



COLLATERAL ASSIGNMENT OF DEPOSIT ACCOUNT

State Form 50624 (R2 / 6-06)

Form DA-1

Department of Natural Resources

Division of Reclamation

FOR OFFICIAL USE

Instructions: Submit one (1) original and one (1) copy

Note: No individual deposit nor the total of all deposits of the assignor at any individual savings institution, shall exceed \$100,000 or the maximum insurable amount by F.D.I.C. or F.S.L.I.C. All deposits pledged to the Department of Natural Resources as performance bond under I.C. 14-34 will be valued at current market value and not face value. The current market value is the face value of the deposit less any penalties for early withdrawal.

PART I

(To be completed by Assignor)

I, _____, responsible official for
(Typed or printed)

_____, hereby assign, transfer to
(Name of permittee)

and pledge with the Director of the Indiana Department of Natural Resources all right, title and interest in and to

the Deposit Account issued by or carried with _____
(Name of bank or savings institution)

of _____ and identified as
(Address of bank or savings institution)

Account # _____ in the face amount of \$ _____, except that all interest accrued or accruing hereafter on said Account is to remain the property of the assignor.

This Account was established on _____, with _____
(date) (Name of bank or savings institution)

acting as Trustee for said Account. The Trustee has been appointed to ensure that this Account is preserved in accordance with all terms and conditions of this Assignment. The undersigned hereby agree that no modifications shall be made to any of the terms or conditions of the Trust Agreement without prior written authorization from the Director of the Indiana Department of Natural Resources.

This Assignment is made as and shall constitute collateral bond for the faithful performance of the assignor's obligations under I. C. 14-34, 312 IAC 25-1 et seq., and any conditions of the permit to which this Assignment is applicable.

Liability under this Assignment is for the duration of surface coal mining and reclamation operations conducted at

_____, and continues thereafter for a period coincident with the
(Permit Number) (Pit Name)

assignor's responsibility for the establishment of revegetation on the affected areas pursuant to 312 IAC 25-6-59 and 25-6-122, unless replacement bond acceptable to the Director of the Indiana Department of Natural Resources has been submitted.

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The undersigned hereby constitutes and appoints the Director of the Indiana Department of Natural Resources as the true and lawful attorney of the undersigned to demand, collect, and receive all amounts, excluding interest, which shall become due under the terms of this Assignment, and to endorse all documents required for payment or negotiation and to endorse any commercial paper given in payment of the Account.

The undersigned presents and warrants that the Account is genuine and is in all respects what it purports to be; that the undersigned is the owner thereof free and clear of all liens and encumbrances of any nature whatsoever; and that the undersigned has full power, right and authority to execute and deliver this Assignment.

The undersigned further presents and warrants that any assignments of this Account made while this Assignment is in effect shall be secondary to this Assignment.

NAME OF PERMITTEE _____

SIGNATURE _____ (Assignor) _____ (Title)

SIGNATURE _____ (Trustee) _____ (Title)

DATE _____

PART II
(To be completed by bank or savings institution)

SIGNATURE GUARANTEE AND UNDERTAKING BY THE FINANCIAL INSTITUTION

The signature(s) of the assignor(s) appearing on PART I of this document was (were) made in the presence of the undersigned officer of the financial institution and their signatures are herewith guaranteed by it.

This institution undertakes to save and hold harmless the Indiana Department of Natural Resources and the State of Indiana from all loss, claims, and litigation which this institution may suffer in consequence of its acting in reliance upon and pursuant to this Assignment.

This institution understands and agrees that the procedures governing the forfeiture of this Account are specified in 312 IAC 25-5-17 and 25-5-18, and that, upon due presentation of a copy of Division of Reclamation "Notification of Bond Forfeiture" form stating that the Indiana Department of Natural Resources has forfeited bond for the permit to which this Assignment is applicable, this institution will forward to the Indiana Division of Reclamation within five (5) days, a bank draft in the amount of the face value of this Account less any penalties for early withdrawal. The maximum penalty for early withdrawal of this Account is \$ _____.

Attached hereto are copies of the Trust Agreement for this Account dated _____.

This institution herein states that it has no other interests in this Account other than its sole responsibility to act as Trustee to hold such deposits and pay to the Assignor any and all interest accruing under the Account. This institution agrees that any claim or lien, which may result from this escrow arrangement or which, as Trustee or as the escrow bank, it may acquire in the future against the Assignor(s), will be secondary and junior to the Department's interest in this Account.

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This institution agrees that no modification will be made to the terms and conditions of this Account such that the interest of the Indiana Department of Natural Resources under this assignment will be jeopardized, or in any manner affected, without first notifying and obtaining the approval of the Director of the Indiana Department of Natural Resources. Notice of any proposed modification or change in the terms or conditions of this Account will be given to the Director of the Indiana Department of Natural Resources.

This institution further agrees that no withdrawals shall be made from this Account such that the balance in the Account is less than the amount specified on the front of this document without prior written authorization from the Director of the Indiana Department of Natural Resources.

The total amount of this Account and all other deposits of the assignor(s) at this institution does not exceed \$100,000 or the maximum insurable amount as determined by F.D.I.C. or F.S.L.I.C.

This institution understands that this Account is being pledged to the State of Indiana, Department of Natural Resources, Division of Reclamation by the Assignor as bond under Indiana Code 14-34 and that a proper record of this assignment has been made on the books of this institution.

We agree that prompt notice will be provided to the Assignor and the Department of Natural Resources of any notice received or action filed alleging the insolvency or bankruptcy of this bank, or alleging any violations or requirements which could result in the suspension or revocation of this banks charter or license to do business. If this bank becomes unable to fulfill its obligations under this Assignment, notice will be given immediately to the Assignor and the Department of Natural Resources.

Name of Financial Institution

(Signature)

(Name typed or printed)

(Title)

(Date)

Accepted by:

(Delegate, Indiana Division of Reclamation)

(Date)