



SURETY BOND

State Form 50621 (R3 / 12-11)
Form SB-1

**INDIANA DEPARTMENT OF NATURAL RESOURCES
DIVISION OF RECLAMATION**
14619 W. State Road 48
Jasonville IN 47438

FOR OFFICIAL USE

INSTRUCTIONS: Submit one (1) original and one (1) copy

Bond Number. _____

KNOW ALL MEN BY THESE PRESENT, THAT _____
(Name of Permittee)

Of _____, as principal, and
(Complete Address of Permittee) (number and street, city, state, and ZP code)

_____, duly licensed to do business
(Name of Surety)

in the State of Indiana, of _____
(Complete Address of Surety) (number and street, city, state, and ZIP code)

as surety, our heirs, executors, administrators, successors, and assigns, jointly and severally, are held and firmly bound unto the State of Indiana, Department of Natural Resources by these presents:

WHEREAS, The above bounden principal has been or is expected to be granted a permit or permits on the basis of an application or applications to conduct surface coal mining and reclamation operations for which a permit is necessary under I.C. 14-34 and Indiana regulations 312 IAC 25.

WHEREAS, said principal and said surety are held and firmly bound unto the said Department of Natural Resources of the State of Indiana in the sum of _____

(\$ _____) Dollars to insure performance by the principal herein of the requirements of the Indiana Department of Natural Resources in accordance with the provision of I.C. 14-34, 312 IAC 25-2, and any conditions of the Indiana Department of Natural Resources with respect to the following permit:

PERMIT NUMBER: _____ PIT NAME: _____

Said principal and said surety herein agree that this obligation shall be non-cancelable and that the liability hereunder is for the duration of the above specified surface coal mining and reclamation operations and continues thereafter for a period coincident with the principal's responsibility for the establishment of revegetation on the affected areas pursuant to 312 IAC 25-6-59.1 and 312 IAC 25-6-120, EXCEPT THAT the obligation herein may be cancelled when approved by the Director of the Indiana Department of Natural Resources for permitted lands not disturbed or affected under the above permit, OR where bond acceptable to the Director of the Indiana Department of Natural Resources has been submitted to replace this obligation.

The principal and surety herein further understand and agree that the procedures for the adjustment of the amount under this surety bond are specified in 312 IAC 25-5-9; that procedures governing the release of all or part of this bond are specified in 312 IAC 25-5-16 and as provided below; and that the procedures for the forfeiture of this bond are specified in 312 IAC 25-5-17 and 312 IAC 25-5-18 and as provided below.

NOW, THEREFORE, the conditions of this obligation are that if the said principal herein shall comply with the terms and/or conditions of said permit and with the provisions of and obligations imposed by the above entitled Act and any amendments thereto, and with 312 IAC 25-2 and any amendments thereto, then the release of this obligation shall proceed as specified in 312 IAC 25-5-15 or 312 IAC 25-5-16 and as provided below.

The principal and surety herein agree that this bond is posted to insure the permittee's performance upon all acres contained in the above permit. Upon bond forfeiture pursuant to 312 IAC 25-5-17 and 312 IAC 25-5-18, all bond or bonds which continue to be held by the Natural Resources Commission for all bonding increments within the above permit may be forfeited and the forfeited bond or bond increments may be used by the Indiana Department of Natural Resources to complete the reclamation plan or a modified plan for any or all acres in the above permit and to cover associated administrative expenses. If funds forfeited are not used by the Department of Natural Resources to complete the reclamation work, and more than one type of performance bond has been posted for the above permit, or more than one corporate surety has posted bond or bonds for the above permit, or both, the funds will be returned to the appropriate entities in proportion to the amount of each entities' bond or bonds which were forfeited. The proportional amount to be returned is represented by the equation (X divided by Y) x (Z) where X is the amount of the corporate surety's bond forfeited or the amount of the particular type bond forfeited, Y is the total amount of all bonds forfeited and Z is the total amount to be returned.

The principal and surety herein agree that for the purposes of bond release pursuant to 312 IAC 25-5-16, where more than one type of performance bond has been or will be posted for the above permit, or where more than one corporate surety has or will post bond or bonds for the above permit, or both, the bond to be released is that bond or those bonds which were posted in connection with the increment of the above permit which contains the acres for which the permittee is entitled to a release. The increment of the permit for which this bond is posted will be identified by the Department of Natural Resources on Page 1 of this form in the area identified "FOR OFFICAL USE".

If more than one type of bond has been posted for the increment, or more than one corporate surety has posted bond for the increment, or both, release will be proportional to the outstanding obligation of each corporate surety for that increment, or proportional to each type of bond posted for that increment, whichever may be applicable. The proportional amount to be release is represented by the equation (A divided by B) x (C) where A is the amount of that corporate surety's unreleased bond for the increment or the amount of that particular type of unreleased bond for the increment, B is the total amount of unreleased bond for the increment and C is the total amount to be released.

The surety herein agrees that notice to and approval of the surety is not required for revisions or modifications made to the above permit provisions when ordered by the Natural Resources Commission under 312 IAC 25-4-126. Further the surety herein agrees that notice to and approval of the surety is not required when changes are made to the method of operation or plan of reclamation for the above permit, when the change is requested by the permittee.

The surety hereby agrees that prompt notice will be provided to the principal and the Director of the Indiana Department of Natural Resources of any action filed alleging the insolvency or bankruptcy of said surety or action filed alleging any violations which would result in suspension or revocation of the surety's license or authorization to conduct business in the State of Indiana.

WITNESS OUR HANDS AND SEALS THIS _____ day of _____, 20 ____.

(Name of Principal)

ATTEST: _____

BY: _____
(Signature)

(Typed or printed Name and Title)

(Name of Surety)

ATTEST: _____

BY: _____
(Signature)
(Attach Power of Attorney)

(Typed or printed Name and Title)

ACCEPTED: _____, 20 ____

Authorized Signature
Division of Reclamation
Indiana Department of Natural Resources

INSTRUCTIONS FOR COMPLETING FORM SB-1 SURETY BOND

This form may only be used for bonding permanent program permits issued in accordance with I.C. 14-34. Bond for permits issued in accordance with I.C. 14-36-1 must be submitted on a different form. Do not make any entries in the space identified "FOR OFFICIAL USE".

The following is explanations of the information which should be entered in the blank lines on the Form SB-1 Surety Bond:

- (1) Bond Number. – This number is to be selected and assigned by the surety.
- (2) Name of Permittee – Type or print the name of the permittee. The name must be identical to the name used in the permit.
- (3) Address of Permittee – Type or print the complete address of the permittee. This will be the address to which the Division of Reclamation will send all correspondence pertaining to this bond. If correspondence is to be mailed to an address other than the address shown here, attach a separate letter identifying that address.
- (4) Name of Surety – Type or print the name of the surety.
- (5) Address of Surety - Type or print the complete address of the surety. This will be the address to which the Division of Reclamation will send all correspondence pertaining to this bond. If correspondence is to be mailed to an address other than the address shown here, attach a separate letter identifying that address.
- (6) Amount of the Bond – Type or print in words the amount of the bond.
- (7) Amount of the Bond – Type or print in numerals the amount of the bond.
- (8) Permit Number – List the permit number for which this bond is posted.
- (9) Pit Name – Include the pit name for the permit listed in (8) above, for which this bond is posted.
- (10) Date – Type or print the date on which the bond is executed.

Items (11) through (18) are to be completed as follows:

- (11) through (13) are to be completed on behalf of the principal.
- (14) through (16) are to be completed on behalf of the surety.
- (17) is to be signed by a person witnessing the signature on behalf of the principal, and
- (18) is to be signed by a person witnessing the signature on behalf of the surety.

Please be sure to submit one (1) original of the fully executed document and one (1) copy.

Upon acceptance of the document, one (1) copy will be returned to the surety, and one (1) copy will be sent to the principal.