

of trust in the land records of the county where the real property is situated in accordance with § 3-103 of the Real Property Article.

(C) A BOND EXECUTED BY AN INDIVIDUAL SURETY SHALL BE ACCEPTABLE AS PAYMENT SECURITY OR PERFORMANCE SECURITY UNDER THIS SUBTITLE IF:

~~(1) THE INDIVIDUAL SURETY PROVIDES A SECURITY INTEREST IN ONE OR MORE OF THE ASSETS LISTED IN PARAGRAPH (2) OF THIS SUBSECTION TO THE PROCUREMENT OFFICER AT THE TIME THE BOND IS FURNISHED; AND~~

(1) THE CONTRACTOR HAS BEEN DENIED CORPORATE SURETY CREDIT;

(2) THE INDIVIDUAL SURETY ONLY TRANSACTS BUSINESS THROUGH AN INSURANCE AGENCY LICENSED BY THE MARYLAND INSURANCE ADMINISTRATION;

(3) THE INDIVIDUAL SURETY ATTACHES THE GSA STANDARD FORM 28, AFFIDAVIT OF INDIVIDUAL SURETY, TO THE BID SECURITY;

(4) THE INDIVIDUAL SURETY PROVIDES A UCC-1 FILING SECURITY INTEREST TO THE PUBLIC BODY FOR ONE OR MORE OF THE ASSETS LISTED IN ITEM (5)(I) THROUGH (IV) AND (VI) OF THIS SUBSECTION AT THE TIME THE BOND IS FURNISHED; AND

~~(2)~~ (5) THE INDIVIDUAL SURETY PLEDGES ONE OR MORE OF THE FOLLOWING ASSETS IN AN AMOUNT EQUAL TO OR GREATER THAN THE AGGREGATE PENAL AMOUNTS OF THE BONDS REQUIRED BY THE SOLICITATION , INCLUDING:

(I) CASH OR CERTIFICATES OF DEPOSIT;

(II) CASH EQUIVALENTS HELD WITH A FEDERALLY INSURED FINANCIAL INSTITUTION, INCLUDING OR ASSETS THAT ARE EVIDENCED BY A SECURITY INTEREST, INCLUDING AN IRREVOCABLE TRUST RECEIPTS RECEIPT ISSUED BY THE FINANCIAL INSTITUTION OR BY AN INDEPENDENT TRUSTEE IN THE NAME OF THE PUBLIC BODY THAT:

1. ARE ISSUED IN ACCORDANCE WITH THE UNIFORM CUSTOMS AND PRACTICE FOR DOCUMENTARY CREDITS OF THE INTERNATIONAL CHAMBER OF COMMERCE, AND § 9-109 OF THE COMMERCIAL LAW ARTICLE;

2. CONTAIN A PAYOUT CLAUSE IN THE EVENT THAT DEFAULT CANNOT BE REMEDIED; AND

3. IDENTIFY THE SOLICITATION OR CONTRACT NUMBER FOR WHICH THE SECURITY INTEREST IS PROVIDED;

(III) UNITED STATES GOVERNMENT SECURITIES AT MARKET VALUE;

(IV) STOCKS AND BONDS THAT:

1. ARE ACTIVELY TRADED ON A NATIONAL UNITED STATES SECURITY EXCHANGE;