CORPORATE FINANCIAL TEST

*[Date]*

North Carolina Department of Environmental Quality

Division of Waste Management

Solid Waste Section Chief

1646 Mail Service Center

Raleigh, NC 27699-1646

Dear Sir/Madam:

I am the chief financial officer of *[name and address of firm].* This letter is in support of this firm's use of the corporate financial test to demonstrate financial assurance for closure, post-closure care, corrective action programs, and potential assessment and corrective action (if applicable), as specified in the Solid Waste Management Act, North Carolina General Statute 130A-295.2(f) and 40 C.F.R. 258.74(e)(July 1, 2010 edition).

*[For each solid waste management facility, including its permit identification number, name, address, and closure, post-closure care, corrective action programs, and potential assessment and corrective action (if applicable) cost estimates. Identify for each cost estimate whether it is for closure or post-closure care, corrective action programs, or potential assessment and corrective action.]*

The firm is the owner or operator of the following solid waste management facilities for which financial assurance for closure, post-closure care, corrective action programs, and potential assessment and corrective action (if applicable), is demonstrated through the corporate financial test. The current cost estimates for closure, post-closure care, corrective action programs, and potential assessment and corrective action (if applicable), covered by the test are shown for each facility:

Name: *[insert legal entity /principal name]*

Office Address: *[insert physical address of legal entity/principal]*

Facility Address: *[insert physical address of permitted facility]*

Permit No.*: [insert NCDEQ issued permit number]*

Closure Cost Estimate: *[insert dollar amount for closure]*

Post-Closure Care Cost Estimate: *[insert dollar amount for post-closure care]*

Corrective Action Program Cost Estimate: *[insert dollar amount for current corrective action program]*

Potential Assessment and Corrective Action Cost Estimate: *[insert dollar amount for potential assessment and corrective action]*

Identify any underground injection control (UIC) facilities under 15A NCAC 02D .0400 and 15A NCAC 02C .0200, petroleum underground storage tank (UST) facilities under 15A NCAC 02N .0100 through .0800, polychlorinated biphenyl (PCB) storage facilities under 15A NCAC 02O .0100 and 15A NCAC 02N .0100, and hazardous waste treatment, storage, and disposal facilities (TSDF's) under 15A NCAC 13A .0109 and .0110 that are owned by either the owner/operator or the guarantor and/or are facilities that are covered by a financial test or corporate guarantee. Provide a separate description for each type of facility, if applicable (if not applicable write "None").

Name: *[insert legal entity/principal name]*

Office Address: *[insert physical address of legal entity/principal]*

Facility Address: *[insert physical address of permitted facility]*

Permit No.: *[insert NCDEQ issued permit number]*

Closure Cost Estimate: *[insert dollar amount for closure]*

Post-Closure Care Cost Estimate: *[insert dollar amount for post-closure care]*

Corrective Action Program Cost Estimate: *[insert dollar amount for current corrective action program]*

Potential Assessment and Corrective Action Cost Estimate: *[insert dollar amount for potential assessment and corrective action]*

This firm *[insert "is required" or "is not required"]* to file a Form 10K with the Securities and Exchange Commission (SEC) for the latest fiscal year.

The fiscal year of this firm ends on *[month, day]*. The figures for the following items marked with an asterisk are derived from this firm's independently audited, year-end financial statements for the latest completed fiscal year, ended *[date].*

Fill in all applicable parts of the Financial Test and either Alternative I, or Alternative II, or Alternative III below.

**Financial Test**

1. Sum of current closure, post-closure care, corrective action program, and potential assessment and corrective action cost estimates (if applicable) and guarantees from all of the solid waste management facilities in paragraphs 1 or 2 above: $ *[insert dollar amount]*

2. All other cost estimates and guarantees required for UIC facilities, petroleum UST facilities, PCB storage facilities, and TSDF's listed in paragraph 3 above. $ *[insert dollar amount]*

3. Tangible net worth (defined as tangible assets – liabilities. Tangible assets do not include intangibles such as goodwill or rights to patents and royalties). $ *[insert dollar amount]*

4. Net Worth $ *[insert dollar amount]*

5. Total liabilities - If any portion of the current closure, post-closure care, corrective action program, and potential assessment and corrective action cost estimates (if applicable), or guarantees identified above are recognized as liabilities in the audited financial statements, you must submit a special report from the independent certified public accountant (CPA), unless you can answer "yes" to item # 9. $ *[insert dollar amount]*

6. The sum of net income plus depreciation, depletion, and amortization (Use for Alternative III): $ *[insert dollar amount]*

7. Total assets in the U.S.: $ *[insert dollar amount]*

8. Sum of line 1 plus line 2 from above and any other environmental obligations covered by a financial test: $ *[insert dollar amount]*

9. Is line 3 greater than the sum of line 8 plus $10 million? *[Yes or No]*

If "No", and you have provided a report from the independent CPA that the environmental obligations have been recognized as liabilities in the audited financial statements, then go to Item 9(a).

9a. Is line 3 greater than the sum of $10 million plus any guarantees not recognized as liabilities? *[Yes or No]*

10. Is line 7 greater than line 8? *[Yes or No]*

If the financial data provided for items 3 through 7 above differs from what was provided in the audited financial statements, a special report from the certified public accountant shall be provided as described in 40 CFR 258.74(e)(2)(i)(C).

**Alternative I**

1. Current bond rating of most recent senior unsubordinated bond issue of this firm and name of rating service: *[current bond rating and name of rating service]*

2. Date of bond issue: *[insert date of bond issued]*

3. Date of final maturity of bond: *[insert final maturity date of bond]*

**Alternative II**

1. Is the above line 5 divided by the above line 4 less than 1.5? *[Yes or No]*

**Alternative III**

1. Is (the above line 6 minus $10 million) divided by the above line 5 greater than 0.1? *[Yes or No]*

As evidence that *[Firm]* meets the conditions of the Corporate Financial Test, attached hereto is a copy of the following:

Please check applicable responses.

( ) 1. Independent CPA's unqualified opinion of our financial statements for our latest completed fiscal year.

( ) 2. Special report from CPA, if financial data in this letter is different than in audited financial statements. *[See 40 CFR 258.74(e)(2)(i)(C)].*

( ) 3. Report from CPA (if answer to item #9 of the financial test is No) verifying all of covered environmental obligations covered by test have been recognized as liabilities in the audited financial statements, how the obligations were measured and reported, and that tangible net worth of the firm is at least $10 million dollars plus the amount of any guarantees not recognized as liabilities. *[See 40 CFR 258.74(e)(2)(i)(D)]*

I hereby certify that *[name of firm]* meets the requirements of *[Fill in Alternative I, Alternative II, or Alternative III]* in support of *[name of facility(s)]* use of the corporate financial test to demonstrate financial assurance as required by the Solid Waste Management Act, North Carolina General Statute 130A-295.2(f) and 40 C.F.R. 258.74(e)(July 1, 2010 edition).

*[Signature]*

*[Name]*

*[Title]*

*[Date]*