

What is a Surety Bond?

A surety bond is a written agreement to guarantee performance, compliance, and/or payment, according to an underlying agreement or statute. A surety bond is a contract between three parties:

Surety Company

The Surety guarantees the Principal will perform the requirements outlined by the Obligee on the Bond.

Principal

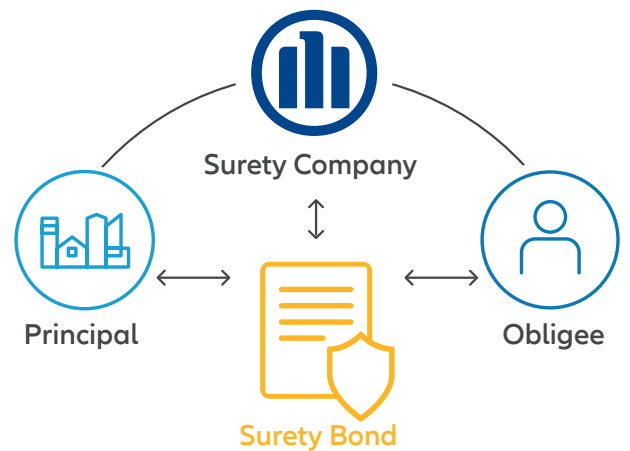
The Principal enters into an agreement with the Obligee or is required to post a Bond for compliance with a statute.

Obligee

The Obligee requires that the Principal post a bond to guarantee the underlying agreement or statute.

How does it work?

- 1 The Surety (Allianz Trade) provides the Obligee with a guarantee that the Principal will perform the obligation stated in the bond.
- 2 If the Principal fails to perform the obligation, the Obligee files a claim with the Surety (Allianz Trade). The Surety will then investigate the claim with the Obligee.
- 3 The Principal is responsible for their actions and is required by law to reimburse the Surety (Allianz Trade) for any payments made under the bond.



Types of Surety Bonds that Allianz Trade offers

CONTRACT SURETY BONDS

Contract Surety Bonds are a common requirement in the construction industry. We offer bid, payment, performance, supply, advanced payment, and maintenance bonds for mid to large contractors, including General Contractors, Construction Managers, Highway and Bridge, and more.

COMMERCIAL SURETY BONDS

Commercial Surety Bonds typically cover non-construction related agreements and may be required by local, state, and federal laws. Additionally many private agreements may be bonded. We offer a variety of bonds for mid to large companies, including Performance, Energy, Court, Customs, and Compliance.

Allianz Trade offers surety bonds.
[Contact us to learn more →](#)