

Surety Bond No. \_\_\_\_\_

Permit No. \_\_\_\_\_

**Performance Bond**

Date Bond Executed: \_\_\_\_\_ Effective Date: \_\_\_\_\_

Principal: (Legal Name and Business Address of Owner/Operator)

\_\_\_\_\_

Type of Organization: ("Individual", "Joint Venture", "Partnership", or "Corporation")

\_\_\_\_\_

State of Incorporation: \_\_\_\_\_

Surety(ies): (Name(s) and Business Address(es))

\_\_\_\_\_

The Surety issuing the bond must, at a minimum, be among those listed as acceptable sureties on Federal bonds in Circular 570 of the U.S. Department of the Treasury.

National Pollutant Discharge Elimination System (NPDES) Permit Number<sup>1</sup>, Arkansas Facility Identification Number (AFIN), Consent Administrative Order (CAO) [if applicable], name, address, and five (5) year operating and maintenance amount(s) for each facility guaranteed by this bond:

Total Penal Sum of Bond: \_\_\_\_\_

Surety's Bond Number: \_\_\_\_\_

\_\_\_\_\_, (insert full legal name of permit holder) as Principal, and \_\_\_\_\_, (insert full legal name of Surety) as Surety, are held and firmly bound unto the Arkansas Department of Environmental Quality in the amount of \_\_\_\_\_ (dollars) ( \_\_\_\_\_), for the payment whereof Principal and Surety bind themselves, their heirs, executors, administrators, successors, and assigns, jointly and severally.

WHEREAS, said Principal is required, under the Arkansas Water and Air Pollution Control Act as amended, to have a NPDES permit to operate each wastewater treatment facility identified above, and

WHEREAS, said Principal has applied to the Arkansas Department of Environmental Quality for a permit to operate a wastewater treatment facility; and

WHEREAS, said Principal is required to demonstrate to the Department its financial ability to cover the costs of operating and maintaining the wastewater treatment facility for a period of five (5) years; and

WHEREAS, the conditions of this obligation are such that if the Principal shall faithfully operate and maintain each facility covered by this bond, in accordance with the requirements of the permit, or subsequent amendments and applicable Arkansas law, then this obligation shall be null and void.

WHEREAS, the surety hereby waives notification of amendments to permits, applicable laws, statutes, rules, and regulations and agrees that no such amendment shall in any way alleviate its obligation on this bond.

WHEREAS, the Surety agrees to be bound to the Department for the payment of the above-listed sum in the event that Principal fails to perform in accordance with the terms and conditions of the permit or Arkansas law. Upon notification by the Director of the Arkansas Department of Environmental Quality, of his or her designee, that the Principal has been found in violation of the operating and maintenance requirements of the permit for a facility for which this bond guarantees performance, the Surety(ies) shall either operate and/or maintain the facility in accordance with the permit requirements or place the amount guaranteed for the facility into the standby trust fund as directed by the Director. The Department will not directly operate nor shall it be responsible for the operation of any facility subject to this bond.

WHEREAS, the liability of the Surety(ies) shall not be discharged by any payment or succession of payments hereunder, unless and until such payment or payments shall amount in the aggregate to the penal sum of the bond, but in no event shall the obligation of the Surety(ies) hereunder exceed the amount of said penal sum.

The Surety(ies) may cancel this bond by sending written notice of its desire to be relieved of liability by certified mail to the owner or operator and to the Director one hundred and twenty (120) days in advance of cancellation. However, this bond shall not be cancelled and shall continue in full force and effect prior to the expirations of the one hundred twenty (120) days' notice period.

Subject to the written authorization for termination of the Director, the principal may terminate this bond by sending written notice of its intent to terminate to the Surety(ies) and the Director, one hundred and twenty (120) days in advance of the termination date. Written authorization from the Director shall be conditioned upon receiving evidence of financial assurance as required by Ark. Code Ann. § 8-5-703.

In Witness Whereof, the Principal and Surety(ies) have executed this Performance bond and have affixed their seals on the date set forth above.

The persons whose signatures appear below hereby certify that they are authorized to execute this surety bond on behalf of the Principal and Surety(ies).

Signed and sealed this \_\_\_\_\_ day of \_\_\_\_\_, \_\_\_\_\_.

**PRINCIPAL**

(Signature(s)) \_\_\_\_\_

(Name(s)) \_\_\_\_\_

(Title(s)) \_\_\_\_\_

(Corporate Seal)

**CORPORATE SURETY(IES)**

(Name and address) \_\_\_\_\_

(State of Incorporation) \_\_\_\_\_

(Liability Limit) \_\_\_\_\_

(Signature(s)) \_\_\_\_\_

(Name(s) and Title(s)) \_\_\_\_\_, Attorney-in-Fact

(Corporate Seal)

(For every co-surety, provide signature(s), corporate seal, and other information in the same manner as for Surety above.)

Bond Premium \_\_\_\_\_

\_\_\_\_\_  
(Witness)

\_\_\_\_\_  
(Witness)

Countersigned:

\_\_\_\_\_  
Arkansas Licensed Resident Agent

\_\_\_\_\_  
<sup>i</sup> Please note that assignment of a permit number does not guarantee that a NPDES permit will be issued by the ADEQ. If a requested permit is denied, then this bond will be considered to be null and void.