

DEP Form # 62-701.800(5)(b)
Form Title SWM Fac. Financial Guarantee Bond
Effective Date May 27, 2001
DEP Application No. _____

STATE OF FLORIDA
SOLID WASTE MANAGEMENT FACILITY FINANCIAL GUARANTEE BOND
TO DEMONSTRATE FINANCIAL ASSURANCE

FOR
 Closing Long-Term Care Corrective Action
[Check Appropriate Box(es)]

The term "Required Action" as used in this document means closing, long-term care, or corrective action, or any combination of these, which is checked above.

Date bond executed: 9-28-01

Effective date: 9-28-01

Principal: Perma-Fix of Fort Lauderdale, Inc., 36705 S.W. 47th Ave., Davie, FL 33314

Legal Name and Business Address of Owner or Operator

Type of Organization: Individual Joint Venture Partnership Corporation
Check One.

State of Incorporation: Deleware

Surety(ies): AMERICAN GUARANTEE AND LIABILITY INSURANCE COMPANY
ONE LIBERTY PLAZA, 30th FLOOR
NEW YORK, NY 10006

Name(s) and Business Address(es)

List for each facility: FDEP Identification Number, name, and address. Indicate "Required Action" amounts for each facility separately.

<u>FDEP I.D. No.</u>	<u>Name</u>	<u>Address</u>	<u>Required Action Amount</u>
FLD981018773	Perma-Fix of Fort Lauderdale, Inc.	3670 S.W. 47th Avenue Davie, FL 33314	\$500.00

Total penal sum of bond: \$500.00

Surety's bond number: SUR 9279033

Bond premium: \$ 100.⁰⁰

Know All Persons By These Presents, That we, the Principal and Surety(ies) hereto are firmly bound to the Florida Department of Environmental Protection (hereinafter called FDEP), in the above penal sum for the payment of which we bind ourselves, our heirs, executors, administrators, successors, and assigns jointly and severally; provided that, where the Sureties are corporations acting as co-sureties, we, the Sureties, bind ourselves in such sum "jointly and severally" only for the purpose of allowing a joint action or actions against any or all of us, and for all other purposes each Surety binds itself, jointly and severally with the Principal, for the payment of such sum only as is set forth opposite the name of such Surety, but if no limit of liability is indicated, the limit of liability shall be full amount of the penal sum.

WHEREAS, said Principal is required, under the Florida Solid Waste Management Act as amended, to have a permit in order to construct, operate or close each solid waste management facility identified above, and

WHEREAS, said Principal is required to provide financial assurance for the "Required Action," as a condition of the permit(s), and

WHEREAS, said principal shall establish a standby trust fund as is required when a surety bond is used to provide such financial assurance;

NOW, THEREFORE, the conditions of the obligation are such that if the Principal shall faithfully, before the beginning of final closure of each facility identified above, fund the standby trust fund in the amount(s) identified above for the facility,

Or, if the Principal shall fund the standby trust fund in such amount(s) within 15 days after an order to begin closure is issued by the Secretary of the FDEP, or the Secretary's designee (the "designee"), or a U.S. district court or other court of competent jurisdiction,

Or, if the Principal shall provide alternate financial assurance and obtain the FDEP Secretary's, or designee's, written approval of such assurance, within 90 days after the date of notice of cancellation is received by both the Principal and the FDEP Secretary, or designee, from the Surety(ies), then this obligation shall be null and void, otherwise it is to remain in full force and effect.

The Surety(ies) shall become liable on this bond obligation only when the Principal has failed to fulfill the conditions described above. Upon notification by the FDEP Secretary, or designee, that the Principal has failed to perform as guaranteed by this bond, the Surety(ies) shall place funds in the amount guaranteed for the facility(ies) into the standby trust fund as directed by the FDEP Secretary, or designee.

The liability of the Surety(ies) shall not be discharged by any payment or succession of payments hereunder, unless and until such payment or payments shall amount in the aggregate to the penal sum of the bond, but in no event shall the obligation of the Surety(ies) hereunder exceed the amount of said penal sum.

The Surety(ies) may cancel the bond by sending notice of cancellation by certified mail to the Principal and to the Secretary of the FDEP, or designee; however, cancellation shall not occur during the 120 days beginning on the date of receipt of the notice of cancellation by both the Principal and the FDEP Secretary, or designee, as evidenced by the return receipts.

The Principal may terminate this bond by sending written notice to the Surety(ies); provided, however, that no such notice shall become effective until the Surety(ies) receive(s) written authorization for termination of the bond by the Secretary of the FDEP, or designee.

Principal and Surety(ies) hereby agree to adjust the penal sum of the bond yearly so that it guarantees a new "Required Action" amount, provided that the penal sum does not increase by more than 20 percent in any one year, and no decrease in the penal sum takes place without the written permission of the FDEP Secretary, or designee.

IN WITNESS WHEREOF, the Principal and Surety(ies) have executed this Financial Guarantee Bond and have affixed their seals on the date set forth above.

The persons whose signatures appear below hereby certify that they are authorized to execute this surety bond on behalf of the Principal and Surety(ies), and that the wording of this surety bond is identical to the wording as adopted and incorporated by reference in Rule 62-701.900, F.A.C.

PRINCIPAL

CORPORATE SURETY(IES)

For each co-surety provide the following

R. T. Keley
 Signature

RICHARD T. KELEY CFO
 Type Name and Title

352-395-1351
 Telephone Number

AMERICAN GUARANTEE AND LIABILITY INSURANCE COMPANY
 Name and Address

ONE LIBERTY PLAZA - 30th FLOOR

NEW YORK
 State of Incorporation

\$ 500.⁰⁰
 Liability Limit

Larry Howard Jr.
 Signature

LARRY HOWARD JR. ATTORNEY IN FACT
 Type Name and Title

(404) 851-3310
 Telephone Number

Corporate Seal

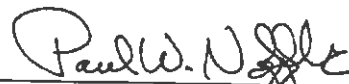
Corporate Seal

AMERICAN GUARANTEE AND LIABILITY INSURANCE COMPANY
COMPARATIVE BALANCE SHEET
As of December 31, 2000

<u>Assets</u>	<u>12/31/2000</u>	<u>12/31/1999</u>
Bonds	\$130,420,201	\$127,708,064
Common Stock	1,000	1,000
Other Invested Assets	6,582,297	3,998,562
Receivable for Securities	0	2,000,000
Short-term Investments	2,349,517	1,894,299
Cash	3,639,837	972,440
Total Cash and Invested Assets	142,992,852	136,574,365
Accrued Investment Income	3,097,708	4,205,072
Federal Income Tax Recoverable	441,462	0
Total Assets	\$146,532,022	\$140,779,437
<u>Liabilities and Policyholders' Surplus</u>		
Liabilities:		
Federal Income Tax Payable	\$0	\$1,235,464
Due to Affiliates	132,940	1,025,752
Total Liabilities	132,940	2,261,216
Policyholders' Surplus:		
Common Capital Stock	5,000,000	5,000,000
Paid-In and Contributed Surplus	217,268,073	217,268,073
Cumulative Unrealized Gain/(Loss)	(3,651,418)	(3,651,418)
Unassigned Surplus	(72,217,573)	(80,098,434)
Total Policyholders' Surplus	146,399,082	138,518,221
Total Liabilities and Policyholders' Surplus	\$146,532,022	\$140,779,437

Items may not add to the totals shown due to rounding

I, PAUL W. NOFFKE, Vice President and Director of Accounting of AMERICAN GUARANTEE & LIABILITY INSURANCE COMPANY do hereby certify that the foregoing statement is a correct exhibit of the assets and liabilities of the said Company, on the 31st day of December, 2000, according to the best of my information, knowledge and belief.



Vice President and Director of Accounting