

PARENT COMPANY GUARANTEE

Guarantee made this *[insert date]* by Autoliv ASP, Inc., a corporation organized under the laws of the State of Indiana, herein referred to as "guarantor," to the U.S. Nuclear Regulatory Commission (NRC), beneficiary, on behalf of our subsidiary Aerotest Operations, Inc., of 3455 Fostoria Way, San Ramon, CA 94583.

Recitals

1. The guarantor has full authority and capacity to enter into this guarantee under its bylaws, articles of incorporation, and the laws of the State of Indiana, its State of incorporation. *[If the guarantor has a Board of Directors, insert the following: "Guarantor has approval from its Board of Directors to enter into this guarantee."]*
2. This guarantee is being issued so that Aerotest Operations, Inc. will be in compliance with regulations issued by NRC, an agency of the U.S. Government, pursuant to the Atomic Energy Act of 1954, as amended, and the Energy Reorganization Act of 1974. NRC has promulgated regulations in Title 10, Chapter I of the *Code of Federal Regulations*, Part 140, which requires that a holder of, or an applicant for, a an operating license issued pursuant to 10 CFR Part 50 to maintain financial protection.
3. The guarantee is issued to provide adequate resources for the financial protection required by 10 C.F.R. § 140.14(a)(2) for Aerotest Operations, Inc., 3455 Fostoria Way, San Ramon, CA, 94583, NRC license No. R-98. The financial protection required for the Aerotest Research and Radiography Reactor is \$1,500,000.
4. The guarantor meets or exceeds the following financial test criteria and agrees to comply with all notification requirements as specified in 10 CFR Part 30 and Appendix A to 10 CFR Part 30.

The guarantor meets the following financial tests:

- (i) Two of the following three ratios: a ratio of total liabilities to total net worth less than 2.0; a ratio of the sum of net income plus depreciation, depletion, and amortization to total liabilities greater than 0.1; and a ratio of current assets to current liabilities greater than 1.5; and
- (ii) Net working capital and tangible net worth each at least six times the costs covered by financial tests; and
- (iii) Tangible net worth of at least \$21 million; and

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- (iv) Assets located in the United States amounting to at least 90 percent of total assets or at least six times the costs covered by financial tests.
- 5. The guarantor has majority control of the voting stock for the following licensee covered by this guarantee: Aerotest Operations, Inc., Aerotest Research and Radiograph Reactor, 3455 Fostoria Way, San Ramon, CA, 94583, NRC License No. R-98.
- 6. For value received from Aerotest Operations, Inc., and pursuant to the guarantor's authority to enter into this guarantee, the guarantor guarantees to NRC that, as required by License No. R-98, the guarantor shall pay into the standby trust fund \$1,500,000.
- 7. The guarantor agrees to submit revised financial statements, financial test data, and an auditor's special report and reconciling schedule annually within 90 days of the close of the parent guarantor's fiscal year.
- 8. The guarantor and the licensee agree that if, at the end of any fiscal year before termination of this guarantee, the guarantor fails to meet the financial test criteria, the guarantor and the licensee shall send within 90 days of the end of the fiscal year, by certified mail, notice to NRC. If the licensee fails to provide alternative financial protection as specified in 10 CFR Part 140, and obtain written approval of such financial protection from the NRC within 120 days after the end of the fiscal year, the guarantor shall establish such financial protection in the name of Aerotest Operations, Inc., or make full payment under the guarantee to the standby trust.
- 9. Independent of any notification under Recital 8 above, if the NRC determines for any reason that the guarantor no longer meets the financial test criteria or that it is disallowed from continuing as a guarantor for the facility under License No. R-98, the guarantor agrees that within 30 days after being notified by the NRC of such determination, an alternative financial protection mechanism as specified in 10 CFR § 140.14, as applicable, shall be established by the guarantor in the name of Aerotest Operations, Inc. unless Aerotest Operations, Inc. has done so.

10. The guarantor also agrees to notify the NRC promptly if the ownership of the licensee or the parent firm is transferred and to maintain this guarantee until the new parent firm or the licensee provides alternative financial protection acceptable to the NRC.
11. The guarantor agrees that if it determines, at any time other than as described in Recital 8, that it no longer meets the financial test criteria or it is disallowed from continuing as a guarantor, it shall establish alternative financial protection as specified in 10 CFR § 140.14, as applicable, within 30 days, in the name of Aerotest Operations, Inc. unless Aerotest Operations, Inc. has done so.
12. The guarantor as well as its successors and assigns agree to remain bound jointly and severally under this guarantee notwithstanding any or all of the following: amendment or modification of license, or any other modification or alteration of an obligation of the licensee pursuant to 10 CFR Part 50.
13. The guarantor agrees that all bound parties shall be jointly and severally liable for all litigation costs incurred by the NRC in any successful effort to enforce the agreement against the guarantor.
14. The guarantor agrees to remain bound under this guarantee for as long as Aerotest Operations, Inc. must comply with the applicable financial protection requirements of 10 CFR Part 140, for the previously listed facility, except that the guarantor may cancel this guarantee by sending notice by certified mail to NRC and to Aerotest Operations, Inc., such cancellation to become effective no earlier than 120 days after receipt of such notice by both NRC and Aerotest Operations, Inc. as evidenced by the return receipts.
15. The guarantor agrees that if Aerotest Operations, Inc. fails to provide alternative financial protection as specified in 10 CFR Part 140, as applicable, and obtain written approval of such financial protection from NRC within 90 days after a notice of cancellation by the guarantor is received by both NRC and Aerotest Operations, Inc. from the guarantor, the guarantor shall provide such alternative financial protection in the name of Aerotest Operations, Inc. or make full payment under the guarantee.
16. The guarantor agrees that it is subject to Commission orders to make payments under the guarantee agreement.
17. The guarantor agrees that if the guarantor admits in writing its inability to pay its debts generally, or makes a general assignment for the benefit of creditors, or any proceeding is instituted by or against the guarantor seeking to adjudicate it as bankrupt or insolvent, or seeking dissolution, liquidation, winding-up, reorganization, arrangement, adjustment, protection, relief, or composition of it or its debts under any law relating to bankruptcy, insolvency, or reorganization or relief of debtors, or seeking the entry of an order for relief or the appointment of a receiver, trustee, custodian, or other similar official for the guarantor or for any substantial part of its property, or the guarantor takes any action to authorize or effect any of the actions stated in this paragraph, then the Commission may:
 - (a) Declare that the financial protection guaranteed by the parent company guarantee agreement is immediately due and payable to the standby trust set up to protect the

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public health and safety and the environment, without diligence, presentment, demand, protect or any other notice of any kind, all of which are expressly waived by guarantor; and

(b) Exercise any and all of its other rights under applicable law.

18. The guarantor agrees to notify the NRC, in writing, immediately following the filing of a voluntary or involuntary petition for bankruptcy under any chapter of Title 11 (Bankruptcy) of the United States Code (U.S.C.), or the occurrence of any other event listed in recital 17 of this guarantee and by or against the guarantor; the licensee; an entity (as that term is defined in 11 U.S.C. 101(14)) controlling the licensee or listing the license or licensees as property of the estate; or an affiliate (as that term is defined in 11 U.S.C. 101(2)) of the licensee. This notification must include: a description of the event, including major creditors, the amounts involved, and the actions taken to assure that the amount of funds guaranteed by the parent company guarantee for decommissioning will be transferred to the standby trust as soon as possible; if a petition of bankruptcy was filed, the identity of the bankruptcy court in which the petition for bankruptcy was filed; and the date of filing of any petitions.
19. The guarantor expressly waives notice of acceptance of this guarantee by NRC or by Aerotest Operations, Inc. The guarantor also expressly waives notice of amendments or modifications of the financial protection requirements and of amendments or modifications of the license.
20. If the guarantor files financial reports with the U.S. Securities and Exchange Commission, then it shall promptly submit them to NRC during each year in which this guarantee is in effect.

I hereby certify that this guarantee is true and correct to the best of my knowledge. Effective date: _____

Autoliv ASP, Inc.

[Name of person signing]
[Title of person signing]

Aerotest Operations, Inc.

[Name of person signing]
[Title of person signing]

Signature of witness or notary: _____

STANDBY TRUST AGREEMENT

TRUST AGREEMENT, the Agreement entered into as of June ____, 2016 by and between Aerotest Operations, Inc., a California corporation, herein referred to as the "Grantor," and Wells Fargo Bank, National Association, a national banking association organized under the law of the United States, the "Trustee."

WHEREAS, the U.S. Nuclear Regulatory Commission (NRC), an agency of the U.S. Government, pursuant to the Atomic Energy Act of 1954, as amended, and the Energy Reorganization Act of 1974, has promulgated regulations in Title 10, Chapter I, of the *Code of Federal Regulations*, Part 140. These regulations, applicable to the Grantor, require that a holder of, or an applicant for, an operating license issued pursuant to 10 CFR Part 50 provide financial protection in the amount specified in 10 C.F.R. § 140.11(a).

WHEREAS, the Grantor has elected to use a parent company guarantee to provide all of such financial protection for the facility identified herein; and

WHEREAS, when payment is made under a parent company guarantee, this standby trust shall be used for the receipt of such payment; and

WHEREAS, the Grantor, acting through its duly authorized officers, has selected the Trustee to be the trustee under this Agreement, and the Trustee is willing to act as trustee;

NOW, THEREFORE, the Grantor and the Trustee agree as follows:

Section 1. Definitions. As used in this Agreement:

- (a) The term "Grantor" means the NRC licensee who enters into this Agreement and any successors or assigns of the Grantor.
- (b) The term "Trustee" means the trustee who enters into this Agreement and any successor trustee.

Section 2. Financial Protection. This Agreement pertains to the financial protection requirements specified in 10 CFR § 140.14(a)(2) required by License Number R-98 issued pursuant to 10 CFR Part 50.

Section 3. Establishment of Fund. The Grantor and the Trustee hereby establish a standby trust fund (the "Fund") for the benefit of NRC. The Grantor and the Trustee intend that no third party shall have access to the Fund except as provided herein.

Section 4. Payments Constituting the Fund. Payments made to the Trustee for the Fund shall consist of cash, securities, or other liquid assets acceptable to the Trustee. The Fund is established initially as consisting of the property, which is acceptable to the Trustee, described in Schedule B attached hereto. Such property and any other property subsequently transferred to the Trustee are referred to as the "Fund," together with all earnings and profits thereon, less any payments or distributions made by the Trustee pursuant to this Agreement. The Fund shall be held by the Trustee, IN TRUST, as hereinafter provided. The Trustee shall not be responsible nor shall it undertake any responsibility for the amount of, or adequacy of the Fund, nor any duty to collect from the Grantor, any payments necessary to discharge any liabilities of the

Grantor established by NRC.

Section 5. Payment for Required Activities Specified in the Plan. The Trustee shall make payments from the Fund to the Grantor upon presentation to the Trustee of the following:

- (a) A certificate duly executed by the Secretary of the Grantor attesting to the occurrence of the events, and in the form set forth in the attached Certificate of Events, and
- (b) A certificate attesting to the following conditions:
 - (1) that an event requiring financial protection is declared pursuant to 10 CFR Part 140;
 - (2) that the funds withdrawn will be expended for activities undertaken pursuant to 10 CFR Part 140; and
 - (3) that NRC has been given prior notice of Aerotest Operations, Inc.'s intent to withdraw funds from the trust fund.

In addition, the Trustee shall make payments from the Fund as NRC shall direct, in writing, to provide for the payment of the costs of required activities covered by this Agreement. The Trustee shall reimburse the Grantor or other persons as specified by NRC from the Fund for expenditures for required activities in such amounts as NRC shall direct in writing. In addition, the Trustee shall refund to the Grantor such amounts as NRC specifies in writing. Upon refund, such funds shall no longer constitute part of the Fund as defined herein.

Section 6. Trust Management. The Trustee shall invest and reinvest the principal and income of the Fund and keep the Fund invested as a single fund, without distinction between principal and income, in accordance with general investment policies and guidelines which the Grantor may communicate in writing to the Trustee from time to time, subject, however, to the provisions of this section. In investing, reinvesting, exchanging, selling, and managing the Fund, the Trustee shall discharge its duties with respect to the Fund solely in the interest of the beneficiary and with the care, skill, prudence and diligence under the circumstances then prevailing which persons of prudence, acting in a like capacity and familiar with such matters, would use in the conduct of an enterprise of a like character and with like aims, except that:

- (a) Securities or other obligations of the Grantor, or any other owner or operator of the facilities, or any of their affiliates as defined in the Investment Company Act of 1940, as amended (15 U.S.C. 80a-2(a)), shall not be acquired or held, unless they are securities or other obligations of the Federal or a State government;
- (b) The Trustee is authorized to invest the Fund in time or demand deposits of the Trustee, to the extent insured by an agency of the Federal government, and in obligations of the Federal government such as GNMA, FNMA, and FHLM bonds and certificates or State and Municipal bonds rated BBB or higher by Standard & Poor's or Baa or higher by Moody's Investment Services; and
- (c) For a reasonable time, not to exceed 60 days, the Trustee is authorized to hold uninvested cash, awaiting investment or distribution, without liability for the payment of interest thereon.

Section 7. Commingling and Investment. The Trustee is expressly authorized in its discretion:

- (a) To transfer from time to time any or all of the assets of the Fund to any common, commingled, or collective trust fund created by the Trustee in which the Fund is eligible to participate, subject to all of the provisions thereof, to be commingled with the assets of other trusts participating therein; and
- (b) To purchase shares in any investment company registered under the Investment Company Act of 1940 (15 U.S.C. 80a-1 et seq.), including one that may be created, managed, underwritten, or to which investment advice is rendered, or the shares of which are sold by the Trustee. The Trustee may vote such shares in its discretion.

Section 8. Express Powers of Trustee. Without in any way limiting the powers and discretion conferred upon the Trustee by the other provisions of this Agreement or by law, the Trustee is expressly authorized and empowered:

- (a) To sell, exchange, convey, transfer, or otherwise dispose of any property held by it, by public or private sale, as necessary to allow duly authorized withdrawals at the joint request of the Grantor and NRC or to reinvest in securities at the direction of the Grantor;
- (b) To make, execute, acknowledge, and deliver any and all documents of transfer and conveyance and any and all other instruments that may be necessary or appropriate to carry out the powers herein granted;
- (c) To register any securities held in the Fund in its own name, or in the name of a nominee, and to hold any security in bearer form or in book entry, or to combine certificates representing such securities with certificates of the same issue held by the Trustee in other fiduciary capacities, to reinvest interest payments and funds from matured and redeemed instruments, to file proper forms concerning securities held in the Fund in a timely fashion with appropriate government agencies, or to deposit or arrange for the deposit of such securities in a qualified central depository even though, when so deposited, such securities may be merged and held in bulk in the name of the nominee or such depository with other securities deposited therein by another person, or to deposit or arrange for the deposit of any securities issued by the U.S. Government, or any agency or instrumentality thereof, with a Federal Reserve Bank, but the books and records of the Trustee shall at all times show that all such securities are part of the Fund;
- (d) To deposit any cash in the Fund in interest-bearing accounts maintained or savings certificates issued by the Trustee, in its separate corporate capacity, or in any other banking institution affiliated with the Trustee, to the extent insured by an agency of the Federal government; and
- (e) To compromise or otherwise adjust all claims in favor of or against the Fund.

Section 9. Taxes and Expenses. All taxes of any kind that may be assessed or levied against or in respect of the Fund and all brokerage commissions incurred by the Fund shall be paid from the Fund. All other expenses incurred by the Trustee in connection with the administration of this

Trust, including fees for legal services rendered to the Trustee, the compensation of the Trustee to the extent not paid directly by the Grantor, and all other proper charges and disbursements of the Trustee shall be paid from the Fund.

Section 10. Annual Valuation. After payment has been made into this standby trust fund, the Trustee shall annually, at least 30 days before the anniversary date of receipt of payment into the standby trust fund, furnish to the Grantor and to NRC a statement confirming the value of the Trust. Any securities in the Fund shall be valued at market value as of no more than 60 days before the anniversary date of the establishment of the Fund. The failure of the Grantor to object in writing to the Trustee within 90 days after the statement has been furnished to the Grantor and NRC shall constitute a conclusively binding assent by the Grantor, barring the Grantor from asserting any claim or liability against the Trustee with respect to the matters disclosed in the statement.

Section 11. Advice of Counsel. The Trustee may from time to time consult with counsel with respect to any question arising as to the construction of this Agreement or any action to be taken hereunder. The Trustee shall be fully protected, to the extent permitted by law, in acting on the advice of counsel.

Section 12. Trustee Compensation. The Trustee shall be entitled to reasonable compensation for its services as agreed upon in writing with the Grantor. (See Schedule C.)

Section 13. Successor Trustee. Upon 90 days notice to NRC and the Grantor, the Trustee may resign; upon 90 days notice to NRC and the Trustee, the Grantor may replace the Trustee, but such resignation or replacement shall not be effective until the Grantor has appointed a successor Trustee, the successor accepts the appointment, the successor is ready to assume its duties as trustee, and NRC has agreed, in writing, that the successor is an appropriate Federal or State government agency or an entity that has the authority to act as a trustee and whose trust operations are regulated and examined by a Federal or State agency. The successor Trustee shall have the same powers and duties as those conferred upon the Trustee hereunder. When the resignation or replacement is effective, the Trustee shall assign, transfer, and pay over to the successor Trustee the funds and properties then constituting the Fund. If for any reason the Grantor cannot or does not act in the event of the resignation of the Trustee, the Trustee may apply to a court of competent jurisdiction for the appointment of a successor Trustee or for instructions. The successor Trustee shall specify the date on which it assumes administration of the trust, in a writing sent to the Grantor, NRC, and the present Trustee, by certified mail 10 days before such change becomes effective. Any expenses incurred by the Trustee as a result of any of the acts contemplated by this section shall be paid as provided in Section 9.

Section 14. Instructions to the Trustee. All orders, requests, and instructions by the Grantor to the Trustee shall be in writing, signed by such persons as are signatories to this Agreement or such other designees as the Grantor may designate in writing. The Trustee shall be fully protected in acting without inquiry in accordance with the Grantor's orders, requests, and instructions. If NRC issues orders, requests, or instructions to the Trustee, these shall be in writing, signed by NRC or its designees, and the Trustee shall act and shall be fully protected in acting in accordance with such orders, requests, and instructions. The Trustee shall have the

right to assume, in the absence of written notice to the contrary, that no event constituting a change or a termination of the authority of any person to act on behalf of the Grantor or NRC hereunder has occurred. The Trustee shall have no duty to act in the absence of such orders, requests, and instructions from the Grantor and/or NRC, except as provided for herein.

Section 15. Amendment of Agreement. This Agreement may be amended by an instrument in writing executed by the Grantor, the Trustee, and NRC, or by the Trustee and NRC if the Grantor ceases to exist. All amendments shall meet the relevant regulatory requirements of NRC.

Section 16. Irrevocability and Termination. Subject to the right of the parties to amend this Agreement as provided in Section 15, this trust shall be irrevocable and shall continue until terminated at the written agreement of the Grantor, the Trustee, and NRC, or by the Trustee and NRC if the Grantor ceases to exist. Upon termination of the trust, all remaining trust property, less final trust administration expenses, shall be delivered to the Grantor or its successor.

Section 17. Immunity and Indemnification. The Trustee shall not incur personal liability of any nature in connection with any act or omission, made in good faith, in the administration of this trust, or in carrying out any directions by the Grantor or NRC issued in accordance with this Agreement. The Trustee shall be indemnified and saved harmless by the Grantor or from the trust fund, or both, from and against any personal liability to which the Trustee may be subjected by reason of any act or conduct in its official capacity, including all expenses reasonably incurred in its defense in the event the Grantor fails to provide such defense.

Section 18. This Agreement shall be administered, construed, and enforced according to the laws of the State of [California?insert name of State].

Section 19. Interpretation and Severability. As used in this Agreement, words in the singular include the plural and words in the plural include the singular. The descriptive headings for each section of this Agreement shall not affect the interpretation or the legal efficacy of this Agreement. If any part of this Agreement is invalid, it shall not affect the remaining provisions which will remain valid and enforceable.

IN WITNESS WHEREOF the parties have caused this Agreement to be executed by the respective officers duly authorized and the incorporate seals to be hereunto affixed and attested as of the date first written above.

GRANTOR:

Aerotest Operations, Inc.

[need to add address]

[Signature of representative of Grantor]

[Title]

ATTEST:

[Title]

[Seal]

TRUSTEE:

Wells Fargo Bank, National Association

1700 Lincoln St, 10th Floor

Denver, CO 80203

Attention: Michael W. McGuire;

Corporate, Municipal and Escrow Solutions

Telephone: (303) 863-6425

Facsimile: (303) 863-5645

E-mail: michael.w.mcguire@wellsfargo.com

Amy C. Perkins

Vice President

ATTEST:

[Title]

[Seal]

CONFIRMATION OF CHIEF FINANCIAL OFFICER'S LETTER

We have examined the financial statements of Autoliv ASP, Inc. ("Autoliv") for the two years ended December 31, 2015, and have issued our report thereon dated March 30, 2016. Our examination was made in accordance with generally accepted auditing standards and, accordingly, included such tests of the accounting records and such other auditing procedures as we considered necessary.

Autoliv has prepared documents to demonstrate its financial responsibility under NRC's financial protection regulations, 10 CFR Part 140. This letter is furnished to assist the licensee Aerotest Operations, Inc. (Autoliv's subsidiary), License No. R-98, in complying with these regulations and should not be used for other purposes.

The attached schedule reconciles the specified information furnished in the chief financial officer's (CFO's) letter in response to the regulations with Autoliv's financial statements. In connection therewith, we have

1. Confirmed that the amounts in the column "Per Financial Statements" agree with amounts contained in the company's financial statements for the two years ended December 31, 2015;
2. Confirmed that the amounts in the column "Per CFO's Letter" agree with the letter prepared in response to NRC's request;
3. Confirmed that the amounts, if any, in the column "Reconciling Items" are adequately explained in the attached schedule, that each reconciling item represents an appropriate adjustment to the financial data, and that the amount of each reconciling item is accurate; and
4. Recomputed the totals and percentages.

Because the procedures in 1-4 above do not constitute a full examination made in accordance with generally accepted auditing standards, we do not express an opinion on the manner in which the amounts were derived in the items referred to above. In connection with the procedures referred to above, no matters came to our attention that cause us to believe that the chief financial officer's letter and supporting information should be adjusted.

We have evaluated the off-balance sheet transactions of Autoliv and it is our opinion that these transactions [*insert "could" or "could not"*] materially adversely affect the ability of Autoliv to provide the financial protection specified in 10 CFR §140.14(a)(2).

Signature

Date

Schedule Reconciling Amounts Contained in Chief Financial Officer's Letter with Amounts in Financial Statements

AUTOLIV ASP, INC.
TWO YEARS ENDED DECEMBER
31, 2015

<u>Per Line Number in CFO's Letter</u>		<u>Per Financial Statements</u>	<u>Reconciling Items</u>	<u>CFO's Letter</u>
6	Total current liabilities	X		
	Long-term debt	X		
	Deferred income taxes	X		
		XXX		
	Accrued decommissioning costs included in current liabilities		X	
	Total liabilities (less accrued decommissioning costs)			X
4	Total net worth	XX		
	Less: Cost in excess of value of tangible assets acquired	X		
		X		
	Accrued decommissioning costs included in current liabilities		X	
	Tangible net worth (plus decommissioning costs)			X

Note:

The model schedule above does not illustrate an entire schedule. Rather, it illustrates the form of schedule the NRC expects to be submitted by licensees. Details and reconciling items will differ in specific situations

U.S. Nuclear Regulatory Commission
Attn: Document Control Desk
Washington DC 20555

Re: Aerotest Operations, Inc., Docket No. 50-228
Response to Request for Additional Information Regarding application for Change in
Method of Providing Financial Protection

Reference 1: Letter from Spyros Traiforos, Project Manager, Research and Test
Reactor Licensing Branch re: Aerotest Operations, Inc. – Request for Additional
Information Regarding Application for a Change in Method of Providing Financial
Protection (TAC No. MF6254) dated January 20, 2016.

I am the chief executive officer of Autoliv ASP, Inc., a corporation. This letter is in
support of this firm's use of the financial test to demonstrate adequate resources, as
specified in 10 CFR Part 140.

I hereby certify that Autoliv ASP, Inc. is currently a going concern, and that it possesses positive
tangible net worth in the amount of approximately \$ 1.1 billion.

This firm [*insert "is required" or "is not required"*] to file a Form 10-K with the
U.S. Securities and Exchange Commission for the latest fiscal year. This fiscal year of
this firm ends on [*insert month and day*].

I hereby certify that the content of this letter is true and correct to the best of my
knowledge.

[Name]

[Title]

[Date]

SUPPLEMENTAL AGREEMENT

This Supplemental Agreement dated as of **June** __, **2016** (the "Supplement") is executed by and between **Aerotest Operations, Inc.**, a California corporation, (the "Grantor"), and **Wells Fargo Bank, National Association**, a national banking association, organized under the law of the United States (the "Trustee"), and relates to the Standby Trust Fund Agreement executed by the Grantor and the Trustee as of June __, 2016 (the "Trust Agreement"). Capitalized terms used herein but not defined herein shall have the meanings given to them in the Trust Agreement.

Recitals.

(a) The Trust Agreement is in the form of trust agreement required by the U.S. Nuclear Regulatory Commission ("NRC"), an agency of the U.S. Government, pursuant to the Atomic Energy Act of 1954, as amended, the Energy Reorganization Act of 1974, and regulations promulgated in Title 10, Chapter I, of the Code of Federal Regulations, Part 140. Concurrently with the execution of this Supplement, the Grantor and the Trustee are executing the Trust Agreement.

(b) This Supplement serves to clarify certain provisions of the Trust Agreement by establishing additional terms of agreement between the Grantor and the Trustee, but is not intended to diminish or contradict the terms or conditions of the Trust Agreement.

(c) The Trustee would be unwilling to enter into the Trust Agreement unless and until the Grantor first entered into this Supplement.

Agreements.

Section 1. No Duty to Confirm Compliance.

The Trustee shall have no duty to determine if the Grantor is complying with the requirements set forth in any regulations of the NRC that the Trust Agreement is based upon.

Section 2. Investment.

The Grantor shall execute an Investment Objective Form substantially in the form of Exhibit C to this Supplement. In the absence of delivery of a properly executed Investment Objective, the Trustee shall hold the funds uninvested. The Trustee shall have no responsibility or liability for any loss which may result from any investment or sale of investment made pursuant to this Supplement or any other actions or omissions of the Trustee, other than for gross negligence or willful misconduct. The Trustee is hereby authorized, in making or disposing of any investment permitted by the Trust Agreement or this Supplement, to deal with itself (in its individual capacity) or with any one or more of its affiliates, whether it or any such affiliate is acting as agent of the Trustee or for any third person or dealing as principal for its own account.

Section 3. Tax Reporting.

(a) Tax Reporting. All interest or other taxable income earned from the investment of the Fund in any tax year shall be taxable to Grantor.

(b) Certification of Tax Identification Number. For certain payments made pursuant to the Trust Agreement, the Trustee may be required to make a "reportable payment" or "withholdable payment" and in such cases the Trustee shall have the duty to act as a payor or withholding agent, respectively,

that is responsible for any tax withholding and reporting required under Chapters 3, 4, and 61 of the United States Internal Revenue Code of 1986, as amended (the "Code"). The Trustee shall have the sole right to make the determination as to which payments are "reportable payments" or "withholdable payments." The Grantor shall provide an executed IRS Form W-9 or appropriate IRS Form W-8 (or, in each case, any successor form) to the Trustee prior to the date hereof, and shall promptly update any such form to the extent such form becomes obsolete or inaccurate in any respect. The Trustee shall have the right to request from the Grantor, or any other person or entity entitled to payment hereunder, any additional forms, documentation or other information as may be reasonably necessary for the Trustee to satisfy its reporting and withholding obligations under the Code. To the extent any such forms to be delivered under this Section 3(b) are not provided prior to the date hereof or by the time the related payment is required to be made or are determined by the Trustee to be incomplete and/or inaccurate in any respect, the Trustee shall be entitled to withhold (without liability) a portion of any interest or other income earned on the investment of the Fund or on any such payments hereunder to the extent withholding is required under Chapters 3, 4, or 61 of the Code, and shall have no obligation to gross up any such payment.

Section 4. Compensation of the Trustee.

The Trustee shall receive compensation and expense reimbursements for its services hereunder in accordance with the exhibit attached hereto as Exhibit A, which shall be borne by Grantor. The Trustee shall have, and is hereby granted, a prior lien upon the Fund with respect to its unpaid fees, non-reimbursed expenses and unsatisfied indemnification rights, superior to the interests of any other persons or entities and is hereby granted the right to set off and deduct any unpaid fees, non-reimbursed expenses and unsatisfied indemnification rights from the Fund.

Section 5. Additional Powers and Trustee Duties.

In addition to Section 8 of the Trust Agreement, without in any way limiting the powers and discretion conferred upon the Trustee by the other provisions of this Agreement or by law, the Trustee is expressly authorized and empowered as follows:

- (a) The Trustee is not a party to, is not bound by, and has no duty to inquire into any agreement other than the Trust Agreement and this Supplement. The Trustee shall have no implied duties beyond the express duties set forth in the Trust Agreement and this Supplement.
- (b) The Trustee, in acting hereunder, may assume the genuineness of any written notice, request, waiver, consent, certificate, receipt, authorization, power of attorney, or other paper or document which the Trustee in good faith believes to be genuine and what it purports to be.
- (c) In no event shall the Trustee be liable, directly or indirectly, for any (i) damages, losses, or expenses arising out of the services provided hereunder, provided that the Trustee acts in good faith, or (ii) special, indirect, punitive, or consequential damages or losses of any kind whatsoever (including without limitation lost profits), even if the Trustee has been advised of the possibility of such damages or losses and regardless of the form of action.
- (d) Under no circumstances shall the Trustee be expected or required to risk or advance its own funds in the performance of its duties or the exercise of its rights under the Trust Agreement or this Supplement.

Section 6. Immunity and Indemnification of Trustee.

The immunity and indemnification provisions of the Trust Agreement shall survive the termination of the Standby Trust Agreement and this Supplement and, with respect to claims arising in connection with Trustee's duties while acting as such, the resignation or removal of Trustee.

Section 7. Merger or Consolidation.

Any corporation or association into which the Trustee may be converted or merged, or with which it may be consolidated, or to which it may sell or transfer all or substantially all of its corporate trust business and assets as a whole or substantially as a whole, or any corporation or association resulting from any such conversion, sale, merger, consolidation or transfer to which the Trustee is a party, shall be and become the successor Trustee under the Trust Agreement and this Supplement and shall have and succeed to the rights, powers, duties, immunities and privileges as its predecessor, without the execution or filing of any instrument or paper or the performance any further act.

Section 8. Choice of Law. This Supplement shall be administered, construed and enforced according to the laws of the State of California.**Section 9. Force Majeure.**

The Trustee shall not be responsible or liable for any failure or delay in the performance of its obligation under this Supplement or the Trust Agreement arising out of or caused, directly or indirectly, by circumstances beyond its reasonable control, including, without limitation, acts of God; earthquakes; fire; flood; wars; acts of terrorism; civil or military disturbances; sabotage; epidemic; riots; interruptions, loss or malfunctions of utilities, computer (hardware or software) or communications services; accidents; labor disputes; acts of civil or military authority or governmental action; it being understood that the Trustee shall use commercially reasonable efforts which are consistent with accepted practices in the banking industry to resume performance as soon as reasonably practicable under the circumstances.

Section 10. Reliance.

The Trustee shall not be liable for any action taken or not taken by it in accordance with the direction or consent of the Grantor or its respective agents, representatives, successors, or assigns. The Trustee shall not be liable for acting or refraining from acting upon any notice, request, consent, direction, requisition, certificate, order, affidavit, letter, or other paper or document believed by it to be genuine and correct and to have been signed or sent by the proper person or persons, without further inquiry into the person's or persons' authority. Concurrent with the execution of this Trust Agreement, the Grantor shall deliver to the Trustee an authorized signers' form in the form of Exhibit B to this Supplement.

Section 11. Notices

All notices, requests, demands, and other communications required under this Supplement shall be in writing, in English, and shall be deemed to have been duly given if delivered (i) personally, (ii) by facsimile transmission with written confirmation of receipt, (iii) on the day of transmission if sent by electronic mail ("e-mail") to the e-mail address given below, and written confirmation of receipt is obtained promptly after completion of transmission, (iv) by overnight delivery with a reputable national overnight delivery service, or (v) by mail or by certified mail, return receipt requested, and postage prepaid. If any notice is mailed, it shall be deemed given five business days after the date such notice is deposited in the United States mail. If notice is given to a party, it shall be given at the address for such party set forth below. It shall be the responsibility of the Grantor to notify the Trustee in writing of any name or address changes. In the case of communications delivered to the Trustee, such communications shall be deemed to have been given on the date received by the Trustee.

Grantor: Aerotest Operations, Inc.
[Address].

Attn: []
Telephone: []
E-mail: []

Trustee: Wells Fargo Bank, National Association
1700 Lincoln St, 10th Floor
Denver, CO 80203
Attention: Michael W. McGuire;
Corporate, Municipal and Escrow Solutions
Telephone: (303) 863-6425
E-mail: michael.w.mcguire@wellsfargo.com

NRC [Add Contact information for NRC]

Section 12. Security Procedure For Funds Transfers.

The Trustee shall confirm each funds transfer instruction received in the name of the Grantor by means of the security procedure selected by the Grantor and communicated to the Trustee through a signed certificate in the form of Exhibit B attached hereto, which upon receipt by the Trustee shall become a part of this Supplement. Once delivered to the Trustee, Exhibit B may be revised or rescinded only by a writing signed by an authorized representative of the Grantor. Such revisions or rescissions shall be effective only after actual receipt and following such period of time as may be necessary to afford the Trustee a reasonable opportunity to act on it. If a revised Exhibit B or a rescission of an existing Exhibit B is delivered to the Trustee by an entity that is a successor-in-interest to the Grantor, such document shall be accompanied by additional documentation satisfactory to the Trustee showing that such entity has succeeded to the rights and responsibilities of the Grantor under this Supplement or the Trust Agreement.

The Grantor understands that the Trustee's inability to receive or confirm funds transfer instructions pursuant to the security procedure selected by the Grantor may result in a delay in accomplishing such funds transfer, and agrees that the Trustee shall not be liable for any loss caused by any such delay.

Section 13 Counterparts.

This Supplement may be executed in one or more counterparts, each of which when executed shall be deemed to be an original, and such counterparts shall together constitute one and the same instrument. The exchange of copies of this Supplement and of signature pages by facsimile or by electronic image scan transmission in .pdf format shall constitute effective execution and delivery of this Supplement as to the Grantor and Trustee and may be used in lieu of the original Supplement for all purposes.

IN WITNESS WHEREOF, the parties hereto have caused this Supplement to be executed by their duly authorized officers on the day and year first set forth above.

Aerotest Operations, Inc., as Grantor

By: _____

[Name]

Its: [Title]

Wells Fargo Bank, National Association, as Trustee

By: _____

Amy C. Perkins

Its: Vice President

DRAFT

EXHIBIT A

TRUSTEE FEE SCHEDULE

Acceptance fee	Waived
A one-time fee for our initial review of governing documents, account set-up and customary duties and responsibilities related to the closing. This fee is payable at closing.	
Annual administration fee	\$7,500
An annual fee for customary administrative services provided by the trustee, including daily routine account management; investment transactions, cash transactions processing (including wire and check processing), disbursement of funds in accordance with the agreement, tax reporting for one entity, and providing account statements to the parties. The administration fee is payable annually in advance per escrow account established. The first installment of the administrative fee is payable at closing.	
Legal counsel fees and expenses	None anticipated
Wells Fargo does not anticipate hiring outside legal counsel and intends to use internal resources to review the governing documents. Wells Fargo reserves the right, at its sole discretion, to hire outside counsel if deemed necessary or advisable.	
Out-of-pocket expenses	At cost
Out-of-pocket expenses will be billed as incurred at cost at the sole discretion of Wells Fargo.	
Extraordinary services	Standard rate
The charges for performing services not contemplated at the time of execution of the governing documents or not specifically covered elsewhere in this schedule will be at Wells Fargo's rates for such services in effect at the time the expense is incurred.	

Assumptions

This proposal is based upon the following assumptions with respect to the role of the Trustee:

- Type of trust/escrow: Regulatory Performance Guarantee
- Number of accounts to be established: One
- Amount of trust/escrow: Unfunded at this time.
- Term of trust/escrow: Up to 10 years
- Number of tax reporting parties: One
- Number of parties to the transaction: Two
- Number of cash transactions (deposits/disbursements): None unless the trust is funded pursuant to the terms of the trust agreement.
- No payments to 3rd parties, only to the parties to the trust agreement or beneficiary NRC, but subject to the terms of the trust agreement.
- Subject to reaching a written Side Agreement acceptable to Wells Fargo, as trustee, and the Aerotest Operations, Inc. to cover required provisions not covered in the NRC Standby Trust agreement. The NRC will not need to review or sign the Side Agreement as they will not be a party to it.
- Subject to Wells Fargo's review and acceptance to the terms of the NRC Standby Trust agreement.
- Fees quoted assume all transaction account balances should the trust be funded will be held uninvested, invested in select Wells Fargo deposit products, or invested in money market mutual funds currently available on Wells Fargo's sweep platform.

Terms and conditions

- The recipient acknowledges and agrees that this proposal does not commit or bind Wells Fargo to enter into a contract or any other business arrangement, and that acceptance of the appointment described in this proposal is expressly conditioned on (1) compliance with the requirements of the USA Patriot Act of

2001, described below, (2) satisfactory completion of Wells Fargo's internal account acceptance procedures, (3) Wells Fargo's review of all applicable governing documents and its confirmation that all terms and conditions pertaining to its role are satisfactory to it and (4) execution of the governing documents by all applicable parties.

- Should this transaction fail to close or if Wells Fargo determines not to participate in the transaction, any acceptance fee and any legal fees and expenses may be due and payable.
- Legal counsel fees and expenses, any acceptance fee and any first year annual administrative fee are payable at closing.
- Any annual fee covers a full year or any part thereof and will not be prorated or refunded in a year of early termination.
- Should any of the assumptions, duties or responsibilities of Wells Fargo change, Wells Fargo reserves the right to affirm, modify or rescind this proposal.
- The fees described in this proposal are subject to periodic review and adjustment by Wells Fargo.
- Invoices outstanding for over 30 days are subject to a 1.5% per month late payment penalty.
- This fee proposal is good for 90 days.

Important information about identifying our customers

To help the government fight the funding of terrorism and money laundering activities, Federal law requires all financial institutions to obtain, verify, and record information that identifies each person (individual, corporation, partnership, trust, estate or other entity recognized as a legal person) for whom we open an account.

What this means for you: Before we open an account, we will ask for your name, address, date of birth (for individuals), TIN/EIN or other information that will allow us to identify you or your company. For individuals, this could mean identifying documents such as a driver's license. For a corporation, partnership, trust, estate or other entity recognized as a legal person, this could mean identifying documents such as a Certificate of Formation from the issuing state agency.

EXHIBIT B

Aerotest Operations, Inc., (the "Grantor") certifies that the names, titles, telephone numbers, e-mail addresses and specimen signatures set forth in Parts I and II of this Exhibit B identify the persons authorized to provide direction and initiate or confirm transactions, including funds transfer instructions, on behalf of the Grantor and that the option checked in Part III of this Exhibit B is the security procedure selected by the Grantor for use in verifying that a funds transfer instruction received by the Trustee is that of the Grantor.

The Grantor has reviewed each of the security procedures and has determined that the option checked in Part III of this Exhibit B best meets its requirements; given the size, type and frequency of the instructions it will issue to the Trustee. By selecting the security procedure specified in Part III of this Exhibit B, the Grantor acknowledges that it has elected to not use the other security procedures described and agrees to be bound by any funds transfer instruction, whether or not authorized, issued in its name and accepted by the Trustee in compliance with the particular security procedure chosen by the Grantor.

NOTICE: The security procedure selected by the Grantor will not be used to detect errors in the funds transfer instructions given by the Grantor. If a funds transfer instruction describes the beneficiary of the payment inconsistently by name and account number, payment may be made on the basis of the account number even if it identifies a person different from the named beneficiary. If a funds transfer instruction describes a participating financial institution inconsistently by name and identification number, the identification number may be relied upon as the proper identification of the financial institution. Therefore, it is important that the Grantor take such steps as it deems prudent to ensure that there are no such inconsistencies in the funds transfer instructions it sends to the Trustee.

Part I

Name, Title, Telephone Number, Electronic Mail ("e-mail") Address and Specimen Signature for person(s) designated to provide direction, including but not limited to funds transfer instructions, and to otherwise act on behalf of the Grantor

<u>Name</u>	<u>Title</u>	<u>Telephone Number</u>	<u>E-mail Address</u>	<u>Specimen Signature</u>
_____	_____	_____	_____	_____
_____	_____	_____	_____	_____
_____	_____	_____	_____	_____

[list more if desired]

Part II

Name, Title, Telephone Number and E-mail Address for person(s) designated to confirm funds transfer instructions

<u>Name</u>	<u>Title</u>	<u>Telephone Number</u>	<u>E-mail Address</u>
_____	_____	_____	_____
_____	_____	_____	_____
_____	_____	_____	_____

[list more if desired]

Part III

Means for delivery of instructions and/or confirmations

The security procedure to be used with respect to funds transfer instructions is checked below:

- ☐ Option 1. Confirmation by telephone call-back. The Trustee shall confirm funds transfer instructions by telephone call-back to a person at the telephone number designated on Part II above. The person confirming the funds transfer instruction shall be a person other than the person from whom the funds transfer instruction was received, unless only one person is designated in both Parts I and II of this Exhibit B.
- ☐ CHECK box, if applicable:
If the Trustee is unable to obtain confirmation by telephone call-back, the Trustee may, at its discretion, confirm by e-mail, as described in Option 2.
- ☐ Option 2. Confirmation by e-mail. The Trustee shall confirm funds transfer instructions by e-mail to a person at the e-mail address specified for such person in Part II of this Exhibit B-1. The person confirming the funds transfer instruction shall be a person other than the person from whom the funds transfer instruction was received, unless only one person is designated in both Parts I and II of this Exhibit B. The Grantor understands the risks associated with communicating sensitive matters, including time sensitive matters, by e-mail. The Grantor further acknowledges that instructions and data sent by e-mail may be less confidential or secure than instructions or data transmitted by other methods. The Trustee shall not be liable for any loss of the confidentiality of instructions and data prior to receipt by the Trustee.
- ☐ CHECK box, if applicable:
If the Trustee is unable to obtain confirmation by e-mail, the Trustee may, at its discretion, confirm by telephone call-back, as described in Option 1.
- ☐ Option 3. Delivery of funds transfer instructions by password protected file transfer system only - no confirmation. The Trustee offers the option to deliver funds transfer instructions through a password protected file transfer system. If the Grantor wishes to use the password protected file transfer system, further instructions will be provided by the Trustee. If the Grantor chooses this Option 3, it agrees that no further confirmation of funds transfer instructions will be performed by the Trustee.
- ☐ Option 4. Delivery of funds transfer instructions by password protected file transfer system with confirmation. Same as Option 3 above, but the Trustee shall confirm funds transfer instructions by ☐ telephone call-back or ☐ e-mail (must check at least one, may check both) to a person at the telephone number or e-mail address designated on Part II above. By checking a box in the prior sentence, the party shall be deemed to have agreed to the terms of such confirmation option as more fully described in Option 1 and Option 2 above.

Dated this ____ day of _____ 2016.

By _____

Name: []

Title: []

EXHIBIT C

Investment objective for discretionary accounts**Account information**

Account Name:	Aerotest Operations, Inc (NRC) Financial Protection Trust
Account Number(s):	XXXX0600

Investment objective

Check one	Investment objective	Investment characteristics
<input type="checkbox"/>	SHORT DURATION	<ul style="list-style-type: none"> • Focus on preservation of principal • Highly liquid • Reasonable risk-adjusted return
<input type="checkbox"/>	FIXEDINCOME ONLY	<ul style="list-style-type: none"> • Focus on preservation of principal • Subject to some market fluctuations • Longer duration securities

The undersigned, an authorized representative of the company listed below, designates the investment objective, checked, above, as the investment objective for the account(s) described on this form.

This objective supersedes all prior designations, both written and oral, by the company, with respect to the investment objective for the account(s). Wells Fargo will rely on this form in the exercise of its investment discretion until it receives written notice amending or rescinding this designation.

Aerotest Operations, Inc.

Company Name

___/___/16

[Name, Title]

Date

Wells Fargo Bank, National Association, as Trustee

___/___/16

Amy C. Perkins, Vice President

Date