

**SURETY BOND FORM FURNISHED AS EVIDENCE OF
FINANCIAL RESPONSIBILITY IN RESPECT OF LIABILITY FOR
DISCHARGE OF OIL UNDER § 62.1-44.34:16 OF THE CODE OF VIRGINIA
AND SUBSECTION 9 VAC 25-101-50 A**

KNOW ALL PERSONS BY THESE PRESENTS, that We

_____ (Name of tank vessel operator)
of _____, _____, as
(City) (State and Country)
Principal (hereinafter called Principal), and _____,
(Name of Surety)
a company created and existing under the laws of _____
(State and Country)

and authorized to do business in the Commonwealth of Virginia, as surety (hereinafter called Surety) are held and firmly bound unto the Commonwealth of Virginia for liability under Article 11 (§ 62.1-44.34:14 et seq.) of Chapter 3.1 of Title 62.1 of the Code of Virginia, in the penal sum of \$ _____
(\$500 per gross ton)

for which payment, well and truly to be made, we find ourselves and our heirs, executors, administrators, successors, and assigns, jointly and severally, firmly by these presents. The foregoing penal sum is not conditioned or dependent in any way upon any agreement or understanding between the Principal and Surety that any tank vessel or vessels will or will not carry oil or will or will not operate in certain waters.

WHEREAS, the Principal intends to become or is a holder of an approval of evidence of financial responsibility under the provisions of § 62.1-44.34:16 of the Code of Virginia and subsection 9 VAC 25-101-50 A of the Department of Environmental Quality's Tank Vessel Oil Discharge Contingency Plan and Financial Responsibility Requirements, and has elected to file with the Department of Environmental Quality such a bond as will insure financial responsibility to meet any liability to which such tank vessel operator could be subjected under Article 11 (§ 62.1-44.34:14 et seq.) of Chapter 3.1 of Title 62.1 of the Code of Virginia, and

WHEREAS, this bond is written to ensure compliance by the Principal with the requirements of said Article 11 and subsection 9 VAC 25-101-50 A and shall insure to the benefit of claimants under § 62.1-44.34:18 of the Code of Virginia:

NOW, THEREFORE, the condition of this obligation is that if the Principal shall pay or cause to be paid to claimants any sum or sums for which the Principal may be held legally liable under said Article 11, then this obligation, to the extent of such payment, shall be void, otherwise to remain in full force and effect.

The liability of the Surety 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 penalty of the bond. In no event shall the Surety's obligation hereunder exceed the amount of the penalty, provided that the Surety furnishes written notice to the Department of Environmental Quality forthwith of all suits filed, judgements rendered, and payments made by the Surety under this bond.

Any claim for which the Principal may be liable under said Article 11 may be brought directly against the Surety; provided, however, that in the event of a direct claim the surety shall be entitled to invoke only the rights and defenses permitted by § 62.1-44.34:18 of the Code of Virginia to the Principal (tank vessel operator).

This bond is effective the _____ day of _____, 19 _____, 1201 a.m. Standard time at the address of the Surety as stated herein and shall continue in force until terminated as hereinafter provided. The Principal or Surety may at any time terminate this bond by written notice sent by certified mail to the other party with a copy (plainly indicating that the original was sent by certified mail) to Department of Environmental Quality, Office of Spill Response and Remediation, P. O. Box 10009, Richmond, Virginia 23240. The termination becomes effective 30 days after actual receipt by the Department of Environmental Quality of written notice; provided, however, that with respect to any of the Principal's tank vessels carrying oil in bulk as cargo that has been loaded before the time of termination would otherwise have become effective, the termination shall not take effect (1) until completion of discharge of such cargo, or (2) until 60 days after the date of receipt by the Department of Environmental Quality of written notice of termination of the bond by the above named Principal or Surety under the conditions set forth above, whichever date is earlier. The Surety shall not be liable hereunder in connection with an incident occurring after the termination of this bond as herein provided, but termination shall not affect the liability of the Surety in connection with an incident occurring before the date the termination becomes effective.

The Surety hereby waives notification of amendments to applicable laws, statutes, rules and regulations and agrees that no such amendment shall in any way alleviate its obligation on this bond.

The Surety designates _____
(Name of Agent)

with offices at _____,
as the Insurer's agent in the Commonwealth of Virginia for service of process for the purpose of Article 11 and 9 VAC 25-101-10 et seq. If the designated agent cannot be served due to his health, disability or unavailability, the Clerk of the State Corporation Commission becomes the agent for service of process.

If more than one surety company joins in execution of this bond, that action constitutes joint and several liability on the part of the sureties.

The definitions in section 9 VAC 25-101-10 shall apply to this bond.

The persons whose signatures appear below hereby certify that they are authorized to execute this surety bond on behalf of the Principal and Surety, that this bond meets the requirements of section 9 VAC 25-101-50 and that the wording of this surety bond is identical to the wording specified in form DEQ101-4.

In witness whereof, the above-named Principal and Surety have executed this instrument on the _____ day of _____, 19 __.

(Please type name of signer under each signature. In the case of partnership, each partner must sign.)

PRINCIPAL

Individual Principal or Partner Business Address

Individual Principal or Partner Business Address

Individual Principal or Partner Business Address

Corporate Principal

Business Address

(Affix Corporate Seal)

By

Title

SURETY

Corporate Surety

Business Address

(Affix Corporate Seal)

By

Title

Surety's Bond Number: _____

SCHEDULE OF TANK VESSELS AND ASSURED OPERATORS

Tank Vessel	Gross Tons	Assured Operator	Date Added
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