

FORM 2

APPLICATION FOR EXCESS EMPLOYEE DISHONESTY COVERAGE

Member _____

Agreement No. _____

Coverage Effective _____

Position Covered _____

Total Bond Amount _____

Applicant _____
(Must be full given Name)

Social Security # _____
(Must be completed)

Address _____
(Must be street address not P O Box) (City) (State) (Zip)

Date of Birth _____
(Must be completed)

Previously Bonded _____ Yes _____ No If yes, give name and reason for change

How long in present position _____ Annual Salary _____

Is applicants net worth equal to or greater then the bond amount? _____ Yes _____ No

Have you ever filed bankruptcy? _____ Yes _____ No If, yes give date _____

Will Applicant Sign Checks? _____ Yes _____ No Is countersignature Required? _____ Yes _____ No

If yes, by whom? _____

INDEMNITY AGREEMENT

The undersigned applicant and indemnitors hereby request Oklahoma Rural Water Association Assurance Group (the "Company") to become surety for the above coverage. The undersigned hereby certifies the truth of all statements in the application, authorizes the Company to verify this information and to obtain additional information from any source, and jointly and severally agree:

- (1) To pay the usual premiums, including renewal premiums,
- (2) To completely **INDEMNIFY** the Company from and against any liability, loss, cost, attorney's fees and expenses, whatsoever, which the Company shall at any time sustain as surety or by reason of having been surety, in connection with and of the coverages provided under this section, or for the enforcement of this agreement,
- (3) Upon demand by the Company for any reason, whatsoever, to deposit current funds with the Company in an amount sufficient to satisfy any claim against the Company by reason of such suretyship,
- (4) That the Company shall have the right to handle or settle any claim or suit in good faith. An itemized statement of loss and expenses incurred by the Company, sworn to by an officer of the Company, shall be *prima facie* evidence of the fact and extent of the liability of the undersigned to the Company,
- (5) That the Company may decline to become surety on any of the coverages provided under this section and may cancel or amend any coverage provided under this section without cause and without any liability which might arise therefrom,
- (6) That the Company shall, without notice, have the right to alter the penalty, terms and conditions of any coverages issued under this section for undersigned, and this agreement shall apply to any such altered coverage,
- (7) That, at the Company's discretion, this indemnity agreement shall be governed in all respects by the laws of the State of Oklahoma and undersigned applicant and indemnitors consent to the jurisdiction of the courts of the State of Oklahoma in all actions or proceedings arising from or relating to this indemnity agreement, and
- (8) That this indemnity may be canceled as to subsequent liability by an indemnitor upon written notice to the Company at P. O. Box 95349, Oklahoma City, Oklahoma 73143, effective ten (10) days after the earliest date thereafter upon which the Company could have canceled any applicable coverages provided under this section in force for applicant.

Signed this _____ day of _____, _____

(Signature/Indemnitor)

(Print Name/Title)