



## **WHY COMPLETE THE CONTRACT STATUS REPORT?**

We trust the following will provide you with a better understanding of the purpose and importance of the information provided in the Contract Status Report:

1. Please consider the difficulties an owner can face by not keeping the surety informed. If a construction purchaser or their representative knows of problems on a job and does not report these to the bonding company by responding to requests for information, they may have nullified their protection under the bond by prejudicing the position of the surety. This could result in frustration and dissatisfaction not to mention lengthy and costly litigation.
2. By being informed of problems early, the surety can often help the owner, the contractor and the subcontractors avoid costly disputes.
3. Contract Status Reports provide feedback to surety companies on the contractors' abilities to perform certain types and sizes of construction projects. This, in turn, enhances the surety's effectiveness in prequalifying contractors, a service that cannot be provided by letters of credit nor by other forms of contract security.
4. The Contract Status Report is a direct line of communication between the surety and its end-user, the owner, and is a quick and effective tool to keep the surety informed of the contract it has bonded.

We thank you in advance for your anticipated cooperation in completing the Contract Status Report.

If you have any questions regarding our Contract Status Reports  
please visit our website at call us at 1-800-475-4454.