

CONTRACT SURETY SUBMISSION CHECKLIST

The following information is required on each initial submission for CONTRACT BOND SURETY CREDIT.

- _____ 1. Fiscal year-end CPA prepared business financial statements for the past three years
If prior three year end business financial statement are not available, substitute business & personal tax returns.
- _____ 2. Interim Financial Statement - if the fiscal year end statement is more than six months old.
- _____ 3. Aging of accounts receivable concurrent with the last business financial statement.
- _____ 4. Aging of accounts payable concurrent with the last business financial statement.
- _____ 5. Current schedule of all uncompleted contracts in progress using the attached (or similar) form.
- _____ 6. Current bank letter **using our format** - form attached.
- _____ 7. Personal financial statement and most recent tax return on all owners of the company.
- _____ 8. Full Completed, dated and signed, Contractor's Surety Questionnaire. We prefer our own form but may accept other forms if they contain enough information.
- _____ 9. Business plan for company detailing information outlined in attached sample.
- _____ 10. Resumes on all owners and key employees (sample forms attached).
- _____ 11. Certificate of showing all coverages in force.

THIS INFORMATION IS REQUIRED TO PROPERLY EVALUATE YOUR ACCOUNT FOR SURETY CREDIT. WE MAY ASK FOR ADDITIONAL INFORMATION OR CLARIFICATION DURING THE UNDERWRITING PROCESS.

CONTRACTOR'S SURETY QUESTIONNAIRE

The purpose of the Contractor's Surety Questionnaire is to develop sufficient information to assist the underwriter in evaluating the Contractor's qualifications in order that the underwriter will be in a position to provide the MAXIMUM bonding capacity. **ALL INFORMATION MUST BE COMPLETE.** If space is inadequate, please attach additional pages.

GENERAL BUSINESS INFORMATION:

COMPANY NAME (as licensed): _____

STREET ADDRESS: _____
(Street, City, State & Zip Code)

MAILING ADDRESS: _____
(If different than above) (Post Office Box, City, State & Zip Code)

BUS. PHONE: (____) _____-_____ FAX: (____) _____-_____ FED ID NO: _____-_____

DATE OF INCORPORATION: ____/____/____ DATE BUSINESS STARTED: ____/____/____

TYPE OF FIRM: [] PARTNERSHIP [] PROPRIETORSHIP [] SUB "S" CORPORATION

Type of construction work performed: _____

List all State Contractor's Licenses held by your company:

<u>STATE</u>	<u>LICENSE NO.</u>	<u>CLASSIFICATION - TYPE OF WORK</u>
_____	_____	_____
_____	_____	_____
_____	_____	_____
_____	_____	_____

- How much of your work is performed as: GENERAL: ____% SUBCONTRACTOR: ____%
- What percentage of your work is normally subcontracted: ____%
- What trades do you normally subcontract: _____

- Are subcontractors required to bond back: YES ____ NO ____
- What trades do you normally undertake with your own forces: _____
- What is the average breakdown of your firm's construction income: GOVERNMENTAL AGENCIES: ____%
PUBLIC WORK: ____% PRIVATE COMMERCIAL: ____% PRIVATE RESIDENTIAL: ____%
- What is your average job size? \$ _____
- What was the largest project completed by your company? \$ _____ Date completed (mo./yr.)? ____/____
Who were you under contract with on this project? (NAME, ADDRESS, PHONE NUMBER, PERSON TO CONTACT)

Project NAME, NUMBER, & LOCATION: _____

9. What are your anticipated bond needs for the next 12 months?
 Single Bond Amount: \$ _____ No. of Jobs at one time: _____
10. What is the largest job you expect to undertake during the next year? \$ _____
11. What is your expected annual volume for next year? \$ _____
12. What was your largest work program (Uncompleted work-on-hand) in the last 3 years?
 Total Amount: \$ _____ When (mo./yr.): ____/____ No. of jobs this entailed: _____

13. List key personnel: (officers, estimators, bookkeepers, foreman, supervisors, etc.)

<u>NAME</u>	<u>POSITION</u>	<u>D.O.B.</u>	<u>YRS. EXPER.</u>	<u>PREVIOUS EMPLOYER</u>
_____	_____	_____	_____	_____
_____	_____	_____	_____	_____
_____	_____	_____	_____	_____
_____	_____	_____	_____	_____
_____	_____	_____	_____	_____

14. List any life insurance in force on owners and/or key personnel:
- | | <u>NAME OF INSURED</u> | <u>BENEFICIARY</u> | <u>AMOUNT</u> |
|----|--------------------------|--------------------|---------------|
| A. | _____ | _____ | \$ _____ |
| | Insurance Company: _____ | | |
| B. | _____ | _____ | \$ _____ |
| | Insurance Company: _____ | | |
| C. | _____ | _____ | \$ _____ |
| | Insurance Company: _____ | | |

15. Is there a buy/sell agreement in effect? _____ How is it funded? _____
 What continuity provisions do you have in place for the continuation of the company? _____

 Who will complete projects should something happen to the owners and/or other key employees? _____

Are there any benefits for them to do so? _____

16. Are there any loans due from the owners and/or employees of the company? YES _____ NO _____
17. Has your firm or any of its owners or officers ever petitioned for bankruptcy, failed in business or defaulted on any project? YES _____ NO _____ (If yes, attach full explanation)
18. Is your firm or any of its owners or officers currently involved in any litigation's? YES _____ NO _____ (If yes, attach full explanation)

19. List any subsidiaries and affiliates of this firm:

<u>Firm Name</u>	<u>Ownership</u>	<u>Type of Business</u>
_____	_____	_____
_____	_____	_____
_____	_____	_____

20. Was there a predecessor firm? _____

FINANCIAL INFORMATION

BANKING:

Name of Bank: _____ Phone No.: (____) _____ - _____

Mailing Address: _____ Years with this Bank: _____
(Street, city, State & Zip Code)

Have you established a Line Of Credit? _____ If yes, Amount: \$ _____ Date Established: _____/_____/_____

Security on LOC: _____ Bank Officer: _____
(Attach copy of Credit/Loan Agreement)

Accounting & Financial

Name of Accounting Firm: _____ Phone No.: (____) _____ - _____

Mailing Address: _____
(Street, City, State & Zip Code)

Name of Accountant: _____

Statements are prepared on what basis: _____ COMPILATION _____ REVIEW _____ AUDIT

Method of preparation: _____ PERCENTAGE OF COMPLETION _____ COMPLETED CONTRACT _____ CASH

On what basis are taxes paid? _____ % OF COMPLETION _____ COMPLETED CONTRACT _____ CASH

What is your Fiscal YEAR-END? _____ How often are financial statements prepared? _____
(Attach last 3 fiscal year-end business financial statements)

Have operations been profitable since last statement date? YES _____ NO _____

What type of accounting system do you use? COMPUTER _____ MANUAL _____

If computerized, what software do you run and what portions do you use? _____

Do you currently have any disputed or questionable receivable? YES _____ NO _____
(If yes, attach separate sheet with explanation.)

What percentage of your receivable are more than 60 days old
(not including retention)? _____

Job Costing:

Are job cost records kept? YES _____ NO _____

How often are they reviewed? _____ Who reviews? _____

How often are they updated? _____ Are job cost records kept by project? _____

Who is responsible for maintaining the records? _____

What reports do you use to monitor projects? _____

What types of records are maintained? _____

Bonding & Insurance:

Name of Insurance Agency: _____ Phone No. (____) _____ - _____

Mailing Address: _____
(Street, City, State & Zip Code)

Name of Agent: _____ Years with this Agency: _____

Present or most recent Surety Company: _____ Phone No.: (____) _____ - _____

Years with this Surety Company: _____ How many bid bonds did you use last year?: _____

How many final bonds did you need last year?: _____

Largest project bonded by this surety company: \$ _____ When (mo./yr.): _____/_____/_____

CONTRACTOR REFERENCES

List the 5 largest projects completed in the last 3 years:

1. Owner or G.C.: _____ Person to Contact: _____
Mailing Address: _____ Phone: (____) _____ - _____
Project Name & No.: _____ Contract Amount \$ _____ Gross Profit _____
Description & Location of Work: _____
_____ Yr. Completed: _____
2. Owner or G.C.: _____ Person to Contact: _____
Mailing Address: _____ Phone: (____) _____ - _____
Project Name & No.: _____ Contract Amount \$ _____ Gross Profit _____
Description & Location of Work: _____
_____ Yr. Completed: _____
3. Owner or G.C.: _____ Person to Contact: _____
Mailing Address: _____ Phone: (____) _____ - _____
Project Name & No.: _____ Contract Amount \$ _____ Gross Profit _____
Description & Location of Work: _____
_____ Yr. Completed: _____
4. Owner or G.C.: _____ Person to Contact: _____
Mailing Address: _____ Phone: (____) _____ - _____
Project Name & No.: _____ Contract Amount \$ _____ Gross Profit _____
Description & Location of Work: _____
_____ Yr. Completed: _____
5. Owner or G.C.: _____ Person to Contact: _____
Mailing Address: _____ Phone: (____) _____ - _____
Project Name & No.: _____ Contract Amount \$ _____ Gross Profit _____
Description & Location of Work: _____
_____ Yr. Completed: _____

List your 5 largest material suppliers:

1. Supplier Name: _____ Person to Contact: _____
Mailing Address: _____ Phone: (____) _____ - _____
2. Supplier Name: _____ Person to Contact: _____
Mailing Address: _____ Phone: (____) _____ - _____
3. Supplier Name: _____ Person to Contact: _____
Mailing Address: _____ Phone: (____) _____ - _____
4. Supplier Name: _____ Person to Contact: _____
Mailing Address: _____ Phone: (____) _____ - _____
5. Supplier Name: _____ Person to Contact: _____
Mailing Address: _____ Phone: (____) _____ - _____

List 3 architects or engineers who are familiar with your work:

1. Firm Name: _____ Person to Contact: _____
Mailing Address: _____ Phone: (____) _____ - _____
2. Firm Name: _____ Person to Contact: _____
Mailing Address: _____ Phone: (____) _____ - _____
3. Firm Name: _____ Person to Contact: _____
Mailing Address: _____ Phone: (____) _____ - _____

COMPANY OWNERSHIP

List all owners and/or stockholders of the company

Name: _____ Position/Title: _____ % Ownership: _____

Home Address: _____
(Street, City, State & Zip Code)

SSN: _____ - _____ - _____ Date of Birth _____ / _____ / _____ Home Phone: (_____) _____ - _____

Spouse's Name: _____ Spouse's Employer: _____ How Long: _____

Social Security Number: _____
* * * * * * * *

Name: _____ Position/Title: _____ % Ownership: _____

Home Address: _____
(Street, City, State & Zip Code)

SSN: _____ - _____ - _____ Date of Birth _____ / _____ / _____ Home Phone: (_____) _____ - _____

Spouse's Name: _____ Spouse's Employer: _____ How Long: _____

Social Security Number: _____
* * * * * * * *

Name: _____ Position/Title: _____ % Ownership: _____

Home Address: _____
(Street, City, State & Zip Code)

SSN: _____ - _____ - _____ Date of Birth _____ / _____ / _____ Home Phone: (_____) _____ - _____

Spouse's Name: _____ Spouse's Employer: _____ How Long: _____

Social Security Number: _____
* * * * * * * *

IMPORTANT... (READ CAREFULLY)

Each of the undersigned hereby affirms that the foregoing statements made, and answers given, are the truth and are made to induce the Surety to execute or procure the execution of surety bonds, and any extension, modifications, or renewal thereof, or substitution therefore. Each of the undersigned further affirms that he understands the bond(s) applied for is a credit relationship, and hereby authorizes the Surety, or its authorized agent, National Surety Specialists, Inc., to gather such credit information as it considers necessary and appropriate for purposes of evaluating whether such credit should be granted.

Dated this _____ day of _____, 19____.

By: _____ **By:** _____
(President, Partner or Proprietor) (Corporate Secretary, Vice President of Partner)

PLEASE ATTACH THE FOLLOWING:

1. Last 3 fiscal year end business financial statement
2. Personal financial statements and tax returns for all owners concurrent with last business financial statement.
3. Copies of bank account statement with reconciliation's concurrent with last business and personal financial statement to verify cash balances indicated on statements.
4. Copies of certificate of insurance with NSS added as Certificate holder.

PLEASE COMPLETE THE FOLLOWING FORMS:

- A. Aging of accounts receivable
- B. Aging of accounts payable
- C. Current schedule of Uncompleted work in process
- D. Schedule of completed contracts

ADDITIONAL INFORMATION MAY BE REQUIRED, YOU WILL BE ADVISED.

RESUME

NAME: _____ HOME PHONE: (____) _____ - _____

HOME ADDRESS: _____
(Street, City, State, Zip Code)

PERSONAL DATA:

Date of Birth: ____/____/____ Social Security #: ____-____-____ Driver's License #:

Marital Status: _____ Spouse's Name: _____

EDUCATION

Did you graduate high school? **YES** **NO**

College: 19__ to 19__ - Name of School _____

Courses Studied: _____

Special education relating to current business activity or employment: _____

BUSINESS & PROFESSIONAL EXPERIENCE

(Indicate: Firm Name, Length of Time Employed,

Occupation/Position, reason

for Leaving and, if construction related, largest project you were involved in)

NO. OF YEARS WITH CURRENT EMPLOYER: _____ NO. OF YEARS IN THIS INDUSTRY: _____

Employment History: (Beginning with current job.)

From: ____/____/____ To: ____/____/____ Company: _____

Position: _____

From: ____/____/____ To: ____/____/____ Company: _____

Position: _____

From: ____/____/____ To: ____/____/____ Company: _____

Position: _____

From: ____/____/____ To: ____/____/____ Company: _____

Position: _____

PROFESSIONAL REFERENCES: (Name, address, phone number, length of time acquainted)

SAMPLE BANK LETTER

Bank Letterhead

RE: BANK RELATIONS / MR. JOHN DOE AND ABC CONSTRUCTION COMPANY

Mr. John Doe originally opened his accounts with this institution on date and maintains the following accounts:

Business checking account: Acct. #000000000-1: Current Balance = \$10,245.00: 6 mo. Avg. Balance = \$18,700.00

Business checking account: Acct. # 00000000-2; Current balance = \$30,876.00; 6 mo. Avg. Balance = \$32,500.00

Personal checking account: Acct. # 00000000-3; Current balance = \$9,624.00; 6 mo. Avg. Balance = \$3,200.00

Personal checking account: Acct. # 00000000-1; Current balance = \$12,900.00; 6 mo. Avg. Balance = \$10,400.00

Certificate of Deposit in the name of John Doe or Jane Doe: No. 666666-1; Amount = \$50,000.00

Term = 1 year; Opened - 11/30/85; Matures - 11/30/95; AUTOMATICALLY RENEWABLE

Mr. Doe also maintains a *Revolving Line of Credit* in the name of ABC Construction Company for working capital. AMOUNT = \$50,000; opened - 6/12/86; EXPIRATION - 6/12/91; SECURITY - Trust Deed on 123 elm St., Anytown, USA and personal guarantee of Mr. & Mrs. Doe; TERMS - 2% over banks prime rate but not less than 9%; CURRENT AMOUNT OUTSTANDING = \$22,670.

Mr. Doe has conducted all of his relationships in a very satisfactory manner and is one of our most valued customers.

Very truly yours,

By: (Bank Officer)

 Typed name and title

Personal Financial Statement.

PERSONAL FINANCIAL STATEMENT AS OF _____, 19 _____

Name of individual:		Social Security Number		Date of Birth	
Name of Spouse:		Social Security Number		Date of Birth	
Residence Address (Street, City, State, Zip Code)				Home Phone Number (Include Area Code)	
ASSETS			LIABILITIES		
Cash in Banks (Complete Schedule)		\$	Loans Payable - Banks (Complete Schedule)		\$
Notes Receivable (Complete Schedule)		\$	Notes Payable (Complete Schedule)		\$
Accounts Receivable Complete Schedule)		\$	Accounts Payable (Complete Schedule)		\$
Stocks/Bonds/Securities (Complete Schedule)		\$	Taxes Payable		\$
Real Estate Residence - (Complete Schedule)		\$	Mortgage Payable Complete Schedule)		\$
Real Estate - Investment/Other		\$	Other Liabilities Complete Schedule)		\$
Cash Value Life Ins. (Complete Schedule)		\$			\$
Personal Property		\$	TOTAL LIABILITIES:		\$
Other Assets (Complete Schedule)		\$	NET WORTH:		\$
TOTAL ASSETS		\$	TOTAL NET WORTH & LIABILITIES:		\$
INCOME:		Salary: \$	Spouse's Salary: \$		TOTAL INCOME
		Bonus/Other: \$	Bonus/Other: \$		\$

SUPPLEMENTARY SCHEDULES OF ASSETS & LIABILITIES

(NOTE: All data listed above must appear in the appropriate schedules. Insert "NONE" where appropriate.)

CASH IN BANKS					
Bank Name, Number & Location			Account Number	Amount	
				\$	
				\$	
				\$	
NOTES & ACCOUNTS RECEIVABLE					
Name & Address of Debtor		Amount Due	Due Date	Pledged (Yes/No)	Security
		\$			
		\$			
		\$			
STOCKS / BONDS / SECURITIES					
Name & Number (s) of Instrument		No. Of Shares	Price/Share	Market Value	Exchange & Call
			\$	\$	
			\$	\$	
			\$	\$	

REAL ESTATE (Residence/Investment/Other)							
Location & Description	Year Acq'd	Cost	Market Value	Monthly Income	Monthly Payment	Mortgage Balance	Mortgagee or Lien Holder
	\$	\$	\$	\$	\$	\$	
	\$	\$	\$	\$	\$	\$	
	\$	\$	\$	\$	\$	\$	
	\$	\$	\$	\$	\$	\$	

CASH VALUE OF LIFE INSURANCE				
Name of Insurance Co.	Beneficiary	Face Value	Cash Value	Loans Outstanding
		\$	\$	\$
		\$	\$	\$
		\$	\$	\$

OTHER ASSETS				
Description	Title Holder	Cost	Market Value	Age
		\$	\$	
		\$	\$	
		\$	\$	

LOANS PAYABLE				
Name of Lender	Address	Balance Due	Due in 1 Year	How is it Secured
		\$	\$	
		\$	\$	
		\$	\$	

ACCOUNTS & NOTES PAYABLE (Including Charge Accounts)					
Payable to Whom	Address	Amount	MO Pymt	Due Date	Security
		\$	\$		
		\$	\$		
		\$	\$		
		\$	\$		

OTHER LIABILITIES					
Description	Payable to Whom	Amount	Mo Pymt	Due Date	Security
		\$	\$		
		\$	\$		
		\$	\$		
		\$	\$		

Are you continentally liable or an endorser on any bonds or other obligations? YES NO ****Explain all YES**

Are you involved in any LITIGATION? YES NO **answers on separate**

Have you filed for Bankruptcy in the last 7 years? YES NO **sheet of paper****

I/We hereby certify and declare that the above statement presents accurately my financial condition to the best of my knowledge and belief and I/We hereby authorize and request any person, firm or corporation to furnish any information requested by National Surety Specialists, Inc. concerning any transaction with the undersigned; and National Surety Specialists, Inc. is authorized to obtain information to confirm this financial statement and may furnish copies of the foregoing statement and any information which it now has or may hereafter obtain to other companies for the sole purpose of securing suretyship, co-suretyship and/or reinsurance.

By: _____ Date: _____ By: _____ Date: _____

BOND REQUEST FORM. - CONTRACT BOND DATA SHEET

AGENT:			CODE:	
BID or FINAL (Circle One)		Bid Bond Number:		Final Bond Number:
Principal's Name & Address:			Bid Date:	
			Bid Amount : \$	
Obligee's Name & Address:			% Bid Bond:	
			% Performance	
Project Name & Address:			% Payment:	
			Maint. Period:	
Project Description			Contract Term:	
			Penalty: (LD) \$ CD WD	
Final Contract Amount: \$			Payment Terms:	
Describe Financing:			Contract Date:	
Has Financing Been Verified?			Start Date:	
Special Hazards (if none, state none):				
How many copies of the bond are needed?				
Work to be Sublet:	Amount:	Bonded?	Bid Results	Bidders Name
			1) \$	
			2) \$	
			3) \$	
			4) \$	
			WORK ON HAND	Sub Total:
			Work on Hand as of: _____	_____
			Low Bids Not Awarded	_____
			New Jobs Awarded	_____
Largest Single Job to Date: (Name)			Outstanding Bids	_____
			Work Off Since Schedule	_____
			Plus New Contract	_____
			Total:	_____
General Agent Recommendations:				
Is this bond issued under an approved bond line?				
Authorized By:			Bid Bond Fee: \$	
AUTHORIZATION			APPROVAL (Initial) Date	
This Authorization is subject to standard conditions as defined in the underwriting guidelines and the specific conditions listed below (if none state so).			Recommend?	
1. Bond subs over \$ _____ unless waived with documentation.			Rate:	Class Code:
2.			PREMIUM:	\$
3.			Surety	
4.			Authorized	By:
5.				
Comments:				