

COLLATERAL BOND AND AGREEMENT

Collateral Bond given by _____ as
Principal (Principal) and _____ as
Surety (Surety), to the Arkansas Department of Environmental Quality (the Department) in the penal sum of
_____.

WHEREAS, the Principal has submitted to the Department a Notification of Intent to engage in quarry operations in the State of Arkansas as required by and in accordance with the Arkansas Quarry Operation, Reclamation and Safe Closure Act (Act); and

WHEREAS, the authorization of the Notification of Intent is conditioned on the Principal's giving bond to insure the reclamation of the area to be quarried; and

WHEREAS, the Principal has agreed to grant a security interest in the Collateral as described and identified in an attachment to this Bond;

NOW, THEREFORE, the condition of this obligation is such, that if the Principal performs all requirements of the Act, and reclaims all affected lands covered by its Notification of Intent in accordance with the Act and the approved reclamation plan, then this obligation shall be null and void. Failure of the Principal to comply with the Act, and its Notification of Intent will result in forfeiture by the Department of this Bond and the Collateral.

The Surety may cancel this Bond and Collateral at any time by filing with the Department ninety (90) days written notice of its desire to be relieved of liability, provided, however, that this Bond and Collateral shall not be canceled and shall continue in full force and effect with respect to lands covered by the Notification of Intent which have become affected lands under the provisions of the Act prior to the expiration of the ninety (90) days' notice period.

Dated this _____ day of _____, _____

Principal

by _____

Official Position

Surety

by _____