

U. S. DEPARTMENT OF THE INTERIOR

OFFICE OF SURFACE MINING Transmittal Number: RECLAMATION AND ENFORCEMENT

DIRECTIVES SYSTEM

Subject Number: REG-28

Date:

MAR 1 0 1989

Subject:

PROCEDURES

Approval:

Title: Director

- 1. <u>Purpose</u>. This directive provides policy and operational quidelines to all Office of Surface Mining Reclamation and Enforcement (OSMRE) employees for the implementation of OSMRE and Department of the Treasury requirements for the acceptance, retention and return of performance bonds in connection with the issuance of mining permits by OSMRE for mining operations subject to a Federal program and operations on Federal and/or Indian lands. This directive does not apply to the bonding requirements for mining permits where a State agency is the regulatory authority.
- 2. Summary. This Directive provides procedures for dealing with performance bonds. It includes illustrations of different bond forms, receipt forms and power of attorney forms to be used in connection with reclamation performance bonds.

Definitions. 3.

- Bond Approving Officer. The head of an executive department or Government establishment or an officer designated either by law or regulation to approve bonds.
- Surety Bond. An indemnity agreement in a sum certain payable to the regulatory authority, executed by the permittee as principal and which is supported by the performance quarantee of a corporation licensed to do business as a surety in the State where the operation is located.
- <u>Incremental</u> Bond. A bond to cover an identified increment of land within the permit area upon which the operator will initiate operations, or an increment(s) where succeeding operations are conducted.
- <u>Phase Bond</u>. A bond to cover specific activities of reclamation which can be released according to the definitions of 30 CFR 800.40.
- Collateral Bond. An indemnity agreement in a sum certain executed by the permittee as principal which is supported by the deposit with the regulatory authority of one or more of the following:

- A cash account, which shall be the deposit of cash in one or more federally-insured or equivalently protected accounts, payable only to the regulatory authority upon demand, or the deposit of cash with the regulatory authority;
- (2) <u>Negotiable bonds</u> of the United States, a State, or a municipality, endorsed to the order of, and placed in the possession of, the regulatory authority;
- (3) <u>Negotiable certificates of deposit</u>, made payable or assigned to the regulatory authority and placed in its possession or held by a federally - insured bank;
- (4) <u>An irrevocable letter of credit</u> of any bank organized or authorized to transact business in the United States, payable only to the regulatory authority upon presentation;
- (5) A perfected, first-lien <u>security interest in real</u> property in favor of the regulatory authority; or,
- (6) Other investment grade rated securities having a rating of AAA, AA, or A or an equivalent rating issued by a nationally recognized securities rating service, endorsed to the order of, and placed in the possession of, the regulatory authority.
- f. <u>Self-bond</u> means an indemnity agreement in a sum certain executed by the applicant, or by the applicant and any corporate guarantor, and made payable to the regulatory authority, with or without separate surety.

Policy/Procedures

a. <u>Policy</u>.

- (1) CSMRE's acceptance of surety bonds is subject to Treasury Department regulations at 31 CFR 223 and Treasury Circular 297. OSMRE's acceptance, receipt, and return, of collateral bond securities, such as U.S. negotiable bonds, Treasury notes, and other public debt obligations guaranteed by the United States, are subject to Department of Treasury regulations at 31 CFR 225 and Treasury Circular 154.
- (2) The applicable Treasury regulations require that surety bonds only be accepted by Federal agencies if they have been obtained from surety companies certified as acceptable by the Department of the Treasury (31 CFR 223). Additionally, Treasury regulations require that negotiable bonds, notes or other obligations issued or guaranteed by the United States, and accepted by Federal agencies as security in lieu of surety or sureties on performance bonds, must be accepted, retained and returned in accordance with applicable Treasury standards (31 CFR 225

and Treasury Circular 154).

(3) To ensure that the Treasury requirements are met with regard to surety bonds, or other securities accepted in lieu of surety, bond approving officers will be designated in each office accepting bonds for mining permits issued by OSMRE as a regulatory authority.

b. <u>Responsibilities</u>

- (1) <u>Assistant Directors for Field Operations</u>. The Assistant Directors for Field Operations (AD/FO) are responsible for designating bond approving officers in every OSMRE office which accepts bonds for mining permits issued by OSMRE.
- (2) <u>OSMRE</u> bond approving officers. The designated bond approving officers are responsible for the implementation of the procedures of this directive. Bond approving officers may delegate tasks under this directive.

c. <u>Procedures</u>

(1) After approval of a permit application, but prior to issuance of a coal mining permit, the applicant must file a reclamation performance bond with the Office of Surface Mining Reclamation and Enforcement (OSMRE). Pursuant to 30 CFR 800, the following forms of reclamation bonding instruments are allowable: surety bonds; collateral bonds including cash, negotiable U.S. bonds, letters of credit, perfected first-lien security interests in real property, other investment-grade securities having an "A" rating or higher; and, self bonds.

The attached bond forms (Illustrations 1-22) are general in nature and may need to be modified to reflect applicable State contract, Uniform Commercial Code (U.C.C.), or surety law. The forms should be reviewed by the appropriate Field Solicitor's Office for use in a particular State.

Bond approving officers will be responsible for the accomplishment of the following matters which are more completely set forth in the Treasury regulations (31 CFR 223 and 225), and the CSMRE regulations (30 CFR 800):

- a. <u>Surety Bonds</u>. Before acceptance, the bond approving officer must review surety bonds offered by the mining permit applicant and make the following determinations:
- (1) The surety company is included on the most current list of surety companies acceptable on Federal bonds (Treasury Department Circular 570 and supplements

published in the Federal Register which includes licensing information).

- (2) A surety bond has been executed in the appropriate format for the jurisdiction such as the examples offered as Illustrations 1, 2, or 3. If changes are made to an existing bond, the use of forms such as in Illustrations 18 or 19 are recommended.
- (3) The amount of the bond does not exceed the underwriting limitation provided in Treasury Circular 570.
- (4) The surety company has a certificate of authority to operate in the State where the mining operation is to be performed.
- (5) The surety bond amount equals what is required to cover the term of the permit, increment or phase bond calculated.
- (6) The permit area or increment(s) of the permit are accurately described on the bond, or if a phase bond, the scope of work to be guaranteed is described in detail. If a phase or increment is proposed for an existing bond, use forms such as Illustrations 18 or 19.

b. <u>Collateral</u> Bonds.

This section applies to negotiable bonds, notes or other obligations issued or quaranteed by the United States as security in support of an indemnity agreement bond. When these kinds of instruments are posted as collateral bonds under 30 CFR 800.21, the bond approving officer shall be responsible for the accomplishment of the following requirements:

- (1) Ensure that United States bonds, Treasury notes, or other public debt obligations of the United States, or obligations are unconditionally guaranteed as to both interest and principal by the United States and are in a sum equal at their par value to the amount of the performance bond required to be furnished.
- (2) Prepare a receipt of the negotiable bonds, notes or other obligations and return it to the mining permit applicant. The receipt should be in the format of the examples provided as Illustrations 4A or 4B.
- (3) Secure from the individual, partnership or corporation offering the securities, an irrevocable power of attorney and agreement executed essentially in the format of the examples provided as Illustrations 5, 6, and 7.

- (4) Secure from the individual, partnership or corporation, an executed collateral bond and indemnity agreement in the format of the example provided as Illustrations 9, 10 or 11.
- (5) If the securities are subsequently deposited by CSMRE in a Federal depositary for safekeeping, obtain a receipt from the depositary essentially in the format of the example provided as Illustration 4.
- (6) Ensure that a performance bond record form is prepared in the format of the example provided as Illustration 8A. This form should be filed with the original penuit bond(s).
- (7) When collateral bond is released and the securities are returned to the mining permittee at the conclusion of operations under the permit, obtain a receipt from the permittee in the format of the example provided as Illustration 8B or 8C.
- (8) Ensure that the individual, partnership or corporation required to furnish the bond has endorsed the securities to the order of OSMRE and that the power of attorney and agreement are sufficient and executed in conformity with the rules established by Treasury in 31 CFR 225. OSMRE regulations at 30 CFR 800.5 require these securities to be made payable to the order of OSMRE.
- (9) Bonds or notes other than cash accepted by bond approving officers will be held at the risk of the holding bond approving officer unless they are deposited by them with authorized depositaries. In those locations where a Federal Reserve Bank is not available, the bond approving officer can arrange for designation of an authorized depositary by Treasury. This is done by submitting a written request to the Department of he Interior, Office of Financial Management in Washington, D.C. The request should set forth the name and location of the proposed depositary and the type and amount of deposits proposed. The Office of Financial Management will forward the request to Treasury and return Treasury's response to the requesting office. The approval process requires approximately 45 days (see 331 DM 2.3.D. for a more detailed discussion of the process).
- (10) When the obligor submits a written request to the bond approving officer, the bond approving officer will detach interest coupons, if appropriate, and provide them to the obligor as the coupons mature. Most securities will be book-entry deposits where interest accrues automatically and coupons are not issued.
 - (11) All bond receipts given to the obligor by

OSMRE, received from an authorized deposit of bonds or notes, or received from the obligor upon the return of bonds or notes, should be executed in duplicate and one copy should be maintained in a separate security file (not the individual permit file) for audit purposes.

- c. Other Collateral Bonds. This section applies to certificates of deposit (CD's), real property, letters of credit or cash posted as security to support an indemnity agreement bond. Before acceptance, the bond approving officer will determine that the offered collateral bond is in conformity with the following requirements:
- (1) That collateral bonds conform to the standards specified in 30 CFR 800.21.
- (2) A collateral bond and indemnity agreement form has been executed in the appropriate format of Illustrations 9, 10 or 11.
- (3) If an irrevocable letter of credit is offered as collateral, it will be executed in the format of Illustration 20. The bond approving officer is responsible for ensuring that letters of credit are replaced within 30 days of their expiration when notified by the bank that it will not be renewed; if not replaced, the funds due the United States under the letter of credit must be drawn before the termination date of the letter of credit.
- (4) Certificates of deposit (CD's) offered as collateral can either be assigned to OSMRE or made payable to OSMRE. In either case, the CD's must be issued by a bank insured by the FDIC. If the CD's are assigned to OSMRE, an assignment of deposit form in the format of Illustrations 12, 13 or 14 must be executed by the permittee and the issuing bank.
- (5) If real property is offered as collateral, ensure that the title certificate, first mortgage or deed of trust, and certified property appraisal are attached as a part of the collateral bond and indemnity agreement. (See Illustration 21)
- (6) The bond value of all collateral must be evaluated at mid-term permit review. If the value of the collateral has depreciated, the permittee must provide additional funds to compensate for the decreased value. The value of collateral may be evaluated at any time however.
- (7) All cash submitted by an obligor as security for a bond must be converted to a money order and forwarded to the Division of Financial Management in Denver for

- deposit. The money must be delivered to and forwarded by the designated collection officer in the office. A receipt such as that in Illustration 4 should be given to the permit applicant when cash has been received. When the bond has been released, the cash is returned to the permittee in the form of a government check. The OSMRE official who issues the check should obtain a receipt from the permittee in the format of the example provided as Illustration 8B.
- d. <u>Self-bonds</u>. Before acceptance, the bond approving officer will determine that self-bonds conform to the standards specified in 30 CFR 800.23.
- (1) The bond approving official will ensure that the permittee and any guarantor will have executed a self-bond agreement, an indemnity agreement and guarantor agreement in the format of Illustrations 15, 16, and 17.
- 5. <u>Reporting Requirements</u>. No reporting requirements established.
- 6. Effect on Other Documents. None.
- 7. References.
- a. <u>30 CFR 800</u> Bond and Insurance Requirements for Surface Coal Mining and Reclamation Operations Under Regulatory Programs.
- b. <u>31 CFR 225</u> Acceptance of Bonds, Notes or Other Obligation Issued Guaranteed by the United States as Security in Lieu of Surety or Sureties on Penal Bonds (Treasury Circular No. 154).
- c. <u>Treasury Circular 570</u> Surety Companies Acceptable on Federal Bonds.
 - d. <u>31 USC 93</u> Sureties and Surety Bonds.
- e. <u>31 CFR 223</u> Surety Companies Doing Business with the United States.
 - f. 30 USC 1259 Performance Bonds.
- 9. <u>Treasury Circular 297</u> Regulations Governing Surety Companies Doing Business with the United States
- 8. <u>Effective Date.</u> Upon Issuance.
- Contact. Division of Technical Services, 343-1475.
- 10. <u>Keywords.</u> Performance bonds, surety, collateral, escrow, letter of credit, self-bond.

11. Appendices. The following are illustrations:

Illustration 1, 2, and 3: Surety Bond Forms for Partnership, Corporation, and Sole Proprietorship.

Illustrations 4 and 4A: Receipt Forms for Bonds or Collateral.

Illustrations 5, 6, and 7: Power of Attorney Forms.

Illustration 8A: Performance Bond Form.

Illustration 8B: Release Authorization Form.

Illustration 8C: Security Receipt Form.

Illustrations 9, 10, and 11: Collateral Bond Forms.

Illustrations 12, 13, and 14: Assignment Forms.

Illustrations 15, 16, and 17: Self-bond Forms.

Illustrations 18 and 19: Bond Riders.

Illustration 20: Letter of Credit Form.

Illustration 21: Trust Deed Form.

Illustration 22: Escrow Agreement Form.

Permit	No.	
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Illustration 1 (Page 1 of 4) Partnership

United States Office of Surface Minin	DEPARIMENT OF THE RECLAMATION AND		RE)
	SURETY BOND	Bond No	
KNOW ALL MEN BY THESE	PRESENTS, THAT T	HE UNDERSIGNED	
	(Partnership-Perm	uittee)	
(Street Address)	(City)	(State)	(Zip)
a partnership, as Principal	, and		_
(Name a organized and existing under and licensed to do business Surety, are held and firmly (OSMRE) in the sum of	in the State of bound unto the U	State ofas	merica
(\$) for the and severally bind ourselve	payment of which	sum we hereby jo , and assigns.	intly
THE CONDITION OF THE A	BOVE OBLIGATION i	s such, that:	
Whereas the above name Application No. plan, to conduct and reclaim defined pursuant to the Surrof 1977, 30 U.S.C. §1201 et regulations; and	_, including a mi m a surface coal face Mining Contr	ning and reclamat mining operations ol and Reclamatio	, as n Act

Whereas, the Principal has chosen to file this performance bond as a guarantee that the reclamation of the land disturbed during this surface mining operation will be completed as required by the Act and 30 C.F.R. Chapter VII, and as specified in the Permit as issued;

Whereas, the Surety, and their successors and assigns agree to guarantee the obligation and to indemnify, defend, and hold harmless the United States Office of Surface Mining Reclamation and Enforcement (OSMRE) from any and all losses and expenses which OSMRE may sustain as a result of the Principal's failure to comply with the condition of the obligation;

Permit No	Illustration 1 (Page 2 of 4) <u>Partnership</u>
Whereas obligations guaranteed by this effect for the following described landor increment upon which initial or succonducted:	ds approved as the permit area
	·

Now, if the Principal faithfully completes all reclamation and abatement requirements set forth in the Act, in 30 C.F.R. Chapter VII, and in its Permit, including the mining and reclamation plan, then this obligation shall be void; otherwise, it shall remain in full force and effect:

- (a) beginning on the date of the approval and issuance of Permit No. _____ and extending until all reclamation, restoration, and abatement work pursuant to the Act, 30 C.F.R. Chapter VII, and the permit has been completed to the satisfaction of Office of Surface Mining Reclamation and Enforcement; and,
- (b) until the bond is released pursuant to 30 C.F.R. §800.40, replaced in accordance with 30 C.F.R. §800.30, or until the permit has been sold, reassigned or otherwise transferred in accordance with 30 C.F.R. §774.17; and,
- (c) for a minimum period of ____ years, notwithstanding the requirements of sub-paragraphs (a) and (b) above, it being further understood that if the Obligor performs any augmented seeding, fertilization or other supplemental reclamation work on the site prior to bond release, the period of liability under this bond shall begin again subject to the exception found in 30 C.F.R. §816.116(c)(4) or §817.116(c)(4).

Permit No	Illustration 1
	(Page 3 of 4)
	<u>Partnership</u>

The failure of the Principal to fulfill the obligations specified by the Act, 30 C.F.R. Chapter VII, and its permit, shall result in forfeiture of the collateral posted with this performance bond according to the procedures described in 30 C.F.R. §800.50.

The Surety shall not cancel this bond at any time for any reason, including non-payment of premium or bankruptcy of the Principal during the period of liability. The amount of the Surety's liability may be adjusted by CSMRE pursuant to 30 C.F.R. §800.15 for lands covered by this bond which have not been disturbed by the Principal, upon application by the Principal pursuant to 30 C.F.R. §774.13 for revision of the Permit to delete such acreage, and approval by OSMRE of such revision.

The Surety will give prompt notice to the Principal and to OSMRE of any notice received or action filed alleging the insolvency or bankruptcy of the Surety, or alleging any violations or regulatory requirements which could result in suspension or revocation of the Surety's license to do business.

In the event the Surety becomes unable to fulfill its obligations under the bond for any reason, notice shall be given immediately to the Principal and to OSMRE.

Upon the incapacity of the Surety by reason of bankruptcy, insolvency, or suspension or revocation of its license, the Principal shall be deemed to be without bond coverage in violation of 30 C.F.R. §800.11, and subject to enforcement actions described in 30 C.F.R. §800.16(e)(2).

IN WITNESS THEREOF, the Principal and Surety have hereunto set their signatures and seals as of the dates set forth below.

Date		
		(Partnership - Permittee)
	Ву:	
		(Partner)
Date	_	
		(Surety)
	Ву:	
	Title:	

[Note: Where one signs by virtue of Power of Attorney for a Surety the Power of Attorney must be filed with this bond.]

Permit No.	Illustration 1 (Page 4 of 4 <u>Partnership</u>
ACKNOWLEDGEMENT O	F PAKINERSHIP - PERMITTEE
, the partner	eing authorized so to do, executed the
IN WITNESS WHEREOF, I hav seal on the day, month and yea	ve hereunto set my hand and official or aforesaid.
My Commission Expires:	Notary Public in and for said County and State
	urities are used as collateral, a TTORNEY AND AGREEMENT must be
ACKNOWI FI	GEMENT OF SURETY
On this day of	
IN WITNESS WHEREOF, I hav seal on the day, month and yea	re hereunto set my hand and official ur aforesaid.
My Commission Expires:	
	Notary Public in and for said County and State
NOTE: Please identify the if applicable.	agent acting on behalf of the surety,

PHONE

AGENCY___

ADDRESS

Permit No	
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Illustration 2 (Page 1 of 5) Corporation

	TATES DEPARTMENT OF THE		(OSMRE)
	SURETY BOND	Bond N	lo
KNOW ALL MEN BY TH	HESE PRESENTS, THAT T	HE UNDERSIGNE	D D
(Name	of Corporation - Perr	nittee)	
(Street Address)	(City)	(State)	(Zip)
a corporation organized	and existing under to Principal, and	the laws of t	he State of
organized and existing	ame and Address of Sur under the laws of the	State of	
and licensed to do busi Surety, are held and fi (OSMRE) in the sum of _	irmly bound unto the I	Inited States	of America
(\$ jointly and severally b	for the payment of woind ourselves, our su	which sum we accessors, an	hereby d assigns.
THE CONDITION OF T	THE ABOVE OBLIGATION i	is such, that	:
Whereas the above Application No	sclaim a surface coal s Surface Mining Contr	ining and rec mining opera Tol and Recla	lamation tions, as mation Act
Whomas the Deine		3 - 43	

Whereas, the Principal has chosen to file this performance bond as a guarantee that the reclamation of the land disturbed during this surface mining operation will be completed as required by the Act and 30 C.F.R. Chapter VII, and as specified in the Permit as issued;

Whereas, the Surety, and their successors and assigns agree to guarantee the obligation and to indemnify, defend, and hold harmless the United States Office of Surface Mining Reclamation and Enforcement (OSMRE) from any and all losses and expenses which OSMRE may sustain as a result of the Principal's failure to comply with the condition of the obligation;

Permit No.	
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Illustration 2 (Page 2 of 5) Corporation

be in effect	t for the f	ollowing d	lescribed 1:	ands approv	ce bond shall ed as the
will be con	iucted:		ich initia	I or succee	ding operation
	.				
					·

Now, if the Principal faithfully completes all reclamation and abatement requirements set forth in the Act, in 30 C.F.R. Chapter VII, and in its Permit, including the mining and reclamation plan, then this obligation shall be void; otherwise, it shall remain in full force and effect:

- (a) beginning on the date of the approval and issuance of Permit No. _____ and extending until all reclamation, restoration, and abatement work pursuant to the Act, 30 C.F.R. Chapter VII, and the permit has been completed to the satisfaction of Office of Surface Mining Reclamation and Enforcement; and,
- (b) until the bond is released pursuant to 30 C.F.R. §800.40, replaced in accordance with 30 C.F.R. §800.30, or until the permit has been sold, reassigned or otherwise transferred in accordance with 30 C.F.R. §774.17; and,
- (c) for a minimum period of ______ years, notwithstanding the requirements of sub-paragraphs (a) and (b) above, it being further understood that if the Principal performs any augmented seeding, fertilization or other supplemental reclamation work on the site prior to bond release, the period of liability under this bond shall begin again subject to the exception found in 30 C.F.R. §816.116(c)(4) or §817.116(c)(4).

The failure of the Principal to fulfill the obligations specified by the Act, 30 C.F.R. Chapter VII, and its permit, shall

Permit 1	No	·	-			Illustration 2 (Page 3 of 5) Corporation
result i	in a	forfeiture	of this	nerformanco	hond	according to the

result in a forfeiture of this performance bond according to the procedures described in 30 C.F.R. §800.50.

The Surety shall not cancel this bond at any time for any reason, including non-payment of premium or bankruptcy of the Principal during the period of liability. The amount of the Surety's liability may be adjusted by OSMRE pursuant to 30 C.F.R. ¢800.15 for lands covered by this bond which have not been disturbed by the Principal, upon application by the Principal pursuant to 30 C.F.R. §774.13 for revision of the Permit to delete such acreage, and approval by OSMRE of such revision.

The Surety will give prompt notice to the Principal and to CSMRE of any notice received or action filed alleging the insolvency or bankruptcy of the Surety, or alleging any violations or regulatory requirements which could result in suspension or revocation of the Surety's license to do business.

In the event the Surety becomes unable to fulfill its obligations under the bond for any reason, notice shall be given immediately to the Principal and to OSMRE.

Upon the incapacity of the Surety by reason of bankruptcy, insolvency, or suspension or revocation of its license, the Principal shall be deemed to be without bond coverage in violation of 30 C.F.R. §800.11, and subject to enforcement actions described in 30 C.F.R. §800.16(e)(2).

IN WITNESS THEREOF, the Principal and Surety have hereunto set their signatures and seals as of the dates set forth below.

Date		
		(Corporation - Permittee)
	By:	
		(Corporate Officer)
	Title:	
Date		
		(Surety)
	Ву:	
	Title:	

[Note: Where one signs by virtue of Power of Attorney for a Surety Company such Power of Attorney must be filed with this bond.]

Permit No.	
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Illustration 2 Page 4 of 5 <u>Corporation</u>

ACKNOWLEDGEMENT OF CORPORATION - PERMITTEE

On this day of, 19_, before me, a Notary
Public in and for the County of, in the State of, appeared
to me personally known who, being by me duly sworn, did say that
he/she is of, the corporation named in and which executed the
within instrument, and that the seal affixed to said instrument is the corporation seal of said corporation, and that said instrument was signed, sealed and delivered in behalf of said corporation by authority of its Board of Directors, and he/she, as such officer, acknowledged said instrument to be the free act and deed of said corporation for the uses and purposes of said instrument as therein set forth.
IN WITNESS WHEREOF, I have hereunto set my hand and official seal on the day, month, and year aforesaid.
My Commission Expires:
Notary Public in and for said
County and State
ACKNOWLEDGEMENT OF SURETY
On this day of, 19, before me, a Notary Public in and for the County of, in the State
or, appearer
to me personally known who, being by me duly sworn, did say that he/she is of
, the corporation named in and which executed
the within instrument, and that the seal affixed to said instrument is the corporation seal of said corporation, and that said instrument was signed, sealed and delivered in behalf of said corporation by authority of its Board of Directors, and he/she, as such officer, acknowledged said instrument to be the free act and deed of said corporation for the uses and purposes of said instrument as therein set forth.

Permit No.	Illustration 2 Page 5 of 5 <u>Corporation</u>
IN WITNESS WHEREOF, I has seal on the day, month, and	ave hereunto set my hand and official year aforesaid.
My Commission Expires:	Notary Public in and for said County and State
NOTE: Please identify the a applicable.	gent acting on behalf of the surety, if
AGENCY	PHONE
3 ENDOGG	

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Permit	No.	
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Illustration 3 (Page 1 of 4) Sole Proprietorship

OFFICE OF	UNITED STATES DEE SURFACE MINING RE			T (OSMRE)
	SURETY BOND	F	Bond No	
	LL MEN BY THESE F			
(Name of Indiv	d/b/a_ idual)	(Name of	Company - Perm	ittee)
(Street Ada sole proprietors	Mress) ship, as Principa	(City) l, and	(State)	(Zip)
organized and exis and licensed to do Surety, are held a (OSMRE) in the sum	business in the and firmly bound u	aws of the State of _ unto the Un	State of	. as
(\$) severally bind our	for the payment	of which	sum we hereby	jointly and
ጣተው ሰን	מג שושיי עם ואסדייידוא	CROP OPTICAT	TION is such 1	

ie computation of the above obligation is such, that:

Whereas the above named Principal has submitted Permit Application No. ______, including a mining and reclamation plan, to conduct and reclaim a surface coal mining operation, as defined pursuant to the Surface Mining Control and Reclamation Act of 1977, 30 U.S.C. §1201 et seq., (the Act) and its attendant regulations; and

Whereas, the Principal has chosen to file this performance bond as a quarantee that the reclamation of the land disturbed during this surface mining operation will be completed as required by the Act and 30 C.F.R. Chapter VII, and as specified in the Permit as issued;

Whereas, the Surety, and their successors and assigns agree to guarantee the obligation and to indemnify, defend, and hold harmless the United States office of Surface Mining Reclamation and Enforcement (OSMRE) from any and all losses and expenses which OSMRE may sustain as a result of the Principal's failure, to comply with the condition of the obligation;

Perm	mit No	Illustration 3 (Page 2 of 4) Sole Proprietorship
or i	Whereas obligations guaranteed by this perforefect for the following described lands approxing ement upon which initial or succeeding operatured:	ved as the permit area
		;
VII, this	Now therefore, if the Obligor faithfully compabatement requirements set forth in the Act, and in its Permit, including the mining and a obligation shall be void; otherwise, it shall effect:	in 30 C.F.R. Chapter reclamation plan, then
(a)	beginning on the date of the approval and isseminated and extending until all reclamatic abatement work pursuant to the Act, 30 C.F.R. permit has been completed to the satisfaction Mining Reclamation and Enforcement; and,	on, restoration, and . Chapter VII, and the
(d)	until the bond is released pursuant to 30 C.1 in accordance with 30 C.F.R. §800.30, or untisold, reassigned or otherwise transferred in C.F.R. §774.17; and,	il the permit has been
(c)	for a minimum period of years, notwithst requirements of sub-paragraphs (a) and (b) all understood that if the Principal performs any fertilization or other supplemental reclamate	bove, it being further y augmented seeding,

Illustration 3

The failure of the Principal to fulfill the obligations specified by the Act, 30 C.F.R. Chapter VII, and its permit, shall result in forfeiture of this performance bond according to the procedures described in 30 C.F.R. §800.50.

§816.116(c)(4) or §817.116(c)(4).

prior to bond release, the period of liability under this bond shall begin again subject to the exception found in 30 C.F.R.

Permit 1	No		_							(Pag	ge 3	ation of 4) opriet	-	2
Пbo	Support	chall	n ot	cancol.	thic	hond	۵+	am,	+ima	for	amu	resec	N23	

The Surety shall not cancel this bond at any time for any reason, including non-payment of premium or bankruptcy of the Principal during the period of liability. The amount of the Surety's liability may be adjusted by OSMRE pursuant to 30 C.F.R. §800.15 for lands covered by this bond which have not been disturbed by the Principal, upon application by the Principal pursuant to 30 C.F.R. §774.13 for the revision of the Permit to delete such acreage, and approval by OSMRE of such revision.

The Surety will give prompt notice to the Principal and to OSMRE of any notice received or action filed alleging the insolvency or bankruptcy of the Surety, or alleging any violations or regulatory requirements which could result in suspension or revocation of the Surety's license to do business.

In the event the Surety becomes unable to fulfill its obligations under the bond for any reason, notice shall be given immediately to the Principal and to CSMRE.

Upon the incapacity of the Surety by reason of bankruptcy, insolvency, or suspension or revocation of its license, the Principal shall be deemed to be without bond coverage in violation of 30 C.F.R. §800.11, and subject to enforcement actions described in 30 C.F.R. §800.16(e)(2).

IN WITNESS WHEREOF, the I signature this day of _		and Surety have hereunto set their , 19
Date		
		(Company - Permittee)
	ву:	
		(Individual - Sole Proprietor)
Date		
		(Surety)
	Ву:	
	-	
	Title:	

[Note: Where one signs by virtue of Power of Attorney for a Surety the Power of Attorney must be filed with this bond.]

Illustration 3
(Page 4 of 4)
Sole Proprietorship

Permit No.	
------------	--

IN WITNESS WHEREOF, I have hereunto set my hand and official seal on the day, month and year aforesaid. My Commission Expires: Notary Public in and for said County and State ACKNOWLEDGEMENT OF SURETY On this day of the percent a Notary Public in the percent and the	ACKNOWLEDGEMENT OF COMPANY - PERMITTEE	
My Commission Expires: Notary Public in and for said County and State	and for the County of, in the State of appeared personally known to me to be the name is subscribed to the foregoing instrument and Who, being h	person whose y me duly
Notary Public in and for said County and State ACKNOWLEDGEMENT OF SURETY On this day of, 19, before me, a Notary Public in and for the County of, in the State of, appeared to me personally known, who being by me duly sworn, did say that he/she is of , within instrument, and that the seal affixed to said instrument is the corporation seal of said corporation, and that said instrument was signed, sealed and delivered in behalf of said corporation by authority of its Board of Directors, and he/she, as such officer, acknowledged said instrument to be the free act and deed of said corporation for the uses and purposes of said instrument as therein set forth. IN WITNESS WHEREOF, I have hereunto set my hand and official seal on the day, month and year aforesaid. My Commission Expires:		ıl seal on
On this	Notary Public in and for said	l .
and for the County of, in the State of, appeared to me personally known, who being by me duly sworn, did say that he/she is, the corporation named in and which executed the within instrument, and that the seal affixed to said instrument is the corporation seal of said corporation, and that said instrument was signed, sealed and delivered in behalf of said corporation by authority of its Board of Directors, and he/she, as such officer, acknowledged said instrument to be the free act and deed of said corporation for the uses and purposes of said instrument as therein set forth. IN WITNESS WHEREOF, I have hereunto set my hand and official seal on the day, month and year aforesaid. My Commission Expires: Notary Public in and for said County and State NOTE: Please identify the agent acting on behalf of the surety, if applicable. AGENCY PHONE	ACKNOWLEDGEMENT OF SURETY	
corporation seal of said corporation, and that said instrument was signed, sealed and delivered in behalf of said corporation by authority of its Board of Directors, and he/she, as such officer, acknowledged said instrument to be the free act and deed of said corporation for the uses and purposes of said instrument as therein set forth. IN WITNESS WHEREOF, I have hereunto set my hand and official seal on the day, month and year aforesaid. My Commission Expires: Notary Public in and for said County and State NOTE: Please identify the agent acting on behalf of the surety, if applicable. AGENCY PHONE	On this	Public in by me duly tted the
The day, month and year aforesaid. My Commission Expires: Notary Public in and for said County and State NOTE: Please identify the agent acting on behalf of the surety, if applicable. AGENCY PHONE	sealed and delivered in behalf of said corporation by authority Board of Directors, and he/she, as such officer, acknowledged s instrument to be the free act and deed of said corporation for	was signed, of its said
Notary Public in and for said County and State NOTE: Please identify the agent acting on behalf of the surety, if applicable. AGENCY		alsealon
AGENCYPHONE	Notary Public in and for said	1
		ty, if
ADDRESS	AGENCYPHONE	
	ADDRESS	

Permit No					Illustra	tion 4
RECEIPT OF	F DEPOSITARY FO	R SECURITIES D	EPOSITE	D BY BOND-	APPROVING	OFFICER
		(0	ity)	(State)	(Da	te)
The unde	rsigned hereby	-	_	(Nar	ne and Off	
described,	bond-approving leposited by (Na un indemnity agr	officer) me of obligor) mement, filed	with O	SMRE throug	security ph	
Said securit	, for office) ies <u>l</u> / are regi , and are ass	istered in the	name o	f	<u></u>	
			(SIAU	e form of a	assignment	·) · ·
Title of securities	Coupon or registered	Total face amount	Den	omination	Serial Number	
order of sai	ve-described sec id bond-approving and surrender	ng officer or b	nis suc	cessor in o	office, up	on

executed in duplicate and is not assignable.

(Signature of Depositary)

^{1/} This information to be furnished only in case of registered securities.

ACCEPTANCE OF PERFORMANCE BOND

PERMIT NO.		
<u> Mumber</u>	<u>Amount</u>	<u>Date</u>
	•	
		•
<u> </u>		
labove. The Pri	ncipal has fi	lled, and
rol and Reclamat	ion Act of 19	77 (30 t
	d in the appr	roved
mation Plan.		
(Name & Title)		
(Name & Title)		
	Mumber The Tennessee Fed and Enforcement (i above. The Pri cond as a guarant face mining opera trol and Reclamat , and as specific emation Plan.	the Tennessee Federal Program, and Enforcement (OSMRE) has red above. The Principal has fit cond as a guarantee that the reface mining operation will be trol and Reclamation Act of 19, and as specified in the apprenation Plan.

Illustration 4B

RECEIPT OF BOND-APPROVING OFFICER

FOR ELIGIBLE SECURITIES ACCEPTED AS SECURITY

		_				
			(City)	(81	tate)	(Date)
The unde	ersigned he	reby ackn	owledges 1	receipt	of the	securities
hereinafter	described,	deposite	d as securi	ity in 1	ieu of :	surety on
			, filed wi	th		
(Descrip	tion of bon	i)		(Dej	partment)
through			for			_
(Bu	reau or Off	ice)	(Descr	iption o	of oblig	ation)
S-10	-			.		
Said Securi	ties are re	jistered i	in the name	. 01		
		, and	are assign	ned		·
				(For	m of ass	ignment)
Title of	_				Serial	
securities	registered	Amount	Denomi	nation	Number	Dates
				-		
					•	-
						-
This rec	eipt is exe by the obli	xuted in	duplicate,	and the	me origii ibed rot	nal must be es or borde
deposited	are return	ed to hi	m or ber	. Thi	s recei	es of some of is not
assignable.						.
				Signatu	re and o	official
			`			approving
				officer	ነ	

Permit No	
-----------	--

Illustration 5 (Page 1 of 2) Sole Proprietorship

UNITED STATES DEPARTMENT OF THE INTERIOR OFFICE OF SURFACE MINING RECLAMATION AND ENFORCEMENT

POWER OF ATTORNEY AND AGREEMENT

KNOW ALL MEN BY THESE PRESENTS, that I, the undersigned, of (Name of Company - Permittee) (Street Address) (City) (State) (Zip) do hereby constitute and appoint (Name and official title of bond-approving officer) and his/her successors in office, as attorney for me and in my name to collect or to sell, assigm, and transfer certain securities, certificates of deposits or other instruments described as follows: such negotiable securities having been deposited by me, as security for the faithful performance of any and all of the conditions or stipulations of a certain obligation entered into by me with the United States, under date of (Date Collateral Bond Signed) respect to Permit No. ____, which is hereby made a part hereof, and I agree that, in case of any default in the performance of any of the conditions and stipulations of such under-taking, my said attorney shall have full power to collect said securities or any part thereof, or to sell, assign, and transfer said securities or any part thereof without notice, at public or private sale, free from any equity of redemption and without appraisement or valuation, notice and right to redeem being waived, and to apply the proceeds of such sale or collection, in whole or in part, to the satisfaction of any damages, demands, or deficiency arising by reason of such default, as my said attorney may deem best; and the undersigned further agrees that the authority herein granted is irrevocable.

Permit No	Illustration 5 (Page 2 of 2) <u>Sole Proprietorship</u>
And I hereby for m and assigns, ratify and by virtue of these pres	yself, my heirs, executors, administrators confirm whatever my said attorney shall do ents.
	, the Obligor has hereunto set his/her day of, 19
	By:(Company - Permittee) [Individual - Sole Proprietor)
	ACKNOWLEDGEMENT
State of	lay of, 19, before me, a or the County of, in the, in the, appeared to be the person whose name is subscribed the d who, being by me duly sworn, did say that me for the purposes therein contained.
IN WITNESS WHEREOF seal on the day, month,	, I have hereunto set my hand and official and year aforesaid.
My Commission Expires:	Notary Public in and for said County and State
title, date o	ast be described by issuing institution, of maturity, rate of interest, denomination, r, and whether coupon or registered.

UNITED STATES DEPARIMENT OF THE INTERIOR OFFICE OF SURFACE MINING RECLAMATION AND ENFORCEMENT

POWER OF ATTORNEY AND AGREEMENT

KNOW ALL MEN BY THESE PRESENTS, that
(Name of Corporation - Permittee) a corporation duly incorporated under the laws of the State of, in pursuance of a resolution of the board of directors of said corporation, passed on the day of 19, does hereby constitute and appoint
(Name and official title of bond-approving officer) and his/her successors in office, as attorney for said corporation, for and in the name of said corporation to collect or to sell, assign, and transfer certain securities, certificates of deposits or other instruments described as follows:
<u></u>
such negotiable securities having been deposited by it, as security for the faithful performance of any and all of the conditions or stipulations of a certain obligation entered into by it with the United States, under date of
(Date Collateral Bond Signed) which is hereby made a part hereof, and the undersigned agrees that, in case of any default in the performance of any of the conditions and stipulations of such undertaking, its said attorney shall have full power to collect said securities or any part thereof, or to sell, assign, and transfer said securities or any part thereof without notice, at public or private sale, free from any equity of redemption and without appraisement or valuation, notice and right to redeem being waived, and to apply the proceeds of such sale or collection, in whole or in part, to the satisfaction of any damages, demands, or deficiency arising by reason of such default, as my said attorney may deem best; and the undersigned further agrees that the authority herein granted is irrevocable.

Permit No	Illustration 6 (Page 2 of 2) <u>Corporation</u>
	for itself, its successors and assigns, atever its said attorney shall do by virtue
IN WITNESS WHEREOF, this day of	the Obligor has hereunto set its signature, 19
	(Corporation - Permittee)
	By:(Corporate Officer)
Title	<u> </u>
	ACKNOWI FDGFMENT
personally known who, being corporation named in and that the seal affixed to said corporation, and the delivered in behalf of said be the free act and depurposes of said instruments.	I have hereunto set my hand and official
My Commission Expires:	Notary Public in and for said County and State

NOTE:

Securities must be described by issuing institution, title, date of maturity, rate of interest, denomination, serial number, and whether coupon or registered.

UNITED STATES DEPARIMENT OF THE INTERIOR OFFICE OF SURFACE MINING RECLAMATION AND ENFORCEMENT

POWER OF ATTORNEY AND AGREEMENT

KNOW ALL MEN BY THE carrying on business in and style of	SE PRESENTS, that the partnership	t I, the undersi together under t	gned, he firm name
(Nam	e of Partnership	- Permittee)	 /
(Street Address)	(City)	(State)	(Zip)
do hereby constitute and	appoint		
Name and offici and his/her successors i partner, and of our said	firm of	orney of me and	each
in the name or names and collect, or to sell, ass certificates of deposits	(Name on behalf of us ign and transfer	certain securit	rm, to ies,
such negotiable securiti for the faithful perform stipulations of a certai United States, under dat	ance of any and on a obligation ent	all of the condi ered into by us	tions or with the
respect to Permit No. which is hereby made a pany default in the performance stipulations of such und power to collect said se assign, and transfer sain notice, at public or princedemption and without a to redeem being waived, collection, in whole or demands, or deficiency a	art hereof, and a rmance of any of ertaking, our sa curities or any a d securities or a vate sale, free ppraisement or va and to apply the in part, to the	we agree that, i the conditions id attorney shal part thereof, or any part thereof from any equity aluation, notice proceeds of suc satisfaction of	n case of and l have full to sell, without of and right h sale or any damages,

said attorney may deem the authority herein g	best; and the undersigned pranted is irrevocable.	further agrees that
Permit No	_	Illustration 7 (Page 2 of 2) Partnership
administrators, and as	ourselves, our heirs, exessigns, ratify and confirm rirtue of these present.	
IN WITNESS WHEREO signature this	F, the Obligor has hereunt _ day of, 19	o set his/her •
	(Partnership	- Permittee)
	By:(Pa	rtner)
	ACKNOWLEDGEMENT	
Notary Public in and f State of	day of, 19 for the County of, appeared being by me duly sworm, di g instrument, and that he/s e foregoing instrument on b	, in the to me d say that he/she is , the partnership he, being authorized ehalf of said
IN WITNESS WHEREO seal on the day, month	OF, I have hereunto set my n, and year aforesaid.	hand and official
My Commission Expires:	Notary Public in a County and St	
title,	ies must be described by i date of maturity, rate of ation, serial number, and ered.	interest,

Illustration 8A (Page 1 of 2)

Record of Reclamation Performance Bond(s) for Permit No.

In accordance with 30 CFR Part 800, the Office of Surface Mining Reclamation and Enforcement (OSMRE) has received the reclamation performance bond(s) described below. The Principal has filed, and OSMRE has accepted, this performance bond(s) as a guarantee that the reclamation of the land disturbed during this surface mining operation will be completed as required by the Surface Mining Control and Reclamation Act of 1977 (30 USC 1201 et seg) and 30 CFR Part J, and as specified in the approved Permit, including the Mining and Reclamation Plan.

Pri	ncipal:			
Per	mittee:			
Per	mit No.:			
Des	cription of Bond:			
	Surety			
	Company	Number	Amount	
			· · · · · · · · · · · · · · · · · · ·	
_			Subtotal _	
B)	Negotiable Securities Name of Issue & Bond No.	Face Value	Market Value	
			Subtotal _	
C)	Certificates of Deposit, Sa Letters of Credit	vings Certific	ates, Bank Irr	evocable
	Bank	Number		
			Subtotal	

Illustration 8A (Page 2 of 2)

D)	Cash, Certified, Check	, Cashier's Check, Treast Check No. Amount	urer's Check Bank
=		Subt	total
Poc	eived for CSMRE:	Total Amount of Bond	
	(Name and Title		
	(Signature)		(Date)

PERFORMANCE BOND RELEASE AUTHORIZATION

PRINCIPAL:		_	
ADDRESS:			
PERMITTEE: PERMIT NO.			
BOND DOCUMENT DESCRIPTION: Type	Number	<u>Amount</u>	<u>Date</u>
BOND AMOUNT:	-		
REASON FOR RELEASE:			
			· · · · · · · · · · · · · · · · · · ·
The performance bond docume by hand, mai	ents described aboril to	ve are hereby	released
RELEASE APPROVED BY:			
	(Name & T:	itle)	
DATE:			
	(Sign	nature)	
The signature below acknowl described above. If receive this form in the envelope p	red by mail, please	the bond docur sign, date :	ment(s) and return
DOCUMENT(S) RECEIVED BY:			
	(Company Represent	ative Name &	Title)
DATE:		Signature)	

RECEIPT OF OBLIGOR ON RETURN OF SECURITIES SUPPORTING AN INDEMNITY AGREEMENT

	eposited with	(Name and		al curity to :	- support th	nė
		g officer) nt, filed with (mining permit	OSMRE 1	through		
(Bureau or Said sec and are assi	office) urities <u>l</u> / are	registered in				
		(State form	of as	signment)		
Title of securities	Coupon or registered	Total face amount	Den	omination	Serial Number	Interest dates
		ed in duplicate				

^{1/} This information to be furnished only in case of registered securities.

Permit No.	
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Illustration 9 (Page 1 of 3) <u>Sole Proprietorship</u>

UNITED STATES DEPARTMENT OF THE INTERIOR OFFICE OF SURFACE MINING RECLAMATION AND ENFORCEMENT (OSMRE)

COLLATERAL BOND AND INDEMNITY AGREEMENT

KNOW ALL MEN BY THESE PRESENTS, THAT THE UNDERSIGNED	
d/b/a	
(Name of Individual) (Name of Company - Permittee)	
(Street Address) (City) (State) (Zip) a sole proprietorship, as Obligor, is hereby held and firmly bound unto the United States, OSMRE, in the sum of	· —
(\$).	
THE CONDITION OF THE ABOVE OBLIGATION is such, that:	
Whereas the above named Obligor has submitted Permit Application No, including a mining and reclamation plan, to conduct and reclaim a surface coal mining operation, as defined pursuant to the Surface Mining Control and Reclamation Act of 1977, 30 U.S.C. §1201 et se ., (the Act) and its attendant regulations; and	:
Whereas, the Obligor has chosen to post as collatera one of the instruments of indemnification specified in 30 C.F.R. §800.5(b), namely in the amount of)
(\$) and deposited with the Office of	_

Surface Mining Reclamation and Enforcement as a guarantee that the reclamation of the land disturbed during this surface coal mining operation will be completed as required by the Act and 30 C.F.R. Chapter VII, and as specified in the Permit as issued;

Whereas, the Obligor, and their successors and assigns agree to guarantee the obligation and to indemnify, defend, and hold harmless the United States, Office of Surface Mining Reclamation and Enforcement (CSMRE) from any and all losses and expenses which CSMRE may sustain as a result of the Obligor's failure to comply with the condition of the obligation;

Permit No	o	Illustration 9 (Page 2 of 3) Sole Proprietorship
be : perr	reas obligations guaranteed by this in effect for the following describe with area or increment upon which initiations will be conducted:	d lands approved as the tial or succeeding
<u> </u>		-·· - · · · · · · · · · · · · · · · · ·
reclamati C.F.R. Ch	therefore, if the Obligor faithfully on and abatement requirements set fo apter VII, and in its permit, include	orth in the Act, in 30
reclamati	on plan, then this obligation shall ain in full force and effect:	be void; otherwise, it
(a)	beginning on the date of the approximation and extending reclamation, restoration, and abate the Act, 30 C.F.R. Chapter VII, and completed to the satisfaction of Off Reclamation and Enforcement; and,	ng until all ement work pursuant to I the permit has been
(b)	until the bond is released pursuant replaced in accordance with 30 C.F. the permit has been sold, reassigne transferred in accordance with 30 C	R. §800.30, or until

(c) for a minimum period of ____ years, notwithstanding the requirements of sub-paragraphs (a) and (b) above, it being further understood that if the Obligor performs any augmented seeding, fertilization or other supplemental reclamation work on the site prior to bond release, the period of liability under this bond shall begin again

subject to the exception found in 30 C.F.R.

§816.116(c)(4) or §817.116(c)(4).

Permit No	Illustration 9
	(Page 3 of 3)
	<u>Sole Proprietorship</u>
The failure of the Obligor to by the Act, 30 C.F.R. Chapter VII, forfeiture of the collateral poste according to the procedures descri	d with this performance bond
IN WITNESS WHEREOF, the Oblig signature this day of	or has hereunto set his/her , 19
	(Company - Permittee)
By:	(Individual - Sole Proprietor)
ACKNOWLE	DGEMENT
On this day of	scribed to the foregoing ly sworn, did sav that he/she
IN WITNESS WHEREOF, I have he seal on the day, month and year af	reunto set my hand and official oresaid.
My Commission Expires: Nota	ary Public in and for said County and State

Where negotiable securities are used as collateral, a completed POWER OF ATTORNEY AND AGREEMENT must be attached.

NOTE:

Permit	No.	

Illustration 10 (Page 1 of 3) Partnership

UNITED STATES DEPARTMENT OF THE INTERIOR OFFICE OF SURFACE MINING RECLAMATION AND ENFORCEMENT (OSMRE)

COLLATERAL BOND AND INDEMNITY AGREEMENT

KNOW ALL MEN BY THESE PRESENTS, THAT THE UNDERSIGNED

(1	Partnership - Perm	ittee)	
(Street Address)	(City)	(State)	(Zip)
a partnership, as Oblid United States of Americ			nd unto the
(\$).			
THE CONDITION OF T	THE ABOVE OBLIGATI	ON is such, that	:
Whereas the above Application No	, including a : a surface coal mi Mining Control a	mining and reclar ning operation, a nd Reclamation Ad	mation plan, as defined at of 1977,
Whereas, the Obliq the instruments of inde namely			
		in t	ne amount of
(\$	d disturbed during deted as required 1	guarantee that th this surface coa by the Act and 30	ne al mining

Whereas, the Obligor, and their successors and assigns agree to guarantee the obligation and to indemnify, defend, and hold harmless the United States Office of Surface Mining Reclamation and Enforcement (OSMRE) from any and all losses and expenses which OSMRE may sustain as a result of the Obligor's failure to comply with the condition of the obligation;

Permit No	Illustration 10 (Page 2 of 3) <u>Partnership</u>
	* OF CHIED

effect fo or increm	r the follo	wing des nich init	cribed la	nds appro	ance bond s ved as the operations	hall be in permit area will be
						
				·		

Now therefore, if the Obligor faithfully completes all reclamation and abatement requirements set forth in the Act, in 30 C.F.R. Chapter VII, and in its permit, including the mining and reclamation plan, then this obligation shall be void; otherwise, it shall remain in full force and effect:

- (a) beginning on the date of the approval and issuance of Permit
 No. _____ and extending until all reclamation, restoration,
 and abatement work pursuant to the Act, 30 C.F.R. Chapter VII, and
 the permit has been completed to the satisfaction of Office of
 Surface Mining Reclamation and Enforcement; and,
- (b) until the bond is released pursuant to 30 C.F.R. §800.40, replaced in accordance with 30 C.F.R. §800.30, or until the permit has been sold, reassigned or otherwise transferred in accordance with 30 C.F.R. §774.17; and,
- (c) for a minimum period of _____ years, notwithstanding the requirements of sub-paragraphs (a) and (b) above, it being further understood that if the Obligor performs any augmented seeding, fertilization or other supplemental reclamation work on the site prior to bond release, the period of liability under this bond shall begin again subject to the exception found in 30 C.F.R. §816.116(c)(4) or §817.116(c)(4).

Permit 1	No	Illustration 10 (Page 3 of 3) <u>Partnershi</u> p
by the <i>l</i> forfeita	e failure of the Obligor to fulfill Act, 30 C.F.R. Chapter VII, and its ure of the collateral posted with t ng to the procedures described in 3	s permit, shall result in this performance bond
IN signatur	WITNESS WHEREOF, the Obligor has re this, 19	nereunto set his/her }
		(Partnership - Permittee)
	Ву:	(Partner)
	<u>ACKNOWILEDGEMENT</u>	
instrume foregoir executed IN	this day of, 19 in and for the County of, appeared, the partnership ent, and that he/she, being authoring instrument, and that he/she, being authorid the foregoing instrument on behalf WITNESS WHEREOF, I have hereunto sethe day, month and year aforesaid.	named in the foregoing ized so to do, executed the ing authorized so to do, if of said partnership.
	ission Expires:	
 .		ic in and for said by and State
NOTE:	Where negotiable securities are completed POWER OF ATTORNEY AND attached.	used as collateral, a AGREEMENT must be

Permit No	»	Illustration 11 (Page 2 of 3) <u>Corporation</u>
for the t	reas obligations guaranteed by following described lands appn: upon which initial or succeed	oved as the permit area or
		;
and abate VII, and then this	efore, if the obligor faithful ement requirements set forth in in its permit, including the management so obligation shall be void; other se and effect:	n the Act, in 30 CFR Chapter mining and reclamation plan,
(a)	reclamation. restoration. a	extending until all nd abatement work pursuant to VII, and the permit has been
(b)	until the bond is released preplaced in accordance with permit has been sold, reassing accordance with 30 C.F.R.	30 C.F.R. 800.30, or until the gned or otherwise transferred
(c)		od of years, ents of sub-Paragraphs (a) and

The failure of the Obligor to fulfill the obligations specified by the Act, 30 C.F.R. Chapter VII, and its permit, shall result in forfeiture of the collateral posted with this indemnity agreement according to the procedures described in 30 C.F.R. 800.50.

816.116(c)(4) or 817.116(c)(4).

performs any augmented seeding, fertilization or other supplemental reclamation work on the site prior to bond released the period of liability under this bond shall begin again subject to the exception found in 30 C.F.R.

Permit No	Illustration 11 (Page 3 of 3) Corporation
IN WITNESS WHEREOF, the Obligor has hereunto set is seal this day of, 19	
(Corporatio	on - Permittee)
by:	
(Corpora	te Officer)
Title:	
<u>ACKNOWI EDGEMENT</u>	
On this day of, 19, Notary Public in and for the County of, State of, appeared, appeared, of the corporation named in and the within instrument, and that the seal affixed t is the corporation seal of said corporation, and t instrument who signed, seal, and delivered in behalf corporation for the uses and purposes of said instrument.	to me say that he/she is which executed so said instrument that said alf of said
IN WITNESS WHEREOF, I have hereunto set my haseal on the day, month and year aforesaid.	und and official
My Commission Expires: Notary Public in and County and Sta	

Note: Where negotiable securities are used as collateral, a completed POWER OF ATTORNEY AND AGREFMENT must be attached.

Permit No.	
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Illustration 12 (Page 1 of 3) Corporation

UNITED STATES DEPARTMENT OF THE INTERIOR OFFICE OF SURFACE MINING RECLAMATION AND ENFORCEMENT

ASSIGNMENT OF CERTIFICATE OF DEPOSIT

WHEREAS, on the	_day of	, 19		
(Name of Corpo	oration - Per	rmittee)		of
(Street Address) executed certain certificate(s)	(City)) of deposit	State) described as	(Zip) follows:	
····	·			
to secure performance of certa: Mining and Reclamation Permit 1			ace Coal	
WHEREAS, under 30 CFR 800. post an acceptable new certific of the existing certificate made authority.	cate or provi	ide an executo	ed assignm	i to nent
NOW THEREFORE, to satisfy 800.21(a)(3), the undersigned,	_			
as Obligor, hereby assigns its deposit as described above, mad Office of Surface Mining Reclar	(Name of (interest in de payable to	"the United	ate(s) of))
THE CONDITION OF THE ABOVE certificate shall:	E ASSIGNMENT	is such that	the	

- (a) be assigned to the United States, Office of Surface Mining Reclamation and Enforcement, both in writing and upon the books of the institution issuing such certificates;
- (b) individually not exceed \$100,000, or the maximum insurable amount as determined by F.D.I.C. and F.S.L.I.C;

Permit No	-	Illustration 12 (Page 2 of 3) <u>Corporation</u>
(c)	be conditioned upon the Isrights of set-off or liens against those certificates	
(d)		amounts, so that liquidation of maturity would provide the
(e)	the assignment shall remain until released in writing b Reclamation and Enforcement	by the Office of Surface Mining
redemption shall also		throughout any maturity he Issuing Institution, and f when the certificate(s) of
IN W and seal	ITNESS WHEREOF, the Obligor this day of	has hereunto set its signature , 19
		(Corporation - Permittee)
	Bv:	
	-1.	(Corporate Officer)
	Title:	
IN W. its signat	ITNESS WHEREOF, the Issuing ture and seal this	Institution has hereunto set day of, 19

(Issuing Institution)

Title:

Permit No.	
------------	-------------

Illustration 12 (Page 3 of 3) Corporation

ACKNOWLEDGEMENT OF CORPORATION - PERMITTEE

On this day of, 19, before me, a Notary Public in and for the County of, in the State of
anneared to the country of, in the state of
me personally known who, being by me duly sworn, did say that he/she is
the corporation named in and which executed the within instrument, and that the seal affixed to said instrument is the corporation seal of said corporation, and that said instrument was signed, sealed and delivered in behalf of said corporation by authority of its Board of Directors, and he/she, as such officer, acknowledged said
instrument to be the free act and deed of said corporation for the uses and purposes of said instrument as therein set forth.
IN WITNESS WHEREOF, I have hereunto set my hand and official seal on the day, month, and year aforesaid.
My Commission Expires:
Notary Public in and for said
County and State
·
ACKNOWLEDGEMENT OF ISSUING INSTITUTION
On this day of, 19, before me, a Notary Public in and for the County of, in the State
of, appeared to me personally known who, being by me duly sworn, did say that he/she
me personally known who, being by me duly sworn, did say that he/she is of, the Issuing Institution named in and which executed the within
instrument, and that the seal affixed to said instrument is the
corporation seal of said Issuing Institution, and that said
instrument was signed, sealed and delivered in behalf of said corporation by authority of its Board of Directors, and he/she, as
such officer, acknowledged said instrument to be the free act and
deed of said corporation for the uses and purposes of said instrument as therein set forth.
IN WITNESS WHEREOF, I have hereunto set my hand and official seal on the day, month, and year aforesaid.
My Commission Expires:
Notary Public in and for said County and State

Permit	No.	

Illustration 13 (Page 1 of 3) Partnership

UNITED STATES DEPARTMENT OF THE INTERIOR OFFICE OF SURFACE MINING RECLAMATION AND ENFORCEMENT

ASSIGNMENT OF CERTIFICATE OF DEPOSIT

WHEREAS, on the day of, 19	
(Name of Partnership - Permittee)	E
(Street Address) (City) (State) (Zip) executed certain certificate(s) of deposit described as follows:	<u>, </u>
	_
to secure performance of certain reclamation under Surface Coal Mining and Reclamation Permit No	_,
WHEREAS, under 30 CFR 800.21(a)(3) the permittee is required to post an acceptable new certificate or provide an executed assignment of the existing certificate made payable to the regulatory authority.	
NOW THEREFORE, to satisfy the requirements of 30 CFR 800.21(a)(3), the undersigned.	
800.21(a)(3), the undersigned, (Name of Partnership - Permittee) as Obligor, hereby assigns its interest in the certificate(s) of deposit, as described above, made payable to the "United States, Office of Surface Mining Reclamation and Enforcement."	

THE CONDITION OF THE ABOVE ASSIGNMENT is such that the certificate shall:

- (a) be assigned to the United States, Office of Surface Mining Reclamation and Enforcement, both in writing and upon the books of the institution issuing such certificates;
- (b) individually not exceed \$100,000, or the maximum insurable amount as determined by F.D.I.C. and F.S.L.I.C;

Permit N	lo	Illustration 13 (Page 2 of 3) <u>Partnership</u>
(c)	be conditioned upor set-offs or liens v certificates;	n the Issuing Institution waiving all rights of which it has or may have against those
(d)	be deposited in sur certificates prior amount;	fficient amounts, so that liquidation of those to maturity would provide the required bond
(e)	that the assignment released in writing Enforcement.	shall remain in full force and effect until y by The Office of Surface Mining Reclamation and
as desig	nated by this Issuir	e valid throughout any maturity redemption period og Institution, and shall also automatically ficate(s) of deposit is renewed.
	ITNESS WHEREOF, the day of,	Obligor has hereunto set his/her signature this
		(Partnership - Permittee)
	By:	(Fartner)
IN W signatur	TINESS WHEREOF, the e and seal this	Issuing Institution has hereunto set its day of, 19
		(Issuing Institution)
	Bv:	

Title:

Permit 1	No.	
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Illustration 13 (Page 3 of 3) Partnership

ACKNOWLEDGEMENT OF PARINERSHIP - PERMITTEE

On this day of, 19, before me, a Notary Public in and for the County of, in the State of
, appeared
, appeared
· · · · · · · · · · · · · · · · · · ·
IN WITNESS WHEREOF, I have hereunto set my hand and official seal on the day, month and year aforesaid.
Str Commission Theritage
My Commission Expires: Notary Public in and for said County and State
ACKNOWLEDGEMENT OF ISSUING INSTITUTION
0- 41-1
On this day of, 19, before me, a Notary Public in and for the County of, in
the State of
to me normanally locate the being by the duly
to me personally known who, being by me duty
the Termina Tretitution named in
to me personally known who, being by me duly sworn, did say that he/she is, the Issuing Institution named in and which executed the within instrument, and that the seal affixed to said instrument is the corporation seal of said Issuing Institution, and that said instrument was signed, sealed and delivered in behalf of said corporation by authority of its Board of Directors, and he/she, as such officer, acknowledged said instrument to be the free act and deed of said corporation for the uses and purposes of said instrument as therein set forth.
IN WITNESS WHEREOF, I have hereunto set my hand and official seal on the day, month, and year aforesaid.
My Commission Expires:
Notary Public in and for said County and State

Permit	No.	

Illustration 14 (Page 1 of 3) Sole Proprietorship

UNITED STATES DEPARIMENT OF THE INTERIOR OFFICE OF SURFACE MINING RECLAMATION AND ENFORCEMENT

ASSIGNMENT OF CERTIFICATE OF DEPOSIT

WHEREAS, on the day of, 19
(Name of Company - Permittee)
(Street Address) (City) (State) (Zip) executed certain certificate(s) of deposit described as follows:
to secure performance of certain reclamation under Surface Coal Mining and Reclamation Permit No.
WHEREAS, under 30 CFR 800.21(a)(3) the permittee is required to post an acceptable new certificate or provide an executed assignment of the existing certificate made payable to the regulatory authority.
NOW THEREFORE, to satisfy the requirements of 30 CFR 800.21(a)(3), the undersigned, (Name of Company - Permittee) as Chlicor, hereby assigns its intermet in the contificato(s) of
(Name of Company - Permittee) as Obligor, hereby assigns its interest in the certificate(s) of deposit as described above, made payable to "the United States, Office of Surface Mining Reclamation and Enforcement."
THE CONDITION OF THE ABOVE ASSIGNMENT is such that the

certificate shall:

- (a) be assigned to the United States, Office of Surface Mining Reclamation and Enforcement both in writing and upon the books of the institution issuing such certificates;
- (b) individually not exceed \$100,000, or the maximum insurable amount as determined by F.D.I.C. and F.S.L.I.C;