

**GUARANTY 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**

1. WHEREAS _____

(Name of Tank Vessel Operator)

(hereinafter the "Operator") is the Operator of the tank vessel or vessels specified in the annexed schedules (hereinafter "Tank Vessels"), and whereas the Operator desires to establish its financial responsibility in accordance with § 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, the undersigned Guarantor hereby guarantees, subject to the provisions of clause 3 hereof, to discharge the Operator's legal liability to the Commonwealth of Virginia in respect to a claim under Article 11 (§ 62.1-44.34:14 et seq.) of Chapter 3.1 of Title 62.1 of the Code of Virginia. Upon payment of the agreed sum, the Operator is to be fully, irrevocably, and unconditionally discharged from all further liability to the claimant with respect to the claim. The Operator's legal liability under Article 11, which is covered by this Guaranty, is:

a. In the case of a Tank Vessel, \$500 per gross ton of such Tank Vessel. The foregoing amount of coverage provided by the Guarantor on behalf of the Commonwealth of Virginia in respect to any of the Tank Vessels is not conditioned or dependent in any way upon any agreement or understanding between the Operator and the Guarantor that any of the Tank Vessels will or will not carry oil, or will or will not operate in certain waters.

2. The Guarantor's liability under this Guaranty shall attach only in relation to incidents giving rise under Article 11 to causes of action against the Operator in respect of any of the Tank Vessels for discharge or threat of discharge of oil, occurring on or after the effective date of this Guaranty, which, as to each of the Tank Vessels, shall be the date the Tank Vessel is named in Schedule A or added to Schedule B below, and before the termination date of this Guaranty, which, as to each of the Tank Vessels, shall be the date 30 days after the date of receipt by the Department of Environmental Quality, Office of Spill Response and Remediation, P. O. Box 10009, Richmond, Virginia 23240, of written notice that the Guarantor has elected to terminate this Guaranty, with respect to any of the Tank Vessels, and has so notified the Operator; provided however, that with respect to any Tank Vessel carrying oil in bulk as cargo that has been loaded before the scheduled date of termination, the termination shall not become effective (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, whichever date is earlier. Termination of this Guaranty as to any of the Tank Vessels shall not affect the liability of the Guarantor in connection with an incident occurring before the date of termination becomes effective.

3. Any claim against the Operator arising under Article 11 may be brought directly against the Guarantor; provided, however, that in the event of a direct claim the Guarantor shall be entitled to invoke only the rights and defenses permitted by § 62.1-44.34:18 of the Code of Virginia to the Tank Vessel operator.

4. If, during the currency of this Guaranty, the Operator requests that a tank vessel operated by the Operator, and not specified in the annexed Schedules A and B, should become subject to this Guaranty, and if the Guarantor accedes to the request and so notifies the Department of Environmental Quality in

writing, then the tank vessel becomes one of the Tank Vessels included in Schedule B and subject to this Guaranty.

5. The Guarantor certifies that it meets or exceeds the financial test criteria for self insurance of subsection 9 VAC 25-101-50 C, and agrees to comply with all the requirements for Guarantors as specified in section 9 VAC 25-101-50. Guarantor agrees that if, at the end of any fiscal year before cancellation of this Guarantee, the Guarantor fails to meet the financial test criteria of subsection 9 VAC 25-101-50 C, Guarantor shall send within 30 days of such failure, by registered mail, notice to the operator. The Guarantee will terminate 30 days from the date of receipt of the notice by the operator, as evidence by the return receipt.

6. The Guarantor hereby designates _____
(Name of Agent)

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

7. If more than one guarantor joins in executing this Guaranty, that action constitutes joint and several liability on the part of the Guarantors.

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

I hereby certify that the wording of this Guaranty is identical to the wording specified in form DEQ101-5.

EFFECTIVE DATE _____
(Month/Day/Year and Place of Execution)

(Type Name of Guarantor)

(Type Address of Guarantor)

By: _____
(Signature)

(Type Name and Title of Person Signing)

SCHEDULE A
TANK VESSELS INITIALLY LISTED

Tank Vessel

Gross Tons

Operator

SCHEDULE B
TANK VESSELS ADDED IN ACCORDANCE WITH CLAUSE 4

Tank Vessel	Gross Tons	Operator	Date Added
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