**[Place on Financial Institution letterhead]**

**FINANCIAL INSTITUTION’S UNDERTAKING**

**IN RESPECT OF**

**ENVIRONMENTAL AUTHORITY [insert EA number]**

|  |  |
| --- | --- |
| **NUMBER:** | ***[Financial institution to insert reference number (if applicable)]*** |
| **ISSUER:** | **[Financial Institution Name] [ACN/ABN]** of **[Financial Institution Address]** ("**Financial Institution"**) |
| **BRANCH:** | ***[Financial institution branch address if applicable: see notes below.]*** |
| **BENEFICIARY:** | **State of Queensland (“State”)** |
| **APPLICANT:** | **[Company/Business Name] [ACN/ABN]** of **[Company/Business Address] ("Holder/s")** |
| **MAXIMUM AMOUNT:** | **[Amount in words]** in Australian dollars (**A$[Amount in figures]**) |

**DEFINITIONS**

“Financial Provisioning Act” means the *Mineral and Energy Resources (Financial Provisioning) Act 2018.*

“Scheme Manager” means the scheme manager (from time to time) under the Financial Provisioning Act and any delegate of that person appointed under that Act.

**UNDERTAKING**

The Financial Institution unconditionally undertakes and agrees as follows:

1. To pay to the State on written demand from the Scheme Manager (made at the Branch, or any other branch or office of the Financial Institution in Australia), accompanied by this original Undertaking, any sum or sums up to the Maximum Amount.
2. Payment be effected by bank cheque or by transfer to the Queensland Treasury Financial Provisioning Cash Surety account, or another bank account held in the name of Queensland Treasury, nominated in writing by the Scheme Manager.
3. Upon the receipt of a written demand from the Scheme Manager for a sum or sums less than the Maximum Amount, the Financial Institution will issue to the State a new Undertaking for the balance of the Maximum Amount then remaining at the same time that payment by the Financial Institution of the amount demanded by the Scheme Manager is made and in exchange for this original Undertaking.
4. This Undertaking will remain in full force and effect until the first to occur of:
5. payment by the Financial Institution of the Maximum Amount to the State in accordance with this Undertaking; or
6. the Financial Institution is notified in writing by the Scheme Manager that the Undertaking is no longer required; or
7. this original Undertaking is returned to the Financial Institution,

at which time the liability of the Financial Institution hereunder shall immediately cease.

In the event that clause 4(a) or 4(b) applies, the Scheme Manager will return this original Undertaking to the Financial Institution.

1. This Undertaking 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 including, without limiting this, those set out in clause 6.
2. Any payment or payments demanded by the Scheme Manager in accordance with the terms of this Undertaking will be paid forthwith:
3. without reference to the Holder (even if the Holder has given the Financial Institution notice not to make the payment);
4. without regard to the performance or non-performance of the Holder in relation to the Environmental Authority, or to any dispute between the Holder and the State and/or the Scheme Manager, and without regard to the terms and conditions of such Environmental Authority or that such Environmental Authority may be varied;
5. without the Scheme Manager first being required to exhaust any remedy it may have against the Holder or to enforce any other guarantee or security it may hold;
6. without making any further enquiry, including as to the authority of any person signing for or on behalf of the Scheme Manager, unless the Financial Institution has reasonable grounds to form the view that such person is not duly authorised; and
7. notwithstanding the grant of any time or other indulgence to the Holder or any other circumstance, act or omission.
8. The Financial Institution may at any time without being required to do so pay to the State:

(a) an amount equal to the Maximum Amount less any amounts it may previously have paid under this Undertaking; or

(b) such lesser sum as the Scheme Manager may require,

and upon receipt of such amount by the State the liability of the Financial Institution hereunder shall immediately cease.

1. The Financial Institution acknowledges that this Undertaking is for the benefit of the State and continues in full force and effect notwithstanding any change to the identity of the Scheme Manager. The benefit of this Undertaking is not otherwise able to be assigned, transferred, charged or dealt with by the State.
2. This Undertaking is governed by the laws of the State of Queensland and all actions between the Financial Institution and the State or the Scheme Manager including any and all payments made by the Financial Institution to the State or the Scheme Manager pursuant to this Undertaking shall be undertaken in Australia.

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

***[insert signature block]***