

**McDermott**  
Incorporated

1010 Common Street  
P.O. Box 60035  
New Orleans, Louisiana 70160  
(504) 587-4411

May 11, 1981

Mr. Ira Dinitz  
Indemnity Specialist  
Division of Engineering  
U.S. Nuclear Commission  
Washington, D.C. 20555

RE: The Babcock & Wilcox Co.  
ANI Policy No. NF-111 and  
NF 83

Dear Mr. Dinitz:

I am attaching eight certified copies of the endorsements  
we received from the American Nuclear Insurance Company  
under policies NF-111 and NF-83.

If you have any questions concerning the attachments,  
please write to me at the above address.

Thank you.



JB/mr  
Attach.

Very truly yours,

MCDERMOTT INCORPORATED

*John Bothman*

John Bothman  
Insurance Analyst

*P.S. I am also attaching eight certified copies of the  
endorsement under policy NF-85.*

THIS DOCUMENT CONTAINS  
POOR QUALITY PAGES

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# Nuclear Energy Liability Insurance

## NUCLEAR ENERGY LIABILITY INSURANCE ASSOCIATION

CHANGES IN SUBSCRIBING COMPANIES AND IN THEIR PROPORTIONATE LIABILITY ENDORSEMENT  
Calendar Year 1981

1. 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 below.
  - b. The policy shall be binding on such companies only.
  - c. Each such company shall be liable for its proportion of any obligation assumed or expense incurred under the policy because of such bodily injury or property damage as designated below.
2. 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 31, 1981, or to the time of of the termination or cancellation of the policy, if sooner.

### SUBSCRIBING COMPANIES

### PROPORTION OF 100

Aetna Casualty and Surety Co., The, 151 Farmington Ave., Hartford, CT 06156  
 Aetna Insurance Company, 55 Elm St., Hartford, CT 06115  
 Affiliated FM Insurance Co., Allendale Park, P.O. Box 7500, Johnston, RI 02919  
 Allianz Insurance Company, 6435 Wilshire Blvd., Los Angeles, CA 90054  
 Allstate Insurance Co., Allstate Plaza South - Gl. Northbrook, IL 60062  
 American Home Assurance Co., 102 Maiden La., New York, NY 10005  
 American Motorists Insurance Co., Long Grove, IL 60049  
 Bituminous Casualty Corporation, 320-10th St., Rock Island, IL 61201  
 Centennial Insurance Co., Atlantic Building, 45 Wall St., New York, NY 10005  
 Commercial Union Insurance Co., One Beacon St., Boston, MA 02108  
 Connecticut Indemnity Company, The, 9 Farm Springs Rd., Farmington, CT 06032  
 Continental Casualty Co., CNA Plaza, Chicago, IL 60685  
 Continental Insurance Co., The, 80 Maiden La., New York, NY 10038  
 Federal Insurance Co., 51 John F. Kennedy Pkwy., Short Hills, NJ 07078  
 Fireman's Fund Insurance Companies, P.O. Box 3395, San Francisco, CA 94119  
 General Accident Fire and Life Assurance Corp., Ltd., 414 Walnut St., Philadelphia, PA 19105  
 Great American Insurance Co., P.O. Box 2575, Cincinnati, OH 45201  
 Hannover Insurance Co., The, 440 Lincoln St., Worcester, MA 01635  
 Hartford Accident and Indemnity Co., Hartford Plaza, Hartford, CT 06115  
 Hartford Steam Boiler Insp. & Ins. Co., The, 56 Prospect St., Hartford, CT 06102  
 Highlands Insurance Co., 600 Jefferson St., Houston, TX 77002  
 Home Indemnity Co., The, 59 Maiden La., New York, NY 10038  
 Insurance Co. of North America, P.O. Box 7726, Philadelphia, PA 19101  
 Monarch Insurance Co. of Ohio, The, 19 Rector St., New York, NY 10006  
 Northern Insurance Company of New York, P.O. Box 1228, Baltimore, MD 21203  
 Northwestern National Ins. Co., 731 No. Jackson St., Milwaukee, WI 53201  
 Ohio Casualty Insurance Company, The, 136 North Third St., Hamilton, OH 45025  
 Pacific Indemnity Co., 51 John F. Kennedy Parkway, Short Hills, NJ 07078  
 Peerless Insurance Co., 62 Maple Ave., Keene, NH 03431  
 Protective Insurance Co., 3100 No. Meridian St., Indianapolis, IN 46208  
 Providence Washington Insurance Co., 20 Washington Place, Providence, RI 02903  
 Reliance Insurance Company, 4 Penn Center Plaza, Philadelphia, PA 19103  
 Royal Insurance Company of America, 150 William Street, New York, NY 10038  
 St. Paul Fire & Marine Ins. Co., 385 Washington St., St. Paul, MN 55102  
 Seaboard Surety Co., 90 William St., New York, NY 10038  
 State Farm Fire & Casualty Company, 112 East Washington St., Bloomington, IL 61701  
 Transamerica Insurance Company, P.O. Box 54256, Los Angeles, CA 90054  
 Travelers Indemnity Company, The, One Tower Square, Hartford, CT 06115  
 United States Fidelity and Surety Co., 100 Light St., Baltimore, MD 21202  
 United States Fire Insurance Co., P.O. Box 3361, Morristown, NJ 07900  
 Zurich Insurance Co., 231 N. Waringale Rd., Schaumburg, IL 60196  
 et al.

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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.

*L. Quattrocchi*  
 John L. Quattrocchi, Vice President-Liability Division  
 American Nuclear Insurers

Effective Date of this Endorsement January 1, 1981 To form a part of Policy No NF-111  
 Issued to Babcock & Wilcox Company  
 Date of Issue March 2, 1981  
 For the subscribing companies  
 By *[Signature]* General Manager  
 Endorsement No 97 Countersigned by \_\_\_\_\_

# Nuclear Energy Liability Insurance

## NUCLEAR ENERGY LIABILITY INSURANCE ASSOCIATION

CHANGES IN SUBSCRIBING COMPANIES AND IN THEIR PROPORTIONATE LIABILITY ENDORSEMENT  
Calendar Year 1981

1. 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 below.
  - b. The policy shall be binding on such companies only.
  - c. Each such company shall be liable for its proportion of any obligation assumed or expense incurred under the policy because of such bodily injury or property damage as designated below.
2. 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 31, 1981, or to the time of of the termination or cancellation of the policy, if sooner.

SUBSCRIBING COMPANIES	PROPORTION OF 1980
Aetna Casualty and Surety Co., The, 151 Farmington Ave., Hartford, CT 06156	9.930569
Aetna Insurance Company, 95 Elm St., Hartford, CT 06115	2.648152
Affiliated FM Insurance Co., Allendale Park, P.O. Box 7500, Johnston, RI 02919	2.48264
Allianz Insurance Company, 6435 Wilshire Blvd., Los Angeles, CA 90054	1.324076
Allstate Insurance Co., Allstate Plaza South - Gl., Northbrook, IL 60062	4.965284
American Home Assurance Co., 102 Maiden La., New York, NY 10005	.868925
American Motorists Insurance Co., Long Grove, IL 60049	.413774
Bituminous Casualty Corporation, 329-12th St., Rock Island, IL 61201	.413774
Centennial Insurance Co., Atlantic Building, 45 Wall St., New York, NY 10005	.248264
Commercial Union Insurance Co., One Beacon St., Boston, MA 02108	3.310190
Connecticut Indemnity Company, The, 9 Farm Springs Rd., Farmington, CT 06032	.413774
Continental Casualty Co., CNA Plaza, Chicago, IL 60685	4.137737
Continental Insurance Co., The, 80 Maiden La., New York, NY 10038	7.654814
Federal Insurance Co., 51 John F. Kennedy Hwy., Short Hills, NJ 07078	1.489885
Fireman's Fund Insurance Companies, P.O. Box 3395, San Francisco, CA 94119	5.296303
General Accident Fire and Life Assurance Corp., Ltd., 434 Walnut St., Philadelphia, PA 19106	1.324076
Great American Insurance Co., P.O. Box 2575, Cincinnati, OH 45201	1.324076
Harvester Insurance Co., The, 440 Lincoln St., Worcester, MA 01605	.496528
Hartford Accident and Indemnity Co., Hartford Plaza, Hartford, CT 06155	7.034151
Hartford Steam Boiler Insp. & Ins. Co., The, 56 Prospect St., Hartford, CT 06102	.496528
Highlands Insurance Co., 600 Jefferson St., Houston, TX 77002	.413774
Home Indemnity Co., The, 59 Maiden La., New York, NY 10038	3.641209
Insurance Co. of North America, P.O. Box 1126, Philadelphia, PA 19101	1.655045
Minarch Insurance Co. of Ohio, The, 19 Rector St., New York, NY 10006	.331019
Northern Insurance Company of New York, P.O. Box 1228, Baltimore, MD 21203	1.820604
Northwestern National Ins. Co., 731 No. Jackson St., Milwaukee, WI 53201	.662038
Ohio Casualty Insurance Company, The, 136 North Third St., Hamilton, OH 45025	1.655045
Pacific Indemnity Co., 51 John F. Kennedy Parkway, Short Hills, NJ 07078	.331019
Peerless Insurance Co., 62 Maple Ave., Keene, NH 03431	.124132
Protective Insurance Co., 3100 No. Meridian St., Indianapolis, IN 46208	.248264
Providence Washington Insurance Co., 20 Washington Place, Providence, RI 02903	1.03443
Reliance Insurance Company, 4 Penn Center Plaza, Philadelphia, PA 19102	.993057
Royal Insurance Company of America, 150 William Street, New York, NY 10038	3.310190
St. Paul Fire & Marine Ins. Co., 285 Washington St., St. Paul, MN 55102	4.687228
Seaboard Surety Co., 90 William St., New York, NY 10038	.413774
State Farm Fire & Casualty Company, 112 East Washington St., Bloomington, IL 61701	.827547
Transamerica Insurance Company, P.O. Box 54258, Los Angeles, CA 90054	.827547
Travelers Indemnity Company, The, One Tower Square, Hartford, CT 06115	10.758116
United States Fidelity and Guaranty Co., 100 Light St., Baltimore, MD 21202	10.427097
United States Fire Insurance Co., P.O. Box 2387, Morristown, NJ 07960	2.979171
Zurich Insurance Co., 131 E. Hartingale Rd., Schaumburg, IL 60196	1.241321

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.

*[Signature]*  
John L. Quattrocchi, Vice President-Liability Underwriting  
American Nuclear Insurers

Effective Date of this Endorsement January 1, 1981 To form a part of Policy No NF-83  
 Issued to Babcock & Wilcox Company  
 Date of Issue March 12, 1981  
 For the subscribing companies  
 By *[Signature]* General Manager  
 Endorsement No 97  
 Countersigned by \_\_\_\_\_

NUCLEAR ENERGY LIABILITY INSURANCE

MUTUAL ATOMIC ENERGY LIABILITY UNDERWRITERS

AMENDMENT OF CONDITION 2 "INSPECTION; SUSPENSION"  
AND DEFINITION OF "INSURED SHIPMENT"  
(Indemnified Nuclear Facility)

It is agreed that:

1. 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 of this insurance and any property insurance afforded the insured through any company who is a member of Mutual Atomic Energy Reinsurance Pool. 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 noncompliance 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 continuation of such dangerous condition, and to the United States Nuclear Regulatory Commission, suspend this 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.

Neither the right to make such 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. In consideration of the issuance or continuation of this policy, the insured agrees that neither the companies nor any persons or organizations making such inspections or examinations on their behalf shall be liable with respect to injury to or destruction of property at the facility, or any consequential loss or expense resulting therefrom, or any loss resulting from interruption of business or manufacture, arising out of the making of or a failure to make any such inspection or examination, or any report thereon, or any such suspension of

insurance, but this provision does not limit the contractual obligations of the companies under this policy or any policy affording the insured property insurance through any company who is a member of Mutual Atomic Energy Reinsurance Pool.

2. The definition of "insured shipment" in Insuring Agreement III, "DEFINITIONS" is replaced by the following:

"insured shipment" means a shipment of source material, special nuclear material, spent fuel, waste, or tailings or wastes produced by the extraction or concentration of uranium or thorium from any ore processed primarily for its source material content, 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.

Effective Date of this Endorsement January 1, 1981 To form a part of Policy No. ME-85  
12:01 A.M. Standard Time

Issued to Labcock and Wilcox Company

Date of Issue March 25, 1981

38  
 85  
*[Signature]*

Endorsement No. 38

For the Subscribing Companies

Mutual Atomic Energy Liability Underwriters

By \_\_\_\_\_

Countersigned by \_\_\_\_\_

1/1/81  
 ME-805