:	\$
Other Assets (Complete Schedule):	\$	NET WORTH:	\$
TOTAL ASSETS:	\$	TOTAL NET WORTH & LIABILITIES:	\$
INCOME:	Salary: \$	Spouse's Salary: \$	TOTAL INCOME
	Bonus/Other: \$	Bonus/Other: \$	\$

SUPPLEMENTARY SCHEDULES OF ASSETS & LIABILITIES

(NOTE: All data listed above must appear in the appropriate schedules. Insert "None" where appropriate.)

CASH IN BANKS				
Bank Name, Number & Location	Account Number	Amount		
		\$		
		\$		
		\$		
NOTES & ACCOUNTS RECEIVABLE				
Name & Address of Debtor	Amount Due	Due Date	Pledged (Yes/No)	Security
	\$			
	\$			
	\$			
STOCKS / BONDS / SECURITIES				
Name & Number(s) of Instrument	# - Shares	Price/Share	Market Value	Exchange & Call
		\$	\$	
		\$	\$	
		\$	\$	

Attach Additional Sheets if Necessary

REAL ESTATE (Residence/Investment/Other)							
Location & Description	Year Acquired	Original Cost	Market Value	Monthly Income	Monthly Payment	Mortgage Balance	Mortgage or Lien Holder
		\$	\$	\$	\$	\$	
		\$	\$	\$	\$	\$	
		\$	\$	\$	\$	\$	
		\$	\$	\$	\$	\$	

CASH VALUE ON LIFE INSURANCE				
Name of Insurance Company	Beneficiary	Face Value	Cash Value	Current Loans
		\$	\$	\$
		\$	\$	\$
		\$	\$	\$

OTHER ASSETS				
Description	Title Holder	Original Cost	Market Value	Age
		\$	\$	
		\$	\$	
		\$	\$	

LOANS PAYABLE				
Name of Lender	Address	Balance Due	Due in 1 Year	Loan Security
		\$	\$	
		\$	\$	

ACCOUNTS & NOTES PAYABLE (Including Autos & Charge Accounts)				
Name of Lender	Original Amount	Current Balance	Monthly Payment	Loan Security
	\$	\$	\$	
	\$	\$	\$	
	\$	\$	\$	
	\$	\$	\$	
	\$	\$	\$	

OTHER LIABILITIES					
Description	Payable to Whom	Amount	Mo. Pymt.	Due Date	Loan Security
		\$	\$		
		\$	\$		

- | | | | |
|--|-----------|----------|---|
| 1) Are you contingently liable or an endorser on any bonds or other obligations? | _____ YES | _____ NO | Explain all Yes answers on a separate sheet of paper |
| 2) Are you involved in any litigation? | _____ YES | _____ NO | |
| 3) Have you filed for Bankruptcy in the last 7 years? | _____ YES | _____ NO | |

I/We hereby certify and declare that the above statement presents accurately my/our financial condition to the best of my/our knowledge. I/We hereby acknowledge that National Surety Services, Inc., and the sureties they represent will from time to time request personal credit reports to verify the stated debt, and to track our personal Payment history.

By: _____
Date: _____

By: _____
Date: _____