

## Sewage Sludge Utilization Performance Bond

Total Sum of the Performance Bond (the "Bond") \_\_\_\_\_ Bond.  
No. \_\_\_\_\_

This Bond assures performance for Sewage Sludge Utilization Permit(s) ("Permit" for "Permits")  
No(s). \_\_\_\_\_ authorizing the utilization of sewage sludge issued to \_\_\_\_\_ [legal  
name of Principal]:

\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

KNOW ALL PERSONS BY THESE PRESENTS:

That \_\_\_\_\_, as Principal, and  
\_\_\_\_\_, a [Corporation authorized to transact business in the State of  
Maryland as Surety] [or] [a corporation organized under the laws of the State of Maryland as  
Surety], jointly and severally, are held and firmly bound unto the MARYLAND DEPARTMENT  
OF THE ENVIRONMENT ("Department" or "Obligee"), a principal Department of the State of  
Maryland, in the sum of \_\_\_\_\_ dollars (\$ \_\_\_\_\_ .00), lawful money of the United States to the  
payment of which sum, well and truly to be made, the Principal and Surety bind themselves, their  
successor, and assigns, jointly and severally, firmly by these presents.

WHEREAS, the Principal is required under Section 9-231 of the Environment Article of the  
Annotated Code of Maryland, to have a separate Sewage Sludge Utilization Permit for each sewage  
sludge project; and

WHEREAS, the Principal is required under Section 9-240 of the Environment Article, as a requirement for keeping a Permit, to maintain a Bond that satisfies the amount specified in the Code of Maryland Regulations ("COMAR") 26.04.06;

WHEREAS, the Department is prepared to issue to the Principal a Permit, upon receipt of good and sufficient security therefore:

NOW, THEREFORE, THE CONDITION OF THIS OBLIGATION IS SUCH, that if the above-bound Principal shall fail or refuse, in any respect, to perform, comply or observe (i) the terms, conditions and obligations of the Permit, (ii) any judgments, orders or decrees at law or in equity pertaining to such Permit, and (iii) all applicable statutes, ordinances, rules or regulations, pertaining to such Permit, and to fully pay, perform, complete and discharge all terms, conditions and obligations thereunder, then the Surety shall:

- (a) fully pay, perform, complete and discharge all terms, conditions and obligations pertaining to such Permit; and
- (b) indemnify the Obligee against all loss, cost, expense, damage, claim, demand, or action, suit or proceeding against it, which is caused by the Principal's failure, non-compliance with, or breach of (i) any term, condition or obligation of such Permit, or (ii) any judgment, order or decree, pertaining to such Permit, or (iii) any statute, ordinance, rule or regulation pertaining to such Permit; provided, however, that nothing herein shall be construed to release, modify or derogate from the primary obligation of the Surety hereunder stated in sub-paragraph (a) of this paragraph.

Upon notification by the Department that the Principal has been found in violation of a requirement related to the Permit(s), performance by the Surety under this Bond shall, at the direction of the Department, include, but not be limited to:

- (a) arranging for the Principal, with the consent of the Department, to perform and complete the Principal's obligations under the Permit, or under any

judgment, order or decree, or under any statute, ordinance, rule or regulation pertaining to such Permit; or

- (b) undertaking to perform and complete the obligations of the Principal under the Permit, itself, through its agents or through independent contractors; or
- (c) arranging for performance of a corrective action plan approved by the Department; obtaining bids or negotiated proposals from qualified contractors acceptable to the Department for a contract for performance and completion of the obligations under the Permit or under any judgment, order, decree, statute, ordinance, rule or regulation pertaining to such Permit; arranging for selection of the contractor and for a contract to be prepared for execution by the Department with the concurrence of the Department; also to be secured with a performance bond executed by a qualified surety, which is equivalent to the bond issued under the Permit.

This Bond is effective as of \_\_\_\_\_ and shall expire on \_\_\_\_\_, but such expiration date shall be automatically extended for a period of \_\_\_\_\_ on \_\_\_\_\_ and on each successive expiration date, unless, at least 120 days before the then current expiration date, the Surety notifies both the Department and the Principal by certified mail that the Surety has decided to cancel this Bond. Such cancellation will be effective only on condition that within sixty (60) days following such notice, the Principal provides to the Department substituted security, which is acceptable to the Department in its sole discretion. In the event the Principal fails to provide such substituted security within sixty (60) days following such notice, the Department may make demand upon this Bond in the full amount.

The Surety hereby waives notice of amendments to the Permit, applicable laws, statutes, rules, and regulations and agrees that no such amendment(s) shall in any way modify or release its obligation under this Bond.

Release of this Bond shall be conditioned upon receipt by the Surety of written certification from an authorized representative of the Department that the Principal has satisfactorily fulfilled all obligations under (i) the terms and conditions of the Permit, and (ii) any applicable judgment, order, decree, or (iii) statute, ordinance, rule or regulation pertaining to such Permit.

PROVIDED, that irrespective of (i) the number of years this Bond shall continue in force, (ii) the number of premiums that shall be payable or paid or (iii) in the event of any partial payment or succession of payments made hereunder, the Surety shall not be liable hereunder for a larger amount than the amount of this Bond, in addition to court costs, attorneys' fees and other costs of litigation.

PROVIDED FURTHER, that this Bond shall be construed as a statutory bond and not as a common law bond, and that to the extent that any payment is required hereunder it shall be deemed a form of performance, which is reasonably incident to satisfying the primary obligation of the Surety hereunder and shall be construed as complying with the requirements of Section 9-240 of the Environment Article and the provisions of COMAR promulgated thereunder. All notices or certifications to the Obligee required hereunder shall be sent by certified mail to:

**Resource Management Program  
Land and Materials Administration  
Maryland Department of the Environment  
1800 Washington Boulevard, Suite 610  
Baltimore, Maryland 21230 -1719**

IN WITNESS WHEREOF, the Principal and Surety have executed this Bond and have affixed their respective seals on the date set forth below.

The persons whose signatures appear below hereby certify that they are authorized, respectively, to execute this Bond on behalf of the Principal and Surety.

Signed, Sealed and Dated \_\_\_\_\_

Witness: \_\_\_\_\_

Principal

By: \_\_\_\_\_

Witness: \_\_\_\_\_

Surety

By: \_\_\_\_\_

Principal: \_\_\_\_\_  
(Name of firm)

Surety: \_\_\_\_\_  
(Name of firm)

By: \_\_\_\_\_  
(Signature)

By: \_\_\_\_\_  
(Signature)

\_\_\_\_\_  
(Printed name)

\_\_\_\_\_  
(Printed name)

Title: \_\_\_\_\_

Title: \_\_\_\_\_

Witness: \_\_\_\_\_

Witness: \_\_\_\_\_

STATE OF \_\_\_\_\_, COUNTY OF \_\_\_\_\_, to wit:

I hereby certify that on the \_\_\_\_ day of \_\_\_\_\_, 20\_\_, before me, the subscriber, a notary public of the State of Maryland, in and for \_\_\_\_\_, personally appeared \_\_\_\_\_ and made oath in due form of law that the matters contained in the above-stated Bond are true to the best of his/her knowledge, information, and belief.

As witness, my hand and notarial seal.

\_\_\_\_\_  
Notary Public

My commission expires \_\_\_\_\_

STATE OF \_\_\_\_\_, COUNTY OF \_\_\_\_\_, to wit:

On this \_\_\_\_ day of \_\_\_\_\_, 20\_\_, before me, the undersigned officer personally appeared on behalf of \_\_\_\_\_, a corporation, and that [he/she], as such \_\_\_\_\_, being authorized so to do, executed the foregoing instrument for the purposes therein contained, by signing the name of the corporation by [himself/herself] as \_\_\_\_\_.

As witness, my hand and notarial seal.

\_\_\_\_\_  
Notary Public

My commission expires \_\_\_\_\_

[Corporation Seal]

**CORPORATE SURETY(IES)**

**Name and Address**

\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

**State of Incorporation**

\_\_\_\_\_

**Liability Limit**

\$ \_\_\_\_\_

**Signature(s)**

\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

**Names(s) and Titles(s)**

\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

**Corporate Seal:**

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

**Bond Premium: \$** \_\_\_\_\_