



Washington State
Department of Ecology
 Spill Prevention, Preparedness, and Response Program
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Proof of Financial Responsibility Chapter 173-187 WAC

Surety Bond Form

Date bond executed:
Period of coverage:
Principal (name of facility or vessel):
Type of organization:
Surety(ies):
The following facility(ies) or vessel(s) are covered by this surety bond:
Coverage guaranteed by the bond is for costs and damages of oil pollution claims and the unlawful discharge of oil caused by an oil spill to the navigable waters of Washington State.
Penal sums of bond:
Surety's bond number:

Know All Persons by These Presents, that we, the Principal and Surety(ies), hereto are firmly bound to the Washington State Department of Ecology (Ecology), in the above penal sums for the payment of which we bind ourselves, our heirs, executors, administrators, successors, and assigns jointly and severally; provided that, where the Surety(ies) are corporations acting as co-sureties, we, the Sureties, bind ourselves in such sums jointly and severally only for the purpose of allowing a joint action or actions against any or all of us, and for all other purposes each Surety binds itself, jointly and severally with the Principal, for the payment of such sums only as is set forth opposite the name of such Surety, but if no limit of liability is indicated, the limit of liability is the full amount of the penal sums.

Whereas said Principal is required under the Washington Administrative Code for Financial Responsibility, as amended, and Chapter 88.40 RCW to prove financial responsibility for costs and damages of oil pollution claims and the unlawful discharge of oil caused by an oil spill to the navigable waters of Washington State; [if coverage is different for different locations or vessels, indicate the type of coverage applicable to location or vessel] arising from operating the facility(ies) or vessel(s) identified above; and

Whereas said Principal must establish a standby trust fund as is required when a surety bond is used to provide such proof of financial responsibility;

Now, therefore, the conditions of the obligation are such that if the Principal faithfully pays for costs and damages of oil pollution claims and the unlawful discharge of oil caused by an oil spill to the navigable waters of Washington State, in accordance with Chapter 173-187 WAC arising from operating the facility(ies) or vessel(s) identified above, or if the Principal provides alternate proof of financial responsibility, as specified in WAC 173-187-220(6), the Surety(ies) may cancel this bond by sending notice to the Principal. Such cancellation will become effective no earlier than 60 calendar days after a notice of cancellation has been submitted to Ecology, at which time this obligation is null and void; otherwise it is to remain in full force and effect.

Such obligation does not apply to any of the following:

- (1) Any obligation of the Principal under a workers' compensation, disability benefits, or unemployment compensation law or other similar law;
- (2) Bodily injury to an employee of the Principal arising from, and in the course of, employment by the Principal;
- (3) Bodily injury or property damage arising from the ownership, maintenance, use, or entrustment to others of any aircraft, motor vehicle, or watercraft;
- (4) Property damage to any property owned, rented, loaned to, in the care, custody, or control of, or occupied by the Principal;
- (5) Bodily injury or property damage for which the Principal is obligated to pay damages by reason of the assumption of liability in a contract or agreement other than a contract or agreement entered into to meet the requirements of Chapter 173-187 WAC.

The Surety(ies) become liable on this bond obligation only when the Principal has failed to fulfill the conditions described above.

Upon notification by Ecology that the Principal has failed to pay for costs and damages of oil pollution claims and the unlawful discharge of oil caused by an oil spill to the navigable waters of Washington State, in accordance with Chapter 173-187 WAC and Ecology's instructions as guaranteed by this bond, the Surety(ies) must place funds in an amount up to the annual aggregate penal sum into the standby trust fund as directed by Ecology under WAC 173-187-220(6)(b)(v).

Upon notification by Ecology that the Principal has failed to provide alternate proof of financial responsibility within 60 calendar days after the date the notice of cancellation is received by the Principal from the Surety(ies) and that Ecology has determined or suspects that a release has occurred, the Surety(ies) must place funds in an amount not exceeding the annual aggregate penal sum into the standby trust fund as directed by Ecology under WAC 173-187-220 (6)(b)(v).

The Surety(ies) hereby waive(s) notification of amendments to applicable laws, statutes, rules, and regulations and agrees that no such amendment in any way alleviates its (their) obligation on this bond.

The liability of the Surety(ies) is not discharged by any payment or succession of payments hereunder, unless and until such payment or payments amount in the annual aggregate to the penal sum shown on the face of the bond, but in no event do the obligation of the Surety(ies) hereunder exceed the amount of said annual aggregate penal sum.

The Surety(ies) may cancel the bond by sending notice of cancellation by certified mail to the principal. Such cancellation will become effective no earlier than 60 calendar days after a notice of cancellation has been submitted to Ecology

The Principal may terminate this bond by sending written notice to the Surety(ies).

In witness thereof, the Principal and Surety(ies) have executed this Bond and have affixed their seals on the date set forth above.

The persons whose signatures appear below hereby certify that they are authorized to execute this surety bond on behalf of the Principal and Surety(ies) and that the wording of this surety bond is identical to the wording provided in Ecology's Proof of Financial Responsibility Surety Bond Form as such regulations were constituted on the date this bond was executed.

Principal

Authorized Signature

Date

Print Name

Title

Second Signatory if needed

Authorized Signature

Date

Print Name

Title

Corporate Surety(ies)

Contact Signature:	
Contact Name:	
Company Name:	
Liability Limit (\$):	
Bond premium (\$):	
Corporate Seal:	
Address:	
Phone Number:	Fax Number:
Email:	Website:

[For every co-surety, provide signature(s), corporate seal, and other information in the same manner as for surety above.]

Contact Signature:	
Contact Name:	
Company Name:	
Liability Limit (\$):	
Bond premium (\$):	
Corporate Seal:	
Address:	

Phone Number:	Fax Number:
Email:	Website:
