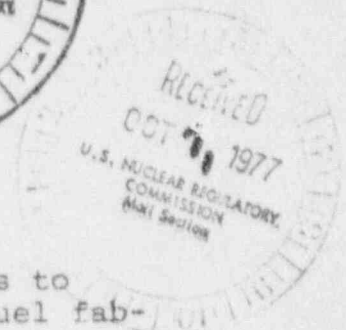


EXXON NUCLEAR COMPANY, Inc.
RESEARCH AND TECHNOLOGY CENTER
2955 George Washington Way, Richland, Washington 99362
PHONE: (509) 943-7100

PDR ✓
REGULATORY BOOK FILE COPY

50-263

September 29, 1977



Mr. Ira Dinitz
Indemnity Specialist
Antitrust and Indemnity Group
Nuclear Reactor Regulation
U.S. Nuclear Regulatory Commission
Washington, D. C. 20555

Dear Mr. Dinitz:

Enclosed please find certified endorsements to NELIA and MAELU policies covering our nuclear fuel fabrication facilities at Richland, Washington. It is my understanding that this completes all actions required by us for evidence of required financial protection.

Please let me know if any further documentation or actions are necessary.

Sincerely,

Milson

Roy Nilson, Manager
Quality Assurance and
Licensing

RN:jas

Enclosures

9212100226 770920
PDR ADOCK 05000263
J PDR

AN AFFILIATE OF EXXON CORPORATION

772800265

MUTUAL ATOMIC ENERGY LIABILITY UNDERWRITERS

919 North Michigan Avenue, Chicago 11, Illinois

Nuclear Energy Liability Policy No. MF- 94
(Facility Form)

DECLARATIONS

- Item 1. Named Insured Exxon Nuclear Company
- Address 777 106th Avenue Northeast Bellevue, Washington 98004
(No. Street Town or City State)
- Item 2. Policy Period: Beginning at 12:01 A.M. on the 1st day of August, 1977,
and continuing through the effective date of the cancellation or termination of this policy, standard time at the address
of the named insured as stated herein.
- Item 3. Description of the Facility:
- Location All of the premises including the land and all buildings and structures
contained within the boundaries indicated by the heavy-line shown on attached Plot
Plan XN-602-877 and for which the corner points bear the following coordinates
on the Washington State Coordinate System (South Zone): Point A: N 372,755
E 2,302,495; Point B: N 371,948 E 2,302,495; Point C: N 371,948 E 2,303,460;
Point D: N 372,810 E 2,303,460; Point E: N 372,810 E 2,303,025;
Point F: N 372,907 E 2,303,025; Point G: N 372,907 E 2,302,815
Point H: N 372,755 E 2,302,815. Said premises are situated in the southwest
quarter of Section 15, Township 10 North, Range 28 East Willamette Meridian.
Type: Nuclear Fuel Fabrication
The Operator of the facility is Exxon Nuclear Company
- Item 4. The limit of the companies' liability is \$ 31,500,000 subject to all the terms of this policy having
reference thereto.
- Item 5. Advance Premium \$ 4,984.36
- Item 6. These declarations and the schedules forming a part hereof give a complete description of the facility, insofar as it
relates to the nuclear energy hazard, except as noted no exceptions

Date of Issue August 18, 1977

Countersigned by _____
Authorized Representative

NUCLEAR ENERGY LIABILITY INSURANCE

MUTUAL ATOMIC ENERGY LIABILITY UNDERWRITERS

Address of Mutual Atomic Energy Liability Underwriters Endorsement

It is agreed that the address of the Mutual Atomic Energy Liability Underwriters appearing on the declarations and in the "Company Representation" condition of the policy is amended to read:

"One East Wacker Drive, Chicago, Illinois 60601"

Effective Date of this Endorsement August 1, 1977 To form a part of Policy No. MF-94

Issued to Exxon Nuclear Company

Date of Issue August 18, 1977

THIS IS TO CERTIFY THAT THIS IS A
VALID COPY OF ENDORSEMENT NO. _____
A PART OF NUCLEAR ENERGY POLICY
POLICY NO. MF-94 NO
ENDORSEMENT IS AFFORDED UNDER THIS

For the Subscribing Companies

MUTUAL ATOMIC ENERGY LIABILITY UNDERWRITERS

By _____

Richard E. Goodman
RICHARD E. GOODMAN, SECRETARY
MUTUAL ATOMIC ENERGY LIABILITY UNDERWRITERS

Endorsement No. 1

Countersigned by _____
AUTHORIZED REPRESENTATIVE

NUCLEAR ENERGY LIABILITY INSURANCE

MUTUAL ATOMIC ENERGY LIABILITY UNDERWRITERS

AMENDATORY ENDORSEMENT NUCLEAR ENERGY LIABILITY POLICY (FACILITY FORM)

It is agreed that:

- I. The first sentence of the definition of nuclear facility is amended to read:

"nuclear facility" means "the facility" as defined in any Nuclear Energy Liability Policy (Facility Form) issued by Mutual Atomic Energy Liability Underwriters or by Nuclear Energy Liability Insurance Association;

- II. The definition of "indemnified nuclear facility" is replaced by the following:

"indemnified nuclear facility" means

- (1) "the facility" as defined in any Nuclear Energy Liability Policy (Facility Form) issued by Mutual Atomic Energy Liability Underwriters or by Nuclear Energy Liability Insurance Association, or
- (2) any other nuclear facility,

if financial protection is required pursuant to the Atomic Energy Act of 1954, or any law amendatory thereof, with respect to any activities or operations conducted thereat;

- III. Condition 4 is replaced by the following:

LIMITATION OF LIABILITY: COMMON OCCURRENCE Any occurrence or series of occurrences resulting in bodily injury or property damage arising out of the radioactive, toxic, explosive or other hazardous properties of

- (a) nuclear material discharged or dispersed from the facility over a period of days, weeks, months or longer and also arising out of such properties of other nuclear material so discharged or dispersed from one or more other nuclear facilities insured under any Nuclear Energy Liability Policy (Facility Form) issued by Mutual Atomic Energy Liability Underwriters, or
- (b) source material, special nuclear material, spent fuel or waste in the course of transportation for which insurance is afforded under this policy and also arising out of such properties of other source material, special nuclear material, spent fuel or waste in the course of transportation for which insurance is afforded under one or more other Nuclear Energy Liability Policies (Facility Form) issued by Mutual Atomic Energy Liability Underwriters,

shall be deemed to be a common occurrence resulting in bodily injury or property damage caused by the nuclear energy hazard.

With respect to such bodily injury and property damage (1) the total aggregate liability of the members of Mutual Atomic Energy Liability Underwriters under all Nuclear Energy Liability Policies (Facility Form), including this policy, applicable to such common occurrence shall be the sum of the limits of liability of all such policies, the limit of liability of each such policy being as determined by Condition 3 thereof, but in no event shall such total aggregate liability of such members exceed \$13,500,000; (2) the total liability of the companies under this policy shall not exceed that proportion of the total aggregate liability of the members of Mutual Atomic Energy Liability Underwriters, as stated in clause (1) above, which (a) the limit of liability of this policy, as determined by Condition 3, bears to (b) the sum of the limits of liability of all such policies issued by such members, the limit of liability of each such policy being as determined by Condition 3 thereof.

The provisions of this condition shall not operate to increase the limit of the companies' liability under this policy.

IV. The second paragraph of Condition 12 "Other Insurance" is amended to read:

"If the insured has other valid and collectible insurance (other than such concurrent insurance or any other nuclear energy liability insurance issued by Mutual Atomic Energy Liability Underwriters or Nuclear Energy Liability Insurance Association to any person or organization) applicable to loss or expense covered by this policy, the insurance afforded by this policy shall be excess insurance over such other insurance; provided, with respect to any person who is not employed at and in connection with the facility, such insurance as is afforded by this policy for bodily injury to an employee of the insured arising out of and in the course of his employment shall be primary insurance under such other insurance."

Effective Date of
this Amendment August 1, 1977

To form a part
of Policy No. MF-94

Issued to Exxon Nuclear Company

Date of Issue August 18, 1977

For the Subscribing Companies

MUTUAL ATOMIC ENERGY LIABILITY UNDERWRITERS

2
94
NO
By
RICHARD E. GOODMAN, SECRETARY
MUTUAL ATOMIC ENERGY LIABILITY UNDERWRITERS

Endorsement No. 2

Counterparted by

NUCLEAR ENERGY LIABILITY INSURANCE

MUTUAL ATOMIC ENERGY LIABILITY UNDERWRITERS

INDUSTRY CREDIT RATING PLAN

PREMIUM ENDORSEMENT

It is agreed that Condition 1 of the policy is replaced by the following:

CONDITION 1. PREMIUM

(1) Definitions: With reference to the premium for this policy:

"advance premium", for any calendar year, is the estimated standard premium for that calendar year;

"standard premium", for any calendar year, is the premium for that calendar year computed in accordance with the companies' rules, rates, rating plans (other than the Industry Credit Rating Plan), premiums and minimum premiums applicable to this insurance;

"reserve premium" means that portion of the standard premium paid to the companies and specifically allocated under the Industry Credit Rating Plan for incurred losses. The amount of the "reserve premium" for this policy for any calendar year during which this policy is in force is the amount designated as such in the Standard Premium Endorsement for that calendar year;

"industry reserve premium", for any calendar year, is the sum of the reserve premiums for that calendar year for all Nuclear Energy Liability Policies issued by Nuclear Energy Liability Insurance Association and Mutual Atomic Energy Liability Underwriters and subject to the Industry Credit Rating Plan;

"policy refund ratio", for any calendar year, is the ratio of the named insured's reserve premium for that calendar year to the industry reserve premium for that calendar year;

"incurred losses" means the sum of:

- (1) all losses and expenses paid by Nuclear Energy Liability Insurance Association and Mutual Atomic Energy Liability Underwriters, and
- (2) all reserves for unpaid losses and Expenses as estimated by Nuclear Energy Liability Insurance Association and Mutual Atomic Energy Liability Underwriters

INDUSTRY CREDIT RATING PLAN

PREMIUM ENDORSEMENT (Cont.)

because of obligations assumed and the expenses incurred in connection with such obligations by members of Nuclear Energy Liability Insurance Association and Mutual Atomic Energy Liability Underwriters under all Nuclear Energy Liability Policies issued by Nuclear Energy Liability Insurance Association and Mutual Atomic Energy Liability Underwriters and subject to the Industry Credit Rating Plan;

"reserve for refunds", at the end of any calendar year, is the amount by which (1) the sum of all industry reserve premiums for the period from January 1, 1957 through the end of such calendar year exceeds (2) the total for the same period of (a) all incurred losses, valued as of the next following July 1, and (b) all reserve premium refunds made under the Industry Credit Rating Plan by members of Nuclear Energy Liability Insurance Association and Mutual Atomic Energy Liability Underwriters;

"industry reserve premium refund", for any calendar year, is determined by multiplying the reserve for refunds at the end of the ninth calendar thereafter by the ratio of the industry reserve premium for the calendar year for which the premium refund is being determined to the sum of such amount and the total industry reserve premiums for the next nine calendar years thereafter, provided that the industry reserve premium refund for any calendar year shall in no event be greater than the industry reserve premium for such calendar year.

- (2) Payment of Advance and Standard Premiums. The named insured shall pay the companies the advance premium stated in the declarations, for the period from the effective date of this policy through December 31 following. Thereafter, at the beginning of each calendar year while this policy is in force, the named insured shall pay the advance premium for such year to the companies. The advance premium for each calendar year shall be stated in the Advance Premium Endorsement for such calendar year issued to the named insured as soon as practicable prior to or after the beginning of such year.

As soon as practicable after each December 31 and after the termination of this policy, the standard premium for the preceding calendar year shall be finally determined and stated in the Standard Premium Endorsement for that calendar year. If the standard premium so determined exceeds the advance premium previously paid for such calendar year, the named insured shall pay the excess to the companies; if less, the companies shall refund to the named insured the excess portion paid by such insured.

INDUSTRY CREDIT RATING PLAN

PREMIUM ENDORSEMENT (Cont.)

The named insured shall maintain records of the information necessary for premium computation and shall send copies of such records to the companies as directed, at the end of each calendar year, at the end of the policy period and at such other times during the policy period as the companies may direct.

- (3) Use of Reserve Premiums. All reserve premiums paid or payable for this policy may be used by the members of Mutual Atomic Energy Liability Underwriters to discharge their obligations with respect to incurred losses whether such losses are incurred under this policy or under any other policy issued by Nuclear Energy Liability Insurance Association or Mutual Atomic Energy Liability Underwriters.
- (4) Reserve Premium Refunds. A portion of the reserve premium for this policy for the first calendar year of any group of ten consecutive calendar years shall be returnable to the named insured provided there is a reserve for refunds at the end of the tenth calendar year.
- (5) Computation of Reserve Premium Refunds. The reserve premium refund due the named insured for any calendar year shall be determined by multiplying any industry reserve premium refund for such calendar year by the policy refund ratio for such calendar year. The reserve premium refund for any calendar year shall be finally determined as soon as practicable after July 1 of the tenth calendar year thereafter.
- (6) Final Premium. The final premium for this policy shall be the sum of standard premiums for each calendar year, or portion thereof, during which this policy remains in force less the sum of all refunds of reserve premiums due the named insured under the provisions of this Condition 1. *

INDUSTRY CREDIT RATING PLAN
PREMIUM ENDORSEMENT (Cont.)

- (7) Reserve Premium Refund Agreement. Each member of Mutual Atomic Energy Liability Underwriters subscribing this policy for any calendar year, or portion thereof, thereby agrees for itself, severally and not jointly, and in the respective proportion of its liability assumed under this policy for that calendar year, to return to the named insured that portion of any reserve premium refund due the named insured for that calendar year, determined in accordance with the provisions of this Condition 1.

Effective Date of this Endorsement August 1, 1977 To form a part of Policy No. ME-94

Issued to Exxon Nuclear Company

Date of Issue August 18, 1977

For the use of the Company
By Harold E. [Signature]

For the use of the Company
By [Signature]

SECRETARY
MUTUAL ATOMIC ENERGY LIABILITY UNDERWRITERS

Page 4 of 4

NUCLEAR ENERGY LIABILITY INSURANCE

MUTUAL ATOMIC ENERGY LIABILITY UNDERWRITERS

AMENDMENT OF CONDITION 4 ENDORSEMENT

It is agreed that with respect to bodily injury or property damage caused after the effective date of this endorsement by the nuclear energy hazard the figure \$13,500,000 stated in Condition 4 of the policy is amended to read \$31,500,000.

Effective Date of
this Endorsement August 1, 1977

To form a part
of Policy No. MF-94

Issued to Exxon Nuclear Company

Date of Issue August 18, 1977

NOTE TO POLICYHOLDER THAT THIS IS A
ENDORSEMENT TO POLICY NO. 4
POLICY NO. 94
POLICY NO. 94
POLICY NO. 94

For the Subscribing Companies

MUTUAL ATOMIC ENERGY LIABILITY UNDERWRITERS

Richard E. Goodman
By Richard E. Goodman
RICHARD E. GOODMAN, SECRETARY

MUTUAL ATOMIC ENERGY LIABILITY UNDERWRITERS

Endorsement No. 4

Countersigned by _____

AUTHORIZED REPRESENTATIVE

NUCLEAR ENERGY LIABILITY INSURANCE

MUTUAL ATOMIC ENERGY LIABILITY UNDERWRITERS

AMENDATORY ENDORSEMENT (Application of Policy)

It is agreed that Insuring Agreement IV of the policy, captioned "Application of Policy" is amended to read as follows:

APPLICATION OF POLICY This policy applies only to bodily injury or property damage (1) which is caused during the policy period by the nuclear energy hazard and (2) which is discovered and for which written claim is made against the insured, not later than ten years after the end of the policy period.

Effective Date of this Endorsement August 1, 1977 To form a part of Policy No. MF-94

Issued to Exxon Nuclear Company

Date of Issue August 18, 1977

THIS IS TO CERTIFY THAT THIS IS A
POLICY OF MUTUAL ATOMIC ENERGY LIABILITY INSURANCE
UNDERWRITERS, INC. NO. 94
AND IT IS HEREBY CERTIFIED THAT THIS

For the Subscribing Companies

MUTUAL ATOMIC ENERGY LIABILITY UNDERWRITERS

By Richard E. [Signature]

Endorsement No. 5 Countersigned by _____

AUTHORIZED REPRESENTATIVE

APPOINTED REPRESENTATIVE

NUCLEAR ENERGY LIABILITY INSURANCE
MUTUAL ATOMIC ENERGY LIABILITY UNDERWRITERS

ADVANCE PREMIUM ENDORSEMENT
and
STANDARD PREMIUM ENDORSEMENT

Calendar Year 1977

1. ADVANCE PREMIUM

It is agreed that the Advance Premium due the companies for the calendar year designated above is \$ 4,984.36.

2. STANDARD PREMIUM AND RESERVE PREMIUM

In the absence of a change in the Advance Premium indicated above, it is agreed that, subject to the provisions of the Industry Credit Rating Plan, the Standard Premium and Reserve Premium are:

Standard Premium \$ 4,984.36.

Reserve Premium \$ 3,542.18.

Effective Date of this Endorsement August 1, 1977 To form a part of Policy No. MF-94

Issued to Exxon Nuclear Company

Date of Issue August 18, 1977

For the Subscribing Companies

MUTUAL ATOMIC ENERGY LIABILITY UNDERWRITERS

By _____

Endorsement No. 7 Countersigned by _____
AUTHORIZED REPRESENTATIVE

NUCLEAR ENERGY LIABILITY INSURANCE

MUTUAL ATOMIC ENERGY LIABILITY UNDERWRITERS

AMENDMENT OF CONDITION 2 "INSPECTION; SUSPENSION"
(FACILITY FORM)

It is agreed that Condition 2 "INSPECTION; SUSPENSION" is replaced by the following:

2. INSPECTION;SUSPENSION. The companies shall at any time be permitted but not obligated to inspect the facility and all operations relating thereto and to examine the insured's books and records as far as they relate to the subject matter of this insurance. Neither the right to make inspections and examinations nor the making thereof nor any advice or report resulting therefrom shall constitute an undertaking, on behalf of or for the benefit of the insured or others, to determine or warrant that such facility or operations are safe or healthful, or are in compliance with any law, rule or regulation.

If a representative of the companies discovers a condition which he believes to be unduly dangerous with respect to the nuclear energy hazard, a representative of the companies may request that such condition be corrected without delay. In the event of non-compliance with such request, a representative of the companies may, by notice to the named insured, to any other person or organization considered by the companies to be responsible for the continuance of such dangerous condition, and to the United States Nuclear Regulatory Commission, suspend the insurance with respect to the named insured and such other person or organization effective 12:00 midnight of the next business day of such Commission following the date that such Commission receives such notice. The period of such suspension shall terminate as of the time stated in a written notice from the companies to the named insured and to each such person or organization that such condition has been corrected.

Effective Date of this Endorsement August 1, 1977 To form a part of Policy No. MF-94

Issued to Exxon Nuclear Company

Date of Issue August 18, 1977

THIS IS TO CERTIFY THAT THIS IS A
TRUE COPY OF POLICY NO. 8
MADE BY MUTUAL ATOMIC ENERGY POLICY
BROKER, INC. NO. 94
INSURANCE IS EXTENDED UNDER THIS
TRUE COPY.

For the Subscribing Companies

MUTUAL ATOMIC ENERGY LIABILITY UNDERWRITERS

By

Richard E. Goodman
RICHARD E. GOODMAN, SECRETARY

MUTUAL ATOMIC ENERGY LIABILITY UNDERWRITERS

Endorsement No. 8

Countersigned by _____

AUTHORIZED REPRESENTATIVE

NUCLEAR ENERGY LIABILITY INSURANCE

MUTUAL ATOMIC ENERGY LIABILITY UNDERWRITERS

AMENDMENT OF DEFINITIONS OF
"Nuclear Energy Hazard" and "Insured Shipment"
(Indemnified Nuclear Facility)

It is agreed that:

I. In Insuring Agreement III, "Definitions"

- A. solely with respect to an "insured shipment" to which this policy applies as proof of financial protection required by the Nuclear Regulatory Commission, Subdivision (2) of the definition of "nuclear energy hazard" is amended to read:
- (2) the nuclear material is in an insured shipment which is away from any other nuclear facility and is in the course of transportation, including the handling and temporary storage incidental thereto, within
- (a) the territorial limits of the United States of America, its territories or possessions, Puerto Rico or the Canal Zone; or
- (b) international waters or airspace, provided that the nuclear material is in the course of transportation between two points located within the territorial limits described in (a) above and there are no deviations in the course of the transportation for purpose of going to any other country, state or nation, except a deviation in the course of said transportation for the purpose of going to or returning from a port or place of refuge as the result of an emergency.
- B. the definition of "insured shipment" is replaced with the following:
- "insured shipment" means a shipment of source material, special nuclear material, spent fuel or waste, herein called "material," (1) to the facility from any location except an indemnified nuclear facility, but only if the transportation of the material is not by predetermination to be interrupted by removal of the

material from a transporting conveyance for any purpose other than the continuation of its transportation, or (2) from the facility to any other location, but only until the material is removed from a transporting conveyance for any purpose other than the continuation of its transportation.

- II. As used therein, "financial protection," has the meaning given it in the Atomic Energy Act of 1954, as amended.

Effective Date of this Endorsement August 1, 1977 To form a part of Policy No. MF-94

Issued to Exxon Nuclear Company

Date of Issue August 18, 1977

THIS IS TO CERTIFY THAT THIS IS A
TRUE COPY OF ENDORSEMENT 94
MADE PART OF POLICY NO. MF-94
OF MUTUAL ATOMIC ENERGY LIABILITY UNDERWRITERS
EFFECTIVE DATE AUGUST 1, 1977
TRUSTEES

For the Subscribing Companies

MUTUAL ATOMIC ENERGY LIABILITY UNDERWRITERS

Richard E. Goodman
RICHARD E. GOODMAN, SECRETARY
MUTUAL ATOMIC ENERGY LIABILITY UNDERWRITERS

Endorsement No. 9 Countersigned by _____
AUTHORIZED REPRESENTATIVE

NUCLEAR ENERGY LIABILITY INSURANCE ASSOCIATION
85 John Street, New York, New York 10038

Nuclear Energy Liability Policy No. NF-193
(Facility Form)

DECLARATIONS

Item 1. Named Insured Jersey Enterprises, Inc.

Address 777 106th Avenue Northeast Bellevue, Washington 98004
(No. Street Town or City State)

Item 2. Policy Period: Beginning at 9:00 A.M. on the 25th day of March, 19 71, and continuing through the effective date of the cancellation or termination of this policy, standard time at the address of the named insured as stated herein.

Item 3. Description of the Facility:

Location All buildings and premises owned by, occupied by or rented to the named insured known as the Jersey Nuclear Fuel Fabrication Facility located at 2101 Horn Rapids Road, Richland, Washington 99352 and situated within the heavy line on the copy of Figure 11 - 2.0 attached

Type Nuclear Fuel Fabrication

The Operator of the facility is Charles R. Jersey Nuclear Company

Item 4. The limit of the companies' liability is \$ 20,000,000 subject to all the terms of this policy and endorsements nos. 1, 2, 3, 4, 5, 6, 8, 9, 10, 12, 14, 16, 18, 20, 22, 24, 26, 27, 28, 30, 31, 32, 33, 34, 35, 36, 37, 38, 39, 40, 41, 42, 43, 44, 45, 46, 47, 48, 49, 50, 51, 52, 53, 54, 55, 56, 57, 58, 59, 60, 61, 62, 63, 64, 65, 66, 67, 68, 69, 70, 71, 72, 73, 74, 75, 76, 77, 78, 79, 80, 81, 82, 83, 84, 85, 86, 87, 88, 89, 90, 91, 92, 93, 94, 95, 96, 97, 98, 99, 100.

Item 5. Advance Premium \$ 4,058.25

Item 6. These declarations and the schedules forming a part hereof give a complete description of the facility, insofar as it relates to the nuclear energy hazard, except as noted no exceptions

Date of Issue April 12, 1971, 19 71 Countersigned by Charles R. Jersey

Nuclear Energy Liability Insurance
NUCLEAR ENERGY LIABILITY INSURANCE ASSOCIATION

AMENDMENT OF THE DESCRIPTION OF THE FACILITY ENDORSEMENT

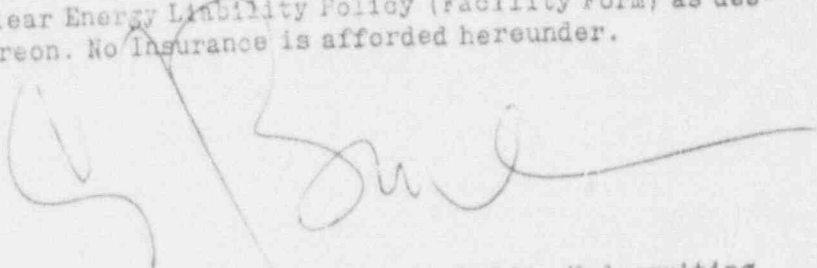
It is agreed that Item 3 of the Declarations "Description of the Facility" as amended by Endorsement Nos. 9, 14 and 24 is further amended to read:

LOCATION: All of the premises including the land and all buildings and structures owned, occupied by or rented to Exxon Nuclear Company, Inc. for its Horn Rapids Facility, and shown as being within the heavy dark lines on Drawing No. XN-602-877 s/o dated April 25, 1977, a copy of which is attached hereto and made a part hereof. The corner points shown on said drawing bear the following coordinates on the Washington State Coordinate System (South Zone):

Point A:	N 372,755	E 2,302,495
Point B:	N 371,948	E 2,302,495
Point C:	N 371,948	E 2,303,460
Point D:	N 372,810	E 2,303,460
Point E:	N 372,810	E 2,303,025
Point F:	N 372,907	E 2,303,025
Point G:	N 372,907	E 2,302,815
Point H:	N 372,755	E 2,302,815

The Richland Horn Rapids Facility is located at 2101 Horn Rapids Road, Richland, Washington 99352

This is to certify that this is a true copy of the original Endorsement having the endorsement number and being made part of the Nuclear Energy Liability Policy (Facility Form) as designated hereon. No Insurance is afforded hereunder.


Charles R. Bardes, Manager-Liability Underwriting
Nuclear Energy Liability-Property Insurance Assoc.

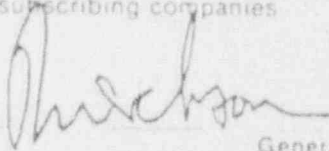
Effective Date of this Endorsement August 1, 1977

To form a part of Policy No. NE-195

Issued to Exxon Nuclear Company, Inc.

Date of Issue August 15, 1977

For the subscribing companies

By 
General Manager

Endorsement No. 34

Countersigned by _____

Nuclear Energy Liability Insurance
NUCLEAR ENERGY LIABILITY INSURANCE ASSOCIATION

AMENDMENT OF DEFINITIONS OF
"Nuclear Energy Hazard" and "Insured Shipment"
(Indemnified Nuclear Facility)

It is agreed that:

I. In Insuring Agreement III, "DEFINITIONS"

A. solely with respect to an "insured shipment" to which this policy applies as proof of financial protection required by the Nuclear Regulatory Commission, Subdivision (2) of the definition of "nuclear energy hazard" is amended to read:

(2) the nuclear material is in an insured shipment which is away from any other nuclear facility and is in the course of transportation, including the handling and temporary storage incidental thereto, within

(a) the territorial limits of the United States of America, its territories or possessions, Puerto Rico or the Canal Zone; or

(b) international waters or airspace, provided that the nuclear material is in the course of transportation between two points located within the territorial limits described in (a) above and there are no deviations in the course of the transportation for the purpose of going to any other country, state or nation, except a deviation in the course of said transportation for the purpose of going to or returning from a port or place of refuge as the result of an emergency.

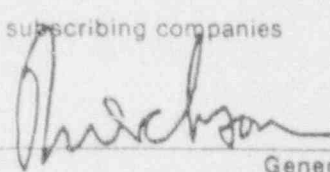
B. the definition of "insured shipment" is replaced with the following;

"insured shipment" means a shipment of source material, special nuclear material, spent fuel or waste, herein called "material", (1) to the facility from any location except an indemnified nuclear facility, but only if the transportation of the material is not by prede-

termination to be interrupted by removal of the material from a transporting conveyance for any purpose other than the continuation of its transportation, or (2) from the facility to any other location, but only until the material is removed from a transporting conveyance for any purpose other than the continuation of its transportation.

- II. As used herein, "financial protection" has the meaning given it in the Atomic Energy Act of 1954, as amended.

COPY

Effective Date of this Endorsement August 1, 1977 To form a part of Policy No. NE- 193
Issued to Exxon Nuclear Company, Inc. 12:01 A.M. Standard Time
Date of Issue July 28, 1977 For the subscribing companies
By  General Manager
Endorsement No 33 Countersigned by _____

NE-45
(1/1/77)

Nuclear Energy Liability Insurance
NUCLEAR ENERGY LIABILITY INSURANCE ASSOCIATION

INCREASE OF LIMIT OF LIABILITY ENDORSEMENT

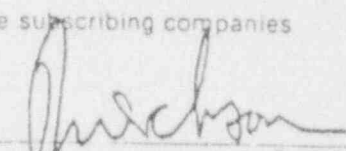
It is agreed that:

1. The limit of liability stated in Item 4 of the declarations of the policy is amended to read \$ 108,500,000.00.

This amended limit applies with respect to obligations assumed or expenses incurred because of bodily injury or property damage caused, during the period from the effective date of this endorsement to the date of termination of the policy, by the nuclear energy hazard.

2. The limit of liability stated in Item 4 of the declarations and the amended limit of liability stated in paragraph 1 above shall not be cumulative, and each payment made by the companies after the effective date of this endorsement for any loss or expense covered by the policy shall reduce by the amount of such payment both the limit of liability stated in Item 4 of the declarations and the amended limit stated in paragraph 1 above, regardless of which limit of liability applies with respect to the bodily injury or property damage out of which such loss or expense arises.

COPY

Effective Date of this Endorsement August 1, 1977 To form a part of Policy No NF-193
12:01 A.M. Standard Time
Issued to Exxon Nuclear Company, Inc.
Date of Issue July 28, 1977
For the subscribing companies
By  General Manager
Endorsement No 32 Countersigned by _____

Nuclear Energy Liability Insurance
NUCLEAR ENERGY LIABILITY INSURANCE ASSOCIATION

ADVANCE PREMIUM AND STANDARD PREMIUM ENDORSEMENT

CALENDAR YEAR 1977

It is agreed that Items 1a. and 1b. of Endorsement No. 27
are amended to read:

1a. ADVANCE PREMIUM: It is agreed that the Advance
Premium due the companies for the period designated above
is: \$ 29,100.27.

1b. STANDARD PREMIUM AND RESERVE PREMIUM: In the
absence of a change in the Advance Premium indicated above,
it is agreed that, subject to the provisions of the Industry
Credit Rating Plan, the Standard Premium is said Advance
Premium and the Reserve Premium is: \$ 20,680.36.
Additional Premium: \$8,563.39

Effective Date of
this Endorsement January 1, 1977
Issued to 12:01 A.M. Standard Time
Exxon Nuclear Company, Inc.
Date of Issue July 27, 1977

To form a part of Policy No. NF-193

For the subscribing companies

By *Richardson*
General Manager

Endorsement No. 31
NE-36

Countersigned by _____

COPY

Nuclear Energy Liability Insurance
NUCLEAR ENERGY LIABILITY INSURANCE ASSOCIATION

AMENDMENT OF CONDITION 4
AND AMENDMENT IN 1977 SUBSCRIBING COMPANIES
AND IN THEIR PROPORTIONATE LIABILITY ENDORSEMENT

It is agreed that:

1. with respect to bodily injury or property damage caused after the effective date of this endorsement by the nuclear energy hazard, the figure \$96,875,000 stated in Condition 4 of the policy is amended to read \$108,500,000.
2. the listing of subscribing companies and their proportionate liability for calendar year 1977 shown on the reverse side of the Advance Premium and Standard Premium Endorsement for Calendar Year 1977 is replaced by the listing on the reverse side of this endorsement.

(over)

YELLOW COPY	AGENT/BROKER
PINK COPY	SUBMITTING COMPANY

Effective Date of this Endorsement January 1, 1977 To form a part of Policy No. 12:01 A.M. Standard Time

Issued to 12:01 A.M. Standard Time

Date of Issue January 31, 1977 For the subscribing companies

By [Signature] General Manager

Endorsement No. NE-43D (1/1/77)

Countersigned by [Signature]

SUBSCRIBING COMPANIES

PROPORTION OF 100%

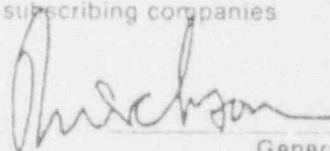
Aetna Casualty and Surety Co., The, 151 Farmington Ave., Hartford, CT 06156	11.4807836
Aetna Insurance Company, 55 Elm St., Hartford, CT 06115	2.3753345
Allstate Insurance Co., 8324 Skokie Blvd., Skokie, IL 60076	4.7506691
American Home Assurance Co., 102 Maiden La., New York, NY 10005	.6730115
American Motorists Insurance Co., Long Grove, IL 60049	.3958891
Centennial Insurance Co., 45 Wall St., New York, NY 10005	.3958891
Commercial Union Insurance Co., One Beacon St., Boston, MA 02108	3.4838240
Continental Casualty Co., CNA Plaza, Chicago, IL 60685	4.4339578
Continental Insurance Co., The, 80 Maiden La., New York, NY 10038	6.3342254
Federal Insurance Co., 51 John F. Kennedy Pkwy., Short Hills, NJ 07078	1.2668451
Fireman's Fund Insurance Co., 3333 California St., San Francisco, CA 94119	4.3547800
General Accident Fire and Life Assurance Corp., Ltd. 414 Walnut St., Philadelphia, PA 19105	1.3460229
Great American Insurance Co., 580 Walnut St., Cincinnati, OH 45201	1.3301873
Gulf Insurance Co., 3015 Cedar Springs, Dallas, TX 75221	.1583556
Hanover Insurance Co., The, 440 Lincoln St., Worcester, MA 01605	.4750669
Hartford Accident and Indemnity Co., Hartford Plaza, Hartford, CT 06115	7.9177818
Hartford Steam Boiler Insp. & Ins. Co., The, 56 Prospect St., Hartford, CT 06102	.4354780
Home Indemnity Co., The, 59 Maiden La., New York, NY 10038	2.7712236
Insurance Co. of North America, 1600 Arch Street, Philadelphia, PA 19101	6.3342250
Maryland Casualty Co., P.O. BOX 1228, Baltimore, MD 21203	1.5835564
Monarch Insurance Co. of Ohio, The, 19 Rector St., New York, NY 10006	.2771224
Northwestern National Ins. Co., 731 No. Jackson St., Milwaukee, WI 53202	.5542447
Pacific Indemnity Co., 3200 Wilshire Blvd., Los Angeles, CA 90054	.3167113
Peerless Insurance Co., 62 Maple Ave., Keene, NH 03431	.0989723
Phoenix Assurance Co. of New York, 80 Maiden La., New York, NY 10038	.4750669
Protective Insurance Co., 3100 No. Meridian St., Indianapolis, IN 46208	.1583556
Providence Washington Insurance Co., 20 Washington Place, Providence, RI 02903	.0989723
Puritan Insurance Company, 1515 Summer St., Stamford, CT 06905	.2375335
Reliance Insurance Company, 4 Penn Center Plaza, Philadelphia, PA 19103	1.2668451
Royal Globe Insurance Company, 150 William Street, New York, New York 10038	3.5630018
St. Paul Fire & Marine Ins. Co., 385 Washinton St., St. Paul, MN 55102	3.9335540
Seaboard Surety Co., 90 William St., New York, NY 10038	.3167113
Security Insurance Company of Hartford, 1000 Asylum Ave., Hartford, CT 06101	1.0689005
State Farm Fire & Casualty Company, 112 East Washington St., Bloomington, IL 61701	.7917782
Transamerica Insurance Co., 1150 So. Olive St., Los Angeles, CA 90015	.6334225
Travelers Indemnity Company, The, One Tower Square, Hartford, CT 06115	11.2432591
United States Fidelity and Guaranty Co., P.O. BOX 1138, Baltimore, MD 21203	9.0262712
United States Fire Insurance Co., Madison Ave. at Canfield Rd., Morristown, NJ 07960	2.8504014
Zurich Insurance Co., 111 West Jackson Blvd., Chicago, IL 60604	.7917782

NE-77a

Nuclear Energy Liability Insurance
NUCLEAR ENERGY LIABILITY INSURANCE ASSOCIATION

AMENDMENT OF TRANSPORTATION COVERAGE ENDORSEMENT

It is agreed that the shipment of unirradiated fuel rods containing a total of approximately 498 kilograms of depleted uranium in pellet form scheduled to leave the facility on or about December 16, 1976 and return no later than December 21, 1976, said shipment being made for the purpose of testing shipping methods and procedures in order to prevent damage to fuel during transit, is deemed to be an insured shipment but only (1) until the material described above is removed from any transporting conveyance for any purpose other than the continuation of its transportation and (2) if the shipment is not transported to an indemnified nuclear facility.

Effective Date of this Endorsement December 16, 1976 To form a part of Policy No NF-193
12:01 A.M. Standard Time
Issued to Exxon Nuclear Company, Inc.
Date of Issue January 5, 1977
For the subscribing companies
By  General Manager
Endorsement No 28 Countersigned by _____

Nuclear Energy Liability Insurance
NUCLEAR ENERGY LIABILITY INSURANCE ASSOCIATION

- COPY**
- 1) ADVANCE PREMIUM AND STANDARD PREMIUM ENDORSEMENT
2) CHANGES IN SUBSCRIBING COMPANIES AND IN THEIR
PROPORTIONATE LIABILITY ENDORSEMENT

Calendar Year 1977

- 1a. ADVANCE PREMIUM: It is agreed that the Advance Premium due the companies for the period designated above is: \$ 20,536.03
- b. STANDARD PREMIUM AND RESERVE PREMIUM: In the absence of a change in the Advance Premium indicated above, it is agreed that, subject to the provisions of the Industry Credit Rating Plan, the Standard Premium is said Advance Premium and the Reserve Premium is: \$ 14,236.56
2. It is agreed that with respect to bodily injury or property damage caused, during the effective period of this endorsement, by the nuclear energy hazard:
- a. The word "companies" wherever used in the policy means the subscribing companies listed on the reverse side of this endorsement.
 - b. The policy shall be binding on such companies only.
 - c. Each such company shall be liable only for its proportion of any obligation assumed or expense incurred under the policy because of such bodily injury or property damage as designated on the reverse side of this endorsement.
3. It is agreed that the effective period of this endorsement is from the beginning of the effective date of this endorsement stated below to the close of December 31st of the Calendar Year designated in the caption above, or to the time of the termination or cancellation of the policy, if sooner.

(Over)

YELLOW COPY	AGENT/BROKER
GREEN COPY	SUBMITTING COMPANY

Effective Date of this Endorsement January 1, 1977
12:01 A.M. Standard Time

To form a part of Policy No. NE-103

Issued to Exxon Nuclear Company, Inc.

Date of Issue December 31, 1976

For the subscribing companies

COPY

By [Signature]
General Manager

Endorsement No 27

Countersigned by _____

NE-35 (1/1/77)

Nuclear Energy Liability Insurance
NUCLEAR ENERGY LIABILITY INSURANCE ASSOCIATION

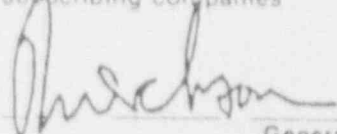
AMENDMENT OF CONDITION 2 "INSPECTION; SUSPENSION"
(Facility Form)

It is agreed that Condition 2 "INSPECTION; SUSPENSION" is replaced by the following:

2. **INSPECTION; SUSPENSION** The companies shall at any time be permitted but not obligated to inspect the facility and all operations relating thereto and to examine the insured's books and records as far as they relate to the subject matter of this insurance. Neither the right to make inspections and examinations nor the making thereof nor any advice or report resulting therefrom shall constitute an undertaking, on behalf of or for the benefit of the insured or others, to determine or warrant that such facility or operations are safe or healthful, or are in compliance with any law, rule or regulation.

If a representative of the companies discovers a condition which he believes to be unduly dangerous with respect to the nuclear energy hazard, a representative of the companies may request that such condition be corrected without delay. In the event of non-compliance with such request, a representative of the companies may, by notice to the named insured, to any other person or organization considered by the companies to be responsible for the continuance of such dangerous condition, and to the United States Nuclear Regulatory Commission, suspend the insurance with respect to the named insured and such other person or organization effective 12:00 midnight of the next business day of such Commission following the date that such Commission receives such notice. The period of such suspension shall terminate as of the time stated in a written notice from the companies to the named insured and to each such person or organization that such condition has been corrected.

(1) 11/17

Effective Date of this Endorsement January 1, 1977 To form a part of Policy No. NF-193
12:01 A.M. Standard Time
Issued to Exxon Nuclear Company, Inc.
Date of Issue December 15, 1976 For the subscribing companies
By  General Manager
Endorsement No. 26 Countersigned by _____
NE-46
(1/1/77)

Nuclear Energy Liability Insurance
NUCLEAR ENERGY LIABILITY INSURANCE ASSOCIATION

AMENDMENT OF THE DESCRIPTION OF THE FACILITY ENDORSEMENT

It is agreed that Item 3 of the Declarations "Description of the Facility" as amended by Endorsement Nos. 9 and 14 is further amended to read:

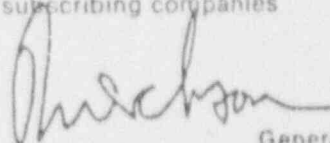
LOCATION: All of the premises including the land and all buildings and structures owned, occupied by or rented to EXXON Nuclear Company, Inc. for its Richland Horn Rapids Facility located at 2101 Horn Rapids Road, Richland, Washington, 99352.

COPY

Effective Date of this Endorsement January 1, 1975
12:01 A.M. Standard Time
Issued to EXXON NUCLEAR COMPANY, INC.
Date of Issue NOVEMBER 17, 1975

To form a part of Policy No. NF-193

For the subscribing companies

By 
General Manager

Endorsement No 24

Countersigned by

Nuclear Energy Liability Insurance
NUCLEAR ENERGY LIABILITY INSURANCE ASSOCIATION

Amendment of Condition 4 Endorsement

It is agreed that with respect to bodily injury or property damage caused after the effective date of this endorsement by the nuclear energy hazard, the figure \$85,250,000 stated in Condition 4 of the policy is amended to read \$96,875,000.

Effective Date of this Endorsement January 1, 1975 To form a part of Policy No. _____
12:01 A.M. Standard Time

Issued to Submarine Insurance Co., Inc.

Date of Issue January 10, 1975

For the subscriber's company

By

General Manager

GREEN

AGENT/BROKER

PINK (2)

SUBMITTING COMPANY

Endorsement No. _____

Countersigned by _____

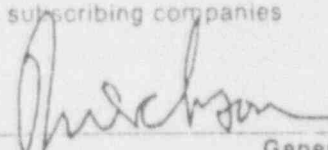
1/1/75 NE 43B

Nuclear Energy Liability Insurance
NUCLEAR ENERGY LIABILITY INSURANCE ASSOCIATION

AMENDMENT OF TRANSPORTATION COVERAGE ENDORSEMENT

It is agreed that the shipment of two (2) unirradiated reactor fuel assemblies to leave the facility on or about July 3, 1975 and return to the facility on or about the same date, said shipment being made for the purpose of testing the shipping container for the fuel assemblies, is deemed to be an insured shipment but only (1) until the material described above is removed from any transporting conveyance for any purpose other than the continuation of its transportation and (2) if the shipment is not transported to an indemnified nuclear facility.

COPY

Effective Date of this Endorsement July 3, 1975 To form a part of Policy No. NF-193
12:01 A.M. Standard Time
Issued to Exxon Nuclear Company, Inc.
Date of Issue July 7, 1975 For the subscribing companies
By  General Manager
Endorsement No. 22 Countersigned by _____

Nuclear Energy Liability Insurance

NUCLEAR ENERGY LIABILITY INSURANCE ASSOCIATION

Address of Nuclear Energy Liability Insurance Association Endorsement

It is agreed that the address of the Nuclear Energy Liability Insurance Association appearing in the "Company Representation" condition of the policy is amended to read:

The Exchange
Farmington Avenue
Farmington, Connecticut 06032

Effective Date of this Endorsement April 1, 1974 To form a part of Policy No. 11

12:01 A.M. Standard Time

Issued to Union Nuclear Company, Inc.

Date of Issue March 15, 1974 For the Subscribing Companies

Pink	Agent/Broker
Yellow (2)	Submitting Company

By Joseph M. Marone
General Manager

Endorsement No. 13
NE 37B (4/1/74)

Countersigned by _____

Nuclear Energy Liability Insurance
NUCLEAR ENERGY LIABILITY INSURANCE ASSOCIATION

Amendment of Condition 4 Endorsement

It is agreed that with respect to bodily injury and property damage caused after the effective date of this endorsement by the nuclear energy hazard the figure \$73,625,000 stated in Condition 4 of the policy is amended to read \$85,250,000.

Effective Date of this Endorsement January 1, 1974 To form a part of Policy No. _____
12:01 A.M. Standard Time
Issued to _____
Date of Issue January 15, 1974 For the Subscribing Companies

Green	Agent/Broker
Pink (2)	Submitting Company

By Joseph Menone
General Manager

Endorsement No. _____
NE 43 (1/1/74)

Countersigned by _____

Nuclear Energy Liability Insurance

NUCLEAR ENERGY LIABILITY INSURANCE ASSOCIATION

AMENDMENT OF THE LOCATION OF THE FACILITY ENDORSEMENT

It is agreed that in Item 3 of the Declarations, Description of the Facility, the location of the facility as amended by Endorsement No. 9 is further amended to read:

Location:

All of the premises including the land and all buildings and structures known as the Exxon Nuclear Fuel Fabrication Facility, located at 2101 Horn Rapids Road, Richland, Washington and situated within the boundary lines depicted as heavy red lines on the copy of drawing designated "Plot Plan-Jersey Nuclear Company, Richland, Washington Plant Fig. II-2.0" attached.

Effective Date of January 1, 1973

NF-193

this Endorsement

12:01 A.M. Standard Time

To form a part of Policy No.

Issued to

Exxon Nuclear Company, Inc.

Date of Issue

March 13, 1973

For the Subscribing Companies

By

Joseph Marone
General Manager

Endorsement No.

14

Countersigned by

NUCLEAR ENERGY LIABILITY INSURANCE ASSOCIATION

Item 1 Named Insured: Exxon Nuclear Company, Inc.

For the Subscribing Companies

By Joseph Marone
General Manager

Nuclear Energy Liability Insurance

NUCLEAR ENERGY LIABILITY INSURANCE ASSOCIATION

AMENDATORY ENDORSEMENT
(Application of Policy)

It is agreed that Insuring Agreement IV of the policy captioned,
"Application of Policy" is amended to read as follows:

APPLICATION OF POLICY This policy applies only to bodily
injury or property damage (1) which is caused during the
policy period by the nuclear energy hazard and (2) which
is discovered and for which written claim is made against
the insured, not later than ten years after the end of the
policy period.

Effective Date of
this Endorsement December 31, 1972

11:59PM ~~12:00AM~~ Standard Time

To form a part of Policy No. _____

Issued to _____

Date of Issue November 1, 1972

For the Subscribing Companies

Green	Agent/Broker
Yellow (2)	Submitting Company

By

Joseph M. [Signature]
General Manager

Endorsement No. _____

NE 32 (1-1-73)

Countersigned by _____

NUCLEAR JERSEY LIABILITY INSURANCE ASSOCIATION

AMENDMENT OF THE LOCATION OF THE FACILITY ENDORSEMENT

It is agreed that in Item 3 of the Declarations, Description of the Facility, the location of the facility is amended to read:

Location:

All of the premises including the land and all buildings and structures known as the Jersey Nuclear Fuel Fabrication Facility, located at 2101 Horn Rapids Road, Richland, Washington and situated within the boundary lines depicted as heavy red lines on the copy of drawing designated "Plot Plan-Jersey Nuclear Company, Richland, Washington Plant Fig. II-2.0 attached.

Effective Date of this Endorsement June 5, 1972 To form a part of Policy No. NF-193
12:01 A.M. Standard Time
Issued to Jersey Enterprises, Inc.
Date of Issue June 8, 1972 For the Subscribing Companies

Endorsement No. 9

By Joseph Mancione
General Manager
Countersigned by G. W. P. V.

Nuclear Energy Liability Insurance

NUCLEAR ENERGY LIABILITY INSURANCE ASSOCIATION

Address of Nuclear Energy Liability Insurance Association Endorsement

It is agreed that the address of the Nuclear Energy Liability Insurance Association appearing in the "Company Representation" condition of the policy is amended to read:

"127 John Street, New York, New York 10038"

Effective Date of
this Endorsement May 1, 1972

12:01 A.M. Standard Time

To form a part of Policy No. _____

Issued to _____

Date of Issue April 28, 1972

For the Subscribing Companies

Green

Agent/Broker

Yellow(2)

Submitting Company

By

Joseph M. Murphy
General Manager

Endorsement No. 8

Countersigned by _____

Nuclear Energy Liability Insurance

NUCLEAR ENERGY LIABILITY INSURANCE ASSOCIATION

COPY

Amendment of Condition 4 Endorsement

It is agreed that with respect to bodily injury and property damage caused after the effective date of this endorsement by the nuclear energy hazard the figure \$63,550,000 stated in Condition 4 of the policy is amended to read \$73,625,000.

Effective Date of January 1, 1972
this Endorsement

12:01 A.M. Standard Time

To form a part of Policy No.

Issued to

Date of Issue January 15th, 1972

For the Subscribing Companies

Blue

Agent/Broker

Yellow(2)

Submitting Company

By

Joseph Murphy
General Manager

Endorsement No. 6
NE-40 (1/1/72)

Countersigned by

NUCLEAR ENERGY LIABILITY INSURANCE ASSOCIATION

COPY

Amendment of Condition 4 Endorsement

It is agreed that with respect to bodily injury or property damage caused after the effective date of this endorsement by the nuclear energy hazard the figure \$46,500,000 stated in Condition 4 of the policy is amended to read \$63,550,000.

Effective Date of
this Endorsement March 25, 1971 To form a part of Policy No. NF-193
12:01 A.M. Standard Time
Issued to Jersey Enterprises, Inc.
Date of Issue April 12, 1971

For the subscribing companies

By Joseph Marone
General Manager

Endorsement No. 4

NEA-36A (2/1/69)

Counter-signed by _____

NUCLEAR ENERGY LIABILITY INSURANCE ASSOCIATION

INDUSTRY CREDIT RATING PLAN PREMIUM ENDORSEMENT

It is agreed that Condition 1 of the policy is replaced by the following:

CONDITION 1. PREMIUM

- (1) Definitions: With reference to the premium for this policy:

"advance premium", for any calendar year, is the estimated *standard premium* for that calendar year;

"standard premium", for any calendar year, is the premium for that calendar year computed in accordance with the companies' rules, rates, rating plans (other than the Industry Credit Rating Plan), premiums and minimum premiums applicable to this insurance;

"reserve premium" means that portion of the *standard premium* paid to the companies and specifically allocated under the Industry Credit Rating Plan for *incurred losses*. The amount of the *"reserve premium"* for this policy for any calendar year during which this policy is in force is the amount designated as such in the Standard Premium Endorsement for that calendar year;

"industry reserve premium", for any calendar year, is the sum of the *reserve premiums* for that calendar year for all Nuclear Energy Liability Policies issued by Nuclear Energy Liability Insurance Association and Mutual Atomic Energy Liability Underwriters and subject to the Industry Credit Rating Plan;

"policy refund ratio", for any calendar year, is the ratio of the named insured's *reserve premium* for that calendar year to the *industry reserve premium* for that calendar year;

"incurred losses" means the sum of:

- (1) all losses and expenses paid by Nuclear Energy Liability Insurance Association and Mutual Atomic Energy Liability Underwriters, and
- (2) all reserves for unpaid losses and expenses as estimated by Nuclear Energy Liability Insurance Association and Mutual Atomic Energy Liability Underwriters

because of obligations assumed and the expenses incurred in connection with such obligations by members of Nuclear Energy Liability Insurance Association and Mutual Atomic Energy Liability Underwriters under all Nuclear Energy Liability Policies issued by Nuclear Energy Liability Insurance Association and Mutual Atomic Energy Liability Underwriters and subject to the Industry Credit Rating Plan;

"reserve for refunds", at the end of any calendar year, is the amount by which (1) the sum of all *industry reserve premiums* for the period from January 1, 1957 through the end of such calendar year exceeds (2) the total for the same period of (a) all *incurred losses*, valued as of the next following July 1, and (b) all *reserve premium refunds* made under the Industry Credit Rating Plan by members of Nuclear Energy Liability Insurance Association and Mutual Atomic Energy Liability Underwriters;

"industry reserve premium refund", for any calendar year, is determined by multiplying the *reserve for refunds* at the end of the ninth calendar year thereafter by the ratio of the *industry reserve premium* for the calendar year for which the premium refund is being determined to the sum of such amount and the total *industry reserve premiums* for the next nine calendar years thereafter, provided that the *industry reserve premium refund* for any calendar year shall in no event be greater than the *industry reserve premium* for such calendar year.

- (2) *Payment of Advance and Standard Premiums*: The named insured shall pay the companies the *advance premium* stated in the declarations, for the period from the effective date of this policy through December 31 following. Thereafter, at the beginning of each calendar year while this policy is in force, the named insured shall pay the *advance premium* for such year to the companies. The *advance premium* for each calendar year shall be stated in the Advance Premium Endorsement for such calendar year issued to the named insured as soon as practicable prior to or after the beginning of such year.

NUCLEAR ENERGY LIABILITY INSURANCE ASSOCIATION

As soon as practicable after each December 31 and after the termination of this policy, the *standard premium* for the preceding calendar year shall be finally determined and stated in the Standard Premium Endorsement for that calendar year. If the *standard premium* so determined exceeds the *advance premium* previously paid for such calendar year, the named insured shall pay the excess to the companies; if less, the companies shall return to the named insured the excess portion paid by such insured.

The named insured shall maintain records of the information necessary for premium computation and shall send copies of such records to the companies as directed, at the end of each calendar year, at the end of the policy period and at such other times during the policy period as the company may direct.

- (3) *Use of Reserve Premiums* All *reserve premiums* paid or payable for this policy may be used by the members of Nuclear Energy Liability Insurance Association to discharge their obligations with respect to *incurred losses* whether such losses are incurred under this policy or under any other policy issued by Nuclear Energy Liability Insurance Association or Mutual Atomic Energy Liability Underwriters.
- (4) *Reserve Premium Refunds* A portion of the *reserve premium* for this policy for the first calendar year of any group of ten consecutive calendar years shall be returnable to the named insured provided there is a *reserve for refunds* at the end of the tenth calendar year.
- (5) *Computation of Reserve Premium Refunds* The *reserve premium refund* due the name insured for any calendar year shall be determined by multiplying any *industry reserve premium refund* for such calendar year by the *policy refund ratio* for such calendar year. The *reserve premium refund* for any calendar year shall be finally determined as soon as practicable after July 1 of the tenth calendar year thereafter.
- (6) *Final Premium* The final premium for this policy shall be the sum of the *standard premiums* for each calendar year, or portion thereof, during which this policy remains in force less the sum of all refunds of *reserve premiums* due the named insured under the provisions of this Condition 1.
- (7) *Reserve Premium Refund Agreement* Each member of Nuclear Energy Liability Insurance Association subscribing this policy for any calendar year, or portion thereof, thereby agrees for itself, severally and not jointly, and in the respective proportion of its liability assumed under this policy for that calendar year, to return to the named insured that portion of any *reserve premium refund* due the named insured for that calendar year, determined in accordance with the provisions of this Condition 1.

Effective Date of this Endorsement March 25, 1971 To form a part of Policy No. NF-193
9:00 ~~XXX~~ A.M. Standard Time
Issued to Jersey Enterprises, Inc.
Date of Issue April 12, 1971 For the subscribing companies
By Joseph Manone
General Manager
Endorsement No. 3 Countersigned by COPY

NUCLEAR ENERGY LIABILITY INSURANCE ASSOCIATION

AMENDATORY ENDORSEMENT (Facility Form)

It is agreed that:

- I. The first sentence of the definition of nuclear facility is amended to read:

"nuclear facility" means "the facility" as defined in any Nuclear Energy Liability Policy (Facility Form) issued by Nuclear Energy Liability Insurance Association or by Mutual Atomic Energy Liability Underwriters.

- II. The definition of "indemnified nuclear facility" is replaced by the following:

"indemnified nuclear facility" means

- (1) "the facility" as defined in any Nuclear Energy Liability Policy (Facility Form) issued by Nuclear Energy Liability Insurance Association or by Mutual Atomic Energy Liability Underwriters, or

- (2) any other nuclear facility,

if financial protection is required pursuant to the Atomic Energy Act of 1954, or any law amendatory thereof, with respect to any activities or operations conducted thereat;

- III. Condition 4 is replaced by the following:

LIMITATION OF LIABILITY; COMMON OCCURRENCE Any occurrence or series of occurrences resulting in bodily injury or property damage arising out of the radioactive, toxic, explosive or other hazardous properties of

- (a) nuclear material discharged or dispersed from the facility over a period of days, weeks, months or longer and also arising out of such properties of other nuclear material so discharged or dispersed from one or more other nuclear facilities insured under any Nuclear Energy Liability Policy (Facility Form) issued by Nuclear Energy Liability Insurance Association, or

- (b) source material, special nuclear material, spent fuel or waste in the course of transportation for which insurance is afforded under this policy and also arising out of such properties of other source material, special nuclear material, spent fuel or waste in the course of transportation for which insurance is afforded under one or more other Nuclear Energy Liability Policies (Facility Form) issued by Nuclear Energy Liability Insurance Association,

shall be deemed to be a common occurrence resulting in bodily injury or property damage caused by the nuclear energy hazard.

With respect to such bodily injury and property damage (1) the total aggregate liability of the members of Nuclear Energy Liability Insurance Association under all Nuclear Energy Liability Policies (Facility Form), including this policy, applicable to such common

occurrence shall be the sum of the limits of liability of all such policies, the limit of liability of each such policy being as determined by Condition 3 thereof, but in no event shall such total aggregate liability of such members exceed \$16,500,000; (2) the total liability of the companies under this policy shall not exceed that proportion of the total aggregate liability of the members of Nuclear Energy Liability Insurance Association, as stated in clause (1) above, which (a) the limit of liability of this policy, as determined by Condition 3, bears to (b) the sum of the limits of liability of all such policies issued by such members, the limit of liability of each such policy being as determined by Condition 3 thereof.

The provisions of this condition shall not operate to increase the limit of the companies' liability under this policy.

IV. The second paragraph of Condition 12 "Other Insurance" is amended to read:

"If the insured has other valid and collectible insurance (other than such concurrent insurance or any other nuclear energy liability insurance issued by Nuclear Energy Liability Insurance Association or Mutual Atomic Energy Liability Underwriters to any person or organization) applicable to loss or expense covered by this policy, the insurance afforded by this policy shall be excess insurance over such other insurance; provided, with respect to any person who is not employed at and in connection with the facility, such insurance as is afforded by this policy for bodily injury to an employee of the insured arising out of and in the course of his employment shall be primary insurance under such other insurance."

Effective Date of this Endorsement March 25, 1971 To form a part of Policy No. NF-193
9:00 A.M. Standard Time
Issued to Jersey Enterprises, Inc.
Date of Issue April 12, 1971

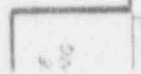
For the subscribing companies

By Joseph M. [Signature]
General Manager

Endorsement No. 2

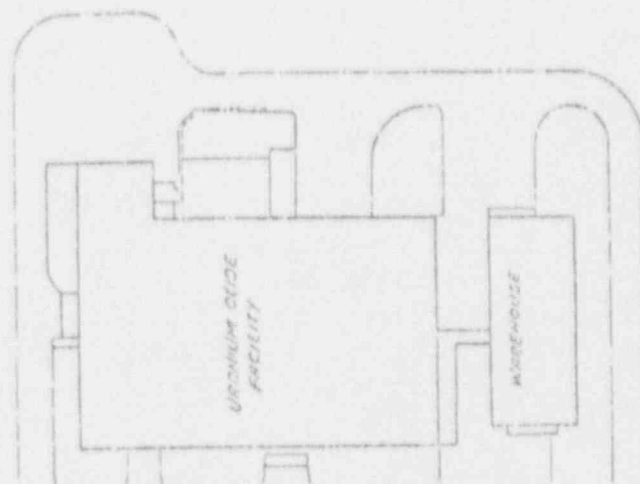
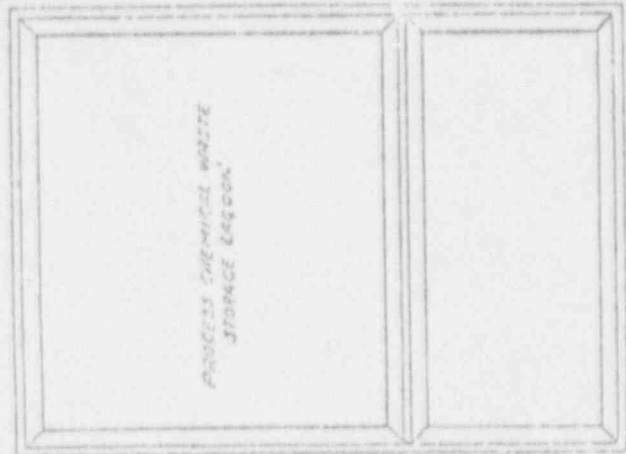
Countersigned by _____

N



SECURITY FENCE

TEST WELL (2)



SOLVENT STORAGE

RETENTION BASINS



15

PLOT PLAN

NUCLEAR COMPANY, RICHLAND, WASHINGTON PLANT

FIG. II-20

1st Nuclear Energy Liability Insurance
NUCLEAR ENERGY LIABILITY INSURANCE ASSOCIATION

Address of Nuclear Energy Liability Insurance Association Endorsement

It is agreed that the address of the Nuclear Energy Liability Insurance Association appearing in the "Company Representation" condition of the policy is amended to read:

"85 John Street, New York, New York 10038"

Effective Date of this Endorsement March 25, 1971 To form a part of Policy No. NF-193
9:00 ~~NR~~ NR ~~1000~~ 9:00 A.M. Standard Time
Issued to Jersey Enterprises, Inc.
Date of Issue April 12, 1971 For the Subscribing Companies

By

Joseph M. Mannon
General Manager

Nuclear Energy Liability Insurance Association

85 John Street, New York, N. Y. 10038 • BArdclay 7-5344 • Area Code 212

Joseph Marrone
General Manager

William Hicks
Secretary-Treasurer

James B. Donovan
General Counsel

Governing Committee:

Am. Arch. Indus. & Acc. Ins. Co.
Continental Ind. & Acc. Ins. Co.
The Continental Insurance Company
The Employers' Group of Insurance Companies
Fireman's Fund Insurance Company
Hartford Accident and Indemnity Company
Insurance Company of North America
Royal Globe Insurance Company
The Travelers Indemnity Company

April 13, 1971

Mr. William Dreyer
IIIA
1600 Arch Street, Philadelphia, Pa.

Policy No. NF- 193

Gentlemen: Jorsey Enterprises, Inc.

We are enclosing herewith Policy No. NF- 193 effective March 25, 1971.
Before this policy is delivered to the named insured it must be countersigned by an
authorized representative of your company in accordance with the requirements of the
State of Washington. Your normal countersignature procedures
should be followed subject to the following general rules:

1. The Declarations of the Original and the copy stamped "Countersign and Return to NELIA" must be countersigned.
2. The copy of the Declarations stamped "Countersign and Return to NELIA" when countersigned and returned to this office, will be our evidence of your compliance with the countersignature requirements.
3. The promulgated commission includes any and all fees for countersignature.

We are also enclosing within the policy folder a memorandum to all NELIA policyholders which should be forwarded to the named insured along with the Original.

The premium balance due NELIA is 4,058.25 for calendar year 1971.
The earned premiums are subject to the provisions of the Industry Credit Rating Plan.

Yours very truly,

General Manager

JM/rb
Enc.