



Minnesota  
Pollution  
Control  
Agency

# EXAMPLE

## Legal Contract to Trade Form C

Date Received		
Month	Day	Year

### Trade Association - External Trading Between Association and Individual Permittee

Minnesota River Basin General Phosphorus Permit – Phase I (Permit)

The terms used in this form have the same meaning and definitions as used in the Permit. This form must be signed by both the individual Permittee and the Trade Association Representative in order to be valid. As stated in the Permit, Permittees may only enter into Legal Contracts to Trade up to September 30<sup>th</sup> of the trading year. Submit this form to: Water Quality Submittal Center, Minnesota Pollution Control Agency, 520 Lafayette Road North, St. Paul, MN 55155-4194 by November 30<sup>th</sup> of the trading year.

#### Calendar Year

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

#### Individual Permittee Information

Provide the following information regarding the individual Permittee in this contract.

Permittee Name: City of Purple WWTF MN River Basin Permit No.: MNG420992

Contact Name: Phil Phillips Title: CEO Phone: 507-111-3333

#### Trade Association Information

Provide the following information regarding the Trade Association in this contract.

Trade Association Name: The Phosphorus Eradicators Trade Association ID No.: TA9999

Authorized Representative Name: Joe Johnson Phone: 507-111-3333

#### Trade Information

Fill out either Table A or Table B below as applicable. **Do not fill out both tables.** If the entity that is purchasing JTUs in this trade is the individual Permittee (i.e. not a member of a Trade Association), fill out Table A and skip Table B. If the entity that is purchasing JTUs in this trade is a Trade Association, skip Table A and fill out Table B. Write "NA" in the cells of the table that is not used.

TABLE A

Individual Permittee (Buyer)					Trade Association (Seller)
A. Upward Adjustment to Buyer's 5-Month Mass Phosphorus Limit (kg)	B. Buyer JBOD Factor	C. JTUs Needed to Adjust Buyer's 5-Month Mass Phosphorus Limit	D. Buyer Trade Ratio	E. Total JTUs Purchased	F. Total JTUs Sold
1000	0.33	330	1.1	363	363

A – The mass of phosphorus (in kilograms) that the buyer's 5-Month Mass Phosphorus Limit will increase due to its purchase of JTUs in this trade. Express this value as a whole number.

B – The buyer's JBOD Factor as listed in Appendix B or as indicated in Appendix G of the Permit.

C – The number of JTUs required to be purchased to achieve the upward adjustment specified in column A ( $C = A \times B$ ).

D – The numerical value of the buyer's Trade Ratio as listed in Appendix B of the Permit (i.e. either 1.1 or 1.2).

E – The total number of JTUs purchased by the buyer. This is equivalent to the number of JTUs purchased for the required increase in the buyer's 5-Month Mass Phosphorus Limit and for the JTUs required by the Trade Ratio ( $E = C \times D$ ).

F – The total number of JTUs sold ( $F = E$ ). This is the number of JTUs that the Trade Association's 5-Month Mass Phosphorus Limit will decrease due to this trade.

# EXAMPLE

## Legal Contract to Trade Form C

### Trade Association - External Trading Between Association and Individual Permittee

*Minnesota River Basin General Phosphorus Permit – Phase I (Permit)*

**TABLE B**

Trade Association (Buyer)			Individual Permittee (Seller)		
A.	B.	C.	D.	E.	F.
Upward Adjustment to Trade Association's 5-Month Mass Phosphorus Limit (JTUs)	Buyer Trade Ratio	Total Number of JTUs Purchased	Total Number of JTUs Sold	Seller JBOD Factor	Reduction in Seller's 5-Month Mass Phosphorus Limit (kg)
NA	NA	NA	NA	NA	NA

- A – Indicate the number of JTUs that the Trade Association has purchased to increase its 5-Month Mass Phosphorus Limit. This is not the same as the total number of JTUs purchased. The total will include the JTUs purchased for the Trade Ratio.
- B – Enter the highest Trade Ratio of all of the Trade Association's members (i.e. either 1.1 or 1.2) as listed in Appendix B of the Permit).
- C – Calculate the total number of JTUs that must be purchased in order to increase the Trade Association's 5-Month Mass Phosphorus Limit by the amount specified in column A and for the Trade Ratio ( $C = A \times B$ ).
- D – Specify the number of JTUs sold to the buyer. This equals the number of JTUs purchased by the Trade Association ( $D = C$ ).
- E – Specify the seller's JBOD Factor as listed in Appendix B or as indicated in Appendix G of the Permit.
- F – Indicate the reduction in the seller's 5-Month Mass Phosphorus Limit due to this trade ( $F = D / E$ ). Express this value as a whole number. If the calculation does not result in a whole number, round up to nearest whole number.

The individual Permittee and the Trade Association representative must both sign this form below.

#### 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 the buyer's 5-Month Mass Phosphorus Limit will be increased and the seller's 5-Month Mass Phosphorus Limit will be decreased by the values specified in the appropriate table above. I further understand that if the total phosphorus discharge (in JTUs) of the members of a Trade Association exceed their Trade Association's Final Adjusted Phosphorus Limit, that each member Permittee of the Trade Association will be individually held responsible for meeting its own Final Adjusted Phosphorus Limit in kilograms as indicated in its Legal Contract to Trade Form – Internal Trading (Form B). I understand that this trade is not valid unless all members of the Trade Association are Permittee's 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 certify that I have the authority to sign this contract of behalf of my Trade Association.

**Individual Permittee:** \_\_\_\_\_  
*Signature (Principal Executive Officer)*

May 1, 2008  
*Date*

Mayor  
*Title*

**Trade Association Representative:** \_\_\_\_\_  
*Signature (Authorized Representative)*

May 11, 2008  
*Date*

Authorized Rep  
*Title*