

Tips

Here are a few tips to assist you:

- Please ensure that you, your bank, and your surety company use the correct ACN on all correspondence to ARC. This is critical in avoiding delays in handling of your bond or letter of credit.
- When your surety or bank requests further information and/or payments of a premium or fees, respond promptly to avoid cancellation of your bond or letter of credit.
- ARC does not cancel bonds; therefore, we cannot reinstate or extend the cancellation date. Reinstatements and extensions of bond cancellations must be received by ARC from your surety, in writing, prior to the date of cancellation.
- If your bond or letter of credit (LOC) is canceled, contact your insurance agent, surety, or bank, to rectify the matter OR obtain a replacement bond or LOC prior to the effective date of cancellation.
- Don't wait until the last minute to take care of bond/LOC cancellations or increases. It takes time for your surety/bank to process your request.
- The ARC bond is continuous until canceled by the surety. When changing sureties or switching to an LOC, notify your old surety to cancel your bond after you have submitted the new bond or letter of credit.
- You should consider the costs of obtaining an LOC or a Cash Security Deposit (CSD) to those of a bond and choose the one that better suits your needs.
- When replacing your bond with an LOC or a CSD, the LOC or CSD should be accepted by ARC before your bond is canceled.
- When replacing your LOC or CSD with a bond, the owner or an officer must submit a request in writing for the return of the LOC to the issuing bank or a written request from the signatory of the CSD Agreement for a refund of the CSD funds. One hundred days from the effective date of the bond, the LOC or the CSD funds may be returned if there are no outstanding debts.
- Changes to the bond, (i.e., amount, name or location) may be made by your surety executing a "rider" to your present bond on file with ARC. Your surety has standard forms of riders that may be submitted.
- Changes to your letter of credit (in amount, name or location) are made by your bank executing an amendment to your letter of credit on file with ARC. Suggested wording can be found in Section 30.8.
- Changes, other than ownership, to your CSD should be made by submitting the appropriate miscellaneous change form (see Agency Forms Catalog) to the Bond Department.
- Always submit the original signed bond or LOC and/or riders and amendments to ARC.
- **Photocopies of the bond or letter of credit forms in Sections 30.6 and 30.8 may be used by your surety or bank if they bear original seals and signatures and are otherwise filled out as original documents.**
- If you have not already done so, you should carefully review all of this section, particularly the nuances of replacements, substitutions and voluntary deletions.