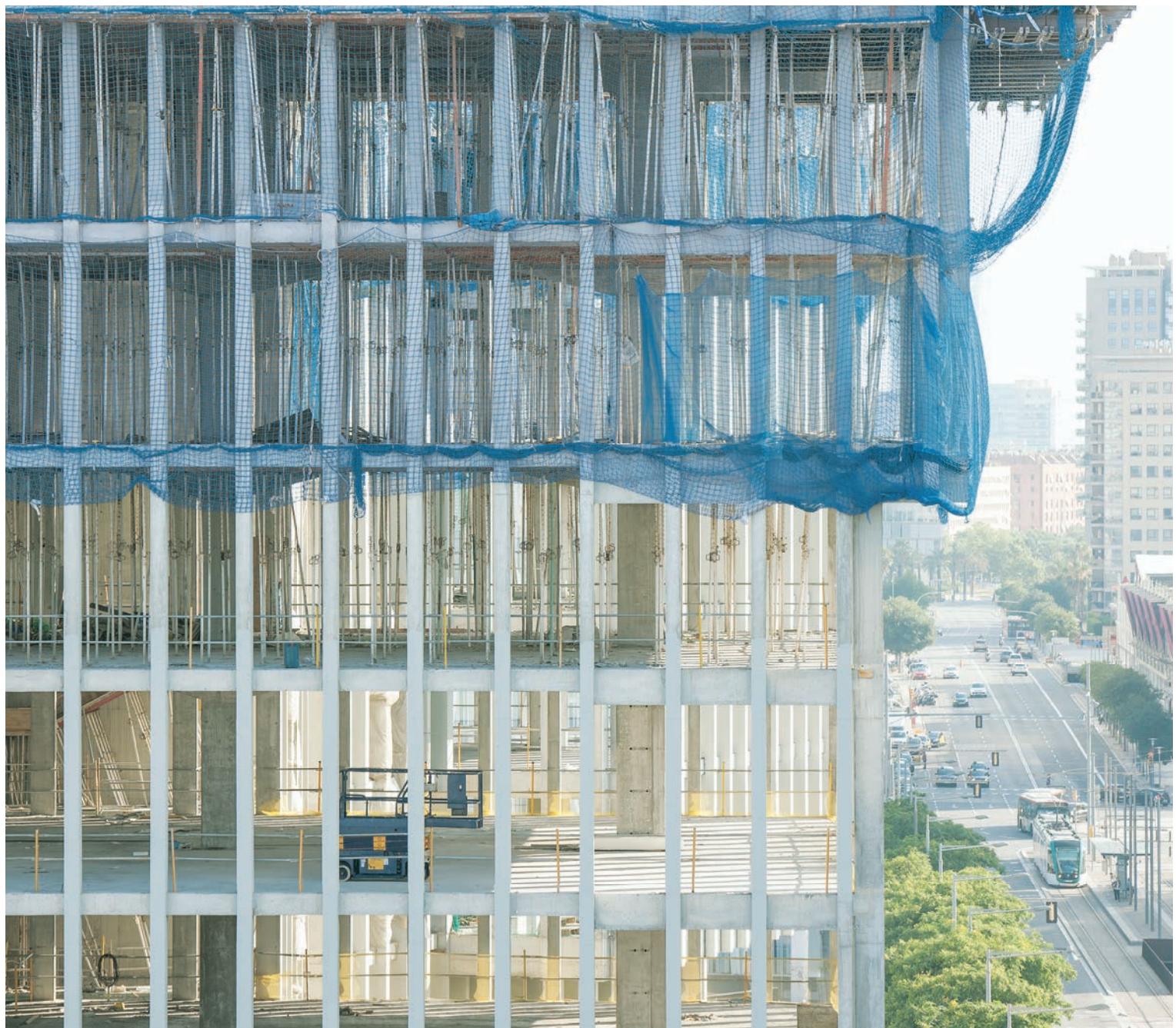




Zurich Surety

Capabilities you can count on







Capabilities you can count on

That's Zurich. We have the global footprint, surety and construction industry knowledge and experience, and meaningful surety capacity to help U.S., Canadian and internationally based companies succeed.

About Zurich

Zurich Insurance Group is a leading multi-line insurance provider that serves its customers in global and local markets. With about 54,000 employees, we provide a wide range of general insurance and life insurance products and services. We serve individuals, small businesses and mid-sized and large companies, including multinational corporations, in more than 210 countries and territories.

A global presence

Zurich operates globally and locally to serve our customers' needs.



1

North America

In the United States and Canada, Zurich is a leading commercial property-casualty insurance provider serving the global corporate, large corporate, middle market, specialties and programs sectors. We also serve life insurance customers, offering products and services in the retail, affluent and corporate markets.

3

Europe

Zurich has major operations in Germany, Ireland, Italy, the Netherlands, Spain, Switzerland and the UK, and a significant presence in other countries.

4

Middle East and Africa

Our business spans the region with key operations in the Middle East, South Africa, Morocco and Turkey.

5

Asia Pacific

Zurich has operations in Australia, China, Hong Kong, Indonesia, Japan, Malaysia, New Zealand, Singapore and Taiwan.

Ratings*

Financial strength rating	S & P	A.M. Best
Zurich American Insurance Company	AA-/positive	A+/stable

Zurich in North America

In North America, Zurich is a leading commercial property-casualty insurance provider serving the global corporate, large corporate, middle market, specialties and programs sectors. We also offer life insurance products and services.

In 1912, we first brought our knowledge and experience in workers' compensation insurance from Switzerland to America to help customers take intelligent risks and build America. Since our arrival more than 100 years ago, we have become a significant presence in the surety, construction, manufacturing, real estate, energy and healthcare segments. It is no wonder that Zurich is an insurance provider chosen by more than 90% of Fortune 500 companies.

To learn more, visit zurichna.com



* Ratings as of December 31, 2019. A.M. Best's Ratings are under continuous review and subject to change and/or affirmation. For the latest Best's Ratings and Best's Company Reports (which include Best's Ratings), visit the A.M. Best website at www.ambest.com. The rating represents the overall financial status of the individual member companies of Zurich in North America, including Zurich American Insurance Company, and is not a recommendation of the specific policy provisions, rates or practices of each issuing insurance company.

Zurich Surety

Building relationships one customer at a time

Zurich has been a leader in the surety field since 1890. Today, we are the third largest and longest continuously operating surety provider in the U.S.*

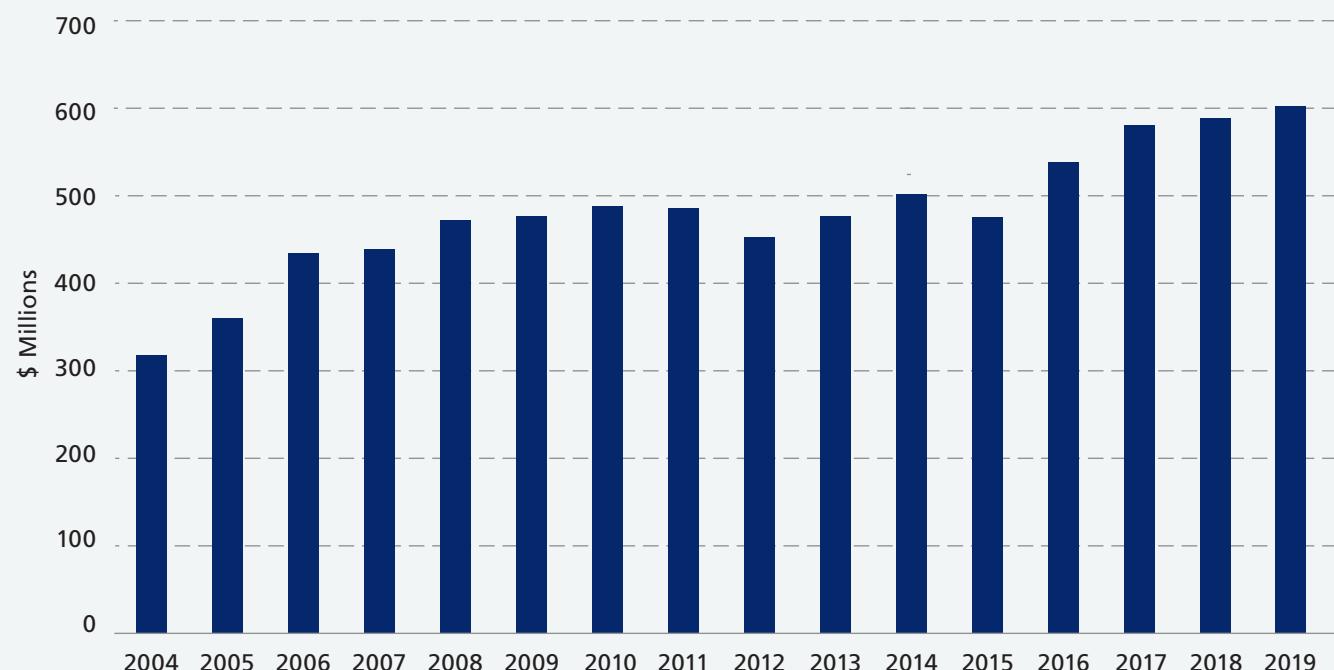
Zurich Surety helps U.S., Canadian and internationally based customers succeed by offering:

- **A relationship-based approach** – Zurich has underwriters with meaningful authority in 39 locations in the U.S. and Canada.
- **Underwriting insights** – Zurich has experienced contract and commercial surety underwriters who can address surety risks of various sizes.
- **Meaningful capacity** – Zurich can offer surety capacity of \$2 billion or more to qualified customers.

Treasury limit capacity

Zurich, through Zurich American Insurance Company, Fidelity and Deposit Company of Maryland, American Guarantee and Liability Insurance Company and Colonial American Casualty and Surety Company, is authorized by the U.S. Department of the Treasury for a combined underwriting limitation of \$735,792,000 as of July 1, 2020.

Premium performance of Zurich Surety



Source: Surety & Fidelity Association of America, 2020

*The Surety & Fidelity Association of America. "Top 100 Writers of Surety Bonds." April 27, 2020.

Product offering

Contract Surety

Contract surety bonds are required for construction contractors who perform public works projects, although many private construction projects are bonded as well. The contract bonds typically also guarantee the payment of subcontractors and suppliers for services rendered and materials supplied to the bonded project.

Zurich offers a wide range of bonds for construction contractors, including:

- Bid bonds
- Performance bonds
- Labor and material payment bonds
- Subcontract performance bonds
- Subdivision bonds
- Maintenance bonds
- Supply bonds
- License and permit bonds
- Environmental surety bonds
- Miscellaneous bonds

The transactional business is characterized by a high number of relatively low premium obligations, so it is important to be able to handle this business efficiently. Zurich offers three systems to help meet customers' needs:

- *Zurich Surety Express* is a web-enabled system that allows distributors to rate, quote and issue bonds in a fraction of the time needed for traditional bond processing.
- *Surety Forms Library* provides electronic access to over 3,000 bond forms. Forms are easy to find and are categorized by state and by type of bond form: license and permit, court fiduciary, court guarantee, public official and contract bonds.
- *Surety Bond Validator* enables obligees and commercial and construction surety bond customers in the U.S. to easily and quickly confirm the validity of a Zurich surety bond.

Commercial Surety

Account-based

Fortune 2000 and regionally based companies often have surety needs that require large individual bond capacities or many different bonds in multiple states.

We typically focus on healthcare, business process outsourcing, technology, manufacturing, pharmaceuticals, lodging, energy, transportation and natural resources; yet our underwriting approach enables us to consider programs for qualified customers in nearly any industry.

Transactional

Zurich provides a wide range of commercial surety bonds, including:

- License and permit bonds
- Court bonds (judicial bonds and fiduciary bonds)
- Workers' compensation self-insurance bonds
- Miscellaneous bonds

The Americas

Argentina
Bahamas
Barbados
Brazil
Canada
Colombia
Mexico
Panama
Trinidad & Tobago
U.S.



International Surety

Zurich Insurance Group is a leading provider of surety capacity to internationally based customers. We provide both contract and commercial surety bonds to reverse-flow business, as well as foreign business. We also can provide surety bonds in approximately 25 countries, many of which are listed below, through Zurich networks and underwriters. Locations outside of these countries can be discussed with Zurich.



Other products and services

The Zurich Surety Benchmark Report is a comprehensive document designed to provide a window into financial performance for surety construction customers. It includes sections on capabilities, building relationships, financial overview, liquidity, and industry trends.

- Capabilities You Can Count On:** This section highlights Zurich's global footprint, surety and construction industry knowledge, and experience in managing surety capacity to help U.S., Canadian and internationally based companies succeed. It lists four key capabilities: Visible, Responsive, Insightful, and Trustworthy.
- Building Relationships One Customer at a Time:** This section emphasizes Zurich's role as a leader in the surety field since 1880, noting its long history as the largest and most diversified operating surety provider in the U.S. It highlights its presence in the U.S. and Canada, and its ability to provide surety capacity for specialized customers.
- Financial Overview:** This section provides a detailed look at Zurich's financial performance, including a table of conservative metrics and a table of risk management activities.
- Liquidity:** This section includes a chart titled "Liquidity" showing various financial metrics over time, such as Current Assets, Net Working Capital, Net Cash Flow, and Net Cash Flow from Operating Activities.
- Industry Trends: Emerging Trends:** This section discusses emerging trends in the industry, including a chart titled "Top 5 general risks to success of P3 projects" and a box titled "31 MILLION DOLLARS IN SURETY BOND CLAIMS IN 2012, making it the second highest year ever."

Public-private partnerships (P3)

The growing use of public-private partnerships (P3) to deliver public infrastructure in Canada and the U.S. has produced an evolving North American approach to P3 project security. Through the use of surety, Zurich can deliver many potential benefits to contractors pursuing and executing P3 projects, including:

- Reduced pursuit costs**
Zurich is well equipped to help contractors minimize pursuit costs by sharing insights and lessons learned on past project pursuits in different geographies with different procurement agencies.
- Contract advisory**
Zurich can provide market standard guidance and insights around contractual terms.
- Tailored bond language for P3 project stakeholders**
Zurich can tailor bond language to help meet the needs of various stakeholders, such as P3 project concessionaires, lenders and rating agencies.
- No burdening of bank lines with Letters of Credit**
Use of high-percentage surety bonds to secure North American P3 projects can reduce the expense of increasing bank line limits (and lender security packages) beyond a contractor's actual borrowing requirements.
- Surety remedies beyond funding a demand**
High-percentage surety bonds can help reduce demand risk for contractors, as Zurich investigates default claims in accordance with the P3 bond's claims process and response timelines.

Surety benchmarking report

Designed to provide a window into financial performance, this tool gives our surety construction customers the ability to measure their performance against regional and industry peers. It uses aggregated data from Zurich's robust financial statement database.

Zurich Surety account executives can customize the report upon request, review details of the report and provide insights on how to better understand finances and overall profitability.

Surety claim service

The surety bond process can be a complex one that involves the interests of owners, principals, indemnitors, the surety and others. The Zurich Surety Claims team — consisting of in-house claims counsel, claims professionals and team managers strategically located across the U.S. — can help you manage the process. With average experience greater than 20 years for both claims handlers and management staff, Zurich delivers risk management and claim services that are highly valued by customers, owners and agents.

The Zurich claims philosophy

- **Early involvement** – One key way to help avoid and mitigate loss is to be involved early in challenging situations. By being involved early, the Zurich Surety Claims team can help avoid situations that can lead to increased loss and expense for all parties. Our quick response to problematic situations is, in part, enabled through the use of qualified, experienced, pre-selected completion contractors who can begin work promptly.
- **Local** – Zurich Surety Claims staff are located in 16 states, from California to New York and Washington to Florida. This presence helps Zurich to understand the complexities of the local market and interact personally with customers, brokers, underwriters and other team members.
- **Personal** – When difficult situations arise, the Zurich Surety Claims team members can be on the job site and in the contractors' offices, proactively helping customers manage the claim and mitigate the loss.
- **Team-based** – We pride ourselves on working with underwriters, customers, agents, brokers, consultants, completing contractors and outside attorneys as a team to accomplish the objective of quality surety claim handling.

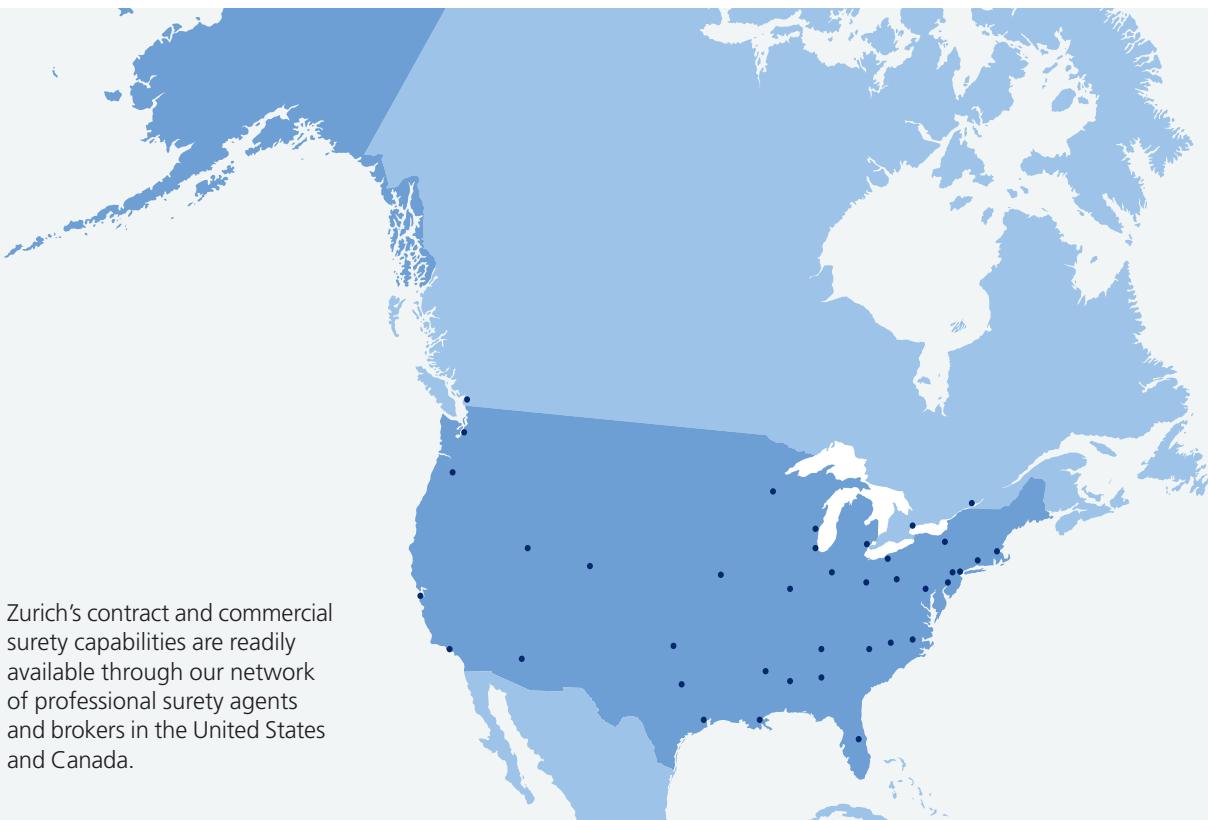
When Surety claims arise, Zurich works with all interested parties to help:

- Settle valid claims and perform obligations on a timely basis.
- Mitigate loss and expense.
- Supervise litigation.
- Pursue recovery of money due to the surety from all responsible parties.

Learn more about Zurich Surety Claim services at zurichna.com/zna/claims.



Surety operations



Zurich's contract and commercial surety capabilities are readily available through our network of professional surety agents and brokers in the United States and Canada.

Zurich Surety has underwriters located in 39 locations across North America to serve the needs of our customers, agents and brokers.

Atlanta
Birmingham, AL
Boston
Charlotte, NC
Chicago
Cleveland
Columbus, OH
Dallas
Denver
Detroit
Houston

Indianapolis
Jackson, MS
Los Angeles
Milwaukee
Minneapolis
Nashville
New Orleans
New York City
Oklahoma City
Orlando
Overland Park, KS

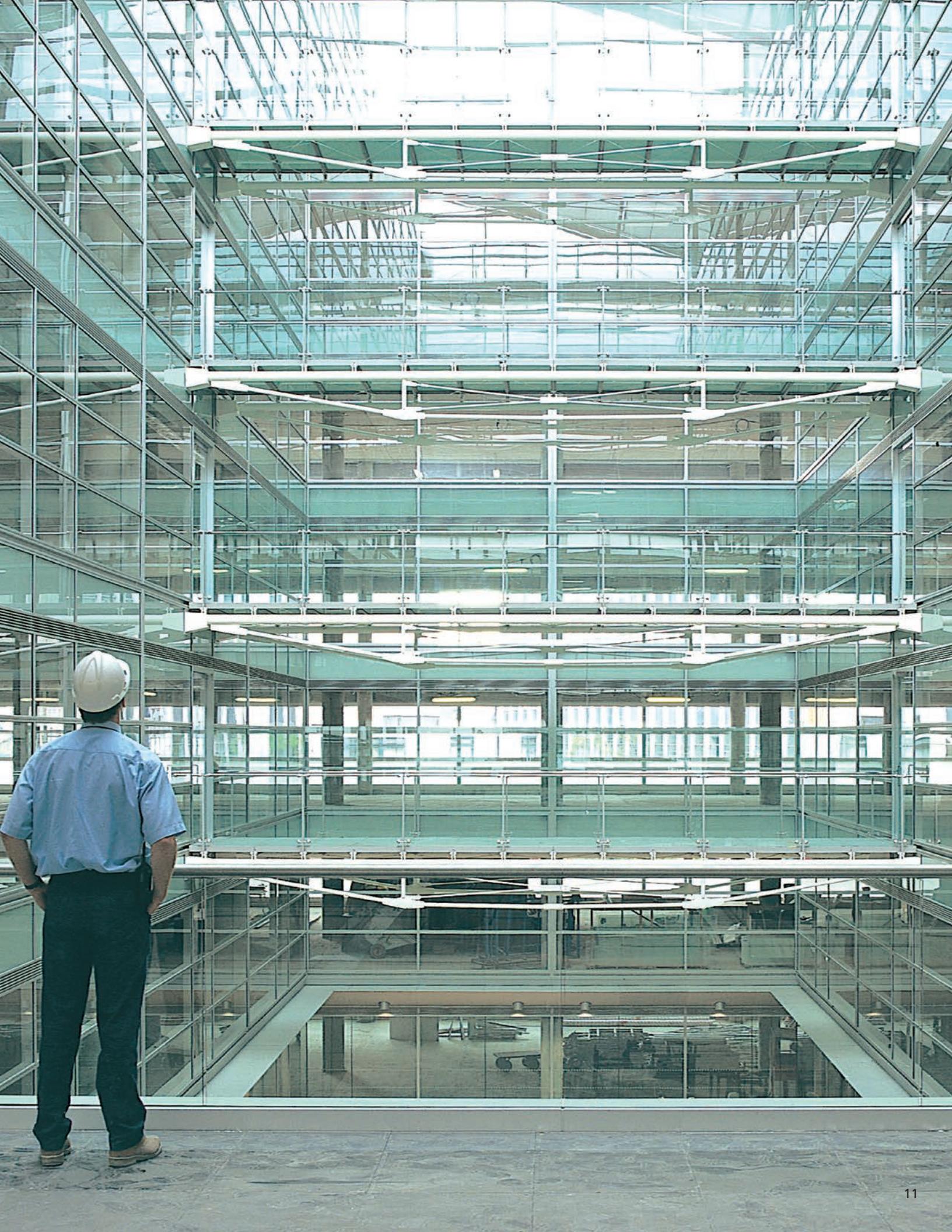
Owings Mills, MD
Parsippany, NJ
Philadelphia
Phoenix
Pittsburgh
Portland, OR
Raleigh, NC
Richmond, VA
Rocky Hill, CT
Salt Lake City
San Francisco

Seattle
St. Louis
Syracuse, NY
Canada
Toronto
Montreal
Vancouver

Zurich Surety memberships

- The Surety & Fidelity Association of America (SFAA)
- The Associated General Contractors of America (AGC)
- National Association of Surety Bond Producers (NASBP)
- Associated Builders and Contractors (ABC)
- The International Credit Insurance & Surety Association (ICISA)
- The Panamerican Surety Association (PASA)
- The Association for the Improvement of American Infrastructure (AIAI)
- Surety Association of Canada (SAC)
- The Beavers

For additional information,
please contact your local
Zurich Surety Account Executive
or visit us online at
www.zurichna.com/surety



Zurich celebrates a history of surety leadership in North America

Zurich Surety celebrated its 130th anniversary in 2020 by remembering the beginning of the organization and the innovations that have contributed to the development and success of the surety industry today. Zurich Surety is the first nationally operated and longest continuously operating surety provider in the United States.

Zurich Surety was founded as the Fidelity Loan & Trust Company of Baltimore City in February 1890, and in June 1890 the name was changed to the Fidelity and Deposit Company of Maryland (F&D). President Franklin D. Roosevelt was a vice president and director of the founding firm from 1921 to 1929. F&D is recognized as the following:

- First surety to write bonds for public officials.
- First surety approved for bonds for the federal government.
- First surety to combine two or more contractors on one bond to jointly handle large construction projects.
- First surety to operate nationwide.

Zurich has continuously provided surety bonds to customers for 130 years and has serviced over 500 customers for more than 25 years. Landmark Zurich-bonded projects include the following:

- Hoover Dam
- Madison Square Garden
- San Francisco-Oakland Bay Bridge
- Tappan Zee Bridge
- Chesapeake Bay Bridge
- Panama Canal expansion

We are proud of our relationships and all those who have played key roles over the past 130 years. We are thankful for all of the Zurich Surety employees who have worked tirelessly to deliver excellence in customer service and underwriting insights, as well as the independent agents and brokers who have collaborated with Zurich to introduce us to customers and help us meet their needs for surety credit. Most important, we want to thank the many great customers who have trusted Zurich to be their surety provider. We recognize the importance of the relationships we have established over the years and will continue to build on that foundation to remain a strong and dynamic company, able to support our customers into the future.

To learn more, visit
www.zurichna.com/surety

Zurich
1299 Zurich Way, Schaumburg, Illinois 60196
800-382-2150 www.zurichna.com

This is intended as a general description of certain types of insurance and services available to qualified customers through the companies of Zurich in North America, provided solely for informational purposes. Nothing herein should be construed as a solicitation, offer, advice, recommendation, or any other service with regard to any type of insurance product underwritten by individual member companies of Zurich in North America, including Zurich American Insurance Company, 1299 Zurich Way, Schaumburg, IL 60196. Your policy is the contract that specifically and fully describes your coverage, terms and conditions. The description of the policy provisions gives a broad overview of coverages and does not revise or amend the policy. Coverages and rates are subject to individual insured meeting our underwriting qualifications and product availability in applicable states. Some coverages may be written on a nonadmitted basis through licensed surplus lines brokers.

