



Bond Kit

Contract & Miscellaneous Bonds

Starke Agency, Inc.

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StarkeAgency.com



confidence moving forward



Overview & Instructions

Since surety is a credit relationship, establishing surety credit is similar to applying for a loan. We file paperwork on your behalf to the surety companies we represent, and they in turn determine whether your company is able to financially complete the project as required by your client.

You should be aware that the more information we have with the initial submission the better position we are in to provide a positive and timely response. In order to make this process as simple as possible, we have developed this bond kit. However, you may also submit other forms if they contain the same information.

Please provide us with the following information:

- 1) **Contractor Questionnaire** - (form enclosed) This document should be completed and signed by an owner or officer of the company requesting bonding.
- 2) **Fiscal Year End Company Financial Statements** - These statements should be prepared by an independent CPA as of their most current and previous two fiscal years. You have a much better chance of being accepted by a surety company if you give us quality financial information. Most surety companies prefer audited or reviewed financial reports prepared under GAAP on the percentage of completion method of revenue recognition. Proper footnotes and schedules are also very important.
- 3) **Current Interim Financial Statement** – If available, please include a copy of your current interim financial statement. An in-house generated statement is acceptable.
- 4) **Aging Schedule of Accounts Receivable**
- 5) **Bank/Credit Reference Form** (form enclosed) - This form will outline your credit standing with the bank.
- 6) **Personal Financial Statement** (form enclosed) - This financial statement should be prepared for all owners concurrent with the most current fiscal year end. Complete and sign this document.
- 7) **Resumes** - (form enclosed) Resumes should be provided on the key people in the business.
- 8) **Plan of Continuity** - Continuity should include details on the ownership and control of the company should any of the current major owners retire or be unable to perform their duties.
- 9) **Current Insurance Certificate**
- 10) **Work-in-Progress and Completed Job Schedules** - (form enclosed) This information should be provided concurrent with any financial presentation (preferably included in the financial presentation) and current with the submission of the account. We will continue to need this information on a quarterly basis.
- 11) **Bond Request Form** (form enclosed) - If there is a specific job that will require bonding, please complete this form.

If we can be of any assistance, please let us know. We will work diligently on your behalf and hope to earn your confidence.

Sincerely,

J. Kyle Drumwright, AFSB
Vice President of Surety/Construction
334-387-4332 Direct
334-546-8142 Cell
kdrumwright@starkeagency.com

Judy Payne, CISR, CPIW
Surety Account Advisor
334-387-4330 Direct
jpayne@starkeagency.com



Contractor Questionnaire

COMPANY INFORMATION

Name of Company: _____

Contact Name: _____ E-mail: _____

Company Address: _____

Phone: _____ Fax: _____

Web Site: http:// _____

State of Incorporation: _____ Year Started: _____

Tax ID: _____ Is your company union? ☐ Yes ☐ No

Geographical Area(s) of Operation: _____

Type of Business: ☐ C-Corp. ☐ Sub S. Corp. ☐ Part. ☐ Prop. ☐ LLC

Class of Contractor: ☐ Builder ☐ Highway ☐ Heavy Constr. ☐ Subcontractor ☐ Specialty ☐ Other

What size projects and backlog does your company want to undertake?
Single Job: \$ _____ Total Program: \$ _____

Do you have a formal business plan? ☐ Yes ☐ No If yes, please attach a copy.

Has your company 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 attach an explanation.

Is your company presently involved in any litigation? ☐ Yes ☐ No If yes, please attach an explanation.

Have you been previously bonded? ☐ Yes ☐ No

Name of Surety: _____ Reason for change: _____

List any subsidiaries or affiliated companies. (Include: exact name, type of business, and ownership)

What percent of your work is composed of each: Government agencies _____% Private owners _____%

On average, what percent of your work is sub-contracted? _____% Do you require bonds of your subs?
☐ Yes ☐ No If no, give your reason and explain your pre-qualification process below:

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

What trades do you normally subcontract? _____

What is your largest uncompleted backlog? _____

Do you engage in joint ventures? ☐ Yes ☐ No

FINANCIAL INFORMATION

When is your fiscal year end? _____

On what basis are your taxes paid?
☐ Completed Job ☐ Accrual ☐ % of Completion ☐ Cash

On what basis are the financial statements prepared?
☐ Cash ☐ Completed Job ☐ Accrual ☐ % of Completion

Who prepares your statements?
☐ Public Accountant ☐ Staff Accountant ☐ Owner

If CPA prepared, are they audited?
☐ Yes ☐ No

OWNER(S) INFORMATION

<u>Legal Name</u>	<u>Age</u>	<u>Position</u>	<u>% of Stock</u>	<u>Spouse's Legal Name</u>
1)				
2)				
3)				
4)				

Will the above individuals and spouses personally indemnify surety?
If no, please attach explanation.

☐ Yes ☐ No

Is there a buy/sell agreement among the owners of the business?

☐ Yes ☐ No

Is this agreement funded by life insurance?

☐ Yes ☐ No

KEY PERSONAL

<u>Legal Name</u>	<u>Position</u>	<u>Years of Experience</u>
1)		
2)		
3)		
4)		

LIFE INSURANCE INFORMATION

List any life insurance in effect on owners or key personnel:

<u>Legal Name</u>	<u>Beneficiary</u>	<u>Amount</u>	<u>Insurance Company</u>
1)			
2)			
3)			
4)			

BUSINESS INSURANCE INFORMATION

Name of Insurance Broker/Agency? _____

Name of Carrier: _____ Expiration Date: _____

WORK HISTORY/REFERENCES

List five of your major contracts:

<u>Job Name</u>	<u>Contact Name</u>	<u>Phone Number</u>	<u>Contract Price</u>	<u>Gross Profit</u>	<u>Completion Date</u>	<u>Bonded?</u>
1)						<input type="checkbox"/> Yes <input type="checkbox"/> No
2)						<input type="checkbox"/> Yes <input type="checkbox"/> No
3)						<input type="checkbox"/> Yes <input type="checkbox"/> No
4)						<input type="checkbox"/> Yes <input type="checkbox"/> No
5)						<input type="checkbox"/> Yes <input type="checkbox"/> No

List four of your major suppliers:

<u>Company Name</u>	<u>Contact Name</u>	<u>Phone Number</u>
1)		
2)		
3)		

List four subcontractors (Or list four contractors if you are a subcontractor) that you do business with:

<u>Company Name</u>	<u>Contact Name</u>	<u>Trade</u>	<u>Phone Number</u>
1)			
2)			
3)			
4)			

Applicant(s) hereby authorize the Starke Agency, Inc. and its affiliated insurance companies to make such pertinent inquiry as may be necessary from financial institutions, persons, firms, and corporations in order to confirm and verify information referred to or listed on this application.

This questionnaire must be signed by an owner or officer of the company for which bonding is being requested.

Signature: _____

Date signed: _____

Printed Name: _____

Company: _____

Title: _____



Bank / Credit Reference Form

ACCOUNT AUTHORIZATION

By signing the line below, I hereby authorize _____ to release to Starke Agency, Inc. the information requested and to discuss same with them, said authorization to remain in effect until rescinded.

Signature _____ Name: _____ Date: _____

ACCOUNT INFORMATION

Account Name: _____

Company Address: _____

Financial Institution: _____

Customer Since: _____ Information is Current as of: _____

CHECKING

SAVINGS

Current Balance: _____

Average Balance (Last 12 Months): _____

LINES OF CREDIT INFORMATION

WORKING CAPITAL

EQUIPMENT

Total Approved Credit: _____

Amount Currently Borrowed: _____

Maximum Borrowed (Last 12 Months): _____

Minimum Borrowed (Last 12 Months): _____

Expiration Date: _____

In compliance with all covenants? ☐ Yes ☐ No ☐ Yes ☐ No

GENERAL INFORMATION

Comments: _____

COMPLETED BY

Name/Title: _____

Branch: _____

Phone: _____ Email: _____

Signature _____ Date: _____



Personal Financial Statement

In order to get a snapshot of your personal financial strength, you can either complete the form below or get a personal financial form from your bank/CPA. Either way is acceptable.

PERSONAL INFORMATION

Full Name: _____
Date of Birth: _____ SSN: _____
Spouse Name: _____
Date of Birth: _____ SSN: _____
Address: _____

Home Phone: _____ Cell Phone: _____

STATEMENT OF FINANCIAL CONDITION

Assets:	In Dollars (omit cents)	Liabilities	In Dollars (omit cents)
Cash in Primary Bank:	\$ _____	Unsecured Debt: (Sch. G)	\$ _____
Cash & CD's in Other Banks: (Sch. A)	\$ _____	Current Bills Due:	\$ _____
Stock Bonds & Marketable Securities: (Sch. B)	\$ _____	Real Estate Mortgages: (Sch. C)	\$ _____
Real Estate Owned: (Sch. C)	\$ _____	Secured Debt: (Sch. H) (Other than real estate)	\$ _____
Cash Surrender: (Sch. D)	\$ _____	Taxes Payable:	\$ _____
Business Ventures: (Sch. E)	\$ _____	Other Debts & Liabilities: (Specify below)	
Notes Receivable: (Sch. F)	\$ _____	_____	\$ _____
Personal Property: (Jewelry, coins, etc.)	\$ _____	_____	\$ _____
Automobiles, RV's Boats:	\$ _____	_____	\$ _____
Other Assets: (Specify below)			
_____	\$ _____		
_____	\$ _____	TOTAL LIABILITIES:	\$ _____
_____	\$ _____	TOTAL NET WORTH	\$ _____
TOTAL ASSETS	\$ _____	TOTAL LIABILITIES & NET WORTH:	\$ _____

[illegible]

SCHEDULE C: RESIDENCE AND OTHER REAL ESTATE

Address:	Title in Name of:	% Owned:	Year Acquired:	Cost:	Market Value:	Monthly Payment:	Mortgage Balance:	Year Matures:
		%		\$	\$	\$	\$	
		%		\$	\$	\$	\$	
		%		\$	\$	\$	\$	
		%		\$	\$	\$	\$	
		%		\$	\$	\$	\$	

SCHEDULE D: LIFE INSURANCE

Insurance Company:	Owner of Policy:	Name of Insured:	Beneficiary and Relationship:	Face Amount:	Policy Loans:	Cash Surrender:
				\$	\$	\$
				\$	\$	\$
				\$	\$	\$
				\$	\$	\$
				\$	\$	\$

SCHEDULE E: BUSINESS VENTURES & OTHER ASSETS

Name of Business:	Type of Business:	Years in Business:	Net Worth:	% Owned:	Value of your Ownership: (Net Worth x % Owned)
			\$	%	\$
			\$	%	\$
			\$	%	\$

SCHEDULE F: NOTES RECEIVABLE

Due From:	Due Date:	Description:	Monthly Payment:	Amount Owed:
			\$	\$
			\$	\$
			\$	\$

SCHEDULE G: SECURED & UNSECURED DEBT

Name of Creditor:	Description of Debt:	Type of Debt:	Maturity Date:	Monthly Payment:	Amount Owed:
		<input type="checkbox"/> Secured <input type="checkbox"/> Unsecured		\$	\$
		<input type="checkbox"/> Secured <input type="checkbox"/> Unsecured		\$	\$
		<input type="checkbox"/> Secured <input type="checkbox"/> Unsecured		\$	\$
		<input type="checkbox"/> Secured <input type="checkbox"/> Unsecured		\$	\$
		<input type="checkbox"/> Secured <input type="checkbox"/> Unsecured		\$	\$
		<input type="checkbox"/> Secured <input type="checkbox"/> Unsecured		\$	\$
		<input type="checkbox"/> Secured <input type="checkbox"/> Unsecured		\$	\$
		<input type="checkbox"/> Secured <input type="checkbox"/> Unsecured		\$	\$
		<input type="checkbox"/> Secured <input type="checkbox"/> Unsecured		\$	\$

The undersigned acknowledges and understands that Starke Agency, Inc. and its affiliated insurance companies are relying on the information provided herein in deciding to grant or continue credit or to accept a surety thereof. The undersigned represents, warrants, and certifies that the information provided herein is true, correct and complete. Starke Agency, Inc. and its affiliated insurance companies are authorized to make all inquiries necessary to verify the accuracy of the information contained herein, and to determine the credit-worthiness of the undersigned. The undersigned authorizes Starke Agency, Inc. to answer questions about our credit experience with the undersigned.

This questionnaire must be signed by an owner or officer of the company for which bonding is being requested.

Signature: _____

Date signed: _____

Printed Name: _____

Title: _____

Company: _____



Resume of Experience

PERSONAL INFORMATION

Resume of Experience for:
(Owner or Key Employee) _____

Position: _____ Company Name: _____

Date of Birth: _____ Phone Number: _____

Place of Birth: _____

Email Address: _____

Home Address: _____

If married, name of spouse: _____

EDUCATION

High School: _____

College: _____

Trade School: _____

EXPERIENCE WITH COMPANY

Starting Position: _____ Starting Date: _____

Present Position and responsibilities: _____

Percentage of ownership: _____ % (if applicable)

PREVIOUS INDUSTRY EXPERIENCE

1) Company Name: _____ Job Responsibilities: _____

Position: _____

Address: _____

2) Company Name: _____ Job Responsibilities: _____

Position: _____

Address: _____

"Previous Industry Experience" continued on next page.

3) Company Name: _____ **Job Responsibilities:** _____

Position: _____

Address: _____

PERSONAL REFERENCES

1) Name: _____

Address: _____

Phone Number: _____ **Length of Time Acquainted:** _____

Relationship: _____

2) Name: _____

Address: _____

Phone Number: _____ **Length of Time Acquainted:** _____

Relationship: _____

3) Name: _____

Address: _____

Phone Number: _____ **Length of Time Acquainted:** _____

Relationship: _____



As of:

[illegible][illegible][illegible]



Bond Request Form

Contractor: _____ Today's Date: _____

Phone: _____ Email: _____

Delivery Instructions: ☐ Mail ☐ Overnight ☐ Pickup ☐ Hand Delivery

Project Description:
(Also attach copy of invitation to bid) _____

Bid Date and Time: _____ Estimate: \$ _____ Bid Percentage: _____ %

Time to Complete: _____ Penalties: (Liquidated Damages) _____ Retainage: _____

Maintenance Period: _____ Warranty Period: _____ Maint. Bond Amt: _____

Obligee Name & Address:
(If different from Owner) _____

Owner's Name & Address: _____

Special bond form required by the owner? ☐ No ☐ Yes **If yes, please attach form**

Did you attach a copy of the contract? ☐ No ☐ Yes **If yes, please attach form**

Work On Hand: \$ _____

Job Cost Breakdown

Labor	\$	_____					
Materials	\$	_____					
Sub Cost	\$	_____	=	\$	_____	+	\$
Profit	\$	_____					
Total	\$	_____					

Bid Results (Please furnish bid results as soon as possible)

	Bid Amount	Company
1st	\$	_____
2nd	\$	_____
3rd	\$	_____
List your bid amount if not shown above \$ _____		