

Commercial Surety Application



Complete Page 1 of this application in its entirety.

In addition, complete Section 2 – 7 for the bond category indicated in General Information section below.

Application must be SIGNED, WITNESSED and DATED.

General Information Questions

Application is being made for which one of these bond categories?

(*Fill out section indicated.)

- License & Permit or Miscellaneous – *Sec.2
 Lost Instrument – *Sec. 3
 Public Official – *Sec. 4
 Fiduciary (Probate) – *Sec. 5
 Receiver or Bankruptcy Trustee – *Sec. 6
 Court: Judicial – *Sec. 7

Type of Bond (describe purpose)

(Attach a copy of the bond form, if available)

Agency Name: _____

Agency Code: _____

Bond Number: _____

Agency City: _____

Agency State: _____

Agency Phone: _____

Agency Fax: _____

Bond Amount: _____

Effective Date of Bond: _____

Bond Term, if known: _____

of years

Applicant is: (select one)
 Individual
 Partnership
 C-Corp
 S-Corp
 LLC

Applicant (Principal): _____

Name to appear on Bond, if different from Applicant: _____

Applicant's Telephone Number (required): _____

Applicant's Address: _____

Applicant's Business Description or Latest Occupation: _____

SS#: _____ - _____ - _____
 Fed Tax ID: _____
 U.S. Citizen?
 No
 Yes

Obligee – party requiring the bond (required): _____

Obligee Address: _____

1 General Underwriting Questions

(required for all Applicants)

- Does the Applicant have any other Surety bonds in force?..... No Yes
- Has another Surety company declined to write this or any previous bond?..... No Yes
- Have you ever had a bond involuntarily terminated or cancelled?..... No Yes
- Has there ever been a claim or legal action against any bond executed on your behalf?..... No Yes
- Do **you** or any of **your** companies have any pending lawsuits, unsatisfied judgements or liens?..... No Yes
- Have **you** or any of **your** companies declared bankruptcy or become insolvent?..... No Yes
- Have **you** or any of **your** companies been the subject of any legal or administrative proceedings resulting in disciplinary action?..... No Yes
- Have you ever been convicted of a felony?..... No Yes

(If you answered Yes to any of the above questions, please attach a detailed explanation.)

2

License, Permit and Miscellaneous Bonds

Has the Applicant continuously been in business under the current name and ownership for at least three years? ...
If the Applicant is a business, has it been in business at the same location for at least 3 years? ...
If the Applicant is an individual, have you resided at your current address for at least 3 years? ...
Do you carry any insurance that affirmatively responds to the bonded obligation? ...
Does the bond guarantee the performance of a specific contract or agreement? ...
Does the bond cover any type of environmental or pollution exposure? ...
Does the bond guarantee the payment of taxes, fees, wages or payment of any type? ...
If Yes, and the bond is greater than \$25,000 and the Applicant is a business, attach a copy of the last 2 fiscal year-end financial statements.
If Yes, and the bond is greater than \$25,000 and the Applicant is an individual, attach the most recent financial statement.

3

Lost Instrument Bonds

Present Market Value _____ Is the Bond: [] Open Penalty or [] Fixed Penalty
Description of the lost instrument or security: _____
In whose name are the securities or instruments registered: _____
Have the securities or instruments been endorsed? ...
Have the securities or instruments been assigned to another party? ...
Are the lost securities or instruments in bearer form? ...
Has Notice of Loss been given? ...
If Yes, to whom? _____ Date: _____
Has a Stop Notice been issued? ...
If the bond's value exceeds \$50,000, complete an Affidavit.

4

Public Official Bonds

[] Elected [] Appointed Position Title _____
Effective Date: _____ Expiration of Term: _____ or [] Term is indefinite
Have you held this position before? ...
If Yes, when? _____
If you have not held this position previously and the bond amount is greater than \$100,000, attach a copy of your resume.
Do you or your subordinates handle money or securities? ...
If so, how much is handled annually? _____
Does an external CPA annually audit the financial accounts and fund balances? ...
If the bond amount is greater than \$250,000, provide copy of latest fiscal year-end statement.
Total number of employees you directly or indirectly supervise: _____

5 **Fiduciary Bonds**

Applicant's Age: _____ Applicant's Net Worth: _____
 How long have you been with your current employer? _____ Active or retired? _____
 Date of your appointment: _____ Name of Estate: _____
 What is your relationship (personal and/or financial) with the deceased/incompetent/minor/beneficiary?
 Are you indebted to the estate of the deceased/incompetent/minor/beneficiary? No Yes
 If Yes, in what amount and what are the terms of repayment: _____
 Attorney's name and address: _____
 Court jurisdiction (Obligee) in which bond will be filed: _____
 Is there an ongoing business? No Yes
 If Yes, provide details: _____
 Inventory of the Assets: Cash: _____ Securities: _____ Real Estate: _____ Other: _____
Attach a copy of the Will, Trust or Court Order for ALL bonds greater than or equal to \$100,000.

5a **Continue for Administrator, Executor, Personal Representatives, etc.**

Date of Death: _____
 Is the estate insolvent? No Yes
 Are there any disputes among the heirs? No Yes

Name of Heirs/Beneficiaries	Age	Relationship to the deceased	Share of the Estate	Residence (state)

5b **Continue for Guardianship, Conservatorship, Trustee, etc.**

This is in regard to a: Minor *and/or* Incompetent Beneficiary Age: _____
 Will any assets be under court restrictions? No Yes
 If Yes, provide details: _____
 Will joint control be used to restrict expenditures or distributions of assets? No Yes
 Will professional accounting, investment or legal services be provided on an ongoing basis? No Yes
 Does the presiding court require that an annual accounting be filed? No Yes
 Is the estimated duration of the bond anticipated to be longer than 3 years? No Yes

6 **Receiver, Bankruptcy Trustee, Assignee Bonds**

Debtor: _____
 Address: _____
 Type of Action: Liquidation Reorganization Receiver of Rents Other
 Do you carry Fidelity coverage? No Yes
 If Yes, in what amount? _____ Carrier: _____
 Do you carry Professional Liability or E & O coverage? No Yes
 If Yes, in what amount? _____ Carrier: _____
Attach copy of Court Order, Judgment and/or other documents Copies attached

7 **Court: Judicial Bonds**

Judgment / Claim Amount: _____
 Type of Action: _____
 Case Number: _____ Court Jurisdiction: _____
 Attorney's name and address: _____
 Summary of the Action: _____
 Does the case involve a domestic dispute? No Yes
Attach a copy of Court Order, Judgment and/or other supporting documents Copies attached
If the bond is greater than \$25,000 and the Applicant is a business, attach a copy of the last 2 fiscal year-end financial statements. Copies attached
If the bond is greater than \$25,000 and the Applicant is an individual, attach a copy of the most recent financial statement. Copies attached

INDEMNIFICATION AGREEMENT - COMMERCIAL SURETY

IMPORTANT! Signature Instructions – Individuals who apply for a Bond must complete and sign the indemnity agreement below. **Sole Proprietorship** – Owner must sign below. **Partnership** – Partners are signing as authorized agents of the partnership and as individually liable indemnitors. **Corporation or LLC** – If corporate officer or LLC member or manager signs indicating his or her LLC capacity, it is nonetheless specifically understood that such individual is signing in his or her corporate or LLC capacity and as an individually liable indemnitor. **In all cases, if married, spouse must also sign; however, no missing signature shall invalidate this agreement.**

I request that Western National Mutual Insurance Company and/or any of its affiliated companies (“WNNMIC”) execute a Bond and consider executing future Bonds for the individual, company or entity identified below (“Principal”). I authorize WNNMIC or its agents to investigate my credit and Principal’s credit, now and at any time in the future, with any creditor, supplier, financial institution, or other person or entity. Authorization is hereby granted to any of the aforementioned, now and at any time in the future, to release information to WNNMIC pertaining to credit. I make the following promises so that WNNMIC will execute a Bond and consider executing future Bonds:

1. I agree that the following definitions apply: (a) Bond means (i) any surety bond, undertaking, or other express or implied obligation of guaranty or suretyship, signed or committed to by WNNMIC at the request of Principal, or any of the indemnitors (regardless of what business entity is named on the Bond), on, before, or after the date of this agreement pursuant to which WNNMIC is or may be made liable for Loss, whether or not Principal is also liable; and (ii) all riders, endorsements, continuations, renewals, substitutions, modifications, extensions, replacements and reinstatements thereto; and changes in the penal sum thereto; and (b) “Loss” means any payment or expense, either incurred or anticipated, by WNNMIC in connection with this Bond or this agreement, including but not limited to: payment of bond proceeds or any other expense in connection with claims, potential claims, or demands; claims fees, including a claims fee charge of \$250 for each claim; penalties, interest, court costs, collection agency fees; costs related to taking, protecting, realizing upon, or releasing collateral; and attorney’s fees (including but not limited to those incurred in defense of bond claims or pursuing any rights of indemnification or subrogation and in obtaining and enforcing any judgment arising from those rights).
2. I agree, with Principal and all other indemnitors, to hold WNNMIC harmless from all Loss and to pay back or reimburse WNNMIC for all Loss.
3. Upon request, I agree to provide to WNNMIC collateral acceptable and adequate to WNNMIC in the event WNNMIC is required or solely deems it necessary to establish a reserve for a Loss for any Bond. The reserve for Loss may vary from time to time as WNNMIC solely deems necessary to protect itself from Loss. Cash collateral equal to the reserve for Loss may be deemed by WNNMIC to be adequate. Collateral may be held by WNNMIC until WNNMIC has determined it is no longer exposed to Loss as a matter of law, and WNNMIC may retain or sell collateral to reimburse itself for Loss. WNNMIC shall be entitled to seek specific performance of this Agreement and procedures for executing on judgments may be used to enforce WNNMIC’s decree(s) of specific performance. In the event that WNNMIC suffers a Loss, prior to being provided with collateral, WNNMIC may enforce any decree, as a money judgment (in addition to any other judgments) to reimburse itself for such Loss without further notice or motion.
4. I agree to pay WNNMIC all premiums when due from Principal according to the rates in effect when each payment is due. I agree that premium for a Bond is fully earned upon execution of a Bond and is not refundable.
5. I agree that an electronic copy of this agreement shall be considered as an original and shall be admissible in a court of law to the same extent as the original agreement.
6. I agree that WNNMIC may obtain a release from its obligations as surety on a Bond whenever such release is allowed by law.
7. If a bond can be unilaterally cancelled by the surety, WNNMIC may cancel a Bond by mailing notice of cancellation in the regular U.S. Mail to the obligee and to Principal, or Principal’s representative, at the latest address provided to WNNMIC, and I agree to accept service of notice in such manner. I designate my insurance agent as my representative and Principal’s representative for such service. Unless a Bond, statute or lawful government regulation specifically provides otherwise, cancellation of a Bond shall be effective 30 days after WNNMIC deposits the requisite notice of cancellation in the U.S. Mail. I WAIVE ANY CLAIM AGAINST WNNMIC FOR DAMAGES which I may suffer as a result of cancellation of a Bond or any release from any obligation of WNNMIC on any Bond.
8. I agree that WNNMIC has the exclusive right to decide whether to pay, compromise, defend, or appeal any claim against a Bond.
9. I agree that I CANNOT TERMINATE MY LIABILITY to WNNMIC created by this agreement except by sending written notice of intent to WNNMIC. Written notice to terminate shall be sent to Western National Insurance Company at its home office, 4700 West 77th Street, Edina, MN, 55435-4818. I AGREE that the termination will be effective thirty working days after actual receipt of such notice by WNNMIC, but only for Bonds signed and committed to by WNNMIC after the effective date. Thus, I agree that I will REMAIN LIABLE to WNNMIC for LOSS on BONDS SIGNED OR COMMITTED TO BY WNNMIC PRIOR TO THE EFFECTIVE DATE OF TERMINATION.
10. I agree that WNNMIC can bring any legal action arising out of or in any way related to any Bond or this agreement in Hennepin County, Minnesota and that Minnesota law shall govern unless WNNMIC elects otherwise.
11. **I agree that I have READ AND UNDERSTOOD this agreement, that I am signing as a PERSONAL INDEMNITOR, on behalf of my MARITAL COMMUNITY, and in my CORPORATE, PARTNERSHIP, or LLC CAPACITY, if any. The rights and obligations of the undersigned hereunder are joint and several in each and every respect. The invalidity or unenforceability of any provision hereof shall in no way affect the validity or enforceability of any other provision. No missing signature shall invalidate this agreement.**

Individual or Company Name	Date
BY (Owner’s, Officer’s or Partner’s, and Individual’s Signature) X	Signor (Print)
BY (Owner’s, Officer’s or Partner’s, and Individual’s Signature) X	Signor (Print)
Individual Spouse’s Signature X	Individual’s Name (Print)
Individual Spouse’s Signature X	Individual’s Spouse’s Name (Print)