



SUPPORTING UTAH SCHOOLS AND INSTITUTIONS

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trustlands.utah.gov

FOR CORPORATE SURETY BOND

BOND / REF No: _____

**SCHOOL AND INSTITUTIONAL TRUST LANDS ADMINISTRATION
SURETY BOND**

This Surety Bond (this "Bond") is dated _____, (the "Effective Date") and is by:

PRINCIPAL:			SURETY:		
State of Origin:			State of Origin:		
Company Type:			Company Type:		
Address:			Address:		
Address:			Address:		
City:	State:	Zip:	City:	State:	Zip:

to the State of Utah, through the School and Institutional Trust Lands Administration ("SITLA").

RECITAL

SITLA and Principal are parties to Special Use Lease No. _____, dated _____ (the "Lease"), which Lease Principal has reviewed. The Lease requires Principal to obtain a surety bond to cover liabilities and obligations, including without limitation, indemnity, payment, reclamation, and all other liabilities arising under the Lease. Surety and Principal, joint and severally, have agreed to issue this Bond to SITLA for USD \$ _____ (the "Bond Amount").

Principal and Surety agree, for the Benefit of SITLA, as follows:

- Duration.** This Bond is effective as of the Effective Date and continues until the Bond is terminated, as provided below, paid in full, or until the Lease terminates and all of Principal's obligations under the Lease are satisfied.
- Joint and Several Liability.** Principal and Surety are joint and severally liable to SITLA, within 30 days of SITLA's written demand, to pay the demand amount. If Principal satisfies SITLA's demand in full or part within the 30- day period, Surety's obligation to make such payment is diminished to the amount of the demand not paid by Principal, not to exceed the Bond Amount.
- Condition of Obligation.** Surety is obligated to pay SITLA the Bond Amount only if Principal breaches its obligations under the Lease and such breach results or could result in monetary losses to SITLA.
- Extent of Liability.** Surety's aggregate liability under this Bond is no more than the Bond Amount. Nothing in this Bond reduces or affects Principal's liability and obligations arising under the Lease.
- Termination by Surety.** Surety may terminate this Bond by giving Principal and SITLA 90 days' prior written notice. Principal shall replace the Bond with an equivalent bond within 60 days after receipt of notice of termination. If Principal fails to provide SITLA with an equivalent bond within the 60-day period, SITLA may demand payment of the Bond Amount in United States Dollars, pursuant to Section 2. SITLA shall manage the monies received pursuant to this Section 5 as a cash bond and shall return any amounts not used by SITLA to the payor on full satisfaction of Principal's obligations under the Lease.
- Effect of Termination.** On termination, this Bond has no further force or effect, except that Principal shall

satisfy any obligations arising prior to termination.

7. Modification of Lease. Principal and SITLA may modify the Lease without consent or knowledge of Surety, which modification does not release Surety under this Bond.

8. Severability. If any provisions of this Bond are determined by a court of competent jurisdiction to be illegal or unenforceable, all other provisions capable of being satisfied remain in full force and effect.

9. Binding. This Bond binds Surety and Principal and their successors and assigns.

10. Counterparts and Electronic Signatures. The parties may execute this Bond in counterparts, each of which when taken together will be deemed one and the same document. The parties may execute this Bond by exchange of electronic signatures that satisfy the requirement so Title 46, Chapter 4 of the Utah Code, and such electronic signatures are enforceable against the signing party. The parties agree that an electronic version of this Bond, as amended, has the same legal effect and/or enforceability as a paper version.

The parties execute this Bond as of the dates written below.

PRINCIPAL (FULL NAME): _____

Signed: _____

By: _____

Its: _____

Date: _____

SURETY (FULL NAME): _____

Signed: _____

By: _____

Its: _____

Date: _____

Corporate Seal of Bonding Company Must be Affixed