



RLI Surety
 Phone: 800-483-9754 Fax: 309-683-1630
 Email: lifesaverbonds@rlicorp.com

RLI Lifesaver Application
Small Contractor Bond Program
Jobs up to \$200,000 (Single or Aggregate Line)
For Aggregate Programs in excess of \$200,000
up to \$400,000 see RLI Lifesaver Plus

SUBMISSION INSTRUCTIONS

1. **Application** - Complete RLI Lifesaver Application for jobs to \$200,000 (single or aggregate line). Complete RLI Lifesaver Application **and** RLI Lifesaver Plus Application for an aggregate program in excess of \$200,000 up to \$400,000.
2. **Additional Indemnitors Form** - Must be completed for third and subsequent owners.
3. **Indemnity Agreement** - Must be completed and signed by all owners and spouses.
4. **Bid Bond** - Please furnish a copy of the bid invitation document.
5. **Performance & Payment Bond** - Include copies of the bid results, contract agreement, and any required bond forms.

The following types of contract work cannot be considered: Residential Work, Subdivision/Site Improvement, Completion, Asbestos and Lead Abatement, Hazardous Materials, Stand Alone Maintenance Contracts, Multi-Year, Service, Consulting, Design, or Computer Software Programs. This list is subject to change and may not be all inclusive.

Producer should advise applicant that certain credit and reference checks may be made during the underwriting process.

UNDERWRITING GUIDELINES

Upon satisfactory review of the contract and applicant's credit history, approval will be provided if the following conditions are met:

- | | |
|-----------------------|---|
| Beacon Credit Score: | 700+ |
| Project Size: | Not more than 50% greater than previous largest project of same scope |
| Bid Spread: | Within 15% of next lowest bidder |
| Warranty: | 12 months or less |
| Liquidated Damages: | \$500 or less per day |
| Project Duration: | 12 months or less |
| Total Work on Hand: | Less than \$400,000 bonded and non-bonded |
| Time In Business: | Two years + |
| Agent Recommendation: | Good recommendation and writes all insurance |

If these conditions cannot be met, please contact an underwriter to discuss in more detail.

Please submit all information to RLI Surety at lifesaverbonds@rlicorp.com or fax to 309-683-1630.



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CONTRACTOR INFORMATION	Business (Legal) Name				<input type="checkbox"/> Individual <input type="checkbox"/> Corporation <input type="checkbox"/> LLC <input type="checkbox"/> Partnership <input type="checkbox"/> S Corporation <input type="checkbox"/> LLP	
	Business Address			City	State	Zip
Phone		Fax		Date Business Formed		
Business Net Worth		# of Projects to Complete	Total Work on Hand		Cost to Complete	
Current Amount of Bonded Work			Current Amount of Outstanding Bids that will require Performance Bonds if successful			
Please list largest completed contracts below:						
Largest Project 1 (Owner/General Contractor)			Type of Work		Contract Amount	Final Profit
Contact Person			Phone			
Largest Project 2 (Owner/General Contractor)			Type of Work		Contract Amount	Final Profit
Contact Person			Phone			
PERSONAL INFORMATION	Indemnitor Name		Social Security No.	Date of Birth	Home Phone	
	Indemnitor Address/City/State/Zip			Percentage of Ownership	Indemnitor's Net Worth	
Spouse's Name (check here <input type="checkbox"/> if not married)				Social Security No.	Date of Birth	
PERSONAL INFORMATION	Indemnitor Name		Social Security No.	Date of Birth	Home Phone	
	Indemnitor Address/City/State/Zip			Percentage of Ownership	Indemnitor's Net Worth	
Spouse's Name (check here <input type="checkbox"/> if not married)				Social Security No.	Date of Birth	
JOB/PROJECT INFORMATION	Bid/Contract Amount		Bond Type (Bid, Final)	Bid Date	Bid Bond Percentage	
	Maintenance Period		Liquidated Damages	Project Start Date	Completion Date	
Project Description						
Project Location						
Obligee Name			Contact Person		Phone	
Obligee Address/City/State/Zip						
BOND FORM INFORMATION	<input type="checkbox"/> RLI <input type="checkbox"/> Obligee (send copy) <input type="checkbox"/> AIA <input type="checkbox"/> State (send copy) <input type="checkbox"/> Federal					
	Name of Licensed Producer for the Power of Attorney: _____				Contract #: _____	
PRODUCER INFORMATION	Agency Name		Code	Phone	Fax	
	Agency Address		Contact Person		E-mail	
AGENT'S RECOMMENDATION:			Comments:			
<input type="checkbox"/> We are not very familiar with this applicant. <input type="checkbox"/> We are familiar with applicant and are aware of no adverse information about him/her. <input type="checkbox"/> We know applicant very well and offer our highest recommendation.			_____ _____ _____			

Any person who knowingly and with intent to defraud any insurance company or other person files an application for insurance or statement of claim containing any materially false, incomplete, or misleading information, or conceals information concerning any material fact thereto, commits a fraudulent insurance act, which is a crime punishable by incarceration, and shall also be subject to civil penalties.

GENERAL INDEMNITY AGREEMENT

THIS AGREEMENT is made by the undersigned Principal(s) (signing below as the "Company") and Indemnitor(s), all of which are individually and collectively referred to as "Undersigned," for the continuing benefit of Surety in connection with any Bond executed on behalf of any Indemnitor or any Principal. The undersigned hereby certify the truth of all statements in the application, authorize the Surety to verify this information and to obtain additional information from any source, including obtaining a credit report at the time of application, in any review or renewal, at the time of any potential or actual claim, or for any other legitimate purposes as determined by the Surety in its reasonable discretion.

DEFINITIONS. The following terms shall have the following definitions in this Agreement:

Bond: Any surety bond, undertaking, or other express or implied obligation of guaranty of suretyship executed or committed to by Surety on, before or after this date, and any riders, endorsements, extensions, continuations, renewals, substitutions, increases or decreases in penal sum, reinstatements or replacements thereto.

Principal: The person(s) and entity(ies), for whom any Bond is issued or committed to by Surety, or any one or combination thereof, or their successors in interest, whether alone or in joint venture with others named herein or not named herein, and any person or entity that directly or indirectly, through one or more intermediaries, controls or is controlled by, or is under common control with any party to this Agreement.

Surety: Any and all of **RLI Insurance Company, RLI Indemnity Company**, their respective reinsurers, and any other person or entity which may act as surety or co-surety on any Bond, or any other person or entity who executes any Bond at its request.

INDEMNITY. The Undersigned:

- A. Agrees to defend, indemnify, and save harmless the Surety from and against any and all demands, liabilities, costs, penalties, obligations, interest, damages and expenses of whatever nature or kind, including but not limited to attorneys' fees (including those of both outside and in-house attorneys) and costs and fees incurred in investigation of claims or potential claims, adjustment of claims, procuring or attempting to procure the discharge of Bond, or attempting to recover losses or expenses from the Undersigned or third parties, whether Surety shall have paid out any such sums; and
- B. Agrees to pay Surety all premiums on Bonds issued by Surety on behalf of any Principal, in accordance with Surety's rates in effect when each payment is due. Premiums on contract bonds are based on the contract price, without reference to the penal sum of the Bond, and shall be adjusted due to changes in the total contract price. On any Bond where Surety charges an annual premium, such annual premium shall be due upon execution of the Bond and upon the renewal or anniversary date of such Bond until satisfactory evidence of termination of Surety's liability as a matter of law under the Bond is furnished to Surety's satisfaction; and
- C. Agrees that in furtherance of such indemnity:
 - i) In any claim or suit arising out of or related to either or both any Bond and this Agreement, an itemized statement of Surety's loss and expense, sworn to by a representative of Surety, or other evidence of disbursement by Surety, shall be prima facie evidence of the fact and extent of Undersigned's liability under this Agreement.
 - ii) Surety shall have the right to defense and indemnity regardless of whether Surety has made any payment under any Bond.
 - iii) In any suit between any Undersigned or Principal and Surety under this agreement or arising out of any Bond, Surety may recover its further expenses and attorneys' fees incurred in such suit either or both defending or prosecuting such suit.

GENERAL PROVISIONS. The Undersigned further agrees as follows:

- A) If a claim or demand for performance of any obligation under any Bond is made against Surety, Undersigned, upon Surety's demand, shall immediately deposit with Surety United States legal currency, as collateral security, in an amount equal to the reserves posted by Surety with respect to such claim or demand, plus an amount equivalent to Surety's estimate of its anticipated expenses and attorneys' fees to be incurred in connection therewith. Undersigned acknowledges and agrees that Surety shall be entitled to specific performance of this paragraph.
- B) Undersigned's obligations under this Agreement are joint and several. Repeated actions under this Agreement or as otherwise permitted may be maintained by Surety without any former action operating as a bar to any subsequent action. Surety's release of any one Undersigned shall not release any other Undersigned. No action or inaction of Surety with respect to anyone other than Undersigned shall relieve the Undersigned of any obligation owned under this Agreement. Undersigned shall not be released from liability under this Agreement because of the status, condition, or situation of any party to this Agreement or any Principal.
- C) If the execution of this Agreement by any Undersigned is defective or invalid for any reason, such defect or invalidity shall not affect the validity hereof as to any other Undersigned. Should any provision of this Agreement be held invalid, the remaining provisions shall retain their full force and effect.
- D) Undersigned waives any defense that this instrument was executed subsequent to the date of any Bond and acknowledges that such Bond was executed pursuant to Undersigned's request and in reliance on Undersigned's promise to execute this Agreement. Undersigned understands and agrees that this Agreement is a continuing agreement to indemnify over an indefinite period.
- E) Undersigned has the right to review all Bonds executed by Surety for errors and omissions prior to delivery of the Bond to the Oblige, and hereby waives any claim against Surety arising out of any such error or omission.
- F) Surety shall have the right in its sole discretion to decide whether any claims arising out of or related to any Bond shall be paid, compromised, defended, prosecuted or appealed regardless of whether or not suit is actually filed or commenced against Surety upon such claim. Undersigned agrees to be conclusively bound by Surety's determination.
- G) Surety may decline to execute any Bond for any reason and shall not be liable to Undersigned, or any person or entity, as a result of such declination.
- H) I agree that I cannot terminate my liability to the Surety created by this agreement except by sending written notice by certified mail of intent to terminate to the Surety. Written notice to terminate shall be sent to the Surety at its home office, 9025 N. Lindbergh Dr. Peoria, IL 61615. I agree that the termination will be effective thirty working days after the actual receipt of such notice by the Surety, but only for bonds signed or committed to by Surety after the effective date. Thus, I agree that I will remain liable to the Surety for loss on bonds signed or committed to by Surety prior to the effective date of termination.
- I) Undersigned understands and agrees that other than for the entity issuing a Bond, no other entity included within definition of the "Surety" in this Agreement assumes any obligation whatsoever with respect to either this Agreement or such Bond.
- J) A facsimile of this Agreement shall be considered an original and shall be admissible in a court of law to the same extent as an original copy.

Dated: _____ (Month) _____ (Day) _____ (Year)

Company Name (Print): _____

Signature X _____

(Person authorized to sign for the company) Name: _____ Title: _____

Indemnitors:

Signature X _____

Signature X _____

(Indemnitor) Print Name here: _____

(Spouse) Print Name here: _____

Signature X _____

Signature X _____

(Indemnitor) Print Name here: _____

(Spouse) Print Name here: _____

Signature X _____

Signature X _____

(Indemnitor) Print Name here: _____

(Spouse) Print Name here: _____



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CONTRACTOR INFORMATION	Business (Legal) Name		
Business Address		City	State Zip
FINANCIAL INFORMATION	Please submit the following:		
<input type="checkbox"/> For a C-Corporation, S-Corporation, LLC or LLP:	Company's most recent CPA fiscal year-end financial statement. IF not available, submit company's in-house prepared fiscal year-end financial statement with company's most recent tax return.		
<input type="checkbox"/> For a Sole Proprietorship and Partnership:	Company's most recent CPA fiscal year-end financial statement. IF not available, submit company's in-house prepared fiscal year-end financial statement <u>with</u> a copy of Schedule C from the owners' most recent personal tax return.		
AND			
<input type="checkbox"/> Personal Financial Statement	Copy of each owners' current personal financial statement. Include supporting bank and marketable securities statements for verification purposes.		
CURRENT JOB/PROJECT INFORMATION	List the two (2) largest contracts currently underway:		
Owner/General Contractor	Type of Work	Project Location	
Contract Amount	Cost to Complete	Estimated Profit	Anticipated Completion Date
Owner/General Contractor	Type of Work	Project Location	
Contract Amount	Cost to Complete	Estimated Profit	Anticipated Completion Date
OPERATIONS INFORMATION	Name of Liability Insurance Company	Insurance Limits	Expiration Date
Trades Performed			
Trades Subcontracted			
Territory where presently work and plan to perform work			
GENERAL INFORMATION	Company		Any officer, owner or partner
1. Any company or personal assets held in trust or escrow accounts?	<input type="checkbox"/> Yes <input type="checkbox"/> No		<input type="checkbox"/> Yes <input type="checkbox"/> No
2. Bonded in the past?	<input type="checkbox"/> Yes <input type="checkbox"/> No		<input type="checkbox"/> Yes <input type="checkbox"/> No
3. Denied bonding or been in claim previously with surety?	<input type="checkbox"/> Yes <input type="checkbox"/> No		<input type="checkbox"/> Yes <input type="checkbox"/> No
4. Involved in any lawsuits or disputes in past 5 years?	<input type="checkbox"/> Yes <input type="checkbox"/> No		<input type="checkbox"/> Yes <input type="checkbox"/> No
5. Failed to complete any job or assessed delay damages or penalties?	<input type="checkbox"/> Yes <input type="checkbox"/> No		<input type="checkbox"/> Yes <input type="checkbox"/> No
6. Declared personal or business bankruptcy or failed in any business?	<input type="checkbox"/> Yes <input type="checkbox"/> No		<input type="checkbox"/> Yes <input type="checkbox"/> No
For any YES answer, provide complete details or copies of correspondence explaining all:			

PRODUCER INFORMATION	Agency Name	Code	Phone Fax
Agency Address	Contact Person	E-mail	

Any person who knowingly and with intent to defraud any insurance company or other person files an application for insurance or statement of claim containing any materially false, incomplete, or misleading information, or conceals information concerning any material fact thereto, commits a fraudulent insurance act, which is a crime punishable by incarceration, and shall also be subject to civil penalties.