

STATE OF OKLAHOMA

DEPARTMENT OF MINES
2915 North Classen Blvd., # 213

405/427.3859

NON-COAL
Oklahoma City, Oklahoma 73106

ASSIGNMENT OF CERTIFICATE OF DEPOSIT

THIS AGREEMENT made this _____ day of _____, 20____, by and among the State of Oklahoma, Department of Mines, hereinafter referred to as the "State";

AND

_____, a
(Name of Permitted Operator)

(a) corporation, incorporated under the laws in the State of _____ and domesticated in the State of Oklahoma; or a(n)

(b) _____
Partnership-Individual-Registered Fictitious Name Business)

with its principal place of business at _____ hereinafter referred to as the "Operator";

AND

_____, a bank chartered or otherwise authorized to do business in the State of Oklahoma with its principal place of business at _____ hereinafter referred to as the "Bank".

WHEREAS, the operator desires to assign and pledge the following Certificate(s) of Deposit issued by the Bank in the amounts indicated and any renewals thereof, hereinafter referred to as "CD's";

CD No.	Date of Issue	Amount	Maturity
1. _____	_____	_____	_____
2. _____	_____	_____	_____
3. _____	_____	_____	_____
4. _____	_____	_____	_____

to the State, as collateral to guarantee the Operator's legal obligations as provided in the Collateral Bond Agreement which is attached hereto and made a part hereof; and

WHEREAS, the Bank desires to act as the custodian for the benefit of the State of the monies represented by the aforesaid CD's and subject to the terms and conditions contained herein.

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NOW, THEREFORE, the parties hereto, intending to be legally bound hereby, agree as follows:

1. The Operator assigns and pledges the aforesaid CD's, and any renewals thereof, to the State as collateral, to guarantee the Operator's legal obligations as provided in the attached Collateral Bond Agreement.

2. The Operator hereby authorizes the State to withdraw any portion or all of the monies on deposit with the Bank pursuant to the aforesaid CD's, at any time and from time to time upon default of any of the obligations provided or referred to in the attached Collateral Bond Agreement.

3. The Operator hereby authorizes the Bank, upon written demand by the State, to pay to the State any portion or all of the monies on deposit with the Bank pursuant to the aforesaid CD's at any time and from time to time, without further notice to, consent of or endorsement by the undersigned Operator.

4. The Operator does hereby agree, represent and warrant that, except as assigned and pledged herein, the aforesaid CD's and the monies thereby represented have not nor will be sold, assigned, transferred, pledged, or promised as a security interest in any manner whatsoever without written consent of the State and that the aforesaid CD's are assigned and pledged herewith free and clear of any and all liens, encumbrances, pledges, restrictions, security interests and agreements.

5. The Bank hereby acknowledges the assignment and pledge of the aforesaid CD's to the State and agrees to record the assignment upon the back of the CD's and upon the books of the bank. Further, the Bank acknowledges and agrees that it shall hold the monies represented by the CD's as a custodian and agent for the State and shall be liable to the State for any and all losses to the principal amount(s) of the aforesaid CD's caused in any manner whatsoever during the term of this Agreement. THE BANK EXPRESSLY AGREES TO WAIVE ANY AND ALL RIGHTS OR OBLIGATIONS, INCLUDING THOSE UNDER FEDERAL AND STATE LAW, TO DEDUCT ANY PENALTY FOR WITHDRAWAL BY THE STATE PRIOR TO MATURITY FROM THE PRINCIPAL AMOUNT OF THE CD's IF SUCH DEDUCTION WOULD REDUCE THE AMOUNT OF COLLATERAL ASSIGNED AND PLEDGED TO THE STATE TO AN AMOUNT WHICH IS INSUFFICIENT TO SATISFY, IN FULL, THE BOND OBLIGATION AS PROVIDED IN ATTACHED COLLATERAL BOND. THE BANK EXPRESSLY ASSUMES THE RESPONSIBILITY TO DESIGN THE CD's SO THAT NO SUCH PENALTY CAN BE ASSESSED AGAINST THE STATE'S RIGHTS TO THE AFORESAID CD's.

6. The Bank hereby waives, for the duration of this Assignment, all rights of setoff or liens or any other claims which it now has or might, in the future, have against the aforesaid CD's or the deposited monies upon which the certificate(s) were issued. Any conditions pertaining to said CD's to the contrary are hereby expressly rescinded.

7. The Bank hereby agrees to: (a) renew automatically said certificate(s) for the same term as that for which it or they were originally issued, and (b) collect, from time to time, all interest on the certificates(s) and pay the same, when and as collected, as agent for the State, to the depositor named in the certificate(s) or otherwise as required in writing by the State.

8. The Bank and the Operator agree that any delay by the State in enforcing its rights to the aforesaid CD's pursuant to the attached Collateral Bond Agreement shall not affect the State's rights to the CD's.

9. The State agrees that the aforesaid CD's may be replaced by other certificate(s) of deposit or other security authorized under the Mining Lands Reclamation Act, 45 O. S. 2001, §721 *et seq.*, and as amended thereafter. PROVIDED HOWEVER that such replacement must be deposited and accepted in writing by the State first, and until such written acceptance the aforementioned CD's shall remain assigned and pledged in full force and effect, to the State.

10. This Assignment shall terminate upon the written release by the State.

11. This Assignment may be changed only by written instrument signed by the State.

12. This Assignment is made in and shall be governed by and construed in full accordance with the laws of the State of Oklahoma.

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The Department of Mines shall, upon receipt of deposits of cash or securities, immediately place the same with the State Treasurer, who shall receive and hold the same in the name of the State of Oklahoma for the purposes for which such deposit is made and in accordance with the terms of the bond. Where securities deposited mature or are called, the State Treasurer, at the request of the operator may convert such securities into other acceptable securities designated by it. The operator hereby nominates, constitutes and appoints the State Treasurer, its attorney in fact, for the purpose of endorsing and negotiating liquidation or an exchange of said securities or any part thereof, for the purpose of exchange of collateral as aforesaid or in the event of forfeiture of this obligation under the terms of this bond.

UPON THE HAPPENING OF ANY DEFAULT of the provisions, conditions and obligations assumed under this bond and the declaration of a forfeiture by Department of Mines by the Chief Mine Inspector, or her designee, the period for appeal provided by law having expired, the operator hereby authorizes and empowers the State Treasurer to liquidate the said collateral and deposit the proceeds to the account of the Department as provided by law.

FURTHER, the operator agrees that its liability hereunder shall not be impaired or affected by, (a) any renewal or extension of the time for performance of any of the provisions, conditions or obligations upon which this bond is conditioned, or (b) any forbearance or delay in declaring this bond to be forfeited or in collecting this bond.

FURTHER, the Department reserves the right to require additional bonding from the operator, for any reason, which shall be a supplement to and augment the bond liability provided herein. The Department may release, in writing, a portion of the amount of liability provided in this bond for partial completion of the provisions, conditions and obligations assumed by the operator herein, as may be authorized by law, and such amount released shall be a credit upon the total amount of this bond. Nothing herein shall limit or preclude the Department from seeking any liability or remedy, in addition to the forfeiture of this bond, which may be authorized or provided by law.

IN WITNESS WHEREOF, the operator hereunto sets its hand and seal; intending to be legally bound hereby this _____ day of _____, 20____.

PERMITTED OPERATOR

(Print Name)

By: _____

Title: _____

BANK

By: _____
(Bank officer)

Title: _____

Attest:

Approved as to legality and form:

Deputy Attorney General/Chief Counsel/Assistant Counsel

Date: _____

Approved for the Oklahoma Department of Mines

(Title)

Date: _____