

**MERCHANTS**  
**BONDING COMPANY**

2100 FLEUR DRIVE, DES MOINES, IOWA 50321-1158 • (515) 243-8171 • (800) 678-8171  
8303 N. MOPAC. SUITE B 400, AUSTIN, TEXAS 78759 • (512) 343-9033 • (800) 252-9656

**GENERAL INDEMNITY AGREEMENT**

THIS AGREEMENT, made and entered into with and in favor of the MERCHANTS BONDING COMPANY (Mutual), a corporation duly incorporated under the laws of the State of Iowa, (hereinafter referred to as the Company), and executed by

Rebecca L. Wood  
JACKSON COUNTY PUBLIC ADMINISTRATOR

(hereinafter referred to as the Principal) and

Michael D. Sanders  
JACKSON COUNTY EXECUTIVE

(hereinafter referred to as Indemnitors).

**WITNESSETH:**

WHEREAS the Principal, in the transaction of business and in the performance of contracts and in the fulfillment of obligations generally, may desire or be required from time to time to give certain bonds, undertakings, or instruments of guarantee (all of which will hereinafter be included within the term "Bond" or "Bonds"), and

WHEREAS upon the express condition that this Agreement be executed, the Company has executed, or procured the execution of, and may from time to time execute or procure the execution of such Bonds.

NOW, THEREFORE, in consideration of the execution of any such Bond or Bonds and other valuable considerations, and as an inducement to such execution, Principal and Indemnitors (hereinafter collectively referred to as the Undersigned, jointly and severally), agree and bind themselves, their heirs, executors, administrators, successors, assigns, wholly or partially owned subsidiary companies, subsidiaries of subsidiaries, divisions or affiliates, partnerships, joint ventures or co-ventures whether open or silent, jointly, severally, or in any combination with each other, now in existence or which may hereafter be created or acquired as follows:

FIRST: The Undersigned will pay to the Company upon the execution of each such Bond the initial premium computed in accordance with the rates currently charged by the Company at the time such Bond is executed and the Undersigned will also pay all renewals or additional premiums computed at such rates until proof is furnished satisfactory to the Company of its discharge from all liability under such Bond.

SECOND: The Undersigned shall unconditionally indemnify and keep indemnified the Company against any and all liability, loss and expense of whatsoever kind or nature, including, but not limited to, court costs, attorneys' fees, and interest, which the Company may sustain or incur (1) by reason of having executed or procured execution of any Bond or Bonds, as Surety for any of the Undersigned (2) by reason of the failure of the Undersigned to perform or comply with this Agreement, or (3) to enforce any of the covenants and conditions of this Agreement. The Company shall have the exclusive right for itself and for the Undersigned to decide and determine whether any claim, demand, suit, or judgment shall, on the basis of liability, expediency or otherwise, be paid, settled, defended or appealed, and the Company's determination shall be final, conclusive and binding upon the Undersigned. Vouchers, affidavits or other evidence of payment by the Company of any loss, cost or expense shall be prima facie evidence of their

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**FILED**

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MARY JO SPINO  
COUNTY CLERK

propriety and the liability of the Undersigned to the Company for such loss, cost or expense. In the event of any payment by the Company, the Undersigned agree that in any accounting between the Company and the Undersigned, the Company shall be entitled to charge for any and all disbursements made by it in good faith in and about the matters contemplated by this Agreement under the belief that it is or was liable for the sums and amounts so disbursed, or that it was necessary or expedient to make such disbursements, whether or not such liability, necessity or expediency existed. If the Undersigned request that the Company litigate any claim or demand, defend any suit, or appeal from any judgment, they shall deposit with the Company, at the time of any request, cash or other collateral satisfactory to the Company in kind and amount to be used in paying any judgment or judgments rendered, or which might be rendered, against the Company together with interest, costs and attorneys' fees, providing that, in the sole opinion of the Company, there is a legitimate basis for disputing the validity of the claim, demand, suit or judgment.

THIRD: The Undersigned hereby expressly waive notice by the Company and agree and understand that the Company in its sole discretion is authorized and empowered to assent, or refuse to assent, to any change or modification whatsoever in the Bonds. It is expressly understood and agreed that the Undersigned shall remain bound under the terms of this Agreement, even though any such assent or refusal to assent by the Company does or might substantially increase the liability of the Undersigned, and that the Undersigned shall be liable to the Company pursuant to this Agreement on account of any such altered, changed, modified, amended, limited, renewed, substituted, or extended Bonds. The Undersigned hereby waive notice of the execution of any Bond and of any act, fact or information concerning or affecting the rights or liabilities of the Company or the rights or liabilities of the Undersigned.

FOURTH: The Undersigned do hereby assign, transfer and convey to the Company, as of the date of execution of any Bond, for the Company's protection and use and as collateral security for the full performance of the covenants and agreements herein contained and for the payment of any indebtedness or liability of the Undersigned to the Company, whether heretofore or hereafter incurred, the following:

- (a) All rights of the Undersigned in, or arising in any manner out of, said contract or any extensions, modifications, changes, alterations, or additions thereto;
- (b) All rights, actions, causes of action, claims and demands which the Undersigned may have or acquire against any person, firm or corporation and against any surety or insurer of any person, firm or corporation, including any insurer of the Undersigned.

FIFTH: The Undersigned do hereby irrevocably nominate and appoint any officer of the Company as the true and lawful attorney-in-fact of the Undersigned, with full right and authority to execute on behalf of, and sign the name of, the Undersigned to any voucher, release, satisfaction, check, bill of sale of all or any property assigned by this Agreement to the Company, or any other document necessary or desired to carry into effect the purposes of this Agreement. The Undersigned hereby ratify and confirm all that such attorney-in-fact or the Company may do for the purposes set forth in this Agreement. The Undersigned specifically agree to protect, indemnify and save and hold harmless the Company and such attorney-in-fact against any and all claims, damages, costs and expenses that may in any way arise due to the exercise of the assignments contained in this Agreement and the powers herein granted, specifically waiving any claim which the Undersigned have or might hereafter have against the Company or such attorney-in-fact on account of anything done in enforcing the terms of this Agreement.

SIXTH: The Company, at its sole election and discretion, is authorized and empowered, but not obligated, to advance or loan to the Principal any money which the Company may see fit to advance to the Principal, and to guarantee repayment of any loans made by others. All money so loaned, advanced or guaranteed, as well as all costs, attorneys' fees and expenses incurred by the Company in connection with such loans, advances or guarantees, unless repaid with legal interest by the Principal, shall be a loss by the Company for which the Undersigned shall be responsible. The Undersigned hereby waive all notice of such loan, advance or guarantee, or of any default or any other act or acts giving rise to any claim under any such Bond, and waive notice of any and all liability of the Company under any such Bond or any and all liability on the part of the Undersigned to the effect and end that the Undersigned shall be and continue to be liable to the Company hereunder in spite of any notice of any kind to which the Undersigned might have been entitled and in spite of any defenses which the Undersigned might have been entitled to make.

SEVENTH: In the event the Company procures the execution of the Bonds by other sureties, or executes the Bonds with co-sureties, or reinsures any portion of said Bonds with reinsuring sureties, then all the terms and conditions of this Agreement shall inure to the benefit of such other sureties, co-sureties and reinsuring sureties, as their interests may appear. In the event the Undersigned shall borrow any money to finance the bonded contract or shall undertake to make any assignment of the bonded contract or any monies due or to become due thereunder, then it is expressly agreed that any such assignment shall be subordinate and inferior to the rights of the Company hereunder, or at law or in equity.

EIGHTH: The Undersigned hereby waive all right to claim any property, including homestead, as exempt from levy, execution, sale or other legal process secured or requested by the Company under the law of the United States or of any state or province or of any other government. The Undersigned hereby waive trial by jury in any action or proceeding pertaining to this Agreement. This waiver is knowingly, willingly and voluntarily made by the Undersigned, and the Undersigned represent and warrant that no representations of fact or opinion have been made by any individual to induce this waiver of trial by jury or to in any way modify or nullify its effect.

NINTH: Until such time as the Company is no longer liable on Bonds covered by this Agreement, the Undersigned agree to meet with a representative of the Company, upon demand of the Company, at the earliest possible time after the demand when, in the sole judgment of the Company, such a meeting is necessary in order to further the intent of this Agreement. At the request of the Company, the Undersigned will be represented by legal counsel at the meeting and will furnish to the Company the name, address and telephone number of such legal counsel at least 24 hours prior to the meeting.

TENTH: The Company shall have every right and remedy which a personal surety without compensation would have, including the right to secure its discharge from the suretyship, and nothing herein contained shall be considered or construed to waive, abridge or diminish any right or remedy which the Company might have if this Agreement were not executed. Upon request of the Company, the Undersigned will procure the discharge of the Company from any Bond and all liability by reason thereof. Separate suits may be brought hereunder as causes of action may accrue, and the pendency or termination of any such suit shall not bar any subsequent action.

ELEVENTH: Until such time as the potential liability of the Company under any Bond or Bonds is terminated, the Undersigned will promptly furnish to the Company such information as the Company may request, and the Company shall have the right to examine and copy the books, records and accounts of the Undersigned. Any bank, depository, creditor, obligee of a bond, subcontractor, material supplier or other person, firm, or corporation possessing records or having information concerning the financial affairs and operations of the Undersigned is hereby authorized to furnish to the Company and its representatives or consultants any such records or information requested by the Company. The Undersigned will execute, as requested by the Company, any additional documents to cause the release of records and information authorized by this paragraph. For the purpose of procuring co-suretyship or reinsurance, or of advising persons or companies of any circumstance pertaining to the Bonds, the Company may furnish to other persons or companies copies of any and all records, agreements, financial statements, and any information which it now has or may hereafter obtain concerning the Undersigned.

TWELFTH: Immediately upon demand, the Undersigned will deposit with the Company, as collateral security, money or other collateral satisfactory to the Company, equal to (1) the liability of the Company, if established; (2) the liability asserted against the Company; or (3) the reserve established by the Company, or any increase thereof, to cover any liability for any loss or expense for which the Undersigned may be obligated to indemnify the Company under the terms of this Agreement. The Company shall have the right to use the collateral, or any part thereof, in payment or settlement of any liability, loss or expense for which the Undersigned is or would be obligated to indemnify the Company under the terms of this Agreement. The Company shall have no obligation to invest or to provide a return on the collateral. The Undersigned shall be entitled to the refund of any unused portion of the collateral upon termination of the liability of the Company on all Bonds and the performance by the Undersigned of all obligations to the Company under the terms of this Agreement. The Company's demand shall be sufficient if sent by regular first class, registered or certified mail, by facsimile transmission, or by personal service to the Undersigned, regardless of whether actually received.

THIRTEENTH: This Agreement shall constitute a Security Agreement to the Company and also a Financing Statement, both in accordance with the provisions of the Uniform Commercial Code of every jurisdiction wherein such Code is in effect. This Agreement shall, if recorded, constitute a consensual lien upon any and all real estate owned by the Undersigned at the time of such recording. However, the filing or recording of this Agreement shall be solely at the option of the Company, and the failure to do so shall not release or impair any of the obligations of the Undersigned under this Agreement or otherwise arising, nor shall such failure be in any manner in derogation of the rights of the Company under this Agreement or otherwise. The use of this Agreement as a Security Agreement, Financing Statement or consensual lien shall in no way abrogate, restrict or limit the rights of the Company under this Agreement or at law or in equity.

FOURTEENTH: The Company, at its option and in its sole discretion, may decline to execute or issue any Bond without incurring any liability to the Undersigned. If the Company issues a bid bond or similar undertaking and the Principal is successful in bidding the project, the Company may nevertheless decline to issue the performance bond, the payment bond, or any other bond required by the awarding entity, without incurring any liability to the Undersigned, and the Undersigned agree that such a bid bond is a Bond to which this Agreement applies.

**FIFTEENTH:** Upon any demand being made, notice given, or action or proceeding commenced against the Principal for which the Company may be held liable in whole or in part, the Undersigned will immediately cause written notice thereof to be given by certified mail to the Company at its Home Office in Des Moines, Iowa. In the event of suit or legal proceedings against the Company upon or on account of any such Bond, the Company shall have the right to apply to the court in which such action is brought for an order making the Undersigned defendants, and the Undersigned hereby consent to the granting of such application and agree to become such a party defendant, and in the event any judgment be rendered against the Company, to allow judgment in like amount to be rendered against the Undersigned in favor of the Company, if the Company so requests. The Undersigned shall fully cooperate with the Company in the defense of any claims or suits brought against the Company. As to any legal action or proceeding related to this Agreement, the Undersigned consent to the general jurisdiction of any local, state, or federal court of competent subject matter jurisdiction and waive any claim or defense in any such action or proceeding based on any alleged lack of personal jurisdiction, improper venue, forum non conveniens or any similar basis. The Undersigned further waive personal service of any and all process.

**SIXTEENTH:** The Indemnitors warrant that each of them is specifically and beneficially interested in obtaining each Bond. In case the execution hereof by any of the parties is defective or invalid for any reason, such defect or invalidity, or failure to execute, or termination hereof by any party, shall not in any manner affect the validity of this Agreement or the liability hereunder as to any or all of the other parties executing this Agreement, who shall remain fully bound and liable hereunder to the same extent as if such failure, defect, invalidity or termination had not occurred. If any provisions of this Agreement are void or unenforceable under any law governing its construction or enforcement, this Agreement shall not be voided or vitiated thereby, but shall be construed and enforced with the same effect as though such provision or provisions were omitted. The rights and remedies afforded the Company by this Agreement shall not be waived or modified orally. The Company shall be entitled to enforce the obligations of this Agreement directly against the Indemnitors, or any one of them, without the necessity of first proceeding against the Principal.

**SEVENTEENTH:** Each of the Undersigned expressly recognizes and covenants that this Agreement is a continuing obligation applying to and indemnifying the Company as to any and all Bonds heretofore or hereafter executed by it. This Agreement applies to Bonds executed by the Company on behalf of any of the Undersigned and any and all of their wholly or partially owned subsidiary companies, subsidiaries of subsidiaries, divisions or affiliates, partnerships, joint ventures or co-ventures whether open or silent, jointly, severally, or in any combination with each other, now in existence or which may hereafter be created or acquired.

**EIGHTEENTH:** Each of the Undersigned may notify the Company of such Undersigned's withdrawal from this Agreement. Such notice shall be in writing, sent by certified mail to the Company's Home Office, and shall state when, not less than thirty days after receipt of such notice by the Company, such withdrawal shall be effective. Such Undersigned will not be liable under this Agreement as to any bonds executed by the Company after the effective date of such notice. However, as to any and all Bonds executed or authorized by the Company prior to the effective date of such notice, and as to any and all renewals, continuations and extensions thereof or substitutions therefore, and, as to a proposal or bid Bond executed or authorized prior to such effective date, and as to any contract Bond executed pursuant to any such proposal or bid Bond, regardless of when the same are executed, such Undersigned shall be and remain fully liable hereunder, as if said notice had not been given.

**NINETEENTH:** THE UNDERSIGNED REPRESENT TO THE COMPANY THAT THEY HAVE CAREFULLY READ THIS ENTIRE AGREEMENT AND THAT THERE ARE NO OTHER AGREEMENTS OR UNDERSTANDINGS WHICH IN ANY WAY LESSEN OR MODIFY THE OBLIGATIONS SET FORTH HEREIN.

EXECUTED this 1<sup>st</sup> day of April 2010

*Rebecca L. Wood*  
 Principal

Rebecca L. Wood  
 JACKSON COUNTY PUBLIC ADMINISTRATOR

Indemnitor

*Michael D. Sanders*  
 Indemnitor

Michael D. Sanders  
 JACKSON COUNTY EXECUTIVE

Indemnitor

*William G. Snyder*  
 Indemnitor

William G. Snyder  
 ACTING COUNTY COUNSELOR

Indemnitor

*Mary Jo Spino*  
 Indemnitor

MARY JO SPINO  
 CLERK OF COUNTY LEGISLATURE

Indemnitor

NOTARIZATION IS REQUIRED-SEE BACK PAGE

PRINCIPAL NOTARIZATION

STATE OF Missouri  
COUNTY OF JACKSON

On this 11<sup>th</sup> day of April 2010, before me personally appeared Rebecca Lake Wood  
Jackson County Public Administrator

to me known, and known to me to be the individual who executed the foregoing instrument, and acknowledged that he/she executed the same.

IN WITNESS WHEREOF, I have hereunto set my hand and affixed my OFFICIAL SEAL, the day and year first above written.

Lucinda L. Thomas  
**Notary Public - Notary Seal**  
**STATE OF MISSOURI**  
**Jackson County**  
**My Commission Expires June 15, 2012**  
**Commission #08577710**

Lucinda L. Thomas  
Notary Public, residing at 806 S. Oak Ave, Independence MO 64053  
(Commission expires 6/15/12)

INDEMNITOR NOTARIZATION: (To Be Used For Partnerships, Corporations, Including Limited Liability Companies & Trusts)

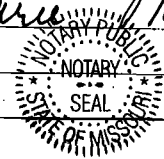
STATE OF Missouri  
COUNTY OF JACKSON

On this 2 day of April, before me personally appeared Michael D. Sanders  
Jackson County Executive

to me known to be the Jackson County Executive of  
Jackson County, Mo., an Indemnitor executing this Agreement.

IN WITNESS WHEREOF, I have hereunto set my hand and affixed my OFFICIAL SEAL, the day and year first above written.

Patricia Marie Murillo  
**PATRICIA MARIE MURILLO**  
Notary Public, residing at \_\_\_\_\_  
My Commission Expires September 16, 2012  
Clay County  
Commission #08463601



INDEMNITOR NOTARIZATION: (To Be Used For Persons Who Sign As An Individual)

STATE OF \_\_\_\_\_  
COUNTY OF \_\_\_\_\_  
On this \_\_\_\_\_ day of \_\_\_\_\_

before me personally appeared \_\_\_\_\_

described in and who executed this Agreement. \_\_\_\_\_, to me known and known to me to be the individual(s)

IN WITNESS WHEREOF, I have hereunto set my hand and affixed my OFFICIAL SEAL, the day and year first above written.

Notary Public, residing at \_\_\_\_\_  
(Commission expires \_\_\_\_\_)