

CLFrates **AND COMPANY**

5005 N. Lincoln

P.O. Box 26967

Oklahoma City, Oklahoma 73126

(405) 290- 5600 Ext. 638

Fax (405) 290-5701

**FOR MORE THAN 75 YEARS, WE HAVE
CREATED BONDING SOLUTIONS THAT
HAVE HELPED PEOPLE SUCCEED**



SURETY OUTLINE

As your Professional Surety Agent, we are eager to assist you in maximizing your bonding capacity. We will need the following information to submit your account to a surety company.

- ◆ Please provide the last three CPA prepared fiscal year end financial statements on your business. These statements should be prepared on a percentage of completion basis and include supporting schedules and footnotes. The statements should also be prepared in accordance with Generally Accepted Accounting Principles(GAAP)
- ◆ Concurrent personal financial statements on each of the owners of the company.
- ◆ Interim financial statements on the business should be furnished if more than 6-8 months have passed since your last year end.
- ◆ Complete the attached Status of Contracts form as of the most recent month end.
- ◆ Furnish a letter from your banker about your relationship with them, your credit arrangements on a secured or unsecured basis, and any other general comments they may have about your business. (Sample Form Attached)
- ◆ Complete the attached Contractors Questionnaire.
- ◆ Please provide 5 letters of recommendation from suppliers, architects and / or owners.

Obviously this is a tremendous amount of paperwork. If you will follow this outline closely, we will be in a position to furnish the surety company a complete file on your business. While this may be a new experience for you, our agency personnel have hundreds of cumulative years of experience working with contractors to meet their surety objectives.

Keith Shideler, CIC, CRM
Bond Director
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CONTRACT STATUS REPORT

5005 N Lincoln
 P.O. Box 26967
 Oklahoma City, Oklahoma 73126
 405-290-5600 Ext 638
 Fax (405) 290-5701

Contractor Name: _____

Uncompleted Contracts as of: _____

I Job Description	II Owner	III Contract Price Incl. Change Orders		IV Current Estimated Cost Incl. Cost of Change Orders		V Total Costs (Direct) To Date	VI Total Revised Estimated Cost To Complete		VII Total Billed To Date Incl. Retainage	VIII Estimated Completion Date
1								\$0.00		
2								\$0.00		
3								\$0.00		
4								\$0.00		
5								\$0.00		
6								\$0.00		
7								\$0.00		
8								\$0.00		
9								\$0.00		
10								\$0.00		
11								\$0.00		
12								\$0.00		
13								\$0.00		
14								\$0.00		
15								\$0.00		
TOTALS				\$0.00	\$0.00	\$0.00		\$0.00	\$0.00	

Completed Contracts Since Last Contract Status Report

Job Description	Owner	Final Contract Price	Total Cost	Gross Profit (Loss)
1				\$0.00
2				\$0.00
3				\$0.00
4				\$0.00
5				\$0.00
6				\$0.00
7				\$0.00
8				\$0.00
9				\$0.00
10				\$0.00
TOTALS		\$0.00	\$0.00	\$0.00

Total Uncompleted
Work On Hand: \$0.00

Subcontract: _____

Bonded: _____

Unbonded: _____

REMARKS:

Signed: _____

Title: _____

Date: _____

INSTRUCTIONS

1. Please enter all projects, bonded as well as unbonded, including cost plus.
2. Contract Price should include APPROVED change orders only.
Claims and disputed items should not be included.
3. Costs should be entered on a basis consistent with the financial statement (P & L) allocation EXCLUDING general and administrative overhead.
4. Billed to Date and Cost to Complete should be as of a concurrent date. It should be consistent with the treatment in the financial statement.
5. The Estimated Cost to Complete should be an accurate estimate of the cost remaining at the time this report is completed. It should reflect any developments which occurred after the bid date which would affect the final cost. You should NOT simply subtract the cost to date from the original estimated cost.
6. All cells in Column VI of the upper block (Uncompleted Contracts), as well as Column V of the lower block (Gross Profit or Loss) are formulated and will calculate a figure based on data entered in Columns III, IV, and V.

BANK LETTERHEAD

Date:

Dear Sirs,

_____ has been a customer of our bank since _____.
For your information we are providing you the following information:

The above mentioned customer has maintained an average deposit balance of \$ _____
and currently has a deposit balance of \$ _____.

We have recently loaned this customer a high credit balance of \$ _____, of which
they currently owe us \$ _____. These loan(s) were secured by _____

The repayment terms of these loan(s) were _____.

Also, we have established a revolving working line of credit in the amount of \$ _____.
This line of credit currently has an outstanding balance of \$ _____ with the
anniversary date being _____.

Sincerely

Bank Officer

(PLEASE FEEL FREE TO INCLUDE ANY OTHER INFORMATION THAT YOU
FEEL IS IMPORTANT ABOUT THIS CUSTOMER)

Tel. (405) 290-5600 - Fax (405)290-5701

CONTRACTOR QUESTIONNAIRE

1. Name of Firm: _____

2. Address: _____ 3. Fiscal Yr. End _____

_____ (city) _____ (state) _____ (zip)

4. Phone: () _____ 5. Contracting Specialty: _____

6. Contact Person: _____ 7. Title: _____

8. Year Business Started: _____ 9. Type of Business: Corp. Part. Prop. Sub. S. Corp.

10. State of Incorporation: _____ 11. Area of Operation: _____

12. List the corporate officers, partners or proprietors of your firm:

	<u>Name</u>	<u>Yr. of Birth</u>	<u>Position</u>	<u>Percent Owned</u>	<u>Name of Spouse</u>
A.	_____	_____	_____	_____	_____
B.	_____	_____	_____	_____	_____
C.	_____	_____	_____	_____	_____
D.	_____	_____	_____	_____	_____
E.	_____	_____	_____	_____	_____

13. Will the above individuals and spouses personally indemnify Surety? Yes No
If no, explain: _____

14. Is there a buy 'sell agreement among the owners of the business? Yes No

15. is this agreement funded by life insurance? Yes No

16. Corp. Indemnity? Yes No

17. Cross/Corp Indemnity? Yes No

18. How many people does your firm employ? _____ 19. How many work crews? _____

20. Has your firm or any of its principals ever petitioned for bankruptcy, failed in business or defaulted so as to cause a loss to a Surety? Yes No.

If yes, please explain: _____

21. Is your firm or any of its owners or officers currently involved in any litigation?

Yes No. If yes, explain _____

22. What percentage of the firm's work is normally for:

Government Agencies _____% Private Owners _____%

23. What percentage of the firm's work is normally ,subcontracted: _____%

24. Are bonds required of subs? Yes No.

25. What trades do you normally subcontract? _____

26. What is largest amount of uncompleted work on hand at one time in the past?

Amount: \$ _____ Year: _____

27. What is the largest job you expect to do during the next year? \$ _____

28. What is the largest uncompleted work program expected during the next year? \$ _____

29. What is your expected annual volume next year? \$ _____

30. What trades do you normally undertake with your own forces? _____

31 SIC CODE: _____

32. Do you lease equipment? Yes No Type of lease? _____

34. What are the terms of the lease? _____

35. Name of your CPA: _____

Address: _____

Phone: _____ Contact Person: _____

36. On what basis are taxes paid? Cash Completed Job Accrual % of Completion

37. On what basis are financial statements prepared? Cash Completed Job Accrual
 % of Completion

38. On what level of assurance are financial statements prepared? CPA Audit Review Compilation

39. How often are financial statements prepared? Annually Semi-annually
 Quarterly Monthly

40. Do you have a full time accountant on staff? Yes No 41. Yrs. experience _____

42. Are job cost records kept? Yes No

43. How often reviewed? _____ 44. How often updated? _____

45. Do they show job detail? Yes No 46. Frequency? _____

47. Name of your Bank: _____

Address: _____

Phone: _____ Contact Person: _____

48. Amount of line of credit: \$ _____ 49. Expiration date: _____ 50. What is interest rate? ____%

51. UCC Filing? Yes No 52. How is credit secured? _____

53. Is your firm union? Yes No 54. What is firm's Dun & Bradstreet Number? _____

55. D & B Rating: _____ 56. Pay Record: _____ 57. Date of Rating: _____

Remarks: _____

58. Previous Bonding Companies:

Name _____ Reason for Leaving _____

A. _____

B. _____

C. _____

59. List five of your largest contracts:

Job Name _____ Contract Price _____ Gross Profit _____ Completion Date _____ Bonded? _____

A. _____ \$ _____ Yes No

Owner: _____ Design Professional: _____

B. _____ \$ _____ Yes No
 Owner: _____ Design Professional: _____

C. _____ \$ _____ Yes No
 Owner: _____ Design Professional: _____

D. _____ \$ _____ Yes No
 Owner: _____ Design Professional: _____

E. _____ \$ _____ Yes No
 Owner: _____ Design Professional: _____

60. List five of your major suppliers:

	Name	Address	Telephone	Contact
A.	_____	_____	_____	_____
B.	_____	_____	_____	_____
C.	_____	_____	_____	_____
D.	_____	_____	_____	_____
E.	_____	_____	_____	_____

61. List five subcontractors (or contractors if you are a subcontractor) that you do business with:

A. Name: _____
 Address: _____ Telephone: _____
 Contact: _____ Job: _____

B. Name: _____
 Address: _____ Telephone: _____
 Contact: _____ Job: _____

C. Name: _____
 Address: _____ Telephone: _____
 Contact: _____ Job: _____

D. Name: _____
 Address: _____ Telephone: _____
 Contact: _____ Job: _____

E. Name: _____
 Address: _____ Telephone: _____
 Contact: _____ Job: _____

62. List three Architects you have done business with:

A. Name: _____
 Address: _____ Telephone: _____
 Contact: _____ Job: _____

B. Name: _____
 Address: _____ Telephone: _____
 Contact: _____ Job: _____

C. Name: _____
 Address: _____ Telephone: _____
 Contact: _____ Job: _____

63. List key personnel, foremen or supervisors:

	Name	Position	Yr. of Birth	Yrs. Exper.	Previous Employer
A.	_____	_____	_____	_____	_____
B.	_____	_____	_____	_____	_____
C.	_____	_____	_____	_____	_____
D.	_____	_____	_____	_____	_____
E.	_____	_____	_____	_____	_____

64. List any life insurance in effect on key personnel: _____

	Name	Beneficiary	Amount	Cash Value
A.	_____	_____	\$ _____	\$ _____
	Insurance Company: _____			
B.	_____	_____	\$ _____	\$ _____
	Insurance Company: _____			
C.	_____	_____	\$ _____	\$ _____
	Insurance Company: _____			

65. List other insurance coverage currently in effect:

	Limits in '000's		Carrier	Expiration Date
	BI	PD		
A. General Liability:	\$ _____	\$ _____	_____	_____
B. Auto Liability:	\$ _____	\$ _____	_____	_____
C. Umbrella:	\$ _____	\$ _____	_____	_____
D. Owner's Protection:	\$ _____	\$ _____	_____	_____

66. List any subsidiaries and affiliates of the contracting firm:

	Firm Name	Ownership	Type Business	NANDA Code
A.	_____	_____	_____	_____
B.	_____	_____	_____	_____
C.	_____	_____	_____	_____
D.	_____	_____	_____	_____
E.	_____	_____	_____	_____

REMARKS: _____

Completed by: _____
 Title: _____
 Date: _____