

APPENDIX A
Financial Test of Self Insurance
Letter from Chief Financial Officer

I am the Chief Financial Officer of _____

This letter is in support of the use of _____

to demonstrate financial responsibility for _____

caused by _____ in the amount of at least

_____ per Occurance and _____ Annual Aggregate arising from operating (an) aboveground storage tank(s)(AST).

ASTs at the following facilities are assured by this financial test by this _____ .

Attach tank schedule:

List for each Facility: the name and address of the Facility where ASTs assured by this financial test are located, and whether ASTs are assured by this financial test. If separate mechanisms or combinations of mechanisms are being used to assure any of the ASTs at this Facility, list each tank assured by this financial test by the AST identification number provided in the registration form submitted pursuant to Part A of these Regulations.

AST Facility I.D. Number: _____

Name/Address of AST Facility:

AST ID# (from AST registration form)	AST size	AST contents
_____	_____	_____
_____	_____	_____
_____	_____	_____
_____	_____	_____
_____	_____	_____
_____	_____	_____
_____	_____	_____
_____	_____	_____
_____	_____	_____

A _____ is also used by _____ to demonstrate evidence of financial responsibility in the following amounts under other EPA regulations or State programs including but not limited to Subtitle C Hazardous Waste Facilities, SDWA Class I Hazardous Waste Injection Wells and aggregate UST coverage.

	<u>Amount</u>
Closure	_____
Post-Closure Care	_____
Liability Coverage	_____
Corrective Action	_____
Plugging and Abandonment	_____
Other	_____
TOTAL	_____

This _____ has not received an adverse opinion, a disclaimer of opinion, or a “going concern” qualification from an independent auditor on his financial statements for the latest completed fiscal year.

I hereby certify that the wording of this letter is identical to the wording specified in Part D, §5.1 as such Regulations were constituted on the date shown immediately below.

[Fill in the information for Alternative I if the criteria of Part D, §5.2 are being used to demonstrate compliance with the financial test requirements. Fill in the information for Alternative II if the criteria of Part D, §5.3 are being used to demonstrate compliance with the financial test requirements.]

Alternative I

- 1. Amount of AST Annual Aggregate coverage being assured by a financial test, and/or guarantee:..... \$ _____

- 2. Amount of other liability coverage covered by a financial test, and/or guarantee: (This includes but is not limited to Subtitle C Hazardous Waste Facilities, SDWA Class I Hazardous Waste Injection Wells and aggregate UST coverage) \$ _____

- 3. Sum of lines 1 and 2: \$ _____

- 4. Total tangible assets: \$ _____

- 5. Total liabilities \$ _____
(if any of the amount reported on line 3 is included in total liabilities, you may deduct that amount from this line and add that amount to line 6)

- 6. Tangible Net Worth (subtract line 5 from line 4): \$ _____

- 7. Is line 6 at least \$10 million? Yes No*
(Tangible Net Worth at least \$10million)

- 8. Is line 6 at least 10 times line 3? Yes No*
(Tangible Net Worth 10X's the sum of other environmental obligations)

***If the answer to line 7 or line 8 is "No", this test cannot be used to meet the AST Financial Responsibility requirements.**

Complete Lines 9-11 OR Line 12

- 9. Have financial statements for the latest fiscal year been filed with the Securities and Exchange Commission? Yes No

- 10. Have financial statements for the latest fiscal year been filed with the Energy Information Administration? Yes No

- 11. Have financial statements for the latest fiscal year been filed with the Rural Utilities Service? Yes No

- 12. Has financial information been provided to Dun & Bradstreet, and has Dun & Bradstreet provided a financial strength rating of 4A or 5A? (Answer "Yes" only if both criteria have been met.) Yes No

- 13. Have year-end financial statements which do not include an adverse auditor's opinion, a disclaimer of opinion, or a "going concern" qualification. (Answer "Yes" only if both criteria have been met)..... Yes No

Alternative II

1. Amount of AST Annual Aggregate coverage being assured by a financial test, and/or guarantee: \$ _____
 2. Amount of other liability coverage covered by a financial test, and/or guarantee: (This includes but is not limited to Subtitle C Hazardous Waste Facilities, SDWA Class I Hazardous Waste Injection Wells and aggregate UST coverage) ... \$ _____
 3. Sum of lines 1 and 2: \$ _____
 4. Total tangible assets: \$ _____
 5. Total liabilities (if any of the amount reported on line 3 is included in total liabilities, you may deduct that amount from this line and add that amount to line 6):..... \$ _____
 6. Tangible Net Worth (subtract line 5 from line 4): \$ _____
 7. Total assets in the U.S. (required only if less than 90 percent of assets are located in the U.S.): \$ _____
 8. Is line 6 at least \$10 million? Yes No*
(Tangible Net Worth at least \$10 million)
 9. Is line 6 at least 6 times line 3? Yes No*
(Tangible Net Worth 6X's other environmental obligations)
- *If the answer to line 8 or line 9 is "No", this test cannot be used to meet the AST Financial Responsibility requirements.**
10. Are at least 90 percent of assets located in the U.S.? Yes No**
(If "No," complete line 11)
 11. Is line 7 at least 6 times line 3? (U.S. assets at least six times the required amount of AST coverage plus other environmental liabilities) Yes No

(Complete Lines 12-15 OR Lines 16-18)

12. Current Assets: \$ _____
13. Current Liabilities: \$ _____
14. Net working capital (subtract line 13 from line 12): \$ _____
15. Is line 14 at least 6 times line 3? Yes No

-OR-

16. Current bond rating of most recent bond issue: _____
17. Name of rating service: _____
18. Date of maturity of bond: _____

-AND-

19. Have financial statements for the latest fiscal year been filed with the Securities and Exchange Commission (SEC), the Energy Information Administration (EIA), or the Rural Utilities Service (RUS)? Yes No*

*(If "No," please attach a report from an independent certified public accountant certifying that there are no material differences between the data as reported in lines 4-18 above and the financial statements for the latest fiscal year).

20. The firm's year-end financial statements have been independently audited and do not include an adverse auditor's opinion, a disclaimer of opinion, or a "going concern" qualification..... Yes No