

MEI
Contract Surety
700 A Lake St.
Ramsey, NJ 07446

COMMERCIAL CONTRACT QUESTIONNAIRE

Name of Firm	Phone Number
Address (Street, City/Town, State, Zip Code)	Federal Tax I.D.

Agency/Broker Name	Contact and Phone Number
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ORGANIZATION AND BACKGROUND

<input type="checkbox"/> Corp <input type="checkbox"/> S Corp <input type="checkbox"/> LLC <input type="checkbox"/> Partnership <input type="checkbox"/> Proprietorship	Yr. Business Started	Yrs. under current management
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Shareholders (Owners) & Spouses

Name	Address	Date of Birth	Social Security No.	% Ownership, if any
				%
				%
				%
				%
				%
				%

Officers & Key Personnel

Name	Position	Yrs. in Industry	Yrs. with Company	Previous Employer

Will shareholders and spouses personally indemnify Surety? Yes No

If No, please explain:

Are any shareholder assets held in trusts? Yes No If trusts exist, will they indemnify Surety? Yes No

If No, please explain:

Is there a formal continuity plan in place for management succession? Yes No

Is there a formal buy-sell agreement in place? Yes No If Yes, please attach copy.

If Yes, is the agreement funded by life insurance? Yes No

Is there key person life insurance in place? Yes No

If Yes, please provide the following.

Name	Beneficiary	Face Amount	Cash Value	Ins. Company
		\$	\$	
		\$	\$	
		\$	\$	

Parent/Subsidiary/Affiliated Companies

Name	% of common Ownership	Relationship	Federal Tax I.D.	Product/Operations

Describe any capital requirements or contingent liabilities/guarantees provided to these affiliates/subsidiaries from the company or any of its owners.

Parent/Subsidiary/Affiliated Companies

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

Has this company ever defaulted on a contract? Yes No If Yes, please explain.

Is this company or any of its owners/officers currently involved in litigation? Yes No If Yes, please explain.

OPERATIONS

- What percentage of revenue is derived from bonded contracts? ____%
- What percentage of the firms work is performed as a: Prime Contractor ____% Subcontractor ____%
- Types of bonded contracts sought? Service Supply Supply & Install Other
- What percentage of the company's work is usually subcontracted? ____%
- What trades do you normally subcontract? _____
- List the approximate % of work performed annually for the following: Federal ____% State & Local ____%
Industrial ____% Institutional ____% Utilities ____% Private Owners ____%
- List the approximate % of contracts undertaken using the following payment terms:
Fixed Price ____% Cost Plus ____% Cost Plus a Fixed Fee ____% Cost Plus with Max Upset Price ____%
- Does any customer represent more than **25%** of your annual revenue? Yes No

If Yes, please explain. _____

- List the approximate percentage of contracts with the following billing terms:
Progress Payments ____% Milestone Payments ____%
- What is your typical retained percentage? ____%
- Percent of employees subject to collective bargaining agreements? ____%
- Total number of Employees? _____
- In what geographic area do you normally work? _____
- Have you ever worked outside of your normal territory? Yes No If Yes, when? _____
- Are you contemplating seeking work outside of your normal territory? Yes No
- Has the applicant engaged in: Joint Ventures Overseas Contracts Real Estate Development
 Design Work Turn Key Contracts Contracts Longer Than Two Years

•List your primary competitors: _____

•List largest four contracts completed in the last **five** years.

Owner/Project	Bonded	Final Contract Price	Final Gross Profit	Yr. Completed
	<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	\$	\$	

•List largest amount of uncompleted work on hand in the last **five** years \$_____

BANKING

•Name of Bank _____ City/State _____

•How Long? _____ Contact & Phone Number _____

•Do you have a revolving line of credit or working capital line? Yes No If Yes, Amount: \$_____

•Expiration Date: _____ Amount borrowed: \$_____ In compliance with covenants? Yes No

•Is the revolver secured? Yes No Type of assets to secure line? _____

•Do you have a Letter of Credit Facility? Yes No

ACCOUNTING

•Name of CPA Accounting Firm: _____ How long as your firm? _____

Name of Contact: _____ Phone Number _____

•What is the CPA statement level of assurance? Audit Review Compilation

•How often are statements prepared by CPA? Annually Semi-Annually Quarterly Monthly

•How often are internal statements prepared? Annually Semi-Annually Quarterly Monthly

•Do you have a full time accountant on staff? Yes No Yrs. With company? _____ Yrs. experience? _____

•Name of your in-house accounting software. _____

•Name of your scheduling/job cost software. _____

•Do you use percentage of completion accounting? Yes No

INSURANCE

	Single Limit	Aggregate Limit	Name of Carrier	Expiration Date
General Liability	\$	\$		
Umbrella	\$	\$		
Professional Liability	\$	\$		
Workers Comp	\$	\$		

CONTRACT/BOND INFORMATION

•Do you have a standard contract form for the work you perform? Yes No If Yes, please attach copy.

•Is there an established process for the review of new bids? Yes No

If Yes, please describe: _____

•What is the average contract duration? _____

•What percentage of contracts include contract extensions? _____% Maximum number of extensions? _____

•Have you used annual bonds on multi-year contracts? Yes No

If Yes, have you inserted annual bond language into your contracts? Yes No

• What percentage of your contracts require full contract bonds (100% of contract price) or an amount less than full contract price (percentage)?
 Full Contract Price _____% Less than full contract price _____%

•What is the typical percentage bond needed? _____%

CONTRACT/BOND INFORMATION

•Do you bond subcontractors? Yes No

•What criteria do you apply to determine whether or not to bond a subcontractor?

•What other methods do you use to secure subcontractor / supplier performance?

•What is the size of the bond line you are seeking for normal operations?
Single bond size \$_____ Aggregate program \$_____

PRIOR BOND COMPANY HISTORY

Name of Prior Surety Co. (not prior agent/agency)	How Long as your surety?	Reason for leaving

GENERAL

•Are there currently any open liens, suits or judgments? Yes No

•Is your company subject to any pending liens or law suits? Yes No

If Yes, to either, please comment.

The undersigned hereby represent that the information given in this questionnaire is accurate. The undersigned authorize Capitol Indemnity Corporation and/or Platte River Insurance Company to verify the accuracy of this information with any bank, creditor, or other reference. The undersigned also authorize Capitol Indemnity Corporation/Platte River Insurance Company to investigate credit with any creditor, supplier, financial institution or other person or entity.

Prepared by:	Title	Signature	Date

Commercial Contract accounts are numerous in variety. They include service contractors, suppliers, suppliers and installers, manufacturers, distributors and others. They can be mom and pop operations or large publicly traded companies. This variety affects information requirements. Due to this variety it's not possible to provide one comprehensive list of requirements that applies to every submission. Instead, we have identified the general areas of interest in all submissions. Additional information may be required as determined by the underwriter.

For a timely response to your request, please provide the following:

- Complete copies of the last three fiscal year end financial statements including
Accounts Receivable Aging Schedule
Job Schedules
- If more than six months since the last fiscal year end, please provide an interim financial statement including
Accounts Receivable Aging Schedule
Job Schedule
- Personal Financials Statements for all owners
- Trust Agreement if owners' assets are held in trust or trust has ownership in entity to be bonded
- Resumes, organizational chart, reference letters, etc
- Bank information including a copy of the loan/promissory note representing the bank line, its terms, expiration date and amount outstanding..
- Certificate of Insurance
- Copy of Buy/Sell Agreement