

THIS IS A SAMPLE LETTER ONLY, AND MUST BE RETYPED WITH ALL PERTINENT INFORMATION. WE'VE PUT IN NAMES SO YOU'LL UNDERSTAND WHICH IDENTIFICATION GOES WHERE.....
Barbara Hurst, Editor - BANKERS HOTLINE

Letter of Indemnification

To: HasMoney Bank
City-State

Date: _____

To induce you to honor checks or other orders (all hereafter referred to as "checks") drawn against the account of Klyde Kiter Kiting, Inc. the GotStuck Bank hereby agrees that:

It will indemnify and hold you harmless:

from any claims, liabilities, court costs and reasonable counsel fees (liabilities) which you may incur or be required to pay to anyone whatsoever, arising out of the payment by you of checks drawn by GotStuck Bank on the abovenamed account of your depositors, whether or not the balances in the accounts were sufficient at the time the checks were paid, whether or not GotStuck Bank had authority from the respective depositors recorded with HasMoney Bank to draw the same and whether or not by notice from the depositors, the authority of GotStuck Bank was therefore terminated (included in such checks are those which were erroneously encoded as to Transit Routing Symbol Numbers or improper depositor's account numbers).

In addition, if or by reason of your paying any checks drawn by GotStuck Bank, the depositor's account is insufficient to meet checks or orders thereafter drawn by the depositor, GotStuck Bank will indemnify and save you harmless from all liabilities resulting from your dishonoring any such subsequent checks or orders by reason of insufficiency of funds; provided that such subsequent checks or orders drawn by depositors shall have been presented to you for payment within one year after you paid the check drawn by GotStuck Bank which resulted in the insufficiency of funds.

This agreement will be legally binding upon the undersigned, its successors and assigns, and will automatically apply to each and all transactions, acts or occurrences referred to. You will not be required to give notice of acceptance hereof.

IN WITNESS WHEREOF, the undersigned has caused this agreement to be executed under its corporate seal by its officers thereunto authorized this _____ day of _____, 200__.

(Seal)

Officer - GotStuck Bank

03-01