



Commercial Contractor Questionnaire

*Questionnaire for Service Contractors, Supply Contractors
or Other Commercial Businesses Seeking Contract Bonding*

1. Name of Firm	Phone Number
Address (Street, City or Town, State, Zip Code)	Federal Tax ID #

Agency/Broker Name	Contact and Phone Number
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ORGANIZATION AND BACKGROUND

2. Type of business: <input type="checkbox"/> Corporation (<input type="checkbox"/> 'C' or <input type="checkbox"/> 'S') <input type="checkbox"/> Partnership <input type="checkbox"/> Limited Liability Company <input type="checkbox"/> Proprietorship	Year business started:	Years operated under current management:
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3. Shareholders and Spouses:				
Name	Address	Date of Birth	Social Security Number	% Ownership (if any)
				%
				%
				%
				%
				%

4. Officers and Key Personnel:				
Name	Position	Years in Industry	Years w/Company	Previous Employer

5. Will shareholders and spouses personally indemnify Surety? Yes No
 If no, please provide additional comment:

6. Are any shareholder assets held in trusts? Yes No
 If trusts exist, will they indemnify surety? Yes No
 If no, please provide additional comment:

7. Is a **formal** continuity plan in place for the succession of future management? Yes No

8. Is a **formal** buyout plan in place? Yes No

If so, is the buyout plan fully funded by life insurance or other means? Yes No

9. Parent / Subsidiary / Affiliated Companies:

Name	% of Common Ownership	Relationship	Federal Tax ID #	Function/Purpose of Company	Operating Company	
	%				<input type="checkbox"/> Yes	<input type="checkbox"/> No
	%				<input type="checkbox"/> Yes	<input type="checkbox"/> No
	%				<input type="checkbox"/> Yes	<input type="checkbox"/> No
	%				<input type="checkbox"/> Yes	<input type="checkbox"/> No
	%				<input type="checkbox"/> Yes	<input type="checkbox"/> No
	%				<input type="checkbox"/> Yes	<input type="checkbox"/> No

10. Describe any capital requirements or contingent liabilities/guarantees provided to these affiliates/subsidiaries from the company or any of its owners. Please provide additional comment:

11. Has any individual or company listed above ever filed for bankruptcy or held a senior management position with a firm that has caused a surety or a bank a loss? Yes No
If yes, please provide additional comment:

12. Has your company ever defaulted on a contract? Yes No
If yes, please provide additional comment:

13. Is your company or any of its owners/officers currently involved in any litigation? Yes No
If yes, please provide additional comment:

OPERATIONS

14. What percentage of revenues is derived from bonded contracts? _____ %

15. What percentage of the firm's work is normally performed as:

- Prime Contractor _____ %
- Subcontractor _____ %
- Supply Obligations _____ %

16. Type(s) of bonded contracts sought?

17. What percentage of the firm's work is typically subcontracted? _____ %																							
18. List the approximate % of work annually performed for the following types of owners: <table style="width:100%; margin-top: 5px;"> <tr><td>Governmental</td><td style="text-align: right;">%</td></tr> <tr><td>Institutional</td><td style="text-align: right;">%</td></tr> <tr><td>Utilities</td><td style="text-align: right;">%</td></tr> <tr><td>Industrial</td><td style="text-align: right;">%</td></tr> <tr><td>Developers</td><td style="text-align: right;">%</td></tr> <tr><td>Others/Private Owners</td><td style="text-align: right;">%</td></tr> <tr><td colspan="2" style="text-align: right;">100%</td></tr> </table>	Governmental	%	Institutional	%	Utilities	%	Industrial	%	Developers	%	Others/Private Owners	%	100%		19. List the approximate % of contracts undertaken using the following types of payment terms: <table style="width:100%; margin-top: 5px;"> <tr><td>Fixed Price</td><td style="text-align: right;">%</td></tr> <tr><td>Cost - Plus</td><td style="text-align: right;">%</td></tr> <tr><td>Cost -Plus A Fixed Fee</td><td style="text-align: right;">%</td></tr> <tr><td>Cost - Plus With a Max. Upset Price</td><td style="text-align: right;">%</td></tr> </table>	Fixed Price	%	Cost - Plus	%	Cost -Plus A Fixed Fee	%	Cost - Plus With a Max. Upset Price	%
Governmental	%																						
Institutional	%																						
Utilities	%																						
Industrial	%																						
Developers	%																						
Others/Private Owners	%																						
100%																							
Fixed Price	%																						
Cost - Plus	%																						
Cost -Plus A Fixed Fee	%																						
Cost - Plus With a Max. Upset Price	%																						

20. Does any customer represent more than 20% of your annual revenues? Yes No
 If yes, please provide additional comment:

21. List the approximate % of contracts acquired using the following methods: <table style="width:100%; margin-top: 5px;"> <tr><td>Hard (Public) Bid</td><td style="text-align: right;">%</td></tr> <tr><td>RFP/RFQ/Negotiated</td><td style="text-align: right;">%</td></tr> <tr><td>Purchase Order</td><td style="text-align: right;">%</td></tr> <tr><td colspan="2" style="text-align: right;">100%</td></tr> </table>	Hard (Public) Bid	%	RFP/RFQ/Negotiated	%	Purchase Order	%	100%		22. List the approximate % of contracts with the following billing terms: <table style="width:100%; margin-top: 5px;"> <tr><td>Progress Payments</td><td style="text-align: right;">%</td></tr> <tr><td>Milestone Payments</td><td style="text-align: right;">%</td></tr> </table>	Progress Payments	%	Milestone Payments	%
Hard (Public) Bid	%												
RFP/RFQ/Negotiated	%												
Purchase Order	%												
100%													
Progress Payments	%												
Milestone Payments	%												
23. Typical retained percentage? _____ %													

24. Percent of employees subject to collective bargaining agreement(s)? _____ %

25. Number of employees: _____

26. In what geographic area do you work?

Have you ever worked outside your normal geographic area? Yes No
 If so, where?

Are you considering work outside your normal territory? Yes No
 If yes, where?

27. Has the applicant and/or its related companies and owners engaged in:

Joint Ventures	<input type="checkbox"/> Yes <input type="checkbox"/> No	Turn - Key Contracts	<input type="checkbox"/> Yes <input type="checkbox"/> No
Foreign Contracts	<input type="checkbox"/> Yes <input type="checkbox"/> No	Design Work	<input type="checkbox"/> Yes <input type="checkbox"/> No
Real Estate Development	<input type="checkbox"/> Yes <input type="checkbox"/> No	Contracts Lasting More Than Two Years	<input type="checkbox"/> Yes <input type="checkbox"/> No

28. List your primary competitors:

29. Largest 3 contracts completed:

Name of Owner/Project	Bonded?	Final Contract Price	Final Gross Profit	Damages Assessed	Year Completed?
	Yes No	\$	\$	\$	
	Yes No	\$	\$	\$	
	Yes No	\$	\$	\$	

BANKING

30. Name of Bank	How Long?	Contact / Phone Number
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31. Revolving line of credit or working line? Yes No Facility Amount: \$
 Expiration Date: Amount Drawn: \$ Average Draw: \$

32. Is the revolver secured? Yes No Type of assets secured:
 Guarantors:

33. Are letters of credit available? Yes No Cost of letters of credit?

34. Have letters of credit been used to support contract bond needs? Yes No
 If yes, are any currently outstanding in support of contracts? Yes No If yes, please include a list of contracts.

ACCOUNTING

35. Name of Accounting Firm	How Long?	Contact / Phone Number
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36. On what level of assurance are financial statements prepared and how often (Annual / Semi-Annual / Quarterly / Monthly)?
 CPA Audit: CPA Review: CPA Compilation: Internal:

37. Do you have a full time accountant on staff? Yes No Years of experience?

38. In-house accounting software used:

39. Is Percentage of Completion accounting used for contracts over 12 months in duration? Yes No

INSURANCE

40. Coverage	Single Limit	Aggregate Limit	Name of Carrier	Expiration Date
General Liability	\$	\$		
Auto Liability	\$	\$		
Umbrella	\$	\$		
Workers Comp	\$	\$		
Professional Liability	\$	\$		
Other	\$	\$		

CONTRACT RISK MANAGEMENT

41. Do you utilize a standardized contract for the work performed? Yes No If yes, please attach copy of standardized contract.

42. Are there established procedures/authority for review of new bids? Yes No
 If yes, please provide additional comment:

43. What is the average contract duration (include optional contract extensions)?
 Average: Maximum: Minimum:

44. Have you utilized annual bonds on multi-year contracts? Yes No
 If yes, have you negotiated annual language into the contracts? Yes No

45. List the approximate % of work where bonds are needed for the full contract price (full penalty bonds) or in an amount less than the contract price (percentage bonds):
 % full penalty bonds % percentage bonds
 If percentage bonds are needed, the typical percentage is: 75% 50% 25% Less than 25%

46. Bonding capacity needed for normal business activity: Single bond size: \$ _____ Aggregate program: \$ _____

47. Do you bond subcontractors? Yes No
 What criteria does the firm use to determine if a subcontractor will be bonded?

48. Do you use other methods to secure performance of subcontractors and suppliers? Yes No
 If yes, please provide additional comment:

49. Describe the internal procedures and authority guidelines for approving contracts/proposals.
 Please provide additional comment:

PRIOR BONDING HISTORY

50. Name of Prior Surety(ies)	How Long?	Reason for Leaving

51. What is the most recent rate charged on surety bonds? \$ _____ (typically stated as rate per thousand)

MISCELLANEOUS

52. Are the companies or shareholders listed above acting as guarantors for bank, surety, or other obligations for companies not already listed on this questionnaire? Yes No
 If yes, please provide additional comment:

53. Through what fiscal year have your accounts been cleared as a result of an I.R.S. Audit?

54. Is your company involved in lien actions or law suits not already noted in your latest financial statement? Yes No
 If yes, please provide additional comment:

COMMENTS

55. Please provide additional information regarding your work experiences, history, unique capabilities, level and degree of computerization, etc., which would permit the Surety to have a more complete understanding of your company.

The Applicant hereby represents that the above statements and responses are accurate and authorizes AHT Insurance and the Surety Company, its affiliates, and/or their agents to contact the references listed above. In addition, as part of our underwriting process, the Surety retains the right to investigate personal credit history. To the extent required by law, we will, upon request, provide notice whether or not a consumer report has been requested by Surety, and if so, of the name and address of the consumer reporting agency furnishing the report.

PREPARED BY (Name)	POSITION	SIGNATURE	DATE

INFORMATION NEEDS

In order for us to respond timely to your request for credit, please enclose:

- Last three fiscal year-end financial statements with appropriate supporting schedules
 - ~ Job schedules
 - ~ Account receivable and payable aging schedules
 - ~ G&A schedule
- Current interim financial statement with appropriate supporting schedules
- Related party (if any) financial statements with appropriate supporting schedules
- Personal financial statements for all owners with appropriate supporting schedules
 - ~ Real estate schedule
 - ~ Marketable securities schedule
 - ~ Investment schedule
- Trust agreements (if any assets of owners are held in Trusts)
- Operational information (i.e., organizational chart, resumes for owners and key personnel, reference letters, business plan outlining type of work, growth, and profit objective)
- Bank information (i.e., copy of bank lines/agreements)
- Continuity plan (i.e., life insurance, buy-sell agreement)
- Limited Liability Company Articles and Operating Agreement (if applicable)
- Copy of contract, specifications and bond forms for any pending requests.
- List of contracts supported by letters of credit (question 34).
- If standardized contract used, please attach copy (question 41).