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trustlands.utah.gov

CASH BOND FORM

Bond No: _____
Receipt No. _____
Receipt Date: _____

AGREEMENT FOR CASH BOND

This Agreement for Cash Bond (this “Bond”) is dated _____ (the “Effective Date”) and is by _____ (the “Principal”), a _____ [state of origin] _____ [company type], with an address of _____ to the State of Utah, through the School and Institutional Trust Lands Administration (“SITLA”), an independent state agency with an address of 102 South 200 East #600, Salt Lake City, Utah 84111.

RECITAL

SITLA and Principal are parties to Special Use Lease Agreement No. _____, dated _____, as amended (the “Lease”), which requires Principal to obtain a surety bond or other financial guarantee to cover liabilities and obligations arising under the Lease. Principal has agreed to deposit USD \$ _____ (the “Bond Amount”) with SITLA in satisfaction of its bonding obligation.

Principal agrees, for the Benefit of SITLA, as follows:

1. **Duration.** This Bond is effective on the Effective Date and continues until redemption or release by SITLA.
2. **Principal’s Liability.** Principal is obligated to comply with the Lease, including without limitation, indemnity, payment, and reclamation obligations. This Bond does not limit or otherwise affect Principal’s liability and obligations arising under the Lease.
3. **Interest.** Principal is not entitled to interest accruing on the Bond Amount.
4. **Redemption by SITLA.** On Principal’s default of the Lease, SITLA may redeem all or part of the Bond Amount to cover Principal’s liabilities and obligations arising under the Lease.
5. **Release by SITLA.** If SITLA has not redeemed all or has only redeemed part of the Bond Amount, SITLA shall release the Bond Amount or any remaining portion of the Bond Amount to the Principal on the later of: (a) termination of the Lease; and (b) full satisfaction of Principal’s obligations under the Lease.
6. **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.
7. **Counterparts and Electronic Signatures.** 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 has the same legal effect and/or enforceability as a paper version.

The Principal executes this Bond as of the date written below:

Signature	Name	Title	Date