



# EXAMPLE

## Legal Contract to Trade Form B

Date Received		
Month	Day	Year
Trade Assoc. No.		

### Trade Association - Internal Trading

The terms used in this form have the same meaning and definitions as used in the Permit. This form must be signed by each Trade Association member (i.e. Permittee) and the Trade Association Representative by April 30<sup>th</sup> of the trading year in order to be valid. As stated in the Permit, individual members of a Trade Association must each submit a copy of this form to the MPCA by April 30<sup>th</sup> of each year in which the Association intends to trade. Submit this form to: Water Quality Submittal Center, Minnesota Pollution Control Agency, 520 Lafayette Road North, St. Paul, MN 55155-4194.

#### Calendar Year

Year of Jordan Trading Unit (JTU) Transfer (use one form per year): 2008

#### General Information

Trade Association Name: The Tri-County Traders

Trade Association Mailing Address: 12345 – 1<sup>st</sup> Avenue South

City: Anywhereville State: MN Zip: 55000

Trade Association Representative Name: Tom Tradewell Phone: 651-111-2222

#### Member Information

List the name and permit number of every member of this Trade Association in the table below. Each member must be a Permittee of the Minnesota River Basin General Phosphorus Permit. The Permittee name is the same name that the facility listed in its application for the Minnesota River Basin General Phosphorus Permit. The permit number is the MNG number that the facility received on its Notice of Coverage that the MPCA sent to the Permittee in response to its Permit application. Add rows to the table as needed to accommodate the actual number of Trade Association members.

#### Trade Association Members

Member No.	Permittee Name	Facility MN River Basin General Phosphorus Permit Number
1.	<u>Acme Industries</u>	<u>MNG420997</u>
2.	<u>City of Green WWTF</u>	<u>MNG420996</u>
3.	<u>City of Red WWTF</u>	<u>MNG420995</u>
4.	<u>City of Yellow WWTF</u>	<u>MNG420994</u>
5.	<u>City of Brown WWTF</u>	<u>MNG420993</u>

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## Trade Association - Internal Trading

*Minnesota River Basin General Phosphorus Permit – Phase I*

### Trade Information

Provide the information requested below about every member of this Trade Association (by Trade Association member number as indicated in the previous table) in either the buyer or seller table below as applicable. If a Trade Association member is not buying or selling JTUs to the Trade Association in this trading year, list them in the Trade Association Buyer's table below with a zero for the Chosen Increase to 5-Month Mass Phosphorus Limit (i.e. column C<sub>b</sub>). Add rows to the table as needed.

#### Trade Association Buyers (Members purchasing JTUs from Association)

Permittee Limit Information				Trade Association Limit Information						
A <sub>b</sub> . Member No.	B <sub>b</sub> . 5-Month Mass Phosphorus Limit (kg)	C <sub>b</sub> . Chosen Increase to 5-Month Mass Phosphorus Limit (kg)	D <sub>b</sub> . Trade Association Member Adjusted Phosphorus Limit (kg)	E <sub>b</sub> . JBOD Factor	F <sub>b</sub> . JTUs from 5-Month Mass Phosphorus Limit	G <sub>b</sub> . JTUs Purchased to Increase 5-Month Mass Phosphorus Limit	H <sub>b</sub> . Trade Ratio	I <sub>b</sub> . JTUs Purchased for Trade Ratio	J <sub>b</sub> . Total JTUs Purchased from Trade Association	K <sub>b</sub> . Total JTUs Available to Trade Association from Buyers
1	1000	100	1100	0.62	620	62	1.1	6.2	68.2	682
2	2000	200	2200	0.18	360	36	1.1	3.6	39.6	396
3	3000	250	3250	1.0	3000	250	1.1	25	275	3250
Total					3980	348		34.8	382.8	4328

A<sub>b</sub> – Indicate each Permittee's Trade Association member number as listed in the Member Information table above.

B<sub>b</sub> – Indicate each buyer's 5-Month Mass Phosphorus Limit (converted to kilograms) from Appendix B of the Permit.

C<sub>b</sub> – Indicate the number of kilograms of phosphorus that the buyer's 5-Month Mass Phosphorus Limit will be increased due to this trade (the amount of phosphorus purchased by buyer). This value must be a whole number.

D<sub>b</sub> – Indicate the buyer's Trade Association Member Adjusted Phosphorus Limit after this trade ( $D_b = B_b + C_b$ ). This number will become the facility's phosphorus limit if this Trade Association exceeds its Final Adjusted Phosphorus Limit. This value must be a whole number.

E<sub>b</sub> – Specify the buyer's Jordan Biochemical Oxygen Demand Factor as listed in Appendix B and or indicated in Appendix G of the Permit.

F<sub>b</sub> – Indicate the buyer's 5-Month Mass Phosphorus Limit converted from kilograms to JTUs ( $F_b = B_b \times E_b$ ).

G<sub>b</sub> – Indicate the number of JTUs required to be purchased from the Trade Association to adjust the buyer's 5-Month Mass Phosphorus Limit upward by the amount specified in column C<sub>b</sub> ( $G_b = C_b \times E_b$ ).

H<sub>b</sub> – Specify the numerical value of the buyer's Trade Ratio as listed in Appendix B of the Permit (i.e. 1.1 or 1.2).

I<sub>b</sub> – Indicate the number of JTUs required to be purchased by the member for the Trade Ratio ( $I_b = [G_b \times H_b] - G_b$ ). These JTUs are not applied towards the Association's limit.

J<sub>b</sub> – The total number of JTUs purchased from the Trade Association for its phosphorus limit adjustment and for the Trade Ratio ( $J_b = G_b + I_b$ ).

K<sub>b</sub> – Number of JTUs that will be applied towards the Trade Association 5-Month Mass Phosphorus Limit (JTUs) from buyers ( $K_b = F_b + G_b$ ).

#### Trade Association Sellers (Members selling JTUs to Association)

Permittee Limit Info		Trade Association Limit Information			Permittee Limit Information		Trade Association
A <sub>s</sub> . Member No.	B <sub>s</sub> . 5-Month Mass Phosphorus Limit (kg)	C <sub>s</sub> . Seller JBOD Factor	D <sub>s</sub> . JTUs Available Based on 5-Month Mass Phosphorus Limit	E <sub>s</sub> . JTUs Sold to Trade Association	F <sub>s</sub> . Decrease to 5-Month Mass Phosphorus Limit Based on Trade (kg)	G <sub>s</sub> . Trade Association Member Adjusted Phosphorus Limit (kg)	H <sub>s</sub> . Total JTUs Available to Trade Association from Sellers
4	5000	1.0	5000	182.8	183	4817	4817.2
5	4000	0.75	3000	200	267	3733	2800
Total			8000	382.8			7617.2

A<sub>s</sub> – Indicate each Permittee's Trade Association member number as listed in the Member Information table above.

B<sub>s</sub> – Indicate each seller's 5-Month Mass Phosphorus Limit (converted to kilograms) from Appendix B of the Permit.

C<sub>s</sub> – Specify the seller's Jordan Biochemical Oxygen Demand Factor as listed in Appendix B and or indicated in Appendix G of the Permit.

D<sub>s</sub> – Indicate the seller's 5-Month Mass Phosphorus Limit converted from kilograms to JTUs ( $D_s = B_s \times C_s$ ).

E<sub>s</sub> – Indicate the number of JTUs sold to the Trade Association by the individual member. Note: The total number of JTUs sold to the Trade Association must match the total number of JTUs purchased from the Trade Association (i.e. total of column E<sub>s</sub> must equal total of column J<sub>b</sub> in buyer's table).

F<sub>s</sub> – Indicate the decrease to the seller's 5-Month Mass Phosphorus Limit (kg) due to this trade ( $F_s = E_s / C_s$ ). Express this value as a whole number. If the calculated value is not a whole number, round up the calculated value to the nearest whole number.

G<sub>s</sub> – Indicate the seller's Trade Association Member Adjusted Phosphorus Limit ( $G_s = B_s - F_s$ ). This number becomes a phosphorus limit for the individual facility if the Trade Association exceeds its Final Adjusted Phosphorus Limit. This value must be a whole number.

H<sub>s</sub> – Number of JTUs that will be applied towards the Trade Association 5-Month Mass Phosphorus Limit (JTUs) from sellers ( $H_s = D_s - E_s$ ).

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## Trade Association - Internal Trading

### Minnesota River Basin General Phosphorus Permit – Phase I

**Trade Association Limit**

This Trade Association's 5-Month Mass Phosphorus Limit is equal to the sum of the number of JTUs available from its member buyers and sellers ( $K_b$  of table above +  $H_b$  of table above). This limit is not the Association's Final Adjusted Limit because this limit can be adjusted later by any valid trade that the Trade Association makes with an outside entity.

**Trade Association 5-Month Mass Phosphorus Limit = 11,945.2 JTUs**

The Trade Association Representative and all members must sign the form as indicated below. Add more signature lines as needed.

**Certification and Signatures**

I certify under penalty of law that this document and any attachments were prepared under my direction or supervision in accordance with a system designed to assure that qualified personnel properly gathered and evaluated the information submitted. Based on my inquiry of the person, or persons, who manage the system, or those persons directly responsible for gathering the information, the information is, to the best of my knowledge and belief, true, accurate, and complete. I am aware that there are significant penalties for submitting false information, including the possibility of fine and imprisonment. I understand that if the total phosphorus discharge (in JTUs) of the members of this Trade Association exceed the Trade Association's Final Adjusted Phosphorus Limit, that my facility will be individually held responsible for meeting its own Trade Association Member Adjusted Phosphorus Limit (kg) as indicated in this contract. I understand that each buyer's 5-Month Mass Phosphorus Limit will be adjusted upward as indicated in the Trade Association Buyer table. I understand that each seller's 5-Month Mass Phosphorus Limit will be adjusted downward as indicated in the Trade Association Seller table. I understand that this trade is not valid unless all members of the Trade Association are Permittees of the Minnesota River Basin General Phosphorus Permit (MNG420000). This Agreement shall be binding upon each party and its successors and assigns. If any party sells or otherwise conveys or assigns any of its right, title or interest in its facility, the conveyance shall not release the party from any obligation imposed by this Agreement, unless the party to whom the right, title or interest has been transferred or assigned agrees in writing to fulfill the obligations of this Agreement and the MPCA approves the transfer or assignment. The parties to this Agreement shall ensure the party's agents, contractors and subsidiaries comply with the terms and conditions of the Agreement. I hereby agree to authorize the Trade Association Representative listed below to make trades with other Trade Associations and or Individual Permittees on behalf of the Trade Association.

<b>Trade Association:</b> _____ <i>Signature (Trade Association Representative)</i>	<u>April 20, 2008</u> <i>Date</i>	<u>Authorized Representative</u> <i>Title</i>
<b>Member 1:</b> _____ <i>Signature (Principal Executive Officer)</i>	<u>April 1, 2008</u> <i>Date</i>	<u>CEO</u> <i>Title</i>
<b>Member 2:</b> _____ <i>Signature (Principal Executive Officer)</i>	<u>April 2, 2008</u> <i>Date</i>	<u>Mayor</u> <i>Title</i>
<b>Member 3:</b> _____ <i>Signature (Principal Executive Officer)</i>	<u>April 3, 2008</u> <i>Date</i>	<u>Mayor</u> <i>Title</i>
<b>Member 4:</b> _____ <i>Signature (Principal Executive Officer)</i>	<u>April 4, 2008</u> <i>Date</i>	<u>Mayor</u> <i>Title</i>
<b>Member 5:</b> _____ <i>Signature (Principal Executive Officer)</i>	<u>April 5, 2008</u> <i>Date</i>	<u>Mayor</u> <i>Title</i>