

Demand Forfeiture Bond

Lands Operations Division

Demand Forfeiture Bond information

Fill in the fields below to complete the form. It can then be printed and signed. Other than the fields, the text of this form is not to be altered in any way. The Government of Alberta will not accept demand forfeiture bonds with altered text.

Bond number	
Bond amount (numerical)	
Bond amount (written)	
Disposition holder	
Disposition Holder Client ID	
Activity Number of Disposition	
Surety company	
Surety company full mailing address	
Surety company email address	

Demand Forfeiture Bond

Bond number:

Bond amount:

_____, the
"Disposition Holder", and

_____,
the "Surety"

a corporation created and existing under the laws of Canada, and duly authorized to transact the business of suretyship in the Province of Alberta, as Surety (the "Surety"),

are held and firmly bound unto His Majesty in right of Alberta as represented by the Minister of Alberta Forestry and Parks, as Obligee (the "Obligee"), in the amount of

_____ (_____),

lawful money of Canada (the "**Bond Amount**"),

for the payment of which sum, well and truly to be made, the Disposition Holder and the Surety jointly and severally bind themselves, their heirs, executors, administrators, successors and assigns.

WHEREAS:

- A. The Disposition Holder is subject to certain surface reclamation and remediation obligations pursuant to the *Public Lands Act* (the "PLA"), and the *Environmental Protection and Enhancement Act* (the "EPEA"), and Disposition Number _____, as they may be amended or replaced from time to time (collectively the "**Regulatory Obligations**");
- B. The Obligee requires that the Disposition Holder post security to ensure the satisfactory performance, in the sole opinion of the Obligee, of the Regulatory Obligations; and
- C. The Obligee accepts this Bond as an acceptable means of satisfying said security requirement.

NOW THEREFORE, the condition of this Bond is such that if the Disposition Holder shall, in the sole discretion of the Obligee, promptly and faithfully fulfill the Regulatory Obligations, then this Bond shall be null and void, otherwise it shall remain in full force and effect, subject to the following terms and conditions:

- 1. If the Obligee determines in its sole discretion that the Disposition Holder has failed to comply with the Regulatory Obligations, the Obligee may deliver a completed notice of claim to the Surety by registered letter at:

and email at _____ in the form attached hereto as Schedule "A" (the "**Notice of Claim**").

- 2. If the Surety, at any time, gives ninety (90) days notice by registered letter and email to the Obligee at Lands Operations Division, ATTENTION: Public Lands Disposition Management, 5th floor, South Petroleum Plaza, 9915-108 Street,

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Edmonton, Alberta T5K 2G8, and to the Disposition Holder of its intention to terminate this Bond (the "Termination Notice"), then this Bond and all accruing responsibility thereunder shall from and after the last day of such ninety (90) days aforesaid terminate only if the Disposition Holder has provided financial security to the Obligee in at least the same amount as this Bond in a form acceptable to the Obligee within sixty (60) days of receipt by the Obligee of the Termination Notice. If the Disposition Holder does not provide to the Obligee such financial security to replace this Bond within sixty (60) days of receipt by the Obligee of the Termination Notice, then the Surety shall, at its sole discretion, either immediately pay the full Bond Amount to the Obligee within seven (7) business days or confirm to the Obligee in writing that this Bond will remain in full force.

3. Within twenty (20) business days of receipt of a Notice of Claim, the Surety must, without regard for any objection, defences, or arguments that may be raised by the Disposition Holder, issue payment to the Obligee in the amount demanded, up to, but not exceeding, the Bond Amount.
4. The Surety, with reference to Disposition Number _____ between the Obligee and the Disposition Holder, undertakes to pay the Obligee an amount up to _____ upon a simple written request by way of any Notice of Claim, without limitation and/or conditions and notwithstanding any objection raised by the Disposition Holder.
5. Subject always to Clause 11 herein, the Surety acknowledges its obligations under the Bond are absolute and unconditional notwithstanding any changes to the Regulatory Obligations and agrees that such changes shall not constitute a defense, nor limit or discharge any of its obligations under this Bond.
6. Subject always to Clause 11 herein, the Obligee may submit multiple Notices of Claim under this Bond for partial drawings on the Bond Amount.
7. It is understood that the Surety is obligated under this Bond to make payment of monies only up to the maximum value of the Bond Amount.
8. This Bond becomes operative on the date set out below and will continue until earlier of (i) the discharge of the Regulatory Obligations by the Disposition Holder, as determined by the Obligee in its sole discretion, and (ii) the termination of this Bond by the Surety in accordance with Clause 2 herein.
9. Except for an increase in the Bond Amount, this Bond cannot be modified without the Obligee's consent.
10. This Bond shall be governed by and construed in accordance with the laws of the Province of Alberta, without reference to choice of law doctrine. The Surety hereby irrevocably and unconditionally attorns to the jurisdiction of the courts of the Province of Alberta and all courts competent to hear appeals therefrom.
11. Notwithstanding anything to the contrary contained herein, the Surety shall not be liable for a greater sum than the Bond Amount, which is not and shall not be cumulative from year to year. If a payment is issued to the Obligee for a portion of the Bond Amount in response to a Notice of Claim, the aggregate amount available under this Bond shall be reduced immediately in an amount equal to the payment issued.

IN WITNESS WHEREOF, this Bond is duly signed, sealed and delivered on

_____ day of _____, _____

Disposition Holder:

Surety:

Name of Disposition Holder

Name of Surety

Per:
(seal)

Per:
(seal)

Signature of attorney in fact

Signature of attorney in fact

Name

Name

Title

Title



"Schedule A" NOTICE OF CLAIM

[Date]

[Surety Company]

[Surety Company Mailing Address]

Attention: Surety Claims Department

Email: [Insert Surety email address set out in bond]

RE: Bond No.: **[Insert Bond No.]** (the "Bond")
Disposition Holder: **[Insert Disposition Holder Name]**
Obligee: Forestry and Parks
Disposition No.: **[Insert Disposition No]**

To Whom It May Concern:

We hereby declare that the Disposition Holder is in default of the Regulatory Obligations.*

Accordingly, we hereby submit this Notice of Claim with the fully executed Bond attached and direct the payment of **[insert the Bond Amount or other lesser amount, as applicable]**.

Kindly ensure that payment is issued within twenty (20) business days in accordance with the terms of the Bond as follows:

[Insert payment instructions – including bank wire instructions as applicable]

In the event that you require clarification of the payment instructions set out herein, please contact

[insert name] at **[email address]**

In the event that you require clarification of the payment instructions set out herein, please contact

at

Yours truly,

Public Lands Disposition Management

5th floor, South Petroleum Plaza,

9915-108 Street NW,

Edmonton, Alberta T5K 2G8

cc: **[Disposition Holder]**

* All terms not otherwise defined herein shall have the meaning given to them in the Bond.

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