



1025 San Marcelino Street, Ermita Manila
Tel. Nos. 525-13-01 / 522-61-31
TIN: 321-000-433-024-VAT

INDEMNITY AGREEMENT

KNOWN ALL MEN BY THESE PRESENT

I / We the undersigned, hereby bind myself / ourselves, JOINTLY AND SEVERALLY , to the ALPHA INSURANCE AND SURETY COMPANY, INC., a corporation duly organized and existing under and by virtue of the laws of the Republic of the Philippines, with head office at Manila, Philippines, hereinafter known as the CORPORATION, for it having agreed to act

as surety upon a ..... Bond/ Note/ Obligation as demanded

or required by .....

from .....

in the sum of .....(P .....

Philippine Currency for a period beginning on the ..... day of .....,20.....until the same is cancelled, a duplicate of which Bond/Note/Obligation is attached hereto and made a part hereof of any renewals,extensions modifications or substitutions thereof, subject to the following terms and conditions:

I. PREMIUM - As the consideration of the suretyship, the undersigned jointly and severally agree/ s to pay the CORPORATION in advanced or on demand, in addition to the cost of documentary stamps, the sum of ..... Pesos (P.....), Philippine Currency, as premium therefore, for each period ..... or a fraction thereof, while said Bond / Note / Obligation or any renewal, extension or substitution thereof remain outstanding and in force, until the said Bond/ Note/ Obligation is cancelled by the obligee therefore,by order of a court of complement jurisdiction or by the expiration of the term fixed by the parties.

II. INDEMNITY - To indemnify jointly and severally the CORPORATION at all times and keep it indemnified, hold and save it harmless from against and any all payments, damages cost, losses, penalties, charges, expenses and obligation of whatever kind and nature which the CORPORATION as such Surety, shall or may, at any time make, sustain incur and / or suffer or for which it has or may become liable, and to pay an additional amount as attorney's fee equal to 20% of the amount due to the CORPORATION by virtue hereof but which is no case to be less than THREE HUNDRED PESOS (P300), which amount shall be payable whether or not the case is extra-judicially settled in addition to legal costs.

III. MATURITY OF OUR OBLIGATIONS AS CONTRACTED HERewith AND ACCRUAL OF ACTION - Where the obligation involves a liquidated amount for the payment of which the corporation has become legally liable under the terms of the obligation and its suretyship undertaking,or by the demand of the obligee or otherwise and the latter has merely allowed the corporation's aforesaid liability irrespective of whether or not payment has actually been made by the corporation, the corporation for the protection of its interest may forthwith proceed against the undersigned or I/either of them by court action or otherwise to enforce payment, even prior to making payment to the obligee which may hereafter be done by the corporation.

IV. INTEREST - To pay interest on any amount paid by the CORPORATION or for which the CORPORATION shall be liable to pay or which may be due the CORPORATION by virtue hereof, at the rate legal from the date of payment or from the date when the liability to the CORPORATION to pay accrued, and which interest, if not paid when due shall be accumulated monthly and added to the principal to earn the same rate of interest as above stated.

V. INCONTESTABILITY OF PAYMENTS MADE BY CORPORATION - Any payment or disbursement made by the CORPORATION on account of the aforesaid Bond/ Note/ Obligation in the belief that the CORPORATION was obliged to make the same or that it was necessary or expedient to avoid greater losses or damages or to minimized the extent, amount or nature of the liability, or to forestall court action against the principal and / or the surety , shall be incontestable and the undersigned unconditionally accept said fact, date and amount of payments or disbursements as undisputed as well as his / their liability therefore.

Where the CORPORATION shall have paid, settled or compromised any liability, loss costs, damages, attorney's fees expenses, claims, demands, suits or judgement as above stated arising out of and in connection with said Bond/ Note/ Obligation or its renewals, extensions, alterations or substitutions, and itemized statement thereof signed by the authorized officer of the CORPORATION and other evidence to show said payment, settlement or compromised, shall be conclusive proof thereof, as well as the liability thereunder of the undersigned.

VI. VENUE - Any action arising out of this Indemnity, Agreement shall be brought before the Courts of the City of Manila or in any other court of competent jurisdiction, at the option of the CORPORATION and for this purpose, the undersigned hereby waived / s any other proper venue.

VII. INTERPRETATION AND CONSTRUCTION - None of the clauses contained in this document shall be construed, considered or interpreted as a waiver or a diminution of any right and remedy that the CORPORATION has or might have for the execution of said Bond/Note/Obligation.

The term of this document shall be interpreted liberally in such way that the liability of the CORPORATION connection with the aforementioned Bond/Note/Obligation is fully secured, protected and covered.

VII. WAIVER OF NOTICE -The undersigned waive / s all notices for any violation of the terms of the Bond/ Note/ Obligation.

IX. COLLATERAL SECURITY - The undersigned has / have delivered the CORPORATION, as a collateral security, and by way of pledge / mortgage, the following described property : ( leave the following lines blank if no property

.....
.....

is pledged or mortgaged) for the latter' s protection, for any and all liabilities that it has or might incur in consequences of having become a Surety upon said Bond/ Note/Obligation.

The undersigned likewise authorized / s the CORPORATION to retain said collateral security until its liability under said Bond/ Note/ Obligation shall have completely ceased; and further empower / s the said CORPORATION to sell said collateral security either at public or private sale, after due notice to undersigned in case the collateral security above referred to, has diminished in value.

It being understood also, that in case the CORPORATION at any time believes that said collateral security has diminished in value or any of the undersigned may or has become insolvent the CORPORATION may at any time, demand or ask from the undersigned for additional guarantor / s or additional tangible securities and such additional personal guarantor / s and / or additional tangible securities will not, in any way impair the validity of this agreement, or any other documents, if any executed in its favor.

Upon failure on our part to furnished said CORPORATION, when demanded, with such additional personal guarantor/s and /or additional tangible securities satisfactory to it, I/We hereby, jointly and severally authorize and empower said CORPORATION to take such action or actions that it may deem necessary against any or all of us for the whole liability whether due or not, incurred by said CORPORATION by virtue of the Bond/ Note/ Obligations guaranteed hereof.

To make this agreement in favor of the CORPORATION, really and truly effective, I/We hereby promise and agree that each and everyone of us and all of us shall NOT mortgage, pledge, donate, sell or any in other way encumber cede and / or transfer my/ our real and/ or personal properties thus mortgaged or pledge, without WRITTEN consent of the CORPORATION, during the existence of this agreement and during of the existence of any liability may be or have been incurred by said CORPORATION on the above-mentioned Bond/ Note/Obligation.

X. SPECIAL POWER OF ATTORNEY – Each and every one on the undersigned, jointly and severally, by this same instrument, grants special power of attorney in favor of all or any of the undersigned, so that any one or some of them may present all the others in all transactions with reference to the Bond/Note/Obligation or any other covenant in virtue of these special power of attorney in favor of all or any of the undersigned, so that any one or some of them may present all others in all transactions with reference to the Bond Note / Obligation or any other covenant in connection with this agreement without the necessity of the knowledge or written consent of the attorney – in – fact by virtue of these special power of attorney herein granted.

XI. SOLIDARY LIABILITY – It shall be necessary for the CORPORATION to demand or bring suit against the principal/s mentioned in the aforesaid Bonds/Note/Obligation upon his / their default; or to exhaust the property of the said principal / s the liability hereunder of the undersigned being joint and several, a primary one together with the principal / s and shall be enforceable immediately upon default against all or any of the undersigned, at the option of the CORPORATION and without necessarily releasing its claims against the others not proceeded with.

XII. WAIVER OF RIGHTS – The undersigned hereby individually and collectively waive all the defense, rights, privileges and / or benefits that I / We have or any have under the Articles 2077, 2078, / 2079; 2080 and 2081 of the New Civil Code of the Philippines.

XIII. RENEWALS, ALTERATIONS AND SUBSTITUTIONS – The undersigned hereby empower / s and authorize / s the CORPORATION to grant or consent to the granting of any extension continuations, increase, modifications, changes, alterations and / or renewals of the original Bond/ Note/ Obligation, or to a substitution thereof with the same or different conditions and parties and the undersigned hold myself jointly and severally liable to the CORPORATION for the original Bond/ Note/ Obligation, its extensions, novation substitutions or renewals without the necessity of any new indemnity agreement until the whole of such obligation thereunder are fully paid or discharged.

The undersigned also empower/s and authorize/s the CORPORATION to fill in the blank spaces that might have them left unfilled and to correct the mistakes that might have been committed in the execution of the same.

XIV. CANCELLATION – The CORPORATION may at any time cancel the aforesaid bond of suretyship, its renewals, extensions, substitution or novation, at its inconvenience or when there is, in its judgement any reason therefore, especially for non-payment of premiums, without prejudice however to any liability accruing proportional amount of the premium therefore unearn at the date of cancellation, but such refund shall in no case exceed fifty percent (50%) of the premium due on said cancelled bond.

All the provisions and conditions of this agreement have been satisfactorily explained to the undersigned in Pilipino, English, Spanish, and/ or other languages or dialects familiar to me/ us and I/ we understood the meaning of each and every one of them, and have signed this agreement with full knowledge of the conditions and obligations herein imposed, which I/ We willingly incur and assume.

XV. SEVERABILITY OF PROVISION – It is hereby agreed that should any provisions of this agreements be declared by competent court to be invalid or otherwise unenforceable all remaining provisions herein contained shall remain in full force and effect.

XVI. NOTIFICATION – The undersigned hereby accept/ s due notice that the CORPORATION has accepted this Suretyship executed by the undersigned in favor of the CORPORATION.

IN WITNESS WHEREOF, these presents have been signed at Manila, Philippines, this ..... day of ..... 20 .....

.....  
.....  
.....  
.....

SIGNED IN THE PRESENCE OF:

..... ( Witness ) ..... ( Witness )

REPUBLIC OF THE PHILIPPINES )  
CITY OF MANILA ) S.S.

ACKNOWLEDGEMENT

IN the City of Manila, Philippines this ..... Day of ..... 20 ....., appeared before me.

NAMES	RES. CERT. NO.	DATE & PLACE OF ISSUE
.....	.....	.....
.....	.....	.....
.....	.....	.....

Known to me and to me known to be the same person/ s who signed and executed the foregoing instrument and acknowledge before me that the same is of his / their own voluntary act and deed and / or the voluntary act and deed of the person / corporation which he / they represent.

IN WITNESS WHEREOF, I have hereunto set my hand and affixed my notarial seal at the place and date first above written.

NOTARY PUBLIC

Doc. No. ....  
Page No. ....  
Book No. ....  
Series of 20 .....

Until Dec. 31, 20 .....  
PTR No. ....  
Issued at .....  
Issued on .....