



INDEMNIFICATION AGREEMENT

IMPORTANT! Signature Instructions – Individuals who apply for a Bond must complete and sign the indemnity agreement below. If married, spouse must also sign; however, no missing signature shall invalidate this agreement. **Sole Proprietorship** – Owner must sign below. If married, spouse must also sign. **Partnership** – Partners are signing as authorized agents of the partnership and as individually liable indemnitors. If married, spouse must also sign. **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. If married, spouse must also sign.

I request that Western National Mutual Insurance Company and/or any of its affiliated companies (WNMIC) execute a Bond and consider executing future Bonds for the individual, company or entity identified below (“Principal”). I authorize WNMIC 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 WNMIC pertaining to credit. I make the following promises so that WNMIC 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 WNMIC 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 WNMIC 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 WNMIC 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 charge of \$120 for each claim and , 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, individually, and jointly and severally with Principal and all other indemnitors, agree to hold WNMIC harmless from all Loss and to pay back or reimburse WNMIC for all Loss.
3. I agree to provide adequate collateral to WNMIC in the event WNMIC is required or deems it necessary to establish a reserve for a Loss for any Bond. The reserve for Loss may vary from time to time as WNMIC deems necessary to protect itself from Loss. Cash collateral equal to the reserve for Loss shall be adequate. Collateral may be held by WNMIC until WNMIC has determined it is no longer exposed to Loss as a matter of law, and WNMIC may retain or sell collateral to reimburse itself for Loss. Specific performance of this paragraph shall be a remedy available to WNMIC and procedures for executing on judgments may be used to enforce WNMIC’s decree(s) of specific performance. In the event that WNMIC suffers a Loss, prior to being provided with collateral, WNMIC 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 WNMIC all premiums when due 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 on a court of law to the same extent as the original agreement.
6. I agree that WNMIC may obtain a release from its obligations as surety on a Bond whenever such release is authorized by law.
7. If a bond can be unilaterally cancelled by the surety, WNMIC 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 WNMIC, 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 WNMIC deposits the requisite notice of cancellation on the U.S. Mail. I WAIVE ANY CLAIM AGAINST WNMIC FOR DAMAGES which I may suffer as a result of cancellation of a Bond or any release from any obligation of WNMIC on any Bond.
8. I agree that WNMIC 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 WNMIC created by this agreement except by sending written notice of intent to WNMIC. Written notice to terminate shall be sent by registered mail to Western National Insurance Company at its home office, 5350 West 78th Street, Edina, MN, 55439-3101. I AGREE that the termination will be effective thirty working days after actual receipt of such notice by WNMIC, but only for Bonds signed and committed to by WNMIC after the effective date. Thus, I agree that I will REMAIN LIABLE to WNMIC for LOSS on BONDS SIGNED OR COMMITTED TO BY WNMIC PRIOR TO THE EFFECTIVE DATE OF TERMINATION.
10. I agree that WNMIC 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 apply where WNMIC makes such an election.
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 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 Signature) X	Owner’s, Officer’s or Partner’s Signature (Print)
Individual’s Signature X	Individual’s Name (Print)
Individual Spouse’s Signature X	Individual’s Spouse’s Name (Print)
Individual’s Signature X	Individual’s Name (Print)
Individual Spouse’s Signature X	Individual’s Spouse’s Name (Print)
Individual’s Signature X	Individual’s Name (Print)
Individual Spouse’s Signature X	Individual’s Spouse’s Name (Print)

Attention: Any person who knowingly and with intent to defraud a surety company or any other person files an application for a surety bond containing any materially false information, or conceals, for the purpose of misleading, information concerning any fact material thereto, commits a fraudulent act and may be subject to civil and/or criminal penalties.