

**NEW JERSEY DEPARTMENT OF ENVIRONMENTAL PROTECTION
SOLID AND HAZARDOUS WASTE MANAGEMENT PROGRAM
FINANCIAL MANAGEMENT UNIT**

**SANITARY LANDFILL ESCROW ACCOUNTS
INVESTMENT GUIDELINES**

PORTFOLIO OBJECTIVES

Maximize Return, Minimize Risk

GUIDELINES

The Escrow Agent shall use all reasonable efforts to invest in funds at the highest available rates of interest, consistent with the timing of the escrow fund withdrawal requirements, in the following:

- A. Obligations issued or guaranteed by an instrumentality or agency of the United States of America, whether now existing or hereafter organized;*
 - B. Obligations issued or guaranteed by any State of the United States or the District of Columbia.*
 - C. Repurchase agreements (including repurchase agreements of the Escrow Agent) fully secured by obligations of the kind specified in (A) or (B) above, as well as in money market funds and in common funds of the Escrow Agent invested in obligations specified in (A) and (B) above;*
- and**
- D. Interest bearing deposits in any bank or trust company (which may include the escrow agent) which has combined capital surplus and retained earnings of at least \$50,000,000. Any interest payable on said funds shall become part of the escrow account balance.*
 - E. Maximum maturity of individual securities shall be limited to 10 years.*
 - F. The average maturity should be between 3 and 5 years in accordance with the needs specified in the closure/post-closure financial plan.*
 - G. For all county, municipal, and local governments, please refer to N.J.S.A. 40A:5-15.1, which provides specific guidance for the allowable investment of public funds.*

To facilitate these investments the facility shall provide the Escrow Agent and the Chief, Bureau of Transfer Stations and Recycling Facilities, with a schedule of anticipated escrow account withdrawals consistent with the closure/post-closure financial plan approved by the Department. The parties understand that said schedule shall be solely for the guidance of the Escrow Agent for investment purposes and shall not be considered as a firm escrow withdrawal schedule. All notices to the Department on these matters shall be sent to Mailcode 401-02C, Solid and Hazardous Waste Management Program, Financial Management Unit, P.O. Box 420, Trenton, New Jersey 08625-0420.