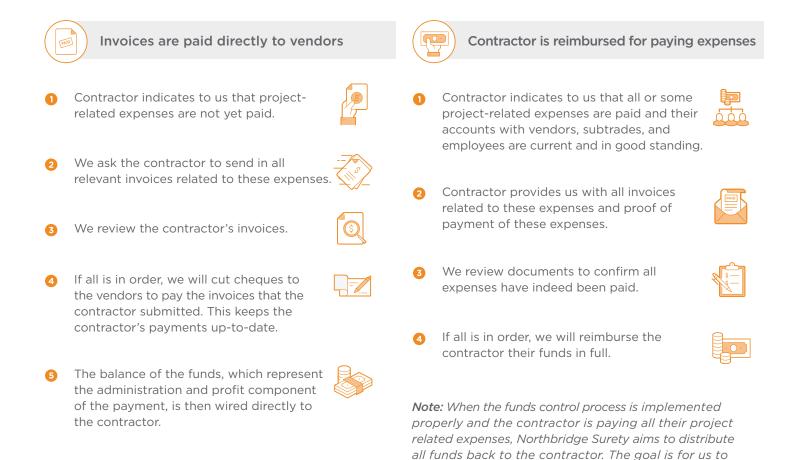


Funds control is a risk-mitigating mechanism Northbridge Surety uses when issuing bonds to limit exposure to non-payment of expenses related to a particular project.

When payment is made by the owner of a project to the contractor, that payment is made to a funds control company that will redistribute the funds to the subcontractors and suppliers who contributed to the work.

Once the funds control company receives the project funds, one of two processes may occur.





hold a zero-balance account at all times.