



NEVADA STATE CONTRACTORS BOARD

9670 GATEWAY DRIVE, SUITE 100, RENO, NEVADA, 89521 (775) 688-1141 FAX (775) 688-1271, INVESTIGATIONS (775) 688-1150
2310 CORPORATE CIRCLE, SUITE 200, HENDERSON, NEVADA, 89074 (702) 486-1100 FAX (702) 486-1190, INVESTIGATIONS (702) 486-1110
www.nscb.state.nv.us

SINGLE RAISE IN LICENSE LIMIT INDEMNIFICATION INSTRUCTIONS AND REQUIREMENTS

An indemnification agreement for a single raise in license limit allows the board to consider the financial strength of an individual or entity in addition to the licensee when deciding whether or not to grant a limit increase for a single project. Indemnification is not required, however, it provides an option to an applicant who may not otherwise qualify for a one-time raise in limit for a single project. The agreement must be on a form prescribed by the board, and accompanied by financial documents as set forth below.

- 1. Indemnification Agreement:** Provide a completed indemnification agreement for a single raise in limit specific to the entity indemnifying the license. Corporations and Limited Liability Companies must also provide a resolution executed by the indemnifying Corporation or Limited Liability Company authorizing the execution of this agreement.
- 2. Financial Statement Requirements:** You must submit a current financial statement (statement) that meets the following criteria.
 - Financial statements must be for the applying entity. Sole proprietorships and each general partner of a general partnership must submit their personal statement.
 - All statements must be in U.S. dollars.
 - All statements must include full disclosures.
 - Business statements must include a classified balance sheet.
 - Personal statements that have been prepared by a Certified Public Accountant must include a supplemental schedule disclosing working capital and net worth.

For License Monetary Limits of **\$10,000 or less** you must provide one of the following:

- A current financial statement prepared by an independent certified public accountant; or
- 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
- 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.

*To prevent a delay in the processing of your application, if you are unfamiliar with preparing your own financial statement, you are encouraged to seek the advice of an Accountant.

Note: Self-prepared or compiled statements must be current to within six months from the date the application is received.

For License Monetary Limits **more than \$10,000 but less than \$50,000** you must provide one of the following:

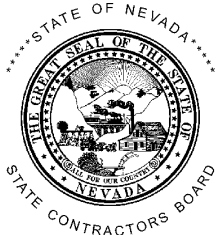
- A compiled financial statement prepared by an independent certified public accountant, current within 6 months from the date the application is received; or
- A reviewed or audited by an independent certified public accountant, current within one (1) year from the date the application is received.

For License Monetary Limits of **\$50,000 or more but less than \$250,000** you must provide one of the following:

- A compiled financial statement with full disclosures, prepared by an independent certified public accountant, current within 6 months from the date the application is received; or
- A reviewed or audited by an independent certified public accountant, current within one (1) year from the date the application is received.

For License Monetary Limits of \$250,000 or more: you must provide a financial statement that is prepared and **reviewed or audited** by an independent certified public accountant, current within one (1) year from the date the application is received.

- 3. Bank Verification Form:** A bank verification form must be completed by you and your bank and submitted with the application.



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PERSONAL INDEMNIFICATION FOR A SINGLE RAISE IN LICENSE LIMIT

FOR VALUE RECEIVED, the undersigned jointly and severally, do hereby personally indemnify the creditors of _____ (hereinafter referred to as Licensee),

(USE FULL LEGAL NAME OF APPLICANT/ LICENSEE)

as guarantors and as sureties, against any loss or damage the said creditors may suffer as a result of licensee's failure to promptly pay obligations incurred by it in connection with the below described project in the ordinary course of construction business within the State of Nevada, related directly or indirectly to the construction project known as _____ located at _____.

It is further agreed that the undersigned, as sureties, are firmly bound unto Licensee for the benefit of the said creditors; and, it is further agreed that this Agreement as a guaranty is separate and absolute, and that the undersigned are obligated hereunder as guarantors in addition to their obligations as sureties. No election of remedies is intended and its obligations hereunder are cumulative, joint and several.

This Agreement is made and entered into as one of the conditions required by the Nevada State Contractors' Board under Nevada Administrative Code Chapter 624 for the one time raise in monetary limit for the above said contractor licensee. The completion of the above said project shall not affect any of the undersigned's obligations hereunder with respect to indebtedness incurred during the term of the above said project.

Acceptance by creditors is waived and no continuation, renewal, change, or alteration in the contractor's license granted to Licensee shall in any way relieve the undersigned, their heirs and legal representatives from any liability assumed hereunder.

The undersigned further agrees to be subject to the jurisdiction of the courts of the State of Nevada and the Federal Courts for the District of Nevada, and laws of the State of Nevada in connection with all of its obligations and liabilities in connection with this Agreement.

Words used in this Agreement which import the plural number shall be deemed to include the singular; words used herein which import the singular shall also be deemed to include the plural.

DATE: _____

Signature _____ Print Name _____ Physical Address _____ City _____ State _____ Zip _____

Signature _____ Print Name _____ Physical address _____ City _____ State _____ Zip _____

ALL SIGNATURES MUST BE NOTARIZED:

Subscribed and sworn to before me this _____ day of _____,

_____, Notary Public in and for County of _____ State of _____.

My Commission Expires: _____

Certification of Resident Agent for Indemnitor (Required only if indemnitor is not a Nevada resident)

I hereby certify that I am the resident agent for this indemnitor for the purpose of accepting service of process in the State of Nevada in connection with any and all legal actions instituted in the State of Nevada pertaining to this indemnification agreement for the benefit of the Nevada contractors' licensee stated above. I recognize my obligation to notify the State Contractors' Board, in writing, of any change in address.

(Print Name) _____ Signature _____ Physical Address _____ City _____ State _____ Zip _____

