

USDA-Forest Service <p style="text-align: center;"><b>PAYMENT BOND</b>  <i>(For Timber Sale Contracts, Ref. FSM 6506)</i></p>	1. BOND NUMBER _____	2. DATE BOND EXECUTED _____
3. PRINCIPAL <i>(Name and Business Address)</i>  	4. SURETY <i>(Name and Business Address)</i> _____	
5. PENAL SUM OF BOND <i>(Express in Words and Figures)</i>  _____  (\$ _____ )	6. CONTRACT NUMBER _____  7. CONTRACT DATE _____	

KNOW ALL MEN BY THESE PRESENTS, that we, the principal and surety above named, are held and firmly bound to the United States of America, acting through the Forest Service, United States Department of Agriculture, hereinafter called "the Government," in the penal sum of the amount stated above, for the payment of which sum well and truly to be made, we bind ourselves, our heirs, executors, administrators, successors and assigns, jointly and severally, by these presents.

THIS BOND is made with the understanding that the principal has entered into or assumed that certain contract with the Government for the Purchase of timber on lands administered by the \_\_\_\_\_ National Forest which is identified above.

NOW, THEREFORE, if the principal shall make timely payments to the Government, as provided in said contract, of the amounts due for timber and other charges for timber cut prior to such payments under said contract and any and all duly authorized modifications of said contract that may hereafter be made, notice of which modifications to the surety is hereby waived, then this obligation shall be void; otherwise it shall remain in full force and effect.

IT IS UNDERSTOOD AND AGREED that the surety will make payment to the Government within 30 days after demand therefor by the Government whenever the principal shall fail to perform under any of the listed contracts.

IT IS FURTHER UNDERSTOOD AND AGREED that this bond covers all timber cut under said contract for the period beginning The \_\_\_\_ day of \_\_\_\_\_, 20\_\_\_\_, and ending the \_\_\_\_ day of \_\_\_\_\_, 20\_\_\_\_, or any extension of such period; and that if this bond replaces a previous payment bond covering said contract, this bond also covers all timber cut under said contract prior to said period and not yet paid for.

THIS BOND may be terminated, but only as to any liability hereunder arising subsequently to the effective date of termination, as follows:

- (1) By the principal or the surety, at any time, 30 days after the Governments's receipt of written notice of termination from the principal or the surety; or
- (2) By the surety, following the Government's demand for payment under this bond or any other payment bond of the same principal and surety, 10 days after the Government's receipt of written notice of termination from the surety.

IN WITNESS WHEREOF, the above-bounden parties have executed this instrument under their several seals as of the date indicated above, and as to each corporate party its name and corporate seal have been hereto affixed and these presents have been duly signed by its undersigned representative pursuant to authority of its governing body.

INDIVIDUAL PRINCIPAL _____	as to SIGNATURE _____	
(WITNESS)		(SEAL)

PARTNERSHIP _____	
(NAME)	
_____ as to	BY _____
(WITNESS)	(PARTNER) (SEAL)
_____ as to	BY _____
(WITNESS)	(PARTNER) (SEAL)
_____ as to	BY _____
(WITNESS)	(PARTNER) (SEAL)

CORPORATE PRINCIPAL _____	
ATTEST:	
_____	BY _____
_____	BY _____
(TITLE)	(TITLE)

CORPORATE SURETY _____	
ATTEST:	
_____	BY _____
_____	BY _____
(TITLE)	(TITLE)

APPROVAL BY FOREST SERVICE	
APPROVED AT _____	AS OF THE ____ DAY OF _____ 20____
BY _____	TITLE _____

**CERTIFICATE AS TO CORPORATE PRINCIPAL**

I, \_\_\_\_\_ certify that I am the \_\_\_\_\_ secretary of the corporation named as principal in the within bond: that \_\_\_\_\_ who signed the bond on behalf of \_\_\_\_\_ of the principal, was then \_\_\_\_\_ of said corporation; that I know signature, and his signature thereto is genuine; and that said bond was duly signed, sealed and attested for and behalf of said corporation by authority of its governing body.

\_\_\_\_\_  
Corporate Seal

**INSTRUCTIONS**

1. This form shall be used whenever a payment bond is furnished for National Forest System timber sale contracts.
2. The surety on the bond may be any corporation appearing on the latest revised list contained in Treasury Department Circular 570 to act as surety in the State(s) in which covered timber sale contracts are to be performed, and the amount of the bond must not exceed the surety's underwriting limitation unless the excess amount is protected by coinsurance, reinsurance, or other methods in accordance with Treasury Regulations as set forth at 31 CFR 223.11.
3. The full legal name and business or residence address of each individual principal to the bond, shall be inserted in the spaces provided therefor, and each such principal shall sign the bond with his usual signature on the line opposite the word "seal", and if signed in Maine or New Hampshire, an adhesive seal shall be affixed opposite the signature, and the signature(s) shall be witnessed.
4. If the principal is a partnership, the name of the partnership, the names of the partners of which it consists, and the location of its principal office shall be inserted in the spaces provided therefor. The bond shall be executed by all if possible, but in any event by at least one opposite the word "seal", of the partners in the name of the partnership, and their signatures shall be witnessed.
5. The name of the state in which any corporate party to the bond is incorporated shall be included in the space provided for the business address, and said instrument shall be executed and attested under the corporate seal as indicated in the form. If the corporation has no corporate seal, that fact shall be so stated, and in lieu of corporate seal a scroll or adhesive seal shall appear following the corporate name.
6. The official character and authority of the person or persons executing the bond for the principal, if a corporation, shall be certified by the secretary or assistant secretary, according to the form herein provided. In lieu of such certificate, there may be attached to the bond copies of so much of the records of the corporation as will show the official character and authority of the officer signing, duly certified by the secretary or assistant secretary, under the corporate seal, to be true copies.

