



**National Association of Surety Bond Producers**

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November 16, 2015

General Services Administration  
Regulatory Secretariat (MVCB)  
1800 F Street, NW, 2<sup>nd</sup> Floor  
Washington, DC 20415-0001  
ATTN: Ms. Hada Flowers/IC 9000-0045

**RE: FAR Case 2015-025; Docket No. 2015-0025; Sequence No. 1; Revisions to Standard Forms for Bonds**

Dear Ms. Flowers:

On behalf of the National Association of Surety Bond Producers (NASBP), a national trade association of firms employing professional surety bond producers, I am writing in response to the notice of FAR Case 2015-025; Revisions to Standard Forms for Bonds. NASBP was delighted to learn that GSA, DoD, and NASA have proposed revisions to expand the options for organization types on Standard Forms (SF) 24, 25, 25A, 34, and 35 and to clarify liability limitations. NASBP supports these proposed revisions.

Our membership of surety bond producers utilizes these Standard Forms regularly to assist contractors furnishing bid, performance, and payment bond security on federal construction contracts and these documents are vitally important to the furnishing of these bonds on federal contracts. Currently the SF documents choices for type of organization are limited to "individual," "partnership," "joint venture," and "corporation." Proposed revisions to SFs call for expanding the range of business type to include companies formed as limited liability companies (LLCs) and others, which comprises a large number of construction companies. This revision will avoid confusion and needless delays caused by the rejection and reissuance of bonds concerning the proper information to select on the standard bond form relating to organization type.

Furthermore, the proposed revision to clarify the appropriate value to report in the "LIABILITY LIMIT (\$)" block, will remove confusion as to whether the blank refers to the underwriting limitation of the surety as listed on U.S Treasury Circular 570, or if it is intended to indicate a limitation on the surety's liability. The proposed revision places the liability limit as the face value of the bond unless a co-surety arrangement is proposed. NASBP believes the new instruction will mitigate future confusion.

We appreciate your willingness to present proposed rules on these matters. NASBP believes the proposed rules will promote consistent understandings and more efficiency in form completion.

Yours sincerely,

Mark H. McCallum  
Chief Executive Officer