

**Surety Bond Guaranteeing Performance of Corrective Action
Department of Environment and Conservation, Division of Solid Waste Management,
Hazardous Waste Program**

A surety bond guaranteeing performance of corrective action must be worded as follows, except that the instructions in parentheses are to be replaced with the relevant information and the parentheses deleted.

PERFORMANCE BOND

Date bond executed: _____

Effective date: _____

Principal: (legal name and business address of owner or operator) _____

Type of organization: (insert "individual," "joint venture," "partnership," or "corporation")

State of incorporation: _____

Surety(ies): (Name(s) and business address(es)) _____

Facilities Covered (EPA Identification Number, name, address, and corrective action amount(s)
for each facility guaranteed by this bond :

Total penal sum of bond: \$ _____

Surety's bond number: _____

KNOW ALL PERSONS BY THESE PRESENTS, That we, the Principal and Surety(ies) hereto are firmly bound to the Tennessee Department of Environment and Conservation (hereinafter called Department), in the above penal sum for the payment of which we bind ourselves, our heirs, executors, administrators, successors, and assigns jointly and severally; provided that, where the Surety(ies) are corporations acting as co-sureties, we, the Sureties, bind ourselves in such sum "jointly and severally" only for the purpose of allowing a joint action or actions against any or all of us, and for all other purposes each Surety binds itself, jointly and severally with the

Principal, for the payment of such sum only as is set forth opposite the name of such Surety, but if no limit of liability is indicated, the limit of liability shall be the full amount of the penal sum.

WHEREAS said Principal is required, under the Tennessee Hazardous Waste Management Act as amended (THWMA), to have a permit in order to own or operate each hazardous waste management facility identified above, and

WHEREAS said Principal is required to provide financial assurance for corrective action as a condition of the permit and of Department Rule 0400-12-01-.06(1)2;

NOW, THEREFORE, the conditions of this obligation are such that if the Principal shall faithfully complete the corrective action remedies at the facility for which this bond guarantees corrective action, in accordance with the requirements of the permit, as such permit may be amended, pursuant to all applicable laws, statutes, rules, and regulations, as such laws, statutes, rules, and regulations may be amended,

OR, if the Principal shall provide alternate financial assurance and obtain the written approval of such assurance from the Director of the Department's Division of Solid Waste Management (hereinafter called Division Director), within 90 days after the date notice of cancellation is received by both the Principal and the Division Director from the Surety(ies), then this obligation shall be null and void, otherwise it is to remain in full force and effect.

The Surety(ies) shall become liable on this bond obligation only when the Principal has failed to fulfill the conditions described above.

Upon notification by the Division Director that the Principal has been found in violation of the corrective action requirements of the permit for the facility for which this bond guarantees performance of corrective action remedies, the Surety(ies) shall either perform corrective action remedies in accordance with the permit requirements or forfeit the corrective action amount guaranteed for the facility to the Department as directed by the Division Director.

Upon notification by the Division Director that the Principal has failed to provide alternate financial assurance and obtain written approval of such assurance from the Division Director during the 90 days following receipt by both the Principal and the Division Director of a notice of cancellation of this bond, the Surety(ies) shall forfeit funds in the amount guaranteed for the facility(ies) to the Department as directed by the Division Director.

The Surety(ies) hereby waive(s) notification of amendments to permits, applicable laws, statutes, rules, and regulations and agrees that no such amendment shall in any way alleviate its (their) obligation on this bond.

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 this 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 the bond by sending notice of cancellation by certified mail to the principal (owner or operator) and to the Division Director, provided, however, that cancellation shall not occur during the 120 days beginning on the date of receipt of the notice of cancellation by both the Principal and the Division Director, as evidenced by the return receipts.

The Principal may terminate this bond by sending written notice to the Surety(ies), provided, however, that no such notice shall become effective until the Surety(ies) receive(s) written authorization for termination of this bond by the Division Director.

Principal and Surety(ies) hereby agrees to adjust the penal sum of this bond yearly for inflation within 60 days prior to the anniversary date of the establishment of this bond. The adjustment may be made by recalculating the maximum costs of corrective action in current dollars, or by using an inflation factor derived from the most recent Implicit Price Deflator for Gross National Product published by the U.S. Department of Commerce in its Survey of Current Business.

IN WITNESS WHEREOF, the Principal and Surety(ies) have executed this PERFORMANCE BOND and have affixed their seals on the date (s) set forth below.

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) and that the wording of this surety bond is identical to the wording provided by the Department.

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)) _____

(Corporate seal)

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

Bond Premium: \$ _____