

# Surety Bonds



**EVERGREEN**  
INSURANCE

## Surety Bonds

### Energy-related Bonds

Bonds required by governmental entities such as the Department of Environmental Protection to assure that the land and water quality are restored to their approximate original state as operations are completed.

### Reclamation Bonds

Bonds that guarantee that the operator will restore land to its original state after mining operations are completed. Obligations can include replacing topsoil, planting grass or trees, and waiting a period of time to ensure that no further problems develop. These bonds also guarantee that the principal will clean up spills or runoff that pollutes the land or water in the area of operation.

*Other bonds in this class include:* Oil & Gas Well Bonds, Waste Management Facility Bonds and Government Financed Construction Contracts (GFCCs)

### Contract Bonds

Bonds that are often required of individuals or businesses that have contractual obligations to perform work or service for others.

*Other bonds in this class include:* Bid Bonds, Performance and Labor & Material Payment Bonds, Maintenance Bonds and Supply Bonds.

### Subdivision Bonds

Bonds that guarantee the contractor will complete the improvements required by ordinance within a certain period of time in accordance with the governing body's requirements.

### Public Official Bonds

Bonds guaranteeing that a public official will perform his or her duties faithfully and honestly.

### Fidelity Bonds

Bonds that protect an employer from losses due to dishonest acts by a bonded employee.

### Probate & Fiduciary Bonds

Bonds that generally guarantee that persons entrusted with the care of others' property will exercise their duties faithfully, account for all property received, and make good any deficiency for which a court may hold them liable.

### Court Bonds

Bonds that guarantee that a person or an organization will faithfully perform certain duties prescribed by law or by a court or will demonstrate financial responsibility for the benefit of another until the final outcome of a court's decision.

### Judicial Bonds

Bonds posted by a person seeking or appealing a remedy in court to protect the party against whom a claim is made from damages sustained if the person seeking or appealing the remedy does not prevail. Judicial bonds generally arise out of litigation.

### License & Permit Bonds

Bonds required by federal, state, or municipal governments before they will grant a license or permit to conduct business in certain occupations or professions.

*Bonds in this class include:* Road Bonds, Contractor License Bonds, Tax or Fee Bonds and Motor Vehicle Dealer Bonds.

Source: Principles of Suretyship, 2nd Edition, Ninth Printing, August 2009, Fitzgerald-Britt-Waldorf, AICPCU