

OIC Bond No. _____

CIC Bond No. _____

COMMONWEALTH INSURANCE COMPANY

10th/F & 19th/F BDO Plaza 8737 Paseo de Roxas, Makati City

Tel. No.: (02) 818-7626 Fax. No.(02)813-8575

TIN: 000-445-883-000 VAT

INDEMNITY AGREEMENT

KNOW ALL MEN BY THESE PRESENTS THAT:

AMOUNT OF THE BOND: - The undersigned jointly and severally, hereby apply to COMMONWEALTH INSURANCE COMPANY, hereinafter to be known as the COMPANY, to execute principal and/or surety, for our accommodation, jointly and severally with _____

_____ a Bond in the amount of _____

_____ Pesos (P_____) Philippine Currency, in favor of _____.

In consideration of the responsibility undertaken by the COMPANY, for the original Bond, for any renewals, extensions and substitutions thereof, the undersigned jointly and severally bind themselves in favor of the said COMPANY, in the following terms:

PREMIUMS: - To pay the COMPANY the sum of _____ Pesos (P_____) Philippines Currency, in advance as premium of same; for each period of _____

or fraction thereof, to be computed from this date, until said Bond, or any renewal, or extension or substitution thereof, be cancelled in full by the person or entity guaranteed thereby or by a court of competent jurisdiction.

INDEMNITY: - To indemnify the COMPANY at its principal office without the need for any demand for any damages, prejudice, loss, costs, payments, advances and expenses of whatever kind and nature, including counsels or attorney's fees, which the Company may, at any time, sustain or incur as consequence of having executed the above-mentioned Bond, its renewals, extensions or substitutions and said attorney's fees shall not be less than twenty percent (20%) of the amount claimed by the COMPANY in each action, the same to be due and payable irrespective of whether the case is settled judicially or extrajudicially.

MATURITY OF OUT OBLIGATION AS CONTRACTED HEREWITH: - The said indemnities will be paid to the COMPANY as soon as it becomes liable to make payment of any sum under the terms of the above-mentioned Bond, its renewals, extensions or substitutions, whether the said sum or sums or part thereof, have been actually paid or not.

We hereby authorize the COMPANY to accept in any case and its absolute discretion, from any of us, payments on account of the pending obligations and to grant extensions to any of us to liquidate said obligations, without the necessity of the previous knowledge and consent of the other obligors.

INTEREST IN CASE OF DELAY: - In the event of delay in payment of the said sum or sums by the undersigned, we will pay interest at the rate of _____ (____%) per annum on the interest, which interest, if not paid, will be liquidated and accumulated to the capital quarterly and shall earn the same interest as the capital, all without prejudice to the COMPANY's right to demand judicially or extrajudicially the full payment of its claims.

INCONTESTABILITY OF PAYMENTS MADE BY THE COMPANY: - Any payment or disbursement made by the COMPANY on account of the above-mentioned Bond, its renewals, extensions or substitutions either in the belief that the Company was obligated to make such payment or in the belief that said payment was necessary in order to avoid greater losses or obligations for which the COMPANY, might be liable by virtue of the terms of the above-mentioned Bond, its renewals, extensions or substitutions shall be final and will not be disputed by the undersigned, who jointly and severally bind themselves to indemnify the COMPANY of any and all such payments, as stated in the preceding clauses.

WAIVER OF VENUE OF ACTION: - We hereby agree that any question which may arise between the Company and the undersigned by reason this document and which has to be submitted for decision to the Courts of Justice, shall be brought before the Court of competent jurisdiction in Makati, Metro Manila, waiving for this purpose any other proper venue.

WAIVER: - The undersigned hereby waive all rights, privileges' and benefits that they have under Articles 2077, 2078, 2079, 2080, and 2081 of the New Civil Code.

CANCELLATION OF BOND BY THE COMPANY: - The Company may at any time, cancel the above-mentioned Bond, its renewals, extensions or substitutions, subject to any liability which might have accrued prior to the date of cancellation, refunding the proportionate amount of the premium unearned on the date of cancellation.

