

TOWN OF OCCOQUAN
314 Mill Street, P. O. Box 195, Occoquan, Virginia 22125
703-491-1918 • 703-491-4962 (Fax)



CASH BOND

OBLIGOR Legal name(s)	_____ (hereinafter called "Obligor")			
OBLIGEE	<u>Town of Occoquan</u> (hereinafter called "Obligee" or "Town")			
APPROVED PLAN NAME	_____ (hereinafter called "Approved Plan")			
PLAN NUMBER	_____			
AGREEMENT DATE (Performance Agreement Date)	_____			
PERFORMANCE DATE (Performance Agreement Expiration Date)	_____			
AMOUNT OF CASH BOND	(In U.S. Dollars)			
	Million(s)	Thousand(s)	Dollar(s)	Cents
	_____	_____	_____	_____

WHEREAS, Obligor has executed a Performance Agreement with the Town of even date with this Cash Bond, for (check **ONLY ONE** per form):

- ☐ SITE/SUBDIVISION IMPROVEMENTS
- ☐ EROSION AND SEDIMENT CONTROL
- ☐ LANDSCAPING
- ☐ STORM WATER MANAGEMENT
- ☐ LAND-DISTURBING ACTIVITY EXCEEDING AN AREA OF 2,500 SF AND LESS THAN 1 ACRE (INCLUDING SINGLE-FAMILY RESIDENCES)

requiring installation of all facilities and improvements shown on the Approved Plan on or before the Performance Date identified above; and

WHEREAS, Obligor desires to post a bond, in cash, to secure performance of the terms and conditions

of the Performance Agreement;

NOW, THEREFORE, Obligor and the Town as Obligee, hereby agree as follows:

1. The Town acknowledges receipt of the cash bond amount of _____
(\$ _____), to be invested, held and applied in accordance with the terms of this Cash Bond.

2. Obligor is held and firmly bound to the Town in the sum written above in lawful money of the United States of America, and deposits said cash as security for Obligor's performance of the Performance Agreement identified above. Whereof Obligor binds itself, heirs, executors, administrators, successors, and assigns, jointly and severally, firmly by this Cash Bond.

3. Town shall deposit said sum in an interest-bearing account in an institution insured by FDIC or FSLIC for the term of the Performance Agreement and any approved extensions thereof, provided that the principal sum may be reduced and refunded to Obligor in accordance with state law.

4. If the Obligor defaults in the performance of all or any part of the obligations of the Performance Agreement, the Town's designated agent for performance agreement compliance ("Designated Agent") shall give written notice of same to Obligor, specifying the items of breach. Notice expressly given under this paragraph shall terminate whatever rights Obligor may have to perform further work under the Performance Agreement.

5. Default shall be deemed to have occurred on the part of the Obligor if Obligor shall fail to complete its obligations under the Performance Agreement within the time set forth therein or any extensions thereof; and default shall be deemed to have occurred prior to the expiration of such period if, in the judgment of the Town's Designated Agent, the Obligor has: (a) abandoned the performance of its obligations under the Performance Agreement; or (b) renounced or repudiated its obligations under the Performance Agreement; or (c) clearly demonstrated through insolvency, or otherwise, that its obligations under the Performance Agreement cannot be completed within the time allotted under the Performance Agreement.

6. In the event of default by the Obligor as defined in paragraph 5 above, the Town shall apply the Cash Bond and any accrued interest to completion of work required by the Performance Agreement. Any funds remaining after completion shall be returned to Obligor in accordance with state law. If the Cash Bond funds are not sufficient to complete the work, the Town may recover the deficiency from the Obligor.

7. Computation of damages attributable to Obligor's breach and chargeable against the Cash Bond shall include not only the direct costs of completion, but also procurement costs, litigation costs, to include reasonable attorney's fees, administrative costs, expenses due to delay caused by Obligor, maintenance and repair costs, and inspection fees.

8. Whenever notice is required, it shall be deemed given if mailed registered, return receipt requested, in the names and to the addresses given below; provided, however, that notice of change of address shall be effective if given in accordance with this paragraph. Any notice to the Town shall be so given to the **Town of Occoquan, Attn: Town Clerk, 314 Mill Street, P. O. Box 195, Occoquan, Virginia 22125, 703-491-1918 • 703-491-4962 (Fax)**, or subsequent address, notice of which is given as provided herein.

IN WITNESS of which the parties have signed and sealed this Cash Bond.

This Cash Bond shall be signed by an authorized individual(s) with legal authority to bind the organization signed for, such as Partners of a Partnership or Joint Venture, President or Vice President of a Corporation and Member or Manager of a Limited Liability Company. For any person signing in a representative capacity (e.g., an attorney-in-fact), notarized evidence of authority must be furnished.

OBLIGOR

Type of Organization:

(e.g., Corporation, Partnership, Limited Liability Company, etc.) _____

State of Incorporation: _____

Legal Name: _____

Address: _____

By: _____ **Its:** _____

Signature

Title

Print Name: _____ **Telephone No.:** _____

Obligor's E-Mail: _____

ACKNOWLEDGMENT OF OBLIGOR

STATE OF _____

COUNTY OF _____: to wit:

The foregoing instrument was acknowledged before me this _____ day of _____

20_____, by _____

(Name of Person Signing Above)

Notary Public

My Commission expires: _____

Notary I.D. Number: _____

OBLIGEE

Town of Occoquan

By: _____ **Its:** _____

Signature

Title

ACKNOWLEDGMENT OF OBLIGEE

STATE OF _____

COUNTY OF _____: to wit:

The foregoing instrument was acknowledged before me this _____ day of _____, 20_____, by

(Name of Person Signing Above)

Notary Public

My Commission expires: _____

Notary I.D. Number: _____

APPROVED AS TO FORM
TOWN ATTORNEY
