

# Tonry Insurance Group

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## **BID SPREAD EXPLANATION LETTER**

The surety requires an explanation letter for any bid spread over 10% before we can issue the performance/payment bonds.

Please fax/email us a letter detailing why you are lower than the other bidders. You might include:

- the engineer's estimate
- the number of bidders
- competitive advantages you have over the other bidders (distance, wages, overhead, etc.)

Also include that you have reviewed your bid numbers and are comfortable with your bid and the job will be profitable.

If a mistake was made on your bid, please give us a call immediately. It is better to work with the owner and architect/engineer sooner rather than later. You may try to withdraw from your bid without penalty. Rarely are bid bonds and penalties enforced, but it is the owner's option.

\*\*\*Please visit our website at [www.tonry.com](http://www.tonry.com) to obtain any required forms\*\*\*