

SURETY SPECIALTY GROUP, INC.

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www.bondssg.com

What Does Bonding Cost?

OUR SERVICE IS FREE! The work that we perform for you in obtaining a line of credit from a bonding company is free. We do not charge you for our time or advice. We only bill you for the premiums on any binds that are provided to you. If you do not have any bond needs there are no fees to you.

All right, our service is free but bonds are not. Bond premiums are based on the class of work being performed and the amount of the contract (including increases and decreases due to change orders). At Surety Specialty Group we will always attempt to use sureties which offer standard or deviated Surety Association of America rates. When you prepare your bids you can usually use the rates below for estimated bond costs to include on your bid.

You will need the following bonds:

- Bid Bond – This will act as your bid security. There is no cost for this bond. It will show that you are pre-qualified for the bid.
- Payment & Performance Bonds – These are provided when you sign a bonded contract. They will guarantee your performance of the work and your payment of all subs, labor and suppliers. The cost of both of the bonds is included in one premium rate. The cost is based on the amount of the contract and the rate charged by the surety for your account.

The standard rates in Florida are as follows:

First \$100,000 of contract price	is \$25 per thousand (2.5%)
Next \$400,000	is \$15 per thousand (1.5%)
Next \$1,500,000	is \$10 per thousand (1.0%)
Next \$2,500,000	is \$7.50 per thousand (0.75%)

(These may vary for each company)