

**SURETY PLACEMENT SERVICES LLC**  
7975 N. Hayden Rd, Suite C-300 Scottsdale, AZ 85258  
Toll-free 866-430-3322, Phone 480-419-2456, Fax 480-419-8532  
www.suretyplace.com

To: Anita  
From: Megan Runde By Jason Ford  
Fax: Email: [mrunde@suretyplace.com](mailto:mrunde@suretyplace.com)  
Re: Firmament Solutions, LLC  
Dated: 11/4/2015  
Bond BOND LINE  
Bond Type: Payment and Performance  
Amount:

Bond Cost:	3.00%	Taxes:	0.00
			\$ _____
Inspection Fee:	1.00%	Delivery Fee:	\$ 50.00
			_____

**EXAMPLE: Bond Amount : \$200,000.00 Total Bond Cost: \$8,050.00**

Our offer is subject to utilizing ACSTAR Insurance Company's Combined Payment and Performance Bond Form. If a special bond form is required, we may require changes or we may alter our terms or we may reject the bond and with draw the offer.

Our offer is subject to our receipt, review and approval of the contract documents.

In addition, properly executed Indemnity Agreement, Collateral, premium, ACSTAR bond request form, Collateral Security agreement and any other requested underwriting information must be received by ACSTAR prior to execution of any bonds.

Our offer is subject to our receipt and review of 2013 and 2014 tax returns.

We are pleased to offer the following preliminary terms and conditions:

1. Aggregate working program of \$250,000.00 with an individual project limit of \$200,000.00
2. The rate for the bond will be charged at **4.00%** which is to be paid to Surety Placement Services prior to bond issuance. The premium rate will be charged on the final contract amount. ACSTAR minimum bond premium is \$1,500.00 Premium is fully earned and no credit for underruns. We will not issue bid bonds at this time. We will only consider final bonds.

**NOTE: This "Quote Sheet" must be signed by the principal or agent authorized to sign on their behalf prior to the execution of any bond. Any additional fees added by the originating/sub-producing agent will require their disclosure to the principal, any liability resulting from the addition of extra fees or charges will be the full responsibility of the originating agent and SPS will be held harmless. If a rider is required because of inaccurate information provided or an Indemnity Agreement is not properly executed, there will be a \$75.00 rider fee charged prior to receiving the corrected Bond. Surety Placement Services, LLC reserves the right to change or cancel these terms and conditions at any time without notice.**

PLEASE SIGN AND RETURN

The above quote may include fees in addition to premium. These fees are for time spent on researching and placement of the bond or policy, telephone calls, faxes, toll-free numbers, and other associated costs. The undersigned hereby acknowledge the necessity of said administration costs. If the Bond or Policy is cancelled midterm, the commission shall also be considered an associated cost, and be fully earned. In addition, costs may earn interest. This undeclared income is non-refundable and fully earned as well as any other charges. In addition, Surety Placement Services, LLC may also be acting on behalf of the insurer issuing the subject Bond(s) or Insurance and may receive a commission. (Brokers/Agents shall comply with their applicable state regulations regarding administrative costs.)

Quote and Agreement Accepted by: \_\_\_\_\_  
Printed Name: \_\_\_\_\_  
Title: \_\_\_\_\_  
Date: \_\_\_\_\_

3. Personal indemnification to be provided by Adrian A Andrews and spouse.
4. Corporate indemnification to be provided by Firmament Solutions, LLC and all subsidiaries and affiliates. Please provide a list of ALL affiliated companies.
5. Contract and bond amounts over \$150,000.00 or greater are subject to Funds administration to be implemented by ACSTAR Insurance Company. The funds administration agreement must be signed by the principal and the obligee and returned to ACSTAR along with the .75% funds administration fee prior to the execution of the bond. The funds administration fee will be charged on the final contract amount. ACSTAR's minimum funds administration fee is \$1,000.00
6. Collateral in the form of cash or an irrevocable **Evergreen ILOC only**, will be required in the amount of **35%** of each bid and final bond issued. Letters of credit are to be provided from U.S. banks with (1) FDIC capitalization ranking of "well capitalized"; (2) surplus available to shareholders equal to or greater than 7% of total tangible assets (3) total tangible assets must be more than 100 times the amount of the letter of credit (4) surplus available to shareholders must be more than 25 times the letter of credit (5) tier 1 Capital Ratio must be equal or greater than 9. These ratios are applied to financial statement information of the banks reported to us from BauerFinancial. In the event that the bank(s) rating(s) falls below these requirements while any bond(s) issued by ACSTAR remain open, then ACSTAR may in its discretion immediately draw upon such letter(s) of credit. All letters of credit must be issued on ACSTAR's Irrevocable evergreen form. Cash collateral must be in the form of a certified or bank check and be accompanied by our Security Agreement signed by the entity or individual providing the collateral. Collateral is not bond specific, but will be used for any and all liability under any bonds.
7. Collateral held on contract bonds will be retained for at least 90 days from the Obligee's date of acceptance as indicated on signed status report stating final completion and acceptance. Collateral for miscellaneous bonds will be held for a period of time extending beyond the effective date of termination or cancellation of the bond, but not less than six months, until ACSTAR, in its sole discretion, has determined that its liability is sufficiently diminished. If any statute applicable to the bond extends ACSTAR's liability for a longer period than stated herein, then ACSTAR reserves the right to retain the collateral until the time under the statute has elapsed. We must receive a written request to return available collateral from the principal and/or the provider of the collateral. Cash collateral will be returned by company check.
8. Operating area is to be limited to Georgia, Alabama, and North Carolina.
9. Bonding will be available for electrical work.

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The above is only a conditional offer and subject to change or rescission based on a multitude of considerations such as financial strength of principal, evaluation of performance on contracts in progress, changes in underwriting policies of ACSTAR and many other conditions. This is not and should not be considered any right for a principal to receive a series of bonds even if just a portion of the conditional aggregate line has been used. Our offer is 'project specific' and is subject to approval of each and every individual bond request. ACSTAR reserves the right to change or cancel these terms and conditions at any time without notice. We hope they will accommodate your client, and we look forward to working with you on this account.

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