



Lesson 4: Terminating Bond Period of Liability (POL)

Presenter:

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Bureau of Land Management

Course Objectives

- Given a Term POL request (from Surety, Principal/Operator or 3rd Party), review the request and determine if it meets the requirements outlined in the Bond Processing Handbook.
- Given a bond file and Term POL request, write the decision letter to Term the POL in accordance with the Bond Processing Handbook.
- Given various actions involving a Term POL request, update BASS (Bond and Surety System) in LR2000 in accordance with the data standards.



Route

- Topic 1: General Bond Termination Knowledge
- Topic 2: Adjudicate Term POL Request
- Topic 3: Adjudicate Term POL



Topic 1: General Bond Termination Knowledge

- Who
- What
- When
- Where
- Why



General Bond Termination Knowledge

- What is the purpose and importance?
 - From the time a satisfactory bond is filed until the time a bond comes to an end by its own terms, is the period of liability.
 - When the BLM terminates the period of liability under a bond, the action sets a date after which no new liabilities may accrue under the bond. The termination of the period of liability does not release liabilities incurred prior to the termination date.



General Bond Termination Knowledge

- When can Term POL happen?
 - When all obligations under the bond are met, or
 - A replacement bond is provided.
- Why do you Terminate the POL?
 - Because the bond is no longer required due to no outstanding liability or satisfactory replacement bond coverage has been furnished.



General Bond Termination Knowledge

- What does it mean to Term POL?
 - It sets a specific date after which no new liabilities may accrue under the bond.
- Who can request and/or determine Term POL?
 - A surety, operator/principal, or third party surety can request it, and
 - The Field Office or State Office can determine it.



Topic 2: Adjudicate Term POL Request

- General
- Processing Steps



Adjudicate Term POL Request

You may receive a notice of cancellation from surety or letter requesting BLM terminate period of liability under the bond from surety, operator/principal, or third party surety.

Processing Steps


- Receive the request and date stamp
- BASS Entry – Action code 472
- Determine what operations would be affected by Term POL
- Determine if the request is timely



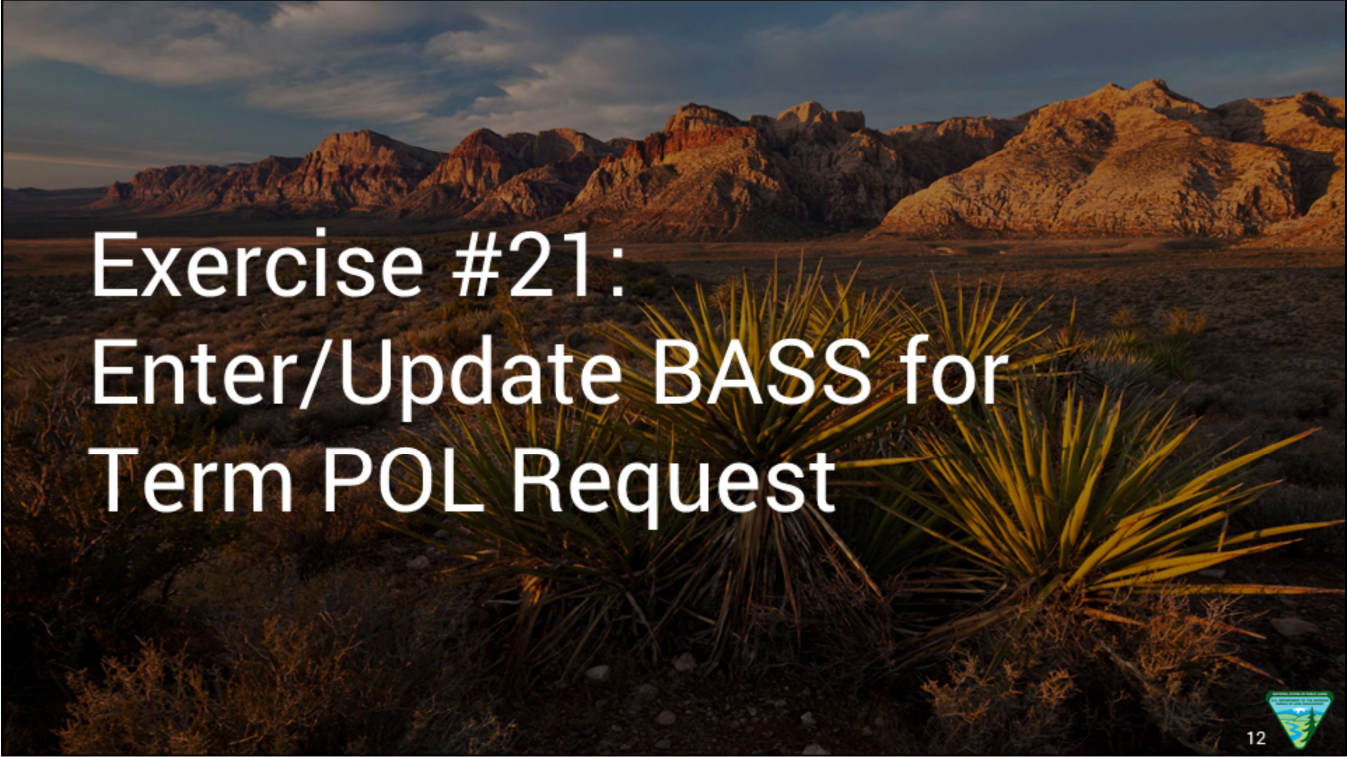
→ **DEMONSTRATION**

Demonstration of the Request





Exercise #20: Review Term POL Request



Exercise #21: Enter/Update BASS for Term POL Request

Topic 3: Adjudicate Term POL

- General
- Processing Steps



Adjudicate Term POL

General - Scenarios

- Replacement bond was submitted
- BLM offices need more time to review
- Funds are required
- All affected BLM offices report that disturbance no longer exists



Adjudicate Term POL

- Original bond forms cannot be returned.
- The financial pledge is returned.



→ **DEMONSTRATION**

Term POLs – Field Office Decision
determined bond no longer required



→ **DEMONSTRATION**

Term POLs – demonstration of scenarios and Notice/Decision



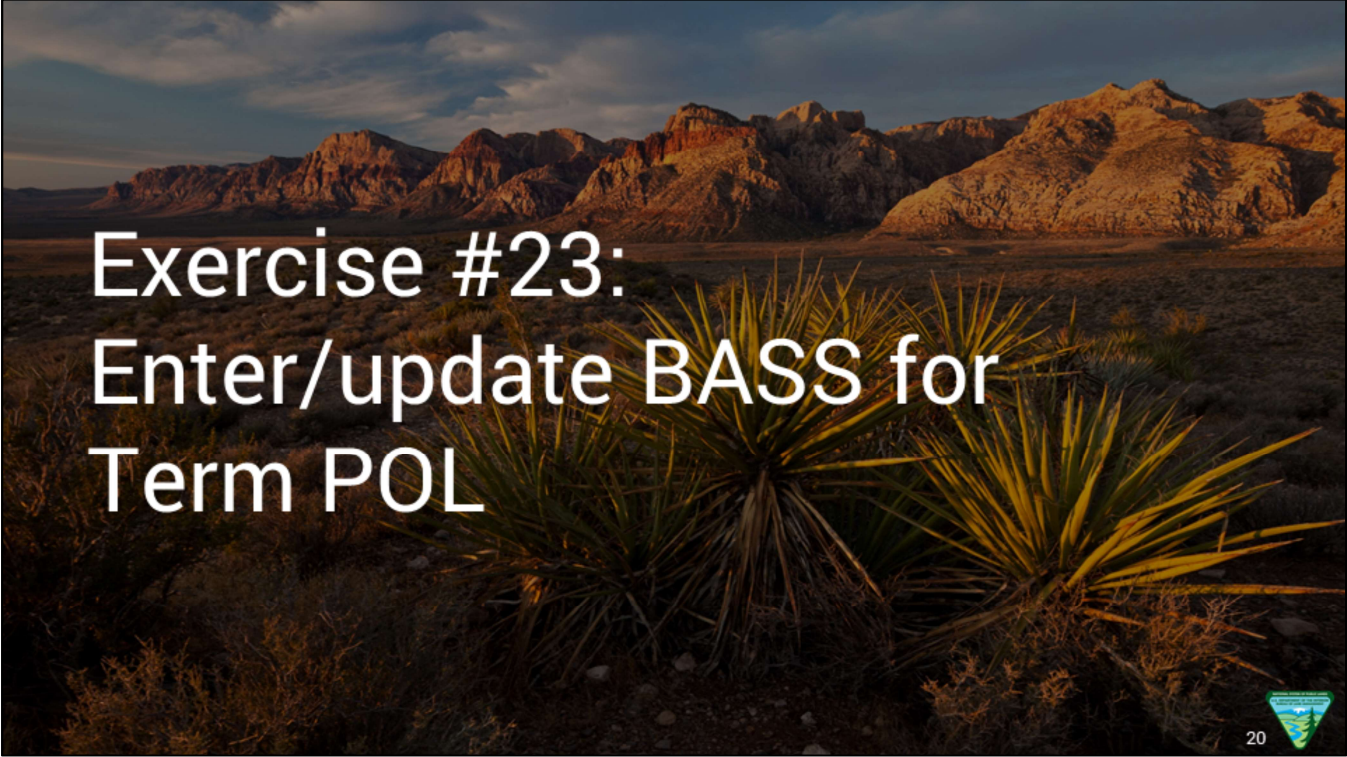
Exercise #22: Write a Decision



→ **DEMONSTRATION**

Update BASS





Exercise #23:
Enter/update BASS for
Term POL





Lesson 4: Terminating Bond POL Conclusion

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Summary

- Topic 1: General Bond Termination Knowledge
- Topic 2: Adjudicate Term POL Request
- Topic 3: Adjudicate Term POL