

# Standard Bond Form Number Index (BNI) User Guide

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### Introduction

The Standard Bond Form Number Index (BNI) is a service supplied by The Surety & Fidelity Association of America (SFAA). The BNI is in response to the need for surety data standards in order to improve the quality of electronic data interchange (EDI) between bond producer and surety company.

In January 1996, surety professionals gathered in Seattle, Washington to discuss the need for surety data standards in order to improve the quality and efficiency of EDI, specifically with respect to the electronic transmission of the report of execution from bond producer to surety company<sup>1</sup>. Compared to the "paper-based system," EDI is faster, more cost efficient and eliminates redundant data input. SFAA member companies and staff, members from the National Association of Surety Bond Producers ("NASBP") and staff of the Association for Cooperative Operations Research and Development (ACORD) attended the meeting.<sup>2</sup>

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<sup>1</sup> After the bond producer executes a surety bond on behalf of the surety company, it sends a report of execution to the surety indicating all the relevant information regarding the bond: client (principal on the bond), beneficiary (obligee), bond type, bond amount, date of execution and premium.

<sup>2</sup> ACORD (Association for Cooperative Operations Research and Development) is an organization that works with the insurance industry to develop data standards. A data standard is a common data layout which enhances the ability of an insurance company to exchange information with a trading partner (i.e. insurance agent).

At the meeting's conclusion, the participants agreed to form an ACORD Surety Standards Subcommittee to develop surety standards.

In 1997, ACORD rolled out its surety standard. The ACORD Surety Standards Subcommittee subsequently developed an Implementation Guide for the transmission of the report of execution. Key to this report is the identification of the bond form. Identification is accomplished through an identification number. Such identification is critical since there are tens of thousands of bond forms in existence, each containing a different bond condition<sup>3</sup> and risk. The surety standard includes a field in which the bond form is identified by a bond number.

A common bond form numbering system was necessary to streamline bond form identification. Electronic transmission from a bond producer to multiple sureties could be unwieldy if each surety uses its own numbering system. Most sureties and bond producers avoid this cumbersome system simply by requiring a paper copy of the bond form. Submission of a paper copy defeats the goal of total automation. A standardized numbering system would allow the bond reporting process to be completely paperless. This index establishes a common numbering system.

SFAA encourages sureties and agencies to increase operational efficiency by reducing or even eliminating the flow of paper between trading partners, and implement an electronic communication infrastructure using ACORD data standards. SFAA also encourages sureties and agents to use the BNI as an essential component of "agent to surety" electronic data interchange.

#### How to Use the Standard Bond Form Number Index

To begin, log onto SFAA's website at [www.surety.org](http://www.surety.org). There you will see a button for the BNI, click the button and you will be directed to the Index. To view the instructions, click the "Instructions" button. The following is an image of the Instructions page.

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<sup>3</sup> The "bond condition" is similar to the insuring clause of an insurance policy. It sets forth what the surety is guaranteeing and the terms of payment if the principal defaults its obligation.

### Instructions

The Standard Bond Form Numbering Index (SBFNI) is designed for use by surety companies, surety bond agents and producers and any other interested parties. It is designed to provide easy access to standard bond forms for identification purposes and to determine the appropriate bond form number. .

The SBFNI search page is designed to work with Bond Types and Bond Subtypes. These types are standard types defined by the SAA. Any other information supplied about the bond, i.e., state in which the bond was issued or the name of the obligee, will help narrow the search.

Once you have put in all the information you have about the bond you are looking for, click on the search button. All relevant bonds found will be displayed in a results screen. By clicking on the icon to the left of the search results you can see the sample bond form associated with the results.

If you do not find the bond you are looking for, click on the "Return to Search" button and put in other information to help you refine your search. If you do not find the bond you are looking for contact the SAA at [bondforms@surety.org](mailto:bondforms@surety.org) and let us know, so we can try to obtain a copy of the bond to add to the SBFNI.

### Disclaimer


The SDFNI is not intended to be a source of bond forms to submit to obligees. It assumes you have the proper bond form and need its number to aid in the submission of an electronic execution report. Although SAA makes every reasonable effort to keep the SBFNI up to date, the number of bond forms used in the marketplace makes it impossible to assure either comprehensive coverage or incorporation of every change to an existing bond. SAA, therefore, must disclaim any responsibility for the accuracy, completeness or currency of the SDFNI. By using the SBFNI you agree: (a) that you release SAA from any liability arising out of such use, (b) that you will take appropriate steps to verify that the bond form you propose to use is the form required for the transaction, and (c) that you will tell SAA if you discover that a bond form in the SBFNI is no longer current or is otherwise incorrect.



When you are ready to search, click the "Search" button. You will be taken to the following search template.

### Standard Bond Form Number Index Search

<b>Bond Index</b>	<input type="text"/>
<b>Revised Date (mm/yyyy)</b>	<input type="text"/>
<b>Bond Type</b>	<input type="text"/>
<b>State</b>	<input type="text"/>
<b>Title</b>	<input type="text"/>
<b>Description</b>	<input type="text"/>
<b>Obligee</b>	<input type="text"/>
<b>Form Authored By</b>	<input type="text"/>
<b>Author's Form Number</b>	<input type="text"/>



The BNI is designed so that users can search for a bond form number and an image of the associated bond form by using several different

parameters. Some of these parameters are "bond type," "subtype," and "state." Additional parameters, such as "obligee," "title" and "authored by," use a limited search technique. By putting words into these parameters, the BNI will search for similar words in the database. The more parameters that a user inputs into the original search form, the more specific the search will be. However, a very narrow search may turn up no matches. In these instances, it is best to return to the original search parameters and use more general search conditions.

The BNI search queries will deliver results quickest if the bond type, bond subtype and state are filled in. The dropdown menu for the bond subtype is configured to show only those subtypes that correspond to a matching type. The search results are delivered in tabular form displaying all possible bonds that match the search criteria.


Go to "http://12.153.40.121/"

**Standard Bond Form Number Index Results**

Displaying 1 - 10 of 339 bonds found [Next 10](#) [RETURN TO SEARCH](#)

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<b>SBFNI:</b>	000003	<b>Revised Date:</b>	12/2000
<b>Bond Type:</b>	Contract	<b>Bond Subtype:</b>	Bid Bond
<b>State:</b>		<b>Title:</b>	Bid Bond
<b>Obligee:</b>	<b>Authored By:</b>	<b>Author's Form No:</b>	

 **Description:**

You may determine which result is the desired form by reviewing the detail of each result. In addition, you may view an image of the form by clicking the document icon contained in the result.



All bond form images are presented in Adobe Acrobat® portable document format (PDF). This program is required by all users of the BNI website. A user can download a free copy of the Acrobat Reader from Adobe's website:

(<http://www.adobe.com/products/acrobat/readstep2.html>)

If there is no a match, click on the “Return to Search” button and begin the search again with fewer parameters.

### Standard Bond Form Number Index Results

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No bonds that meet the search criteria were found

[RETURN TO SEARCH](#)



### Explanation of the Search Parameters

1. The Standard Bond Form Number --Two fields are combined to comprise the Standard Bond Form Number, which is used to identify a particular bond form in a report of execution from bond agent to surety. The first field is a six digit number that pertains to a particular bond form. The second field is the date the form was entered into the system. For example, if a bond agent executed a Kentucky self insurance worker’s compensation bond, the agent would report bond number “000350 12/2000.” (Note that there is a space between the six digit number and input date.) If the form was revised subsequently and the administrator of the Index entered the form in June 2002, the revised form would have a form number of “00350 06/2002.” The input date is used as a component of the form number instead of the actual revision date because sometimes the revision date is not known.
2. Revised Date – The date the obligee has assigned to the form.
3. Bond Type and Subtype – Bond Type and Subtype are the two most important search parameters.

Bond Type includes seven categories:

- o **Administration** – Includes documents that are not surety bond forms, but are used in surety transactions (e.g. acknowledgements, consents and riders).
- o **Contract** – Includes bonds to secure the performance of a contract or agreement and the payment of subcontractors and suppliers.
- o **Fiduciary** – Includes bonds to secure the obligations of a person who administers property held in trust under the

jurisdiction and supervision of a court (e.g. guardian, trustee, administrator and receiver).

- o **License and Permit** – Includes bonds that are required by state law, municipal ordinance or regulation as a condition precedent to the granting of a license to engage in a particular business or the granting of a permit to exercise a particular privilege.
- o **Public** – Includes bonds required of public officials to secure the faithful performance of their duties.
- o **Judicial** – Includes bonds required by a party in a judicial proceeding.
- o **Miscellaneous** – Includes bonds which do not fall clearly within the scope of the other Bond Types.

Several Subtypes correspond to each Bond Type. The available choices of Subtypes depends upon which Bond Type is selected. A list of Bond Types and corresponding Subtypes follows:

**Bond Type: Administration**

**Subtype:**

Acknowledgement  
Affidavit  
Consent  
Continuation Certificate  
Fraud  
Rider

**Bond Type: Contract**

**Subtype:**

Bid Bond  
Contractors or Contract  
Maintenance Bond  
Performance Bond  
Payment Bond  
Payment/Performance  
Performance Bond  
Retainage  
Subdivision

**Bond Type: Fiduciary**

**Subtype:**

Administrator

Bankruptcy  
Conservator  
Executor  
Guardian  
Probate  
Trustee

**Bond Type: License & Permit**

**Subtype:**

Agriculture  
Alcohol  
Broker  
Cigarettes  
Collection  
Contractor  
Customs  
Dealers  
Finance  
Fundraiser  
Generic L&P  
Tax  
Vehicle/Fuel

**Bond Type: Miscellaneous**

**Subtype:**

Airline  
Financial Guarantee  
Immigrant  
Lease  
Lost Instrument  
Maritime  
Purchase  
Sabbatical  
Self Insurance  
Utility  
Wage/Welfare

Release of Attachment  
Release of Lien  
Removal  
Replevin  
Stay of Execution  
Supersedeas  
Temporary Restraining Order  
Undertaking

**Bond Type: Judicial**

**Subtype:**

Appeal  
Attachment  
Cost  
Counter Replevin  
Discharge  
Garnishment  
Indemnity  
Injunction  
Redelivery

**Bond Type: Public**

**Subtype:**

Hunting/Fishing  
Notary  
Peace Officer  
Public Official  
Sheriff  
Tax Collector

4. State – The state in which the obligee is located
5. Title – The title of the bond form exactly as it appears on the form.
6. Obligee – Usually a governmental entity or agency that requires the bond and to whom the obligations under the bond are owed. In most cases, the obligee is also the creator of the form.
7. Description – A “free form” explanation of the bond form.
8. Authored By – In some cases, a form was not developed by an obligee, but rather by an organization for use by its members and related parties. This category identifies the organization that developed the form. If the obligee developed the form, the author is the obligee.
9. Author’s Form Number – A number assigned by the developer of the form.

## BNI Usage Examples

The Scenarios detailed below provide examples of how the BNI can be used to reference specific bond forms in several different automation scenarios.

Scenario 1: Using BNI as a reference tool to review Terms and Conditions

Scenario 2: Paper based issuance with electronic reporting to carrier

Scenario 3: Agency has its own automated issuance system with upload of ROE to carrier

Scenario 4: Agency uses carrier system to issue with download of ROE to agency

### **Scenario 1: Using BNI as a reference tool to review Terms and Conditions**

The ABC Agency has a client who requires a Contractor's Bond for the State of California. The ABC Agency is not familiar with this particular bond and before issuing it would like to review the Terms and Conditions.

1. Go to the BNI using the procedures provided in this User Guide and search for the bond form by entering the following Search criteria: Bond Type = License and Permit, Sub-Type = Contractor, State = CA.
2. Review the search results to locate possible matches in the search results detail. For possible matches, click on the bond image icon to open the bond form in Adobe Acrobat for review. An exact representation of the bond form (although marked as Sample) will be presented. It can be reviewed online or printed.
3. When the appropriate bond form has been located (in this case 000180 12/2000), review the form and verify that the language and provisions are acceptable.

Alternatively, the ABC Agency contacts their surety to discuss the terms of the bond form, or electronically reports execution of a bond to the surety and references the BNI for the bond form used. The surety would like to review the terms and conditions of the subject bond.

1. Go to the BNI using the procedures provided in this User Guide and search for the bond form by entering the BNI number provided by the agency by entering the following search criteria: Bond Index = 000180
2. Verify that the Search Results returns an entry where the BNI is 000180 12/2000
3. Click on the bond image icon to open the bond form in Adobe Acrobat for review. An exact representation of the bond form (although marked as Sample) will be presented. It can be reviewed online or printed.
4. Examine the bond form to review bond language, terms and conditions.

### ***Scenario 2 – Paper based issuance with Electronic Reporting (Upload or Email)***

The ABC Agency uses an agency management system to manage its book of business and handle billing but does not have an automated bond issuance system. It uses paper bond forms or, where possible, an electronic image of the bond form retrieved from their own form library or that of a carrier. A printed copy of the bond form is produced for execution and filing and the bond is recorded in the agency management system. ABC Agency has an arrangement to electronically transmit the Report of Execution (ROE) information to the carrier(s). A requirement of the electronic ROE information is an unambiguous reference to the specific bond form used to write the obligation. The unique BNI provides that reference.

The ABC Agency would like to write and report a “Contractor’s Bond” for the state of California.

1. Locate the correct paper Bond Form, complete and file according to current procedures.
2. Go to the BNI using the procedures provided and search for the bond form by entering the following search criteria: Bond Type = License and Permit, Sub-Type = Contractor, State = CA.
3. Review the search results to return and review possible matches in the search results detail. For possible matches, click on the bond image icon to open the bond form in Adobe Acrobat for review
4. When the appropriate bond form has been located (in this case 000180 12/2000), review the language and verify that the language and provisions are exactly the same as the executed bond form. If an exact match is found, note the BNI number.
5. Record the bond information, including the BNI in the Agency Management System
6. Transmit the electronic ROE information to the appropriate carrier(s). If the ROE information includes the BNI, a copy of the paper bond form may not be required to be submitted to the carrier.
7. For subsequent questions regarding the bond form or terms and conditions agreed to, the carrier or other interested parties would retrieve a permanent image of the bond form from the BNI using the index number reported.

If a form is not in the library, reference the procedures on page 12 of this User Guide.

**PREREQUISITE:** ABC Agency must designate an area within its agency management system to capture and record the BNI number. If the Acord XML specification is used to upload a ROE to carriers or other trading partners, the BNI tags <**BondFormReferenceNumber**> and <**WhoseBondForm**> should be used to reference the bond form used. The <WhoseBondForm> tag describes the source of the number and not the author or developer of the form. "SAA" should be the value for this field. For other EDI trading formats, ABC Agency must discuss the means for passing the BNI number with the carrier.

Carriers must modify their systems to accept a BNI reference number as a part of the EDI upload transaction, and store the BNI entry along with the bond data in their Bond/Policy reporting systems.

***Scenario 3: - Agency uses its own (or 3<sup>d</sup> party) automated Issuance system with electronic ROE "upload" to carrier***

The ABC Agency uses an Agency Management System to manage its book of business and handle billing. ABC also has its own in-house system to rate and report the bond and produce the bond form and related documentation. ABC's bond form library contains all of the commonly used bond forms. Their issuance system links to the Agency Management System, and either the issuance system or the Agency Management System is able to generate an electronic Report of Execution to their carrier(s) (preferably using the Acord XML transaction).

The ABC Agency would like to write and report a "Contractor's Bond" for the state of California.

1. ABC logs into their in-house issuance system (or to a hosted 3<sup>d</sup> party solution), locates the appropriate Contractor's Bond in the bond form library. They verify that this is the correct bond and terms and conditions are acceptable.
2. ABC "executes" the bond using the automated issuance system and records the transaction in their internal systems.
3. The Agency's system generates an EDI transaction (preferably using the Acord XML ROE transaction) which includes the BNI number and transmits it as an electronic Report of Execution (ROE) to the appropriate carrier.
4. The carrier accepts the transaction, and records it in its system including the BNI number which can be used to review the bond form image and terms and conditions as outlined in Scenario 1.

**PREREQUISITES:** The agency's forms library must be cross referenced with the BNI and must record the corresponding BNI reference number in their form table. If a BNI does not exist, a copy of the form should be provided to the SFAA so that it can be added to the index and a BNI number assigned. If the Acord XML specification is used to upload a ROE to carriers or other trading partners, the SFBNI tags <**BondFormReferenceNumber**> and <**WhoseBondForm**> should be used to reference the bond form used. The <WhoseBondForm> tag describes the source of the number and not the author or developer of the form. "SAA" should be the value for this field. For other EDI trading formats, ABC Agency must discuss the means for passing the BNI number with the carrier. The receiving carrier must designate an area within their Bond/Policy System to capture and record the BNI number.

***Scenario 4: - Using a Carrier System for Issuance/Report of Execution with "download" to Agency***

The ABC Agency uses an Agency Management System to manage its book of business and handle billing. ABC uses Carrier X's web based bond reporting system to rate and report the bond and produce the bond form and related documentation. An electronic Report of Execution to Carrier X is automatically generated using this system. Carrier X can also "Download" an EDI transaction (preferably using the Acord XML transaction) to the ABC Agency for recording and billing in their Agency Management System.

The ABC Agency would like to write and report a "Contractor's Bond" for the state of California.

1. ABC logs into the Carrier X system, locates the appropriate Contractor's Bond in the Carrier's bond form library.
2. ABC "executes" the bond in the Carrier system, effectively reporting the transaction and creating a record of the bond form used.
3. Carrier X downloads an EDI transaction (preferably using the Acord XML transaction) to the ABC Agency for recording and billing in their Agency Management System.

In this scenario, the carrier is already aware of terms and conditions because forms are being generated from the carrier's library. The agent/principal can review bond language before final execution.

**PREREQUISITES:** Each carrier or system provider must cross reference their form library with the BNI and record the corresponding BNI reference number in their form table. If a BNI does not exist, a copy of the form

should be provided to the SFAA so that it can be added to the index and a BNI number assigned.

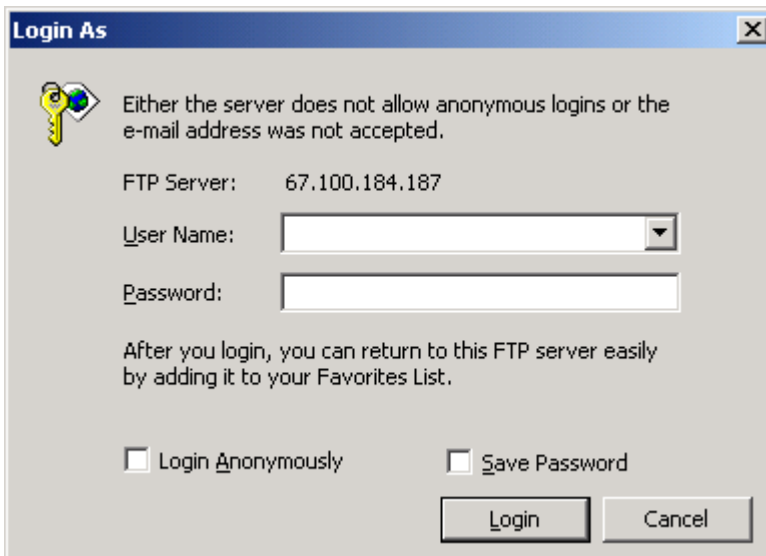
### Updating the BNI

SFAA endeavors to keep the Index current and responsive to your needs. If the form you are searching for is not in the Index, please contact SFAA and we will work to obtain the form and load it into the database. You may contact SFAA at [bondforms@surety.org](mailto:bondforms@surety.org). Please provide the following information: your name, company, phone number, email address, and description of bond form. SFAA staff will contact you to discuss how to obtain a copy of the form, so that it can be installed in the BNI. In addition, if you are aware that a form included in the Index has been updated, please contact us and we will obtain the more current version.

### BNI's FTP Site

A secure file transfer protocol (FTP) site is established to allow selected members to download the database in a comma delineated flat file format. This file can be used by members to create a cross-reference table between their form library numbering scheme and the BNI. This file does not include the PDF images. The flat file is updated in its entirety on the first day of each month at approximately 12:30 am (Eastern Time).

The site is accessed via the address of <ftp://67.100.184.187>. The user will be asked to input a user name and password. These can be obtained from SFAA. You may need to contact your systems administrator for FTP access.



Once the proper password has been used, the screen will show a single file called "Update.txt." This is a text file in a comma delineated format.

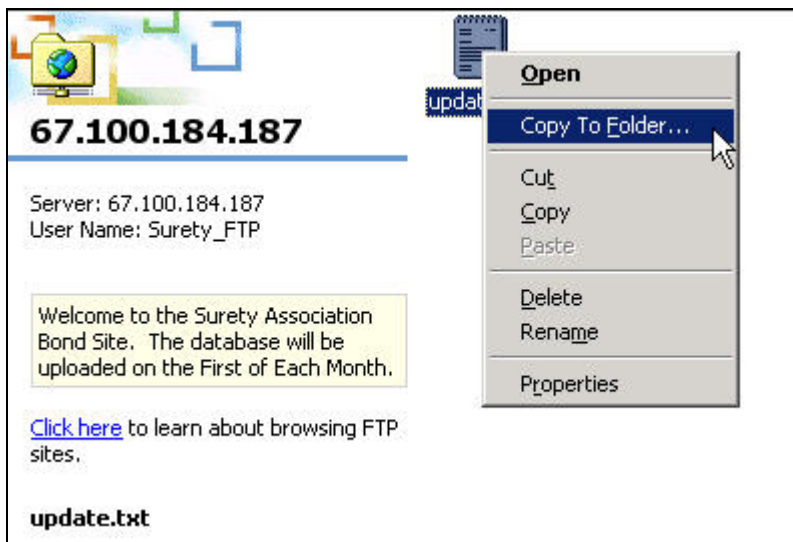


The text file takes the following format:

```
"BNI","InputDate","BondTypeName","BondSubtypeName","Title","Description","State","Obligee","ObligeeFormNumber","DevelopedBy","Province","Country","RevisionDate","Rows"
```

Column names Province and Country are not presently operable. These fields are being reserved for future expansion of the website.

Right click on the Update.txt icon and select the "Copy to folder" option. Chose the folder you want to save the file to and then select the "OK" button.



Note: This FTP site is a resource of data only. It will be up to the user of this file to integrate this into their own systems and/or processes.