



SURETY DIVISION

CONTRACT EXPRESS

Limits and Overview

PHLY Contract Express offers bonding programs within and up to \$1MM/\$1MM limits. PHLY Contract Express is here to provide bonding solutions to a broad base of potential and current contractor clients: from the transactional, one time bond user to the contractor that requires a defined bonding program that can be fully relied upon. PHLY's Contract Express team will prequalify your customer for either program; there is no bid or final bond requirement at the time of the submission. Once we approve your client within a program and set a line, all you need to do is submit a bond request form to our professional team when a bid or final bond is needed.

Geography

We write contract express accounts in all 50 states.

Account Size

PHLY's target niche is single bonds and/or aggregates up to \$1,000,000.

- PHLY Contract Express underwriting is application and personal credit score driven for single bonds and/or aggregates up to \$500,000
- For single bonds and aggregate bonded work programs greater than \$500,000, we will ask that your customer provide their most recent corporate financial year-end and interim statement (less than six months old), and personal financial statements of all owners and spouses

Backlog Management

We provide backlog management flexibility. Each PHLY Contract Express program takes into account run-off on all open bonded work, whether PHLY or another surety's bonded work. To substantiate run-off figures, we require an owner representative signed job status indicating, at minimum, percent complete, acceptability of work thus far, and owner representative contact information.

Pricing Criteria

We will recognize your customers' strengths. As such, we offer the following rates within each program:

- For single bonds and/or aggregates up to \$500,000 – 3% and 2.5% flat rates
- For single bonds and/or aggregates greater than \$500,000 – 3% and 2.5% flat rates, and a sliding scale rate structure for qualifying customers

We do not charge for bid bonds. We do not maintain a minimum account or agency premium requirement.

Response Time

We understand a customer can be won or lost due to a slow responding

carrier. We aim to conclude a new submission within one business day of receipt.

Types of Business, Contracts, and Contract Terms the PHLY Express Programs Are Primarily Designed For

1. General Builders
2. Major Trade Contractors and Sub-contractors
3. Landscapers
4. Material Suppliers
5. Annually Renewable Service Contracts
6. Contracts with liquidated damages up to \$2,500/day
7. Contracts up to 180 miles away from contractor headquarters
8. Contracts with completion times up to one year

Types of Businesses, Contracts, and Bonds the PHLY Express Programs Are Not Designed For

1. Contractors or Bonds in NYC or the five boroughs
2. Environmental Contractors, including Asbestos Abatement, Underground Storage Tank, Lead and Soil Remediation, Hazardous Waste Closure/Post Closure
3. Curtain Wall/Exterior Glass/Glazing Contractors
4. Subdivision or Site Improvement Contracts
5. Computer Software Contracts
6. Contracts with warranty term greater than two years
7. Completion Contracts
8. International Contracts
9. Wage and Welfare Bonds

Risk Characteristics

We pursue potential customers and value ongoing clients with the following characteristics:

1. Owner(s) and spouse(s) with clean credit history and acceptable personal credit score(s)
2. Company and owner(s) with the financial means to service annual debt obligations
3. Company and owner(s) with successful years of experience in construction and construction management
4. Company and owner(s) that focus on their core business in their core territory
5. Company and owner(s) that will provide the full indemnity of owners, spouses, and affiliated companies

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