State of California – Department of Fish and Wildlife

SELF-INSURANCE WORKSHEET

DFW 1933 (Rev. 8/20/2015) Page 1 of 5



Self-Insurance Worksheet (Cover Sheet)

Name of Company or Corporation:		
Amount of self-insurance to be demonstrated:		
Date of Reference Audited Financial Statements:		
Please indicate which test you wish to apply:		
Test I		
Test II		
Submittal Date:		

TEST I

Please complete the following	if you indicated "-	Test I" or skip to	Test II if you	answered "-	Test
II" to the preceding question.					

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Calculation 1

	Ratio of Total Liabilities to Net Worth	- enter the fo	llowing from	n current au	dite
	financial statements: (Please indicate	in the financ	<mark>cial stateme</mark>	<mark>nts where t</mark>	hese
	figures are located, either by highlightin	ig or placing a	<mark>a check mar</mark> k	c.)	
	Total Liabilities =	_ = Net Wor	th		-
	Is the above ratio less than 1.5?	Yes	No		
	If the above answer is "yes", skip to Stecomplete Calculation 2.	<mark>ep B.</mark> If the an	swer above	is "no", plea	se
Calcul	ation 2				
	Ratio of cash flows to total liabilities - is million to total liabilities greater than 0.1		ash flow (1)	Minus \$20	
	Yes No				
	Please enter the following from current	audited finan	cial stateme	nts:	
	Cash flow ¹ - \$20,000,000 =	=		_Total Liabil	lities

If you answered "no" to both of the above questions, stop here and proceed to Test II. Your company or corporation does not pass Test I.

¹ Cash flow is defined as net income, after taking into consideration the effect of any extraordinary items, plus depreciation, depletion, and amortization. In the space below or on a separate page please show how you arrived at the amount used in the above calculation.

TEST I Continued

STEP B.
Is the tangible net worth of the corporation (worldwide owners equity minus intangible assets) equal to at least \$20 million plus two times the amount of self-insurance to be demonstrated?
Yes No
If the answer to the above question is no, stop here. Your corporation does not qualify for self-insurance.
Please show the calculation in the space below: (Please indicate in the financial statements where these figures are located, either by highlighting or placing a check mark directly on the statement.)
Worldwide owner's equity:
Subtract intangible assets: (-)
Equals Tangible net worth: =
2 x (amount of self-insurance) + \$20,000,000 =
2 x () + \$20,000,000 =
STEP C.
Are assets in the United States equal to at least 90 percent of total assets or 2 times the amount of self-insurance being demonstrated?

Amount of total assets² located in the United States: \$ _____

No

Yes

² Please submit a separate auditor's statement to support this number if consolidated financial statements have been used as evidence of the ability to self-insure.

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Current Bond Rating: Please attach a copy of the/your most recent rating letter

The applicant must have a current rating of the applicant's most recent bond issuance of AAA, AA, A, or BBB-stable or better, as issued by Standard and Poors, or Aaa, Aa, A, or Baa as issued by Moody's, or commercial paper rating of A1, A2, or the equivalent.

STEP B.

STEP C.

Is the tangible net worth of the corporation (worldwide owners equity minus intangible assets) equal to at least \$20 million plus two times the amount of self-insurance to be demonstrated?

	Yes	No		
	•	•	. Your corporation does n the calculations below.	ot qualify
Show the calculati (Please indicate in the placing a check mark	e financial stateme	nts where these figure	es are located, either by highlig	ı <mark>hting or</mark>
Worldwide owner's	s equity:			
Subtract intangible	e assets: (-)			
Equals Tangible n	et worth: =			
2 x (amount of se	, , , , , , , , , , , , , , , , , , , ,			
2 x () + \$20.00	0.000 =		

Are assets in the United States equal to at least 90 percent of total assets or 2 times the amount of self-insurance being demonstrated?

Yes No

Amount of total assets³ located in the United States: \$

³ Please submit a separate auditor's statement to support this number if consolidated financial statements have been used as evidence of the ability to self-insure.

Sample of language for acceptable financial officer's letter supporting the demonstration of self-insurance.

LETTERHEAD

Administrator
Department of Fish and Wildlife
Office of Spill Prevention and Response
1010 Riverside Parkway
West Sacramento, California 95605

Dear Administrator:	
I am the	of(Name of Corporation)

The purpose of this letter is to support the corporation's use of self-insurance as a means for demonstrating financial responsibility in the amount and manner stated by the enclosed schedule pursuant to Title 14, California Code of Regulations, Section 795 (b). Moreover, the corporation is the owner or operator of the marine facility or facilities described in the applicable application(s) for Certificate(s) of financial responsibility submitted to the Department of Fish and Wildlife's Office of Spill Prevention and Response by or on behalf of the corporation or its subsidiary or subsidiaries.

The corporation agrees to notify the Administrator for Spill Response by certified mail within five business days if, at any time, the corporation fails to meet the self-insurance test criteria.

Signature block

Instructions for completion of Form DFW 1933

- 1. Complete either Test I or Test II by filling in the information in Steps A C.
- 2. Once completed, fill out the Self Insurance Cover Sheet (located on page 1)
- 3. Assemble the Self Insurance Cover Sheet, completed Test I or II as appropriate, and financial documentation with notations for figures provided highlighted).
- 4. Prepare a letter for the Financial Officer (see sample provided on page 4)

5. Remit entire package to:

U.S. Mail: Financial Responsibility Unit

Department of Fish and Wildlife

Office of Spill Prevention and Response

P.O. Box 944209

Sacramento, California 92444-2090

Courier Service: Financial Responsibility Unit

Department of Fish and Wildlife

Office of Spill Prevention and Response

1010 Riverside Parkway

West Sacramento, California 95605