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CNRO-2017-00004  
January 20, 2017

U.S. Nuclear Regulatory Commission  
Attn: Document Control Desk  
Washington, DC 20555-0001

**SUBJECT: Notice Regarding Third Proposed Amendment to Master Trust and Planned Distribution of Assets from FitzPatrick Unit Fund to Trust Established by Entergy Nuclear FitzPatrick, LLC**

Indian Point Nuclear Generating Unit No. 3	James A. FitzPatrick Nuclear Power Plant
Docket No. 50-286	Docket No. 50-333
License No. DPR-64	License No. DPR-59

- REFERENCE: 1. Application for Order to Transfer Master Decommissioning Trust from PASNY to ENOI, Consenting to Amendments to Trust Agreement, and Approving Proposed License Amendments to Modify and Delete Decommissioning Trust License Conditions Upon the Transfer of Trust Funds, dated August 16, 2016 (ADAMS Accession No. ML16230A308)
2. Application for Order Approving Transfer of Renewed Facility Operating License and Proposed Conforming License Amendment, dated August 18, 2016 (ADAMS Accession No. ML16235A081)

Dear Sir or Madam:

Entergy Nuclear Operations, Inc. ("ENOI") provides this thirty (30) working days prior notice to the Director, Office of Nuclear Material Safety and Safeguards regarding a proposed third amendment to Master Decommissioning Trust Agreement dated July 25, 1990, as amended ("Master Trust Agreement"), governing the nuclear decommissioning trust funds for Indian Point Nuclear Generating Unit No. 3 ("IP3") and James A. FitzPatrick Nuclear Power Plant ("FitzPatrick"). This notice is being provided pursuant to 10 CFR 50.75(h)(1)(iii) and Section 10.05 of the Master Trust Agreement, as amended by the Second Amendment to Master Decommissioning Trust Agreement, which Second Amendment is pending NRC approval as requested in Reference 1. A copy of the proposed Third Amendment to Master Decommissioning Trust Agreement is provided as Enclosure 1. The proposed Third Amendment is contingent upon NRC issuing the approvals and consents requested in Reference 1.

ENOI further provides thirty (30) working days prior notice of its intention to disburse all or substantially all of the assets held in the FitzPatrick Unit Fund governed under the terms of the Master Trust Agreement by instructing the Trustee to transfer such assets to the Nonqualified Fund created by Entergy Nuclear FitzPatrick, LLC ("ENF") pursuant to the "Entergy Nuclear FitzPatrick, LLC Master Decommissioning Trust Agreement for James A. FitzPatrick Nuclear Power Plant" ("FitzPatrick Master Trust"), dated September 22, 2016, between ENF and The Bank of New York Mellon, a New York state bank having trust powers through its trust office located in Pittsburgh, Pennsylvania (the "Trustee"). This notice is being provided pursuant to 10 CFR 50.75(h)(1)(iv) and Section 5.01 of the Master Trust Agreement, as amended by the Second Amendment to Master Decommissioning Trust Agreement which is pending NRC approval as requested in Reference 1. A copy of the FitzPatrick Master Trust is provided as Enclosure 2. The proposed transfer of assets to the FitzPatrick Master Trust is contingent upon NRC issuing the approvals and consents requested in Reference 1.

Pursuant to Reference 1, ENOI requested on behalf of itself, ENF, Entergy Nuclear Indian Point 3, LLC ("ENIP3"), and the Power Authority of the State of New York (PASNY, which does business as the New York Power Authority), that the NRC issue an Order providing for the transfer of PASNY's beneficial interest in the Master Trust Agreement to ENOI. ENOI also requested that the NRC consent to the Second Amendment to Master Decommissioning Trust Agreement to authorize the transfer to ENOI. Finally, ENOI requested NRC approval of license amendments to modify the existing trust related license conditions to reflect the proposed transfer of the Master Trust to ENOI and to delete other conditions so as to apply the requirements of 10 CFR 50.75(h)(1).

Pursuant to Reference 2, ENOI, ENF and Exelon Generation Company, LLC ("Exelon Generation") requested NRC consent to transfer FitzPatrick to Exelon Generation. In order to transfer FitzPatrick to Exelon Generation, ENF will need to transfer the nuclear decommissioning trust funds for FitzPatrick to Exelon Generation. Assuming that the NRC issues an Order consenting to the transfers and amendments described in References 1 and 2, ENOI, ENF and Exelon Generation plan to complete the transfer of FitzPatrick on or around March 31, 2017.

Upon receiving the approvals contemplated by Reference 1, PASNY will enter into the Second Amendment to Master Decommissioning Trust Agreement, which will authorize the transfer of PASNY's beneficial interest in the Master Trust Agreement to ENOI. PASNY and ENOI will thereupon execute an Agreement of Assignment and Assumption, in which PASNY will assign, and ENOI will assume, all of PASNY's rights and obligations under the Master Trust Agreement, which governs nuclear decommissioning funds for FitzPatrick (the "FitzPatrick Unit Fund") and for IP3 (the "IP3 Unit Fund").

Thereafter, in preparation for the transfer of FitzPatrick contemplated by Reference 2, ENOI plans to implement a transfer of the assets in the FitzPatrick Unit Fund to the Nonqualified Fund in the FitzPatrick Master Trust, by instructing the Trustee to make such a transfer. The proposed Third Amendment to Master Decommissioning Trust Agreement would authorize such a transfer of the assets in the FitzPatrick Unit Fund to the Nonqualified Fund created in the FitzPatrick Master Trust, and it includes as "Exhibit C" a form of Certificate that provides instructions for the Trustee to transfer assets. This notice is provided so that the NRC has ample time to review the proposed Third Amendment to the Master Trust Agreement and the proposed transfer of assets to the FitzPatrick Master Trust. Under the terms of the proposed Third Amendment to the Master Trust Agreement, the FitzPatrick Unit Fund will terminate upon distribution of the assets to the FitzPatrick Master Trust.

ENOI notes that the IP3 Unit Fund will continue to be governed by the Master Trust Agreement. However, ENOI notes that ENIP3 and the Trustee have entered into the "Entergy Nuclear Indian Point 3, LLC Master Decommissioning Trust Agreement for Indian Point Nuclear Generating Unit No. 3" ("IP3 Master Trust"), dated September 22, 2016. Thus, a potential future transfer of the assets in the IP3 Unit Fund would be authorized pursuant to the proposed Third Amendment to Master Decommissioning Trust Agreement, subject to prior notice to the NRC. If such a transfer were contemplated in the future, such a transfer of assets to the IP3 Master Trust would require thirty (30) working days prior notice to the NRC. A copy of the IP3 Master Trust is provided as Enclosure 3.

This letter contains no new regulatory commitments. If NRC requires additional information concerning this request, please contact Bryan Ford, Senior Manager Regulatory Assurance, at (601) 368-5516 or bford@entergy.com.

I declare under penalty of perjury that the foregoing is true and correct. Executed on January 20, 2017.

Sincerely,



Brian R. Sullivan

BRS/WCD/mh

- Enclosures:
1. Proposed Third Amendment to Master Decommissioning Trust Agreement
  2. Entergy Nuclear FitzPatrick, LLC Master Decommissioning Trust Agreement for James A. FitzPatrick Nuclear Power Plant
  3. Entergy Nuclear Indian Point 3, LLC Master Decommissioning Trust Agreement for Indian Point Nuclear Generating Unit No. 3

cc: USNRC, Director, Office of Nuclear Material Safety and Safeguards  
USNRC Regional Administrator, NRC Region I  
USNRC Project Manager, Indian Point Unit 3  
USNRC Project Manager, J. A. FitzPatrick  
USNRC Resident Inspector, Indian Point Unit 3  
USNRC Resident Inspector, J. A. FitzPatrick  
Mr. Francis J. Murray, Jr., President and CEO, NYSEDA  
Ms. Bridget Frymire, New York State Dept. of Public Service  
Mr. Justin Driscoll, Power Authority of the State of New York

ENCLOSURE 1 TO CNRO-2017-00004

PROPOSED THIRD AMENDMENT TO MASTER DECOMMISSIONING TRUST AGREEMENT

ENTERGY NUCLEAR OPERATIONS, INC.  
INDIAN POINT NUCLEAR GENERATING UNIT NO. 3 DOCKET NO. 50-286  
JAMES A. FITZPATRICK NUCLEAR POWER PLANT DOCKET NO. 50-333

### **THIRD AMENDMENT TO MASTER DECOMMISSIONING TRUST AGREEMENT**

THIRD AMENDMENT TO MASTER DECOMMISSIONING TRUST AGREEMENT dated as of \_\_\_\_\_, 2017 (“Third Amendment”) by and between Entergy Nuclear Operations, Inc., a Delaware corporation (“ENOI”), and The Bank of New York Mellon, as Trustee (the “Trustee”), a New York banking corporation having trust powers.

**WHEREAS**, as of \_\_\_\_\_, 2017, pursuant to the Agreement of Assignment and Assumption dated as of such date between the Power Authority of the State of New York (“Authority”) and ENOI, the Authority assigned to ENOI its beneficial interest in the Master Decommissioning Trust (the “Master Trust”) with respect to the Decommissioning of the Indian Point 3 Nuclear Plant and the James A. FitzPatrick Nuclear Plant and the Funds operating under the Master Decommissioning Trust Agreement dated as of July 25, 1990 between the Authority and the Trustee, as amended by the First Amendment to Master Decommissioning Trust Agreement dated as of November 21, 2000, between the Authority and the Trustee and by the Second Amendment to Master Decommissioning Trust Agreement dated as of \_\_\_\_\_, 2017, between the Authority and the Trustee (as so amended, the “Master Trust Agreement”);

**WHEREAS**, Section 10.05 of the Master Trust Agreement provides that, following any assignment of beneficial ownership pursuant to Section 3.01, the Master Trust Agreement may be amended, modified or altered for any purpose requested by the assignee beneficial owner so long as such amendment does not affect the use of the assets of the Funds to pay the costs of Decommissioning;

**WHEREAS**, ENOI desires to amend the Master Trust Agreement (a) to permit, upon instructions from ENOI to the Trustee, the transfer of all of the assets of a Fund for the Decommissioning of a particular Unit to a designated trust fund or trust funds governed by the terms of another trust agreement established for the Decommissioning of such Unit, where such trust or trusts have been created by the owner of such Unit and where such trust agreement provides that any fund created thereunder be dedicated for the purpose of Decommissioning the Unit consistent with the terms of Section 2.01 of the Master Trust Agreement and (b) to provide for the termination of such Fund upon such transfer;

**WHEREAS**, on September 22, 2016, Entergy Nuclear Indian Point 3, LLC, the owner of Indian Point Nuclear Generating Unit No. 3, entered into the “Entergy Nuclear Indian Point 3, LLC Master Decommissioning Trust Agreement for Indian Point Nuclear Generating Unit No. 3” with the Trustee, establishing a Qualified Fund and Nonqualified Fund for purposes of Decommissioning consistent with the terms of Section 2.01 of the Master Trust Agreement with respect to the IP3 Unit Fund;

**WHEREAS**, on September 22, 2016, Entergy Nuclear FitzPatrick, LLC, the owner of James A. FitzPatrick Nuclear Power Plant, entered into the “Entergy Nuclear FitzPatrick, LLC Master Decommissioning Trust Agreement for James A. FitzPatrick Nuclear Power Plant” with the Trustee, establishing a Qualified Fund and Nonqualified Fund for purposes of Decommissioning consistent with the terms of Section 2.01 of the Master Trust Agreement with respect to the FitzPatrick Unit Fund;

**WHEREAS**, Section 10.05 of the Master Trust Agreement further provides that the Master Trust Agreement may not be modified in any material respect without written notification to the Director, Office of Nuclear Reactor Regulation, or the Director, Office of Nuclear Material Safety and Safeguards, as applicable, at least 30 working days before the proposed effective date of the amendment;

**WHEREAS**, ENOI desires to transfer all of the assets in the FitzPatrick Unit Fund to a designated fund created under another trust agreement established for the Decommissioning of the FitzPatrick Unit;

**WHEREAS**, Section 5.01 of the Master Trust Agreement provides that (a) no disbursements or payments from the Master Trust, other than for ordinary administrative expenses, shall be made by the Trustee until the Trustee has first given the NRC 30 days' notice of the payment and (b) no disbursements or payments from the Master Trust shall be made if the Trustee receives prior written notice of objection from the Director, Office of Nuclear Reactor Regulation of the NRC;

**WHEREAS**, on \_\_\_\_\_, 2017, the Trustee sent written notification (the "Notice") to the Director, Office of Nuclear Material Safety and Safeguards (the "Director"), of the intention of ENOI and the Trustee to enter into this Third Amendment and to transfer of all of the assets of the Fitzpatrick Unit Fund to the nonqualified fund created under the terms of the Master Decommissioning Trust Agreement dated as of September 22, 2016 between Entergy Nuclear FitzPatrick, LLC and the Trustee for the Decommissioning of the FitzPatrick Unit; and

**WHEREAS**, 30 working days have elapsed since the Notice was sent to the Director, and the Trustee has not received any notice of objection from the Director;

**WHEREAS**, Section 10.05 of the Master Trust Agreement provides that any alteration, amendment or modification of the Master Trust Agreement or an exhibit thereto must be in writing and signed by ENOI and the Trustee;

**WHEREAS**, Section 10.05 of the Master Trust Agreement provides that the Trustee shall execute such alteration, modification or amendment required to be executed by it but shall have no duty to inquire or make any investigation as to whether any amendment, modification or alteration is consistent with said Section 10.05;

**NOW, THEREFORE**, in consideration of the foregoing premises and for other good and valuable consideration, the receipt and sufficiency of which is hereby acknowledged, the Trustee and ENOI hereby agree as follows:

1. Defined terms used herein and not otherwise defined shall have the meanings ascribed to them in the Master Trust Agreement.

2. The Master Trust Agreement is amended as follows:
  - a. To add a new Section 5.05, reading substantially as follows:

“5.05 Transfer of Fund Assets. Notwithstanding the provisions of Sections 2.09, 3.01, 4.01 and 5.01 of this Agreement, the Trustee shall promptly, upon receipt of written instructions from ENOI in a certificate in substantially the form of Exhibit C, transfer all of the assets in a Fund for the Decommissioning of the Unit specified in such certificate to another trust fund or trust funds governed by the terms of a trust agreement specified in such certificate for the Decommissioning of such Unit, where such trust or trusts have been created by the owner of such Unit and where such trust agreement provides that any fund created thereunder be dedicated for the purpose of Decommissioning the Unit consistent with the terms of Section 2.01 of this Agreement, provided that (a) written notice of the intention to make such transfer shall have been sent to the Director, Office of Nuclear Reactor Regulation of the NRC at least thirty (30) working days before such transfer and (b) the Trustee shall not have received prior written notice of objection to such transfer from such Director.”
  - b. To amend clause (i) of Section 6.01 to read substantially as follows:

“(i) (a) the completion of the Decommissioning of the Unit to which it relates (as evidenced by written notification of that fact to the Trustee by the Authorized Representative) in which case the provisions of Section 6.02 shall apply, if applicable, or (b) the transfer of all of the assets of such Fund pursuant to Section 5.05,” and
  - c. To add a new Exhibit C in substantially the form attached to this Third Amendment.
3. This Third Amendment shall bind and inure to the benefit of ENOI and the Trustee and their respective assigns, transferees and successors.
4. This Third Amendment and all questions pertaining to its validity, construction and administration shall be determined in accordance with the internal substantive laws (and not the choice of law rules) of the State of New York to the extent not superseded by Federal law.
5. This Third Amendment may be executed in any number of counterparts, each of which shall be an original, with the same effect as if the signature thereto and hereto were upon the same instrument.
6. ENOI and the Trustee hereby represent and warrant to the other that it has full authority to enter into this Third Amendment on the terms and conditions hereof and that the individual executing this Third Amendment on its behalf has the requisite authority to bind such party.

[Signature page follows.]

**IN WITNESS WHEREOF**, ENOI and the Trustee have executed this instrument under seal as of the date first above written.

**THE BANK OF NEW YORK MELLON, AS TRUSTEE**

By: \_\_\_\_\_  
Name:  
Title:

Attest:

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Name:  
Title:

**ENTERGY NUCLEAR OPERATIONS, INC.**

By: \_\_\_\_\_  
Name:  
Title:

Attest:

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Name:  
Title:



## EXHIBIT C

### ASSET TRANSFER CERTIFICATE

Entergy Nuclear Operations, Inc. ("ENOI") hereby instructs The Bank of New York Mellon, as Trustee under the Master Decommissioning Trust Agreement dated as of July 25, 1990 between the Authority and the Trustee, as amended by the First Amendment to Master Decommissioning Trust Agreement dated as of November 21, 2000, between the Authority and the Trustee, by the Second Amendment to Master Decommissioning Trust Agreement dated as of January \_\_, 2017, between the Authority and the Trustee, and by the Third Amendment to Master Decommissioning Trust Agreement dated as of \_\_\_\_, 2017, between ENOI and the Trustee (as so amended, the "Master Trust Agreement"), to transfer all of the assets in the \_\_\_\_ Unit Fund to the [name of fund] established under the [name and date of trust agreement and the parties thereto] for the Decommissioning of the Unit to which such Fund relates.

Defined terms used herein and not otherwise defined shall have the meanings ascribed to them in the Master Trust Agreement.

With respect to such transfer of assets ENOI hereby certifies as follows:

- a. The transfer of assets is fully consistent with the terms of the Master Trust Agreement, and all requirements set forth therein have been satisfied, including the required thirty (30) working days' prior notice of this disbursement to the Director, Office of Nuclear Material Safety and Safeguards.
- b. The transfer of assets is permitted by applicable laws and regulations.

IN WITNESS WHEREOF, ENOI has executed this Certificate by a duly authorized officer as of [date].

ENTERGY NUCLEAR OPERATIONS, INC.

By \_\_\_\_\_  
Name:  
Title:

ENCLOSURE 2 TO CNRO-2017-00004

**ENTERGY NUCLEAR FITZPATRICK, LLC  
MASTER DECOMMISSIONING TRUST AGREEMENT  
FOR JAMES A. FITZPATRICK NUCLEAR POWER PLANT**

ENTERGY NUCLEAR OPERATIONS, INC.  
INDIAN POINT NUCLEAR GENERATING UNIT NO. 3 DOCKET NO. 50-286  
JAMES A. FITZPATRICK NUCLEAR POWER PLANT DOCKET NO. 50-333

**ENTERGY NUCLEAR FITZPATRICK, LLC**  
**MASTER DECOMMISSIONING TRUST AGREEMENT**  
**FOR**  
**JAMES A. FITZPATRICK NUCLEAR POWER PLANT**

Dated: September 22, 2016

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## **MASTER DECOMMISSIONING TRUST AGREEMENT**

**THIS MASTER DECOMMISSIONING TRUST AGREEMENT** (the “Agreement”), effective upon execution, between ENTERGY NUCLEAR FITZPATRICK, LLC, a limited liability company duly organized and existing under the laws of the State of Delaware (the “Company”), and THE BANK OF NEW YORK MELLON, a New York state bank having trust powers through its trust office located in Pittsburgh, Pennsylvania the “Trustee”);

### **WITNESSETH:**

**WHEREAS**, James A. FitzPatrick Nuclear Power Plant (the “Unit”) is a single unit Boiling Water Reactor electric generating facility that was to be constructed and completed in 1974;

**WHEREAS**, the Power Authority of the State of New York, a municipal instrumentality and political subdivision of the State of New York (“PASNY,” which does business as the New York Power Authority) became the owner and operator of the Unit;

**WHEREAS**, the requirements of the U.S. Nuclear Regulatory Commission (“NRC”) required PASNY to create an external source of funding to provide for the costs associated with the Decommissioning of the Unit, PASNY established the “Power Authority of the State of New York Master Decommissioning Trust” (“PASNY Master Trust”), pursuant to the Master Trust Decommissioning Agreement between PASNY and THE BANK OF NEW YORK, a New York banking corporation having trust powers, dated July 25, 1990 (the “PASNY Master Trust Agreement”);

**WHEREAS**, the PASNY Master Trust Agreement also established the “FitzPatrick Unit Fund” as a separate trust within the PASNY Master Trust for the purpose of Decommissioning the Unit (the “FitzPatrick Fund”);

**WHEREAS**, pursuant to a license transfer order issued by the NRC on November 9, 2000, ENTERGY NUCLEAR OPERATIONS INC., a corporation duly organized and existing under the laws of the State of Delaware (“ENO”), became the licensed operator of, and the Company became the licensed owner of the Unit (“License Transfer Order”);

**WHEREAS**, pursuant to the terms of the License Transfer Order, PASNY retained all rights, title, and legal and beneficial interest in the PASNY Master Trust, including the FitzPatrick Fund, though the FitzPatrick Fund remained committed to the Decommissioning of the Unit;

**WHEREAS**, the PASNY Master Trust Agreement was amended pursuant to the “First Amendment to Master Decommissioning Trust Agreement,” dated as of November 21, 2000, between PASNY and THE BANK OF NEW YORK (now known as THE BANK OF NEW YORK MELLON);

**WHEREAS**, PASNY retained certain liabilities for the decommissioning of the Unit and other obligations pursuant to a “Decommissioning Agreement (FitzPatrick),” dated November 21, 2000, and amended August 8, 2016, among PASNY, Entergy Nuclear, Inc., and the Company (“Decommissioning Agreement”);

**WHEREAS**, the Decommissioning Agreement conveyed certain rights to the Company, including the potential transfer of the FitzPatrick Fund to the Company after the end of the initial term of the Unit’s operating license;

**WHEREAS**, the initial term of the Unit’s operating license was set to expire at midnight on October 17, 2014, but on September 8, 2008 a renewed operating license was issued for the Unit that is set to expire at midnight on October 17, 2034;

**WHEREAS**, pursuant to Section 468A of the Internal Revenue Code of 1986, as amended, (the “Code”) certain federal income tax benefits are available to the Company as a result of creating and making contributions to certain nuclear decommissioning reserve funds;

**WHEREAS**, the Company, in order to comply with the requirements of the NRC, and in order to be in a position to take advantage of the federal income tax benefits available under the aforementioned Section 468A, wishes to establish a new master trust, including the Qualified Fund and the Nonqualified Fund (the “ENF Master Trust”), wherein each of the Funds shall constitute a separate trust, to receive the Company’s rights and interests in the Decommissioning Agreement, and other contributions, to hold amounts in trust for the future Decommissioning of the Unit; and

**WHEREAS**, THE BANK OF NEW YORK MELLON is willing to serve as Trustee on the terms and conditions herein set forth.

**NOW, THEREFORE**, in consideration of the mutual promises herein contained and other good and valuable consideration, receipt and sufficiency of which is hereby acknowledged, the Trustee hereby agrees to accept, from and after the date first above written, Contributions to the Master Trust delivered to it from time to time by or on behalf of the Company;

**TO HAVE AND TO HOLD THE SAME IN TRUST** for the exclusive purpose of providing funds for the decommissioning of the Unit in order to satisfy the liability in connection therewith, to pay the administrative costs and other incidental expenses of the Funds, and to make certain investments, all as hereinafter provided.

## **I. DEFINITIONS**

**Section 1.01 Definitions.** As used in this Agreement, the following terms shall have the following meanings:

(a) “Account” shall mean either a License Termination 50.75 Account or a Non-License Termination Non-50.75 Account maintained by one of the Funds, as those terms are defined below.

(b) “Agreement” shall mean this Master Decommissioning Trust Agreement as the same may be amended, modified, or supplemented from time to time.

(c) “Applicable Law” shall mean all applicable laws, statutes, treaties, rules, codes, ordinances, regulations, certificates, orders, interpretations, licenses and permits of any Governmental Authority and judgments, decrees, injunctions, writs, orders or like action of any court, arbitrator or other judicial or quasi-judicial tribunal of competent jurisdiction (including those pertaining to health, safety, the environment or otherwise).

(d) “Applicable Tax Law” shall mean Section 468A of the Code (or comparable subsequent provision of the Code) and the regulations thereunder, and any other provision of the Code relating to the Federal taxation of the Funds or credits or deductions based on Contributions.

(e) “Authorized Person” shall have the meaning set forth in Section 4.02 hereof.

(f) “Authorized Instructions” shall have the meaning set forth in Section 4.03 hereof.

(g) “Business Day” shall mean a day that is not a Saturday or Sunday or a legal holiday in the Commonwealth of Pennsylvania.

(h) “Code” shall mean the Internal Revenue Code of 1986, as the same may be amended from time to time.

(i) “Company” shall have the meaning set forth in the opening paragraph of this Agreement.

(j) “Contribution” or “Contributions” shall mean any contributions, cash or otherwise, made to the Trustee for deposit in one or more of the Funds and in an Account or SubAccount thereunder as provided in this Agreement. No contribution which consists of real property shall be permitted.

(k) “Decommission” or “Decommissioning” shall mean the decommissioning and retiring of the Unit from commercial service under Applicable Law and, to the extent a method of decommissioning is not prescribed by Applicable Law, by the method of decommissioning determined as provided in the operating agreement relating to such unit, and may include the removal (as a facility) of the Unit safely from service, the dismantling, shipping, long-term storage and disposal of all radioactive parts and components of such Unit and the reduction of residual radioactivity at the site of such Unit, including reduction of residual radioactivity to a level that permits, and the removal of non-contaminated structures and components and such restoration as shall be necessary or desirable to permit, the release of the property for unrestricted use and termination of the NRC license relating to the Unit. This process may include, but is not limited to (a) the removal of both radioactively contaminated and radioactively uncontaminated portions of the Unit, and shipping, long-term storage and disposal of the same, in each case, in accordance with Applicable Law at the end of the useful life of such Unit or if there shall be no Applicable Law at that time, in accordance with the operating agreement with respect to such unit (b) work done to the site of the Unit and its associated equipment and facilities and to



adjacent areas, whether or not such areas are contiguous to such site, in order to decontaminate such site and such areas and (c) work done by or on behalf of the Company (or for which the Company is charged) to the site where any portion of the Unit and its associated equipment and facilities are to be stored or disposed of in order to prepare and maintain such site as a storage or disposal site.

(l) “Decommissioning Costs” shall mean all costs and expenses relating or allocable to, or incurred in connection with Decommissioning, including but not limited to the removal of the equipment, structures and portions of a nuclear generating unit and its site containing radioactive contaminants or the decontamination of the same, plus, in the case of decontamination, the cost of removal, shipping and long-term storage or disposal of such equipment structures and portions; provided, however, that if Applicable Law prohibits the foregoing or imposes requirements that are more costly to implement than the removal, shipping, storage, disposal or decontamination referred to above in this definition, the term “Decommissioning Costs” shall mean all costs and expenses relating or allocable to, or incurred in connection with, the most costly requirements imposed by Applicable Law with respect to radioactive contaminants after a nuclear generating unit ceases operation. Decommissioning Costs may include costs over and above those costs and expenses funded in the License Termination 50.75 Account.

(m) “ENF Master Trust” shall mean the Entergy Nuclear FitzPatrick, LLC Master Decommissioning Trust for the Unit as established by this Agreement.

(n) “Excess Contribution” shall have the meaning set forth in Section 3.02 hereof.

(o) “Fund” or “Funds” shall mean the Qualified Fund and the Nonqualified Fund, individually, or collectively.

(p) “Governmental Authority” means any federal, state, county, municipal, foreign, international, regional or other governmental authority, agency, board, body, instrumentality or court, including, without limitation, the NRC.

(q) “Investment Manager(s)” shall mean a person or entity appointed by the Company pursuant to Section 4.07 hereof.

(r) “License Termination 50.75 Account” shall mean an Account established within each of the Qualified Fund and the Nonqualified Fund, which is intended to provide decommissioning funding assurance for funding the decommissioning costs contemplated by the NRC’s regulations in 10 CFR § 50.75. The funds held in the License Termination 50.75 Account are subject to the requirements of 10 CFR § 50.75(h)(2), and the restrictions on the use of funds in 10 CFR § 50.82(a)(8).

(s) “Non-License Termination Non-50.75 Account” shall mean an Account established within each of the Qualified Fund and the Nonqualified Fund, which is intended to accumulate funds other than those required to satisfy the financial assurance requirements in the NRC’s regulations in 10 CFR § 50.75, such as irradiated fuel management, non-radiological site restoration, or any other lawful purpose. The funds held in the Non-License Termination

Non-50.75 Account are not subject to the requirements of 10 CFR § 50.75(h)(2), and not subject to the restrictions on the use of funds in 10 CFR § 50.82(a)(8).

(t) “Nonqualified Fund” shall mean the separate trust that does not constitute the Qualified Fund that is established under, and in accordance with, Section 2.01 and Section 2.02 of the Agreement, and named as provided in Section 2.05 or such other Nonqualified Fund as the Company may establish and name from time to time, with respect to the Unit. The Nonqualified Fund shall have such SubAccounts as are provided for herein or as the Company may otherwise specify.

(u) “NRC” shall mean Nuclear Regulatory Commission.

(v) “Order” shall mean any order relating to Decommissioning issued by a Governmental Authority and applicable to one or more of the Units.

(w) “Qualified Fund” shall mean the separate trust established under, and in accordance with, Section 2.01 and Section 2.02 of the Agreement and named as provided in Section 2.05 that meets the requirements for a nuclear decommissioning reserve fund under section 468A of the Code designated as such in the records of the Trustee, including any SubAccount thereof. The Qualified Fund shall have such SubAccounts as are specified herein or as the Company may otherwise specify. Contributions, if any, made with respect to the Qualified Fund in any year shall not exceed the amount permitted to be made to such Fund with respect to the year in question in order for the Company to be allowed to take the deduction afforded by Section 468A of the Code. It shall be the Company’s responsibility and not that of the Trustee to monitor the amount of such Contributions.

(x) “Rights and Interests” means the Company’s rights and interests in the payment intangibles due to the Company pursuant to Section 2 of the Decommissioning Agreement, including the rights to receive the cash and other liquid assets in the FitzPatrick Fund to be used to pay Decommissioning Costs, in whatever form such rights and interests in money obligations may now or hereafter be manifested.

(y) “Section 468A” shall mean Section 468A of the Code, and any regulations and rulings of the Service thereunder, as Section 468A and regulations may be amended, and any successors thereto.

(z) “Service” shall mean the Internal Revenue Service.

(aa) “SubAccount” or “SubAccounts” shall mean investment Accounts held within the Qualified Fund or the Nonqualified Fund such as the License Termination 50.75 Account and the Non-License Termination Non-50.75 Account established by this Agreement or such other Account as may be established by an Authorized Instruction.

(bb) “Trustee” shall have the meaning ascribed thereto in the opening paragraph of this Agreement or any successor appointed pursuant to Section 4.23 hereof.

(cc) “Unit” shall mean the nuclear generating unit located on Lake Ontario in Oswego County, New York (NRC License No. DPR-59), near the City of Oswego, New York, together with its associated facilities and equipment.

## **II. ENF MASTER TRUST PURPOSE, NAME, AND FUNDS**

**Section 2.01 ENF Master Trust Purpose.** The exclusive purpose of this ENF Master Trust is to accumulate and hold funds and other assets for the contemplated Decommissioning of the Unit and to expend funds for that purpose.

**Section 2.02 Establishment of ENF Master Trust.** By execution of this Agreement, the Company:

- (a) establishes the ENF Master Trust for the retention and investment of the assets of the Qualified Fund and the Nonqualified Fund;
- (b) establishes the Qualified Fund and the Nonqualified Fund as separate trusts within the ENF Master Trust; and
- (c) appoints The Bank of New York Mellon as Trustee of the ENF Master Trust.

**Section 2.03 Acceptance of Appointment.** The Trustee hereby accepts appointment as Trustee of the ENF Master Trust created under this Agreement.

**Section 2.04 Name of ENF Master Trust.** The Contributions received by the Trustee pursuant to this ENF Master Trust, together with the proceeds, reinvestments and appreciation thereof shall constitute the “Entergy Nuclear FitzPatrick, LLC Master Decommissioning Trust,” otherwise known in this Agreement as the ENF Master Trust.

**Section 2.05 Establishment of the Funds.** The Trustee shall hold within the ENF Master Trust a separate Qualified Fund and one or more separate Nonqualified Funds, each of which qualifies as a trust under state law. The Qualified Fund shall be named the FitzPatrick Qualified Fund and the Nonqualified Fund shall be named the FitzPatrick Nonqualified Fund. The Trustee shall maintain separate SubAccounts as are designated in writing from time to time by the Company for each Fund established by this Agreement to Account for Contributions made to each Fund, the investment of assets, and all income and other increments to each Fund and disbursements from each Fund.

The Funds shall be maintained separately at all times in the United States as the Nonqualified Fund and the Qualified Fund pursuant to this Agreement and in accordance with the laws of the Commonwealth of Pennsylvania. The Company intends that the Qualified Fund shall qualify as a Nuclear Decommissioning Reserve Fund under Section 468A of the Code that shall be maintained for the Unit within the requirements of section 468A of the Code. The assets of the Qualified Fund may be used only in a manner authorized by Section 468A of the Code, and this Agreement cannot be amended to violate Section 468A of the Code. The Trustee shall maintain such records as are necessary to reflect each Fund separately on its books from each

other Fund and shall create and maintain such SubAccounts within each Fund as the Company shall direct.

**Section 2.06     Purposes of the Funds.** The Funds are established for the exclusive purpose of accumulating and providing funds dedicated to the Decommissioning of the Unit. The Nonqualified Fund for the Unit shall accumulate all contributions (whether from the Company or others) which do not satisfy the requirements for contributions to the Qualified Fund for the Unit, pursuant to Section 2 of the Special Terms set forth in Exhibit A. The Qualified Fund shall accumulate all contributions from the Company which satisfy the requirements of Section 2 or Section 3 of the Special Terms set forth in Exhibit A. The Qualified Fund shall also be governed by the provisions of the Special Terms, which provisions shall take precedence over any provisions of this Agreement construed to be in conflict therewith. The assets in the Qualified Fund shall be used as authorized by Section 468A of the Code. None of the assets of the Funds shall be subject to attachment, garnishment, execution or levy in any manner for the benefit of creditors of the Company or any other party.

### **III.     CONTRIBUTIONS, DISTRIBUTIONS, AND TRANSFERS**

**Section 3.01     Contributions to the Funds.** The Company's initial contribution to the Funds is all of its Rights and Interests in the payment intangibles due to the Company pursuant to Section 2 of the Decommissioning Agreement to the Nonqualified Fund. The Rights and Interests are expected to include a potential transfer of FitzPatrick Fund assets in the PASNY Master Trust from the FitzPatrick Fund to the Nonqualified Fund. The Trustee shall have no duty to manage the Rights and Interests, or provide investment review for the Rights and Interests. The Company shall provide the Trustee with a value for the Rights and Interests and the Trustee shall be protected in relying on that value. Hereafter, the assets of the Funds shall be transferred or contributed by the Company, but may include transfers of cash and/or assets directly from another trust pursuant to the Rights and Interests. Cash contributions shall be allocated to the Qualified Fund unless the Company designates in writing at the time of payment to which of the two Funds the payment is allocated. The Company shall have sole discretion as to whether cash payments are allocated to the Qualified Fund or the Nonqualified Fund. Contributions of property other than cash may be allocated to either the Qualified Fund or the Nonqualified Fund, although Contributions to the Qualified Fund of property other than cash may be made pursuant to a Special Transfer as authorized by Section 468(A)(f) of the Code and Treasury Regulation § 1.468A-8.

**Section 3.02     Adjustments for Excess Contributions.** The Trustee and the Company understand and agree that the Contributions made by or on behalf of the Company to the Qualified Fund from time to time may exceed the amount permitted to be paid into such Fund for a year pursuant to section 468A of the Code (an "Excess Contribution"). Upon certification of the Company, setting forth the amount of the Excess Contribution, the Trustee shall promptly transfer from the Qualified Fund to the Nonqualified Fund, the amount of any Excess Contribution (together with any income accrued thereon) as specified by the Company in such Certificate.

**Section 3.03     Separate Accounts for Each of the Funds.** Within each of the Qualified Fund and the Nonqualified Fund, the Trustee shall establish a License Termination 50.75 Account and a Non-License Termination Non-50.75 Account. The License Termination 50.75 Account is

intended to provide the financial assurance required by 10 CFR § 50.75 of the NRC's regulations and shall be restricted to the purposes for which funding is required pursuant to 10 CFR § 50.75. The Non-License Termination Non-50.75 Account is not governed by NRC's regulations in 10 CFR § 50.75 or in 10 CFR § 50.82(a)(8). The Trustee shall establish and maintain one or more SubAccounts within each Account as may be directed by an Authorized Instruction.

**Section 3.04     Commingling of Investments; Separate Records.** Investments of the Funds may be commingled or pooled among the Funds and/or among other Funds maintained by any Affiliate of the Company for any other nuclear unit. The Trustee shall maintain separate records for each of the Funds, and each License Termination 50.75 and Non-License Termination Non-50.75 Account within each of the Funds, and any SubAccount within any Account, and record the amounts contributed to each of the Funds and each of the Funds' License Termination 50.75 Account and Non-License Termination Non-50.75 Account, and any SubAccount within any Account. For each License Termination 50.75 Account and Non-License Termination Non-50.75 Account, and any SubAccount within any Account, the Trustee shall credit thereto the *pro rata* share of all income of the Funds and charge thereto the *pro rata* share of all expenses and any losses. However, unless otherwise instructed in writing by the Company, nothing contained in this Section 3.04 or elsewhere herein shall be deemed to require the Trustee to segregate or invest separately assets of the Funds, it being intended that the assets of the Funds may be held, managed, invested and reinvested in undivided interests in the same property, but shall not be required to be so maintained or invested.

**Section 3.05     Use of Assets.** The assets of each Fund shall be used exclusively (a) to satisfy, in whole or in part, any expenses or liabilities incurred to satisfy the Company's obligation to Decommission the Unit, including expenses incurred in connection with the preparation for Decommissioning of the Unit, (b) to pay the administrative costs and other incidental expenses of each Fund, and (c) to invest in publicly-traded securities and investments (including common trust funds) as directed by the investment manager(s) pursuant to Section 4.07(a) or the Trustee pursuant to Section 4.07(b), except that all assets of the Qualified Fund must be invested in Permissible Assets as defined in the Special Terms. Except for investments tied to market indexes or other non-nuclear sector collective, commingled or mutual funds, the assets of the Funds shall not be invested in: (1) the securities or other obligations of Entergy Nuclear FitzPatrick, LLC, or affiliates thereof, or their successors or assigns; and (2) the securities or other obligations of any entity owning or operating one or more nuclear power plants. A non-nuclear sector collective, commingled or mutual fund is one in which less than 50 percent of the fund is invested in the securities of entities that own or operate a nuclear power plant or that are parent companies of subsidiaries that own or operate a nuclear power plant. Use of the assets of the Qualified Fund shall be further limited by the provisions of the Special Terms. The use of assets may include transfer to a new owner of the Unit or partial owner of the Unit.

**Section 3.06     Certification for Decommissioning Costs.**

(a) If assets of a Fund are required to satisfy Decommissioning Costs of the Unit, the Company shall present a certificate substantially in the form attached hereto as Exhibit B to the Trustee signed by an Authorized Person, requesting payment from the Fund.

(b) The Trustee shall retain at least one copy of such certificates (including attachments) and related documents received by it pursuant to this Article III.

(c) The Company shall have the right to enforce payments from the Funds upon compliance with the procedures set forth in this Section 3.06.

**Section 3.07 Administrative Costs.** The Trustee shall pay from the assets of the Nonqualified Fund, as directed by the Company, the administrative costs and other incidental expenses of the Nonqualified Fund, including all federal, state, and local taxes, if any, imposed directly on the Nonqualified Fund or the income therefrom, legal expenses, Accounting expenses, actuarial expenses and trustee expenses. The Trustee shall pay from the assets of the Qualified Fund, as directed by the Company, the administrative costs and other incidental expenses of the Qualified Fund (including taxes), as defined in the Special Terms. The Administrative Costs of each Fund and each Subaccount within a Fund shall be apportioned *pro rata*. The Trustee may rely upon an apportionment as directed by an Authorized Person.

**Section 3.08 Notice Regarding Disbursements or Payments.** Except for (i) payments of ordinary administrative costs (including taxes) and other incidental expenses of the fund (including legal, Accounting, actuarial, and trustee expenses) in connection with the operation of the fund, (ii) withdrawals being made under 10 CFR 50.82(a)(8), and (iii) adjustments for Excess Contributions pursuant to Section 3.02 hereof being transferred between the Qualified Fund and Nonqualified Fund, no disbursement or payment from a License Termination 50.75 Account may be made from the trust until written notice of the intention to make a disbursement or payment has been given to the Director, Office of Nuclear Reactor Regulation, or the Director, Office of Nuclear Material Safety and Safeguards, as applicable, at least 30 working days before the date of the intended disbursement or payment. The disbursement or payment from the trust may be made following the 30-working day notice period if no written notice of objection from the Director, Office of Nuclear Reactor Regulation, or the Director, Office of Nuclear Material Safety and Safeguards, as applicable, is received by the Trustee or by the Company within the notice period. The required notice may be made by the Trustee or by the Company or one of its affiliates on the Trustee's behalf. No such notice is required for withdrawals being made pursuant to 10 CFR 50.82(a)(8)(ii), including withdrawals made during the operating life of the plant to be used for decommissioning planning. In addition, no such notice is required to be made to the NRC after decommissioning has begun and withdrawals are being made under 10 CFR 50.82(a)(8).

**Section 3.09 Transfers between the Funds or Accounts.** The Trustee may transfer any amount (i) from the Qualified Fund to the Nonqualified Fund provided such payments are in accordance with Section 468A and Section 4 of the Special Terms, upon presentation of a certificate substantially in the form of Exhibit D hereto executed by the Company instructing the Trustee to make any such payments; or (ii) from the Nonqualified Fund to the Qualified Fund provided such payments are in accordance with the contribution limitations set forth in Section 2 of the Special Terms or pursuant to a Special Transfer as set forth in Section 3 of the Special Terms, as the case may be, upon presentation by the Company of a certificate substantially in the form of Exhibit C hereto executed by the Company instructing the Trustee to make any such payments. The Trustee shall make payments from the Non-License Termination Non-50.75 Account to the same Fund's License Termination 50.75 Account or *vice versa* upon presentation

by the Company of a certificate substantially in the form of Exhibit C hereto executed by the Company instructing the Trustee to make any such payments. The Trustee shall be fully protected in relying upon such certificate.

**Section 3.10 Distributions.** Upon termination of the ENF Master Trust, the Trustee shall, at the direction of the Investment Manager, liquidate the assets of the ENF Master Trust and distribute them (including accrued, accumulated and undistributed net income) as directed by the Company in such manner as is consistent with any terms and conditions imposed by any Governmental Authority with jurisdiction over the Unit, less all reasonable final Administrative Expenses (including accrued taxes), to the Company. Upon the sale of all or part of the Unit to a new owner, the Trustee shall transfer such assets of the ENF Master Trust to one or more trusts established by the new owner for the purpose of Decommissioning the Unit, as directed by an Authorized Instruction.

#### **IV. CONCERNING THE TRUSTEE**

**Section 4.01 Authority of Trustee.** The Trustee shall have the authority and discretion to manage and control the Funds to the extent provided in this Agreement but does not guarantee the Funds in any manner against investment loss or depreciation in asset value or guarantee the adequacy of the Funds to satisfy the Decommissioning Costs. To the extent that the Trustee is allocated investment responsibility under Section 4.07(b), the Trustee shall not be liable for the making, retention or sale of any asset of the Qualified Fund which qualifies as a Permissible Asset, as defined in the Special Terms, nor shall the Trustee be responsible for any other loss to or diminution of the Funds, or for any other loss or damage which may result from the discharge of its duties hereunder except for any action not taken in good faith.

**Section 4.02 Authorized Person.** “Authorized Person” shall mean any Person authorized by the Company or an Investment Manager to give oral or written Instructions with respect to the Fund or with respect to foreign exchange, derivative investments or information and transactional web based services provided by the Trustee or any direct or indirect subsidiary of The Bank of New York Mellon Corporation (a “BNY Mellon Affiliate”). “Oral Instructions” shall mean instructions expressed in spoken words received by the Trustee and “Written Instructions” shall mean written communications received by the Trustee by S.W.I.F.T., overnight delivery, postal services, facsimile transmission, email, on-line communication system or other method or system, each as specified by the Trustee as available for use in connection with the services hereunder. Authorized Persons shall include Persons authorized by an Authorized Person. Authorized Persons, their signatures and the extent of their authority shall be provided by Written Instructions. The Company shall cause the Investment Manager to furnish the Trustee with Written Instructions identifying Authorized Persons and their signatures. The Trustee may conclusively rely on the authority of such Authorized Persons until it receives a Written Instruction to the contrary.

**Section 4.03 Authorized Instructions.** The Trustee shall be entitled to rely upon any Oral or Written Instructions actually received by the Trustee and reasonably believed by the Trustee to be from an Authorized Person (“Authorized Instructions”). The Company agrees that an Authorized Person shall forward to the Trustee Written Instructions confirming Oral

Instructions by the close of business of the same day that such Oral Instructions are given to the Trustee. The Trustee may act on such Oral Instructions but is not obligated to do so until Written Instructions are received. The Company agrees that the fact that Written Instructions confirming Oral Instructions are not received or that contrary Written Instructions are received by the Trustee shall in no way affect the validity or enforceability of transactions authorized by such Oral Instructions and effected by the Trustee.

**Section 4.04     Authentication.** If the Trustee receives Written Instructions that appear on their face to have been transmitted by an Authorized Person via (i) facsimile, email, or other electronic method that is not secure, or (ii) secure electronic transmission containing applicable authorization codes, passwords or authentication keys, the Company understands and agrees that the Trustee cannot determine the identity of the actual sender of such Written Instructions and that the Trustee shall be entitled to conclusively presume that such Written Instructions have been sent by an Authorized Person and are Authorized Instructions. The Company shall be responsible for ensuring that only Authorized Persons transmit such Written Instructions to the Trustee and that all Authorized Persons treat applicable user and authorization codes, passwords and authentication keys with extreme care.

**Section 4.05     Security Procedure.** The Company acknowledges and agrees that it is fully informed of the protections and risks associated with the various methods of transmitting Written Instructions to the Trustee and that there may be more secure methods of transmitting Written Instructions than the method selected by the sender. The Company agrees that the security procedures, if any, to be followed in connection with a transmission of Written Instructions provide to it a commercially reasonable degree of protection in light of its particular needs and circumstances.

**Section 4.06     On-Line Systems.** If an Authorized Person elects to transmit Written Instructions through an on-line communication system offered by the Trustee, the use thereof shall be subject to any terms and conditions contained in a separate written agreement. If an Authorized Person elects, with the Trustee's prior consent, to transmit Written Instructions through an on-line communications service owned or operated by a third party, the Company agrees that the Trustee shall not be responsible or liable for the reliability or availability of any such service.

**Section 4.07     Investment of Funds.**

(a) The Company shall have the authority to appoint one or more Investment Manager(s) who shall have the power to direct the Trustee in investing the assets of the Funds; provided, however, that the Trustee shall not follow any direction which would result in assets of the Qualified Fund being invested in assets not permitted under Section 468A of the Code. Any such investment manager(s) or other person directing investments made in the Trusts shall adhere to the "prudent investor" standard as specified in 18 CFR 35.32(a)(3) of the Federal Energy Regulatory Commission ("FERC") regulations (the "Prudent Investor Standard"). To the extent that the Company chooses to exercise this authority, it shall so notify the Trustee and instruct the Trustee in writing to separate into a separate Account those assets the investment of which will be directed by each investment manager. The Company shall designate in writing the person or persons who are to represent any such investment manager in dealings with the



Trustee. Upon the separation of the assets in accordance with the Company instructions, the Trustee, as to those assets while so separated, shall be released and relieved of all investment duties, investment responsibilities and investment liabilities normally or statutorily incident to a trustee; provided, however, that the Trustee shall not be relieved of the responsibility of ensuring that assets of the Qualified Fund are invested solely in assets permitted under Section 468A of the Code. The Trustee shall retain all other fiduciary duties with respect to assets the investment of which is directed by investment managers.

(b) To the extent that the investment of assets of the Funds is not being directed by one or more investment managers under Section 4.07(a), with the written consent of the Trustee, the Trustee shall hold, invest, and reinvest the funds delivered to it hereunder as it in its sole discretion deems advisable, subject to : (i) the restrictions on the Use of Assets of the Funds set forth in Section 3.05 hereof; (ii) the limitations on the powers of the Trustee in Article VI hereof; (iii) adherence to the Prudent Investor Standard; and investment guidelines provided by the Company.

(c) Regardless of the person directing investments, any assets of the Qualified Fund shall be invested solely in Permissible Assets as defined in, and required by, the Special Terms, and shall be accumulated, invested, and reinvested in like manner.

**Section 4.08 Prohibition Against Self-Dealing.** Notwithstanding any other provision in this Agreement, the Trustee shall not engage in any act of self-dealing as defined in Section 468A(e)(5) of the Code and Treasury Regulation § 1.468A-5(b) or any corresponding future law or Treasury Regulation.

**Section 4.09 Securities.** “Securities” shall include, without limitation, any common stock and other equity securities, depository receipts, limited partnership and limited liability company interests, bonds, debentures and other debt securities, notes or other obligations, and any instruments representing rights to receive, purchase, or subscribe for the same, or representing any other rights or interests therein (whether represented by a certificate or held in a Depository (as defined below), with a Subcustodian (as defined below) or on the books of the issuer) that are acceptable to the Trustee. Subject to the terms hereof, the Company hereby authorizes the Trustee to hold any Securities in registered form in the name of the Trustee or one of its nominees. Securities held hereunder shall be segregated on the Trustee’s books and records from the Trustee’s own property. The Trustee shall be entitled to utilize Subcustodians and Depositories in connection with its performance hereunder. Securities and cash held through Subcustodians shall be held subject to the terms and conditions of the Trustee’s or a BNY Mellon Affiliate’s agreements with such Subcustodians. Securities and cash deposited by the Trustee in a Depository will be held subject to the rules, terms and conditions of such Depository. Subcustodians may hold Securities in Depositories in which such Subcustodians participate. Unless otherwise required by local law or practice or a particular subcustodian agreement, Securities deposited with Subcustodians will be held in a commingled account in the name of the Trustee or a BNY Mellon Affiliate for its clients. The Trustee shall identify on its books and records the Securities and cash belonging to the Fund, whether held directly or indirectly through Depositories or Subcustodians. In no event shall the Trustee be liable for any losses, costs, expenses, damages, liabilities and claims (“Losses”) arising out of the holding of Securities or cash in any particular country,

including but not limited to, Losses resulting from nationalization, expropriation or other governmental actions; regulation of the banking or securities industry; exchange or currency controls or restrictions, devaluations or fluctuations or currency redenomination; availability of Securities or cash or market conditions which prevent the transfer of property or the execution of Securities transactions or affect the value of property (“Country Risk Events”).

**Section 4.10 Subcustodians.** “Subcustodian” shall mean a bank or other financial institution (other than a Depository) that is utilized by the Trustee or by a BNY Mellon Affiliate, in its discretion, in connection with the purchase, sale or custody of Securities or cash hereunder. The Trustee shall exercise reasonable care in the selection or retention, monitoring and continued use of Subcustodians in light of prevailing rules, practices, procedures and circumstances in the relevant market (the “Required Care”).

With respect to any Losses incurred by the Trust, the Company or any other person as a result of the acts or the failure to act by any Subcustodian (“Operational Losses,” which specifically excludes Losses arising out of or relating to Country Risk Events), the Trustee shall be liable for:

- a. Operational Losses with respect to Securities or cash held by the Trustee with or through a BNY Mellon Affiliate; and
- b. Operational Losses with respect to Securities or cash held by the Trustee with or through a Subcustodian (other than a BNY Mellon Affiliate) to the extent that such Operational Losses were directly caused by failure on the part of the Trustee to exercise Required Care.

With respect to all other Operational Losses not covered by clauses (a) and (b) above, the Trustee shall take appropriate action to recover Operational Losses from such Subcustodian, and Trustee’s sole liability shall be limited to amounts recovered from such Subcustodian (exclusive of costs and expenses incurred by the Trustee).

In addition, the Trustee shall be liable for repayment to the Trust of cash credited to the Fund and credited to any relevant cash account at the Subcustodian that the Trustee is not able to recover from the Subcustodian (other than as a result of Country Risk Events).

**Section 4.11 Deposits.** The Trustee may hold cash in accounts or may arrange to have such cash held by any BNY Mellon Affiliate, Subcustodian, or with a Depository (defined below). Where cash is on deposit with the Trustee, a Subcustodian, a BNY Mellon Affiliate or a Depository, it will be subject to the terms of this Agreement and such deposit terms and conditions as may be issued by such entity from time to time.

**Section 4.12 Depositories.** “Depository” shall include the Book-Entry System, the Depository Trust Company, Euroclear, Clearstream Banking S.A., the Canadian Depository System, CLS Bank and any other securities depository, book-entry system or clearing agency (and their respective successors and nominees) authorized to act as a securities depository, book-entry system or clearing agency pursuant to applicable law. “Book-Entry System” shall mean the U.S.

Federal Reserve/Treasury book-entry system for receiving and delivering securities, its successors and nominees. The Trustee shall have no liability whatsoever for the action or inaction of any Depository or for any Losses resulting from the maintenance of Securities with a Depository. The Trustee shall be liable to repay cash credited to the Fund and credited to any relevant account at such Depository (other than as a result of Country Risk Events

**Section 4.13    Compensation.** The Trustee shall be entitled to receive out of the Funds reasonable compensation for services rendered by it, as well as expenses necessarily incurred by it in the execution of the Trusts hereunder, provided such compensation and expenses qualify as administrative costs and other incidental expenses of the Qualified Fund, as defined in the Special Terms, with respect to any payment of compensation and expenses from the Qualified Fund. The Company acknowledges that, as part of the Trustee's compensation, the Trustee will earn interest on balances, including disbursement balances and balances arising from purchase and sale transactions.

**Section 4.14    Overdrafts and Indebtedness.** The Trustee may, in its sole discretion, advance funds in any currency hereunder. If an overdraft occurs in a Fund (including, without limitation, overdrafts incurred in connection with the settlement of securities transactions, funds transfers or foreign exchange transactions) or if the Company is for any other reason indebted to the Trustee, the Company agrees to repay the Trustee on demand or upon becoming aware of the amount of the advance, overdraft or indebtedness, plus accrued interest at a rate then charged by the Trustee to its institutional custody clients in the relevant currency.

**Section 4.15    Securing Repayment.** In order to secure repayment of the Trust's obligations to the Trustee, the Company on behalf of the Trust hereby pledges and grants to the Trustee a continuing first lien and security interest in, and right of setoff against all of the Trust's right, title and interest in the Fund and the Securities, money and other Property now or hereafter held in the Fund (including proceeds thereof); provided, that the Company does not grant the Trustee a security interest in any Securities issued by an affiliate of the Trustee (as defined in Section 23A of the Federal Reserve Act). The Company represents that Trust owns the securities in the account free and clear of all liens, claims, security interests, and the first lien and security interest granted herein shall be subject to no setoffs, counterclaims, or other liens prior to or on a parity with it in favor of any other party (other than specific liens granted preferred status by statute). The Company shall take any additional steps required to assure the Trustee of such priority security interest, including notifying third parties or obtaining their consent. The Trustee shall be entitled to collect from the accounts sufficient cash for reimbursement, and if such cash is insufficient, to sell the securities in the accounts to the extent necessary to obtain reimbursement. In this regard, the Trustee shall be entitled to all the rights and remedies of a pledgee and secured creditor under applicable laws, rules or regulations as then in effect.

**Section 4.16    Pricing and Other Data.** For purposes of this Section, "Market Data" shall mean pricing or other data related to securities and other assets. Market Data includes but is not limited to security identifiers, valuations, bond ratings, classification data, and other data received from investment managers and others. In providing Market Data related to the Fund in connection with this Agreement, the Trustee is authorized to use pricing vendors, brokers, dealers, investment managers, Authorized Parties, Subcustodians, Depositories and any other person

providing Market Data to the Trustee (“Data Providers”). The Trustee may follow Authorized Instructions in providing pricing or other Market Data, even if such instructions direct the Trustee to override its usual procedures and Market Data sources. The Trustee shall be entitled to rely without inquiry on all Market Data (and all Authorized Instructions related to Market Data) provided to it, and the Trustee shall not be liable for any losses incurred as a result of Market Data that contains errors or that is incomplete. The Company acknowledges that certain pricing or valuation information may be based on calculated amounts rather than actual market transactions and may not reflect actual market values, and that the variance between such calculated amounts and actual market values may be material. The Trustee shall not be required to inquire into the pricing or any securities or other assets even though the Trustee may receive different prices for the same securities or assets. Market Data may be the intellectual property of the Data Providers, which may impose additional terms and conditions upon the Company’s use of the Market Data. The additional terms and conditions can be found on the Data Terms Website, at <http://bnymellon.com/products/assetservicing/vendoragreement.pdf> (“Data Terms Website”), or any successor website the address of which is provided by the Trustee to the Company. The Company agrees to those terms as they are posted in the Data Terms Website from time to time. Certain service providers hired by the Trustee to provide or to assist the Trustee with providing value-added services requested by the Company (“Third Party Service Providers”) may not utilize the Company’s directed price due to system constraints or differing data sources. Performance measurement and analytic services may use different data sources than those used by the Trustee to provide Market Data for the Fund, which may result in differences between custodial reports and performance measurement and analytic reports

**Section 4.17     Books of Account.** The Trustee shall keep separate true and correct books of Account with respect to each Fund, which books of Account shall at all reasonable times be open to inspection by the Company or its duly appointed representatives. The Trustee shall, upon written request of the Company, permit government agencies, such as the NRC or the Service, to inspect the books of Account of each Fund. The Trustee shall furnish to the Company on or about the tenth business day of each month a statement for each Fund showing, with respect to the preceding calendar month, the balance of assets on hand at the beginning of such month, all receipts, investment transactions, and disbursements which took place during such month and the balance of assets on hand at the end of such month. The Trustee agrees to provide on a timely basis any information deemed necessary by the Company to file the Company’s federal, state and local tax returns.

**Section 4.18     Centralized Functions.** The Bank of New York Mellon Corporation is a global financial organization that provides services to clients through its affiliates and subsidiaries in multiple jurisdictions (the “BNY Mellon Group”). The BNY Mellon Group may centralize functions, including audit, accounting, risk, legal, compliance, sales, administration, product communication, relationship management, storage, compilation and analysis of customer-related data, and other functions (the “Centralized Functions”) in one or more affiliates, subsidiaries and third-party service providers. Solely in connection with the Centralized Functions, (i) the Company consents to the disclosure of, and authorizes the Trustee to disclose, information regarding the Company and its accounts (“Customer-Related Data”) to the BNY Mellon Group and to its third-party service providers who are subject to confidentiality obligations with respect to such information and (ii) the Trustee may store the names and business addresses of the

Company's employees on the systems or in the records of the BNY Mellon Group or its service providers. In addition, the BNY Mellon Group may aggregate Customer-Related Data with other data collected and/or calculated by the BNY Mellon Group, and the BNY Mellon Group will own all such aggregated data, provided that the BNY Mellon Group shall not distribute the aggregated data in a format that identifies Customer-Related Data with the Company. The Company is authorized to consent to the foregoing and confirms that the disclosure to and storage by the BNY Mellon Group of such information does not violate any relevant data protection legislation. In addition, the Trustee may disclose Customer-Related Data as required by law or at the request of any governmental or regulatory authority.

**Section 4.19     Standard of Care/Limitation on Liability.** In performing its duties under this agreement, the Trustee shall exercise the same care and diligence that it would devote to its own property in like circumstances.

- (a) The Trustee shall not be liable for Losses except to the extent that such Losses are a direct result of the Trustee's negligence or willful misconduct.
- (b) The Trustee shall not be liable to the Company, or the Trust for indirect, consequential or special damages arising in connection with this Agreement even if the Trustee has been advised of the possibility of such damages.
- (c) The Trustee shall not be responsible for the title, validity or genuineness of any Securities or evidence of title thereto received by it or delivered by it pursuant to this Agreement or for Securities held hereunder being freely transferable or deliverable without encumbrance in any relevant market;
- (d) The Trustee shall not be responsible for the failure to receive payment of, or the late payment of, income or other payments due to the Fund;
- (e) The Trustee shall have no duty to take any action to collect any amount payable on Securities in default or if payment is refused after due demand and presentment;
- (f) The Trustee may obtain the advice of counsel and shall be fully protected with respect to anything done or omitted by it in good faith in conformity with such advice;
- (g) The Trustee shall have no duty or responsibility to inquire into, make recommendations, supervise, or determine the suitability of any transactions affecting the Fund and shall have no liability with respect to the Company's or an Authorized Person's decision to invest in Securities or to hold cash in any currency;
- (h) The Trustee shall have no responsibility if the rules or procedures imposed by Depositories, exchange controls, asset freezes or other laws, rules, regulations or orders at any time prohibit or impose burdens or costs on the transfer of Securities or cash to, by or for the Fund; and
- (i) The Trustee shall have no liability for any Losses arising from the insolvency of any Person, including but not limited to a Subcustodian, Depository, broker, bank,

and a counterparty to the settlement of a transaction or to a foreign exchange transaction, except as provided in Sections 4.10 and 4.12 above.

**Section 4.20     Liability and Indemnification.** The Trustee shall not be liable for any action taken by it in good faith and without gross negligence, willful misconduct or recklessness and reasonably believed by it to be authorized or within the rights or powers conferred upon it by this Agreement and may consult with counsel of its own choice (including counsel for the Company) and shall have full and complete authorization and protection for any action taken or suffered by it hereunder in good faith and without gross negligence and in accordance with the opinion of such counsel, provided, however, that the Trustee shall be liable for direct damages resulting from investing assets of the Qualified Fund in assets not permitted under Section 468A of the Code or from self-dealing as provided in Section 4.08 hereof. Provided indemnification does not result in self-dealing under Section 4.08 hereof or in a deemed contribution to a Qualified Fund in excess of the limitation on contributions under Section 468A of the Code, the Company hereby agrees to indemnify the Trustee for, and to hold it harmless against, any loss, liability or expense incurred without gross negligence, willful misconduct, recklessness or bad faith on the part of the Trustee, arising out of or in connection with its entering into this Agreement and carrying out its duties hereunder, including the costs and expenses of defending itself against any claim of liability, provided such loss, liability or expense does not result from investing assets of the Qualified Fund in other than assets permitted under Section 468A of the Code or from self-dealing under Section 4.08 hereof, and provided further that no such costs or expenses shall be paid if the payment of such costs or expenses is prohibited by Section 468A of the Code.

**Section 4.21     Force Majeure.** Notwithstanding anything in this Agreement to the contrary, the Trustee shall not be responsible or liable for any failure to perform under this Agreement or for any Losses to the Fund resulting from any event beyond the reasonable control of the Trustee.

**Section 4.22     Foreign Exchange.** Any foreign exchange transaction effected by the Trustee in connection with this Agreement may be entered with the Trustee or a BNY Mellon Affiliate acting as a principal or otherwise through customary channels. The Company, the Investment Manager or other fiduciary may issue standing Written Instructions with respect to foreign exchange transactions, but the Trustee may establish rules or limitations concerning any foreign exchange facility made available to the Fund. With respect to foreign exchange transactions done through The Bank of New York Mellon's Global Markets FX Desk, it is acting as a principal counterparty on its own behalf and is not acting as a fiduciary or agent for, or in connection with, the Company, the Trust, or an Investment Manager.

**Section 4.23     Resignation, Removal and Successor Trustees.** The Trustee may resign at any time upon sixty (60) days' written notification to the Company. The Company may remove the Trustee for any reason at any time upon thirty (30) days' written notification to the Trustee. If a successor Trustee shall not have been appointed within these specified time periods after the giving of written notice of such resignation or removal, the Trustee or Company may apply to any court of competent jurisdiction to appoint a successor Trustee to act until such time, if any, as a successor shall have been appointed and shall have accepted its appointment as provided below. If the Trustee shall be adjudged bankrupt or insolvent, a vacancy shall thereupon be deemed to exist

in the office of Trustee and a successor shall thereupon be appointed by the Company. Any successor Trustee appointed hereunder shall execute, acknowledge and deliver to the Company an appropriate written instrument accepting such appointment hereunder, subject to all the terms and conditions hereof, and thereupon such successor Trustee shall become fully vested with all the rights, powers, trusts, duties and obligations of its predecessor in trust hereunder, with like effect as if originally named as Trustee hereunder. The predecessor Trustee shall, upon written request of the Company and payment of all fees and expenses, deliver to the successor Trustee the corpus of the Funds and perform such other acts as may be required or be desirable to vest and confirm in said successor Trustee all right, title and interest in the corpus of the Funds to which it succeeds.

**Section 4.24     Merger of Trustee.** Any corporation or other legal entity into which the Trustee may be merged or with which it may be consolidated, or any corporation or other legal entity resulting from any merger or consolidation to which the Trustee shall be a party, or any corporation or other legal entity to which the corporate trust functions of the Trustee may be transferred, shall be the successor Trustee under this Agreement without the necessity of executing or filing any additional acceptance of this Agreement or the performance of any further act on the part of any other parties hereto.

**Section 4.25     Required Disclosure.** With respect to Securities that are registered under the Securities Exchange Act of 1934, as amended (the “Exchange Act”) or that are issued by an issuer registered under the Investment Company Act of 1940, as amended, Section 14(b) of the Exchange Act and Rule 14b-2 promulgated thereunder require the Trustee to disclose to issuers of such Securities, upon their request, the name, address and securities position of the Trustee’s clients who are “beneficial owners” (as defined in the Exchange Act) of the issuer’s Securities, unless the beneficial owner objects to such disclosure. The Exchange Act defines a “beneficial owner” as any person who has or shares the power to vote a security (pursuant to an agreement or otherwise) or who directs the voting of a security. The Company has designated on the signature page hereof, whether: (1) as beneficial owner, it objects to the disclosure of its name, address and securities position to any U.S. issuer that requests such information pursuant to the Exchange Act for the specific purpose of direct communications between such issuer and the Company; or (2) the Trustee shall contact the Investment Manager with respect to relevant Securities to make the decision whether it objects to the disclosure of the beneficial owner’s name, address and securities position to any U.S. issuer that requests such information pursuant to the Exchange Act.

With respect to Securities issued outside the United States, the Trustee shall disclose information required by any Depository, the laws or regulations of the relevant jurisdiction, rules of the relevant stock exchange or organizational documents of an issuer. The Trustee is also authorized to supply any information regarding the Fund that is required by any law, regulation or rules now or hereafter in effect. The Company agrees to supply the Trustee with any required information if it is not otherwise reasonably available to the Trustee.

## **V.     AMENDMENTS**

The Company may revoke this Agreement at any time or may amend this Agreement from time to time, provided such amendment does not cause the Qualified Funds to fail to qualify as Nuclear Decommissioning Reserve Funds under Section 468A of the Code. The

Agreement may not be amended so as to violate 468A of the Code. The Qualified Funds are established and shall be maintained for the sole purpose of qualifying as Nuclear Decommissioning Reserve Funds under Section 468A of the Code. If the Qualified Fund would fail to so qualify because of any provision contained in this Agreement, this Agreement shall be deemed to be amended as necessary to conform with the requirements of Section 468A of the Code. If a proposed amendment shall affect the responsibility of the Trustee, such amendment shall not be considered valid and binding until such time as the amendment is executed by the Trustee. This Agreement may not be modified in any material respect without written notification to the Director, Office of Nuclear Reactor Regulation, or the Director, Office of Nuclear Material Safety and Safeguards, as applicable, at least 30 working days before the proposed effective date of the amendment.

## **VI. POWERS OF THE TRUSTEE AND INVESTMENT MANAGER**

**Section 6.01 General Powers.** The Trustee shall have and exercise the following powers and authority in the administration of the Funds only at the direction of the Company, where indicated or at the direction of an Investment Manager where such powers and authority relate to a separate Account established for an Investment Manager, and in its sole discretion where such powers and authority relate to investments made by the Trustee in accordance with Section 4.07(b), or Section 6.03:

- (a) to purchase, receive or subscribe for any securities or other property and to retain in trust such securities or other property;
- (b) at the direction of the Company, to take any actions with respect to the trust's Rights and Interests, and the Trustee shall be fully protected in following such direction;
- (c) to sell, exchange, convey, transfer, lend, or otherwise dispose of any property held in the Funds and to make any sale by private contract or public auction; and no person dealing with the Trustee shall be bound to see to the application of the purchase money or to inquire into the validity, expediency or propriety of any such sale or other disposition;
- (d) to forward to the Authorized Person designated by the Company proxies or ballots for any stocks, bonds or other securities held in the Funds in a form to enable the Authorized Person to effect the voting of proxies, excluding bankruptcy matters to which the Trustee's duties are set forth in (e) below;
- (e) to submit or cause to be submitted to the Company or the Investment Manager, as designated by the Company, information received by the Trustee, or summaries of information, regarding ownership rights pertaining to property held in the Funds, in accordance with the Trustee's practices, excluding bankruptcy matters to which the Trustee's duties are set forth in Section (f) below;
- (f) to forward to the Authorized Person designated by the Company an initial notice of bankruptcy cases relating to securities held in the Funds and a notice of any required action related to such bankruptcy cases as may be actually received by the Trustee. No further action or



notification related to the bankruptcy case shall be required absent the specific agreement of the parties hereto;

(g) to exercise any rights appurtenant to any such stocks, bonds or other securities for the conversion thereof into other stocks, bonds or securities, or to exercise rights or options to subscribe for or purchase additional stocks, bonds or other securities, and to make any and all necessary payments with respect to any such conversion or exercise, as well as to write options with respect to such stocks and to enter into any transactions in other forms of options with respect to any options which the Funds have outstanding at any time;

(h) to join in, dissent from or oppose the reorganization, recapitalization, consolidation, sale or merger of corporations or properties of which the Funds may hold stocks, bonds or other securities or in which it may be interested, upon such terms and conditions as deemed wise, to pay any expenses, assessments or subscriptions in connection therewith, and to accept any securities or property, whether or not trustees would be authorized to invest in such securities or property, which may be issued upon any such reorganization, recapitalization, consolidation, sale or merger and thereafter to hold the same, without any duty to sell;

(i) to enter into any type of contract with any insurance company or companies, either for the purposes of investment or otherwise; provided that no insurance company dealing with the Trustee shall be considered to be a party to this Agreement and shall only be bound by and held Accountable to the extent of its contract with the Trustee. Except as otherwise provided by any contract, the insurance company need only look to the Trustee with regard to any instructions issued and shall make disbursements or payments to any person, including the Trustee, as shall be directed by the Trustee. Where applicable, the Trustee shall be the sole owner of any and all insurance policies or contracts issued. Such contracts or policies, unless otherwise determined, shall be held as an asset of the Funds for safekeeping or custodian purposes only;

(j) upon authorization of the Company to lend the assets of the Funds and, specifically, to loan any securities to brokers, dealers or banks upon such terms, and secured in such manner, as may be determined by the Trustee, to permit the loaned securities to be transferred into the name of the borrower or others and to permit the borrower to exercise such rights of ownership over the loaned securities as may be required under the terms of any such loan; provided, that, with respect to the lending of securities pursuant to this paragraph, the Trustee's powers shall subsume the role of custodian (the expressed intent hereunder being that the Trustee, in such case, be deemed a financial institution, within the meaning of Section 101(22) of the Bankruptcy Code); and provided, further, that any loans made from the Funds shall be made in conformity with such laws or regulations governing such lending activities which may have been promulgated by any appropriate regulatory body at the time of such loan;

(k) to purchase, enter, sell, hold, and generally deal in any manner in and with contracts for the immediate or future delivery of financial instruments of any issuer or of any other property and in foreign exchange or foreign exchange contracts; to grant, purchase, sell,

exercise, permit to expire, permit to be held in escrow, and otherwise to acquire, dispose of, hold and generally deal in any manner with and in all forms of options in any combination.

Settlements of transactions may be effected in trading and processing practices customary in the jurisdiction or market where the transaction occurs. The Company acknowledges that this may, in certain circumstances, require the delivery of cash or securities (or other property) without the concurrent receipt of securities (or other property) or cash and, in such circumstances, the Company shall have sole responsibility for nonreceipt of payment (or late payment) by the counterparty.

Notwithstanding anything in this Agreement to the contrary, the Trustee shall not be responsible or liable for its failure to perform under this Agreement or for any losses to the Funds resulting from any event beyond the reasonable control of the Trustee, its agents or sub-custodians, including but not limited to nationalization, strikes, expropriation, devaluation, seizure, or similar action by any governmental authority, de facto or de jure; or enactment, promulgation, imposition or enforcement by any such governmental authority of currency restrictions, exchange controls, levies or other charges affecting the Funds' property; or the breakdown, failure or malfunction of any utilities or telecommunications systems; or any order or regulation of any banking or securities industry including changes in market rules and market conditions affecting the execution or settlement of transactions; or acts of war, terrorism, insurrection or revolution; or acts of God; or any other similar event. This Section shall survive the termination of this Agreement.

**Section 6.02     Specific Powers of the Trustee.** The Trustee shall have the following powers and authority, to be exercised in its sole discretion with respect to the Funds:

(a) to appoint agents, custodians, sub-trustees, depositories or counsel, domestic or foreign, as to part or all of the Funds and functions incident thereto where, in the sole discretion of the Trustee, such delegation is necessary in order to facilitate the operations of the Funds and such delegation is not inconsistent with the purposes of the Funds or in contravention of any applicable law. To the extent that the appointment of any such person or entity may be deemed to be the appointment of a fiduciary, the Trustee may exercise the powers granted hereby to appoint as such a fiduciary any person or entity. Upon such delegation, the Trustee may require such reports, bonds or written agreements as it deems necessary to properly monitor the actions of its delegate;

(b) to cause any investment, either in whole or in part, in the Funds to be registered in, or transferred into, the Trustee's name or the names of a nominee or nominees, including but not limited to that of the Trustee or an affiliate of the Trustee, a clearing corporation, or a depository, or in book-entry form, or to retain any such investment unregistered or in a form permitting transfer by delivery, provided that the books and records of the Trustee shall at all times show that such investments are a part of the Funds; and to cause any such investment, or the evidence thereof, to be held by the Trustee, in a depository, in a clearing corporation, in book-entry form, or by any other entity or in any other manner permitted by law; ;

(c) to make, execute and deliver, as Trustee, any and all deeds, leases, mortgages, conveyances, waivers, releases or other instruments in writing necessary or desirable for the accomplishment of any of the foregoing powers;

(d) to defend against or participate in any legal actions involving the Funds or the Trustee in its capacity stated herein, in the manner and to the extent it deems advisable;

(e) to form corporations and to create trusts, to hold title to any security or other property, to enter into agreements creating partnerships or joint ventures for any purpose or purposes determined by the Trustee to be in the best interests of the Funds;

(f) to establish and maintain such separate Accounts in accordance with the instructions of the Company as the Company deems necessary for the proper administration of the Funds, or as determined to be necessary by the Trustee;

(g) to hold uninvested cash in its commercial bank or that of an affiliate, as it shall deem reasonable or necessary;

(h) to invest in any collective, common or pooled trust fund operated or maintained exclusively for the commingling and collective investment of monies or other assets including any such fund operated or maintained by the Trustee or an affiliate. The Company expressly understands and agrees that any such collective fund may provide for the lending of its securities by the collective fund trustee and that such collective fund's trustee will receive compensation for the lending of securities that is separate from any compensation of the Trustee hereunder, or any compensation of the collective fund trustee for the management of such collective fund. The Trustee is authorized to invest in a collective fund which invests in Mellon Financial Corporation stock in accordance with the terms and conditions of the Department of Labor Prohibited Transaction Exemption 95-56 (the "Exemption") granted to the Trustee and its affiliates and to use a cross-trading program in accordance with the Exemption. The Company acknowledges receipt of the notice entitled "Cross-Trading Information," a copy of which is attached to this Agreement as Exhibit E;

(i) to invest in open-end and closed-end investment companies, including those for which the Trustee or an affiliate provides services for a fee, regardless of the purposes for which such fund or funds were created, and any partnership, limited or unlimited, joint venture and other forms of joint enterprise created for any lawful purpose; and

(j) to generally take all action, whether or not expressly authorized, which the Trustee may deem necessary or desirable for the protection of the Funds.

Notwithstanding anything else in this Agreement to the contrary, including, without limitation, any specific or general power granted to the Trustee and to the investment managers, including the power to invest in real property, no portion of the Funds shall be invested in real estate (except for investments tied to market indexes or other non-nuclear sector common trust funds or mutual funds). For this purpose "real estate" includes, but is not limited to, real property, leaseholds or mineral interests.

The powers described in Section 6.02 may be exercised by the Trustee with or without instructions from the Company or a party authorized by the Company to act on its behalf, but where the Trustee acts on Authorized Instructions, the Trustee shall be fully protected as described in Section 4.07. Without limiting the generality of the foregoing, the Trustee shall not be liable for

the acts or omissions of any person appointed under paragraph (a) of Section 6.02 pursuant to Authorized Instructions.

**Section 6.03     Prohibition Against Nuclear Sector Investments.** Except for investments tied to market indexes or other non-nuclear sector collective, commingled or mutual funds, the assets of the Funds shall not be invested in: (1) the securities or other obligations of the Company, or affiliates thereof, or their successors or assigns, as identified by CUSIP by the Company; and (2) the securities or other obligations of any entity owning or operating one or more nuclear power plants. A non-nuclear sector collective, commingled or mutual fund is one in which less than 50 percent of the fund is invested in the securities of entities that own or operate a nuclear power plant or that are parent companies of subsidiaries that own or operate a nuclear power plant.

## **VII.     TERMINATION**

The Qualified Fund shall terminate upon the later of (A) the earlier of either (i) substantial completion of decommissioning of the Unit, as defined in the Special Terms, or (ii) disqualification of the Qualified Fund by the Service as provided in Treasury Regulation § 1.468A5(c) or any corresponding future Treasury Regulation or (B) termination by the NRC of the Unit's operating license. The Nonqualified Fund shall terminate upon termination by the NRC of the Unit's license. In any event, ENF Master Trust terminate no later than twenty one (21) years after the death of the last survivor of each person who was an officer or director of the Company on the date of this Agreement and each of their descendants born on or prior to that date. Prior to termination, the ENF Master Trust shall be irrevocable. Upon the termination of any Fund, the assets of the terminated Fund shall be distributed to the Company. This Agreement shall continue in effect to govern any final payments, disbursements or distributions required under the terms of this Agreement.

## **VIII.   MISCELLANEOUS**

**Section 8.01     Binding Agreement.** All covenants and agreements in this Agreement shall be binding upon and inure to the benefit of the respective parties hereto, their successors and assigns.

**Section 8.02     Notices.** All notices and communications hereunder shall be in writing and shall be deemed to be duly given on the date mailed if sent by registered mail, return receipt requested, as follows:

If to the Trustee:

THE BANK OF NEW YORK MELLON  
Trust and Investment Department  
Attn: Trust Administration  
Room 151-1320  
One Mellon Bank Center  
Pittsburgh, PA 15258

If to the Company:

ENTERGY NUCLEAR FITZPATRICK, LLC  
c/o Entergy Nuclear Operations, Inc.  
440 Hamilton Avenue White Plains, NY 10601  
Attention: Chief Operating Officer  
Fax No.: 914-272-3205

with a copy to:

ENTERGY NUCLEAR FITZPATRICK, LLC  
639 Loyola Avenue  
New Orleans, LA 70113  
Attention: Treasury

or at such other address as the Trustee or Company may have furnished to the other party in writing by registered mail, return receipt requested.

**Section 8.03 Governing Law.** The Funds have been established pursuant to this Agreement in accordance with the requirements for a trust under the laws of the Commonwealth of Pennsylvania, and this Agreement shall be governed by and construed and enforced in accordance with the substantive laws of the Commonwealth of Pennsylvania without regard to its conflicts of law provisions. The parties consent to the jurisdiction of a state or federal court situated in Pittsburgh, Pennsylvania in connection with any dispute hereunder. The Company irrevocably waives any objection it may now or hereafter have to venue in such court and any claim that a proceeding brought in such court has been brought in an inconvenient forum. The parties hereby expressly waive, to the full extent permitted by applicable law, any right to trial by jury with respect to any judicial proceeding arising from or related to this Agreement.

**Section 8.04 Counterparts.** This Agreement may be executed in several counterparts, and all such counterparts executed and delivered, each an original, shall constitute but one and the same instrument.

**Section 8.05 Contractual Income.** The Trustee shall credit the Funds with income and maturity proceeds on securities on the contractual payment date net of any taxes or upon actual receipt as agreed between the Trustee and the Company. To the extent the Company and the Trustee have agreed to credit income on the contractual payment date, the Trustee may reverse such Accounting entries with back value to the contractual payment date if the Trustee reasonably believes that such amount will not be received by it.

**Section 8.06 Contractual Settlement.** The Trustee will attend to the settlement of securities transactions on the basis of either contractual settlement date Accounting or actual settlement date Accounting as agreed between the Company and the Trustee. To the extent the Company and the Trustee have agreed to settle certain securities transactions on the basis of contractual settlement date Accounting, the Trustee may reverse with back value to the contractual

settlement date any entry relating to such contractual settlement where the related transaction remains unsettled according to established procedures.


**Section 8.07 Representations and Warranties.** The Company and the Trustee hereby each represent and warrant to the other that it has full authority to enter into this Agreement upon the terms and conditions hereof and that the individual executing this Agreement on its behalf has the requisite authority to bind the Company and the Trustee to this Agreement.

**Section 8.08 USA PATRIOT Act.** The Company hereby acknowledges that the Trustee is subject to federal laws, including the Customer Identification Program ("CIP") requirements under the USA PATRIOT Act and its implementing regulations, pursuant to which the Trustee must obtain, verify and record information that allows the Trustee to identify the Company. Accordingly, prior to opening an account hereunder, the Trustee will ask the Company to provide certain information including, but not limited to, the Company's name, physical address, tax identification number and other information that will help the Trustee to identify and verify the Company's identity such as organizational documents, certificate of good standing, license to do business, or other pertinent identifying information. The Company agrees that the Trustee cannot open an account hereunder unless and until the Trustee verifies the Company's identity in accordance with the Trustee's CIP


**Section 8.09 Successors and Assigns.** The interest of the Company in the Funds is only transferable to subsidiaries of the Company. Otherwise it is not transferable, whether voluntarily or involuntarily, nor subject to the claims of creditors of the Company. Notwithstanding the foregoing, if the Company sells or transfers all or part of its ownership interest in the Unit, including without limitation a sale or transfer to an affiliate of the Company, the Company may transfer its interest in the Funds or any Fund.

**IN WITNESS WHEREOF**, the parties hereto, each intending to be legally bound hereby, have hereunto set their hands and seals as of the day and year first above written.

**ENTERGY NUCLEAR FITZPATRICK, LLC**

By:   
Name: Steven C. McNeal  
Title: VP & Treasurer

**THE BANK OF NEW YORK MELLON**

By:   
Name: David W. Ryan  
Title: Managing Director

Pursuant to Section 4.25, as Beneficial Owner:

☐ Company OBJECTS to disclosure

☐ Company DOES NOT OBJECT to disclosure

☐ Trustee shall CONTACT THE THE INVESTMENT MANAGER with respect to relevant Securities to make the decision whether it objects to disclosure

IF NO BOX IS CHECKED, TRUSTEE SHALL RELEASE SUCH INFORMATION UNTIL IT RECEIVES A CONTRARY WRITTEN INSTRUCTION FROM THE COMPANY.

## EXHIBIT “A”

### SPECIAL TERMS OF THE QUALIFIED NUCLEAR DECOMMISSIONING RESERVE FUNDS

The following Special Terms of the Qualified Nuclear Decommissioning Reserve Funds (hereinafter referred to as the “Special Terms”) will apply for purposes of the Nuclear Master Decommissioning Trust Agreement (the “Agreement”), between ENTERGY NUCLEAR FITZPATRICK, LLC, a limited liability company duly organized and existing under the laws of the State of Delaware (“the Company”), and THE BANK OF NEW YORK MELLON, a New York state bank having trust powers through its trust office located in Pittsburgh, Pennsylvania (the “Trustee”).

**Section 1     Definitions.** The following terms as used in the Special Terms shall, unless the context clearly indicates otherwise, have the following respective meanings:

(a)     “Administrative costs and other incidental expenses of the Qualified Fund” shall mean all ordinary and necessary expenses incurred in connection with the operation of the Qualified Fund, as provided in Treasury Regulation § 1.468A-5(a)(3)(ii)(A) or any corresponding future Treasury Regulation, including without limitation, federal, state and local income tax, legal expenses, Accounting expenses, actuarial expenses and trustee expenses.

(b)     “Excess Contribution” shall have the meaning set forth in Section 4 hereof.

(c)     “Permissible Assets” shall mean any investment permitted for a qualified nuclear decommissioning reserve fund under Section 468A of the Code, subject to the restrictions provided in Section 3.05 and Section 6.03 of the Agreement.

(d)     “Qualified Decommissioning Costs” shall mean all expenses otherwise deductible for federal income tax purposes without regard to Section 280B of the Code, incurred (or to be incurred) in connection with the entombment, decontamination, dismantlement, removal and disposal of the structures, systems and components of the Unit when it has permanently ceased the production of electric energy, excluding any costs incurred for the disposal of spent nuclear fuel, as provided in Treasury Regulation § 1.468A-1(b)(6) or any corresponding future Treasury Regulation. Such term includes all otherwise deductible expenses to be incurred in connection with the preparation for decommissioning, such as engineering and other planning expenses, and all otherwise deductible expenses to be incurred with respect to the Unit after the actual decommissioning occurs, such as physical security and radiation monitoring expenses.

(e)     “Qualified Fund” shall mean the trust within the ENF Master Trust qualified as a nuclear decommissioning reserve fund under Code Section 468A.

(f)     “Substantial completion of decommissioning” shall mean the date that the maximum acceptable radioactivity levels mandated by the NRC with respect to a decommissioned nuclear power plant are satisfied by the Unit; provided, however, that if the



Company requests a ruling from the Service, the date designated by the Service as the date on which substantial completion of decommissioning occurs shall govern; provided, further, that the date on which substantial completion of decommissioning occurs shall be in accordance with Treasury Regulation §1.468A-5(d)(2) or any corresponding future Treasury Regulation.

**Section 2      Contributions to a Qualified Fund.** The assets of the Qualified Fund shall be contributed by the Company from time to time in cash, or, as authorized in Section 3. herein. The Trustee shall not accept any contributions for the Qualified Fund other than those which the Company is allowed a deduction under Section 468A(a) of the Code and Treasury Regulation § 1.468A-2(a) or any corresponding future Treasury Regulation. The Company hereby represents that all contributions (or deemed contributions) by the Company to the Qualified Fund in accordance with the provisions of Section 3.01 of the Agreement shall be deductible under Section 468A of the Code and Treasury Regulation § 1.468A-2(a) or any corresponding future Treasury Regulation or shall be withdrawn pursuant to Section 4 hereof.

**Section 3      Special Transfers by the Company.** The company may direct that cash or property be transferred from the Nonqualified Fund to the Qualified Fund pursuant to a “Special Transfer” as authorized by Section 468A(f) of the Code and Treasury Regulation § 1.468A-8. The Company hereby represents that all Special Transfers shall in accordance with Section 468A(f) of the Code and Treasury Regulation § 1.468A-8 or any corresponding future Treasury Regulation or shall be withdrawn pursuant to Section 4 hereof.

**Section 4      Excess Contribution.** If the Company’s contribution (or deemed contribution or Special Transfer) to the Qualified Fund in any one year exceeds the amount deductible under Section 468A of the Code (“Excess Contribution”), the Company may instruct the Trustee to transfer such Excess Contribution from the Qualified Fund to the Nonqualified Fund, as defined in the Agreement, pursuant to Section 3.09 of the Agreement, provided any such transfer occurs on or before the date prescribed by law (including extensions) for filing the federal income tax return of the Qualified Fund for the taxable year to which the Excess Contribution relates for withdrawals pursuant to Treasury Regulations §§ 1.468A-5(c)(2) and 1.468A-2(d)(2) and occurs on or before the later of the date prescribed by law (including extensions) for filing the federal income tax return of the Qualified Fund for the taxable year to which the excess contribution relates or the date that is thirty (30) days after the date that the Company receives the ruling amount for such taxable year for withdrawals pursuant to Treasury Regulation § 1.468A-5(c)(2)(i). If the Company determines that transfer pursuant to this Section 4 is appropriate, the Company shall present a certificate so stating to the Trustee signed by its Chairman of the Board, its President or one of its Vice Presidents and its Treasurer or an Assistant Treasurer, requesting such withdrawal and transfer. The certificate shall be substantially in the form attached as Exhibit C to the Agreement for transfers to the Nonqualified Fund as provided in Section 3.09 of the Agreement and substantially in the form of Exhibit D to the Agreement for withdrawals and transfers by the Company.

**Section 5      Limitation on Use of Assets.** The assets of the Qualified Fund shall be used exclusively as follows:

(a) To satisfy, in whole or in part, the liability of the Company for Qualified Decommissioning Costs through payments by the Trustee pursuant to Article III of the Agreement; and

(b) To pay the administrative costs and other incidental expenses of the Qualified Fund; and

(c) To the extent the assets of the Qualified Fund are not currently required for (a) and (b) above, to invest directly in Permissible Assets.

**Section 6      Taxable Year/Tax Returns.** The Accounting and taxable year for the Qualified Fund shall be the taxable year of the Company for federal income tax purposes. If the taxable year of the Company shall change, the Company shall notify the Trustee of such change and the Accounting and taxable year of the Qualified Funds must change to the taxable year of the Company as provided in Treasury Regulation § 1.468A-4(c)(1) or any corresponding future Treasury Regulation. The Company shall assist the Trustee in complying with any requirements under Section 442 of the Code and Treasury Regulation § 1.442-1. The Company shall prepare, or cause to be prepared, any tax returns required to be filed by the Qualified Fund, and the Trustee shall sign and file such returns on behalf of the Qualified Fund. The Trustee shall cooperate with the Company in the preparation of such returns.

**EXHIBIT "B"**

**CERTIFICATE FOR PAYMENT  
OF DECOMMISSIONING COSTS**

THE BANK OF NEW YORK MELLON,  
as Trustee

Trust and Investment Department  
Attn: Trust Administration  
Room 151-3346  
One Mellon Bank Center  
Pittsburgh, PA 15258

This Certificate is submitted pursuant to Section 3.06 of the Nuclear Decommissioning Master Trust Agreement (the "Agreement"), dated \_\_\_\_\_, between The Bank of New York Mellon (the "Trustee") and Entergy Nuclear FitzPatrick, LLC (the "Company"). All capitalized terms used in this Certificate and not otherwise defined herein shall have the meanings assigned to such terms in the Agreement. In your capacity as Trustee, you are hereby authorized and requested to disburse to [payee] the amount of \$\_\_\_\_\_ from the Qualified Fund and the amount of \$\_\_\_\_\_ from the Nonqualified Fund for the payment of the Decommissioning Costs which have been incurred with respect to James A. FitzPatrick Nuclear Power Plant, from the License Termination 50.75 Account(s) or Non-License Termination Non-50.75 Account(s) of the Fund(s), as indicated in Schedule A hereto.

With respect to such Decommissioning Costs, the Company hereby certifies as follows:

1. The amount to be disbursed pursuant to this Certificate shall be solely used for the purpose of paying the Decommissioning Costs in the amounts set forth on Schedule A hereto.
2. None of the Decommissioning Costs identified in Schedule A hereto have previously been made the basis of any certificate pursuant to Section 3.06 of the Agreement.
3. The amount to be disbursed from the Qualified Fund pursuant to this Certificate shall be used solely for the purpose of paying Qualified Decommissioning Costs as defined in the Special Terms.
4. Any necessary authorizations of the NRC or any corresponding governmental authority having jurisdiction over the decommissioning of the Unit have been obtained. Prior written notice to the NRC [is not required pursuant to Section 3.08 of the Agreement.] [has been made, and no objection by NRC has been received. A copy of such notice is provided herewith.]

**IN WITNESS WHEREOF**, the undersigned have executed this Certificate in the capacity shown below as of \_\_\_\_\_, \_\_\_\_\_ .

**ENTERGY NUCLEAR FITZPATRICK, LLC**

By: \_\_\_\_\_  
Name:  
Title:

**ENTERGY NUCLEAR FITZPATRICK, LLC**

By: \_\_\_\_\_  
Name:  
Title:

**Acknowledged by:  
THE BANK OF NEW YORK MELLON**

By: \_\_\_\_\_  
Name:  
Title:

**EXHIBIT “C”**  
**TRANSFER CERTIFICATE**

THE BANK OF NEW YORK MELLON,  
as Trustee

Trust and Investment Department  
Attn: Trust Administration  
Room 151-3346  
One Mellon Bank Center  
Pittsburgh, PA 15258

This Certificate is submitted pursuant to Section 3.09 of the Nuclear Decommissioning Master Trust Agreement (the “Agreement”), dated \_\_\_\_\_, between The Bank of New York Mellon (the “Trustee”) and Entergy Nuclear FitzPatrick, LLC (the “Company”). All capitalized terms used in this Certificate and not otherwise defined herein shall have the meanings assigned to such terms in the Agreement. In your capacity as Trustee, you are hereby authorized and instructed as follows (complete one):

To pay \$\_\_\_\_\_ in cash [or other property] from the Nonqualified Fund to the Qualified Fund; or

To pay \$\_\_\_\_\_ in cash from the Qualified Fund to the Nonqualified Fund;  
or

To pay \$\_\_\_\_\_ in cash [or other property] from License Termination 50.75 Account of the [Nonqualified Fund] [Qualified Fund] to the Non-License Termination Non-50.75 Account of the same Fund; or

To pay \$\_\_\_\_\_ in cash [or other property] from Non-License Termination Non-50.75 Account of the [Nonqualified Fund] [Qualified Fund] to the License Termination 50.75 Account of the same Fund.

With respect to such payment, the Company hereby certifies as follows:

1. Any amount stated herein to be paid from the Nonqualified Fund to the Qualified Fund is in accordance with the contribution limitations applicable to the Qualified Fund set forth in Section 2 and/or Section 3 of the Special Terms and the limitations of Section 3.09 of the Agreement.
2. Any amount stated herein to be paid from the Qualified Fund to the Nonqualified Fund is in accordance with Section 4 of the Special Terms.

The Company has determined that such payment is appropriate under the standards of Section 4 of the Special Terms.

**IN WITNESS WHEREOF**, the undersigned have executed this Certificate in the capacity as shown below as of \_\_\_\_\_, \_\_\_\_\_ .

**ENTERGY NUCLEAR FITZPATRICK, LLC**

By: \_\_\_\_\_  
Name:  
Title:

**Acknowledged by:  
THE BANK OF NEW YORK MELLON**

By: \_\_\_\_\_  
Name:  
Title:

**EXHIBIT “D”**

**CERTIFICATE FOR WITHDRAWAL  
OF EXCESS CONTRIBUTIONS  
FROM QUALIFIED FUND**

THE BANK OF NEW YORK MELLON,  
as Trustee

Trust and Investment Department  
Attn: Trust Administration  
Room 151-3346  
One Mellon Bank Center  
Pittsburgh, PA 15258

This Certificate is submitted pursuant to Section 4 of the Special Terms attached as Exhibit A to the Nuclear Decommissioning Master Trust Agreement (the “Agreement”), dated \_\_\_\_\_, between The Bank of New York Mellon (the “Trustee”) and Entergy Nuclear FitzPatrick, LLC ( the “Company”). All capitalized terms used in this Certificate and not otherwise defined herein shall have the meanings assigned to such terms in the Agreement. In your capacity as Trustee, you are hereby authorized and instructed to pay \$\_\_\_\_\_ in cash to the Company from the Qualified Fund. With respect to such payment, the Company hereby certifies that withdrawal and transfer pursuant to Section 4 of the Special Terms is appropriate and that \$\_\_\_\_\_ constitutes an excess contribution pursuant to such Section.

**IN WITNESS WHEREOF**, the undersigned have executed this Certificate in the capacity as shown below as of \_\_\_\_\_, \_\_\_\_\_ .

**ENTERGY NUCLEAR FITZPATRICK, LLC**

By: \_\_\_\_\_  
Name:  
Title:

**Acknowledged by:**  
**THE BANK OF NEW YORK MELLON**

By: \_\_\_\_\_  
Name:  
Title:



## **EXHIBIT “E”**

### **CROSS-TRADING INFORMATION**

As part of the cross-trading program covered by the Exemption for the Trustee and its affiliates, the Trustee is to provide to each affected Trust the following information:

I. The existence of the cross-trading program

The Trustee has developed and intends to utilize, wherever practicable, a cross-trading program for Indexed Accounts and Large Accounts as those terms are defined in the Exemption.

II. The “triggering events” creating cross-trade opportunities

In accordance with the exemption three “triggering events” may create opportunities for cross-trading transactions. They are generally the following (see the Exemption for more information):

- A. A change in the composition or weighting of the index by the independent organization creating and maintaining the index;
- B. A change in the overall level of investment in an Indexed Account as a result of investments and withdrawals on the Account’s opening date, where the Account is a bank collective fund, or on any relevant date for non-bank collective funds; provided, however, a change in an Indexed Account resulting from investments or withdrawals of assets of the Trustee’s own plans (other than the Trustee’s defined contribution plans under which participants may direct among various investment options, including Indexed Accounts) are excluded as a “triggering event”; or
- C A recorded declaration by the Trustee that an accumulation of cash in an Indexed Account attributable to interest or dividends on, and/or tender offers for, portfolio securities equal to not more than 0.5% of the Account’s total value has occurred.

III. The pricing mechanism utilized for securities purchased or sold

Securities will be valued at the current market value for the securities on the date of the crossing transaction.

Equity securities - the current market value for the equity security will be the closing price on the day of trading as determined by an independent pricing service; unless the security was added to or deleted from an index after the close of trading, in which case the price will be the opening price for that security on the next business day after the announcement of the addition or deletion.

Debt securities - the current market value of the debt security will be the price determined by the Trustee as of the close of the day of trading according to the Securities and Exchange Commission's Rule 17a-7(b)(4) under the Investment Company Act of 1940.

Debt securities that are not reported securities or traded on an exchange will be valued based on an average of the highest current independent bids and the lowest current independent offers on the day of cross-trading. The Trustee will use reasonable inquiry to obtain such prices from at least three independent sources that are brokers or market makers. If there are fewer than three independent sources to price a certain debt security, the closing price quotations will be obtained from all available sources.

IV. The allocation methods

Direct cross-trade opportunities will be allocated among potential buyers or sellers of debt or equity securities on a pro rata basis. With respect to equity securities, please note the Trustee imposes a trivial share constraint to reduce excessive custody ticket charges to participating Accounts.

V. Other procedures implemented by the Trustee for its cross-trading practices

The Trustee has developed certain internal operational procedures for cross-trading debt and equity securities. These procedures are available upon request.

ENCLOSURE 3 TO CNRO-2017-00004

**ENTERGY NUCLEAR INDIAN POINT 3, LLC  
MASTER DECOMMISSIONING TRUST AGREEMENT  
FOR INDIAN POINT NUCLEAR GENERATING UNIT NO. 3**

ENTERGY NUCLEAR OPERATIONS, INC.  
INDIAN POINT NUCLEAR GENERATING UNIT NO. 3 DOCKET NO. 50-286  
JAMES A. FITZPATRICK NUCLEAR POWER PLANT DOCKET NO. 50-333

**ENTERGY NUCLEAR INDIAN POINT 3, LLC**  
**MASTER DECOMMISSIONING TRUST AGREEMENT**  
**FOR**  
**INDIAN POINT NUCLEAR GENERATING UNIT NO. 3**

Dated: September 22, 2016

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## **MASTER DECOMMISSIONING TRUST AGREEMENT**

**THIS MASTER DECOMMISSIONING TRUST AGREEMENT** (the “Agreement”), effective upon execution, between ENTERGY NUCLEAR INDIAN POINT 3, LLC, a limited liability company duly organized and existing under the laws of the State of Delaware (the “Company”), and THE BANK OF NEW YORK MELLON, a New York state bank having trust powers through its trust office located in Pittsburgh, Pennsylvania the “Trustee”);

### **WITNESSETH:**

**WHEREAS**, Indian Point Nuclear Generating Unit No. 3 (the “Unit”) is a single unit Pressurized Water Reactor electric generating facility that was constructed by the Consolidated Edison Company of New York and completed in 1976;

**WHEREAS**, on March 10, 1978, the Power Authority of the State of New York, a municipal instrumentality and political subdivision of the State of New York (“PASNY,” which does business as the New York Power Authority) became the owner and operator of the Unit;

**WHEREAS**, the requirements of the U.S. Nuclear Regulatory Commission (“NRC”) required PASNY to create an external source of funding to provide for the costs associated with the Decommissioning of the Unit, PASNY established the “Power Authority of the State of New York Master Decommissioning Trust” (“PASNY Master Trust”), pursuant to the Master Trust Decommissioning Agreement between PASNY and THE BANK OF NEW YORK, a New York banking corporation having trust powers, dated July 25, 1990 (the “PASNY Master Trust Agreement”);

**WHEREAS**, the PASNY Master Trust Agreement also established the “IP3 Unit Fund” as a separate trust within the PASNY Master Trust for the purpose of Decommissioning the Unit (the “IP3 Fund”);

**WHEREAS**, pursuant to a license transfer order issued by the NRC on November 9, 2000, ENTERGY NUCLEAR OPERATIONS INC., a corporation duly organized and existing under the laws of the State of Delaware (“ENO”), became the licensed operator of, and the Company became the licensed owner of the Unit (“License Transfer Order”);

**WHEREAS**, pursuant to the terms of the License Transfer Order, PASNY retained all rights, title, and legal and beneficial interest in the PASNY Master Trust, including the IP3 Fund, though the IP3 Fund remained committed to the Decommissioning of the Unit;

**WHEREAS**, the PASNY Master Trust Agreement was amended pursuant to the “First Amendment to Master Decommissioning Trust Agreement,” dated as of November 21, 2000, between PASNY and THE BANK OF NEW YORK (now known as THE BANK OF NEW YORK MELLON);

**WHEREAS**, PASNY retained certain liabilities for the decommissioning of the Unit and other obligations pursuant to a “Decommissioning Agreement (Indian Point 3),” dated

November 21, 2000, and amended August 8, 2016, among PASNY, Entergy Nuclear, Inc., and the Company (“Decommissioning Agreement”);

**WHEREAS**, the Decommissioning Agreement conveyed certain rights to the Company, including the potential transfer of the IP3 Fund to the Company after the end of the initial term of the Unit’s operating license;

**WHEREAS**, the initial term of the Unit’s operating license was set to expire at midnight on December 12, 2015, but continues in force pursuant to the NRC’s “timely renewal” regulation (10 CFR § 2.109) until the NRC makes a final determination on the pending application to renew the Unit’s operating license;

**WHEREAS**, pursuant to Section 468A of the Internal Revenue Code of 1986, as amended, (the “Code”) certain federal income tax benefits are available to the Company as a result of creating and making contributions to certain nuclear decommissioning reserve funds;

**WHEREAS**, the Company, in order to comply with the requirements of the NRC, and in order to be in a position to take advantage of the federal income tax benefits available under the aforementioned Section 468A, wishes to establish a new master trust, including the Qualified Fund and the Nonqualified Fund (the “ENIP3 Master Trust”), wherein each of the Funds shall constitute a separate trust, to receive the Company’s rights and interests in the Decommissioning Agreement, and other contributions, to hold amounts in trust for the future Decommissioning of the Unit; and

**WHEREAS**, THE BANK OF NEW YORK MELLON is willing to serve as Trustee on the terms and conditions herein set forth.

**NOW, THEREFORE**, in consideration of the mutual promises herein contained and other good and valuable consideration, receipt and sufficiency of which is hereby acknowledged, the Trustee hereby agrees to accept, from and after the date first above written, Contributions to the Master Trust delivered to it from time to time by or on behalf of the Company;

**TO HAVE AND TO HOLD THE SAME IN TRUST** for the exclusive purpose of providing funds for the decommissioning of the Unit in order to satisfy the liability in connection therewith, to pay the administrative costs and other incidental expenses of the Funds, and to make certain investments, all as hereinafter provided.

## **I. DEFINITIONS**

**Section 1.01 Definitions.** As used in this Agreement, the following terms shall have the following meanings:

(a) “Account” shall mean either a License Termination 50.75 Account or a Non-License Termination Non-50.75 Account maintained by one of the Funds, as those terms are defined below.



(b) “Agreement” shall mean this Master Decommissioning Trust Agreement as the same may be amended, modified, or supplemented from time to time.

(c) “Applicable Law” shall mean all applicable laws, statutes, treaties, rules, codes, ordinances, regulations, certificates, orders, interpretations, licenses and permits of any Governmental Authority and judgments, decrees, injunctions, writs, orders or like action of any court, arbitrator or other judicial or quasi-judicial tribunal of competent jurisdiction (including those pertaining to health, safety, the environment or otherwise).

(d) “Applicable Tax Law” shall mean Section 468A of the Code (or comparable subsequent provision of the Code) and the regulations thereunder, and any other provision of the Code relating to the Federal taxation of the Funds or credits or deductions based on Contributions.

(e) “Authorized Person” shall have the meaning set forth in Section 4.02 hereof.

(f) “Authorized Instructions” shall have the meaning set forth in Section 4.03 hereof.

(g) “Business Day” shall mean a day that is not a Saturday or Sunday or a legal holiday in the Commonwealth of Pennsylvania.

(h) “Code” shall mean the Internal Revenue Code of 1986, as the same may be amended from time to time.

(i) “Company” shall have the meaning set forth in the opening paragraph of this Agreement.

(j) “Contribution” or “Contributions” shall mean any contributions, cash or otherwise, made to the Trustee for deposit in one or more of the Funds and in an Account or SubAccount thereunder as provided in this Agreement. No contribution which consists of real property shall be permitted.

(k) “Decommission” or “Decommissioning” shall mean the decommissioning and retiring of the Unit from commercial service under Applicable Law and, to the extent a method of decommissioning is not prescribed by Applicable Law, by the method of decommissioning determined as provided in the operating agreement relating to such unit, and may include the removal (as a facility) of the Unit safely from service, the dismantling, shipping, long-term storage and disposal of all radioactive parts and components of such Unit and the reduction of residual radioactivity at the site of such Unit, including reduction of residual radioactivity to a level that permits, and the removal of non-contaminated structures and components and such restoration as shall be necessary or desirable to permit, the release of the property for unrestricted use and termination of the NRC license relating to the Unit. This process may include, but is not limited to (a) the removal of both radioactively contaminated and radioactively uncontaminated portions of the Unit, and shipping, long-term storage and disposal of the same, in each case, in accordance with Applicable Law at the end of the useful life of such Unit or if there shall be no Applicable Law at that time, in accordance with the operating agreement with respect to such unit (b) work done to the site of the Unit and its associated equipment and facilities and to

adjacent areas, whether or not such areas are contiguous to such site, in order to decontaminate such site and such areas and (c) work done by or on behalf of the Company (or for which the Company is charged) to the site where any portion of the Unit and its associated equipment and facilities are to be stored or disposed of in order to prepare and maintain such site as a storage or disposal site.

(l) “Decommissioning Costs” shall mean all costs and expenses relating or allocable to, or incurred in connection with Decommissioning, including but not limited to the removal of the equipment, structures and portions of a nuclear generating unit and its site containing radioactive contaminants or the decontamination of the same, plus, in the case of decontamination, the cost of removal, shipping and long-term storage or disposal of such equipment structures and portions; provided, however, that if Applicable Law prohibits the foregoing or imposes requirements that are more costly to implement than the removal, shipping, storage, disposal or decontamination referred to above in this definition, the term “Decommissioning Costs” shall mean all costs and expenses relating or allocable to, or incurred in connection with, the most costly requirements imposed by Applicable Law with respect to radioactive contaminants after a nuclear generating unit ceases operation. Decommissioning Costs may include costs over and above those costs and expenses funded in the License Termination 50.75 Account.

(m) “ENIP3 Master Trust” shall mean the Entergy Nuclear Indian Point 3, LLC Master Decommissioning Trust for the Unit as established by this Agreement.

(n) “Excess Contribution” shall have the meaning set forth in Section 3.02 hereof.

(o) “Fund” or “Funds” shall mean the Qualified Fund and the Nonqualified Fund, individually, or collectively.

(p) “Governmental Authority” means any federal, state, county, municipal, foreign, international, regional or other governmental authority, agency, board, body, instrumentality or court, including, without limitation, the NRC.

(q) “Investment Manager(s)” shall mean a person or entity appointed by the Company pursuant to Section 4.07 hereof.

(r) “License Termination 50.75 Account” shall mean an Account established within each of the Qualified Fund and the Nonqualified Fund, which is intended to provide decommissioning funding assurance for funding the decommissioning costs contemplated by the NRC’s regulations in 10 CFR § 50.75. The funds held in the License Termination 50.75 Account are subject to the requirements of 10 CFR § 50.75(h)(2), and the restrictions on the use of funds in 10 CFR § 50.82(a)(8).

(s) “Non-License Termination Non-50.75 Account” shall mean an Account established within each of the Qualified Fund and the Nonqualified Fund, which is intended to accumulate funds other than those required to satisfy the financial assurance requirements in the NRC’s regulations in 10 CFR § 50.75, such as irradiated fuel management, non-radiological site restoration, or any other lawful purpose. The funds held in the Non-License Termination

Non-50.75 Account are not subject to the requirements of 10 CFR § 50.75(h)(2), and not subject to the restrictions on the use of funds in 10 CFR § 50.82(a)(8).

(t) “Nonqualified Fund” shall mean the separate trust that does not constitute the Qualified Fund that is established under, and in accordance with, Section 2.01 and Section 2.02 of the Agreement, and named as provided in Section 2.05 or such other Nonqualified Fund as the Company may establish and name from time to time, with respect to the Unit. The Nonqualified Fund shall have such SubAccounts as are provided for herein or as the Company may otherwise specify.

(u) “NRC” shall mean Nuclear Regulatory Commission.

(v) “Order” shall mean any order relating to Decommissioning issued by a Governmental Authority and applicable to one or more of the Units.

(w) “Qualified Fund” shall mean the separate trust established under, and in accordance with, Section 2.01 and Section 2.02 of the Agreement, and named as provided in Section 2.05 that meets the requirements for a nuclear decommissioning reserve fund under section 468A of the Code designated as such in the records of the Trustee, including any SubAccount thereof. The Qualified Fund shall have such SubAccounts as are specified herein or as the Company may otherwise specify. Contributions, if any, made with respect to the Qualified Fund in any year shall not exceed the amount permitted to be made to such Fund with respect to the year in question in order for the Company to be allowed to take the deduction afforded by Section 468A of the Code. It shall be the Company’s responsibility and not that of the Trustee to monitor the amount of such Contributions.

(x) “Rights and Interests” means the Company’s rights and interests in the payment intangibles due to the Company pursuant to Section 2 of the Decommissioning Agreement, including the rights to receive the cash and other liquid assets in the IP3 Fund to be used to pay Decommissioning Costs, in whatever form such rights and interests in money obligations may now or hereafter be manifested.

(y) “Section 468A” shall mean Section 468A of the Code, and any regulations and rulings of the Service thereunder, as Section 468A and regulations may be amended, and any successors thereto.

(z) “Service” shall mean the Internal Revenue Service.

(aa) “SubAccount” or “SubAccounts” shall mean investment Accounts held within the Qualified Fund or the Nonqualified Fund such as the License Termination 50.75 Account and the Non-License Termination Non-50.75 Account established by this Agreement or such other Account as may be established by an Authorized Instruction.

(bb) “Trustee” shall have the meaning ascribed thereto in the opening paragraph of this Agreement or any successor appointed pursuant to Section 4.23 hereof.

(cc) “Unit” shall mean the nuclear generating unit located at the Indian Point Energy Center and known as Unit No. 3 (NRC License No. DPR-64), in Buchanan, New York, together with its associated facilities and equipment.

## **II. ENIP3 MASTER TRUST PURPOSE, NAME, AND FUNDS**

**Section 2.01 ENIP3 Master Trust Purpose.** The exclusive purpose of this ENIP3 Master Trust is to accumulate and hold funds and other assets for the contemplated Decommissioning of the Unit and to expend funds for that purpose.

**Section 2.02 Establishment of ENIP3 Master Trust.** By execution of this Agreement, the Company:

- (a) establishes the ENIP3 Master Trust for the retention and investment of the assets of the Qualified Fund and the Nonqualified Fund;
- (b) establishes the Qualified Fund and the Nonqualified Fund as separate trusts within the ENIP3 Master Trust; and
- (c) appoints The Bank of New York Mellon as Trustee of the ENIP3 Master Trust.

**Section 2.03 Acceptance of Appointment.** The Trustee hereby accepts appointment as Trustee of the ENIP3 Master Trust created under this Agreement.

**Section 2.04 Name of ENIP3 Master Trust.** The Contributions received by the Trustee pursuant to this ENIP3 Master Trust, together with the proceeds, reinvestments and appreciation thereof shall constitute the “Entergy Nuclear Indian Point 3, LLC Master Decommissioning Trust,” otherwise known in this Agreement as the ENIP3 Master Trust.

**Section 2.05 Establishment of the Funds.** The Trustee shall hold within the ENIP3 Master Trust a separate Qualified Fund and one or more separate Nonqualified Funds, each of which qualifies as a trust under state law. The Qualified Fund shall be named the ENIP3 Qualified Fund and the Nonqualified Fund shall be named the ENIP3 Nonqualified Fund. The Trustee shall maintain separate SubAccounts as are designated in writing from time to time by the Company for each Fund established by this Agreement to Account for Contributions made to each Fund, the investment of assets, and all income and other increments to each Fund and disbursements from each Fund.

The Funds shall be maintained separately at all times in the United States as the Nonqualified Fund and the Qualified Fund pursuant to this Agreement and in accordance with the laws of the Commonwealth of Pennsylvania. The Company intends that the Qualified Fund shall qualify as a Nuclear Decommissioning Reserve Fund under Section 468A of the Code that shall be maintained for the Unit within the requirements of section 468A of the Code. The assets of the Qualified Fund may be used only in a manner authorized by Section 468A of the Code, and this Agreement cannot be amended to violate Section 468A of the Code. The Trustee shall maintain such records as are necessary to reflect each Fund separately on its books from each

other Fund and shall create and maintain such SubAccounts within each Fund as the Company shall direct.

**Section 2.06     Purposes of the Funds.** The Funds are established for the exclusive purpose of accumulating and providing funds dedicated to the Decommissioning of the Unit. The Nonqualified Fund for the Unit shall accumulate all contributions (whether from the Company or others) which do not satisfy the requirements for contributions to the Qualified Fund for the Unit, pursuant to Section 2 of the Special Terms set forth in Exhibit A. The Qualified Fund shall accumulate all contributions from the Company which satisfy the requirements of Section 2 or Section 3 of the Special Terms set forth in Exhibit A. The Qualified Fund shall also be governed by the provisions of the Special Terms, which provisions shall take precedence over any provisions of this Agreement construed to be in conflict therewith. The assets in the Qualified Fund shall be used as authorized by Section 468A of the Code. None of the assets of the Funds shall be subject to attachment, garnishment, execution or levy in any manner for the benefit of creditors of the Company or any other party.

### **III.     CONTRIBUTIONS, DISTRIBUTIONS, AND TRANSFERS**

**Section 3.01     Contributions to the Funds.** The Company's initial contribution to the Funds is Five Million Dollars (\$5,000,000) and the contribution of all of its Rights and Interests in the payment intangibles due to the Company pursuant to Section 2 of the Decommissioning Agreement to the Nonqualified Fund. The Rights and Interests are expected to include a potential transfer of IP3 Fund assets in the PASNY Master Trust from the IP3 Fund to the Nonqualified Fund. The Trustee shall have no duty to manage the Rights and Interests, or provide investment review for the Rights and Interests. The Company shall provide the Trustee with a value for the Rights and Interests and the Trustee shall be protected in relying on that value. Hereafter, the assets of the Funds shall be transferred or contributed by the Company, but may include transfers of cash and/or assets directly from another trust pursuant to the Rights and Interests. Cash contributions shall be allocated to the Qualified Fund unless the Company designates in writing at the time of payment to which of the two Funds the payment is allocated. The Company shall have sole discretion as to whether cash payments are allocated to the Qualified Fund or the Nonqualified Fund. Contributions of property other than cash may be allocated to either the Qualified Fund or the Nonqualified Fund, although Contributions to the Qualified Fund of property other than cash may be made pursuant to a Special Transfer as authorized by Section 468(A)(f) of the Code and Treasury Regulation § 1.468A-8.

**Section 3.02     Adjustments for Excess Contributions.** The Trustee and the Company understand and agree that the Contributions made by or on behalf of the Company to the Qualified Fund from time to time may exceed the amount permitted to be paid into such Fund for a year pursuant to section 468A of the Code (an "Excess Contribution"). Upon certification of the Company, setting forth the amount of the Excess Contribution, the Trustee shall promptly transfer from the Qualified Fund to the Nonqualified Fund, the amount of any Excess Contribution (together with any income accrued thereon) as specified by the Company in such Certificate.

**Section 3.03     Separate Accounts for Each of the Funds.** Within each of the Qualified Fund and the Nonqualified Fund, the Trustee shall establish a License Termination 50.75 Account

and a Non-License Termination Non-50.75 Account. The License Termination 50.75 Account is intended to provide the financial assurance required by 10 CFR § 50.75 of the NRC's regulations and shall be restricted to the purposes for which funding is required pursuant to 10 CFR § 50.75. The Non-License Termination Non-50.75 Account is not governed by NRC's regulations in 10 CFR § 50.75 or in 10 CFR § 50.82(a)(8). The Trustee shall establish and maintain one or more SubAccounts within each Account as may be directed by an Authorized Instruction.

**Section 3.04     Commingling of Investments; Separate Records.** Investments of the Funds may be commingled or pooled among the Funds and/or among other Funds maintained by any Affiliate of the Company for any other nuclear unit. The Trustee shall maintain separate records for each of the Funds, and each License Termination 50.75 and Non-License Termination Non-50.75 Account within each of the Funds, and any SubAccount within any Account, and record the amounts contributed to each of the Funds and each of the Funds' License Termination 50.75 Account and Non-License Termination Non-50.75 Accounts and any SubAccount within any Account. For each License Termination 50.75 Account and Non-License Termination Non-50.75 Account, and any SubAccount within any Account, the Trustee shall credit thereto the *pro rata* share of all income of the Funds and charge thereto the *pro rata* share of all expenses and any losses. However, unless otherwise instructed in writing by the Company, nothing contained in this Section 3.04 or elsewhere herein shall be deemed to require the Trustee to segregate or invest separately assets of the Funds, it being intended that the assets of the Funds may be held, managed, invested and reinvested in undivided interests in the same property, but shall not be required to be so maintained or invested.

**Section 3.05     Use of Assets.** The assets of each Fund shall be used exclusively (a) to satisfy, in whole or in part, any expenses or liabilities incurred to satisfy the Company's obligation to Decommission the Unit, including expenses incurred in connection with the preparation for Decommissioning of the Unit, (b) to pay the administrative costs and other incidental expenses of each Fund, and (c) to invest in publicly-traded securities and investments (including common trust funds) as directed by the investment manager(s) pursuant to Section 4.07(a) or the Trustee pursuant to Section 4.07(b), except that all assets of the Qualified Fund must be invested in Permissible Assets as defined in the Special Terms. Except for investments tied to market indexes or other non-nuclear sector collective, commingled or mutual funds, the assets of the Funds shall not be invested in: (1) the securities or other obligations of Entergy Nuclear Indian Point 3, LLC, or affiliates thereof, or their successors or assigns; and (2) the securities or other obligations of any entity owning or operating one or more nuclear power plants. A non-nuclear sector collective, commingled or mutual fund is one in which less than 50 percent of the fund is invested in the securities of entities that own or operate a nuclear power plant or that are parent companies of subsidiaries that own or operate a nuclear power plant. Use of the assets of the Qualified Fund shall be further limited by the provisions of the Special Terms. The use of assets may include transfer to a new owner of the Unit or partial owner of the Unit.

**Section 3.06     Certification for Decommissioning Costs.**

(a) If assets of a Fund are required to satisfy Decommissioning Costs of the Unit, the Company shall present a certificate substantially in the form attached hereto as Exhibit B to the Trustee signed by an Authorized Person, requesting payment from the Fund.

(b) The Trustee shall retain at least one copy of such certificates (including attachments) and related documents received by it pursuant to this Article III.

(c) The Company shall have the right to enforce payments from the Funds upon compliance with the procedures set forth in this Section 3.06.

**Section 3.07 Administrative Costs.** The Trustee shall pay from the assets of the Nonqualified Fund, as directed by the Company, the administrative costs and other incidental expenses of the Nonqualified Fund, including all federal, state, and local taxes, if any, imposed directly on the Nonqualified Fund or the income therefrom, legal expenses, Accounting expenses, actuarial expenses and trustee expenses. The Trustee shall pay from the assets of the Qualified Fund, as directed by the Company, the administrative costs and other incidental expenses of the Qualified Fund (including taxes), as defined in the Special Terms. The Administrative Costs of each Fund and each Subaccount within a Fund shall be apportioned *pro rata*. The Trustee may rely upon an apportionment as directed by an Authorized Person.

**Section 3.08 Notice Regarding Disbursements or Payments.** Except for (i) payments of ordinary administrative costs (including taxes) and other incidental expenses of the fund (including legal, Accounting, actuarial, and trustee expenses) in connection with the operation of the fund, (ii) withdrawals being made under 10 CFR 50.82(a)(8), and (iii) adjustments for Excess Contributions pursuant to Section 3.02 hereof being transferred between the Qualified Fund and Nonqualified Fund, no disbursement or payment from a License Termination 50.75 Account may be made from the trust until written notice of the intention to make a disbursement or payment has been given to the Director, Office of Nuclear Reactor Regulation, or the Director, Office of Nuclear Material Safety and Safeguards, as applicable, at least 30 working days before the date of the intended disbursement or payment. The disbursement or payment from the trust may be made following the 30-working day notice period if no written notice of objection from the Director, Office of Nuclear Reactor Regulation, or the Director, Office of Nuclear Material Safety and Safeguards, as applicable, is received by the Trustee or by the Company within the notice period. The required notice may be made by the Trustee or by the Company or one of its affiliates on the Trustee's behalf. No such notice is required for withdrawals being made pursuant to 10 CFR 50.82(a)(8)(ii), including withdrawals made during the operating life of the plant to be used for decommissioning planning. In addition, no such notice is required to be made to the NRC after decommissioning has begun and withdrawals are being made under 10 CFR 50.82(a)(8).

**Section 3.09 Transfers between the Funds or Accounts.** The Trustee may transfer any amount (i) from the Qualified Fund to the Nonqualified Fund provided such payments are in accordance with Section 468A and Section 4 of the Special Terms, upon presentation of a certificate substantially in the form of Exhibit D hereto executed by the Company instructing the Trustee to make any such payments; or (ii) from the Nonqualified Fund to the Qualified Fund provided such payments are in accordance with the contribution limitations set forth in Section 2 of the Special Terms or pursuant to a Special Transfer as set forth in Section 3 of the Special Terms, as the case may be, upon presentation by the Company of a certificate substantially in the form of Exhibit C hereto executed by the Company instructing the Trustee to make any such payments. The Trustee shall make payments from the Non-License Termination Non-50.75 Account to the same Fund's License Termination 50.75 Account or *vice versa* upon presentation

by the Company of a certificate substantially in the form of Exhibit C hereto executed by the Company instructing the Trustee to make any such payments. The Trustee shall be fully protected in relying upon such certificate.

**Section 3.10 Distributions.** Upon termination of the ENIP3 Master Trust, the Trustee shall, at the direction of the Investment Manager, liquidate the assets of the ENIP3 Master Trust and distribute them (including accrued, accumulated and undistributed net income) as directed by the Company in such manner as is consistent with any terms and conditions imposed by any Governmental Authority with jurisdiction over the Unit, less all reasonable final Administrative Expenses (including accrued taxes), to the Company. Upon the sale of all or part of the Unit to a new owner, the Trustee shall transfer such assets of the ENIP3 Master Trust to one or more trusts established by the new owner for the purpose of Decommissioning the Unit, as directed by an Authorized Instruction.

#### **IV. CONCERNING THE TRUSTEE**

**Section 4.01 Authority of Trustee.** The Trustee shall have the authority and discretion to manage and control the Funds to the extent provided in this Agreement but does not guarantee the Funds in any manner against investment loss or depreciation in asset value or guarantee the adequacy of the Funds to satisfy the Decommissioning Costs. To the extent that the Trustee is allocated investment responsibility under Section 4.07(b), the Trustee shall not be liable for the making, retention or sale of any asset of the Qualified Fund which qualifies as a Permissible Asset, as defined in the Special Terms, nor shall the Trustee be responsible for any other loss to or diminution of the Funds, or for any other loss or damage which may result from the discharge of its duties hereunder except for any action not taken in good faith.

**Section 4.02 Authorized Person.** “Authorized Person” shall mean any Person authorized by the Company or an Investment Manager to give oral or written Instructions with respect to the Fund or with respect to foreign exchange, derivative investments or information and transactional web based services provided by the Trustee or any direct or indirect subsidiary of The Bank of New York Mellon Corporation (a “BNY Mellon Affiliate”). “Oral Instructions” shall mean instructions expressed in spoken words received by the Trustee and “Written Instructions” shall mean written communications received by the Trustee by S.W.I.F.T., overnight delivery, postal services, facsimile transmission, email, on-line communication system or other method or system, each as specified by the Trustee as available for use in connection with the services hereunder. Authorized Persons shall include Persons authorized by an Authorized Person. Authorized Persons, their signatures and the extent of their authority shall be provided by Written Instructions. The Company shall cause the Investment Manager to furnish the Trustee with Written Instructions identifying Authorized Persons and their signatures. The Trustee may conclusively rely on the authority of such Authorized Persons until it receives a Written Instruction to the contrary.

**Section 4.03 Authorized Instructions.** The Trustee shall be entitled to rely upon any Oral or Written Instructions actually received by the Trustee and reasonably believed by the Trustee to be from an Authorized Person (“Authorized Instructions”). The Company agrees that an Authorized Person shall forward to the Trustee Written Instructions confirming Oral



Instructions by the close of business of the same day that such Oral Instructions are given to the Trustee. The Trustee may act on such Oral Instructions but is not obligated to do so until Written Instructions are received. The Company agrees that the fact that Written Instructions confirming Oral Instructions are not received or that contrary Written Instructions are received by the Trustee shall in no way affect the validity or enforceability of transactions authorized by such Oral Instructions and effected by the Trustee.

**Section 4.04     Authentication.** If the Trustee receives Written Instructions that appear on their face to have been transmitted by an Authorized Person via (i) facsimile, email, or other electronic method that is not secure, or (ii) secure electronic transmission containing applicable authorization codes, passwords or authentication keys, the Company understands and agrees that the Trustee cannot determine the identity of the actual sender of such Written Instructions and that the Trustee shall be entitled to conclusively presume that such Written Instructions have been sent by an Authorized Person and are Authorized Instructions. The Company shall be responsible for ensuring that only Authorized Persons transmit such Written Instructions to the Trustee and that all Authorized Persons treat applicable user and authorization codes, passwords and authentication keys with extreme care.

**Section 4.05     Security Procedure.** The Company acknowledges and agrees that it is fully informed of the protections and risks associated with the various methods of transmitting Written Instructions to the Trustee and that there may be more secure methods of transmitting Written Instructions than the method selected by the sender. The Company agrees that the security procedures, if any, to be followed in connection with a transmission of Written Instructions provide to it a commercially reasonable degree of protection in light of its particular needs and circumstances.

**Section 4.06     On-Line Systems.** If an Authorized Person elects to transmit Written Instructions through an on-line communication system offered by the Trustee, the use thereof shall be subject to any terms and conditions contained in a separate written agreement. If an Authorized Person elects, with the Trustee's prior consent, to transmit Written Instructions through an on-line communications service owned or operated by a third party, the Company agrees that the Trustee shall not be responsible or liable for the reliability or availability of any such service.

**Section 4.07     Investment of Funds.**

(a) The Company shall have the authority to appoint one or more Investment Manager(s) who shall have the power to direct the Trustee in investing the assets of the Funds; provided, however, that the Trustee shall not follow any direction which would result in assets of the Qualified Fund being invested in assets not permitted under Section 468A of the Code. Any such investment manager(s) or other person directing investments made in the Trusts shall adhere to the "prudent investor" standard as specified in 18 CFR 35.32(a)(3) of the Federal Energy Regulatory Commission ("FERC") regulations (the "Prudent Investor Standard"). To the extent that the Company chooses to exercise this authority, it shall so notify the Trustee and instruct the Trustee in writing to separate into a separate Account those assets the investment of which will be directed by each investment manager. The Company shall designate in writing the person or persons who are to represent any such investment manager in dealings with the

Trustee. Upon the separation of the assets in accordance with the Company instructions, the Trustee, as to those assets while so separated, shall be released and relieved of all investment duties, investment responsibilities and investment liabilities normally or statutorily incident to a trustee; provided, however, that the Trustee shall not be relieved of the responsibility of ensuring that assets of the Qualified Fund are invested solely in assets permitted under Section 468A of the Code.. The Trustee shall retain all other fiduciary duties with respect to assets the investment of which is directed by investment managers.

(b) To the extent that the investment of assets of the Funds is not being directed by one or more investment managers under Section 4.07(a), with the written consent of the Trustee, the Trustee shall hold, invest, and reinvest the funds delivered to it hereunder as it in its sole discretion deems advisable, subject to : (i) the restrictions on the Use of Assets of the Funds set forth in Section 3.05 hereof; (ii) the limitations on the powers of the Trustee in Article VI hereof; (iii) adherence to the Prudent Investor Standard; and investment guidelines provided by the Company.

(c) Regardless of the person directing investments, any assets of the Qualified Fund shall be invested solely in Permissible Assets as defined in, and required by, the Special Terms, and shall be accumulated, invested, and reinvested in like manner.

**Section 4.08     Prohibition Against Self-Dealing.** Notwithstanding any other provision in this Agreement, the Trustee shall not engage in any act of self-dealing as defined in Section 468A(e)(5) of the Code and Treasury Regulation § 1.468A-5(b) or any corresponding future law or Treasury Regulation.

**Section 4.09     Securities.** “Securities” shall include, without limitation, any common stock and other equity securities, depository receipts, limited partnership and limited liability company interests, bonds, debentures and other debt securities, notes or other obligations, and any instruments representing rights to receive, purchase, or subscribe for the same, or representing any other rights or interests therein (whether represented by a certificate or held in a Depository (as defined below), with a Subcustodian (as defined below) or on the books of the issuer) that are acceptable to the Trustee. Subject to the terms hereof, the Company hereby authorizes the Trustee to hold any Securities in registered form in the name of the Trustee or one of its nominees. Securities held hereunder shall be segregated on the Trustee’s books and records from the Trustee’s own property. The Trustee shall be entitled to utilize Subcustodians and Depositories in connection with its performance hereunder. Securities and cash held through Subcustodians shall be held subject to the terms and conditions of the Trustee’s or a BNY Mellon Affiliate’s agreements with such Subcustodians. Securities and cash deposited by the Trustee in a Depository will be held subject to the rules, terms and conditions of such Depository. Subcustodians may hold Securities in Depositories in which such Subcustodians participate. Unless otherwise required by local law or practice or a particular subcustodian agreement, Securities deposited with Subcustodians will be held in a commingled account in the name of the Trustee or a BNY Mellon Affiliate for its clients. The Trustee shall identify on its books and records the Securities and cash belonging to the Fund, whether held directly or indirectly through Depositories or Subcustodians. In no event shall the Trustee be liable for any losses, costs, expenses, damages, liabilities and claims (“Losses”) arising out of the holding of Securities or cash in any particular country,

including but not limited to, Losses resulting from nationalization, expropriation or other governmental actions; regulation of the banking or securities industry; exchange or currency controls or restrictions, devaluations or fluctuations or currency redenomination; availability of Securities or cash or market conditions which prevent the transfer of property or the execution of Securities transactions or affect the value of property (“Country Risk Events”).

**Section 4.10    Subcustodians.** “Subcustodian” shall mean a bank or other financial institution (other than a Depository) that is utilized by the Trustee or by a BNY Mellon Affiliate, in its discretion, in connection with the purchase, sale or custody of Securities or cash hereunder. The Trustee shall exercise reasonable care in the selection or retention, monitoring and continued use of Subcustodians in light of prevailing rules, practices, procedures and circumstances in the relevant market (the “Required Care”).

With respect to any Losses incurred by the Trust, the Company, or any other person as a result of the acts or the failure to act by any Subcustodian (“Operational Losses,” which specifically excludes Losses arising out of or relating to Country Risk Events), the Trustee shall be liable for:

- a.        Operational Losses with respect to Securities or cash held by the Trustee with or through a BNY Mellon Affiliate; and
- b.        Operational Losses with respect to Securities or cash held by the Trustee with or through a Subcustodian (other than a BNY Mellon Affiliate) to the extent that such Operational Losses were directly caused by failure on the part of the Trustee to exercise Required Care.

With respect to all other Operational Losses not covered by clauses (a) and (b) above, the Trustee shall take appropriate action to recover Operational Losses from such Subcustodian, and Trustee’s sole liability shall be limited to amounts recovered from such Subcustodian (exclusive of costs and expenses incurred by the Trustee).

In addition, the Trustee shall be liable for repayment to the Trust of cash credited to the Fund and credited to any relevant cash account at the Subcustodian that the Trustee is not able to recover from the Subcustodian (other than as a result of Country Risk Events).

**Section 4.11    Deposits.** The Trustee may hold cash in accounts or may arrange to have such cash held by any BNY Mellon Affiliate, Subcustodian, or with a Depository (defined below). Where cash is on deposit with the Trustee, a Subcustodian, a BNY Mellon Affiliate or a Depository, it will be subject to the terms of this Agreement and such deposit terms and conditions as may be issued by such entity from time to time.

**Section 4.12    Depositories.** “Depository” shall include the Book-Entry System, the Depository Trust Company, Euroclear, Clearstream Banking S.A., the Canadian Depository System, CLS Bank and any other securities depository, book-entry system or clearing agency (and their respective successors and nominees) authorized to act as a securities depository, book-entry system or clearing agency pursuant to applicable law. “Book-Entry System” shall mean the U.S.

Federal Reserve/Treasury book-entry system for receiving and delivering securities, its successors and nominees. The Trustee shall have no liability whatsoever for the action or inaction of any Depository or for any Losses resulting from the maintenance of Securities with a Depository. The Trustee shall be liable to repay cash credited to the Fund and credited to any relevant account at such Depository (other than as a result of Country Risk Events

**Section 4.13     Compensation.** The Trustee shall be entitled to receive out of the Funds reasonable compensation for services rendered by it, as well as expenses necessarily incurred by it in the execution of the Trusts hereunder, provided such compensation and expenses qualify as administrative costs and other incidental expenses of the Qualified Fund, as defined in the Special Terms, with respect to any payment of compensation and expenses from the Qualified Fund. The Company acknowledges that, as part of the Trustee's compensation, the Trustee will earn interest on balances, including disbursement balances and balances arising from purchase and sale transactions.

**Section 4.14     Overdrafts and Indebtedness.** The Trustee may, in its sole discretion, advance funds in any currency hereunder. If an overdraft occurs in a Fund (including, without limitation, overdrafts incurred in connection with the settlement of securities transactions, funds transfers or foreign exchange transactions) or if the Company is for any other reason indebted to the Trustee, the Company agrees to repay the Trustee on demand or upon becoming aware of the amount of the advance, overdraft or indebtedness, plus accrued interest at a rate then charged by the Trustee to its institutional custody clients in the relevant currency.

**Section 4.15     Securing Repayment.** In order to secure repayment of the Trust's obligations to the Trustee, the Company on behalf of the Trust hereby pledges and grants to the Trustee a continuing first lien and security interest in, and right of setoff against all of the Trust's right, title and interest in the Fund and the Securities, money and other Property now or hereafter held in the Fund (including proceeds thereof); provided, that the Company does not grant the Trustee a security interest in any Securities issued by an affiliate of the Trustee (as defined in Section 23A of the Federal Reserve Act). The Company represents that Trust owns the securities in the account free and clear of all liens, claims, security interests, and the first lien and security interest granted herein shall be subject to no setoffs, counterclaims, or other liens prior to or on a parity with it in favor of any other party (other than specific liens granted preferred status by statute). The Company shall take any additional steps required to assure the Trustee of such priority security interest, including notifying third parties or obtaining their consent. The Trustee shall be entitled to collect from the accounts sufficient cash for reimbursement, and if such cash is insufficient, to sell the securities in the accounts to the extent necessary to obtain reimbursement. In this regard, the Trustee shall be entitled to all the rights and remedies of a pledgee and secured creditor under applicable laws, rules or regulations as then in effect.

**Section 4.16     Pricing and Other Data.** For purposes of this Section, "Market Data" shall mean pricing or other data related to securities and other assets. Market Data includes but is not limited to security identifiers, valuations, bond ratings, classification data, and other data received from investment managers and others. In providing Market Data related to the Fund in connection with this Agreement, the Trustee is authorized to use pricing vendors, brokers, dealers, investment managers, Authorized Parties, Subcustodians, Depositories and any other person

providing Market Data to the Trustee (“Data Providers”). The Trustee may follow Authorized Instructions in providing pricing or other Market Data, even if such instructions direct the Trustee to override its usual procedures and Market Data sources. The Trustee shall be entitled to rely without inquiry on all Market Data (and all Authorized Instructions related to Market Data) provided to it, and the Trustee shall not be liable for any losses incurred as a result of Market Data that contains errors or that is incomplete. The Company acknowledges that certain pricing or valuation information may be based on calculated amounts rather than actual market transactions and may not reflect actual market values, and that the variance between such calculated amounts and actual market values may be material. The Trustee shall not be required to inquire into the pricing or any securities or other assets even though the Trustee may receive different prices for the same securities or assets. Market Data may be the intellectual property of the Data Providers, which may impose additional terms and conditions upon the Company’s use of the Market Data. The additional terms and conditions can be found on the Data Terms Website, at <http://bnymellon.com/products/assetservicing/vendoragreement.pdf> (“Data Terms Website”), or any successor website the address of which is provided by the Trustee to the Company. The Company agrees to those terms as they are posted in the Data Terms Website from time to time. Certain service providers hired by the Trustee to provide or to assist the Trustee with providing value-added services requested by the Company (“Third Party Service Providers”) may not utilize the Company’s directed price due to system constraints or differing data sources. Performance measurement and analytic services may use different data sources than those used by the Trustee to provide Market Data for the Fund, which may result in differences between custodial reports and performance measurement and analytic reports

**Section 4.17     Books of Account.** The Trustee shall keep separate true and correct books of Account with respect to each Fund, which books of Account shall at all reasonable times be open to inspection by the Company or its duly appointed representatives. The Trustee shall, upon written request of the Company, permit government agencies, such as the NRC or the Service, to inspect the books of Account of each Fund. The Trustee shall furnish to the Company on or about the tenth business day of each month a statement for each Fund showing, with respect to the preceding calendar month, the balance of assets on hand at the beginning of such month, all receipts, investment transactions, and disbursements which took place during such month and the balance of assets on hand at the end of such month. The Trustee agrees to provide on a timely basis any information deemed necessary by the Company to file the Company’s federal, state and local tax returns.

**Section 4.18     Centralized Functions.** The Bank of New York Mellon Corporation is a global financial organization that provides services to clients through its affiliates and subsidiaries in multiple jurisdictions (the “BNY Mellon Group”). The BNY Mellon Group may centralize functions, including audit, accounting, risk, legal, compliance, sales, administration, product communication, relationship management, storage, compilation and analysis of customer-related data, and other functions (the “Centralized Functions”) in one or more affiliates, subsidiaries and third-party service providers. Solely in connection with the Centralized Functions, (i) the Company consents to the disclosure of, and authorizes the Trustee to disclose, information regarding the Company and its accounts (“Customer-Related Data”) to the BNY Mellon Group and to its third-party service providers who are subject to confidentiality obligations with respect to such information and (ii) the Trustee may store the names and business addresses of the

Company's employees on the systems or in the records of the BNY Mellon Group or its service providers. In addition, the BNY Mellon Group may aggregate Customer-Related Data with other data collected and/or calculated by the BNY Mellon Group, and the BNY Mellon Group will own all such aggregated data, provided that the BNY Mellon Group shall not distribute the aggregated data in a format that identifies Customer-Related Data with the Company. The Company is authorized to consent to the foregoing and confirms that the disclosure to and storage by the BNY Mellon Group of such information does not violate any relevant data protection legislation. In addition, the Trustee may disclose Customer-Related Data as required by law or at the request of any governmental or regulatory authority.

**Section 4.19     Standard of Care/Limitation on Liability.** In performing its duties under this agreement, the Trustee shall exercise the same care and diligence that it would devote to its own property in like circumstances.

- (a) The Trustee shall not be liable for Losses except to the extent that such Losses are a direct result of the Trustee's negligence or willful misconduct.
- (b) The Trustee shall not be liable to the Company, or the Trust for indirect, consequential or special damages arising in connection with this Agreement even if the Trustee has been advised of the possibility of such damages.
- (c) The Trustee shall not be responsible for the title, validity or genuineness of any Securities or evidence of title thereto received by it or delivered by it pursuant to this Agreement or for Securities held hereunder being freely transferable or deliverable without encumbrance in any relevant market;
- (d) The Trustee shall not be responsible for the failure to receive payment of, or the late payment of, income or other payments due to the Fund;
- (e) The Trustee shall have no duty to take any action to collect any amount payable on Securities in default or if payment is refused after due demand and presentment;
- (f) The Trustee may obtain the advice of counsel and shall be fully protected with respect to anything done or omitted by it in good faith in conformity with such advice;
- (g) The Trustee shall have no duty or responsibility to inquire into, make recommendations, supervise, or determine the suitability of any transactions affecting the Fund and shall have no liability with respect to the Company's or an Authorized Person's decision to invest in Securities or to hold cash in any currency;
- (h) The Trustee shall have no responsibility if the rules or procedures imposed by Depositories, exchange controls, asset freezes or other laws, rules, regulations or orders at any time prohibit or impose burdens or costs on the transfer of Securities or cash to, by or for the Fund; and
- (i) The Trustee shall have no liability for any Losses arising from the insolvency of any Person, including but not limited to a Subcustodian, Depository, broker, bank,

and a counterparty to the settlement of a transaction or to a foreign exchange transaction, except as provided in Sections 4.10 and 4.12 above.

**Section 4.20     Liability and Indemnification.** The Trustee shall not be liable for any action taken by it in good faith and without gross negligence, willful misconduct or recklessness and reasonably believed by it to be authorized or within the rights or powers conferred upon it by this Agreement and may consult with counsel of its own choice (including counsel for the Company) and shall have full and complete authorization and protection for any action taken or suffered by it hereunder in good faith and without gross negligence and in accordance with the opinion of such counsel, provided, however, that the Trustee shall be liable for direct damages resulting from investing assets of the Qualified Fund in assets not permitted under Section 468A of the Code or from self-dealing as provided in Section 4.08 hereof. Provided indemnification does not result in self-dealing under Section 4.08 hereof or in a deemed contribution to a Qualified Fund in excess of the limitation on contributions under Section 468A of the Code, the Company hereby agrees to indemnify the Trustee for, and to hold it harmless against, any loss, liability or expense incurred without gross negligence, willful misconduct, recklessness or bad faith on the part of the Trustee, arising out of or in connection with its entering into this Agreement and carrying out its duties hereunder, including the costs and expenses of defending itself against any claim of liability, provided such loss, liability or expense does not result from investing assets of the Qualified Fund in other than assets permitted under Section 468A of the Code or from self-dealing under Section 4.08 hereof, and provided further that no such costs or expenses shall be paid if the payment of such costs or expenses is prohibited by Section 468A of the Code.

**Section 4.21     Force Majeure.** Notwithstanding anything in this Agreement to the contrary, the Trustee shall not be responsible or liable for any failure to perform under this Agreement or for any Losses to the Fund resulting from any event beyond the reasonable control of the Trustee.

**Section 4.22     Foreign Exchange.** Any foreign exchange transaction effected by the Trustee in connection with this Agreement may be entered with the Trustee or a BNY Mellon Affiliate acting as a principal or otherwise through customary channels. The Company, the Investment Manager or other fiduciary may issue standing Written Instructions with respect to foreign exchange transactions, but the Trustee may establish rules or limitations concerning any foreign exchange facility made available to the Fund. With respect to foreign exchange transactions done through The Bank of New York Mellon's Global Markets FX Desk, it is acting as a principal counterparty on its own behalf and is not acting as a fiduciary or agent for, or in connection with, the Company, the Trust, or an Investment Manager.

**Section 4.23     Resignation, Removal and Successor Trustees.** The Trustee may resign at any time upon sixty (60) days' written notification to the Company. The Company may remove the Trustee for any reason at any time upon thirty (30) days' written notification to the Trustee. If a successor Trustee shall not have been appointed within these specified time periods after the giving of written notice of such resignation or removal, the Trustee or Company may apply to any court of competent jurisdiction to appoint a successor Trustee to act until such time, if any, as a successor shall have been appointed and shall have accepted its appointment as provided below. If the Trustee shall be adjudged bankrupt or insolvent, a vacancy shall thereupon be deemed to exist

in the office of Trustee and a successor shall thereupon be appointed by the Company. Any successor Trustee appointed hereunder shall execute, acknowledge and deliver to the Company an appropriate written instrument accepting such appointment hereunder, subject to all the terms and conditions hereof, and thereupon such successor Trustee shall become fully vested with all the rights, powers, trusts, duties and obligations of its predecessor in trust hereunder, with like effect as if originally named as Trustee hereunder. The predecessor Trustee shall, upon written request of the Company and payment of all fees and expenses, deliver to the successor Trustee the corpus of the Funds and perform such other acts as may be required or be desirable to vest and confirm in said successor Trustee all right, title and interest in the corpus of the Funds to which it succeeds.

**Section 4.24     Merger of Trustee.** Any corporation or other legal entity into which the Trustee may be merged or with which it may be consolidated, or any corporation or other legal entity resulting from any merger or consolidation to which the Trustee shall be a party, or any corporation or other legal entity to which the corporate trust functions of the Trustee may be transferred, shall be the successor Trustee under this Agreement without the necessity of executing or filing any additional acceptance of this Agreement or the performance of any further act on the part of any other parties hereto.

**Section 4.25     Required Disclosure.** With respect to Securities that are registered under the Securities Exchange Act of 1934, as amended (the “Exchange Act”) or that are issued by an issuer registered under the Investment Company Act of 1940, as amended, Section 14(b) of the Exchange Act and Rule 14b-2 promulgated thereunder require the Trustee to disclose to issuers of such Securities, upon their request, the name, address and securities position of the Trustee’s clients who are “beneficial owners” (as defined in the Exchange Act) of the issuer’s Securities, unless the beneficial owner objects to such disclosure. The Exchange Act defines a “beneficial owner” as any person who has or shares the power to vote a security (pursuant to an agreement or otherwise) or who directs the voting of a security. The Company has designated on the signature page hereof, whether: (1) as beneficial owner, it objects to the disclosure of its name, address and securities position to any U.S. issuer that requests such information pursuant to the Exchange Act for the specific purpose of direct communications between such issuer and the Company; or (2) the Trustee shall contact the Investment Manager with respect to relevant Securities to make the decision whether it objects to the disclosure of the beneficial owner’s name, address and securities position to any U.S. issuer that requests such information pursuant to the Exchange Act.

With respect to Securities issued outside the United States, the Trustee shall disclose information required by any Depository, the laws or regulations of the relevant jurisdiction, rules of the relevant stock exchange or organizational documents of an issuer. The Trustee is also authorized to supply any information regarding the Fund that is required by any law, regulation or rules now or hereafter in effect. The Company agrees to supply the Trustee with any required information if it is not otherwise reasonably available to the Trustee.

## **V.     AMENDMENTS**

The Company may revoke this Agreement at any time or may amend this Agreement from time to time, provided such amendment does not cause the Qualified Funds to fail to qualify as Nuclear Decommissioning Reserve Funds under Section 468A of the Code. The



Agreement may not be amended so as to violate 468A of the Code. The Qualified Funds are established and shall be maintained for the sole purpose of qualifying as Nuclear Decommissioning Reserve Funds under Section 468A of the Code. If the Qualified Fund would fail to so qualify because of any provision contained in this Agreement, this Agreement shall be deemed to be amended as necessary to conform with the requirements of Section 468A of the Code. If a proposed amendment shall affect the responsibility of the Trustee, such amendment shall not be considered valid and binding until such time as the amendment is executed by the Trustee. This Agreement may not be modified in any material respect without written notification to the Director, Office of Nuclear Reactor Regulation, or the Director, Office of Nuclear Material Safety and Safeguards, as applicable, at least 30 working days before the proposed effective date of the amendment.

## **VI. POWERS OF THE TRUSTEE AND INVESTMENT MANAGER**

**Section 6.01 General Powers.** The Trustee shall have and exercise the following powers and authority in the administration of the Funds only at the direction of the Company, where indicated or at the direction of an Investment Manager where such powers and authority relate to a separate Account established for an Investment Manager, and in its sole discretion where such powers and authority relate to investments made by the Trustee in accordance with Section 4.07(b), or Section 6.03:

- (a) to purchase, receive or subscribe for any securities or other property and to retain in trust such securities or other property;
- (b) at the direction of the Company, to take any actions with respect to the trust's Rights and Interests, and the Trustee shall be fully protected in following such direction;
- (c) to sell, exchange, convey, transfer, lend, or otherwise dispose of any property held in the Funds and to make any sale by private contract or public auction; and no person dealing with the Trustee shall be bound to see to the application of the purchase money or to inquire into the validity, expediency or propriety of any such sale or other disposition;
- (d) to forward to the Authorized Person designated by the Company proxies or ballots for any stocks, bonds or other securities held in the Funds in a form to enable the Authorized Person to effect the voting of proxies, excluding bankruptcy matters to which the Trustee's duties are set forth in (e) below;
- (e) to submit or cause to be submitted to the Company or the Investment Manager, as designated by the Company, information received by the Trustee, or summaries of information, regarding ownership rights pertaining to property held in the Funds, in accordance with the Trustee's practices, excluding bankruptcy matters to which the Trustee's duties are set forth in Section (f) below;
- (f) to forward to the Authorized Person designated by the Company an initial notice of bankruptcy cases relating to securities held in the Funds and a notice of any required action related to such bankruptcy cases as may be actually received by the Trustee. No further action or

notification related to the bankruptcy case shall be required absent the specific agreement of the parties hereto;

(g) to exercise any rights appurtenant to any such stocks, bonds or other securities for the conversion thereof into other stocks, bonds or securities, or to exercise rights or options to subscribe for or purchase additional stocks, bonds or other securities, and to make any and all necessary payments with respect to any such conversion or exercise, as well as to write options with respect to such stocks and to enter into any transactions in other forms of options with respect to any options which the Funds have outstanding at any time;

(h) to join in, dissent from or oppose the reorganization, recapitalization, consolidation, sale or merger of corporations or properties of which the Funds may hold stocks, bonds or other securities or in which it may be interested, upon such terms and conditions as deemed wise, to pay any expenses, assessments or subscriptions in connection therewith, and to accept any securities or property, whether or not trustees would be authorized to invest in such securities or property, which may be issued upon any such reorganization, recapitalization, consolidation, sale or merger and thereafter to hold the same, without any duty to sell;

(i) to enter into any type of contract with any insurance company or companies, either for the purposes of investment or otherwise; provided that no insurance company dealing with the Trustee shall be considered to be a party to this Agreement and shall only be bound by and held Accountable to the extent of its contract with the Trustee. Except as otherwise provided by any contract, the insurance company need only look to the Trustee with regard to any instructions issued and shall make disbursements or payments to any person, including the Trustee, as shall be directed by the Trustee. Where applicable, the Trustee shall be the sole owner of any and all insurance policies or contracts issued. Such contracts or policies, unless otherwise determined, shall be held as an asset of the Funds for safekeeping or custodian purposes only;

(j) upon authorization of the Company to lend the assets of the Funds and, specifically, to loan any securities to brokers, dealers or banks upon such terms, and secured in such manner, as may be determined by the Trustee, to permit the loaned securities to be transferred into the name of the borrower or others and to permit the borrower to exercise such rights of ownership over the loaned securities as may be required under the terms of any such loan; provided, that, with respect to the lending of securities pursuant to this paragraph, the Trustee's powers shall subsume the role of custodian (the expressed intent hereunder being that the Trustee, in such case, be deemed a financial institution, within the meaning of Section 101(22) of the Bankruptcy Code); and provided, further, that any loans made from the Funds shall be made in conformity with such laws or regulations governing such lending activities which may have been promulgated by any appropriate regulatory body at the time of such loan;

(k) to purchase, enter, sell, hold, and generally deal in any manner in and with contracts for the immediate or future delivery of financial instruments of any issuer or of any other property and in foreign exchange or foreign exchange contracts; to grant, purchase, sell,

exercise, permit to expire, permit to be held in escrow, and otherwise to acquire, dispose of, hold and generally deal in any manner with and in all forms of options in any combination.

Settlements of transactions may be effected in trading and processing practices customary in the jurisdiction or market where the transaction occurs. The Company acknowledges that this may, in certain circumstances, require the delivery of cash or securities (or other property) without the concurrent receipt of securities (or other property) or cash and, in such circumstances, the Company shall have sole responsibility for nonreceipt of payment (or late payment) by the counterparty.

Notwithstanding anything in this Agreement to the contrary, the Trustee shall not be responsible or liable for its failure to perform under this Agreement or for any losses to the Funds resulting from any event beyond the reasonable control of the Trustee, its agents or sub-custodians, including but not limited to nationalization, strikes, expropriation, devaluation, seizure, or similar action by any governmental authority, de facto or de jure; or enactment, promulgation, imposition or enforcement by any such governmental authority of currency restrictions, exchange controls, levies or other charges affecting the Funds' property; or the breakdown, failure or malfunction of any utilities or telecommunications systems; or any order or regulation of any banking or securities industry including changes in market rules and market conditions affecting the execution or settlement of transactions; or acts of war, terrorism, insurrection or revolution; or acts of God; or any other similar event. This Section shall survive the termination of this Agreement.

**Section 6.02    Specific Powers of the Trustee.** The Trustee shall have the following powers and authority, to be exercised in its sole discretion with respect to the Funds:

(a) to appoint agents, custodians, sub-trustees, depositories or counsel, domestic or foreign, as to part or all of the Funds and functions incident thereto where, in the sole discretion of the Trustee, such delegation is necessary in order to facilitate the operations of the Funds and such delegation is not inconsistent with the purposes of the Funds or in contravention of any applicable law. To the extent that the appointment of any such person or entity may be deemed to be the appointment of a fiduciary, the Trustee may exercise the powers granted hereby to appoint as such a fiduciary any person or entity. Upon such delegation, the Trustee may require such reports, bonds or written agreements as it deems necessary to properly monitor the actions of its delegate;

(b) to cause any investment, either in whole or in part, in the Funds to be registered in, or transferred into, the Trustee's name or the names of a nominee or nominees, including but not limited to that of the Trustee or an affiliate of the Trustee, a clearing corporation, or a depository, or in book-entry form, or to retain any such investment unregistered or in a form permitting transfer by delivery, provided that the books and records of the Trustee shall at all times show that such investments are a part of the Funds; and to cause any such investment, or the evidence thereof, to be held by the Trustee, in a depository, in a clearing corporation, in book-entry form, or by any other entity or in any other manner permitted by law; ;

(c) to make, execute and deliver, as Trustee, any and all deeds, leases, mortgages, conveyances, waivers, releases or other instruments in writing necessary or desirable for the accomplishment of any of the foregoing powers;

(d) to defend against or participate in any legal actions involving the Funds or the Trustee in its capacity stated herein, in the manner and to the extent it deems advisable;

(e) to form corporations and to create trusts, to hold title to any security or other property, to enter into agreements creating partnerships or joint ventures for any purpose or purposes determined by the Trustee to be in the best interests of the Funds;

(f) to establish and maintain such separate Accounts in accordance with the instructions of the Company as the Company deems necessary for the proper administration of the Funds, or as determined to be necessary by the Trustee;

(g) to hold uninvested cash in its commercial bank or that of an affiliate, as it shall deem reasonable or necessary;

(h) to invest in any collective, common or pooled trust fund operated or maintained exclusively for the commingling and collective investment of monies or other assets including any such fund operated or maintained by the Trustee or an affiliate. The Company expressly understands and agrees that any such collective fund may provide for the lending of its securities by the collective fund trustee and that such collective fund's trustee will receive compensation for the lending of securities that is separate from any compensation of the Trustee hereunder, or any compensation of the collective fund trustee for the management of such collective fund. The Trustee is authorized to invest in a collective fund which invests in Mellon Financial Corporation stock in accordance with the terms and conditions of the Department of Labor Prohibited Transaction Exemption 95-56 (the "Exemption") granted to the Trustee and its affiliates and to use a cross-trading program in accordance with the Exemption. The Company acknowledges receipt of the notice entitled "Cross-Trading Information," a copy of which is attached to this Agreement as Exhibit E;

(i) to invest in open-end and closed-end investment companies, including those for which the Trustee or an affiliate provides services for a fee, regardless of the purposes for which such fund or funds were created, and any partnership, limited or unlimited, joint venture and other forms of joint enterprise created for any lawful purpose; and

(j) to generally take all action, whether or not expressly authorized, which the Trustee may deem necessary or desirable for the protection of the Funds.

Notwithstanding anything else in this Agreement to the contrary, including, without limitation, any specific or general power granted to the Trustee and to the investment managers, including the power to invest in real property, no portion of the Funds shall be invested in real estate (except for investments tied to market indexes or other non-nuclear sector common trust funds or mutual funds). For this purpose "real estate" includes, but is not limited to, real property, leaseholds or mineral interests.

The powers described in Section 6.02 may be exercised by the Trustee with or without instructions from the Company or a party authorized by the Company to act on its behalf, but where the Trustee acts on Authorized Instructions, the Trustee shall be fully protected as described in Section 4.07. Without limiting the generality of the foregoing, the Trustee shall not be liable for

the acts or omissions of any person appointed under paragraph (a) of Section 6.02 pursuant to Authorized Instructions.

**Section 6.03     Prohibition Against Nuclear Sector Investments.** Except for investments tied to market indexes or other non-nuclear sector collective, commingled or mutual funds, the assets of the Funds shall not be invested in: (1) the securities or other obligations of the Company, or affiliates thereof, or their successors or assigns, as identified by CUSIP by the Company; and (2) the securities or other obligations of any entity owning or operating one or more nuclear power plants. A non-nuclear sector collective, commingled or mutual fund is one in which less than 50 percent of the fund is invested in the securities of entities that own or operate a nuclear power plant or that are parent companies of subsidiaries that own or operate a nuclear power plant.

## **VII.     TERMINATION**

The Qualified Fund shall terminate upon the later of (A) the earlier of either (i) substantial completion of decommissioning of the Unit, as defined in the Special Terms, or (ii) disqualification of the Qualified Fund by the Service as provided in Treasury Regulation § 1.468A5(c) or any corresponding future Treasury Regulation or (B) termination by the NRC of the Unit's operating license. The Nonqualified Fund shall terminate upon termination by the NRC of the Unit's license. In any event, ENIP3 Master Trust terminate no later than twenty one (21) years after the death of the last survivor of each person who was an officer or director of the Company on the date of this Agreement and each of their descendants born on or prior to that date. Prior to termination, the ENIP3 Master Trust shall be irrevocable. Upon the termination of any Fund, the assets of the terminated Fund shall be distributed to the Company. This Agreement shall continue in effect to govern any final payments, disbursements or distributions required under the terms of this Agreement.

## **VIII.   MISCELLANEOUS**

**Section 8.01     Binding Agreement.** All covenants and agreements in this Agreement shall be binding upon and inure to the benefit of the respective parties hereto, their successors and assigns.

**Section 8.02     Notices.** All notices and communications hereunder shall be in writing and shall be deemed to be duly given on the date mailed if sent by registered mail, return receipt requested, as follows:

If to the Trustee:

THE BANK OF NEW YORK MELLON  
Trust and Investment Department  
Attn: Trust Administration  
Room 151-1320  
One Mellon Bank Center  
Pittsburgh, PA 15258

If to the Company:

ENTERGY NUCLEAR INDIAN POINT 3, LLC  
c/o Entergy Nuclear Operations, Inc.  
440 Hamilton Avenue White Plains, NY 10601  
Attention: Chief Operating Officer  
Fax No.: 914-272-3205

with a copy to:

ENTERGY NUCLEAR INDIAN POINT 3, LLC  
639 Loyola Avenue  
New Orleans, LA 70113  
Attention: Treasury

or at such other address as the Trustee or Company may have furnished to the other party in writing by registered mail, return receipt requested.

**Section 8.03 Governing Law.** The Funds have been established pursuant to this Agreement in accordance with the requirements for a trust under the laws of the Commonwealth of Pennsylvania, and this Agreement shall be governed by and construed and enforced in accordance with the substantive laws of the Commonwealth of Pennsylvania without regard to its conflicts of law provisions. The parties consent to the jurisdiction of a state or federal court situated in Pittsburgh, Pennsylvania in connection with any dispute hereunder. The Company irrevocably waives any objection it may now or hereafter have to venue in such court and any claim that a proceeding brought in such court has been brought in an inconvenient forum. The parties hereby expressly waive, to the full extent permitted by applicable law, any right to trial by jury with respect to any judicial proceeding arising from or related to this Agreement.

**Section 8.04 Counterparts.** This Agreement may be executed in several counterparts, and all such counterparts executed and delivered, each an original, shall constitute but one and the same instrument.

**Section 8.05 Contractual Income.** The Trustee shall credit the Funds with income and maturity proceeds on securities on the contractual payment date net of any taxes or upon actual receipt as agreed between the Trustee and the Company. To the extent the Company and the Trustee have agreed to credit income on the contractual payment date, the Trustee may reverse such Accounting entries with back value to the contractual payment date if the Trustee reasonably believes that such amount will not be received by it.

**Section 8.06 Contractual Settlement.** The Trustee will attend to the settlement of securities transactions on the basis of either contractual settlement date Accounting or actual settlement date Accounting as agreed between the Company and the Trustee. To the extent the Company and the Trustee have agreed to settle certain securities transactions on the basis of contractual settlement date Accounting, the Trustee may reverse with back value to the contractual

settlement date any entry relating to such contractual settlement where the related transaction remains unsettled according to established procedures.

**Section 8.07 Representations and Warranties.** The Company and the Trustee hereby each represent and warrant to the other that it has full authority to enter into this Agreement upon the terms and conditions hereof and that the individual executing this Agreement on its behalf has the requisite authority to bind the Company and the Trustee to this Agreement.

**Section 8.08 USA PATRIOT Act.** The Company hereby acknowledges that the Trustee is subject to federal laws, including the Customer Identification Program ("CIP") requirements under the USA PATRIOT Act and its implementing regulations, pursuant to which the Trustee must obtain, verify and record information that allows the Trustee to identify the Company. Accordingly, prior to opening an account hereunder, the Trustee will ask the Company to provide certain information including, but not limited to, the Company's name, physical address, tax identification number and other information that will help the Trustee to identify and verify the Company's identity such as organizational documents, certificate of good standing, license to do business, or other pertinent identifying information. The Company agrees that the Trustee cannot open an account hereunder unless and until the Trustee verifies the Company's identity in accordance with the Trustee's CIP

**Section 8.09 Successors and Assigns.** The interest of the Company in the Funds is only transferable to subsidiaries of the Company. Otherwise it is not transferable, whether voluntarily or involuntarily, nor subject to the claims of creditors of the Company. Notwithstanding the foregoing, if the Company sells or transfers all or part of its ownership interest in the Unit, including without limitation a sale or transfer to an affiliate of the Company, the Company may transfer its interest in the Funds or any Fund.

**IN WITNESS WHEREOF**, the parties hereto, each intending to be legally bound hereby, have hereunto set their hands and seals as of the day and year first above written.

**ENTERGY NUCLEAR INDIAN POINT 3, LLC**

By: \_\_\_\_\_

Name: Steven C. McNeal  
Title: VP & Treasurer

**THE BANK OF NEW YORK MELLON**

By: \_\_\_\_\_

Name: David W. Ryan  
Title: Managing Director

Pursuant to Section 4.25, as Beneficial Owner:

☐ Company OBJECTS to disclosure

☐ Company DOES NOT OBJECT to disclosure

☐ Trustee shall CONTACT THE THE INVESTMENT MANAGER with respect to relevant Securities to make the decision whether it objects to disclosure

IF NO BOX IS CHECKED, TRUSTEE SHALL RELEASE SUCH INFORMATION UNTIL IT RECEIVES A CONTRARY WRITTEN INSTRUCTION FROM THE COMPANY.



## EXHIBIT “A”

### SPECIAL TERMS OF THE QUALIFIED NUCLEAR DECOMMISSIONING RESERVE FUNDS

The following Special Terms of the Qualified Nuclear Decommissioning Reserve Funds (hereinafter referred to as the “Special Terms”) will apply for purposes of the Nuclear Master Decommissioning Trust Agreement (the “Agreement”), between ENTERGY NUCLEAR INDIAN POINT 3, LLC, a limited liability company duly organized and existing under the laws of the State of Delaware (“the Company”), and THE BANK OF NEW YORK MELLON, a New York state bank having trust powers through its trust office located in Pittsburgh, Pennsylvania (the “Trustee”).

**Section 1     Definitions.** The following terms as used in the Special Terms shall, unless the context clearly indicates otherwise, have the following respective meanings:

(a)     “Administrative costs and other incidental expenses of the Qualified Fund” shall mean all ordinary and necessary expenses incurred in connection with the operation of the Qualified Fund, as provided in Treasury Regulation § 1.468A-5(a)(3)(ii)(A) or any corresponding future Treasury Regulation, including without limitation, federal, state and local income tax, legal expenses, Accounting expenses, actuarial expenses and trustee expenses.

(b)     “Excess Contribution” shall have the meaning set forth in Section 4 hereof.

(c)     “Permissible Assets” shall mean any investment permitted for a qualified nuclear decommissioning reserve fund under Section 468A of the Code, subject to the restrictions provided in Section 3.05 and Section 6.03 of the Agreement.

(d)     “Qualified Decommissioning Costs” shall mean all expenses otherwise deductible for federal income tax purposes without regard to Section 280B of the Code, incurred (or to be incurred) in connection with the entombment, decontamination, dismantlement, removal and disposal of the structures, systems and components of the Unit when it has permanently ceased the production of electric energy, excluding any costs incurred for the disposal of spent nuclear fuel, as provided in Treasury Regulation § 1.468A-1(b)(6) or any corresponding future Treasury Regulation. Such term includes all otherwise deductible expenses to be incurred in connection with the preparation for decommissioning, such as engineering and other planning expenses, and all otherwise deductible expenses to be incurred with respect to the Unit after the actual decommissioning occurs, such as physical security and radiation monitoring expenses.

(e)     “Qualified Fund” shall mean the trust within the ENIP3 Master Trust qualified as a nuclear decommissioning reserve fund under Code Section 468A.

(f)     “Substantial completion of decommissioning” shall mean the date that the maximum acceptable radioactivity levels mandated by the NRC with respect to a decommissioned nuclear power plant are satisfied by the Unit; provided, however, that if the

Company requests a ruling from the Service, the date designated by the Service as the date on which substantial completion of decommissioning occurs shall govern; provided, further, that the date on which substantial completion of decommissioning occurs shall be in accordance with Treasury Regulation §1.468A-5(d)(2) or any corresponding future Treasury Regulation.

**Section 2      Contributions to a Qualified Fund.** The assets of the Qualified Fund shall be contributed by the Company from time to time in cash, or, as authorized in Section 3. herein. The Trustee shall not accept any contributions for the Qualified Fund other than those which the Company is allowed a deduction under Section 468A(a) of the Code and Treasury Regulation § 1.468A-2(a) or any corresponding future Treasury Regulation. The Company hereby represents that all contributions (or deemed contributions) by the Company to the Qualified Fund in accordance with the provisions of Section 3.01 of the Agreement shall be deductible under Section 468A of the Code and Treasury Regulation § 1.468A-2(a) or any corresponding future Treasury Regulation or shall be withdrawn pursuant to Section 4 hereof.

**Section 3      Special Transfers by the Company.** The company may direct that cash or property be transferred from the Nonqualified Fund to the Qualified Fund pursuant to a “Special Transfer” as authorized by Section 468A(f) of the Code and Treasury Regulation § 1.468A-8. The Company hereby represents that all Special Transfers shall in accordance with Section 468A(f) of the Code and Treasury Regulation § 1.468A-8 or any corresponding future Treasury Regulation or shall be withdrawn pursuant to Section 4 hereof.

**Section 4      Excess Contribution.** If the Company’s contribution (or deemed contribution or Special Transfer) to the Qualified Fund in any one year exceeds the amount deductible under Section 468A of the Code (“Excess Contribution”), the Company may instruct the Trustee to transfer such Excess Contribution from the Qualified Fund to the Nonqualified Fund, as defined in the Agreement, pursuant to Section 3.09 of the Agreement, provided any such transfer occurs on or before the date prescribed by law (including extensions) for filing the federal income tax return of the Qualified Fund for the taxable year to which the Excess Contribution relates for withdrawals pursuant to Treasury Regulations §§ 1.468A-5(c)(2) and 1.468A-2(d)(2) and occurs on or before the later of the date prescribed by law (including extensions) for filing the federal income tax return of the Qualified Fund for the taxable year to which the excess contribution relates or the date that is thirty (30) days after the date that the Company receives the ruling amount for such taxable year for withdrawals pursuant to Treasury Regulation § 1.468A-5(c)(2)(i). If the Company determines that transfer pursuant to this Section 4 is appropriate, the Company shall present a certificate so stating to the Trustee signed by its Chairman of the Board, its President or one of its Vice Presidents and its Treasurer or an Assistant Treasurer, requesting such withdrawal and transfer. The certificate shall be substantially in the form attached as Exhibit C to the Agreement for transfers to the Nonqualified Fund as provided in Section 3.09 of the Agreement and substantially in the form of Exhibit D to the Agreement for withdrawals and transfers by the Company.

**Section 5      Limitation on Use of Assets.** The assets of the Qualified Fund shall be used exclusively as follows:

(a) To satisfy, in whole or in part, the liability of the Company for Qualified Decommissioning Costs through payments by the Trustee pursuant to Article III of the Agreement; and

(b) To pay the administrative costs and other incidental expenses of the Qualified Fund; and

(c) To the extent the assets of the Qualified Fund are not currently required for (a) and (b) above, to invest directly in Permissible Assets.

**Section 6      Taxable Year/Tax Returns.** The Accounting and taxable year for the Qualified Fund shall be the taxable year of the Company for federal income tax purposes. If the taxable year of the Company shall change, the Company shall notify the Trustee of such change and the Accounting and taxable year of the Qualified Funds must change to the taxable year of the Company as provided in Treasury Regulation § 1.468A-4(c)(1) or any corresponding future Treasury Regulation. The Company shall assist the Trustee in complying with any requirements under Section 442 of the Code and Treasury Regulation § 1.442-1. The Company shall prepare, or cause to be prepared, any tax returns required to be filed by the Qualified Fund, and the Trustee shall sign and file such returns on behalf of the Qualified Fund. The Trustee shall cooperate with the Company in the preparation of such returns.

**EXHIBIT "B"**

**CERTIFICATE FOR PAYMENT  
OF DECOMMISSIONING COSTS**

THE BANK OF NEW YORK MELLON,  
as Trustee

Trust and Investment Department  
Attn: Trust Administration  
Room 151-3346  
One Mellon Bank Center  
Pittsburgh, PA 15258

This Certificate is submitted pursuant to Section 3.06 of the Nuclear Decommissioning Master Trust Agreement (the "Agreement"), dated \_\_\_\_\_, between The Bank of New York Mellon (the "Trustee") and Entergy Nuclear Indian Point 3, LLC (the "Company"). All capitalized terms used in this Certificate and not otherwise defined herein shall have the meanings assigned to such terms in the Agreement. In your capacity as Trustee, you are hereby authorized and requested to disburse to [payee] the amount of \$\_\_\_\_\_ from the Qualified Fund and the amount of \$\_\_\_\_\_ from the Nonqualified Fund for the payment of the Decommissioning Costs which have been incurred with respect to Indian Point Nuclear Generating Unit No. 3, from the License Termination 50.75 Account(s) or Non-License Termination Non-50.75 Account(s) of the Fund(s), as indicated in Schedule A hereto.

With respect to such Decommissioning Costs, the Company hereby certifies as follows:

1. The amount to be disbursed pursuant to this Certificate shall be solely used for the purpose of paying the Decommissioning Costs in the amounts set forth on Schedule A hereto.
2. None of the Decommissioning Costs identified in Schedule A hereto have previously been made the basis of any certificate pursuant to Section 3.06 of the Agreement.
3. The amount to be disbursed from the Qualified Fund pursuant to this Certificate shall be used solely for the purpose of paying Qualified Decommissioning Costs as defined in the Special Terms.
4. Any necessary authorizations of the NRC or any corresponding governmental authority having jurisdiction over the decommissioning of the Unit have been obtained. Prior written notice to the NRC [is not required pursuant to Section 3.08 of the Agreement.] [has been made, and no objection by NRC has been received. A copy of such notice is provided herewith.]

**IN WITNESS WHEREOF**, the undersigned have executed this Certificate in the capacity shown below as of \_\_\_\_\_, \_\_\_\_\_ .

**ENTERGY NUCLEAR INDIAN POINT 3, LLC**

By: \_\_\_\_\_  
Name:  
Title:

**ENTERGY NUCLEAR INDIAN POINT 3, LLC**

By: \_\_\_\_\_  
Name:  
Title:

**Acknowledged by:  
THE BANK OF NEW YORK MELLON**

By: \_\_\_\_\_  
Name:  
Title:

**EXHIBIT “C”**  
**TRANSFER CERTIFICATE**

THE BANK OF NEW YORK MELLON,  
as Trustee

Trust and Investment Department  
Attn: Trust Administration  
Room 151-3346  
One Mellon Bank Center  
Pittsburgh, PA 15258

This Certificate is submitted pursuant to Section 3.09 of the Nuclear Decommissioning Master Trust Agreement (the “Agreement”), dated \_\_\_\_\_, between The Bank of New York Mellon (the “Trustee”) and Entergy Nuclear Indian Point 3, LLC (the “Company”). All capitalized terms used in this Certificate and not otherwise defined herein shall have the meanings assigned to such terms in the Agreement. In your capacity as Trustee, you are hereby authorized and instructed as follows (complete one):

To pay \$\_\_\_\_\_ in cash [or other property] from the Nonqualified Fund to the Qualified Fund; or

To pay \$\_\_\_\_\_ in cash from the Qualified Fund to the Nonqualified Fund;  
or

To pay \$\_\_\_\_\_ in cash [or other property] from License Termination 50.75 Account of the [Nonqualified Fund] [Qualified Fund] to the Non-License Termination Non-50.75 Account of the same Fund; or

To pay \$\_\_\_\_\_ in cash [or other property] from Non-License Termination Non-50.75 Account of the [Nonqualified Fund] [Qualified Fund] to the License Termination 50.75 Account of the same Fund.

With respect to such payment, the Company hereby certifies as follows:

1. Any amount stated herein to be paid from the Nonqualified Fund to the Qualified Fund is in accordance with the contribution limitations applicable to the Qualified Fund set forth in Section 2 and/or Section 3 of the Special Terms and the limitations of Section 3.09 of the Agreement.
2. Any amount stated herein to be paid from the Qualified Fund to the Nonqualified Fund is in accordance with Section 4 of the Special Terms.

The Company has determined that such payment is appropriate under the standards of Section 4 of the Special Terms.

**IN WITNESS WHEREOF**, the undersigned have executed this Certificate in the capacity as shown below as of \_\_\_\_\_, \_\_\_\_\_ .

**ENTERGY NUCLEAR INDIAN POINT 3, LLC**

By: \_\_\_\_\_  
Name:  
Title:

**Acknowledged by:  
THE BANK OF NEW YORK MELLON**

By: \_\_\_\_\_  
Name:  
Title:

**EXHIBIT “D”**

**CERTIFICATE FOR WITHDRAWAL  
OF EXCESS CONTRIBUTIONS  
FROM QUALIFIED FUND**

THE BANK OF NEW YORK MELLON,  
as Trustee

Trust and Investment Department  
Attn: Trust Administration  
Room 151-3346  
One Mellon Bank Center  
Pittsburgh, PA 15258

This Certificate is submitted pursuant to Section 4 of the Special Terms attached as Exhibit A to the Nuclear Decommissioning Master Trust Agreement (the “Agreement”), dated \_\_\_\_\_, between The Bank of New York Mellon (the “Trustee”) and Entergy Nuclear Indian Point 3, LLC ( the “Company”). All capitalized terms used in this Certificate and not otherwise defined herein shall have the meanings assigned to such terms in the Agreement. In your capacity as Trustee, you are hereby authorized and instructed to pay \$\_\_\_\_\_ in cash to the Company from the Qualified Fund. With respect to such payment, the Company hereby certifies that withdrawal and transfer pursuant to Section 4 of the Special Terms is appropriate and that \$\_\_\_\_\_ constitutes an excess contribution pursuant to such Section.



**IN WITNESS WHEREOF**, the undersigned have executed this Certificate in the capacity as shown below as of \_\_\_\_\_, \_\_\_\_\_ .

**ENTERGY NUCLEAR INDIAN POINT 3, LLC**

By: \_\_\_\_\_  
Name:  
Title:

**Acknowledged by:**  
**THE BANK OF NEW YORK MELLON**

By: \_\_\_\_\_  
Name:  
Title:

## **EXHIBIT “E”**

### **CROSS-TRADING INFORMATION**

As part of the cross-trading program covered by the Exemption for the Trustee and its affiliates, the Trustee is to provide to each affected Trust the following information:

I. The existence of the cross-trading program

The Trustee has developed and intends to utilize, wherever practicable, a cross-trading program for Indexed Accounts and Large Accounts as those terms are defined in the Exemption.

II. The “triggering events” creating cross-trade opportunities

In accordance with the exemption three “triggering events” may create opportunities for cross-trading transactions. They are generally the following (see the Exemption for more information):

- A. A change in the composition or weighting of the index by the independent organization creating and maintaining the index;
- B. A change in the overall level of investment in an Indexed Account as a result of investments and withdrawals on the Account’s opening date, where the Account is a bank collective fund, or on any relevant date for non-bank collective funds; provided, however, a change in an Indexed Account resulting from investments or withdrawals of assets of the Trustee’s own plans (other than the Trustee’s defined contribution plans under which participants may direct among various investment options, including Indexed Accounts) are excluded as a “triggering event”; or
- C A recorded declaration by the Trustee that an accumulation of cash in an Indexed Account attributable to interest or dividends on, and/or tender offers for, portfolio securities equal to not more than 0.5% of the Account’s total value has occurred.

III. The pricing mechanism utilized for securities purchased or sold

Securities will be valued at the current market value for the securities on the date of the crossing transaction.

Equity securities - the current market value for the equity security will be the closing price on the day of trading as determined by an independent pricing service; unless the security was added to or deleted from an index after the close of trading, in which case the price will be the opening price for that security on the next business day after the announcement of the addition or deletion.

Debt securities - the current market value of the debt security will be the price determined by the Trustee as of the close of the day of trading according to the Securities and Exchange Commission's Rule 17a-7(b)(4) under the Investment Company Act of 1940.

Debt securities that are not reported securities or traded on an exchange will be valued based on an average of the highest current independent bids and the lowest current independent offers on the day of cross-trading. The Trustee will use reasonable inquiry to obtain such prices from at least three independent sources that are brokers or market makers. If there are fewer than three independent sources to price a certain debt security, the closing price quotations will be obtained from all available sources.

IV. The allocation methods

Direct cross-trade opportunities will be allocated among potential buyers or sellers of debt or equity securities on a pro rata basis. With respect to equity securities, please note the Trustee imposes a trivial share constraint to reduce excessive custody ticket charges to participating Accounts.

V. Other procedures implemented by the Trustee for its cross-trading practices

The Trustee has developed certain internal operational procedures for cross-trading debt and equity securities. These procedures are available upon request.