



Assetinsure Surety Bonds / Contract Performance Bonds Information Sheet

Bank Guarantees vs. Surety Bonds backed by Swiss Re



**SAME AS A BANK
GUARANTEE**



**GUARANTEED
BY SWISS RE**



**ASSETINSURE
LARGEST PROVIDER**





1. Type of Document:

- Both are unconditional and irrevocable undertakings issued by a Bank or Swiss Re International SE;
- Both are payable on demand and have the same wording and legal obligations;
- Common names for a Contract Performance Bond include: Bond, Surety Bond, Insurance Bond, Unconditional Undertaking, Bank Guarantee (if issued by a Bank).

2. Strength of Document:

- Bank Guarantees are backed by the financial strength of the Bank issuing the document;
- Swiss Re Bonds are backed by the financial strength of Swiss Re International SE, a wholly owned subsidiary of the Swiss Re Group, the second largest reinsurer and Contract Performance Bond provider in the world with Market Capitalisation of A\$43.9 billion;
- Assetinsure easily satisfies the minimum criteria for acceptance by NZ Ministry of Education and NZ Transport Agency;
- Swiss Re International SE has the same Standard & Poor's credit rating as that of the 4 major Australian banks, being AA-, with a superior outlook of *Stable*. No other financial institution in Australia has a higher credit rating (refer attached Ratings Table);
- This makes Swiss Re Bonds "as good as" cash;
- Swiss Re Bonds are widely accepted by a large number of corporate entities and also government agencies at Federal, State and Local Authority level (refer attached Beneficiaries Extract) and meets the Treasury guidelines of all State Government Treasuries.

3. Claims Process:

- Same process is undertaken for a Bank Guarantee and a Swiss Re Bond;
- Bonds can be presented locally for claiming;
- Following confirmation, the amount claimed is paid within 8 hours, usually into a nominated account or by cheque. As an unconditional undertaking, it is stressed that there is no requirement to prove that there has been a lack of performance or any further justification for making the claim;
- Bonds are not subject to an "insurance style claims process", as they are not an insurance product.

4. Common Misconceptions:

- "A Swiss Re Bond is an insurance policy";
- "A Swiss Re Bond doesn't have the same obligations as a bond issued by a bank";
- "Insurance companies aren't as secure as banks";
- "It's more difficult to make a claim on a Swiss Re International SE Bond".



Standard & Poor's Long Term Credit Ratings
(as at December 2018)

Financial Institution	Standard & Poor's Rating / Outlook
Swiss Re (Swiss Re International SE)	AA-/stable
National Australia Bank Limited	AA-/negative
Australia and New Zealand Banking Group Limited	AA-/negative
Westpac Banking Corporation	AA-/negative
Commonwealth Bank of Australia	AA-/negative
Suncorp Group	A/stable
Bendigo and Adelaide Bank Limited	BBB/stable
Macquarie Bank Limited	A/developing
Bank of Queensland Limited	BBB+/stable

About Assetinsure Pty Ltd

Assetinsure Pty Ltd is an APRA licenced Australian private insurance company and acts as agent for Swiss Re International SE in Australia, managing the day to day operations of its performance bonding business, including the issuing of Performance Bonds and managing the claims process. Assetinsure as agent for Swiss Re International SE is the largest provider of bonds in Australia with over \$5 billion in total bond facilities.

Contact Us

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Beneficiaries that have accepted Surety Bonds underwritten by Swiss Re in the Australian Market:

(Extract Only – for companies not listed below, please refer to Assetinsure)

Utilities Beneficiaries

AGL Energy Limited
Aurora Energy Pty Limited
Country Energy
Energex limited
Energy Australia
ETSA Utilities
Integral Energy
Jemena Electricity Networks (VIC) limited
Origin Energy
Powerco Energy Services
Power link Queensland
United Energy Distribution Pty Limited
Western Power Corporation

Corporate Beneficiaries

AAPT
Abigroup Contractors Pty Limited
Alstom Australia Pty Limited
AMP Limited
Areva T&D Australia Limited
Australand Limited
Australian Rail Track Corporation Limited
Baulderstone Pty Limited
BHP Billiton Limited
Boeing Australia Limited
Boral Limited
Bovis Lend Lease Pty Limited
Brookfield Multiplex Pty Limited
Cadbury Pty Ltd
Carborough Downs Coal Management Pty Ltd
Catholic Education Commission of Western Australia Trustees Association Inc
Coles Supermarkets Pty Limited
Colonial First State Property
FKP Limited
Foodland Associated Limited
Hamersley Iron Pty Limited
Illawarra Coal Holdings Pty Ltd
Iluka Pty Limited
John Holland Pty Limited
Kalgoorlie Consolidated Gold Mines Pty Ltd
Mirvac Limited
Murdoch University
Probuild Constructions (Aust) Pty Ltd
Qantas Airways Limited
Queensland Investment Corporation
Rio Tinto Limited
Roman Catholic Archbishop Of Perth
Santos Limited
Shell Australia Pty Limited
Sino Iron Pty Limited
Sydney Anglican Schools Corporation
Sydney Anglican Home Mission Society Council
Telstra Corporation Limited
Thiess Pty Ltd
Woodside Petroleum Limited
Xstrata



Federal /State /Local Government Beneficiaries

ACT Procurement Solutions
Ashfield Council
Australian Government Department of Defence
Brisbane City Council
City of Canada Bay Council
City of Gosnells
City of Melbourne
City of Subiaco
Clarence City Council
Commissioner of Highways – South Australia
Commissioner of Main Roads – Western Australia
Defence Housing Australia
Department of Education & Early Childhood Development
Department of Health - Queensland
Department of Housing & Works – Western Australia
Department of Infrastructure – Victoria
Department of Public Works & Housing – Queensland
Department of Public Works – New South Wales
Department of Transport and Main Roads – Queensland
Department of Treasury and Finance Building Management and Works – Western Australia
Director of Housing - Victoria
Director of Public Transport- Victoria
Director General of Ministry of Transport
Freemantle Ports Authority
Greater Bendigo City Council
Gold Coast City Council
Government of South Australia – Dept for Transport, Energy and Infrastructure
Government of Western Australia - Department of Treasury and Finance
Griffith University
Kingborough Council
Port Hedland Port Authority
Melbourne Water
Minister for Public Works
Minister for Commerce
Newcastle City Council
New South Wales Land & Housing Corporation
Queensland Department of Education & Training
Queensland Department of Transport
Queensland Rail
Rail Corporation NSW
Road & Traffic Authority - RTA
Shire of Busselton
South Australian Water Corporation
South East Water Limited
State of Queensland – Department of Main Roads
Sydney Water Corporation
Town of Kwinana
Townsville City Council
The Crown in the Right of the State of Queensland through the Deputy Director-General, Health Infrastructure and Projects Division

The Crown in the Right of the State of Queensland through the Director General, Department of Public Works
The Crown in right of the State of Queensland through the Director General, Queensland Health
The Crown in Right of Tasmania, represented by the Department of Education
The Crown in Right of Tasmania represented by Department of Health & Human Services
The Minister for Finance, Workcover & Transport Accident Commission
The Minister for Works C/- Department of Treasury and Finance (Building Management and Works)
The Minister of Commerce for the State of NSW - Department of Commerce
University of Tasmania
Western Australia Water Corporation
Western Australian Land Authority T/As LandCorp
Wyong Council
Vic Roads
Yarra Valley Water

New Zealand Beneficiaries

Massey University
Auckland International Airport Limited
Fonterra Co-operative Group Limited
Dominion Salt Limited
Taranaki Land Limited
ABB Limited
The New Zealand Institute of Plant and Food Research Limited
Sahara Limited
Wellington City Council
NZ Transport Agency
Auckland Transport
Ministry of Education
University of Otago
Ara Institute of Canterbury
New Zealand Defence Force
Hamilton City Council
Auckland Waterfront Development Agency Limited
New Zealand Police
Catholic Diocese of Auckland
Alexandra Park Trotting Club Incorporated
Beca Corporate Holdings Limited
New Zealand Education Holdings Limited
Clare House Retirement Village Limited