

**DEPARTMENT OF CONSERVATION
OFFICE OF MINE RECLAMATION**

and the

(COUNTY/CITY) OF _____

SURETY BOND (CORPORATION)

(Public Resources Code §2773.1)

Bond No. _____

KNOW ALL PERSONS BY THESE PRESENTS, THAT THE UNDERSIGNED

(Name of Corporation - Permittee and Principal, whose address for service is:)

(Street Address) (City) (State) (Zip)

a corporation organized and existing under the laws of the State of _____, as
Principal, and _____

(Name of Surety Company, whose address for service is:)

(Street Address) (City) (State) (Zip)

organized and existing under the laws of the State of _____ and
licensed to do business in the State of California, as Surety, are held and firmly bound unto
the City/County of _____ and, in the alternative, the Department of
Conservation, Office of Mine Reclamation, and, in the alternative, the _____

(Third Party)

_____ in the penal sum of _____
Public Agency)

_____ DOLLARS (_____) for
the payment of which sum we hereby jointly and severally bind ourselves, our successors, and
assigns. In the event of forfeiture by the Principal, the Obligees agree that, in the
aggregate, they shall not demand in excess of the penal sum of this bond.

THE CONDITION OF THE ABOVE OBLIGATION is such that:

Whereas, the above-named Principal has submitted _____,
(Permit or Reclamation Plan Application)

No. _____, including a mining and reclamation plan, to reclaim a surface mining
operation, as defined pursuant to the Surface Mining and Reclamation Act, Public Resources
Code, Division 2, Chapter 9, §2710 et seq. (the Act), and its attendant regulations
(California Code of Regulations, Title 14, §3500 et seq.); and

Whereas, a demand has been made upon Principal for security under Public
Resources Code §2773.1, to insure compliance with the Act; and this bond is executed and
tendered in accordance therewith;

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Whereas, the Principal has chosen to file this performance bond as a guarantee that the reclamation of the land disturbed during this surface mining operation will be completed as required by the Act and regulations, and as specified in the Permit and Reclamation Plan as approved by the City/County of _____;

Whereas, the Surety and their successors and assigns agree to guarantee the obligation and to indemnify the City/County of _____, the Department of Conservation, Office of Mine Reclamation and the _____
(Third Party Public Agency)
from the failure of the Principal to complete the reclamation of the land disturbed during the surface mining operation in conformity with the Act and regulations and as specified in the Permit and Reclamation Plan as approved by the City/County of _____, subject to the penal sum of this bond;

Whereas, the surety, as part of the obligation secured by this bond, and in addition to the penal sum specified in this bond, agrees there shall be included costs and reasonable expenses and fees, including reasonable attorney fees, incurred by the County, and in the alternative, the Department of Conservation, Office of Mine Reclamation, and, in the alternative, the _____
(Third Party Public Agency)
in successfully enforcing such obligation against the surety, all to be taxed as costs and included in any judgment rendered;

Whereas, obligations guaranteed by this performance bond shall be in effect for the following described lands which are subject to the approved mining and reclamation plan or increment upon which initial or succeeding operations by the principal will be conducted:

(Insert legal description)

_____;

Now, if the Principal faithfully completes all reclamation requirements set forth in the Act, the regulations, and all conditions of the permit related to reclamation, including the mining and reclamation plan, then this obligation shall be void; otherwise, it shall remain in full force and effect.

- (a) beginning on the date of the approval and issuance of Permit No. _____
(or Reclamation Plan No. _____), or prior to commencement of surface disturbance, and extending until all reclamation and restoration work pursuant to the Act, the regulations, and all conditions of the permit related to reclamation, including the mining and reclamation plan, has been completed to the satisfaction of the City/County of _____, and, in the alternative, the Department of Conservation, Office of Mine Reclamation; and, in the alternative, the _____; and,
(Third Party Public Agency)

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- (b) until the bond is released or replaced, or until the permit has been sold, reassigned or otherwise transferred in accordance with the Act and its attendant regulations.

The failure of the Principal to fulfill mined land reclamation obligations specified by the Act, the regulations, and all conditions of the permit related to reclamation, including the mining and reclamation plan, shall result in a forfeiture of this performance bond according to the procedures described in the Act.

The amount of the Surety's liability may be adjusted by the City/County of _____ and, in the alternative, the Department of Conservation, Office of Mine Reclamation and, in the alternative, the _____

(Third Party
Public Agency) pursuant to the Act for lands covered by this bond which have been

disturbed by the Principal, or for which reclamation has been completed and approved by the City/County of _____ and in the alternative, the Department of Conservation, Office of Mine Reclamation. If the penal sum of this bond requires adjustment, it shall be by use of an Increase/Decrease Rider.

The surety hereby stipulates and agrees that no change, extension of time, alteration or addition to the terms of the _____, No. _____

(Permit or Reclamation Plan Application) or to the work to be performed thereunder or the specifications accompanying the same shall in any way affect its obligation on this bond, and it does hereby waive notice of any such change, extension of time, alteration or addition to the terms of the _____

(Permit
or Reclamation Plan Application) No. _____ or to the work or to the specifications. Surety

further stipulates and agrees that the provisions of Section 2845 of the Civil Code are not a condition precedent to surety's obligations hereunder and are hereby waived by surety.

The Surety will give prompt notice to the Principal, the City/County of _____, the Department of Conservation, Office of Mine Reclamation and the _____ of any notice received or action filed alleging

(Third Party Public Agency) the insolvency or bankruptcy of the Surety, or alleging any violations or regulatory requirements which could result in suspension or revocation of the Surety's license to do business.

In the event the Surety becomes unable to fulfill its obligations under the bond for any reason, notice shall be given immediately to the Principal, the City/County of _____, the Department of Conservation, Office of Mine Reclamation and the _____.

(Third Party Public Agency)

Upon the incapacity of the Surety by reason of bankruptcy, insolvency, or suspension or revocation of its license, the Principal shall be deemed to be without bond coverage in violation of the Act, and subject to enforcement actions described in the Act.

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IN WITNESS THEREOF, the Principal and Surety have hereunto set their signatures and seals as of the dates set forth below.

Date _____

(Corporation - Permittee [Principal])
By: _____
(Signature of Corporate Officer)
(Corporate Seal)

Typed or Printed Name
Title: _____

I declare, under penalty of perjury, under the laws of the State of California, that I have executed the foregoing bond under an unrevoked Power of Attorney.

(Surety Company)
By: _____
(Signature of Attorney-in-Fact for Surety)
(Seal)

Typed or Printed Name
Title: _____

Executed in _____ on _____ under
(City and State) (Date)
the laws of the State of California.

(Note: Where one signs by virtue of a Power of Attorney for a Surety Company, such fully executed Power of Attorney must be filed with this bond.)

ACKNOWLEDGMENT OF CORPORATION - PERMITTEE

State of _____

SS.

County of _____

On this ____ of _____, in the year _____, before me, _____ (name and quality of officer), personally appeared _____, personally

known to me (or proved to me on the basis of satisfactory evidence) to be the person(s) whose name(s) is/are subscribed to the within instrument and acknowledged to me that he/she/they executed the same in his/her/their authorized capacity(ies), and that by his/her/their signature(s) on the instrument the person(s), or the entity upon behalf of which the person(s) acted, executed the instrument.

WITNESS my hand and official seal.

Notary's Signature L.S.
My Commission Expires: _____

ACKNOWLEDGMENT OF SURETY

State of _____

SS.

County of _____

On this ____ of _____, in the year _____, before me, _____ (name and quality of officer), personally appeared _____, personally

known to me (or proved to me on the basis of satisfactory evidence) to be the person(s) whose name(s) is/are subscribed to the within instrument and acknowledged to me that he/she/they executed the same in his/her/their authorized capacity(ies), and that by his/her/their signature(s) on the instrument the person(s), or the entity upon behalf of which the person(s) acted, executed the instrument.

WITNESS my hand and official seal.

Notary's Signature L.S.
My Commission Expires: _____

NOTE: Please identify the agent acting on behalf of the surety, if applicable.

AGENT _____ PHONE _____

ADDRESS _____
