

AVALON RISK MANAGEMENT

GENERAL AGENT FOR THE SURETY IT REPRESENTS

GREAT AMERICAN ALLIANCE INSURANCE COMPANY
CINCINNATI, OHIO

TIA PERFORMANCE CERTIFIED APPLICATION & INDEMNITY



Return Completed Application to TIAPCBond@avalonrisk.com.

Contact Nancy O'Liddy with TIA at 703-299-5700 or Andriana Davis with Avalon Risk Management at 847-700-8087 if any questions.

150 Northwest Point Boulevard | 4th Floor | Elk Grove Village, IL 60007
Phone: (847) 700-8473 | Fax: (847) 700-8117 | TIAPCBond@avalonrisk.com

INSTRUCTIONS

- This application must be completed in its entirety and signed by a director or officer of the company.
- Please attach current financial statement dated within previous six months, including balance sheet, income statement and accountant's notes.
Note: all unaudited statements must bear the signature of the proprietor, partner or corporate officer, as appropriate.
- If you maintain Contingent Cargo, Errors and Omissions, Contingent Auto or General Liability Insurance coverage, please attach proof of such coverage as appropriate. Your Policy Declaration Page, a Policy Copy or Acord Certificate of Insurance is acceptable.
- Payment of premium is required before bond can be processed. Payment can be accepted via electronic transfer. When transferring electronically, you must reference your company name.

APPLICANT/PRINCIPAL/INDEMNITOR INFORMATION

Individual/Sole Proprietorship Partnership LLC Corporation, state/country of Incorporation _____

Company Name: _____

Trade Name (if applicable): _____

Address: _____

Are there additional locations? Yes No **If yes, please attach a complete and current list of offices along with all contact information.* Number of offices: _____

Phone: _____ Fax: _____ E-mail: _____

Contact Name: _____ Years in Business: _____ If less than 5 years, note years in industry for senior officer: _____

Tax ID/Importer Number: _____ FMCSA/DOT Number: _____

Provide Name of Avalon Contact: _____

Do you maintain Errors and Omissions insurance coverage?	<input type="checkbox"/> Yes	<input type="checkbox"/> No
Do you maintain Contingent Cargo Legal Liability Insurance?	<input type="checkbox"/> Yes	<input type="checkbox"/> No
Do you maintain Contingent Auto Insurance?	<input type="checkbox"/> Yes	<input type="checkbox"/> No
Do you maintain General Liability Insurance?	<input type="checkbox"/> Yes	<input type="checkbox"/> No

If yes, please attach proof of insurance in the form of a Policy, Declaration Page or Acord Certificate of Insurance

BOND INFORMATION

TIA Performance Certified Program *Desired Effective Date for TIA Performance Certified Program:* _____

Total Amount (including \$10,000 TIASurety/AMTEX Guarantee): \$25,000 \$50,000 \$100,000 \$250,000

Surface Deployment and Distribution Command (SDDC)* Total Amount: _____ Desired Effective Date: _____

**If interested in the SDDC Bond, please complete the following two questions:*

Domestic or international carrier? _____ Will you transport personal property? Yes No

Are you interested in any of Avalon's other bond services for:

Customs Bonds (International Carrier, Custodial Bond, etc.) NVOCC Other (include Obligee) _____

Surface Deployment and Distribution Command Bond (SDDC) Ocean F/F Other (include Obligee) _____

Has any surety ever paid claims on your company's behalf?	<input type="checkbox"/> Yes	<input type="checkbox"/> No	<i>If yes, please attach explanation</i>
Has your company ever been cancelled by any surety?	<input type="checkbox"/> Yes	<input type="checkbox"/> No	<i>If yes, please attach explanation</i>

BUSINESS INFORMATION

Gross Freight Receipts: *Please specify your annual gross freight receipts on a calendar year basis.*

Last Year: \$_____ This Year: \$_____ Estimated Next Year: \$_____

Type of Business: *Please check all activities that apply to your firm and indicate the percentage of gross revenue derived from each activity.*

<input type="checkbox"/> Customs Broker _____ %	<input type="checkbox"/> Ocean Freight Forwarder _____ %	<input type="checkbox"/> Ocean Consolidator [NVOCC] _____ %
<input type="checkbox"/> Air Freight Forwarder _____ %	<input type="checkbox"/> Indirect Air Carrier (IAC) _____ %	<input type="checkbox"/> Domestic Freight Forwarder _____ %
<input type="checkbox"/> Property Broker _____ %	<input type="checkbox"/> Releasing Agent _____ %	<input type="checkbox"/> Shipper's Agent _____ %
<input type="checkbox"/> Trucker _____ %	<input type="checkbox"/> Warehouse Operator _____ %	<input type="checkbox"/> Other: _____ %

Shippers: *Please specify who your top shippers are and the percentage of revenue derived from each:*

1) _____ %	2) _____ %	3) _____ %
4) _____ %	5) _____ %	6) _____ %

Has principal or any partner/officer ever filed any form of bankruptcy? Yes No *If yes, please explain.* _____

List professional associations of which you are a member: _____

INDEMNITY AGREEMENT

The Undersigned hereby declares the truth of the representations herein, and that they are made to induce GREAT AMERICAN ALLIANCE INSURANCE COMPANY or such other sureties as Avalon Risk Management may from time to time represent (hereinafter referred to collectively as the "Surety") to enter into a contract of suretyship by the issuance of the Bond(s) applied for. The Undersigned agrees that the Surety may decline the Bond(s) applied for or may cancel or terminate same without incurring any liability whatsoever to the Undersigned. In consideration of the issuance of the Bond(s) herein applied for, or any Bond(s) in substitution for or in succession of the said Bond(s), or any increase or extension of time of the said Bond(s) or any other Bond or undertaking by the Surety on behalf of the principal whether issued or undertaken prior to or after the date hereof, hereinafter individually or collectively referred to as Bond(s), the undersigned hereby agrees:

- (1) To hereby authorize the Surety to make such pertinent inquiry as may be necessary from financial institutions, persons, firms and corporations in order to confirm and verify information referred to or listed herein;
- (2) To pay to the Surety the agreed premium upon execution of the Bond(s) and annually in advance thereafter;
- (3) To furnish the Surety with satisfactory and conclusive termination evidence that there is no further liability on the Bond(s);
- (4) To perform all the conditions of said Bond(s) and will indemnify and save the Surety harmless from demands, losses, costs, damages and expenses, including attorney's and counsel fees deemed necessary by the Surety, which Surety may sustain or incur by reason of the issuance of such Bond(s), or obtaining a release of or evidence of termination under such Bond(s). This obligation shall be continuing as to this Bond or any other Bonds or undertaking until Surety's liability is extinguished;
- (5) That the Surety shall have (i) the exclusive right to adjust, settle or compromise any claim under such Bond(s), unless the Undersigned shall in writing request the Surety to litigate such claim and shall deposit immediately with Surety collateral security satisfactory to the Surety in kind an amount;
- (6) That the voucher or other evidence showing payment made by the Surety in good faith by reason of such Bond(s) or any renewal, extension or substitution thereof shall be conclusive and in any event prima facie evidence of such payment and the property thereof and of the liability of the Undersigned theretofore to the Surety;
- (7) To the following general provisions:
 - a. Any property which may have been, or may be, pledged as collateral security for any Bonds may, at the Surety's discretion, be retained as collateral security on any Bond falling under the scope of this Indemnity Agreement, whether or not executed, and whether or not executed or reinsured by the Surety, and for the full and complete performance of the Undersigneds' covenants under this Indemnity Agreement. In the case of any breach of the Undersigneds' covenants, or in case the Surety finds it necessary to raise money to meet any actual or prospective claim or demand under any Bond, or to pay any expense incurred in connection therewith, the Surety has full power and authority, without notice to the Undersigneds, to negotiate or redeem any checks or certificates of deposit, or to draw upon any letters of credit, and to use any or all of the proceeds, in order to protect itself against loss, costs, damages, attorneys' fees and expenses. After deducting all legal and other costs, and all loss, costs, damages, attorneys' fees and expenses, and all premiums due the Surety for any Bond or Bonds, the Surety shall return the remainder of the collateral, if any, to the person or persons legally authorized to receive it. We will contact you at the name and address provided and/or through your customs broker when the collateral may be returned. It is the principal's obligation to notify us of any change of address. If we are unable to contact you funds that we continue to hold on your behalf will become subject to a maintenance fee of 1.5% per month effective as of the return date of undeliverable certified mail to your last known address. The Surety shall not be responsible for any loss to the property from any cause other than the act or neglect of its officers or employees. The Surety shall not be responsible for paying interest, or loss of interest, to depositor or any other party on such deposits;
 - b. The Principals agree to give the Surety prompt written notice of any and all facts which may give rise to any action against the Surety relating to any Bond. If the Principals fail to petition, protest, defend or settle any such action taken by the Oblige, pursuant to the Bond, the Principals agree that the Surety may petition, protest, defend or settle such action to protect its interests by whatever means it considers appropriate. The determination as to whether any such action is petitioned, protested, defended or settled is binding and conclusive upon the Principals, and the result of any such petition, protest, defense or settlement is binding in whole or in part, as if it were the act of the Principals. Evidence of payment is prima facie evidence of the fact and extent of the Principals' liability to the Surety. Liability hereunder extends to, and includes, the full amount of any and all monies paid by the Surety in settlement or compromise of any action, in good faith under the belief that it was liable therefore, whether liable or not, as well as any and all disbursements for attorneys' fees, costs, and expenses as aforesaid, which may be made under the belief that such were necessary, whether necessary or not. The Principals understand that any action taken to petition, protest, defend or settle any action by the Oblige under the Bond, whether the action is initiated by the Principals or the Surety, does not excuse the Principals from the timely payment of bills for the Bond or for amounts paid in pursuance thereof.
- (8) The Undersigned further agrees to reimburse the Surety for all expense, counsel and attorney fees incurred by the Surety in enforcing any provision of this agreement.; and
- (9) To agree to the following general provisions:
 - a. I have read the application and indemnity agreement and understand and accept the terms and conditions set forth herein.
 - b. I warrant that any misrepresentation on the application, whether innocent or intentional, can result in Bond termination
 - c. I understand that I will be notified by Avalon Risk Management of approval of the Bond and that this application does not, in any way, guarantee approval of my Bond application.
 - d. I agree and understand that I will be held accountable for and am responsible to abide by the terms and condition set forth in any Bond form issued by Avalon Risk Management.
 - e. I understand and agree that I must notify Avalon Risk Management of the termination or lapse of any Contingent Cargo, Errors & Omissions, Contingent Auto and/or General Liability insurance coverages within 10 business days from the cancellation or expiration date.
 - f. I agree to notify Avalon Risk Management immediately of any Federal or State investigations and of any claim or suit against my Bond(s).
 - g. Indemnity will apply to any instrument issued by AMTEX or Avalon Risk Management.

Regardless of the date this Indemnity Agreement is signed, it is effective as of the date of the execution of the above mentioned Bond(s).

Dated _____ day of _____ 20_____.

SIGNATURE/ACKNOWLEDGEMENT

The undersigned being authorized by and acting on behalf of the applicant must read and initial the following statements:

- _____ 1. I have read the application and indemnity agreement and understand and accept the terms and conditions set forth herein.
- _____ 2. I warrant that any misrepresentation on the application, whether innocent or intentional, can result in Bond termination.
- _____ 3. I understand that I will be notified by Avalon Risk Management of approval of the Bond and that this application does not, in any way, guarantee approval of my Bond application.
- _____ 4. I agree and understand that I will be held accountable for and am responsible to abide by the terms and condition set forth in any Bond form issued by Avalon Risk Management.
- _____ 5. I understand and agree that I must notify Avalon Risk Management of the termination or lapse of any Contingent Cargo, Errors & Omissions, Contingent Auto and/or General Liability insurance coverage within 10 business days from the cancellation or expiration date.
- _____ 6. I agree to notify Avalon Risk Management immediately of any Federal or State investigations and of any claim or suit against my Bond(s).

SIGNATURES

INDIVIDUAL/PROPRIETORSHIP

Name of Individual	Signature	Date of Birth: Social Security#:	SEAL
Name of Spouse	Spouse's Signature	Date of Birth Social Security #:	
Home Address:			

**If married, signature of spouse is required*

PARTNERSHIP

Name of Individual/Partner	Signature	Date of Birth Social Security #.	SEAL
Title:	Home Address:		
Name of Individual/Partner	Signature	Date of Birth Social Security #.	SEAL
Title:	Home Address:		

CORPORATION OR LLC

Company Name	Signature	Title	SEAL
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ALL OWNERS, (STOCKHOLDERS) AND ADDITIONAL INDEMNITORS MUST SIGN BELOW

In consideration of executing the Bond(s) applied for by Applicant, the Undersigned, now referred to as Indemnitor(s), acknowledge(s) that the above Indemnity Agreement has been read and the Indemnitor(s) is (are) aware of the contents of the Indemnity Agreement. The Indemnitors(s) agree(s) to be bound by the Indemnity Agreement to the same extent as the Applicant. The obligation imposes individual liability on the Indemnitor(s) as well as joint liability with the Applicant. The Indemnitor(s) has(have) sufficient interest in the performance of this obligation to execute this agreement and is (are) fully empowered to exercise this agreement.

INDEMNITOR NAME

INDEMNITOR SIGNATURE

INDEMNITOR NAME

INDEMNITOR SIGNATURE