

Liability Requirements for Transport, Storage, and Land Application of Biosolids
Form III - Corporate Letter From Chief Financial Officer

[Address to]

Virginia Department of Environmental Quality
629 East Main Street
Richmond, Virginia 23219

I am the chief financial officer of [firm's name and address]. This letter is in support of the use of the financial test to demonstrate financial responsibility for liability coverage as specified in 9VAC25-32-800.

The firm identified above is the permit holder or applicant for which liability coverage for clean up costs, personal injury, and/or property damage resulting from the transport, storage, and land application of biosolids in Virginia is being demonstrated through the financial test specified in 9VAC25-32-800.

[Fill in Alternative I if the criteria of 9VAC25-32-800 B 1 are used. Fill in Alternative II if the criteria of 9VAC25-32-800 B 2 are used.]

Alternative I

1. Amount of annual aggregate liability coverage to be demonstrated \$_____.

*2. Current assets \$_____.

*3. Current liabilities \$_____.

4. Net working capital (line 2 minus line 3) \$_____.

*5. Tangible net worth \$_____.

*6. If less than 90% of assets are located in the U.S., give total U.S. assets \$_____.

7. Is line 5 at least \$10 million? (Yes/No) _____.

8. Is line 4 at least 6 times line 1? (Yes/No) _____.

9. Is line 5 at least 6 times line 1? (Yes/No) _____.

*10. Are at least 90% of assets located in the U.S.? (Yes/No) _____. If not, complete line 11.

11. Is line 6 at least 6 times line 1? (Yes/No) _____.

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Alternative II

1. Amount of annual aggregate liability coverage to be demonstrated \$_____.
2. Current bond rating of most recent issuance and name of rating service _____.
3. Date of issuance of bond _____.
4. Date of maturity of bond _____.
- *5. Tangible net worth \$_____.
- *6. Total assets in U.S. (required only if less than 90% of assets are located in the U.S.) \$_____.
7. Is line 5 at least \$10 million? (Yes/No) _____.
8. Is line 5 at least 6 times line 1? _____.
9. Are at least 90% of assets located in the U.S.? If not, complete line 10. (Yes/No) _____.
10. Is line 6 at least 6 times line 1? _____.

I hereby certify that the wording of this letter is identical to the wording specified in 9VAC25-32-800 as such regulations were constituted on the date shown immediately below.

[Signature]_____

[Name]_____

[Title]_____

[Date]_____

The permittee or applicant shall satisfy a third-party liability claim only on receipt of one of the following documents:

- (a) Certification from the Principal and the third-party claimant(s) that the liability claim should be paid. The certification must be worded as follows, except that instructions in brackets are to be replaced with the relevant information and the brackets deleted:

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Certification of Valid Claim

The undersigned, as parties [insert Principal] and [insert name and address of third-party claimant(s)], hereby certify that the claim of clean up costs, personal injury, and/or property damage arising from the transport, storage, and land application of biosolids in Virginia should be paid in the amount of \$ _____.

[Signatures] _____
Principal _____
(Notary) Date _____
[Signatures] _____
Claimant(s) _____
(Notary) Date _____

(b) A valid final court order establishing a judgment against the Principal for clean up costs, personal injury, and property damage resulting from the transport, storage, and land application of biosolids in Virginia. I hereby certify that the wording of the guarantee is identical to the wording specified in 9VAC25-32 800 as such regulations were constituted on the date shown immediately below.

Effective date: _____
[Name of guarantor] _____
[Authorized signature for guarantor] _____
[Name of person signing] _____
[Title of person signing] _____
Signature of witness or notary: _____