

MINERALS MANAGEMENT SERVICE

SURETY BOND

OIL POLLUTION ACT OF 1990

APPLICATION FOR CERTIFICATION OF OIL SPILL FINANCIAL RESPONSIBILITY

(TYPE OR PRINT ALL INFORMATION EXCEPT SIGNATURES)

AGENCY USE ONLY											
OSFRC NUMBER						SURETY NUMBER					

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Form MMS-1020 (September 2001)
OMB Control No. 1010-0106
OMB Approval Expires: 09/30/2004

1. DESIGNATED APPLICANT: _____
COMPANY LEGAL NAME MMS QUALIFICATION NUMBER

2. SURETY COMPANY BOND NUMBER: _____

3. KNOW ALL MEN BY THESE PRESENTS, that we, _____,
DESIGNATED APPLICANT

of _____ U.S.A., as Designated Applicant (hereinafter called Principal), and _____
STATE OF INCORPORATION SURETY COMPANY
a company created under the laws of _____, and authorized to do business in the United States, as Surety
STATE
(hereinafter called Surety), and are held and firmly bound unto the United States of America and other claimants for damages and removal cost liability under Title I of the Oil Pollution Act of 1990 (hereinafter called Act) in the penal sum of \$ _____, for which payment, well and truly to be made, we bind ourselves and our heirs,
SURETY AMOUNT
executors, administrators, successors, and assigns, jointly and severally, firmly by these presents under the terms and conditions of Part 253 of Title 30 Code of Federal Regulations.

This bond is written to ensure the Principal complies with the requirements of section 1016(c) of the Act; and will inure to the benefit of claimants under Title I of the Act.

The condition of this obligation is that if the Principal will pay or cause to be paid to claimants any sum or sums for which the Principal may be held legally liable under Title I of the Act, then this obligation, to the extent of such payment, will be void, otherwise to remain in full force and effect.

4. The liability of the Surety will not be discharged by any payment or succession of payments hereunder, unless and until such payment or payments will amount in the aggregate to the penalty of the bond. In no event will the Surety's obligation hereunder exceed the amount of the penalty, provided the Surety furnishes written notice to the Minerals Management Service (MMS) Oil Spill Financial Responsibility Program forthwith of all claims filed, judgments rendered, and payments made by the Surety under this bond.

Any claim for which the Principal may be liable under Title I of the Act may be brought directly against the Surety for claims asserted by the U.S. Government or, in the case of the Principal's insolvency or petition for bankruptcy under Title 7 or 11, U.S.C. 101, for claims asserted by other claimants through the U.S. Coast Guard National Pollution Funds Center. In the event of a direct claim, the Surety will be entitled to invoke only (1) the rights and defenses permitted by Title I of the Act to the Principal, and (2) the defense that the incident giving rise to the claim was caused by the willful misconduct of the Principal.

5. This bond is effective the _____ day of _____, _____, 12:01 a.m., central standard time
NUMBER MONTH YEAR
as stated herein and will continue in force until terminated as hereinafter provided. The Principal or the Surety may at any time terminate this bond by written notice sent by certified mail to the other party with a copy (plainly indicating the original notice was sent by certified mail) to the MMS Oil Spill Financial Responsibility Program by certified mail. The termination becomes effective thirty (30) calendar days after actual receipt by the MMS Oil Spill Financial Responsibility Program of written notice. The Surety will not be liable hereunder in connection with an incident occurring after the termination of this bond as herein provided; but termination will not affect the liability of the Surety in connection with an incident occurring before the termination becomes effective.

6. In witness whereof, the Principal and the Surety have executed this instrument on the _____ day
of _____, _____, _____
MONTH YEAR NUMBER

PRINCIPAL:

SIGNATURE (OF A COMPANY OFFICER WHO IS A CORPORATE PRINCIPAL)

NAME (OF THE COMPANY OFFICER)

TITLE (OF THE COMPANY OFFICER)

(CORPORATE SEAL)

SURETY:

COMPANY NAME

ADDRESS

CITY

STATE

ZIP CODE

SIGNATURE (OF CORPORATE SURETY)

NAME (OF CORPORATE SURETY)

TITLE (OF CORPORATE SURETY)

(CORPORATE SEAL)