**Financial institution’s undertaking in respect of petroleum lease/authority to prospect/greenhouse storage gas authority /geothermal [or enter authority type] numbers XXXXXXXX.**

**TO: The State of Queensland**

**WHEREAS: [COMPANY/BUSINES/INDIVIDUAL 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/greenhouse gas/geothermal]** operation areaknown as **[Project Name]**.

**AND WHEREAS** pursuant to [Section 488] of the *Petroleum and Gas (Production and Safety) Act 2004,* (“the P&G Act”) [*Section 78E] of the Petroleum Act 1923*, (“the PA 1923”), [Section 204] of the *Geothermal Energy Act 2010,* (the GEO Act”)[Section 271] of the *Greenhouse Gas Storage Act 2009* (“the GHG Act”) the State of Queensland (“the State”) may require such Holder(s) 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:

* compliance with the conditions of the petroleum lease, authority to prospect/ greenhouse gas authorities/geothermal exploration permit [or enter authority type];
* compliance with the P&G Act/PA 1923/GEO Act/GHG Act;
* rectification of any actual damage that may be caused by any person whilst purporting to act under the authority of the [petroleum lease/authority to prospect/greenhouse gas authorities/geothermal permit or enter authority type(s)] to any pre-existing improvements for the [petroleum lease/authority to prospect/greenhouse gas authorities/geothermal permit or enter authority type(s)];
* payment of any monies (including royalties) payable under the P&G Act/PA 1923/GEO Act/GHG Act to the State and unpaid by the holder.

**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 P&G Act/PA 1923/GEO Act/GHG Act, the Financial Institution hereby unconditionally undertakes and agrees as follows:-

To arrange to pay to the State on written demand accompanied by the original Bond any sum or sums which may from time to time be demanded by the State to a maximum aggregate sum of ($000,000) 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. Multiple demands by the State under this Bond are permitted, and upon payment by the Financial Institution, the amount of the Bond shall automatically reduce by the amount paid.

This Bond is not revocable by notice but will remain in full force and effect until payment by the Financial Institution of the whole of the said sum of ($000,000) or until the Financial Institution is notified in writing by the State that the Bond is no longer required, or until this original Bond is returned to the Financial Institution.

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(s) and the Financial Institution.

Any payment or payments demanded by the State in accordance with the terms hereof will be paid forthwith without reference to the said Holder(s) or any of them notwithstanding any notice given by the said Holder(s) or any of them to the Financial Institution not to make such payment or payments.

The terms and conditions of such [petroleum lease, authority to prospect/ greenhouse gas authorities/geothermal exploration permit [or enter authority type] may be varied, and time or other indulgence may be granted to the said Holder(s) without affecting this Bond, and the liability of the Financial Institution will not be impaired or discharged thereby.

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 undertaking or such lesser sum as may be required and specified by the State and thereupon the liability of the Financial Institution hereunder shall immediately ceases and determine.

Return of the original document to the Financial Institution by the State will constitute a release of the obligations under the Bond.

The benefit of this Bond is not transferable by the State.

This Bond shall be governed by the laws of the State of Queensland 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.

**DATED at**

**Signed** for and on behalf of

**NAME OF FINANCIAL INSTITUTION:**

**ADDRESS OF FINANCIAL INSTITUTION:**

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**FINANCIAL INSTITUTION’S ABN:.......................................................................................**

**FINANCIAL INSTITUTION’S BSB:.......................................................................................**