

LETTERHEAD OF ISSUING INSTITUTION
(Institution Name, Address and Telephone Number)

LINE OF CREDIT AGREEMENT

**TO: New Jersey Department of Environmental Protection
Site Remediation Program
Bureau of Enforcement and Investigations
Mail Code 401-06U
P.O. Box 420
Trenton, NJ 08625-0420
Attn: Remediation Funding Source Coordinator**

**RE: [NJDEP PROGRAM INTEREST NAME, ADDRESS, COUNTY]
[PROGRAM INTEREST NUMBER(S) AND APPLICABLE CASE NUMBER]**

This Line of Credit Agreement (Agreement), is made between and among [NAME OF ISSUING INSTITUTION], its successors and assigns, having an office at [ADDRESS] with the following contact information: [TELEPHONE NUMBER /CONTACT PERSON OF BRANCH OFFICE ISSUING LINE OF CREDIT] (Lender), and [NAME OF CORPORATION/PERSON ESTABLISHING LINE OF CREDIT] its successors and assigns, having an office at [ADDRESS] with the following contact information [TELEPHONE/CONTACT PERSON OR PERSON ESTABLISHING LINE OF CREDIT] (Borrower).

Background

1. The [NJDEP NAME OF CONTAMINATED SITE] is a contaminated site located at [STREET ADDRESS, TAX LOT AND BLOCK, MUNICIPALITY, COUNTY] (hereinafter known as the "Site").

2. The Borrower is required by N.J.A.C. 7:26C-5 and/or N.J.A.C. 7:26C-7.10 to establish and maintain a [REMEDIATION FUNDING SOURCE/FINANCIAL ASSURANCE] in the amount of [INSERT THE DOLLAR AMOUNT OF THE LINE OF CREDIT] for the remediation of the site pursuant to [PICK ONE: JUDICIAL ORDER, ADMINISTRATIVE ORDER, ADMINISTRATIVE CONSENT ORDER, REMEDIATION AGREEMENT, REMEDIATION CERTIFICATION, INDUSTRIAL SITE RECOVERY ACT, OR REMEDIAL ACTION PERMIT].

3. The Lender has agreed, as described below, to issue a line of credit to the Borrower to fund the remediation of the Site.

Agreement

NOW, THEREFORE, the Lender and Borrower agree as follows:

4. Establishment of Remediation Funding Source/Financial Assurance

The Lender hereby establishes and agrees to maintain a line of credit for the benefit of the Borrower in the amount of **[INSERT THE DOLLAR AMOUNT OF THE LINE OF CREDIT]**.

5. Terms of the Remediation Funding Source/Financial Assurance

(a) This line of credit is effective as of (DATE) and shall expire on (DATE) but such expiration date shall be automatically extended for a period of at least one (1) year on (DATE) and on each successive expiration date, unless, at least 120 days before the current expiration date, Lender notifies both the New Jersey Department of Environmental Protection (the "Department" or "NJDEP") at the above referenced address and Borrower by certified mail that this line of credit will not be extended beyond the current expiration date. In the event of such notification any unused portion of the line of credit shall be available upon presentation for 120 days after the date of receipt by both NJDEP and borrower as shown on the signed return receipts.

(b) The Borrower shall provide to the Department thirty (30) calendar days prior to the anniversary date of the Expiration Date of the line of credit agreement a written statement from the Lender confirming the value of the Line of Credit Agreement and the renewal approval of the Line of Credit Agreement for the next 12-month period.

6. Borrower's Use of the Remediation Funding Source

(a) The Borrower may draw upon the line of credit for the sole purpose of paying for the remediation of the Site.

(b) In order to draw upon the line of credit, the Borrower shall provide the Lender with (i) a written request to draw on the line of credit submitted in accordance with N.J.A.C.7:26C-5.12 and (ii) **a written approval from the Department or the retained Licensed Site Remediation Professional (LSRP) of the remediation costs to be paid prepared and certified in accordance with N.J.A.C. 7:256C-5.12.**

(c) Upon the receipt from the Borrower of both (i) a written request to draw on the line of credit submitted in accordance with N.J.A.C. 7:26C-5.12; (ii) a written approval of the costs from the Department or the retained LSRP of the remediation costs to be paid prepared and certified in accordance with N.J.A.C. 7:26C-5.12, the Lender shall promptly disburse to the Borrower the amount the Department or the retained LSRP has approved in writing and provide a written statement to the Borrower and the Department of the amount released and the current

value of the line of credit.

THE BORROWER MAY NOT USE FINANCIAL ASSURANCE FOR ANY REMEDIATION ACTIVITIES AT THE SITE INCLUDING FOR OPERATION, MONITORING, AND/OR MAINTENANCE OF THE ENGINEERING CONTROL.

7. Department's Use of the Remediation Funding Source/Financial Assurance

Upon the Lender's receipt from the Department of a written determination that the Borrower has failed to perform the remediation of the Site, including operation, maintenance and/or monitoring, the Lender shall disburse the monies from the line of credit as directed by the Department in writing to the Department or another person designated by the Department in accordance with N.J.A.C 7:26C-5.13(c) and (d).

8. Agreement Governed by the Laws of the State of New Jersey

The laws of the State of New Jersey shall govern the Agreement. Both the Borrower and the Lender agree to submit to the jurisdiction of the State of New Jersey for all matters pertaining to this Agreement.

9. Authority to Sign

By executing this agreement, the individuals signing this agreement represent and warrant that they have the authority to execute this Agreement on behalf of the person for whom they are signing and to bind that person to the terms of this Agreement.

Borrower: **[FULL NAME OF BORROWER]**

By: _____ Date: _____

Name: **[TYPE FULL NAME OF INDIVIDUAL SIGNING AGREEMENT]**

Title: **[TYPE TITLE OF INDIVIDUAL SIGNING AGREEMENT]**

Lender: **[FULL CORPORATE NAME OF LENDER]**

By: _____ Date: _____

Name: **[TYPE FULL NAME OF INDIVIDUAL SIGNING AGREEMENT]**

Title: **[TYPE TITLE OF INDIVIDUAL SIGNING AGREEMENT]**

CERTIFICATION

The person with the obligation to establish the remediation funding source has the obligation to execute and submit the certification required by N.J.A.C 7:26C-1.5(b)2, not any other person establishing the remediation funding source pursuant to N.J.A.C. 7:26C-5 et seq.

I certify under penalty of law that I am fully aware of the requirements of N.J.S.A. 58:10B-3 and P.L.2013, c.283 as they pertain to remediation funding sources. Specifically, I am aware of the responsibilities to establish and maintain the remediation funding source. Additionally, I acknowledge that the remediation funding source as required by N.J.A.C. 7:26C-5 shall be maintained in the appropriate amount and form until such time as an alternative remediation funding source is submitted to the Department and it has been approved by the Department in writing or the Department determines that it is no longer necessary to maintain a remediation funding source.

I certify that the language of this Remediation Funding Source instrument does not deviate in any way from the language in the Department’s model Remediation Funding Source instrument found at www.nj.gov/dep/srp/guidance/rfsguide/.

I am aware that there are significant civil penalties for knowingly submitting false, inaccurate or incomplete information and that I am committing a crime of the fourth degree if I make a written false statement that I do not believe to be true. I am also aware that if I knowingly direct or authorize the violation of any statute, I am personally liable for all resulting penalties.

By: _____ Date: _____

Name: [TYPE FULL NAME OF INDIVIDUAL SIGNING CERTIFICATION]
Title: [TYPE TITLE OF INDIVIDUAL SIGNING CERTIFICATION]