

# Surety & Fidelity WEEKLY



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## Upcoming Meetings & Events

**RSVP for Phase 2 of the RiskStream Collaborative Surety Bond - Power of Attorney Lab** to Sandy Hampel ([hampel@theinstitutes.org](mailto:hampel@theinstitutes.org)) by Tuesday June 7, 2021.



## SFAA Submits Letter Concerning Unnecessary Bonding Provision on \$250 Million Rail Project

Today, SFAA submitted a comment letter concerning an unnecessary bonding provision in the RFP for the \$250 million Double Track Indiana Rail Project. The RFP, submitted by the Northern Indiana Commuter

Transportation District (NICTD), contains a provision regarding the surety's qualifications and financial capital which could negatively affect the DT Project specifically and other projects let by NICTD, if said requirement is retained for all projects. In the RFP, Section 18.3.1 requires the surety providing the Performance Bond and Payment Bond have an underwriting limitation that is three times the total contract price. In SFAA's comment letter, the Association respectfully requested that the NICTD reconsider this requirement, as the current provision will unnecessarily exclude qualified sureties and therefore limit the contractors who can bid on the project.

In the comment letter, SFAA suggested deleting the additional underwriting limitations from Section 18.3.1 and replace it with the surety being licensed and in good standing with the Indiana Insurance Department.

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**RSVP for Phase 2 of the RiskStream Collaborative Surety**

## Bond - Power of Attorney Lab

SFAA joined a newly-formed blockchain working group created by [The Institutes RiskStream Collaborative™](#), the risk management and insurance industry's largest enterprise-level blockchain consortium. The working group is focused on streamlining the power of attorney registration and verification process within the surety industry.



The RiskStream Surety Bond Power of Attorney Lab Phase 2 focuses on building out a proof-of-concept focusing on the power of attorney component of the Surety Bond process. RiskStream is offering phase 2 to help companies and the surety industry understand the technology and how blockchain / distributed ledger technology address today's challenges.

The sessions will demonstrate the Canopy platform's robust technology stack, our technology partner, Kaleido, will participate in the phase 2 series and build out the Surety Bond Power of Attorney POC.

Phase 2 is a cost coverage model where organizations who join will be funding the build out of the proof-of-concept. However, in order to establish the participating organization's cost, RiskStream needs to better understand the participant count.

To do this, RiskStream needs to determine your organization's interest in joining Phase 2 of the Surety Bond - Power of Attorney initiative.

**Are you interested in joining Phase 2 and funding the Proof of Concept?**

**Please respond via an email with a yes or no to Sandy Hampel at [hampel@theinstitutes.org](mailto:hampel@theinstitutes.org) by Tuesday June 7, 2021**

### Lab Phase 2 Strawman Costs



Member Types	RiskStream Members	Phase 2 Range Cost	RiskStream Membership Cost
	Sureties / Carriers	\$500 - \$1500	XL - \$105k, L - \$77.5k, M - \$50k, S - \$22.5k ; Signed Agreement
	Producers / Large Brokers Distributors	\$250 - \$1000	XL - \$105k, L - \$77.5k, M - \$50k, S - \$22.5k ; Signed Agreement
	Agents	Free	S - \$10k ; Signed Agreement
	Associate RiskStream Members	Phase 2 Range Cost	RiskStream Membership Cost
	Non-Profits / Gov	Free	Signed Agreement
	Providers / Collaborators	\$750 - \$1500	\$10k ; Signed Agreement

Non-Members	RiskStream Non-Members	Phase 2 Range Cost
	Sureties / Carriers	\$4000 - \$8000
	Producers / Large Brokers Distributors	\$3000 - \$6000
	Agents	\$250 - \$500
	Associate RiskStream Non-Members	Phase 2 Range Cost
	Non-Profits / Gov	Free
	Providers / Collaborators	\$4000 - \$8000



## Recording Now Available: TCC 2021 Virtual Keynote Speakers

Last month, the Transportation Construction Coalition (TCC), which SFAA is an executive committee member of, hosted its 2021 virtual event featuring the top voices in infrastructure policy including Secretary

Buttigieg, Chairman Carper, and Ranking Member Capito, to discuss the next steps to advance significant infrastructure investment in Congress. The TCC is a group of 32 national associations and construction unions representing hundreds of thousands of individuals with a direct market interest in federal transportation programs. The recording is available [here](#).

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## Updated Resources Available to Members



The **Law Library (Case Summary Database)** can be found [here](#).

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