



## U.S. SMALL BUSINESS ADMINISTRATION SURETY BOND GUARANTEE AGREEMENT

Terms and Conditions of Agreement on Page 2

1. Surety Name:		2. Business Name & Business Trade Name:		
3. Co-Surety Name + Percentage:		4. Principal's Address: Street, City, State, Zip and County		
5. Principal's Name:				
6. Contract – <i>Description of nature and extent (volume) of work:</i> Project Location: Anticipated Project Start Date: Anticipated Project Completion Date:		7. <input type="checkbox"/> Bid <input type="checkbox"/> Negotiated		Bid Date:  Bid Time:
<i>If contractor has started work, an SBA Form 991 must be submitted to SBA before the Guarantee Agreement can be executed.</i>				
8. Obligee Name: Address (Street, City, State, Zip, County):				
<b>BLOCKS 9-10 TO BE COMPLETED FOR BID BOND GUARANTEES.</b>				
9. Estimated Contract Amount:		10. Bid Bond Percentage or Amount:		
<b>BLOCKS 11-21 TO BE COMPLETED FOR CONTRACTS AWARDED AND FINAL BOND GUARANTEES.</b>				
11. Date of Contract Award:	12. Contract Amount:	13. Maintenance Bond /Agreement Amount: _____ Years: Ancillary Bond <input type="checkbox"/> Yes <input type="checkbox"/> No Type:		
14. Payment Bond Number:	15. Payment Bond Amount:	16. Bid Spread Low \$: 2 <sup>nd</sup> Low \$:		
17. Performance Bond Number:		18. Performance Bond Amount:		
19. Contractor Fee Amount:	20. Premium and Rate Charged by Surety:	21. Surety Fee Amount:		
<b>BLOCKS 22-28 TO BE COMPLETED FOR CONTRACT/BOND AMOUNT CHANGES AND SHOULD SPECIFY THE INCREASE/DECREASE CONTRACT, PREMIUM AND FEE AMOUNTS.</b>				
22. <input type="checkbox"/> Increase <input type="checkbox"/> Decrease	23a. Original Contract Amount:	23b. Revised Contract Amount:	24. Payment Bond Amount:	25. Performance Bond Amount:
26. Contractor Fee Amount:	27. Premium and Rate Charged by Surety:		28. Surety Fee Amount:	
<p>In my opinion the Principal appears to have the financial management and technical abilities to successfully complete this contract. However, I have determined that the Principal falls below the normal underwriting standard of this Surety, who will not issue this bond without the SBA guarantee. By signing below, I certify that I have been authorized by the Surety identified in Box 1 to obligate Surety to the terms and conditions stated on page 2 of this agreement and that all information provided in connection with the Surety's application for a surety bond guarantee from SBA, including any supporting documents submitted with this agreement, including but not limited to SBA Form 994B, is true, correct and complete to the best of my knowledge. I understand that knowingly making a false statement or submitting false information is a violation of Federal law and could result in criminal prosecution or civil penalties under 18 U.S.C. § § 287, 371, 1001, 15 U.S.C. § 645, or 31 U.S.C. § 3729.</p>				
29. Signature of Surety's Attorney-in-Fact:				
Printed Name:		Agency Name:		30. Date:
<p>By its authorized signature, SBA agrees to guarantee the bond described herein as of the time of issuance, subject to 15 U.S.C. § 694a and b, SBA regulations in 13 CFR Part 115, applicable SBA Standard Operating Procedures, and the terms and conditions stated on page 2 of this Agreement. In providing this guarantee, SBA relies on the declarations above and on the forms submitted and signed by the Surety as applicable. This guarantee shall become effective upon the Surety's execution (as defined in such regulations) of the SBA-guaranteed bond. SBA guarantees ____ % of the loss in consideration of ____% of the surety's own premium base.</p>				
31. SBA Signature:		32. Title:		33. Date:
Disposition: <input type="checkbox"/> Approved <input type="checkbox"/> Returned <input type="checkbox"/> Withdrawn <input type="checkbox"/> Declined			34. SBG Number:	

**SUBMISSION INSTRUCTIONS:** This form is to be completed by Prior Approval Sureties. This form may be completed electronically in the Capital Access Financial System (CAFS) located at <https://www.sba.gov/partners/surety-bond-partners-agents/operate-surety-partner-or-agent>. If the form is prepared electronically, the completed form must be downloaded, printed and signed and then uploaded into CAFS. If CAFS is unavailable, a paper copy of the form is available on the Office of Surety Guarantees (OSG) website at <https://www.sba.gov/partners/surety-bond-partners-agents/operate-surety-partner-or-agent> where it may be printed, completed, signed and mailed to the OSG office at 409 3<sup>rd</sup> Street, S.W. Suite 8600 Washington, D.C. 20416. SBA reviews the application, makes a final determination, notifies the Surety or agent of its decision and returns the signed agreement to the Surety. SBA's approval of the guarantee is contingent upon, if applicable, the remittance to SBA of the guarantee fee owed by the contractor.

**Terms and Conditions:**

1. If the Surety determines that the Contract price is reasonable, and the Contract amount does not exceed the statutory ceiling specified in 13 CFR Part 115, Surety shall, subject to the execution of this guarantee agreement by SBA, become Surety on the bid, performance and payment bond(s) required for the award of the Contract. Surety may withdraw its decision to issue such bond(s) if prescribed underwriting conditions are not met or if additional information comes to the attention of Surety that adversely affects its underwriting determination, in which case, the Surety shall give notice of its decision to SBA.
2. The Surety represents that the terms and conditions of such bond(s) are, and will be, in accord with SBA regulations (13 CFR Part 115) and with those standards established and generally accepted by the surety industry for the type of contract for which such bond(s) are required to be furnished by Principal, and Surety represents that such bonds would not be provided for Principal on this Contract without this SBA guarantee.
3. If any suit or claim is filed against Surety upon said bond(s), Surety must inform SBA of the same within 30 days of receipt of notice. Unless SBA decides otherwise, and so notifies Surety, Surety shall take charge of all suits or claims arising under said bond(s) and compromise, settle, or defend such suit or claim until so notified. Surety shall take all steps necessary to mitigate any loss resulting from Principal's default. Surety shall not join SBA as a party in any lawsuit to which Surety is a party unless SBA has denied liability or has agreed to such joinder in writing.
4. No employee of SBA has authority to waive, change or alter the terms of this Agreement, unless such alterations are separately attached, and both the SBA and Surety's authorized representatives have signed and dated their assent.
5. This Agreement is made exclusively for the benefit of SBA and the Surety and does not confer any rights or benefits on any other party, such as any right of action against SBA by any person claiming under SBA-guaranteed bonds or otherwise. In the event of the Surety's insolvency, SBA shall not be liable to the receiver or other representative of the surety except for any loss incurred and monies actually paid by such representative under the bonds guaranteed by SBA.
6. The Surety agrees to comply with all relevant SBA regulations and SBA Standard Operating Procedures. If any provision of this Agreement is inconsistent or conflicts with any SBA regulation, such regulation shall prevail in construing or applying this Agreement.

**PLEASE NOTE:** The estimated burden for completing this form is approximately 10 minutes per response. You are not required to respond to any collection of information unless it displays a currently valid OMB Control number (3245-0007). Comments on the burden should be sent to U.S. Small Business Administration, Director, Records Management Division, 409 3<sup>rd</sup> St., S.W., Washington, D.C. 20416 and/or Desk Officer for the Small Business Administration, Office of Management and Budget, New Executive Office Building, Room 10202 Washington, D.C. 20503. **PLEASE DO NOT SEND COMPLETED FORMS TO OMB.**