

# CONTRACTOR BOND PRE-QUALIFICATION PACKET



**TO ESTABLISH FULL BONDING CAPACITY**



THE CONTRACT SURETY SPECIALISTS  
[www.alamobonds.com](http://www.alamobonds.com)

2361 Austin Hwy  
San Antonio, TX 78218  
Phone **210.930.5550**  
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## CONTRACT BONDS CHECKLIST

### \* Bid \* Payment \* Performance

To qualify for bonding credit, the surety company underwriter will need to determine the applicant's financial strength and capacity, creditworthiness, and ability to perform the work to be bonded, as well as any backlog.

As an independent agency, Alamo Surety Bonds represents the leading surety bond markets. This enables us to find the company that best fits your company's particular bonding needs. All of the bond companies we represent are U.S. Treasury-Listed and highly rated by A.M. Best. To apply for bonding credit, please complete the attached forms and send them to Alamo Surety Bonds via mail, fax, or email, along with the items included in the checklist below:

#### Contract Bond Checklist of Items:

- \_\_\_\_\_ **Contractor Questionnaire** (Attached)
- \_\_\_\_\_ **Status of Contracts** (Attached) Include all single jobs currently under contract, but not yet started or 100% completed.
- \_\_\_\_\_ **Personal Financial Statement** (Attached) To be completed by all principal owners, partners, or shareholders with at least 10% ownership interest
- \_\_\_\_\_ **Current Corporate/Business Financial Statement** This statement should include at a minimum a Balance Sheet & Income Statement for the most recent fiscal year-end and using the accrual method of accounting (not cash basis). CPA-preparation using the percentage-of-completion method is preferred.
- \_\_\_\_\_ **Prior Years Corporate/Business Financial Statements** The prior 2 fiscal years-end financial statements. If these financials are not available, you may substitute them with tax returns.
- \_\_\_\_\_ **Bank Reference Letter** Instructions attached.
- \_\_\_\_\_ **Resumes on Principal Owners and Key Personnel**
- \_\_\_\_\_ **Copy of Certificate of Insurance**
- \_\_\_\_\_ **Copy of the RFP or Bid Specs** (for a bid bond), **or a Copy of the Contract** (for payment/performance bonds)

We need the above basic information to effectively "sell" you to the prospective surety company. Additional information may be required by the underwriter. Once we receive all the required information, we typically get a response within 3 business days.

Please call me if you have any questions or need additional information. I look forward to working with you.

Sincerely,

Jim Swindle, AFSB

attachments

\* 2361 Austin Hwy, San Antonio, TX 78218 \* Phone: 210.930.5550 \* Fax: 210.930.3255  
\* Email: [jim@alamobonds.com](mailto:jim@alamobonds.com) \* Web Site: [www.alamobonds.com](http://www.alamobonds.com)

## CONTRACTOR QUESTIONNAIRE

1. Name of Firm: \_\_\_\_\_

2. Address: \_\_\_\_\_ 3. Fiscal Year End \_\_\_\_\_

\_\_\_\_\_

\_\_\_\_\_ (City) \_\_\_\_\_ (State) \_\_\_\_\_ (Zip)

4. Phone: (\_\_\_\_) \_\_\_\_\_ 4a. Fax: (\_\_\_\_) \_\_\_\_\_

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

33. 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 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: \_\_\_\_\_

58. Previous Bond Companies

<u>Name</u>	<u>Reason for Leaving</u>
A. _____	_____
B. _____	_____
C. _____	_____

59. List five of your largest contracts:

<u>Job Name</u>	<u>Contract Price</u>	<u>Gross Profit</u>	<u>Completion Date</u>	<u>Bonded?</u>
A. _____	_____	\$ _____	_____	<input type="checkbox"/> Yes <input type="checkbox"/> No
Owner: _____	Design Professional: _____			
B. _____	_____	\$ _____	_____	<input type="checkbox"/> Yes <input type="checkbox"/> No
Owner: _____	Design Professional: _____			
C. _____	_____	\$ _____	_____	<input type="checkbox"/> Yes <input type="checkbox"/> No
Owner: _____	Design Professional: _____			
D. _____	_____	\$ _____	_____	<input type="checkbox"/> Yes <input type="checkbox"/> No
Owner: _____	Design Professional: _____			
E. _____	_____	\$ _____	_____	<input type="checkbox"/> Yes <input type="checkbox"/> 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) with whom you do business:

- 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 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: \_\_\_\_\_

# SUPPLEMENTARY APPLICATION

Firm Name: \_\_\_\_\_

Address: \_\_\_\_\_

Fed Tax ID- \_\_\_\_\_

1. Is your firm or any subsidiary or affiliate currently involved in any litigation or subject to any liens or judgments?

YES       NO      If yes, explain below:

2. Are any of the owners/stockholders indemnitors currently involved in any litigation, divorce or separation proceedings?

YES       NO      If yes, explain below:

3. Has your firm ever petitioned for bankruptcy, failed in business or caused a loss to a surety?

YES       NO      If yes, explain Below:

4. Have any of the owners/stockholders/indemnitors ever petitioned for bankruptcy, failed in business or caused a loss to a surety?

YES       NO      If yes, explain below:

5. Is your current surety or any prior surety on notice of any payment or performance claims naming your firm?

YES       NO      If yes, explain below:

6. Current Surety: \_\_\_\_\_

Reason for changing surety: \_\_\_\_\_

Contact: \_\_\_\_\_

Telephone: \_\_\_\_\_

7. Will your firm, subsidiaries and affiliates and all stockholders and their spouses willingly indemnify the surety, for any and all bonded obligations?       YES       NO      If no, explain below:

8. Is your firm current on all Taxes: Withholding, Sales, Income and miscellaneous?

YES       NO      If no, explain below:

9. Are the owners/stockholders/indemnitors current on all Taxes : Withholding, Sales, Income and miscellaneous?

YES       NO      If no, explain below:

EXPLANATIONS TO EXCEPTIONS NOTED ABOVE: \_\_\_\_\_

\_\_\_\_\_

\_\_\_\_\_

\_\_\_\_\_

(Attach supporting information)

**The undersigned hereby acknowledges that the Surety will rely on the information furnished above and may, in fact, verify certain responses in accordance with existing statutes and insurance regulations. Any person who knowingly files an application for insurance or statement of claim containing any materially false information commits a fraudulent act, which is a crime, and may also be subject to a civil penalty, punishable under laws governing fraudulent insurance acts.**

Firm Name: \_\_\_\_\_

Date: \_\_\_\_\_

Principal signature: \_\_\_\_\_

Agent as Witness: \_\_\_\_\_

Printed name - \_\_\_\_\_

Printed name - \_\_\_\_\_





## PERSONAL FINANCIAL STATEMENT

Name \_\_\_\_\_ Social Security No.: \_\_\_\_\_

Address \_\_\_\_\_

Telephone \_\_\_\_\_

Business or Occupation: \_\_\_\_\_  
 Partner or Officer in any other venture? \_\_\_\_\_  
 Are any assets pledged? \_\_\_\_\_  
 Have you ever made a composition settlement or taken bankruptcy? \_\_\_\_\_  
 Explain: \_\_\_\_\_

The financial statement herein given as a true and accurate statement of the financial condition of the undersigned as of \_\_\_\_\_, 20\_\_\_\_. Income from alimony, child support or maintenance payments need not be revealed if the undersigned does not choose to disclose such income in applying for credit.

### ASSETS

### LIABILITIES AND NET WORTH

Cash on Hand and in Banks (Schedule 1)	\$	Notes Payable to Banks – Secured (Schedule 1)	\$
U.S. Government Securities	\$	Unsecured (Schedule 1)	\$
Accounts, Loans and Notes Receivable (Schedule 2)	\$	Notes Payable to Relatives	\$
Cash Surrender Value Life Insurance (Schedule 3)	\$	Accounts and Notes Payable to Others	\$
Other Stocks and Bonds (Schedule 4)	\$	Rents and Interest Due	\$
Real Estate (Schedule 5)	\$	Taxes Due (Schedule 5)	\$
Automobiles – Number ( )	\$	Liens on Real Estate (Schedule 5)	\$
Other Assets (Itemize)	\$	Other Liabilities (Itemize)	\$
	\$		\$
	\$		\$
	\$		\$
	\$		\$
		<b>TOTAL LIABILITIES</b>	<b>\$</b>
		<b>NET WORTH</b>	<b>\$</b>
<b>TOTAL ASSETS</b>	<b>\$</b>	<b>TOTAL LIABILITIES AND NET WORTH</b>	<b>\$</b>

### INCOME

### CONTINGENT LIABILITIES

Salary	\$	As Endorser or Co-Maker	\$
Bonus and Commissions	\$	On Loans or Contracts	\$
Dividends and Interest	\$	Legal Claims	\$
Real Estate Income	\$	Provisions for Federal Income Tax	\$
		Other Special Debt	\$
<b>TOTAL INCOME</b>	<b>\$</b>		

### INSURANCE COVERAGE

### COMPARISON OF MONTHLY INCOME AND EXPENSES

Fire Insurance – Buildings	\$	Net Monthly Income	\$
Household Effects and Autos	\$	Rent or Home Payment	\$
Liability Insurance - Automobiles	\$	Food and Utilities	\$
Personal	\$	Incidentals	\$
General Public	\$	Avg. Amt. Paid on Open Accts.	\$
Other Insurance	\$	<b>TOTAL EXPENSES</b>	<b>\$</b>
		<b>DIFFERENCE BETWEEN INCOME AND EXPENSES</b>	<b>\$</b>

**SCHEDULES**

**No. 1 Banking Relations. (A list of all my bank savings and loan accounts.)**

Name and Location	Cash Balance	Amount of Loan	Maturity of Loan	How Endorsed, Guaranteed or Secured
	\$	\$		
	\$	\$		
	\$	\$		
	\$	\$		
Total		\$		

**No. 2 Accounts, Loans and Notes Receivable. (A list of the largest amounts owing to me.)**

Name and Address of Debtor	Amount Owning	Age of Debt	Description or Nature of Debt	Description of Security Held	Date Payment Expected
	\$				
	\$				
	\$				
	\$				
	\$				
Total	\$				

**No. 3 Life Insurance.**

Name of Person Insured	Name of Beneficiary	Name of Insurance Co.	Type of Policy	Face Amount of Policy	Total Cash Surrender Value	Total Loans Yearly Policy	Amount of Yearly Premium	Is Policy Assigned?
				\$	\$		\$	
				\$	\$		\$	
				\$	\$		\$	
				\$	\$		\$	

**No. 4 Other Stocks and Bonds.**

Face Value Bonds No. Stock Shares	Description of Security	Registered in Name of	Cost	Present Market Value	Income Received Last Year	If Pledged State to Whom
\$ n/a			\$	\$	\$	
\$			\$	\$	\$	
\$			\$	\$	\$	
\$			\$	\$	\$	
\$			\$	\$	\$	

**No. 5 Real Estate. The legal and equitable title to all the real estate listed in this statement is solely in the name of the undersigned, except as follows:**

Description or Street No.	Dimensions or Acres	Improvements Consist of	Mortgages or Liens	Due Dates & Amounts of Payments	Assessed Value	Present Market Value	Unpaid Taxes	
							Year	Amt.
					\$	\$		\$
					\$	\$		\$
					\$	\$		\$
					\$	\$		\$
total					\$	\$		\$

The undersigned certifies that the information inserted on both pages hereof has been carefully read and is true and correct.

Date: \_\_\_\_\_

Signed: \_\_\_\_\_



## **Construction Bonds**

### **Subject: Financial Institution Bank Letter of Customer Relationship**

Alamo Surety Bonds has been contacted to assist with the placement of a Surety Bond Program with an insurance company for \_\_\_\_\_.  
(Name of Contractor)

An important part of the underwriting process which the end result is the extension of Surety Bond credit is to review our clients relationship with their financial institution, and their past credit performance.

**A reference letter without exact dollar amounts is of no use. The terminology of a low, medium or high figure is not acceptable for Surety Bond Underwriting. Please provide us with the following:**

- Date deposit account(s) was opened.
- Checking account and savings account 12 month average balance.
- Current checking account and savings account balance.
- Working capital line information:
  - Line Limit
  - Current balance outstanding, and date
  - Line expiration date
  - Security pledged for the line
  - Any line violations
- Current Loan obligations total of debt, purpose, and its security i.e. equipment etc.
  - Payment history, prompt etc.

**The reference letter should be prepared on bank letterhead, signed, and dated by a Banking Officer.**

**If you have any questions, please feel free to give me a call.**

Sincerely,

James K Swindle, AFSB  
Surety Bond Specialist