

**Lexington National Insurance Corporation
Lost Securities Bond
Application and Indemnity Agreement**

BOND INFORMATION:

Bond Amount: _____ Agency: _____ Agency Code: _____
Obligee Name: _____
Obligee Address: _____

APPLICANT/INDEMNITOR INFORMATION:

Name (as it should appear on the bond): _____
Address: _____ Phone: _____
Email: _____ Date of Birth: _____ SSN/Tax ID: _____
Occupation: _____ Employer: _____
Primary Residence Fair Market Value: _____ Mortgage Balance(s): _____ as of _____

Have you, your companies, or anyone involved:

- a. Declared bankruptcy, failed in business or been insolvent? Yes _____ No _____
- b. Been involved in a surety loss – past, present or pending? Yes _____ No _____
- c. Been subject to any lawsuits, judgments or liens against you/them? Yes _____ No _____
- d. Been convicted of a crime or disciplined through any legal/administrative proceeding? Yes _____ No _____

SECURITIES INFORMATION:

Lost Securities Description: _____

Date of issue: _____ Quantity: _____ Serial Number(s), (if any): _____

If registered, in whose name?: _____

Have the securities been endorsed, assigned, pledged or hypothecated? Yes _____ No _____

Has any Power of Attorney been given that would enable another person to transfer the securities? Yes _____ No _____

Is Applicant the absolute and unconditional owner of the lost securities? Yes _____ No _____

State when and how Applicant became owner: _____

Date of Loss: _____ State how securities were lost and what effort has been made to recover them: _____

Has notice of loss been given? Yes _____ No _____ If yes, to whom? _____ Date: _____

Indemnification Agreement - Read Carefully and Sign

IN CONSIDERATION of the execution of the bond for which application is made, the undersigned applicant, principal, and indemnitors (collectively, "Applicant") for themselves, their personal representatives, heirs, successors and assigns, hereby agree with, warrant and represent to, and bind themselves jointly and severally to Lexington National Insurance Corporation, and its co-sureties, re-insurers, and any other company which may execute or renew a bond or bonds at the request of the Lexington National Insurance Corporation (individually and collectively called "Surety") as follows:

1. Applicant agrees to pay the Surety an advanced premium for the first year or a fractional part thereof that is earned and the amount due annually thereafter in accordance with the Surety's then current premium rates or any minimum earned premium until the Surety shall be discharged or released from any and all liability and responsibility under said bond, and all matters arising therefrom, and until competent written legal evidence of such discharge or release, satisfactory to the Surety, is furnished to the Surety.
2. Applicant agrees that the Surety may make any credit checks, including consumer and investigative credit checks, it deems necessary.
3. Applicant warrants and represents that the questions answered and information furnished in connection with the application are true and correct.
4. Applicant agrees to indemnify and keep indemnified the Surety and its agents and representatives and hold and save them harmless from and against any and all liability, damage, loss, cost and expense of whatsoever kind or nature, including counsel and attorney's fee, collection costs and fees, and claims adjusters/monitoring fees which the Surety or its agents or representatives may at any time sustain or incur by reason or in consequence of have executed or procured the execution of the bond or enforcing this agreement against any of the undersigned or in procuring or in attempting to procure its release from liability under the bond.

5. If the Surety shall set up a reserve to cover any liability, claims, suit or judgment under said bond, or shall deem itself insecure, the undersigned will, immediately upon demand, deposit with the Surety a sum of money, equal to such reserve or demand and any increase thereof, to be held by the Surety as collateral security on said bond. Any such collateral shall be available, in the discretion of the Surety, as collateral security on any other or all bonds heretofore or hereafter executed for at the requests of any of the undersigned.
6. If the Surety shall procure any other company or companies to execute or join with it in executing, renewing, or to reinsure said bonds, this instrument shall insure to the benefit of such other company or companies, its or their successors and assigns, so as to give it or them a direct right of actions against the Applicant to enforce the provisions of this instrument.
7. An itemized statement of payments made by the Surety, sworn to by an officer of the Surety, shall be *prima facie* evidence of the liability of the undersigned to reimburse the Surety for such payments with interests.
8. The Surety in its sole discretion and without notice to the undersigned, is hereby authorized but not required from time to: (a) make or consent to any change in said bond or to issue any substitutes for any renewal thereof, and this instrument shall apply to such substituted or changed bond or renewal; (b) take such action as it may deem appropriate to prevent or minimize loss under said bond, including but not limited to steps to procure discharge from liability under said bonds, and (c) adjust, settle or compromise any claim or suit arising under said bond and, with respect to any such claims or suits, to take any action it may deem appropriate and any adjustment, settlement or compromise made or action taken by the Surety shall be conclusive against and binding upon the undersigned.
9. Each of the undersigned agrees to pay the full amount of the foregoing regardless of (a) the failure of the principal or any applicant or indemnitor to sign any such bond or (b) any claims that other indemnity, security or collateral was to have been obtained or (c) the release, return or exchange by the Surety with or without the consent of the undersigned, of any indemnity, security, or collateral that may have been obtained or (d) the fact that any party signing this instrument is not bound for any reason.
10. The undersigned hereby expressly waive notice from the Surety of any claims or demand made against the Surety or the principal under the bond or of any information the Surety may receive concerning the principal, any contract, or bond. The Surety shall have to right to decline any or all bonds herein applied for and shall have the right to withdraw from or cancel the same at any time, all without incurring any liability to the undersigned.
11. Whenever used in this instrument the plural term shall include the singular and the singular shall include the plural, as the circumstances require. If any portion of this agreement be in conflict with any law controlling the construction hereof, such portion of this instrument shall be considered to be deleted and the remainder shall continue in full force and effect. A facsimile of this Agreement shall be considered an original and shall be admissible in a court at law to the same extent as an original copy.
12. All obligations of the principal, applicants, and indemnitors to the Surety are due, payable, and performable in Baltimore, Maryland where venue of any action to enforce this agreement may be brought by the Surety. The Surety shall be entitled to recover all attorney's fees and collection costs (including those of attorneys and adjusters employed by the Surety or its affiliates), consulting fees, and claims adjustment expenses in defending any claims made against its bonds or in enforcing any of its rights under this Agreement.
13. In consideration of the execution by the Surety of the suretyship herein applied for, each of the undersigned, jointly and severally, agree to be bound by all of the terms of the foregoing indemnity agreement executed by the applicant, as fully as though each of the undersigned were the sole applicant named herein, and admit to being financially interested in the performance of the obligation, which the suretyship applied for is given to secure.

NEW YORK RESIDENTS - Any person who knowingly and with intent to defraud any insurance company or other person files an application for insurance or statement of claim containing any materially false information, or conceals for the purpose of misleading, information concerning any fact material thereto, commits a fraudulent insurance act, which is a crime, and shall also be subject to a civil penalty not to exceed five thousand dollars and the stated value of the claim for each such violation.

Sealed and dated this ____ day of _____, 20____,

Print name

Signature

State of _____, County of _____

On the ____ day of _____, 20____, before me came _____, personally known to me or proved to me through documentary evidence to be the individual who executed this Lost Securities Bond Application and Indemnity Agreement, and acknowledged that he/she executed same.

Notary Public

My Commission Expires: _____

IMPORTANT FRAUD WARNINGS

ALABAMA RESIDENTS - Any person who knowingly presents a false or fraudulent claim for payment of a loss or benefit or who knowingly presents false information in an application for insurance is guilty of a crime and may be subject to restitution fines or confinement in prison, or any combination thereof.

ARKANSAS RESIDENTS - Any person who knowingly presents a false or fraudulent claim for payment for a loss or benefit or knowingly presents false information in an application for insurance is guilty of a crime and may be subject to fines and confinement in prison.

COLORADO RESIDENTS - It is unlawful to knowingly provide false, incomplete, or misleading facts or information to an insurance company for the purpose of defrauding or attempting to defraud the company. Penalties may include imprisonment, fines, denial of insurance, and civil damages, any insurance company or agent of an insurance company who knowingly provides false, incomplete, or misleading facts or information to a policyholder or claimant for the purpose of defrauding or attempting to defraud the policyholder or claimant with regard to a settlement or award payable from insurance proceeds shall be reported to the Colorado Division of Insurance with the Department of Regulatory Agencies.

DISTRICT OF COLUMBIA, LOUISIANA, RHODE ISLAND & WEST VIRGINIA RESIDENTS - Any person who knowingly presents a false or fraudulent claim for payment of a loss or benefit or knowingly presents false information in an application for insurance is guilty of a crime and may be subject to fines and confinement in prison.

FLORIDA RESIDENTS - Any person who knowingly and with intent to injure, defraud, or deceive any insurer files a statement of claim or an application containing any false, incomplete, or misleading information is guilty of a felony of the third degree.

KANSAS APPLICANTS - Any person who, knowingly and with intent to defraud, presents, causes to be presented or prepares with knowledge or belief that it will be presented to or by an insurer, purported insurer, broker or any agent thereof, any written, electronic, electronic impulse, facsimile, magnetic, oral, or telephonic communication or statement as part of, or in support of, an application for the issuance of, or the rating of an insurance policy for personal or commercial insurance, or a claim for payment or other benefit pursuant to an insurance policy for commercial or personal insurance which such person knows to contain materially false information concerning any fact material thereto; or conceals, for the purpose of misleading, information concerning any fact material thereto commits a fraudulent insurance act.

KENTUCKY APPLICANTS - Any person who knowingly and with intent to defraud any insurance company or other person files an application for insurance containing any materially false information or conceals for the purpose of misleading, information concerning any fact material thereto commits a fraudulent insurance act, which is a crime.

MAINE, TENNESSEE, VIRGINIA & WASHINGTON RESIDENTS - 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 or a denial of insurance benefits.

MARYLAND RESIDENTS - Any person who knowingly or willfully presents a false or fraudulent claim for payment of a loss or benefit or who knowingly or willfully presents false information in an application for insurance is guilty of a crime and may be subject to fines and confinement in prison.

NEW JERSEY RESIDENTS - Any person who includes any false or misleading information on an application for an insurance policy is subject to criminal and civil penalties.

NEW MEXICO RESIDENTS - ANY PERSON WHO KNOWINGLY PRESENTS A FALSE OR FRAUDULENT CLAIM FOR PAYMENT OF A LOSS OR BENEFIT OR KNOWINGLY PRESENTS FALSE INFORMATION IN AN APPLICATION FOR INSURANCE IS GUILTY OF A CRIME AND MAY BE SUBJECT TO CIVIL FINES AND CRIMINAL PENALTIES.

OHIO RESIDENTS - Any person who, with intent to defraud or knowing that he is facilitating a fraud against an insurer, submits an application or files a claim containing a false or deceptive statement is guilty of insurance fraud.

OKLAHOMA RESIDENTS - WARNING: Any person who knowingly, and with intent to injure, defraud or deceive any insurer, makes any claim for the proceeds of an insurance policy containing any false, incomplete or misleading information is guilty of a felony.

PENNSYLVANIA RESIDENTS - Any person who knowingly and with intent to defraud any insurance company or other person files an application for insurance or statement of claim containing any materially false information or conceals for the purpose of misleading, information concerning any fact material thereto commits a fraudulent insurance act, which is a crime and subjects such person to criminal and civil penalties.