



Michigan Department of Environmental Quality, Office of Waste Management and Radiological Protection

CERTIFICATE OF DEPOSIT PROVISIONS FOR ACCEPTANCE AS BOND FOR A SCRAP TIRE COLLECTION SITE

Required by Part 169, Scrap Tires, of the Natural Resources and Environmental Protection Act, 1994 PA 451, as amended.

Those scrap tire collection sites that are subject to the requirements of Section 324.16903(4) of Part 169, may satisfy the financial assurance provisions of Part 169 by depositing funds in a Certificate of Deposit (the "Certificate"), and submitting the Certificate to the Michigan Department of Environmental Quality (the "DEQ") as follows:

The Certificate must be in the sole name of the Director of the DEQ. The Certificate must show the DEQ's tax identification number, 38-6000134. The instrument shall not have a maturity date of less than one year and shall provide for automatic renewal in increments of one year. All interest accruing to the certificate will be maintained as part of the renewed Certificate.

A Certificate of Deposit Acceptance Agreement, signed by the applicant, the financial institution, and the DEQ, must be completed and signed before the DEQ will accept the Certificate as a bond required by Part 169.

The Certificate and the signed "Certificate of Deposit Acceptance Agreement" shall be submitted to:

DIRECTOR OF THE MICHIGAN DEPARTMENT OF ENVIRONMENTAL QUALITY
C/O SCRAP TIRE REGULATORY PROGRAM
OFFICE OF WASTE MANAGEMENT AND RADIOLOGICAL PROTECTION
P.O. BOX 30241
LANSING MI 48909-7741

The Director of the DEQ may cash the Certificate covering a scrap tire collection site to: remove scrap tires from the scrap tire collection site; bring the collection site into compliance with Part 169; cleanup the collection site; for costs of fire suppression or other costs associated with responding to a fire or an emergency at a collection site, including reimbursement to any local unit of government that incurred these costs; pursuant to Section 16903(7). The DEQ may cash this Certificate if there is a fire or other emergency at the collection site, the collection site owner becomes insolvent, or if the owner or operator of the collection site violates Part 169 and does not remove the scrap tires as ordered by the DEQ or a court of competent jurisdiction. The DEQ will provide notice and opportunity for hearing at least 7 days before cashing the Certificate for reasons of insolvency of the scrap tire collection site or failure to remove tires as ordered by the DEQ.

Section 324.16903(4) of Part 169 establishes the minimum amount of bond required by a scrap tire collection site to cover indoor and outdoor tire storage areas. Exhibit A, "DETERMINATION OF BOND AMOUNT," shall be used to determine the required amount of the Certificate necessary to bond the scrap tire collection site.



ACCEPTANCE OF CERTIFICATE OF DEPOSIT AS BOND FOR A SCRAP TIRE COLLECTION SITE

It is agreed between the State of Michigan, Department of Environmental Quality (the "DEQ"), and _____, (the "Company"), that Certificate of Deposit No. _____, (the "Certificate"), in the amount of \$ _____, issued by _____, (the "Institution"), address, _____, on this date _____, in the name of and for the sole benefit of the Director of the DEQ, (the "Director"), is accepted as a bond required by Part 169, Scrap Tires, of the Natural Resources and Environmental Protection Act, 1994 PA 451, as amended, MCL 324.16901 et seq., for the tire storage area(s) on the scrap tire collection site known as, _____ (the "Site"), WDS No. _____, and located at _____, and shall be available to the state of Michigan, DEQ, for all purposes for which this bond is required. It is agreed that the Certificate is subject to forfeiture, claim, or return in like manner as a bond.

- A. The Certificate will mature on _____, and will be renewed automatically in increments of one year. All interest accruing to the Certificate shall be maintained as part of a renewed Certificate until the bond is released by the Director. The Company shall receive any accrued interest on the Certificate upon release of the bond by the Director of the DEQ.
- B. The Director is the only person who may cash the Certificate. The Director may cash the Certificate by submitting the Certificate to the institution, accompanied by the following document:

The Director's signed statement as follows: "I certify that the funding is required to be utilized pursuant to Section 16903(7) of Part 169." And if applicable, "I further certify that, pursuant to Section 16903(9), I have issued a notice or order alleging that the Company is insolvent or violated Part 169 and the Company has been provided an opportunity for an informal hearing at least seven days prior to the date of cashing this Certificate."

In the event that the Certificate is cashed by the Director prior to maturity, all accrued interest shall be paid to the Director.

This Certificate of Deposit shall be administered, construed, and enforced according to the laws of the State of Michigan

Michigan Department of Environmental Quality

By: _____
_____, Chief

Title: _____
Solid Waste Section, Office of Waste Management
and Radiological Protection

Date: _____

Company: _____

By: _____

Title: _____

Date: _____

Acknowledge:

Institution: _____

By: _____

Title: _____

Date: _____

Contact/Telephone: _____

MICHIGAN DEPARTMENT OF ENVIRONMENTAL QUALITY
Office of Waste Management and Radiological Protection

EXHIBIT A

DETERMINATION OF BOND AMOUNT

Use the following to assist in determining the bond required pursuant to Section 16903(4) of Part 169, Scrap Tires, of the Natural Resources and Environmental Protection Act, 1994 PA 451, as amended, for outdoor and indoor storage areas. Please note that an acre is defined as 43,560 square feet.

The following applies to collection sites where the total number of scrap tires stored outside (this includes tires stored in vehicles) exceeds 2,500 scrap tires. There is no maximum bond limit.	AMOUNT OF BOND
OUTDOOR TIRE STORAGE AREA: Less than one-quarter (1/4) of an acre.	\$ 25,000.00
One-quarter (1/4) of an acre or more, but less than one-half (1/2) of an acre.	50,000.00
One-half (1/2) of an acre or more, but less than three-quarters (3/4) of an acre.	75,000.00
Three-quarters (3/4) of an acre or more, but less than one (1) acre.	100,000.00
Each one (1) acre parcel.	100,000.00
INDOOR TIRE STORAGE AREA: For indoor scrap tire storage area.	\$2.00/square foot

For any parcel of an outdoor scrap tire storage area exceeding one (1) acre or any integral multiple thereof, the amount of the bond shall include the required minimum for each acre plus the following:

PARCEL OF TIRE STORAGE AREAS EXCEEDING ONE (1) ACRE OR ANY INTEGRAL MULTIPLE THEREOF	ADDITIONAL AMOUNT OF BOND
Less than one-quarter (1/4) of an acre.	\$ 25,000.00
One-quarter (1/4) of an acre or more, but less than one-half (1/2) of an acre.	50,000.00
One-half (1/2) of an acre or more, but less than three-quarters (3/4) of an acre.	75,000.00
Three-quarters (3/4) of an acre or more, but less than one (1) acre.	100,000.00

The following applies to collection sites where the total number of tires stored outside is greater than 500 but less than 2,500 scrap tires. The MAXIMUM amount of bonding required for these collection sites is \$2,500.00.	AMOUNT OF BOND
OUTDOOR TIRE STORAGE AREAS: For outdoor scrap tire storage area.	\$2,500.00