

Financial Test

Department of Environment and Conservation, Division of Radiological Health

A letter from the chief financial officer must be worded as follows except that instructions in parentheses are to be replaced with the relevant information and the parentheses deleted:

LETTER FROM CHIEF FINANCIAL OFFICER

(Address to Director, Division of Radiological Health)

I am the chief financial officer of (name and address of firm). This letter is in support of this firm's use of the financial test to demonstrate financial assurance, as specified in paragraph (4) of Rule 0400-20-10-.12.

(Fill out the following four paragraphs regarding facilities and associated cost estimates. If your firm has no facilities that belong in a particular paragraph, write "None" in the space indicated. For each facility, include its license number, name, address and current reclaiming cost estimates.)

1. This firm is the licensee at the following facility for which financial assurance for reclaiming is demonstrated through the financial test specified in paragraph (4) of Rule 0400-20-10-.12. The current reclaiming cost estimate covered by the test is: \$ _____.
2. This firm guarantees, through the corporate guarantee specified in paragraph (4) of Rule 0400-20-10-.12, the reclaiming of the following facility owned or operated by a subsidiary of this firm. The current cost estimates for reclaiming so guaranteed is: \$ _____.
3. In other states, this firm, as licensee or guarantor, is demonstrating financial assurance for reclaiming of the following facilities through the use of a test equivalent or substantially equivalent to the financial test specified in paragraph (4) of Rule 0400-20-10-.12. The current reclaiming cost estimates covered by such a test are shown for each facility: \$ _____.
4. This firm is the licensee of the following facilities receiving, possessing, using or storing radioactive material for which financial assurance for reclaiming is not demonstrated either to the Division, another State, or the U.S. Nuclear Regulatory Commission through the financial test or any other financial assurance mechanisms specified in paragraph (4) of Rule 0400-20-10-.12 or equivalent or substantially equivalent mechanisms. The current reclaiming cost estimates not covered by such financial assurance are shown for each facility: \$ _____.

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 statement for the latest completed fiscal year, ending (date).

(Fill in Alternative I if the criteria of item (d)6(i)(I) of this paragraph are used. Fill in Alternative II if the criteria of item (d)6(i)(II) of this paragraph are used).

ALTERNATIVE I

1. Sum of current reclaiming cost estimates (total of all cost estimates shown in the four paragraphs above) \$ _____

*2. Total liabilities (if any portion of the reclaiming cost estimate is included in total liabilities, you may deduct the amount of that portion from this line and add that amount to lines 3 and 4) \$ _____

*3. Tangible net worth \$ _____

*4. Net worth \$ _____

*5 Current assets \$ _____

*6 Current liabilities \$ _____

*7 Net working capital (line 5 minus line 6) \$ _____

*8. The sum of net income plus depreciation, depletion, and amortization \$ _____

*9. Total assets in U.S. (required only if less than 90% of firm's assets are located in the U.S.)
\$ _____

YES NO

10. Is line 3 at least \$10 million? _____

11. Is line 3 at least 6 times line 1? _____

12. Is line 7 at least 6 times line 1? _____

*13. Are at least 90% of firm's assets located
in the U.S.? If not, complete line 14 _____

14. Is line 9 at least 6 times line 1? _____

15. Is line 2 divided by line 4 less than 2.0? _____

16. Is line 8 divided by line 2 greater than 0.1? _____

17. Is line 5 divided by line 6 greater than 1.5? _____

ALTERNATIVE II

1. Sum of current reclaiming cost estimates (total of all cost estimates shown in the four paragraphs above) \$ _____

2. Current bond rating of most recent issuance of this firm and name of rating service _____

3. Date of issuance of bond _____

4. Date of maturity of bond _____

*5. Tangible net worth \$ _____

