

## Surety Bond

### Tennessee Department of Environment and Conservation, Division of Radiological Health

A surety bond guaranteeing funds for reclaiming must be worded as follows except that the instructions in parentheses are to be replaced with the relevant information and the parentheses deleted:

#### Surety Bond

Date bond executed: \_\_\_\_\_

Effective date: \_\_\_\_\_

Principal: (legal name and business address of applicant or licensee)

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

State of incorporation: \_\_\_\_\_

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

License number, name, address and reclaiming cost for each facility guaranteed by this bond (list amounts separately):

\$ \_\_\_\_\_

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 Radiological Health Services Act, as amended, to have a license in order to receive, possess, store and use radioactive material at the facility identified above, and

WHEREAS said Principal is required to provide financial assurance for reclaiming as a condition of the license;

NOW, THEREFORE, the conditions of this obligation are such that if the Principal shall faithfully perform reclaiming, whenever required to do so, of each facility for which this bond guarantees funds for reclaiming, to the satisfaction of the Commissioner, Tennessee Department of Environment and Conservation in accordance with acceptable practices for protection of health and safety 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 as specified in paragraph (4) of Rule 0400-20-10-.12, and obtain the written approval of such assurance from the Director, Division of Radiological Health (hereinafter called Director), within 90 days after the date notice of cancellation is received by both the Principal and the 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 Director that the Principal has been found in violation of the reclaiming requirements of the Division, for a facility for which this bond guarantees funds for performance of reclaiming, the Surety(ies) shall forfeit the reclaiming cost amount guaranteed for the facility to the Department as directed by the Director.

Upon notification by the Director that the Principal has failed to provide alternate financial assurance as specified in paragraph (4) of Rule 0400-20-10-.12, and obtain written approval of such assurance from the Director during the 30 days following receipt by both the Principal and the Director of a notice of cancellation of the bond, the Surety(ies) shall forfeit funds in the amount guaranteed for the facility(ies) to the Department as directed by the Director.

The Surety(ies) hereby waive(s) notification of amendments to licenses, applicable laws, statutes, rules and regulations and agree(s) 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 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 Director, provided, however, that cancellation shall not occur during the 180 days beginning on the date of receipt of the notice of cancellation by both the Principal and the 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 Director.

IN WITNESS WHEREOF, the Principal and Surety(ies) have executed this SURETY BOND and have affixed their seals 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) and that the wording of this surety bond is identical to the wording specified in part (4)(j)1 of Rule 0400-20-10-.12 as such regulation was constituted on the date this bond was executed.

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: \$ \_\_\_\_\_