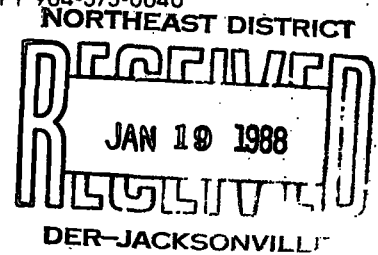


Quadrex Permit



Quadrex HPS Inc.

1940 N.W. 67th Place, Gainesville, Florida 32606-1649
904-373-6066 TWX 910-590-2438 TELEX 35-2031 TELECOPY 904-373-0040



January 13, 1987

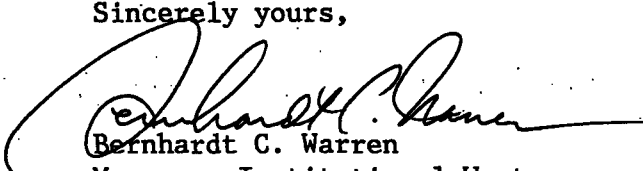
Ms. Diane Hunt
Florida Department of Environmental Regulation
Twin Towers Office Building
2600 Blair Stone Road
Tallahassee, Florida 32399-2400

Dear Ms. Hunt:

Enclosed for your perusal is a DRAFT version of our proposal to the State DER to qualify for alternative financial assurances for our Gainesville facility. Please contact me as to the appropriateness of this response. If it is, we will submit our official document to you.

Thank you for your assistance.

Sincerely yours,

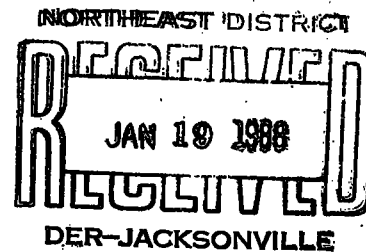

Bernhardt C. Warren
Manager, Institutional Waste

BCW/mc4

cc: Ashwin Patel, DER Jacksonville

Enclosure

DOCKET # 1



DRAFT

January 7, 1988
WPC2706

Mr. Dale Twachtmann, Secretary
Florida Department of Environmental Regulation
Twin Towers Office Building
2600 Blair Stone Road
Tallahassee, Florida 32399-2400

I am the chief financial officer of Quadrex Corporation, 1700 Dell Avenue, Campbell, CA 95008.

This letter is in support of the use of the financial test to demonstrate financial responsibility for liability coverage and closure and/or post-closure care as specified in Subpart H of 40 CFR Parts 264 and 265, as adopted by reference in Section 17-30.180, Florida Administrative Code (F.A.C.).

The firm identified above is the owner or operator of the following facilities for which liability coverage for sudden accidental occurrences is being demonstrated to the State of Florida through the financial test specified in Subpart H of 40 CFR Parts 264 and 265, as adopted by reference in Section 17-30.180, F.A.C.:

NONE

The firm identified above guarantees, through the corporate guarantee specified in Subpart H of 40 CFR Parts 264 and 265 liability coverage for sudden accidental occurrences at the following facilities owned or operated by the following subsidiaries of the firm:

Quadrex HPS Incorporated
1940 Northwest 67th Place
Gainesville, Florida

ID # FLD 980711071

1. The firm identified above owns or operates the following facilities in the State of Florida for which financial assurance for closure or post-closure care is demonstrated through the financial test specified in Subpart H of 40 CFR Parts 264 and 265, as adopted by reference in Section 17-30.180, F.A.C. The current closure and/or post-closure estimates covered by the test are shown for each facility:

NONE

2. The firm identified above guarantees, through the corporate guarantee specified in Subpart H of 40 CFR Parts 264 and 265, as adopted by reference in Section 17-30.180, F.A.C., the closure and post-closure care of the following facilities in the State of Florida owned or operated by its subsidiaries. The current cost estimates for the closure or post-closure care so guaranteed are shown for each facility:

Quadrex RPS Incorporated
1940 Northwest 67th Place
Gainesville, Florida
Closure Cost: \$336,000

ID # FLD 980711071

3. In States other than Florida where EPA is administering the financial requirements of Subpart H of 40 CFR Parts 264 and 265, this owner or operator is demonstrating financial assurance for the closure or post-closure care of the following facilities through the use of a test equivalent or substantially equivalent to the financial test specified in Subpart H of 40 CFR Parts 264 and 265. The current closure and/or post-closure cost estimates covered by such a test are shown for each facility:

NONE

4. In States other than Florida where EPA is administering the financial requirements of Subpart H of 40 CFR Parts 264 and 265, this owner or operator is demonstrating financial assurance for the closure or post-closure care of the following facilities through the use of a test equivalent or substantially equivalent to the financial test specified in Subpart H of 40 CFR Parts 264 and 265. The current closure and/or post-closure cost estimates covered by such a test are shown for each facility:

NONE

5. The firm identified above owns or operates the following hazardous waste management facilities for which financial assurance for closure or, if a disposal facility, post-closure care, is not demonstrated wither to EPA or a State through the financial test or any other financial assurance mechanism specified in Subpart H of 40 CFR Parts 264 and 265, or equivalent or substantially equivalent State mechanisms. The current closure and/or post-closure cost estimates not covered by such financial assurance are shown for each facility:

NONE

6. This firm is the owner or operator of the following UIC facilities for which financial assurance for plugging and

abandonment is required under 40 CFR Part 144 and/or Section 17-28.27(9), F.A.C. The current plugging and abandonment cost estimates as required by 40 CFR 144.62 and/or Section 17-28.27(9), F.A.C. are shown for each facility:

NONE

This firm is required to file a Form 10K with the Securities and Exchange Commission (SEC) for the latest fiscal year.

The fiscal year of this owner or operator ends on January 31.

The figures for the following items marked with an asterisk are derived from this owner's or operator's independently audited, year-end financial statements and footnotes for the latest completed fiscal year, ended January 31, 1987.

Part B. Closure or Post-Closure Care and Liability Coverage

ALTERNATIVE I

	(\$000)
1. Sum of current closure and post-closure cost estimates	\$ <u>336</u>
2. Amount of annual aggregate liability coverage to be demonstrated	\$ <u>2,000</u>
3. Sum of lines 1 and 2	\$ <u>2,336</u>
*4. Total liabilities	\$ <u>16,682</u>
*5. Tangible net worth	\$ <u>19,475</u>
*6. Net worth	\$ <u>21,218</u>
*7. Current assets	\$ <u>29,560</u>
*8. Current liabilities	\$ <u>10,363</u>
*9. Net working capital (line 7 minus line 8)	\$ <u>19,197</u>
*10. The sum of net income plus depreciation, depletion, and amortization	\$ <u>826</u>
*11. Total assets in U.S. (required only if less than 90 percent of assets are located in the U.S.)	\$ <u>N.A.</u>

January 7, 1988
WPC2706

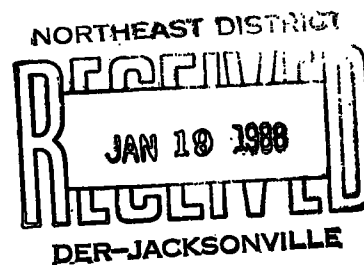
	<u>YES</u>	<u>NO</u>
12. Is line 5 at least \$10 million?	<u>X</u>	___
13. Is line 5 at least 6 times line 3?	<u>8.3</u>	___
14. Is line 9 at least 6 times line 3?	<u>8.2</u>	___
*15. Are at least 90 percent of assets located in the U.S.? If not, complete line 16.	<u>X</u>	___
16. Is line 11 at least 6 times line 3?	<u>N.A.</u>	___
17. Is line 4 divided by line 4 greater than 0.1?	<u>.79</u>	___
18. Is line 10 divided by line 4 greater than 0.1?	___	<u>.05</u>
19. Is line 7 divided by line 8 greater than 1.5?	<u>2.9</u>	___

I hereby certify that the wording of this letter is substantially identical to the wording specified in 40 CFR 264.151(g), as adopted by reference in Section 17-30.180, F.A.C., as such regulations were constituted on the date shown immediately below except for the references to the State of Florida, the F.A.C. and the FDER Secretary.

S. Springel

Chief Financial Officer

January 7, 1988



ATTACHMENT 1
PART B - ALTERNATIVE I
CALCULATION OF AMOUNTS

(\$000)

ITEM #

4	TOTAL LIABILITIES	
	CURRENT LIABILITIES	\$10,363
	NON-CURRENT LIABILITIES	1,151
	DEFERRED GAIN ON SALE/LEASE-BACK	2,606
	DEFERRED INCOME TAXES	1,272
	ESOP PLAN DEBT	<u>1,290</u>
	TOTAL	<u>\$10,682</u>
5	TANGIBLE NET WORTH	
	TOTAL ASSETS	\$37,900
	TOTAL LIABILITIES	<u>(16,682)</u>
	NET WORTH	\$21,218
	LESS: PATENTS	(322)
	GOODWILL	(1,290)
	LICENSES & SOFTWARE	<u>(131)</u>
	NET	<u>\$19,475</u>
6	NET WORTH	
	TOTAL ASSETS	\$37,900
	TOTAL LIABILITIES	<u>(16,682)</u>
	NET	\$21,218
7	CURRENT ASSETS	\$29,560
8	CURRENT LIABILITIES	\$10,363
9	NET WORKING CAPITAL	
	CURRENT ASSETS	\$29,560
	CURRENT LIABILITIES	<u>10,363</u>
	NET	<u>\$19,197</u>
10	NET INCOME, DEPRECIATION, DEPLETION AND AMORTIZATION	
	NET INCOME	\$(1,135)
	DEPRECIATION & AMORTIZATION	<u>1,961</u>
	NET	<u>\$ 826</u>