# Pro-forma for financial institution's undertaking

**FINANCIAL INSTITUTION’S UNDERTAKING**

**IN RESPECT OF**

**ENVIRONMENTALLY RELEVANT ACTIVITIES**

**TO: The State of Queensland**

**WHEREAS: [COMPANY/BUSINESS NAME] [ACN/ABN ]** of **[COMPANY/BUSINESS ADDRESS]** (hereinafter called the “Holder”) has been granted **[Resource Tenure(s) and Tenure Number(s)]** over and in respect of the **[INSERT RESOURCE: e.g. petroleum, gas, mining, geothermal]** operation areaknown as **[Project Name and/or Project No.]** and an Environmental Authority (**Environmental Authority No**. **[ ]**).

**AND WHEREAS** pursuant to s. 292 of the *Environmental Protection Act 1994* (“the EP Act”) the State of Queensland (“the State”) may require such Holder to deposit with the State an amount nominated by the State or a bond, guarantee or indemnity in such amount and so conditioned as to be acceptable to the State, to be held by the State for security for—

1. compliance with the environmental authority; and
2. costs or expenses, or likely costs or expenses, mentioned in s. 298 of the EP Act i.e. where the administering authority incurs or might reasonably incur costs or expenses in taking action to:
	1. prevent or minimise environmental harm or rehabilitate or restore the environment, in relation to the carrying out of an activity under an environmental authority for which the financial assurance has been given; or
	2. secure compliance with an environmental authority, for which financial assurance has been given.

**AND WHEREAS** the State at the request of the Holder(s) is prepared to accept the Bond of **[FINANCIAL INSTITUTION NAME] [ACN ]** of **[FINANCIAL INSTITUTION ADDRESS]** (“the Financial Institution”) hereinafter given in compliance with the requirements of the EP Act, the Financial Institution hereby unconditionally undertakes and agrees as follows:-

1. To arrange to pay to the State on written demand accompanied by a certified copy of this Bond any sum or sums which may from time to time be demanded by the State to a maximum aggregate sum of **[Amount in words]** (**[$Amount in figures]**) in Australian dollars**,** payment of which maximum aggregate sum by the Financial Institution to the State will be in exchange for the immediate return by the State of the original Bond to the Financial Institution.
2. Upon the receipt of a written demand from the State for a sum or sums less than the maximum aggregate sum specified in this Bond, the Financial Institution will issue to the State a new Bond for the reduced amount at the same time that payment by the Financial Institution of the amount demanded by the State is made and in exchange for the original Bond.
3. This Bond is not revocable by notice but will remain in full force and effect until the earliest of the following events occurs:
4. payment by the Financial Institution of the whole of the said sum of **[Amount in words]** (**[$Amount in figures]**) in Australian dollars; or
5. the Financial Institution is notified in writing by the State that the Bond is no longer required; or
6. this Bond is returned to the Financial Institution.

In the events of clause 3(a) and (b), the State will return this Bond to the Financial Institution.

1. This Bond is not to be regarded as a contract of surety and the liability of the Financial Institution is a primary liability, and not a secondary obligation, which will remain in effect notwithstanding any event affecting the relationship between the Holder and the Financial Institution.
2. Any payment or payments demanded by the State in accordance with the terms hereof will be paid forthwith without reference to the said Holder and notwithstanding any notice given by the said Holder or any other person to the Financial Institution not to make such payment or payments.
3. The number of **[insert resource type: petroleum, gas, mining, geothermal]** tenements in respect to the aforesaid environmental authority may be varied by the addition or deletion of **[insert resource]** leases or other **[insert resource]** tenements, and the terms and conditions of such leases or other tenements may be varied, and time or other indulgence may be granted to the said Holder without affecting this Bond, and the liability of the Financial Institution will not be impaired or discharged thereby.
4. Provided always that the Financial Institution may at any given time without being required to do so pay to the State the said sum less any amounts it may previously have paid under this Bond or such lesser sum as may be required and specified by the State and thereupon the liability of the Financial Institution hereunder shall immediately cease and determine.
5. Return of the original Bond to the Financial Institution by the State will constitute a release of the obligations under this Bond.
6. The benefit of this Bond is not transferable by the State.
7. This Bond shall be governed by the laws of the State and all actions between the Financial Institution and the State including any and all payments made by the Financial Institution to the State pursuant to this Bond shall be undertaken in Australia.

**OPTION 1: SIGNATURE BLOCK (CHOOSE ONE ONLY). PLEASE NOTE THAT ELECTRONIC SIGNATURES WILL NOT BE ACCEPTED.**

**DATED** at…………………………..this……………day of……………………20……….

**SIGNED SEALED AND DELIVERED** for and on behalf of:

**NAME OF FINANCIAL INSTITUTION:**

**ADDRESS OF FINANCIAL INSTITUTION:**

**......................................................................................................**

**......................................................................................................**

**......................................................................................................**

**FINANCIAL INSTITUTION’S ACN: .......................................................................................**

**OPTION 2: SIGNATURE BLOCK (CHOOSE ONE ONLY). PLEASE NOTE THAT ELECTRONIC SIGNATURES WILL NOT BE ACCEPTED.**

Signature of Financial Institution Representative

Name of Financial Institution Representative/Position

**DATED** at…………………………..this……………day of……………………20……….

**Executed** on behalf of the **[Name of Financial Institution]**

by its **Attorney**

Signature of Attorney

Name of Attorney

who holds the position of **Level [x] Attorney** by

**Power of Attorney [Power of Attorney Number]**

dated **[Date of PoA]**

In the presence of

Signature of Witness

Name of Witness