

**Fill in this information to identify the case:**

Debtor PGX Holdings, Inc.

United States Bankruptcy Court for the: \_\_\_\_\_ District of Delaware  
(State)

Case number 23-10718

**Official Form 410  
Proof of Claim**

04/22

**Read the instructions before filling out this form. This form is for making a claim for payment in a bankruptcy case. Do not use this form to make a request for payment of an administrative expense. Make such a request according to 11 U.S.C. § 503.**

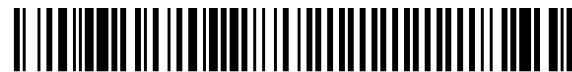
**Filers must leave out or redact** information that is entitled to privacy on this form or on any attached documents. Attach redacted copies or any documents that support the claim, such as promissory notes, purchase orders, invoices, itemized statements of running accounts, contracts, judgments, mortgages, and security agreements. **Do not send original documents;** they may be destroyed after scanning. If the documents are not available, explain in an attachment.

A person who files a fraudulent claim could be fined up to \$500,000, imprisoned for up to 5 years, or both. 18 U.S.C. §§ 152, 157, and 3571.

**Fill in all the information about the claim as of the date the case was filed. That date is on the notice of bankruptcy (Form 309) that you received.**

**Part 1: Identify the Claim**

<p><b>1. Who is the current creditor?</b></p>	<p><u>Capitol Indemnity Corporation</u></p> <p>Name of the current creditor (the person or entity to be paid for this claim)</p> <p>Other names the creditor used with the debtor _____</p>	
<p><b>2. Has this claim been acquired from someone else?</b></p>	<p><input checked="" type="checkbox"/> No</p> <p><input type="checkbox"/> Yes. From whom? _____</p>	
<p><b>3. Where should notices and payments to the creditor be sent?</b></p> <p>Federal Rule of Bankruptcy Procedure (FRBP) 2002(g)</p>	<p><b>Where should notices to the creditor be sent?</b></p> <p><u>Capitol Indemnity Corporation</u> <u>Scott A. Zuber, Esq.</u> <u>105 Eisenhower Parkway</u> <u>Roseland, NJ 07068</u></p> <p>Contact phone <u>973-530-2046</u></p> <p>Contact email <u>szuber@csglaw.com</u></p>	<p><b>Where should payments to the creditor be sent? (if different)</b></p> <p>Contact phone _____</p> <p>Contact email _____</p> <p>Uniform claim identifier for electronic payments in chapter 13 (if you use one): _____</p>
<p><b>4. Does this claim amend one already filed?</b></p>	<p><input checked="" type="checkbox"/> No</p> <p><input type="checkbox"/> Yes. Claim number on court claims registry (if known) _____ Filed on _____ MM / DD / YYYY</p>	
<p><b>5. Do you know if anyone else has filed a proof of claim for this claim?</b></p>	<p><input checked="" type="checkbox"/> No</p> <p><input type="checkbox"/> Yes. Who made the earlier filing? _____</p>	



**Part 2: Give Information About the Claim as of the Date the Case Was Filed**

6. Do you have any number you use to identify the debtor?  No  
 Yes. Last 4 digits of the debtor's account or any number you use to identify the debtor: \_\_\_\_ \_

7. How much is the claim? \$ 3,780,000.00. Does this amount include interest or other charges?  
 No  
 Yes. Attach statement itemizing interest, fees, expenses, or other charges required by Bankruptcy Rule 3001(c)(2)(A).

8. What is the basis of the claim? Examples: Goods sold, money loaned, lease, services performed, personal injury or wrongful death, or credit card.  
Attach redacted copies of any documents supporting the claim required by Bankruptcy Rule 3001(c).  
Limit disclosing information that is entitled to privacy, such as health care information.  
  
Please see attached Rider with Exhibit for the basis of the claim.

9. Is all or part of the claim secured?  No  
 Yes. The claim is secured by a lien on property.  
**Nature or property:**  
 Real estate: If the claim is secured by the debtor's principle residence, file a *Mortgage Proof of Claim Attachment* (Official Form 410-A) with this *Proof of Claim*.  
 Motor vehicle  
 Other. Describe: \_\_\_\_\_  
**Basis for perfection:** \_\_\_\_\_  
Attach redacted copies of documents, if any, that show evidence of perfection of a security interest (for example, a mortgage, lien, certificate of title, financing statement, or other document that shows the lien has been filed or recorded.)  
**Value of property:** \$ \_\_\_\_\_  
**Amount of the claim that is secured:** \$ \_\_\_\_\_  
**Amount of the claim that is unsecured:** \$ \_\_\_\_\_ (The sum of the secured and unsecured amount should match the amount in line 7.)  
**Amount necessary to cure any default as of the date of the petition:** \$ \_\_\_\_\_  
**Annual Interest Rate** (when case was filed) \_\_\_\_\_ %  
 Fixed  
 Variable

10. Is this claim based on a lease?  No  
 Yes. Amount necessary to cure any default as of the date of the petition. \$ \_\_\_\_\_

11. Is this claim subject to a right of setoff?  No  
 Yes. Identify the property: \_\_\_\_\_



12. Is all or part of the claim entitled to priority under 11 U.S.C. § 507(a)?

A claim may be partly priority and partly nonpriority. For example, in some categories, the law limits the amount entitled to priority.

No

Yes. Check all that apply:

	Amount entitled to priority
<input type="checkbox"/> Domestic support obligations (including alimony and child support) under 11 U.S.C. § 507(a)(1)(A) or (a)(1)(B).	\$ _____
<input type="checkbox"/> Up to \$3,350* of deposits toward purchase, lease, or rental of property or services for personal, family, or household use. 11 U.S.C. § 507(a)(7).	\$ _____
<input type="checkbox"/> Wages, salaries, or commissions (up to \$15,150*) earned within 180 days before the bankruptcy petition is filed or the debtor's business ends, whichever is earlier. 11 U.S.C. § 507(a)(4).	\$ _____
<input type="checkbox"/> Taxes or penalties owed to governmental units. 11 U.S.C. § 507(a)(8).	\$ _____
<input type="checkbox"/> Contributions to an employee benefit plan. 11 U.S.C. § 507(a)(5).	\$ _____
<input type="checkbox"/> Other. Specify subsection of 11 U.S.C. § 507(a)(____) that applies.	\$ _____

\* Amounts are subject to adjustment on 4/01/25 and every 3 years after that for cases begun on or after the date of adjustment.

13. Is all or part of the claim pursuant to 11 U.S.C. § 503(b)(9)?

No

Yes. Indicate the amount of your claim arising from the value of any goods received by the debtor within 20 days before the date of commencement of the above case, in which the goods have been sold to the Debtor in the ordinary course of such Debtor's business. Attach documentation supporting such claim.

\$ \_\_\_\_\_

**Part 3: Sign Below**

**The person completing this proof of claim must sign and date it. FRBP 9011(b).**

If you file this claim electronically, FRBP 5005(a)(2) authorizes courts to establish local rules specifying what a signature is.

**A person who files a fraudulent claim could be fined up to \$500,000, imprisoned for up to 5 years, or both. 18 U.S.C. §§ 152, 157, and 3571.**

*Check the appropriate box:*

I am the creditor.

I am the creditor's attorney or authorized agent.

I am the trustee, or the debtor, or their authorized agent. Bankruptcy Rule 3004.

I am a guarantor, surety, endorser, or other codebtor. Bankruptcy Rule 3005.

I understand that an authorized signature on this *Proof of Claim* serves as an acknowledgement that when calculating the amount of the claim, the creditor gave the debtor credit for any payments received toward the debt.

I have examined the information in this *Proof of Claim* and have reasonable belief that the information is true and correct.

I declare under penalty of perjury that the foregoing is true and correct.

Executed on date 09/07/2023  
MM / DD / YYYY

/s/Scott A. Zuber  
Signature

**Print the name of the person who is completing and signing this claim:**

Name Scott A. Zuber  
First name Middle name Last name

Title Member

Company Chiesa Shahinian and Giantomasi PC  
Identify the corporate servicer as the company if the authorized agent is a servicer.

Address \_\_\_\_\_

Contact phone \_\_\_\_\_ Email \_\_\_\_\_



# KCC ePOC Electronic Claim Filing Summary

For phone assistance: Domestic (888) 249-2721 | International (310) 751-2604

<b>Debtor:</b> 23-10718 - PGX Holdings, Inc.		
<b>District:</b> District of Delaware		
<b>Creditor:</b> Capitol Indemnity Corporation Scott A. Zuber, Esq. 105 Eisenhower Parkway  Roseland, NJ, 07068  <b>Phone:</b> 973-530-2046  <b>Phone 2:</b>  <b>Fax:</b>  <b>Email:</b> szuber@csglaw.com	<b>Has Supporting Documentation:</b> Yes, supporting documentation successfully uploaded  <b>Related Document Statement:</b>	
	<b>Has Related Claim:</b> No  <b>Related Claim Filed By:</b>	
	<b>Filing Party:</b> Authorized agent	
<b>Other Names Used with Debtor:</b>	<b>Amends Claim:</b> No  <b>Acquired Claim:</b> No	
<b>Basis of Claim:</b> Please see attached Rider with Exhibit for the basis of the claim.	<b>Last 4 Digits:</b> No	<b>Uniform Claim Identifier:</b>
<b>Total Amount of Claim:</b> 3,780,000.00	<b>Includes Interest or Charges:</b> No	
<b>Has Priority Claim:</b> No	<b>Priority Under:</b>	
<b>Has Secured Claim:</b> No  <b>Amount of 503(b)(9):</b> No  <b>Based on Lease:</b> No  <b>Subject to Right of Setoff:</b> No	<b>Nature of Secured Amount:</b> <b>Value of Property:</b>  <b>Annual Interest Rate:</b>  <b>Arrearage Amount:</b>  <b>Basis for Perfection:</b>  <b>Amount Unsecured:</b>	
<b>Submitted By:</b> Scott A. Zuber on 07-Sep-2023 1:08:53 p.m. Eastern Time  <b>Title:</b> Member  <b>Company:</b> Chiesa Shahinian and Giantomasi PC		

United States Bankruptcy Court for the District of Delaware

Indicate Debtor against which you assert a claim by checking the appropriate box below. **(Check only one Debtor per claim form.)**

- |  |  |   |
|--|--|---|
| <input checked="" type="checkbox"/> PGX Holdings, Inc. (Case No. 23-10718)   | <input type="checkbox"/> eFolks Holdings, Inc. (Case No. 23-10723)             | <input type="checkbox"/> Progexion Holdings, Inc. (Case No. 23-10727)     |
| <input type="checkbox"/> Credit Repair UK, Inc. (Case No. 23-10719)          | <input type="checkbox"/> eFolks, LLC (Case No. 23-10724)                       | <input type="checkbox"/> Progexion IP, Inc. (Case No. 23-10728)           |
| <input type="checkbox"/> Credit.com, Inc. (Case No. 23-10720)                | <input type="checkbox"/> John C. Heath, Attorney At Law PC (Case No. 23-10725) | <input type="checkbox"/> Progexion Marketing, Inc. (Case No. 23-10729)    |
| <input type="checkbox"/> Creditrepair.com Holdings, Inc. (Case No. 23-10721) | <input type="checkbox"/> Progexion ASG, Inc. (Case No. 23-10726)               | <input type="checkbox"/> Progexion Teleservices, Inc. (Case No. 23-10730) |
| <input type="checkbox"/> Creditrepair.com, Inc. (Case No. 23-10722)          |  |   |

## Official Form 410 Proof of Claim

04/22

Read the instructions before filling out this form. This form is for making a claim for payment in a bankruptcy case. Other than a claim under 11 U.S.C. § 503(b)(9), this form should not be used to make a claim for an administrative expense arising after the commencement of the case.

Filers must leave out or redact information that is entitled to privacy on this form or on any attached documents. Attach redacted copies or any documents that support the claim, such as promissory notes, purchase orders, invoices, itemized statements of running accounts, contracts, judgments, mortgages, and security agreements. Do not send original documents; they may be destroyed after scanning. If the documents are not available, explain in an attachment.

A person who files a fraudulent claim could be fined up to \$500,000, imprisoned for up to 5 years, or both. 18 U.S.C. §§ 152, 157, and 3571.

Fill in all the information about the claim as of the date the case was filed.

### Part 1: Identify the Claim

<b>1. Who is the current creditor?</b>	Capitol Indemnity Corporation _____ Name of the current creditor (the person or entity to be paid for this claim)	
	Other names the creditor used with the debtor _____	
<b>2. Has this claim been acquired from someone else?</b>	<input checked="" type="checkbox"/> No <input type="checkbox"/> Yes. From whom? _____	
<b>3. Where should notices and payments to the creditor be sent?</b>	<b>Where should notices to the creditor be sent?</b>	<b>Where should payments to the creditor be sent? (if different)</b>
	Federal Rule of Bankruptcy Procedure (FRBP) 2002(g)  Name Scott A. Zuber, Esq. (CSG Law) _____ 105 Eisenhower Parkway _____ Number Street Roseland NJ 07068 _____ City State ZIP Code United States _____ Country Contact phone 973-530-2046 _____ Contact email szuber@csglaw.com _____	Name _____ Number Street _____ City State ZIP Code _____ Country Contact phone _____ Contact email _____
<b>4. Does this claim amend one already filed?</b>	<input checked="" type="checkbox"/> No <input type="checkbox"/> Yes. Claim number on court claims registry (if known) _____ Filed on _____ MM / DD / YYYY	
<b>5. Do you know if anyone else has filed a proof of claim for this claim?</b>	<input checked="" type="checkbox"/> No <input type="checkbox"/> Yes. Who made the earlier filing? _____	

**Part 2: Give Information About the Claim as of the Date the Case Was Filed**

6. Do you have any number you use to identify the debtor?  No  
 Yes. Last 4 digits of the debtor's account or any number you use to identify the debtor: \_\_\_\_\_

7. How much is the claim?  
\$ 3,780,000.00 Does this amount include interest or other charges?  
 No  
 Yes. Attach statement itemizing interest, fees, expenses, or other charges required by Bankruptcy Rule 3001(c)(2)(A).

8. What is the basis of the claim? Examples: Goods sold, money loaned, lease, services performed, personal injury or wrongful death, or credit card.  
Attach redacted copies of any documents supporting the claim required by Bankruptcy Rule 3001(c).  
Limit disclosing information that is entitled to privacy, such as health care information.  
  
Please see attached Rider with Exhibit for the basis of the claim.

9. Is all or part of the claim secured?  No  
 Yes. The claim is secured by a lien on property.  
**Nature of property:**  
 Real estate: If the claim is secured by the debtor's principal residence, file a *Mortgage Proof of Claim Attachment* (Official Form 410-A) with this *Proof of Claim*.  
 Motor vehicle  
 Other. Describe: \_\_\_\_\_  
**Basis for perfection:** \_\_\_\_\_  
Attach redacted copies of documents, if any, that show evidence of perfection of a security interest (for example, a mortgage, lien, certificate of title, financing statement, or other document that shows the lien has been filed or recorded.)  
**Value of property:** \$ \_\_\_\_\_  
**Amount of the claim that is secured:** \$ \_\_\_\_\_  
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**Amount necessary to cure any default as of the date of the petition:** \$ \_\_\_\_\_  
**Annual Interest Rate** (when case was filed) \_\_\_\_\_ %  
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10. Is this claim based on a lease?  No  
 Yes. Amount necessary to cure any default as of the date of the petition. \$ \_\_\_\_\_

11. Is this claim subject to a right of setoff?  No  
 Yes. Identify the property: \_\_\_\_\_

12. Is all or part of the claim entitled to priority under 11 U.S.C. § 507(a)?

A claim may be partly priority and partly nonpriority. For example, in some categories, the law limits the amount entitled to priority.

- No
- Yes. Check all that apply:
- |  | Amount entitled to priority |
|--|-----------------------------|
| <input type="checkbox"/> Domestic support obligations (including alimony and child support) under 11 U.S.C. § 507(a)(1)(A) or (a)(1)(B).   | \$ _____                    |
| <input type="checkbox"/> Up to \$3,350* of deposits toward purchase, lease, or rental of property or services for personal, family, or household use. 11 U.S.C. § 507(a)(7).   | \$ _____                    |
| <input type="checkbox"/> Wages, salaries, or commissions (up to \$15,150* earned within 180 days before the bankruptcy petition is filed or the debtor's business ends, whichever is earlier. 11 U.S.C. § 507(a)(4). | \$ _____                    |
| <input type="checkbox"/> Taxes or penalties owed to governmental units. 11 U.S.C. § 507(a)(8).   | \$ _____                    |
| <input type="checkbox"/> Contributions to an employee benefit plan. 11 U.S.C. § 507(a)(5).   | \$ _____                    |
| <input type="checkbox"/> Other. Specify subsection of 11 U.S.C. § 507(a)( ) that applies.  | \$ _____                    |

\* Amounts are subject to adjustment on 4/01/25 and every 3 years after that for cases begun on or after the date of adjustment.

13. Is all or part of the claim entitled to administrative priority pursuant to 11 U.S.C. § 503(b)(9)?

- No
- Yes. Indicate the amount of your claim arising from the value of any goods received by the debtor within 20 days before the date of commencement of the above case, in which the goods have been sold to the Debtor in the ordinary course of such Debtor's business. Attach documentation supporting such claim.
- \$ \_\_\_\_\_

**Part 3: Sign Below**

The person completing this proof of claim must sign and date it. FRBP 9011(b).

If you file this claim electronically, FRBP 5005(a)(2) authorizes courts to establish local rules specifying what a signature is.

A person who files a fraudulent claim could be fined up to \$500,000, imprisoned for up to 5 years, or both. 18 U.S.C. §§ 152, 157, and 3571.

Check the appropriate box:

- I am the creditor.
- I am the creditor's attorney or authorized agent.
- I am the trustee, or the debtor, or their authorized agent. Bankruptcy Rule 3004.
- I am a guarantor, surety, endorser, or other codebtor. Bankruptcy Rule 3005.

I understand that an authorized signature on this *Proof of Claim* serves as an acknowledgement that when calculating the amount of the claim, the creditor gave the debtor credit for any payments received toward the debt.

I have examined the information in this *Proof of Claim* and have reasonable belief that the information is true and correct.

I declare under penalty of perjury that the foregoing is true and correct.

Executed on date 9/17/2023  
MM / DD / YYYY

Signature \_\_\_\_\_

Print the name of the person who is completing and signing this claim:

Name Justin Scott Hinton  
First name Middle name Last name

Title Claims Specialist

Company Capitol Indemnity Corporation  
Identify the corporate servicer as the company if the authorized agent is a servicer.

Address 1600 Aspen Commons, Suite 300  
Number Street

Middleton WI 53562  
City State ZIP Code Country

Contact phone 608-829-4284 Email jhinton@capspecialty.com

## **RIDER**

to

Capitol Indemnity Corporation's Proof of Claim

In re PGX Holdings, Inc., et al.<sup>1</sup>

Case No. 23-10718 (CTG)

### **1. The Basis of the Claim**

Capitol Indemnity Corporation ("Capitol") holds a prepetition General Indemnity Agreement from PGX Holdings, Inc. (the "Indemnity Agreement"). A copy of the Indemnity Agreement is attached hereto as Exhibit "A."

Pursuant to the Indemnity Agreement, PGX Holdings, Inc. ("PGX") agreed, among other things, to indemnify Capitol from and against all Losses, as set forth and defined in the Indemnity Agreement, incurred by Capitol by reason of Capitol's having executed any surety bond for Creditrepair.com, Inc., eFolks, LLC, Progrexion Teleservices, Inc., John C. Heath, Attorney at Law, PC, or John C. Heath, Attorney at Law, PC d/b/a Lexington Law (collectively, the "Debtor-Principals"), as well as any surety bond issued for non-debtor bond principals, Lexington Law of Maryland, LLC or Robert L. Marrero, LLC (collectively the "Non-Debtor-Principals" and together with the Debtor-Principals, the "Bond Principals"), including any expenses incurred by Capitol in enforcing its rights under the Indemnity Agreement. The Bond Principals also agreed to pay bond premiums when due.

The Bond Principals are required to provide third parties with surety bonds to guarantee certain of their legal and/or contractual obligations, including, but not limited to, the Bond Principals' compliance with license and permit requirements of the states and municipalities in which the Bond Principals transact business. As of June 4, 2023, the Petition Date, Capitol had executed 69 surety bonds to the Bond Principals (each a "Bond" and collectively, the "Bonds"). Copies of the Bonds outstanding as of the Petition Date will be furnished upon request.

The aggregate penal sum of the Bonds is \$3,780,000.00. A summary of the Bonds outstanding as of the Petition Date, listing the penal sum of each respective Bond, is attached as Exhibit D to the Debtors' Motion for Entry of Interim and Final Orders relating to their surety bond program [ECF No. 13].

### **2. Description of this Claim**

PGX is obligated to indemnify and reimburse Capitol for losses and expenses incurred by Capitol under the Bonds and in enforcing its rights under the Indemnity Agreement. As such,

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<sup>1</sup> The Debtors in these chapter 11 cases, along with the last four digits of each Debtor's federal tax identification number, are: PGX Holdings, Inc. (2510); Credit Repair UK, Inc. (4798); Credit.com, Inc. (1580); Creditrepair.com Holdings, Inc. (7536); Creditrepair.com, Inc. (7680); eFolks Holdings, Inc. (5213); eFolks, LLC (5256); John C. Heath, Attorney At Law PC (8362); Progrexion ASG, Inc. (5153); Progrexion Holdings, Inc. (7123); Progrexion IP, Inc. (5179); Progrexion Marketing, Inc. (5073); and Progrexion Teleservices, Inc. (5110). The location of the Debtors' service address for purposes of these chapter 11 cases is: 257 East 200 South, Suite 1200, Salt Lake City, Utah 84111.



Capitol submits a claim in the amount of \$3,780,000.00 to address the exposure Capitol has under the Bonds.

The amount of the claim represents the total amount of Capitol's undischarged and potential liability under the Bonds (the claim does not include claims for legal fees incurred, or to be incurred, that are recoverable under the Indemnity Agreement). Capitol expressly reserves the right to claim legal fees and costs incurred or to be incurred by Capitol, as recoverable under the Indemnity Agreement and which may be allowed in law, in equity, or otherwise. Capitol shall amend and supplement this Proof of Claim after its losses are fully liquidated, and further reserves the right to amend and supplement this Proof of Claim as other circumstances may warrant.

The filing of this Proof of Claim by Capitol is not intended as, and shall not be construed as: (a) Capitol's admission of any liability or waiver of any defenses or limitation of any rights of Capitol with respect to any claims against any one or more of the Bonds and/or under the Indemnity Agreement; (b) a waiver of any of Capitol's rights or claims under any orders authorizing PGX's use of cash collateral; (c) Capitol's waiver or release of any right to exoneration it may have against anyone with respect to its obligations pursuant to the Bonds; (d) Capitol's waiver or release of its right to be subrogated to the rights of (i) one or more of the parties paid or to be paid pursuant to the Bonds, or (ii) the Bond Principals; or (e) consent to the determination of Bond Principals' liability to Capitol by any court, including, without limitation, the bankruptcy court.

Notwithstanding section 12 of the Proof of Claim, while Capitol is unaware of any claims entitled to priority as of the Petition Date, it reserves the right to file a motion or a claim for allowance and/or payment of an administrative expense claim under Bankruptcy Code Sections 503 and/or 507.

# **EXHIBIT A**

## GENERAL INDEMNITY AGREEMENT

**THIS GENERAL INDEMNITY AGREEMENT** (this "Agreement"), is made by

PGX Holdings, Inc.

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on its own behalf and on behalf of any of its present or future Affiliates (as defined herein) and their successors and assigns (collectively hereinafter referred to as "Principal") and any additional undersigned persons and/or entities (collectively, and together with Principal, hereinafter referred to as "Indemnitors") in favor of Surety (as defined herein).

WHEREAS, Principal, Indemnitors and their present or future Affiliates, in the course of their business(es), the performance of contracts, and meeting various obligations, by themselves or in joint ventures or combinations with other Persons (as defined herein), may currently or in the future desire or be required to procure, provide, maintain, renew, modify or substitute surety bonds, undertakings, recognizances, instruments of guarantee, consents of surety or other surety obligations; and

WHEREAS, at the request of one or more Indemnitors or their present or future Affiliate(s), Surety has been requested to and/or has executed and/or, from time to time hereafter, may be requested to arrange for the execution of, or procure to be executed Bonds (as defined herein); and

WHEREAS, Indemnitors represent that each of them is specifically and beneficially interested in Surety's execution, procurement, continuation, renewal, modification or substitution of said Bonds.

NOW, THEREFORE, as an inducement to Surety to execute, procure, renew, continue, modify or substitute any and all Bonds on behalf of or at the request of any Indemnitor(s) or their present or future Affiliate(s), Indemnitors for themselves, their successors and assigns, jointly and severally, hereby covenant as follows:

**Section 1. Recitals Incorporated** – The above recitals are incorporated herein. Indemnitors agree that their representations to Surety in the said recitals are intended to induce Surety to execute, procure, maintain, renew, modify or substitute any and all Bonds, both currently and in the future. Indemnitors further agree that Surety's continuing reliance upon those representations is justified and reasonable, and Indemnitors expressly waive any claim or defense to the contrary.

**Section 2. Definitions** - Indemnitors agree that the following definitions shall apply to this Agreement, which meanings shall be equally applicable to both the singular and plural forms of such terms:

a. "Person" means any person or entity, whether an individual, corporation, general partnership, limited partnership, limited liability company, limited liability partnership, joint-stock company, trust, estate, unincorporated organization, business association, firm, joint venture, or any other form of business or entity, whether now in existence or hereafter formed:

b. an "Affiliate" of a Person means another Person that directly or indirectly controls, is controlled by or is under common control of such Person. For purposes of this definition, "control" means the possession, directly or indirectly, of the power to direct or cause the direction of the management policies of a Person, whether through the ownership of voting securities, by contract, as trustee or executor or otherwise.

c. "Surety" means any one or more, individually and collectively, of Capitol Indemnity Corporation and/or Platte River Insurance Company, their Affiliates, reinsurers, and any Person executing any Bond or joining with any of the aforesaid companies in executing any Bond at the request of any Indemnitor or its Affiliate, together with their respective successors and assigns.

d. "Indemnitors" - All Persons who sign this Agreement or whose representatives sign this Agreement, or any other agreement or addendum by which such Person agrees to be bound in whole or in part by this Agreement, as well as such Persons' successors or assigns.

e. "Bond" means any surety bond, undertaking, recognizance, instrument of guarantee, consent of surety or other surety obligation, issued in the name(s) or at the request of any Indemnitor or its Affiliate, solely or as a co-venturer with others, whether issued before or after the date of this Agreement by Surety.

f. "Bonded Contract" means any existing or future contract referenced in any Bond, or with respect to which any Bond is issued.

g. "Claim" means any notice of default, notice of claim, request for a pre-default meeting, pre-termination letter, notice of non-payment or non-performance, demand, request for financing or forbearance of any kind, or suit received by, or asserted against, Surety in connection with any Bond.

h. "Loss" means any and all payments, expenses or liability incurred or anticipated by Surety arising from or related to any Bond or this Agreement, including but not limited to attorney's fees, consultant's fees, expert fees, and court costs incurred by Surety arising from or related to a Claim and/or enforcing this Agreement, as well as any and all unpaid premiums for any Bond.

i. "Good Faith" means the absence of dishonesty in fact, intentional fraud or actual malice that directly results in demonstrable and material economic harm to an Indemnitor.

j. the term "Event of Default" shall have the meaning set forth in Paragraph 8 of this Agreement.

**Section 3. Premiums** - Indemnitors shall pay or cause to be paid promptly on demand each annual premium, and all costs and charges of Surety at its agreed, or in the absence of agreement, at its customary rates, for any and all Bonds issued by Surety, which premiums shall continue to be incurred until all potential liability of Surety under such Bond is extinguished. Indemnitors agree that premium for a Bond is fully earned upon execution of a Bond and is not refundable.

**Section 4. Indemnity** - Indemnitors shall exonerate, reimburse, indemnify, keep indemnified and hold harmless Surety from and against any and all Loss. In any accounting or suit between Surety and Indemnitors, vouchers or other evidence of any payments made by Surety shall be prima facie evidence of the fact and amount of Indemnitors' liability to Surety; and Surety shall be entitled to reimbursement for all disbursements made under the Good Faith belief that Surety is, was, or might be liable for the sums and amounts so disbursed or that it was necessary or expedient to make such disbursements, whether or not such liability, necessity or expediency actually existed. All such amounts shall bear interest at the rate of 9% per annum from the date of Surety's payment until Surety is fully reimbursed.

**Section 5. Collateral Deposit** - Upon written demand by Surety, Indemnitors agree to deposit with Surety cash or an irrevocable letter of credit from a bank approved by Surety and in a form acceptable to Surety (hereinafter "Collateral Deposit"). Such Collateral Deposit shall be in the amount that Surety, in its sole discretion, in Good Faith deems sufficient to hold it harmless from and against any potential Loss. It is agreed that the failure of Indemnitors to make any Collateral Deposit demanded by Surety shall cause irreparable harm to Surety for which Surety has no adequate remedy at law, and that Surety shall be entitled to preliminary and final injunctive relief for specific performance of Indemnitors' Collateral Deposit obligation.

**Section 6. Surety's Use Of Collateral** - Except as may otherwise be agreed in writing by Surety, all collateral of any kind or nature deposited with, and/or assigned or pledged to Surety, including but not limited to any Collateral Deposits, may be held by Surety, without any obligation to earn interest thereupon, until Surety is fully discharged from all potential liability under any and all Bonds. Surety may, at its option and in its sole discretion, and without notice to any Indemnitor, use any and all such collateral, or the proceeds thereof, including any Collateral Deposit(s), in payment of or reimbursement for any Loss.

**Section 7. Settlements** - Surety shall have the exclusive right, in Good Faith and in its sole discretion, to adjust, pay, compromise, defend or appeal any Claim; and Surety's determination of whether to defend or settle any such Claim shall be binding and conclusive upon the Indemnitors. Indemnitors further agree that Surety's right to compromise Claims under this paragraph shall extend to and include Surety's right to settle and compromise any and all affirmative claims, counterclaims, crossclaims, setoffs, recoupments or rights of any kind or nature that any Indemnitor may have or allege against any Person asserting a Claim and/or whose rights are affected by any Claim.

**Section 8. Event Of Default** - "Event of Default" shall mean the occurrence of any one or more of the following events: (1) any abandonment, default or declaration of default, material breach, or failure or inability to perform, any Bonded Contract or any obligation under any Bond; (2) the failure or inability of Indemnitors to pay bills or other indebtedness incurred in, or in connection with, the performance of any Bonded Contract; (3) any material breach of any of the terms or provisions of this Agreement; (4) the failure of Indemnitors to pay or discharge, when due, any amounts due to Surety; (5) the insolvency of, or the filing of a voluntary or involuntary petition under the United States Bankruptcy Code or any similar laws of any other jurisdiction with respect to, any Indemnitor, or the filing of any assignment for the benefit of creditors by any Indemnitor, or of the appointment, or of any application for the appointment, of a receiver or trustee for any Indemnitor; (6) any Indemnitor makes or has made any materially false representation to Surety in connection with the request for the issuance, continuation or modification of any Bond, or in connection with any Claim; (7) any Indemnitor is convicted of a felony; or (8) any Indemnitor, if an individual, disappears or absconds.

**Section 9. Assignment** - Indemnitors hereby assign, pledge and set over to Surety, effective as of the date of execution of any Bond, all rights, title and interests of the Indemnitors, including but not limited to rights acquired after the date of this Agreement, in all real property, and all assets and personal property in which the Indemnitors have an interest, including but not limited to all Accounts; Contracts; inventory; Equipment; General Intangibles and Intellectual Property Rights; Chattel Paper; Commercial Tort Claims; Deposit Accounts; Payment Intangibles; Documents; Goods (including all of its Equipment, Fixtures and Inventory), and all accessions, additions, attachments, improvements, substitutions and replacements thereto and therefor; Instruments; Financial Assets; Fixtures; Letter of Credit Rights; Certificated Securities; Security Entitlements; Investment Property; and to the extent not otherwise included in the foregoing, all other real or personal property of the Indemnitors, whether tangible or intangible, whether now owned or hereafter acquired and wherever located; and all Proceeds of the foregoing. Capitalized terms in the foregoing sentence shall have the meanings ascribed to them in the Uniform Commercial Code as in effect in any applicable jurisdiction. This Agreement shall constitute a security agreement and financing statement and Surety may, at its option and in its sole discretion, without notice to any Indemnitors, perfect its security interest in such assigned assets by filing a UCC-1 financing statement and/or a copy of this Agreement with the appropriate filing offices or registries, as well as any and all other forms of mortgages, liens or deeds authorized by law for giving notice of and/or perfecting Surety's security interest. Upon the occurrence of an Event of Default, Surety, or any Person designated by Surety, may enforce the aforesaid assignments and security interests, and is hereby authorized and empowered by Indemnitors to take any action that Surety may deem appropriate or expedient to obtain possession of the subject assets and personal property.

**Section 10. Right Of Immediate Possession And Control** - Upon any Event of Default, Surety shall have the right, at its option and in its sole discretion, and without notice to Indemnitors, to take immediate possession and control of Indemnitors' real and personal property, facilities and rights relating to any part or all of the work under any Bonded Contract, including but not limited to (a) any and all amounts due or to become due on account of any such Bonded Contract, including but not limited to progress payments, retention, change orders, proposed change orders, actual or potential requests for additional compensation or equitable adjustments, and rights of setoff or recoupment; (b) any and all supplies, equipment, machinery, tools, materials, plans, specifications, project records, trailers, computers, data and electronically stored information, and intellectual property; (c) any and all rights, title and interest of any Indemnitor(s) in or growing out of any and all contracts, subcontracts, purchase orders, or agreements, and any and all surety bonds or insurance policies associated with such contracts, subcontracts, purchase orders, or agreements; and (d) any and all rights, actions, causes of actions, liens, claims and demands of any kind or nature that any Indemnitor(s) may have or acquire against any Person or property in any way arising under or related to any Bond or Bonded Contract. It is agreed that, upon any Event of Default, and upon written demand by Surety, Indemnitors shall promptly peacefully surrender and transfer to Surety possession and control of any and all such items requested by Surety, and shall execute all instruments requested by Surety to facilitate and document such transfer of possession and control of such items to Surety. Indemnitors further acknowledge that any breach of Indemnitors' obligations under this paragraph shall cause irreparable harm to Surety for which Surety has no adequate remedy at law, and that Surety shall be entitled to preliminary and final injunctive relief for specific performance of such obligations.

**Section 11. Appointment Of Surety As Indemnitors' Attorney-In-Fact** - Indemnitors hereby irrevocably nominate and appoint Surety, and any Person designated by Surety, as the true and lawful attorney-in-fact of Indemnitors, with full right and authority, but not the obligation, to execute on behalf of, and sign the name of, any Indemnitors to any voucher, release, satisfaction, check, bill of sale, letter of direction and/or any other document or agreement with respect to any and all rights and property assigned and/or transferred by Indemnitors to Surety under this Agreement. Indemnitors hereby ratify and confirm all that such attorney-in-fact or Surety may do for the purposes set forth in this Agreement and/or to facilitate or implement any right granted to Surety hereunder. Indemnitors specifically agree to protect, indemnify and save and hold harmless Surety and such attorney-in-fact against any and all claims, damages, costs and expenses that may in any way arise due to the exercise of the assignments and rights contained in this Agreement and the powers herein granted, specifically waiving any claim that Indemnitors have or might hereafter have against Surety or its attorney-in-fact on account of anything done in enforcing the terms of this Agreement.

**Section 12. Trust Fund** - Indemnitors designate, set aside and declare as an express trust, and shall hold, treat and honor as a trust, all interest, title and rights in all monies paid, due or to become due under any Bonded Contracts, whether in the possession of any Indemnitor or any other Person, for the benefit and payment of all obligations for which Surety may be liable under any Bond, including but not limited to the payment of Persons supplying labor and materials in the prosecution of work under any Bonded Contract. Surety may, in its sole discretion, open a trust account or accounts ("Trust Accounts") with a bank designated by Surety for the deposit of such trust funds. Upon written demand by Surety, Indemnitors shall deposit in such Trust Accounts any and all such trust funds received by them, and upon the request of Surety shall issue irrevocable letters of direction to other Persons requiring that all future payments arising from or relating to any Bonded Contracts be made into such Trust Accounts. Withdrawals or payments from such Trust Accounts shall require the express written consent of Surety.

**Section 13. Surety's Discretion With Respect To Bonds** - Surety is authorized and empowered, without notice to or knowledge of Indemnitors, notice being hereby expressly waived, to issue or refrain from issuing any Bonds (including final Bond(s) where Surety has furnished a bid bond or consent of surety), to assent, or to refuse to assent, to any change whatsoever in any Bonds, or to cancel or refrain from cancelling any Bonds, without impairing the validity of this Agreement, and Indemnitors hereby waive any and all claims or defenses against Surety due to its refusal or failure to execute any Bond or to modify, renew, continue, cancel or refrain from cancelling, any Bond under any applicable law pertaining to the release of sureties. Each Indemnitor acknowledges that the Surety has no duty, express or implied, to review any contract, Bond or other form of document by or on behalf of any Indemnitor or its Affiliate, and that the Surety's execution of any Bond is not to be construed as a representation of any kind, express or implied, as to the reasonableness of the terms and conditions contained therein or within any Bonded Contract, the risks of which are the responsibility of the Indemnitors.

**Section 14. Access To Financial Information** - Indemnitors shall provide Surety or any Person designated by Surety with unrestricted access at any time upon reasonable notice to the financial statements, books, records, electronically-stored information and/or accounts of Indemnitors for the purpose of inspection, copying or reproduction. This access will continue until such time as the liability of Surety under all Bonds is terminated and Surety is fully reimbursed for all amounts due under this Agreement. In addition, each Indemnitor hereby specifically authorizes any financial institution or depository in which its funds or securities may be held to furnish any information requested by Surety relating to such accounts. Indemnitors hereby waive as to Surety any privilege in any accountant's work papers and any other documents or communications that may be subject to any privilege related to the preparation of any financial statements and further agree to provide any additional releases, requests, waivers or any other documents required in order to allow Surety access to the requested information. Indemnitors further expressly authorize Surety to access credit reports and to make such pertinent inquiries as Surety may deem appropriate for any purpose whatsoever, including but not limited to debt collection. Indemnitors acknowledge that Surety may share copies of any and all financial statements, financial documents and any and all other financial information which Surety now has or may hereafter obtain concerning Indemnitors with governmental regulators, auditors, co-sureties, fronting companies and/or reinsurers.

**Section 15. Advances** - Surety is authorized and empowered, at Surety's option and at its sole and absolute discretion, and without notice to Indemnitors, to guarantee loans, and/or to advance or lend money to or on behalf of any Indemnitor, for the purpose of facilitating the completion of any Bonded Contract(s) and/or in a Good Faith effort to mitigate Surety's possible exposure to Loss under any Bond(s). Indemnitors agree that any and all such money advanced by Surety shall be at its sole and absolute discretion and shall constitute Loss for which Indemnitors are responsible to indemnify Surety under this Agreement, unless and until all such advances and all other Loss is repaid in full with interest.

**Section 16. Non-Impairment Of Indemnitors' Obligations** - The obligations of the Indemnitors under this Agreement shall not be impaired by, and Surety shall incur no liability on account of: (a) Surety's taking, failure to take, or release of security, collateral, assignment, other indemnity agreements and the like; (b) the release by Surety, on terms satisfactory to it, of any Indemnitors; and/or (c) Surety's enforcement or non-enforcement of any right or cause of action against any Indemnitor or other Person.

**Section 17. Surety's Priority** - Indemnitors waive and subordinate all rights of indemnity, subrogation and contribution, each against the other, until all obligations to Surety have been first satisfied in full. Further, Indemnitors shall not waive any claim or right of indemnity, subrogation or contribution with regard to any Person, pursuant to any contract, insurance policy, settlement, or otherwise, without the prior written consent of Surety until the obligations of the Indemnitors to Surety under this Agreement have been satisfied in full.

**Section 18. Waiver Of Notice By Indemnitors** - Indemnitors waive any and all rights to any form notice from or disclosure by Surety with respect to any Claim, or any act, fact, or information coming to the notice or knowledge of Surety concerning their rights or liabilities under this Agreement, any Bonds executed, procured, continued, renewed, modified or substituted by Surety on behalf of any Indemnitor or its Affiliate, any Loss, and any and all other rights or liabilities of Indemnitors, whether Surety has such knowledge or notice before or after the execution of this Agreement. Indemnitors agree that they shall continue to be liable hereunder, notwithstanding any notice to which they might otherwise have been or be entitled, and notwithstanding any defenses they might otherwise have been entitled to assert as a result of lack of notice.

**Section 19. Surety's Rights Are Cumulative** - Indemnitors shall continue to remain bound under the terms of this Agreement even though Surety may have from time to time heretofore or hereafter, with or without notice to or knowledge of Indemnitors, accepted other agreements of indemnity or collateral, it being expressly understood and agreed that any and all other rights which Surety may have or acquire with respect to Indemnitors and/or others under this Agreement and any such other or additional agreements of indemnity, collateral or rights shall be cumulative and in addition to, not in lieu of, the rights afforded Surety under this Agreement. The rights granted in favor of Surety in this Agreement shall not be deemed a waiver of Surety's common law rights, equitable subrogation rights, statutory rights, or any other rights or remedies to which Surety is or may become entitled. In addition, no failure or delay by Surety in seeking to enforce any right shall be deemed a waiver of that right, nor any other right which Surety is or may become entitled to enforce.

**Section 20. Effectiveness Of Agreement** - This Agreement shall be liberally construed so as to protect, hold harmless, exonerate, reimburse and indemnify Surety. No modification to this Agreement shall be effective unless made by written endorsement executed by Surety, except that, notwithstanding any language herein to the contrary, the addition to this Agreement of any Indemnitor or Principal, including entities acquired after the date of execution of this Agreement, may be affected by written amendment executed by such Indemnitor or Principal only. Each Indemnitor hereby waives notice of, consents to, and waives all defenses arising from, the addition to this Agreement of any new Principal or Indemnitor, as well as the release of any Principal or Indemnitor, at any time. If any provision of this Agreement is deemed unenforceable, the remainder of this Agreement shall continue in full force and effect.

**Section 21. Termination** - This Agreement may be terminated prospectively, but not retroactively, as to any Indemnitors upon thirty (30) days' written notice sent by registered or certified mail to Surety at: 1600 Aspen Commons, Middleton, WI 53562. Any such notice of termination shall not discharge any obligations as to Bonds executed, or which Surety had become obligated to execute, prior to the effective date of termination, and shall apply only as to the respective Indemnitors executing and delivering such written notice of termination.

**Section 22. Execution** - This Agreement shall be effective as to each Indemnitor when it has been executed by such Indemnitor. Facsimile, emailed signatures or electronic signatures shall be deemed to have the same effect as original signatures. INDEMNITORS REPRESENT THAT THEY HAVE CAREFULLY READ AND UNDERSTAND EVERY PROVISION OF THIS AGREEMENT, AND EXPRESSLY DISCLAIM RELIANCE UPON ANY REPRESENTATION NOT EXPRESSLY SET FORTH HEREIN.

IN WITNESS WHEREOF, the Indemnitors who are individuals have hereunder set their hands and the Indemnitors which are partnerships, corporations, or unincorporated associations have caused this Agreement to be duly executed by their authorized representatives on this \_\_\_\_\_ day of April, in the year 2021.

**Indemnitor:**  
PGX Holdings, Inc. [REDACTED]  
(Type or Print Full Name) (FEIN / SSN)  
257 E 200 S, Ste 1200, Salt Lake City, UT 84111  
(Address)  
By: *Chad Wallace*  
Chad Wallace / CFO  
(Name/Title)

**Indemnitor:**  
\_\_\_\_\_  
(Type or Print Full Name) (FEIN / SSN)  
\_\_\_\_\_  
(Address)  
By: \_\_\_\_\_  
(Name/Title)

Indemnitor:

(Type or Print Full Name) (FEIN / SSN)

(Address)

By: (Name/Title)

Indemnitor:

(Type or Print Full Name) (FEIN / SSN)

(Address)

By: (Name/Title)

Indemnitor:

(Type or Print Full Name) (FEIN / SSN)

(Address)

By: (Name/Title)

Indemnitor:

(Type or Print Full Name) (FEIN / SSN)

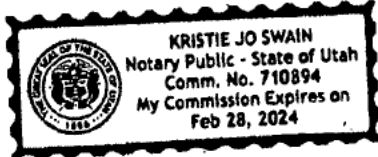
(Address)

By: (Name/Title)

ENTITY ACKNOWLEDGMENT

STATE OF Utah )
COUNTY OF Salt Lake ) SS:

On this 12 day of April, in the year 2021, before me personally appeared Chad Wallace, known or proven to me to be the Chief Financial Officer of PGX Holdings, Inc. the company executing the above instrument; who acknowledged to me that said instrument is the free and voluntary act and deed of said company, for the uses and purposes therein mentioned and on oath stated (s) he executed said instrument by authority of the Board of Directors or other applicable governing body of said company, and (if applicable) affixed the seal of said company hereto.



Kristie Jo Swain (Seal)
Notary Public
My Commission expires: 2-28-2024

ENTITY ACKNOWLEDGMENT

STATE OF )
COUNTY OF ) SS:

On this \_\_\_ day of \_\_\_, in the year \_\_\_, before me personally appeared \_\_\_, known or proven to me to be the \_\_\_ of \_\_\_ the company executing the above instrument; who acknowledged to me that said instrument is the free and voluntary act and deed of said company, for the uses and purposes therein mentioned and on oath stated (s) he executed said instrument by authority of the Board of Directors or other applicable governing body of said company, and (if applicable) affixed the seal of said company hereto.

(Seal)
Notary Public
My Commission expires: \_\_\_\_\_

**INDIVIDUAL ACKNOWLEDGMENT**

STATE OF \_\_\_\_\_ )  
 ) SS: )  
COUNTY OF \_\_\_\_\_ )

On this \_\_\_\_ day of \_\_\_\_\_, \_\_\_\_\_, before me, the undersigned, a Notary Public in and for said State, personally appeared \_\_\_\_\_, known to or proved to me on the basis of satisfactory evidence to be the person whose name is subscribed to the within instrument and acknowledged to me that (s)he executed the same as his/her free and voluntary act and deed for the uses and purposes therein mentioned.

\_\_\_\_\_  
Notary Public (Seal)  
My Commission expires: \_\_\_\_\_

**INDIVIDUAL ACKNOWLEDGMENT**

STATE OF \_\_\_\_\_ )  
 ) SS: )  
COUNTY OF \_\_\_\_\_ )

On this \_\_\_\_ day of \_\_\_\_\_, \_\_\_\_\_, before me, the undersigned, a Notary Public in and for said State, personally appeared \_\_\_\_\_, known to or proved to me on the basis of satisfactory evidence to be the person whose name is subscribed to the within instrument and acknowledged to me that (s)he executed the same as his/her free and voluntary act and deed for the uses and purposes therein mentioned.

\_\_\_\_\_  
Notary Public (Seal)  
My Commission expires: \_\_\_\_\_

**INDIVIDUAL ACKNOWLEDGMENT**

STATE OF \_\_\_\_\_ )  
 ) SS: )  
COUNTY OF \_\_\_\_\_ )

On this \_\_\_\_ day of \_\_\_\_\_, \_\_\_\_\_, before me, the undersigned, a Notary Public in and for said State, personally appeared \_\_\_\_\_, known to or proved to me on the basis of satisfactory evidence to be the person whose name is subscribed to the within instrument and acknowledged to me that (s)he executed the same as his/her free and voluntary act and deed for the uses and purposes therein mentioned.

\_\_\_\_\_  
Notary Public (Seal)  
My Commission expires: \_\_\_\_\_

**INDIVIDUAL ACKNOWLEDGMENT**

STATE OF \_\_\_\_\_ ) -  
 ) SS: )  
COUNTY OF \_\_\_\_\_ )

On this \_\_\_\_ day of \_\_\_\_\_, \_\_\_\_\_, before me, the undersigned, a Notary Public in and for said State, personally appeared \_\_\_\_\_, known to or proved to me on the basis of satisfactory evidence to be the person whose name is subscribed to the within instrument and acknowledged to me that (s)he executed the same as his/her free and voluntary act and deed for the uses and purposes therein mentioned.

\_\_\_\_\_  
Notary Public (Seal)  
My Commission expires: \_\_\_\_\_