The Value of ACTIVBonding's Enhanced Bonding Program

For over 30 years, Bold Concepts® has been enhancing the growth of small businesses. We pride ourselves on providing comprehensive services for Small Business (SB) General Contractors specializing in Federal Construction Programs. We work with various small businesses that have a variety of designations, such as:

- 8(a)
- Native American/ Tribally Owned
- Historically Underutilized Business Zones (HUBZone)
- Small Business
- Women Owned Small Business (WOSB)
- Service Disabled, Veteran Owned Businesses (SDVOSB)
- Small Disadvantaged Businesses (SDB)

Bold Concepts' enhanced bonding program via ACTIVBonding maximizes growth, while potentially lowering barriers to the continuing costs associated with a bonding program, sometimes as much as three-fold.

As a leader in the field of bond management, ACTIVBonding uses a strategic program to ensure that you and, more importantly, the surety company feel confident with your integrity and financial capabilities.

Capital, Capacity, and Character

ACTIVBonding supplements and works closely with you to strengthen the surety industry Key Performance Indicators (KPI): Capital, Capacity, and Character.

Capital means having the proper financial documentation, including a strong balance sheet, to support the bond. At ACTIVBonding, we assist you with identifying and adopting those practices that will build and preserve a strong balance sheet in order to effectively present trusted and reliable financial reporting.

Capacity refers to resources and personnel. Does the contractor have the equipment, experience, knowledge, and skills necessary to support current and future program projects?

ACTIVBonding is able to provide access to resources that have a proven track record within the surety broker industry. We can provide qualified personnel when needed and we can assist you with anticipating and resolving those issues that might arise during high growth periods while mitigating the risk to the surety industry.

Character relates to trustworthiness. Does the General Contractor's record indicate a willingness to reasonably mitigate risk, a proven track record of fulfilling expected obligations and contractual terms as well as a history of consistent and accurate reporting to support the current narrative? A solid surety relationship must have faith in one another through consistency, transparency, and predictability. The General Contractor must continue to exhibit character over time. For over 30 years and 6,000 projects, the resources of ACTIVBonding have demonstrated consistent trust, transparency, and predictability with the surety market—qualities that can be utilized to supplement and enhance your performance.

Together, the three C's create a cohesive equation. Capital + Capacity + Character = Total Bonding Program. When your business is supplemented with ACTIVBonding's proven and established financial and operational resources, your bonding program will begin to grow immediately. Many of our clients have increased their bonding capacity ratios from an average of 10:1 to over 30+:1 immediately.

Indemnity Risks

Contractual Indemnity under a Payment or Performance bond promises that if a default occurs then one of the parties (Contractor) agrees to pay any sums the other party (Surety) might otherwise be legally required to pay to a third party (Obligee or Government).

Unfortunately, if a default occurs, the indemnitor's first available assets will be seized by the surety to satisfy all costs associated with the default including attorney's fees. Working diligently with ACTIVBonding to develop reasonable risk mitigation practices for all aspects of your growing construction business will be key to protecting the equity you worked so hard to obtain.

Bold Concepts' enhanced bonding program via ACTIVBonding assists in the accelerated growth and development of small business General Contractors. ACTIVBonding will work with you to develop reporting platforms and risk management techniques to allow for growth of your independent bonding program. Scheduling regular interactions with the bonding agent and surety to assist you with understanding how to speak their language will strengthen your character within the industry. We leverage a decades-long relationship with one of the nation's largest construction bonding brokers, thus allowing you to experience exceptional growth with the goal to sustain your program capacity independently.