

2. It is agreed by the Principal and Surety that the amount of the bond (\$_____) and is based upon an estimate of the acres of disturbed area prepared by a Professional Engineer licensed in the State of South Carolina to ensure the following:

- a. Complete the stormwater management facilities pursuant to the Approved Plans; and
- b. Maintain sediment and erosion controls according to the Approved Plans.

3. Term: The term of this Bond shall begin upon the date of this agreement until the “as-built” certification documents submitted by the Design Professional are accepted by the Town Stormwater Department; This Bond shall renew automatically until the project has reached final completion unless otherwise directed by the Town Stormwater Manager or its designee.

4. Partial release of the bond is allowed annually for various stages of project completion, provided the work has been inspected and accepted by the Town’s Engineer. The Principal shall notify the Town’s Engineer upon completion of each stage that is ready for inspection.

5. This Bond shall become due and payable upon the following:

- a. Failure of the Principal to complete the stormwater management facilities according to the Approved Plans; or
- b. Failure of the Principal to maintain sediment and erosion controls according to the Approved Plans; or
- c. Failure to follow all requirements as set forth in the Town of Fort Mill’s Stormwater Ordinance Section 16 et seq, attached as Exhibit “A;” or
- d. Failure to abide by all state and federal laws relative with stormwater management.

6. Claims Procedure: In the event the Principal fails to comply with the Approved Plans, the Oblige shall provide written notice of the Principal’s failure to perform to the Surety at the Surety’s address indicated above by first-class mail. The Oblige will provide a “punch list” of items that have not been completed in the written notice to the Surety. Within thirty (30) days of the date of mailing of the written notice, the Surety shall pay the obligation in full.

7. Alternative Claims Procedure: In the event the Principal fails to comply with the Approved Plans, the Oblige shall provide written notice of the Principal’s failure to perform to the Surety to the Surety’s address indicated above by first-class mail. The Oblige shall provide a “punch list” of items that have not been completed in the written notice to the Surety. The Surety has the option to obtain bids from qualified contractors to undertake performance and completion of the punch list by which the Surety arranges for the contract to be secured with a like performance bond satisfactory to the Oblige.

The Surety must exercise its option, in writing, to the Oblige within fifteen (15) days of mailing of the written notice provided by the Oblige. The Surety must provide, in writing, within forty-five (45) days of mailing of the written notice by the Oblige, the list of qualified contractors it will use to complete the “punch list” and a new performance bond. Said performance bond shall be governed by the same terms set forth herein. The Oblige shall maintain the authority to approve all aspects of completion of the projection pursuant to the “Review Complete” plans, including, but not limited to the selection of

contractors, engineers, etc. Additionally, under the Alternative Claims Procedure, only, the Surety is obligated to pay to the Obligee the amount of damages in excess of the balance of the Contract Price, if any, incurred by the Obligee that results from the Principal's default or any damages caused by the Surety's contractors.

8. With the exception of additional liability the Surety may incur to the Obligee as set forth in the Alternative Claims Procedure herein, the total liability of the Surety during the term of this bond and all renewal terms for any and all claims shall in no event exceed the penal sum of this obligation as herein stated.

9. Governing Law and Venue:

It is agreed that this Agreement shall be governed by, construed, and enforced in accordance with the laws of the State of South Carolina. The parties further agree that if any dispute arises between the parties hereto, and litigation is commenced, then venue shall be in the York County Court of Common Pleas.

Signed, sealed and dated this _____ day of _____ 20__.

(Seal)

(Seal)

Principal: _____

Surety: _____

By: _____

By: _____

Its.: _____

Its: _____

Address: _____