



Surety Bond Guarantee Program

SBA guarantees contract bonds



1. Bid

2. Performance

3. Payment

4. Maintenance

For each government and private contract up to **\$9 million**.

For each direct federal contract up to **\$14 million**.

Evaluation based on capacity, capital and character



Capacity (ability to complete the work) is based on experience in the field, key personnel experience, and day-to-day business management practices.



Capital is based on cash flow, profitability and the quality of financial statements.



Character means the small business owner's personal credit history and business reputation.



We help small businesses facing barriers to success by creating access and opportunity to qualify for contract bonding, increase bonding capacity, and grow their business.

SBA Guarantees Make the Difference!



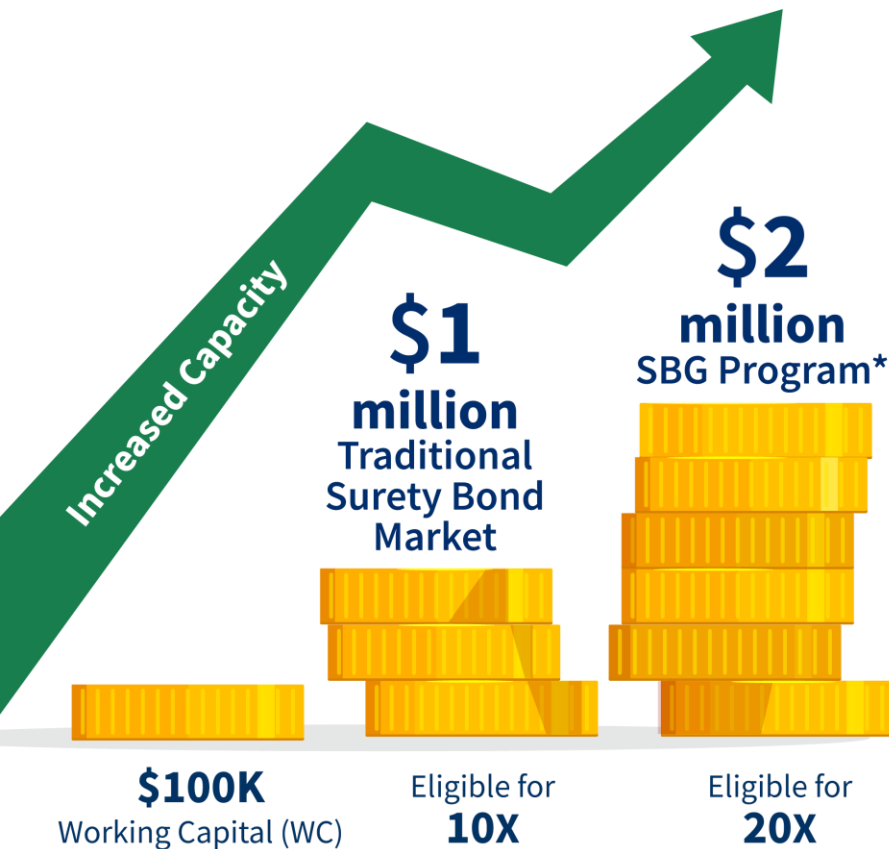
90% of contract value
for small businesses
that are:

- Minority-owned
- Veteran-owned
- 8(a) or HUBZone
- Tribally-owned
- Contracts \$100,000 or less



80% of contract
value for all other

The SBA Advantage



Working capital requirement is about half what is normally required for contract surety bonds.

We count the unused portion of working capital bank lines of credit (BLOC).

Program eligibility

Be a small business based on:

- Average annual revenues if construction, service or supply firm
- Average number of employees if manufacturer
- U.S. based, for profit firm with legal resident owners

Other requirements

- Possess good character
- Be current on public debts & taxes
- Eligible to do business with the federal government
- Pass underwriting standards
- Not involved in bankruptcy



Prior Approval Program + QuickApp = Fast decisions



Decisions in about **24 hours** on **QuickApp** bonds up to **\$500,000**.



Decisions in about **2 days** on larger contracts.

Surety bond fees



No SBA bid bond fee

SBA contractor's fee
0.6% of the contract amount
paid to SBA for the guarantee

Surety's premium
paid to the surety company for
the bond

SBG Program Surety Partners



Refer small businesses to an SBA authorized agent



sba.gov/osg

Making an impact



We guarantee over **\$9 billion** a year in contract bonds. In FY24, we helped over **2,000** small businesses obtain bonds.



Vera Hall, Small Business Owner

“The ability to get this type of bonding through the SBA’s Surety Bond Guarantee program allows you as a small business owner to realistically compete with larger corporations for contracts that you want and need to grow your business.”

Let the SBG Program help your business grow.



Thank you!

Any questions?

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