

Important

Commercial Surety Application All Purpose

Instruction Sheet

Please refer to this sheet before sending the Commercial Surety Application back to Capstone. It will help avoid any delays in processing your application due to missing information.

1. Please complete page 1 in its entirety. (Some commonly overlooked items include year established, date of bond, and obligee information)
2. Next, complete one of the following 6 sections, as applicable.

Section 2	License and Permit or Miscellaneous Bonds
Section 3	Lost Instrument Bonds. Include a completed Affidavit
Section 4	Public Official Bonds (includes Treasurer and Tax Collector)
Section 5	Fiduciary (Probate) Bonds
Section 6	Receiver or Bankruptcy Trustee
Section 7	Judicial Bonds (includes Replevin, Injunction, Appeal, Release of Attachment, and Attachment)

3. The final page is the **Indemnity Agreement**. A checklist of 4 questions will help remind you of the key items that need to be addressed:
 - **Did you date the form (directly above the signatures)?**
 - **If the applicant is a Corporation, Partnership or LLC, is the respective name entered with the corresponding signature of the President (or authorized officer) immediately below? (Seals should be used, as appropriate)**
 - **If the applicant is an individual, did he/she sign the form?**
 - **Did a witness sign the form attesting to the authenticity of the Indemnitors' signature?**

Please note that a properly signed, witnessed and dated application will be needed for bond insurance.

You can send by email to bonds@capstone1.com. The application can be faxed to 702-227-5753.

You can also send original applications with signatures to the following address:

**CAPSTONE BROKERAGE, INC.
C/O BOND DEPARTMENT
8681 W. SAHARA AVE., STE. 100
LAS VEGAS, NV 89117**

All Purpose Commercial Surety Application

For all business complete page 1 of this application in its entirety.

Complete Section 2 – 7 for the appropriate bond category indicated in General Information section below.

General Information Questions

Application is being made for which one of these bond categories? (*Fill out section indicated.)

- | | | |
|--|--|--|
| <input type="checkbox"/> License & Permit or Miscellaneous – *Sec. 2 | <input type="checkbox"/> Lost Instrument (Include completed Affidavit) – *Sec. 3 | <input type="checkbox"/> Public Official – *Sec. 4 |
| <input type="checkbox"/> Fiduciary (Probate) – *Sec. 5 | <input type="checkbox"/> Receiver or Bankruptcy Trustee – *Sec. 6 | <input type="checkbox"/> Court: Judicial – *Sec. 7 |

Type of Bond (describe purpose) _____
(Attach a copy of the bond form, if available)

PRODUCER OF RECORD (required):

Agency Name: _____

RO/Agency Code: _____

Sub Producer Code: _____

Bond Number: _____

Agency City: _____

Agency State: _____

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 Address: _____

Applicant's Business Description or Latest Occupation: _____

Number of Years in Business: _____

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

Business Phone: _____ Fax No.: _____ Email: _____

Obligee – party requiring the bond (required): _____

Obligee Address: _____

Billing Method: Agency Bill Direct Billed – full payment Direct Bill TABS Account

TABS Account No.: _____

Billing Address, if different from Applicant's Address: _____

1 General Underwriting Questions

(required for all Applicants)

- | | | |
|---|-----------------------------|------------------------------|
| Does the Applicant have any other Surety bonds in force? | <input type="checkbox"/> No | <input type="checkbox"/> Yes |
| Has another Surety company declined to write this or any previous bond? | <input type="checkbox"/> No | <input type="checkbox"/> Yes |
| Have you ever had a bond involuntarily terminated or cancelled? | <input type="checkbox"/> No | <input type="checkbox"/> Yes |
| Has there ever been a claim or legal action against any bond executed on your behalf? | <input type="checkbox"/> No | <input type="checkbox"/> Yes |
| Do you or any of your companies have any pending lawsuits, unsatisfied judgments or liens? | <input type="checkbox"/> No | <input type="checkbox"/> Yes |
| Have you or any of your companies declared bankruptcy or become insolvent? | <input type="checkbox"/> No | <input type="checkbox"/> Yes |
| Have you or any of your companies been the subject of any legal or administrative proceedings resulting in disciplinary action? | <input type="checkbox"/> No | <input type="checkbox"/> Yes |
| Have you ever been convicted of a felony? | <input type="checkbox"/> No | <input type="checkbox"/> 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 3 years?	<input type="checkbox"/> No <input type="checkbox"/> Yes
Does the bond guarantee the performance of a <i>specific</i> contract or agreement? If Yes, attach a copy of the contract or agreement.	<input type="checkbox"/> No <input type="checkbox"/> Yes <input type="checkbox"/> copy attached
Does the bond cover any type of environmental or pollution exposure?	<input type="checkbox"/> No <input type="checkbox"/> Yes
Does the bond guarantee the payment of taxes, fees, wages or payment of any type?	<input type="checkbox"/> No <input type="checkbox"/> Yes

3	Lost Instrument Bonds
Present Market Value _____ Is the Bond: <input type="checkbox"/> Open Penalty or <input type="checkbox"/> Fixed Penalty	
Description of the lost instrument or security: _____	
In whose name are the instruments or securities registered: _____	
Have the instruments or securities been endorsed?	<input type="checkbox"/> No <input type="checkbox"/> Yes
Have the instruments or securities been assigned to another party?	<input type="checkbox"/> No <input type="checkbox"/> Yes
Are the lost instruments or securities in bearer form?	<input type="checkbox"/> No <input type="checkbox"/> Yes
Has Notice of Loss been given? If Yes, to whom? _____	<input type="checkbox"/> No <input type="checkbox"/> Yes Date: _____
Has a Stop Notice been issued?	<input type="checkbox"/> No <input type="checkbox"/> Yes
Please complete an Affidavit.	<input type="checkbox"/> copy attached

4	Public Official Bonds
<input type="checkbox"/> Elected <input type="checkbox"/> Appointed Position Title _____	
Effective Date: _____ Expiration of Term: _____ or <input type="checkbox"/> Term is indefinite	
Have you held this position before? If Yes, when? _____ <i>If you have not held this position previously and the bond amount is greater than \$100,000, attach a copy of your resume.</i>	<input type="checkbox"/> No <input type="checkbox"/> Yes <input type="checkbox"/> copy attached
Do you or your subordinates handle money or securities? If so, how much is handled annually? _____	<input type="checkbox"/> No <input type="checkbox"/> Yes
Does an external CPA annually audit the financial accounts and fund balances? <i>If the bond amount is greater than \$250,000, provide a copy of latest fiscal year-end statement.</i>	<input type="checkbox"/> No <input type="checkbox"/> Yes <input type="checkbox"/> copy attached
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? If Yes, in what amount and what are the terms of repayment: _____	<input type="checkbox"/> No <input type="checkbox"/> Yes			
Attorney's name and address: _____				
Court jurisdiction (Obligee) in which bond will be filed: _____				
Is there an ongoing business? If Yes, provide details: _____	<input type="checkbox"/> No <input type="checkbox"/> Yes			
Inventory of the Assets: Cash: _____ Securities: _____ Real Estate: _____ Other: _____				
Name of Heirs/Beneficiaries	Age	Relationship to the deceased	Share of the Estate	Residence (state)
Attach a copy of the Will, Trust or Court Order for ALL bonds greater than or equal to \$100,000.				

5a	Complete for Administrator, Executor, Personal Representatives, etc.
Date of Death: _____	
Is the estate insolvent?	<input type="checkbox"/> No <input type="checkbox"/> Yes
Are there any disputes among the heirs?	<input type="checkbox"/> No <input type="checkbox"/> Yes

5b	Complete for Guardianship, Conservatorship, Trustee, etc.
This is in regard to a: <input type="checkbox"/> Minor <i>and/or</i> <input type="checkbox"/> Incompetent <input type="checkbox"/> Beneficiary Age: _____	
Where does minor/incompetent reside? _____	
Will any assets be under court restrictions?	<input type="checkbox"/> No <input type="checkbox"/> Yes
If Yes, provide details: _____	
Will joint control be used to restrict expenditures or distributions of assets?	<input type="checkbox"/> No <input type="checkbox"/> Yes
Will professional accounting, investment or legal services be provided on an ongoing basis?	<input type="checkbox"/> No <input type="checkbox"/> Yes
Does the presiding court require that an annual accounting be filed?	<input type="checkbox"/> No <input type="checkbox"/> Yes
Is the estimated duration of the bond anticipated to be longer than 3 years?	<input type="checkbox"/> No <input type="checkbox"/> Yes

6	Receiver, Bankruptcy Trustee, Assignee Bonds
Debtor: _____	
Address: _____	
Type of Action:	<input type="checkbox"/> Liquidation <input type="checkbox"/> Reorganization <input type="checkbox"/> Receiver of Rents <input type="checkbox"/> Other
Do you carry Fidelity coverage?	<input type="checkbox"/> No <input type="checkbox"/> Yes
If Yes, in what amount? _____ Carrier: _____	
Do you carry Professional Liability or E & O coverage?	<input type="checkbox"/> No <input type="checkbox"/> Yes
If Yes, in what amount? _____ Carrier: _____	
Attach copy of Court Order, Judgment and/or other documents	<input type="checkbox"/> 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?	<input type="checkbox"/> No <input type="checkbox"/> Yes
Attach a copy of Court Order, Judgment and/or other supporting documents.	<input type="checkbox"/> Copies attached

Indemnity Agreement

The undersigned Applicant and Indemnitor(s), (all hereinafter called the Indemnitor(s)) hereby certify that the foregoing declarations made and answers given are the truth without reservation, and are made for the purpose of inducing the Surety to execute a certain bond or undertaking herein applied for, and any renewal, procurement, assumption, continuation or increase of the same, or any bond of similar nature given in substitution or renewal thereof (all comprehended in the word "bond" or "undertaking" as herein used).

Indemnitor(s) hereby expressly authorize Hartford to access its credit records and to make such pertinent inquiries as may be necessary from third party sources for the following purposes: (a) To verify information supplied to Hartford; (b) For underwriting purposes; and (c) Upon receipt of a notice of claim or potential claim, for debt collection. Hartford may furnish copies of any and all statements, agreements, and financial statements and any information, which it now has or may hereafter obtain concerning each of the Indemnitors, to other persons or companies for the purpose of procuring co-suretyship or reinsurance.

If Hartford Fire Insurance Company, Hartford Plaza, Hartford, CT 06115, itself or any of its affiliates, parent, subsidiaries, co-sureties, or re-insurers, (individually and collectively called "Hartford"), as Surety, shall execute or procure the execution of the bond or undertaking hereinbefore applied for, which bond and application are hereby referred to and made a part of this agreement, the undersigned, in consideration thereof, jointly and severally covenant and agree with Hartford as follows:

Indemnitor(s) shall pay the premiums and renewal premiums for each bond issued hereunder, until Hartford has received written legal evidence, satisfactory to Hartford, in its sole discretion, of its discharge from all such bonds and all liability related thereto.

Indemnitor(s) agree to indemnify Hartford and save it harmless from any and all loss and expense of whatsoever kind or nature, including, but not limited to interest, court costs, attorney fees, incurred by Hartford in connection with or by reason of furnishing any bond hereunder. The undersigned Indemnitor(s) hereby agree to deposit upon demand with Hartford an amount sufficient to discharge any claim or any such bond, which deposit may be held by Hartford as collateral security against any loss or cost on this bond.

Indemnitors agree that any Obligee on any bond written pursuant to this Agreement is specifically authorized and requested to disclose any and all information, including providing copies of documents, whether deemed confidential or not, requested by the Surety in its investigation of any claim. The indemnitors irrevocably appoint Hartford as their Attorney in Fact with the right but not the obligation to exercise its rights and execute or deliver any document in the name of the indemnitor deemed necessary to carry out the intent and purpose of this paragraph.

A facsimile signature of this document shall be deemed an original signature for any and all purposes.

IT IS A CRIME TO KNOWINGLY PROVIDE FALSE, INCOMPLETE OR MISLEADING INFORMATION TO AN INSURANCE COMPANY FOR THE PURPOSE OF DEFRAUDING THE COMPANY. PENALTIES MAY INCLUDE IMPRISONMENT, FINES AND DENIAL OF BENEFITS.

WITNESS the following signature(s) and seal(s) this day of , 20 . ←

If Indemnitor is a PARTNERSHIP , CORPORATION or LLC:

Witness signature: _____ _____ <i>Print Above Name Here</i>	Name of Firm/Corporation By signature: _____ Print Above Name Here: _____ Title (Print): _____	(Seal)
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If Indemnitor is: Individual <i>(need Social Security)</i> Witness 'tdi pcwt g: _____ _____ <i>Print Name Above</i>	3rd-Party Individual <i>(need Social Security)</i> Indemnitor 'tdi pcwt g< _____ _____ <i>Print Name, Title, Social Security or FEIN # of above</i>	3rd-Party Company <i>(need FEIN)</i> _____ _____ <i>Print Name, Title, Social Security or FEIN # of above</i>
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If Indemnitor is: Individual <i>(need Social Security)</i> Witness 'tdi pcwt g: _____ _____ <i>Print Name Above</i>	3rd-Party Individual <i>(need Social Security)</i> Indemnitor 'tdi pcwt g< _____ _____ <i>Print Name, Title, Social Security or FEIN # of above</i>	3rd-Party Company <i>(need FEIN)</i> _____ _____ <i>Print Name, Title, Social Security or FEIN # of above</i>
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If Indemnitor is: Individual <i>(need Social Security)</i> Witness 'tdi pcwt g: _____ _____ <i>Print Name Above</i>	3rd-Party Individual <i>(need Social Security)</i> Indemnitor 'tdi pcwt g< _____ _____ <i>Print Name, Title, Social Security or FEIN # of above</i>	3rd-Party Company <i>(need FEIN)</i> _____ _____ <i>Print Name, Title, Social Security or FEIN # of above</i>
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Reminder – Please make sure the application has been SIGNED, WITNESSED and DATED in the appropriate areas.