



NEVADA STATE CONTRACTORS BOARD

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INDEMNIFICATION INSTRUCTIONS AND REQUIREMENTS

An indemnification agreement allows the board to consider the financial strength of an individual or entity in addition to the applicant. Indemnification is not required, however, it provides an option to an applicant who may not otherwise qualify for a state contractor's license, or increase in monetary limit for an existing license. The agreement must be on a form prescribed by the board, and accompanied by financial documents as set forth below.

PERSONAL INDEMNIFICATION: A personal indemnification agreement is for use when an individual(s) is indemnifying another individual or another entity, i.e., corporation, limited liability company, limited partnership. The following documents are required:

1. A completed Personal Indemnification Agreement signed by the indemnitor. If the individual is married, both husband and wife must sign the agreement. If single, please state same on the form.
2. Required Financial Information (See below)

CORPORATE INDEMNIFICATION: A corporate indemnification agreement is for use when a corporation is indemnifying an individual or another entity, i.e., corporation, limited liability company, limited partnership. The following documents are required:

1. A completed Corporate Indemnification Agreement signed by a corporate officer and notarized.
2. A corporate resolution executed by the indemnifying corporation authorizing the execution of this agreement.
3. Required Financial Information (See below)

LIMITED LIABILITY COMPANY (LLC) INDEMNIFICATION: An LLC indemnification agreement is for use when an LLC is indemnifying an individual or another entity, i.e., corporation, limited liability company, limited partnership. The following documents are required:

1. A completed Limited Liability Company Indemnification Agreement signed by a Member or Manager.
2. A resolution executed by the indemnifying LLC, or other documentation authorizing the execution of this agreement.
3. Required Financial Information (See below)

LIMITED PARTNERSHIP INDEMNIFICATION: An Limited Partnership indemnification agreement is for use when a Limited Partnership is indemnifying an individual or another entity. The following documents are required:

1. A completed Limited Partnership Indemnification Agreement signed by the General Partner(s).
2. An agreement executed by the indemnifying Limited Partnership, or other documentation authorizing the execution of this agreement.
3. Required Financial Information (See below)

REQUIRED FINANCIAL INFORMATION

You must submit a current financial statement (statement) that meets the following criteria.

- For License Monetary Limits below \$1,000,000 you must provide one of the following:
 - a) A current financial statement prepared by an independent certified public accountant; or
 - b) A current financial statement submitted on a form prescribed by the Board (available on the Board's website www.nscb.state.nv.us, click on contractor forms); or,
 - c) A current financial statement (balance sheet) prepared using accounting software in accordance with generally accepted accounting principles and accompanied by an affidavit that verifies the accuracy of the financial statement.
- Note: Self-prepared or compiled statements must be current to within six months from the date the statement is received. Reviewed or audited statements must be current within one (1) year from the date the statement is received.
- For License Monetary Limits \$1,000,000 or more, you must provide a financial statement that is prepared and reviewed or audited by a certified public accountant.
- All statements must be in U.S. dollars.
- All statements must include full disclosures.
- Business statements must include a classified balance sheet.
- Personal statements must include a supplemental schedule disclosing working capital and net worth.
- A completed bank verification form.

