

# WEBSITE VERIFICATION FOR SURETY COMPANIES

## A. NOTES:

1. On the SC Department of Insurance website, be extremely careful when checking the name of the surety company to ensure the correct company is checked.
2. On the A.M. Best website, enter the surety company's name exactly as shown on the bond.

## B. INSTRUCTIONS FOR VERIFICATION

1. Access the South Carolina Department of Insurance website at [www.doi.sc.gov](http://www.doi.sc.gov).
2. At the Department of Insurance website home page, under "Companies", click on "Company Information." Next click "General Information." Finally click "List of Insurance Companies and Health Maintenance Organizations Authorized to Transact Business within the State of SC."
3. A list of insurance companies authorized to transact business in South Carolina will appear. Verify that the surety company's name is on the list.
4. Go back to the SC Department of Insurance page. Click "Government and Industry Resources" on the light grey menu bar on the left side of the web page.
5. Click "A.M. Best Company" or go directly to the A.M. Best home page at [www.ambest.com](http://www.ambest.com). Note: You may be required to register at your first search.
6. Enter the company name in the box labeled "Ratings & Analysis" and then click on "Go."
7. Select the exact company name as it appears on the Bond Form to view the Best Ratings.
8. To be acceptable, a Bid Bond **shall**:
  - a. Be written on the latest available edition of the **AIA A310** or the equivalent (An equivalent form will have verbiage that states that it is 'in the form of the **AIA A310**' on it);
  - b. Be issued by a surety company licensed to do business in South Carolina;
  - c. Be issued by a surety company having, at a minimum, a "Best Rating" of "A" (Note: In the case of a construction contract under \$100,000, the agency may, upon written justification and with the approval of the OSE, allow the use of a "B+" rated bond.);
  - d. Have a minimum "Best Financial Strength" of in no case less than five (5) times that portion of the contract price that does not include operations, maintenance, and finance;
  - e. Be accompanied by a certified and current power of attorney by the attorney-in-fact who executes the bond on behalf of the surety company; and,
  - f. Be enclosed in the bid envelope at the time of the Bid Opening, either in paper copy or as a Bid Bond authorization number provided on the Bid Form.
9. To be acceptable, the Performance and Labor and Material Payment Bonds **shall**:
  - a. Be written on the most current editions of the **SE-355, Performance Bond**, and the **SE-357, Labor and Material Payment Bond**;
  - b. Be issued by a surety company licensed to do business in South Carolina;
  - c. Be issued by a surety company having, at a minimum, a "Best Rating" of "A" (Note: In the case of a construction contract under \$100,000, the agency may, upon written justification and with the approval of the OSE, allow the use of a "B+" rated bond.);
  - d. Have a minimum "Best Financial Strength Category" of "Class V" and in no case less than five (5) times that portion of the contract price that does not include operations, maintenance, and finance;
  - e. Be accompanied by a certified and current power of attorney by the attorney-in-fact who executes the bond on behalf of the surety company;
  - f. Display the Surety's Bond Number; and,
  - g. Remain in effect for a period not less than one (1) year following the date of Substantial Completion or the time required to resolve any items of incomplete Work and the payment of any disputed amounts, whichever time period is longer.
10. Information on A.M. Best financial Strength Ratings can be found here: <http://www.ambest.com/ratings/guide.asp>