

II. Payment Bond

(A payment bond, as specified in OAR 340-94-145(5)(b) and OAR 340-95-095(5)(b) must be worded as follows, except that instructions in brackets are to be replaced with the relevant information and the brackets deleted:)

Date bond executed: _____

Effective date: _____

Principal: [Permittee's name, address and corporate status]

State of incorporation:

Surety(ies): [name(s) and business address(es)]

DEQ Solid Waste Permit number, name, address, and current cost estimate(s) for closure and/or postclosure care for each facility guaranteed by this bond according to the closure or post-closure plan and solid waste permit requirements [indicate closure and post-closure amounts separately]:

Total penal sum of bond (must equal sum of closure and post closure amounts, if both are covered by this bond): \$ _____

Surety's bond number: _____

Know All Persons By These Presents, That we, the Principal and Surety(ies) hereto are firmly bound to the State of Oregon Department of Environmental Quality (hereinafter called DEQ), 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 Oregon Revised Statutes Chapter 459, to have a permit in order to own or operate each solid waste land disposal site identified above; and

Whereas said Principal is required to provide financial assurance for all costs of properly closing each site and providing post-closure care in accordance with the closure or post-closure plan and solid waste permit requirements as a condition of the required permit; and

Whereas said Principal shall establish a standby trust, fund as is required when a surety bond is used to provide such financial assurance;

Now, Therefore, the conditions of this obligation are such that if the Principal shall faithfully, before the beginning of the final closure (the beginning of the final closure occurs when the facility or a land disposal site unit at the facility stops receiving waste) of each facility identified above, fund a standby trust fund in the amounts identified above for the facility,

Or, if the Principal shall fund the standby trust fund in such amount(s) within 15 days after a final order to begin closure is issued by the DEQ Director or by a court of competent jurisdiction;

Or, if the Principal shall obtain and provide alternate financial assurance as specified by Divisions 94 and 95 of Oregon Administrative Rules Chapter 340, within 90 days after the date notice of cancellation is received by both the Principal and the DEQ 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 DEQ Director that the Principal has failed to perform as guaranteed by this bond, the Surety(ies) shall place funds in the amount guaranteed for the facility(ies) into the standby trust fund as directed by the DEQ Director.

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 the bond by sending notice of cancellation by certified mail to the Principal and to the DEQ 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 DEQ 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 the bond by the DEQ. Director.

Principal and Surety(ies) hereby agree to adjust the penal sum of the bond yearly so that it guarantees a new closure and/or post-closure amount to correspond to the annual adjustment to the cost estimates required by OAR 340-94-140(6)(d) [OAR 340-95-090(6)(d)], provided that the penal sum does not increase by more than 20 percent in any one year.

In Witness Whereof, The Principal and Surety(ies) have executed this Payment Bond 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)

Principal

[Signature(s)]

[Name(s)]

[Title(s)]

Corporate Surety(ies)

[Name and address]

State of incorporation:

Liability limit: \$

[Signature(s)]

[Name(s) and title(s)]

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

Bond premium: \$

[Add Notary Block]