

| <b>Amounts of Civil Penalties for Noncompliance with Bond Requirements<sup>1,2</sup> and Failure to Correct Violations/G&amp;G Violations<sup>2</sup></b>  |                                |                               |                      |
|--|--------------------------------|-------------------------------|----------------------|
| <b>CATEGORY OF NONCOMPLIANCE</b>   | <b>PERIOD OF NONCOMPLIANCE</b> |                               |                      |
|  | <b>First Week</b>              | <b>Second and third weeks</b> | <b>After 3 weeks</b> |
| <b>Noncompliance with Bond Requirements</b>  |                                |                               |                      |
| Failure to correct an erroneous or inadequate submission within 30 days of BOEM request <sup>3</sup>   | \$1000                         | \$2,500 per week              | \$1000 per day       |
| Failure to submit required bond or to make an incremental payment required by BOEM   | \$1500                         | \$3,000 per week              | \$1000 per day       |
| Lapse in bond coverage   | \$3,000                        | \$5,500 per week              | \$1,500 per day      |
| Cancellation of bond without alternate coverage  | \$3,000                        | \$5,500 per week              | \$1,500 per day      |
| <b>Failure to Correct Violations</b>   |                                |                               |                      |
| Failure to correct an incident of noncompliance  | \$750                          | \$1000 per week               | \$1,500 per week     |
| G&G violations   | \$750                          | \$1000 per week               | \$1,500 per week     |
| <b>Notes:</b><br>1. "Bond" means any lease, area-wide, right-of-way or supplemental bond required by MMS, and other financial instruments and payments BOEM has indicated it will accept in lieu of these bonds.<br>2. Penalties will be doubled each time there is an additional violation within 2 calendar years of the first violation, up to a maximum of \$30,000 per day. The penalty amounts in this table may be updated periodically as needed to ensure compliance.<br>3. Includes use of insurers not rated for the required bond level, lapse in an insurer's rating for the required bond level, use of signatories not authorized by BOEM and similar problems with the bond information submitted. |                                |                               |                      |

Note: These proposed amounts are the same as the OSFR values. If the OSFR values change, similar changes to these may be needed.