

FINANCIAL GUARANTEE BOND

Principal: [CUSTOMER NAME]
[ADDRESS]
[ADDRESS]
[CITY, STATE ZIP CODE]
ATTN: [CONTACT NAME AND TITLE]

Surety: [SURETY NAME]
[ADDRESS]
[ADDRESS]
[CITY, STATE ZIP CODE]

Obligee: [Beneficiary Name]
[ADDRESS]
[ADDRESS]
[CITY, STATE ZIP CODE]
ATTN: [CONTACT NAME AND TITLE]

WHEREAS, Principal and Obligee have entered into one or more contracts or agreements for the [DESCRIPTION OF ACTIVITY] (collectively, as such contracts or agreements may be amended, modified, supplemented, or extended from time to time, the "Contract"); and

WHEREAS, pursuant to the Contract, Principal has agreed to provide this Financial Guarantee Bond ("Bond") to meet certain credit requirements of Obligee.

NOW THEREFORE, IT IS AGREED as follows:

1. We, the Principal and the Surety, are jointly and severally held and firmly bound unto Obligee, in the amount of US\$ [WRITTEN AMOUNT] ([WRITTEN AMOUNT] United States Dollars) ("Bond Amount") for the payment of which we bind ourselves, our heirs, executors, administrators, and successors, and assigns, jointly and severally.
2. Principal and Surety agree this Bond shall remain in full force and effect until the sooner of (a) the date upon which this Bond is replaced with another financial guarantee bond or other form of financial assurance acceptable to Obligee (in its sole discretion); (b) the date upon which this Bond is expressly released in writing by Obligee; or (c) the date upon which Surety has paid Obligee an aggregate amount for claims, whether one or more, equal to the Bond Amount..
3. Surety represents it is duly authorized by the proper authorities to transact the business of indemnity and suretyship in the State of [STATE], where it is domiciled and represents it is licensed to be surety and guarantor on bonds and undertakings, which license has not been revoked. Surety represents that it is registered as a Surety with the Department of Treasury and has an A.M. Best Company, Inc. ("A.M. Best") rating of at least A-; VII. Surety further represents that the Bond Amount of this Bond and of all

other bonds issued in connection with the Contract are collectively within Surety's authorized limits for a single risk.

4. Surety represents it has duly executed a Power of Attorney appointing the hereinafter named representative as its duly authorized deputy and the true and lawful Attorney-in-Fact of such Surety as evidenced by the Power of Attorney attached hereto.
5. Nonpayment of premium and costs will not invalidate this Bond nor shall the Obligee be obligated for the payment thereof; Principal shall bear all responsibility for payment of premiums and costs, also to include any replacement bonds required. Surety's obligations to Obligee under this Bond are wholly independent from any agreement or arrangement that may exist now or in the future between Surety and Principal.
6. Surety hereby guarantees and agrees that it is liable for the full and prompt payment, without defense, reduction, or setoff, of all of Principal's obligations and responsibilities set forth in the Contract, as such Contract may be amended from time to time, up to but not exceeding the Bond Amount (the "Obligations"). The Obligations include, without limitation, any amount asserted by Obligee as damages for breach of the Contract, including the amount determined by Obligee to be Principal's remaining transportation fee obligations and responsibilities under the Contract up to but not exceeding the Bond Amount. The Obligations also include any amount initially paid by Principal to Obligee that is subsequently disgorged, clawed back, or returned by Obligee to Principal or its estate as a result of applicable insolvency or bankruptcy laws.
7. Within ten (10) calendar days after delivery by Obligee of written demand to Surety (which may be delivered by hand, registered mail, or overnight courier to Surety's address at [SURETY NAME, ADDRESS, ATTN:]) for payment of Obligations hereunder, signed by Obligee's duly authorized official and stating that such Obligations are due and payable under the terms of this Bond, Surety shall pay Obligee the amount demanded in freely transferable funds, without defense, reduction, or offset, up to and including the Bond Amount, in accordance with payment instructions set forth in the demand. There shall be no further condition to Surety's obligation to pay Obligee, and Surety expressly waives any right to assert against Obligee any defense (legal or equitable), counterclaim, setoff, cross-claim, or any other claim that Surety or Principal may now have or at any time hereafter may acquire. It is understood that multiple/partial payments shall be permitted up to the aggregate amount of the Bond Amount. The Bond Amount shall be permanently reduced by the amount of each payment of any Obligation made by Surety to Obligee, except as agreed in writing by Surety. All charges are for the account of the Principal.
8. Surety expressly waives the benefit of any laws requiring Obligee to proceed first against the Principal. Principal and Obligee may make any change to the terms and provisions of the Contract at any time without notice to or consent of Surety and without impairing or releasing the obligations of Surety hereunder. Surety expressly waives protest, notice of acceptance, and demand. The obligations of Surety hereunder are absolute and unconditional, irrespective of the value, validity or enforceability of the obligations of Principal or Obligee under the Contract or any other agreement or instrument referred to therein and, to the fullest extent permitted by applicable law, irrespective of any other circumstance whatsoever that might otherwise constitute a legal or equitable discharge or

defense of a surety in its capacity as such. Surety expressly waives and agrees not to assert any defenses arising out of bankruptcy, insolvency, dissolution or liquidation of Principal, including, without limitation, any defense relating to the automatic stay.

9. Surety shall indemnify Obligee for reasonable attorney's fees Obligee incurs to recover any sums found to be due and owing to Obligee under this Bond, which indemnification obligation shall not be subject to the Bond Amount.
10. Any suit or action under this Bond shall be brought in the courts of the Commonwealth of Virginia, the jurisdiction of which Principal and Surety irrevocably submit themselves. This Bond shall be construed according to the laws of the Commonwealth of Virginia not including its choice of law rules.

[SIGNATURE PAGE FOLLOWS]

IN WITNESS WHEREOF, Principal and Surety have executed this Bond, and it shall be effective on the date set forth below.

The persons whose signatures appear below hereby certify they are authorized to execute this surety bond on behalf of Principal and Surety.

Witnesses our hands to be effective this _____ day of _____, 20____.

WITNESSES:

PRINCIPAL

By: _____

By: _____

Authorized Signature

Name: _____

Title: _____

Title: _____

SURETY

By: _____

By: _____

Attorney-in-Fact

(Name / Title)