

MAR - 7 1997

Boston University Medical Center  
ATTN: Stephen A. Williams  
Office of General Counsel  
125 Bay State Road  
Boston, Massachusetts 02215

Subject: Financial Assurance for Decommissioning

Dear Mr. Williams:

This is in reference to your letter dated February 28, 1997, and associated Escrow Agreement providing financial assurance for License No. 20-02215-01. We have reviewed these documents and have no further questions at this time.

Your Escrow Agreement dated February 28, 1997, is in compliance with the applicable requirements of the financial assurance rule outlined in 10 CFR 30.35.

If you have any questions, please contact Anthony Dimitriadis, of my staff, at (610) 337-6953. Your cooperation with us is appreciated.

Sincerely,

Original Signed By:  
Ronald R. Bellamy

Ronald R. Bellamy, Chief  
Decommissioning and Laboratory Branch  
Division of Nuclear Materials Safety

License No: 20-02215-01  
Docket No: 030-01845  
Control No: 124263

240017

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cc:  
Boston University Medical Center  
ATTN: Victor Evdokimoff, Director  
Radiation Protection  
88 East Newton Street  
Boston, Massachusetts 02218

DOCUMENT NAME: C:\FAACTION\BOSUN22.FA2

To receive a copy of this document, indicate in the box: "C" = Copy without attachment/enclosure "E" = Copy with attachment/enclosure "N" = No copy

OFFICE	DNMS/RI	<input checked="" type="checkbox"/>	E	DNMS/RI	<input checked="" type="checkbox"/>						
NAME	ADimitriadis	<input checked="" type="checkbox"/>		RBellamy	<input checked="" type="checkbox"/>						
DATE	03/03/97	<input checked="" type="checkbox"/>		03/03/97	<input checked="" type="checkbox"/>		03/ /97		03/ /97		03/ /97

OFFICIAL RECORD COPY

Boston University

Office of the General Counsel  
120 Bay State Road  
Boston, Massachusetts 02215  
617/353-2326  
Fax: 617/353-5529



Todd L. C. Klipp  
*General Counsel*

Michael B. Rosen  
Lawrence S. Elswit  
Susan H. Frey  
Stephen A. Williams  
Dennis C. Hart  
Robert B. Smith  
Rosemarv Chun Dodek  
Erika Geetter

John E. Bagalay, Jr.  
*Of Counsel*

February 28, 1997

Anthony Dimitriadis  
U.S. Nuclear Regulatory Commission  
Region I  
475 Allendale Road  
King of Prussia, Pennsylvania

Re: License Nos. 20-00805-11 and 20-02215-01

Dear Mr. Dimitriadis:

Enclosed are fully executed originals of the new Escrow Agreements to provide financial assurance for decommissioning. As we have discussed, the new agreements reflect the reduction in the escrowed amounts from \$750,000 to \$150,000. The enclosed agreements also reflect each of the changes you requested in our discussions last week.

Please make sure these agreements are included with the materials turned over to the Massachusetts officials in the transition to state control.

Thank you very much for your cooperation in this process.

Very truly yours,

Stephen A. Williams

cc: Ron Slade  
Victor Evdokimoff

## ESCROW AGREEMENT

Pursuant to NRC License No. 20-02215-01, Boston University Medical Center ("BUMC") is licensed to conduct certain activities involving by-product materials covered by 10 CFR Part 30. This Escrow Agreement is being established by BUMC in satisfaction of the requirements of 10 CFR Part 30 to demonstrate financial assurance for decommissioning licensed nuclear facilities.

### Paragraph 1. Establishment of Escrow Agreement

BUMC hereby establishes an escrow account (the "BUMC/NRC Escrow") with State Street Bank & Trust Company, Two International Place, Boston, Massachusetts 02110 Attention: Ruth Smith (the "Escrow Agent") pursuant to the terms of this agreement, to provide financial assurance for decommissioning of the facilities, in the amounts, shown below:

Facility: Boston University Medical Center

Address: Radiation Protection Office  
88 East Newton Street D-604  
Boston, Massachusetts  
02118-2394

License  
Number: 20-02215-01

Estimated  
Decommissioning  
Cost: \$150,000

Amount of  
Financial  
Assurance  
Provided: \$150,000

### Paragraph 2: Description of Property in Escrow Account

It is hereby acknowledged by the parties that cash or other liquid assets with a value of \$150,000 have been delivered to escrow and they will remain in the escrow



account created by this agreement until one of the conditions stated in Paragraph 3 of this agreement has been satisfied.

BUMC warrants to and agrees with the Escrow Agent that, unless otherwise expressly set forth in this Agreement: there is no security interest in the property in the escrow account or any part thereof; no financing statement under the Uniform Commercial Code is on file in any jurisdiction claiming a security interest in or describing (whether specifically or generally) the escrow account or any part thereof; and the Escrow Agent shall have no responsibility at any time to ascertain whether or not any security interest exists or to file any financing statement under the Uniform Commercial Code with respect to the escrow account or any part thereof.

Paragraph 3. Conditions of Escrow Agreement

The property described in Paragraph 2, above, or property of equivalent value, will remain in the escrow account created by this agreement until one of the following conditions has been satisfied: (1) the decommissioning activities required by 10 CFR 30 have been completed, the license has been terminated, the facility site is available for unrestricted use for any public or private purpose, and the escrow account has been terminated by joint notice, in writing, from BUMC and the United States Nuclear Regulatory Commission (the "NRC"); (2) the Escrow Agent has been notified by the NRC, in writing, that BUMC has defaulted on its obligation to carry out the decommissioning for the above listed facility; (3) all funds are disbursed from the escrow account pursuant to Paragraph 4; (4) BUMC substitutes another form of financial assurance in compliance with the regulations of the NRC and with the written consent of the NRC, if necessary, terminates the escrow account; or (5) such an escrow is no longer required by law and the Escrow Agent receives from the NRC a written acknowledgment of that fact.

Paragraph 4. Disbursement of Property in Escrow Account

The Escrow Agent shall make payments from the escrow account upon the presentation of a certificate, duly executed by an Assistant Secretary of Boston University and the Secretary or an Assistant Secretary of Boston Medical Center Corporation attesting to the occurrence of events; such certificate to be in the form set forth in the attached Specimen Certificate, and upon presentation of a certificate attesting to the following conditions:

- (1) that decommissioning is proceeding pursuant to an NRC-approved plan,
- (2) that the funds withdrawn will be expended for activities undertaken pursuant to that plan, and

- (3) that the NRC has been given 30 days' prior notice of BUMC's intent to withdraw funds from the escrow account.

No withdrawal from the account can exceed 10% of the outstanding balance of the escrow account or \$15,000, whichever is greater, unless NRC approval is attached.

If the Escrow Agent receives written notification of BUMC's default from the NRC, the Escrow Agent shall make payments from the escrow account as the NRC shall direct, in writing, to provide for the payment of the costs of the required decommissioning activities covered by this agreement. The Escrow Agent shall reimburse BUMC or other persons as specified by the NRC from the escrow account for expenses for required activities in such amounts as the NRC shall direct in writing. In addition, the Escrow Agent shall refund to BUMC such amounts as the NRC specifies, in writing. Upon refund, such funds shall no longer constitute part of the escrow account as described in Paragraph 2, above.

#### Paragraph 5. Irrevocability

It is also agreed between the parties that this escrow became irrevocable upon delivery to the Escrow Agent, and will remain irrevocable and in full force and effect until the occurrence of one of the conditions described in Paragraph 3, above.

#### Paragraph 6. Powers of the Escrow Agent

The only powers and duties of the Escrow Agent shall be to hold the property in the escrow account and to invest and dispose of it in accordance with the terms of this agreement.

#### Escrow Account Management

The Escrow Agent shall invest and reinvest the principal of the escrow account, and such income designated by BUMC, as BUMC shall request and otherwise in accordance with general investment policies and guidelines which BUMC may communicate in writing to the Escrow Agent from time to time. Interest earnings shall be paid to BUMC immediately upon receipt to an account designated by BUMC, provided, however, that no payments shall be made which will cause the value of the remaining assets in the escrow account (as determined by a valuation made at the time such interest is being paid) to be less than \$150,000. The Escrow Agent shall discharge its duties with respect to the escrow account solely in the interest of the NRC and with the care, skill, prudence, and diligence, under the circumstances then prevailing, that persons of prudence, acting in like capacity and familiar with such matters, would use in the conduct of an enterprise of like character and with like aims; except that:

- (a) The Escrow Agent may not invest the escrow account in securities or other obligations of BUMC, Boston University, Boston Medical Center Corporation, or of any other person or entity known by the Escrow Agent to be an owner or operator of the licensed facility, or any person or entity known by the Escrow Agent to be an affiliate of BUMC, Boston University, Boston Medical Center Corporation, or such other owner or operator as defined in the Investment Company Act of 1940, as amended (15 U.S.C. 80A-2(a), unless they are securities or other obligations of the Federal government; and
- (b) The Escrow Agent is authorized to invest the escrow account in time or demand deposits only to the extent insured by an agency of the Federal government.

#### Express Power of the Escrow Agent

Without in any way limiting the power and discretion conferred upon the Escrow Agent by other provisions of this agreement or by law, the Escrow Agent is expressly authorized and empowered:

- (a) To register any securities held in the escrow account in its own name and to hold any security in bearer form or in book entry, or to deposit or arrange for the deposit of any securities issued by the U.S. Government, or any agency or instrumentality thereof, with a Federal Reserve Bank, but the books and records of the Escrow Agent shall at all times show that all such securities are part of the escrow account;
- (b) To deposit any cash in the escrow account in interest-bearing accounts or savings certificates to the extent insured by an agency of the Federal government;
- (c) To pay taxes, to the extent applicable, from the account, of any kind that may be assessed or levied against the escrow account and all brokerage commissions incurred by the escrow account;
- (d) For tax reporting and withholding purposes, all income earned in the escrow account shall be allocable to BUMC.

#### Paragraph 7. Annual Valuation

After delivery has been made into this escrow account, the Escrow Agent shall annually, at least 30 days before the anniversary date of receipt of the property into the escrow account, furnish to the licensee and to the NRC at the address specified in Paragraph 16, below, a statement confirming the value of the escrow account. Any securities in the account shall be valued at market value as of no more than 60

days before the anniversary date of the establishment of the escrow account. The failure of BUMC to object in writing to the Escrow Agent within 90 days after the statement has been furnished to BUMC shall constitute a conclusively binding assent by BUMC, barring BUMC from asserting any claim or liability against the Escrow Agent with respect to the matters disclosed in the statement.

Paragraph 8. Successor Escrow Agent

Upon 90 days' prior notice to the NRC and BUMC, the Escrow Agent may resign. Upon 90 days prior notice to the NRC and the Escrow Agent, BUMC may replace the Escrow Agent provided that such resignation or replacement is not effective until BUMC has appointed a successor escrow agent and this successor accepts the appointment. The successor escrow agent shall have the same powers and duties as those conferred upon the Escrow Agent under this agreement. Upon the successors acceptance of the appointment, the Escrow Agent shall assign, transfer, and pay over to the successor the funds and properties then constituting the escrow account. If for any reason BUMC cannot or does not act in the event of the resignation of the Escrow Agent, the Escrow Agent may apply to a court of competent jurisdiction for the appointment of a successor, or for instructions. The successor escrow agent shall specify the date on which it assumes administration of the escrow account in a writing sent to BUMC, the NRC and the current Escrow Agent by certified mail no less than 10 days before the change becomes effective. Any expenses incurred by the Escrow Agent as a result of any of the acts contemplated by this paragraph shall be paid as provided in Paragraph 10 of this agreement.

Paragraph 9. Instructions to the Escrow Agent; Indemnification

All orders, requests, and instructions from BUMC to the Escrow Agent shall be in writing, signed by such officers as are signatories to this agreement, or such other designees as BUMC or the NRC may designate in writing. All orders, requests, and instructions from the NRC shall be in writing, signed by the designees of the NRC. The Escrow Agent shall be fully protected in acting in accordance with such orders, requests and instructions. The Escrow Agent shall have the right to assume, in the absence of written notice to the contrary, that no event constituting a change or a termination of the authority of any person to act on behalf of BUMC or the NRC under this agreement has occurred. The Escrow Agent shall have no duty to act in the absence of such orders, requests and instructions from BUMC and/or the NRC, except as provided in this agreement.

BUMC shall indemnify and hold harmless the Escrow Agent from and against all costs, fees and expenses (including the fees and expenses of counsel to the Escrow Agent in acting as such pursuant to this agreement); provided that Escrow Agent gives BUMC prior notice of its intent to incur costs in excess of Compensation allowed under Paragraph 10, however, that BUMC shall not be responsible for such

costs, fees and expenses caused by the willful misconduct or negligence of the Escrow Agent.

Paragraph 10. Compensation and Expenses of the Escrow Agent

The fee of the Escrow Agent for its services in establishing the escrow account shall be \$2500 per year. The charges may be adjusted from time to time by mutual agreement of BUMC and the Escrow Agent, and are payable by BUMC at the time of the execution of this agreement and annually thereafter.

Expenses of the Escrow Agent for the administration of the escrow account, the compensation of the Escrow Agent for services subsequent to the establishing of the escrow account, and all other proper charges and disbursements shall be paid directly by BUMC.

Paragraph 11. Amendment to this Agreement

This agreement may be amended by an instrument in writing executed by BUMC and the Escrow Agent provided that BUMC has given 30 days prior notice to the Escrow Agent and the NRC.

Paragraph 12. Termination

This agreement can be terminated by written notice of termination to the Escrow Agent signed by BUMC, the licensee, and the NRC or by the NRC alone, if the licensee has ceased to exist.

Paragraph 13. Interpretation

This agreement constitutes the entire agreement between BUMC and the Escrow Agent. The Escrow Agent shall not be bound by any other agreement or contract entered into by BUMC and the only document that may be referenced in case of ambiguity in this Escrow Agreement is the licensing agreement between BUMC and NRC, or its successor. This agreement shall be governed by the laws of The Commonwealth of Massachusetts, and by the rules and regulations of the NRC.

Paragraph 14. Acceptance of Appointment by Escrow Agent

The Escrow Agent does hereby acknowledge its appointment by BUMC to serve as Escrow Agent for the escrow account created under this agreement and agrees to carry out its obligations and duties as stated in this agreement.



Paragraph 15. Severability

If any part of this agreement is invalid, it shall not affect the remaining provisions that will remain valid and enforceable.

Paragraph 16. Notice

If any notice or communication is required to be given hereunder it shall be deemed given if in writing and mailed by certified or registered mail, postage prepaid, return receipt requested:

If to Escrow Agent: State Street Bank & Trust Company  
Two International Place  
Boston, Massachusetts 02110  
Attention: Ruth Smith  
(the "BUMC/NRC Escrow")

If to BUMC: Boston University  
881 Commonwealth Avenue  
Boston, Massachusetts 02215  
Attention: Treasurer

and: Boston Medical Center Corporation  
One Boston Medical Center Place  
Boston, Massachusetts 02118-2393  
Attn: General Counsel

If to NRC: U. S. Nuclear Regulatory Commission  
Washington, D. C. 20555

17. This agreement shall not become effective (and the Escrow Agent shall have no responsibility hereunder) except to return the escrow property to BUMC until the Escrow Agent shall have received the following and shall have advised BUMC in writing that the same are in form and substance satisfactory to the Escrow Agent:

Assistant Secretary's Certificates from both Boston University and Boston Medical Center Corporation as to the names and specimen signatures of their officers authorized to sign this Agreement and notices, instructions and other communications hereunder.

WITNESS the execution hereof under seal as of the last date below written.

State Street Bank & Trust Company

By: Ruth A. Smith

Name: Ruth A. Smith

Title: Vice President

Date: 2/28/97

BOSTON UNIVERSITY MEDICAL CENTER:

Trustees of Boston University

By: Martin J. Howard

Name: Martin J. Howard

Title: Assistant Treasurer

Date: 2/26/97

Boston Medical Center Corporation

By: Elaine Ullian

Name: Elaine Ullian

Title: President

Date: 2/27/97

COMMONWEALTH OF MASSACHUSETTS

Suffolk, ss.

February 28, 1997

Then personally appeared before me the above-named Ruth A. Smith being an authorized officer of the State Street Bank & Trust Company, and acknowledged the foregoing instrument to be the free act and deed of the State Street Bank & Trust Company, before me

Scott Knox

Notary Public

My commission expires:

SCOTT KNOX  
Notary Public

My Commission Expires July 12, 2002

COMMONWEALTH OF MASSACHUSETTS

Suffolk, ss.

February 26, 1997

Then personally appeared before me the above named Martin J. Howard Assistant Treasurer of Trustees of Boston University, and acknowledged the foregoing instrument to be the free act and deed of Trustees of Boston University, before me

Anne M. Gung Healy  
Notary Public  
My commission expires: 11/4/2003

COMMONWEALTH OF MASSACHUSETTS

Suffolk, ss.

February 27, 1997

Then personally appeared before me the above-named Elaine Ullian of Boston Medical Center Corporation, and acknowledged the foregoing instrument to be the free act and deed of Boston Medical Center Corporation, before me

Erin L. [Signature]  
Notary Public  
My commission expires: 9/25/98



The Boston University Medical Center/NRC Escrow  
State Street Bank & Trust Company  
Specimen Certificate of Events

State Street Bank & Trust Company  
Two International Place  
Boston, Massachusetts 02110  
Attention: Ruth Smith

Gentlemen:

In accordance with the terms of the Agreement with you dated \_\_\_\_\_, 1997, we, \_\_\_\_\_, Assistant Secretary of Trustees of Boston University, and \_\_\_\_\_, Secretary of Boston Medical Center Corporation, hereby certify that the following events have occurred:

1. Boston University Medical Center is required to commence the decommissioning of its facilities located at the address noted in the Agreement (hereinafter called the "decommissioning").
2. The plans and procedures for the commencement and conduct of the decommissioning have been approved by the United States Nuclear Regulatory Commission, or its successor, on \_\_\_\_\_ (copy of approval attached).
3. The Board of Trustees of Boston University and the Board of Trustees of Boston Medical Center Corporation have adopted the attached resolutions authorizing the commencing of the decommissioning.

\_\_\_\_\_  
Assistant Secretary of Trustees of Boston University

\_\_\_\_\_  
Secretary of Boston Medical Center Corporation

\_\_\_\_\_  
Date

The Boston University Medical Center/NRC Escrow

State Street Bank & Trust Company

SPECIMEN CERTIFICATE OF RESOLUTION

I, \_\_\_\_\_, do hereby certify that I am the Secretary of Boston Medical Center Corporation, a Massachusetts corporation, and that the resolution listed below was duly adopted at a meeting of this Corporation's Board of Trustees on \_\_\_\_\_, 19\_\_.

IN WITNESS WHEREOF, I have hereunto signed my name and affixed the seal of this Corporation this \_\_\_\_\_ day of \_\_\_\_\_, 19\_\_.

\_\_\_\_\_  
Secretary of  
Boston Medical Center Corporation

RESOLVED, that this Board of Trustees hereby authorizes the President, or such other employee of the Company as he may designate to commence decommissioning activities at (name of facility), in accordance with the terms and conditions described to this Board of Directors at this meeting and with such other terms and conditions as the President shall approve with and upon the advice of Counsel.

The Boston University Medical Center/NRC Escrow

State Street Bank & Trust Company

SPECIMEN CERTIFICATE OF RESOLUTION

I, \_\_\_\_\_, do hereby certify that I am Assistant Secretary of Trustees of Boston University, a Massachusetts corporation, and that the resolution listed below was duly adopted at a meeting of this Corporation's Board of Trustees on \_\_\_\_\_, 19\_\_.

IN WITNESS WHEREOF, I have hereunto signed my name and affixed the seal of this Corporation this \_\_\_\_\_ day of \_\_\_\_\_, 19\_\_.

\_\_\_\_\_  
Assistant Secretary of  
Trustees of Boston University

RESOLVED, that this Board of Trustees hereby authorizes the President, or such other employee of the Company as he may designate to commence decommissioning activities at (name of facility), in accordance with the terms and conditions described to this Board of Directors at this meeting and with such other terms and conditions as the President shall approve with and upon the advice of Counsel.

## ESCROW AGREEMENT

Pursuant to NRC License No. 20-02215-01, Boston University Medical Center ("BUMC") is licensed to conduct certain activities involving by-product materials covered by 10 CFR Part 30. This Escrow Agreement is being established by BUMC in satisfaction of the requirements of 10 CFR Part 30 to demonstrate financial assurance for decommissioning licensed nuclear facilities.

### Paragraph 1. Establishment of Escrow Agreement

BUMC hereby establishes an escrow account (the "BUMC/NRC Escrow") with State Street Bank & Trust Company, Two International Place, Boston, Massachusetts 02110 Attention: Ruth Smith (the "Escrow Agent") pursuant to the terms of this agreement, to provide financial assurance for decommissioning of the facilities, in the amounts, shown below:

Facility: Boston University Medical Center

Address: Radiation Protection Office  
88 East Newton Street D-604  
Boston, Massachusetts  
02118-2394

License  
Number: 20-02215-01

Estimated  
Decommissioning  
Cost: \$150,000

Amount of  
Financial  
Assurance  
Provided: \$150,000

ORIGINAL  
BUMC

### Paragraph 2: Description of Property in Escrow Account

It is hereby acknowledged by the parties that cash or other liquid assets with a value of \$150,000 have been delivered to escrow and they will remain in the escrow

account created by this agreement until one of the conditions stated in Paragraph 3 of this agreement has been satisfied.

BUMC warrants to and agrees with the Escrow Agent that, unless otherwise expressly set forth in this Agreement: there is no security interest in the property in the escrow account or any part thereof; no financing statement under the Uniform Commercial Code is on file in any jurisdiction claiming a security interest in or describing (whether specifically or generally) the escrow account or any part thereof; and the Escrow Agent shall have no responsibility at any time to ascertain whether or not any security interest exists or to file any financing statement under the Uniform Commercial Code with respect to the escrow account or any part thereof.

Paragraph 3. Conditions of Escrow Agreement

The property described in Paragraph 2, above, or property of equivalent value, will remain in the escrow account created by this agreement until one of the following conditions has been satisfied: (1) the decommissioning activities required by 10 CFR 30 have been completed, the license has been terminated, the facility site is available for unrestricted use for any public or private purpose, and the escrow account has been terminated by joint notice, in writing, from BUMC and the United States Nuclear Regulatory Commission (the "NRC"); (2) the Escrow Agent has been notified by the NRC, in writing, that BUMC has defaulted on its obligation to carry out the decommissioning for the above listed facility; (3) all funds are disbursed from the escrow account pursuant to Paragraph 4; (4) BUMC substitutes another form of financial assurance in compliance with the regulations of the NRC and with the written consent of the NRC, if necessary, terminates the escrow account; or (5) such an escrow is no longer required by law and the Escrow Agent receives from the NRC a written acknowledgment of that fact.

Paragraph 4. Disbursement of Property in Escrow Account

The Escrow Agent shall make payments from the escrow account upon the presentation of a certificate, duly executed by an Assistant Secretary of Boston University and the Secretary or an Assistant Secretary of Boston Medical Center Corporation attesting to the occurrence of events; such certificate to be in the form set forth in the attached Specimen Certificate, and upon presentation of a certificate attesting to the following conditions:

- (1) that decommissioning is proceeding pursuant to an NRC-approved plan,
- (2) that the funds withdrawn will be expended for activities undertaken pursuant to that plan, and

- (3) that the NRC has been given 30 days' prior notice of BUMC's intent to withdraw funds from the escrow account.

No withdrawal from the account can exceed 10% of the outstanding balance of the escrow account or \$15,000, whichever is greater, unless NRC approval is attached.

If the Escrow Agent receives written notification of BUMC's default from the NRC, the Escrow Agent shall make payments from the escrow account as the NRC shall direct, in writing, to provide for the payment of the costs of the required decommissioning activities covered by this agreement. The Escrow Agent shall reimburse BUMC or other persons as specified by the NRC from the escrow account for expenses for required activities in such amounts as the NRC shall direct in writing. In addition, the Escrow Agent shall refund to BUMC such amounts as the NRC specifies, in writing. Upon refund, such funds shall no longer constitute part of the escrow account as described in Paragraph 2, above.

#### Paragraph 5. Irrevocability

It is also agreed between the parties that this escrow became irrevocable upon delivery to the Escrow Agent, and will remain irrevocable and in full force and effect until the occurrence of one of the conditions described in Paragraph 3, above.

#### Paragraph 6. Powers of the Escrow Agent

The only powers and duties of the Escrow Agent shall be to hold the property in the escrow account and to invest and dispose of it in accordance with the terms of this agreement.

#### Escrow Account Management

The Escrow Agent shall invest and reinvest the principal of the escrow account, and such income designated by BUMC, as BUMC shall request and otherwise in accordance with general investment policies and guidelines which BUMC may communicate in writing to the Escrow Agent from time to time. Interest earnings shall be paid to BUMC immediately upon receipt to an account designated by BUMC, provided, however, that no payments shall be made which will cause the value of the remaining assets in the escrow account (as determined by a valuation made at the time such interest is being paid) to be less than \$150,000. The Escrow Agent shall discharge its duties with respect to the escrow account solely in the interest of the NRC and with the care, skill, prudence, and diligence, under the circumstances then prevailing, that persons of prudence, acting in like capacity and familiar with such matters, would use in the conduct of an enterprise of like character and with like aims; except that:

- (a) The Escrow Agent may not invest the escrow account in securities or other obligations of BUMC, Boston University, Boston Medical Center Corporation, or of any other person or entity known by the Escrow Agent to be an owner or operator of the licensed facility, or any person or entity known by the Escrow Agent to be an affiliate of BUMC, Boston University, Boston Medical Center Corporation, or such other owner or operator as defined in the Investment Company Act of 1940, as amended (15 U.S.C. 80A-2(a), unless they are securities or other obligations of the Federal government; and
- (b) The Escrow Agent is authorized to invest the escrow account in time or demand deposits only to the extent insured by an agency of the Federal government.

#### Express Power of the Escrow Agent

Without in any way limiting the power and discretion conferred upon the Escrow Agent by other provisions of this agreement or by law, the Escrow Agent is expressly authorized and empowered:

- (a) To register any securities held in the escrow account in its own name and to hold any security in bearer form or in book entry, or to deposit or arrange for the deposit of any securities issued by the U.S. Government, or any agency or instrumentality thereof, with a Federal Reserve Bank, but the books and records of the Escrow Agent shall at all times show that all such securities are part of the escrow account;
- (b) To deposit any cash in the escrow account in interest-bearing accounts or savings certificates to the extent insured by an agency of the Federal government;
- (c) To pay taxes, to the extent applicable, from the account, of any kind that may be assessed or levied against the escrow account and all brokerage commissions incurred by the escrow account;
- (d) For tax reporting and withholding purposes, all income earned in the escrow account shall be allocable to BUMC.

#### Paragraph 7. Annual Valuation

After delivery has been made into this escrow account, the Escrow Agent shall annually, at least 30 days before the anniversary date of receipt of the property into the escrow account, furnish to the licensee and to the NRC at the address specified in Paragraph 16, below, a statement confirming the value of the escrow account. Any securities in the account shall be valued at market value as of no more than 60



days before the anniversary date of the establishment of the escrow account. The failure of BUMC to object in writing to the Escrow Agent within 90 days after the statement has been furnished to BUMC shall constitute a conclusively binding assent by BUMC, barring BUMC from asserting any claim or liability against the Escrow Agent with respect to the matters disclosed in the statement.

Paragraph 8. Successor Escrow Agent

Upon 90 days' prior notice to the NRC and BUMC, the Escrow Agent may resign. Upon 90 days prior notice to the NRC and the Escrow Agent, BUMC may replace the Escrow Agent provided that such resignation or replacement is not effective until BUMC has appointed a successor escrow agent and this successor accepts the appointment. The successor escrow agent shall have the same powers and duties as those conferred upon the Escrow Agent under this agreement. Upon the successors acceptance of the appointment, the Escrow Agent shall assign, transfer, and pay over to the successor the funds and properties then constituting the escrow account. If for any reason BUMC cannot or does not act in the event of the resignation of the Escrow Agent, the Escrow Agent may apply to a court of competent jurisdiction for the appointment of a successor, or for instructions. The successor escrow agent shall specify the date on which it assumes administration of the escrow account in a writing sent to BUMC, the NRC and the current Escrow Agent by certified mail no less than 10 days before the change becomes effective. Any expenses incurred by the Escrow Agent as a result of any of the acts contemplated by this paragraph shall be paid as provided in Paragraph 10 of this agreement.

Paragraph 9. Instructions to the Escrow Agent; Indemnification

All orders, requests, and instructions from BUMC to the Escrow Agent shall be in writing, signed by such officers as are signatories to this agreement, or such other designees as BUMC or the NRC may designate in writing. All orders, requests, and instructions from the NRC shall be in writing, signed by the designees of the NRC. The Escrow Agent shall be fully protected in acting in accordance with such orders, requests and instructions. The Escrow Agent shall have the right to assume, in the absence of written notice to the contrary, that no event constituting a change or a termination of the authority of any person to act on behalf of BUMC or the NRC under this agreement has occurred. The Escrow Agent shall have no duty to act in the absence of such orders, requests and instructions from BUMC and/or the NRC, except as provided in this agreement.

BUMC shall indemnify and hold harmless the Escrow Agent from and against all costs, fees and expenses (including the fees and expenses of counsel to the Escrow Agent in acting as such pursuant to this agreement); provided that Escrow Agent gives BUMC prior notice of its intent to incur costs in excess of Compensation allowed under Paragraph 10, however, that BUMC shall not be responsible for such



costs; fees and expenses caused by the willful misconduct or negligence of the Escrow Agent.

Paragraph 10. Compensation and Expenses of the Escrow Agent

The fee of the Escrow Agent for its services in establishing the escrow account shall be \$2500 per year. The charges may be adjusted from time to time by mutual agreement of BUMC and the Escrow Agent, and are payable by BUMC at the time of the execution of this agreement and annually thereafter.

Expenses of the Escrow Agent for the administration of the escrow account, the compensation of the Escrow Agent for services subsequent to the establishing of the escrow account, and all other proper charges and disbursements shall be paid directly by BUMC.

Paragraph 11. Amendment to this Agreement

This agreement may be amended by an instrument in writing executed by BUMC and the Escrow Agent provided that BUMC has given 30 days prior notice to the Escrow Agent and the NRC.

Paragraph 12. Termination

This agreement can be terminated by written notice of termination to the Escrow Agent signed by BUMC, the licensee, and the NRC or by the NRC alone, if the licensee has ceased to exist.

Paragraph 13. Interpretation

This agreement constitutes the entire agreement between BUMC and the Escrow Agent. The Escrow Agent shall not be bound by any other agreement or contract entered into by BUMC and the only document that may be referenced in case of ambiguity in this Escrow Agreement is the licensing agreement between BUMC and NRC, or its successor. This agreement shall be governed by the laws of The Commonwealth of Massachusetts, and by the rules and regulations of the NRC.

Paragraph 14. Acceptance of Appointment by Escrow Agent

The Escrow Agent does hereby acknowledge its appointment by BUMC to serve as Escrow Agent for the escrow account created under this agreement and agrees to carry out its obligations and duties as stated in this agreement.

Paragraph 15. Severability

If any part of this agreement is invalid, it shall not affect the remaining provisions that will remain valid and enforceable.

Paragraph 16. Notice

If any notice or communication is required to be given hereunder it shall be deemed given if in writing and mailed by certified or registered mail, postage prepaid, return receipt requested:

If to Escrow Agent:      State Street Bank & Trust Company  
Two International Place  
Boston, Massachusetts 02110  
Attention: Ruth Smith  
(the "BUMC/NRC Escrow")

If to BUMC:              Boston University  
881 Commonwealth Avenue  
Boston, Massachusetts 02215  
Attention: Treasurer

and:                      Boston Medical Center Corporation  
One Boston Medical Center Place  
Boston, Massachusetts 02118-2393  
Attn: General Counsel

If to NRC:                U. S. Nuclear Regulatory Commission  
Washington, D. C. 20555

17. This agreement shall not become effective (and the Escrow Agent shall have no responsibility hereunder) except to return the escrow property to BUMC until the Escrow Agent shall have received the following and shall have advised BUMC in writing that the same are in form and substance satisfactory to the Escrow Agent:

Assistant Secretary's Certificates from both Boston University and Boston Medical Center Corporation as to the names and specimen signatures of their officers authorized to sign this Agreement and notices, instructions and other communications hereunder.

WITNESS the execution hereof under seal as of the last date below written.

State Street Bank & Trust Company

By: Ruth A. Smith

Name: Ruth A. Smith

Title: Vice President

Date: 2/28/97

BOSTON UNIVERSITY MEDICAL CENTER:

Trustees of Boston University

By: Martin J. Howard

Name: Martin J. Howard

Title: Assistant Treasurer

Date: 2/26/97

Boston Medical Center Corporation

By: Elaine Ullian

Name: Elaine Ullian

Title: President

Date: 2/27/97

COMMONWEALTH OF MASSACHUSETTS

Suffolk, ss.

February 28, 1997

Then personally appeared before me the above-named Ruth A. Smith being an authorized officer of the State Street Bank & Trust Company, and acknowledged the foregoing instrument to be the free act and deed of the State Street Bank & Trust Company, before me

SDK

Notary Public

My commission expires:

SCOTT KNOX  
Notary Public  
My Commission Expires July 12, 2002

COMMONWEALTH OF MASSACHUSETTS

Suffolk, ss.

February 26, 1997

Then personally appeared before me the above named Martin J. Howard  
Assistant Treasurer of Trustees of Boston University, and acknowledged the  
foregoing instrument to be the free act and deed of Trustees of Boston University,  
before me

Anne M. Gung Healy

Notary Public

My commission expires: 11/4/2003

COMMONWEALTH OF MASSACHUSETTS

Suffolk, ss.

February 27, 1997

Then personally appeared before me the above-named Elaine Ullian of  
Boston Medical Center Corporation, and acknowledged the foregoing instrument to  
be the free act and deed of Boston Medical Center Corporation, before me

Erin J. [Signature]

Notary Public

My commission expires: 9/25/98

The Boston University Medical Center/NRC Escrow  
State Street Bank & Trust Company  
Specimen Certificate of Events

State Street Bank & Trust Company  
Two International Place  
Boston, Massachusetts 02110  
Attention: Ruth Smith

Gentlemen:

In accordance with the terms of the Agreement with you dated \_\_\_\_\_, 1997, we, \_\_\_\_\_, Assistant Secretary of Trustees of Boston University, and \_\_\_\_\_, Secretary of Boston Medical Center Corporation, hereby certify that the following events have occurred:

1. Boston University Medical Center is required to commence the decommissioning of its facilities located at the address noted in the Agreement (hereinafter called the "decommissioning").
2. The plans and procedures for the commencement and conduct of the decommissioning have been approved by the United States Nuclear Regulatory Commission, or its successor, on \_\_\_\_\_ (copy of approval attached).
3. The Board of Trustees of Boston University and the Board of Trustees of Boston Medical Center Corporation have adopted the attached resolutions authorizing the commencing of the decommissioning.

\_\_\_\_\_  
Assistant Secretary of Trustees of Boston University

\_\_\_\_\_  
Secretary of Boston Medical Center Corporation

\_\_\_\_\_  
Date

The Boston University Medical Center/NRC Escrow

State Street Bank & Trust Company

SPECIMEN CERTIFICATE OF RESOLUTION

I, \_\_\_\_\_, do hereby certify that I am the Secretary of Boston Medical Center Corporation, a Massachusetts corporation, and that the resolution listed below was duly adopted at a meeting of this Corporation's Board of Trustees on \_\_\_\_\_, 19\_\_.

IN WITNESS WHEREOF, I have hereunto signed my name and affixed the seal of this Corporation this \_\_\_\_\_ day of \_\_\_\_\_, 19\_\_.

\_\_\_\_\_  
Secretary of  
Boston Medical Center Corporation

RESOLVED, that this Board of Trustees hereby authorizes the President, or such other employee of the Company as he may designate to commence decommissioning activities at (name of facility), in accordance with the terms and conditions described to this Board of Directors at this meeting and with such other terms and conditions as the President shall approve with and upon the advice of Counsel.

The Boston University Medical Center/NRC Escrow

State Street Bank & Trust Company

SPECIMEN CERTIFICATE OF RESOLUTION

I, \_\_\_\_\_, do hereby certify that I am Assistant Secretary of Trustees of Boston University, a Massachusetts corporation, and that the resolution listed below was duly adopted at a meeting of this Corporation's Board of Trustees on \_\_\_\_\_, 19\_\_.

IN WITNESS WHEREOF, I have hereunto signed my name and affixed the seal of this Corporation this \_\_\_\_\_ day of \_\_\_\_\_, 19\_\_.

\_\_\_\_\_  
Assistant Secretary of  
Trustees of Boston University

RESOLVED, that this Board of Trustees hereby authorizes the President, or such other employee of the Company as he may designate to commence decommissioning activities at (name of facility), in accordance with the terms and conditions described to this Board of Directors at this meeting and with such other terms and conditions as the President shall approve with and upon the advice of Counsel.

<b>TELEPHONE CONVERSATION RECORD</b>		<b>Date:</b> 2/20/97	<b>Time:</b> 2:20 pm
<b>Mail Control No.:</b> 124263		<b>License :</b> 20-02215-01	<b>Docket No.:</b> 030-01845
<b>Person Called:</b> Stephen A. Williams		<b>Organization:</b> Boston University	<b>Telephone Number:</b> (617) 353-2326
<b>Person Calling:</b> Anthony Dimitriadis			
<b>Subject:</b> Financial Assurance submittal change request			
<b>Summary:</b> I left a message that he needs to submit a signed Escrow Agreement which is closer to the language used in Regulatory Guide 3.66.			
<b>Action Required/Taken:</b> Submit signed Escrow Agreement			
<b>Signature:</b> Anthony Dimitriadis		<b>Date:</b> February 21, 1997	



Boston University

Office of the General Counsel  
125 Bay State Road  
Boston, Massachusetts 02215  
617/353-2326  
Fax: 617/353-5529



Todd L. C. Klipp  
General Counsel

Michael B. Rosen  
Lawrence S. Elswit  
Susan H. Frey  
Stephen A. Williams  
Dennis C. Hart  
Robert B. Smith  
Rosemary Chun Dodek  
Erika Geetter

John E. Bagalay, Jr.  
Of Counsel

February 11, 1997

030-01845

Mr. David Everhart  
Nuclear Regulatory Commission  
475 Allendale Road  
King of Prussia, Pennsylvania 19406-1415

ACTION TYPE

7

Re: License Nos. 20-00805-11 and 20-02215-01

Dear Dave:

As discussed, enclosed is another copy of the package sent for approval last year. I appreciate your efforts to take care of this issue.

Very truly yours,

A handwritten signature in cursive script that reads "Steve".

Stephen A. Williams

cc: Victor Evdokimoff  
Ron Slade

1 2 4 2 6 3

OFFICIAL RECORD COPY

ML 10

FEB 12 1997

**Boston University**

Office of the General Counsel  
125 Bay State Road  
Boston, Massachusetts 02215  
617/353-2326  
Fax: 617/353-5529



Todd L. C. Klipp  
General Counsel

Michael B. Rosen  
Lawrence S. Elswit  
Susan H. Frey  
Stephen A. Williams  
Dennis C. Hart  
Robert B. Smith  
Rosemary Chun Dodek

John E. Bagalay, Jr.  
Of Counsel

February 14, 1996

Mohamed M. Shanbaky, Chief  
U.S. Nuclear Regulatory Commission  
Nuclear Materials Safety Branch  
Division of Radiation Safety and Safeguards  
475 Allendale Road  
King of Prussia, Pennsylvania 19406-1415

Re: License Nos. 20-00805-11 and 20-02215-01

Dear Mr. Shanbaky:

As you may be aware from previous correspondence sent to your office by Ronald Slade for Boston University, with reference to license No. 20-0080511 and Victor Evdokimoff for Boston University Medical Center, with reference to License No. 20-02215-01, the two institutions are in the process of reducing the amount held in Escrow Agreements to provide financial assurance for decommissioning in accordance with 10 CFR 30.35 and other applicable regulations.

In accordance with the regulations and with the previous notices, it is our intent to reduce the amount held in each account from \$750,000 to \$150,000.

Accordingly, I am sending for your approval revised forms of Escrow Agreements. The only differences between these forms and the ones previously approved and executed by the NRC with respect to these licenses is the change in amount and a change in the bank holding the escrow accounts from Bank of Boston to State Street Bank and Trust Company. (The change in banks was necessitated by State Street's acquisition of the Bank of Boston's Corporate Trust Division.)

Please let me know if these forms are acceptable to the NRC. When I have the Commission's approval I will have the documents executed and substituted for the existing escrow agreements.

Thank you very much for your cooperation in this matter.

Very truly yours,

  
Stephen A. Williams

cc: Victor Evdokimoff  
Ronald I. Slade

bcc: Ruth Kessler  
Marty Howard  
Ed Christiansen

State Street Bank & Trust Company Account or Escrow # \_\_\_\_\_

## ESCROW AGREEMENT

Pursuant to NRC License No. 20-02215-01, Boston University Medical Center ("BUMC") is licensed to conduct certain activities involving by-product materials covered by 10 CFR Part 30. This Escrow Agreement is being established by BUMC in satisfaction of the requirements of 10 CFR Part 30 to demonstrate financial assurance for decommissioning licensed nuclear facilities.

### Paragraph 1. Establishment of Escrow Agreement

BUMC hereby establishes an escrow account (the "BUMC/NRC Escrow") with State Street Bank & Trust Company, Two International Place, Boston, Massachusetts [zip], Attention: [ ] (the "Escrow Agent") pursuant to the terms of this agreement, to provide financial assurance for decommissioning of the facilities, in the amounts, shown below:

Facility: Boston University Medical Center

Address: Radiation Protection Office  
88 East Newton Street D-604  
Boston, Massachusetts  
02118-2394

License  
Number: 20-02215-01

Estimated  
Decommissioning  
Cost: \$150,000

Amount of  
Financial  
Assurance  
Provided: \$150,000

### Paragraph 2: Description of Property in Escrow Account

It is hereby acknowledged by the parties that cash or other liquid assets with a value of \$150,000 have been delivered to escrow and they, or liquid assets of equivalent

value, will remain in the escrow account created by this agreement until one of the conditions stated in Paragraph 3 of this agreement has been satisfied.

BUMC warrants to and agrees with the Escrow Agent that, unless otherwise expressly set forth in this Agreement: there is no security interest in the property in the escrow account or any part thereof; no financing statement under the Uniform Commercial Code is on file in any jurisdiction claiming a security interest in or describing (whether specifically or generally) the escrow account or any part thereof; and the Escrow Agent shall have no responsibility at any time to ascertain whether or not any security interest exists or to file any financing statement under the Uniform Commercial Code with respect to the escrow account or any part thereof.

### Paragraph 3. Conditions of Escrow Agreement

The property described in Paragraph 2, above, or property of equivalent value, will remain in the escrow account created by this agreement until one of the following conditions has been satisfied: (1) the decommissioning activities required by 10 CFR 30 have been completed, the license has been terminated, the facility site is available for unrestricted use for any public or private purpose, and the escrow account has been terminated by joint notice, in writing, from BUMC and the United States Nuclear Regulatory Commission (the "NRC"); (2) the Escrow Agent has been notified by the NRC, in writing, that BUMC has defaulted on its obligation to carry out the decommissioning for the above listed facility; (3) all funds are disbursed from the escrow account pursuant to Paragraph 4; (4) BUMC substitutes another form of financial assurance in compliance with the regulations of the NRC and with the written consent of the NRC, if necessary, terminates the escrow account; or (5) such an escrow is no longer required by law and the Escrow Agent receives from the NRC a written acknowledgment of that fact.

### Paragraph 4. Disbursement of Property in Escrow Account

The Escrow Agent shall make payments from the escrow account in amounts specified by BUMC upon the presentation to it of a certificate, duly executed by an Assistant Secretary of Boston University and the Secretary or an Assistant Secretary of University Hospital attesting to the occurrence of events; such certificate to be in the form set forth in the attached Specimen Certificate, and upon presentation of a certificate attesting to the following conditions:

- (1) that decommissioning is proceeding pursuant to an NRC-approved plan,
- (2) that the funds withdrawn will be expended for activities undertaken pursuant to that plan, and

- (3) that the NRC has been given 30 days' prior notice of intent to withdraw funds from the escrow account.

No withdrawal from the account can exceed 10% of the outstanding balance of the escrow account or \$15,000, whichever is greater, unless NRC approval is attached.

If the Escrow Agent receives written notification of BUMC's default from the NRC, the Escrow Agent shall make payments from the escrow account as the NRC shall direct, in writing, to provide for the payment of the costs of the required decommissioning activities covered by this agreement. The Escrow Agent shall reimburse BUMC or other persons as specified by the NRC from the escrow account for expenses for required activities in such amounts as the NRC shall direct in writing. In addition, the Escrow Agent shall refund to BUMC such amounts as the NRC specifies, in writing. Upon refund, such funds shall no longer constitute part of the escrow account as described in Paragraph 2, above.

#### Paragraph 5. Irrevocability

This escrow agreement becomes effective upon acceptance by the Escrow Agent, and will remain irrevocable and in full force and effect until the occurrence of one of the conditions described in Paragraph 3, above, subject to the provisions of Paragraph 8, relating to Successor Escrow Agent.

#### Paragraph 6. Powers of the Escrow Agent

The only powers and duties of the Escrow Agent shall be to hold the property in the escrow account and to invest and dispose of it in accordance with the terms of this agreement.

#### Escrow Account Management

The Escrow Agent shall invest and reinvest the principal of the escrow account, and such income designated by BUMC, as BUMC shall request and otherwise in accordance with general investment policies and guidelines which BUMC may communicate in writing to the Escrow Agent from time to time. Interest earnings shall be paid to BUMC immediately upon receipt to an account designated by BUMC, provided, however, that no payments shall be made which will cause the value of the remaining assets in the escrow account (as determined by a valuation made at the time such interest is being paid) to be less than \$150,000. The Escrow Agent shall discharge its duties with respect to the escrow account solely in the interest of the NRC and with the care, skill, prudence, and diligence, under the circumstances then prevailing, that persons of prudence, acting in like capacity and

familiar with such matters, would use in the conduct of an enterprise of like character and with like aims; except that:

- (a) The Escrow Agent may not invest the escrow account in securities or other obligations of BUMC, Boston University, University Hospital, or of any other person or entity known by the Escrow Agent to be an owner or operator of the licensed facility, or any person or entity known by the Escrow Agent to be an affiliate of BUMC, Boston University, University Hospital, or such other owner or operator as defined in the Investment Company Act of 1940, as amended (15 U.S.C. 80A-2(a), unless they are securities or other obligations of the Federal government; and
- (b) The Escrow Agent is authorized to invest the escrow account in time or demand deposits only to the extent insured by an agency of the Federal government.

#### Express Power of the Escrow Agent

Without in any way limiting the power and discretion conferred upon the Escrow Agent by other provisions of this agreement or by law, the Escrow Agent is expressly authorized and empowered:

- (a) To register any securities held in the escrow account in its own name and to hold any security in bearer form or in book entry, or to deposit or arrange for the deposit of any securities issued by the U.S. Government, or any agency or instrumentality thereof, with a Federal Reserve Bank, but the books and records of the Escrow Agent shall at all times show that all such securities are part of the escrow account;
- (b) To deposit any cash in the escrow account in interest-bearing accounts or savings certificates to the extent insured by an agency of the Federal government;
- (c) To pay all brokerage commissions incurred by the escrow account;
- (d) For tax reporting and withholding purposes, all income earned in the escrow account shall be allocable to BUMC.

#### Paragraph 7. Annual Valuation

After delivery has been made into this escrow account, the Escrow Agent shall annually, at least 30 days before the anniversary date of receipt of the property into the escrow account, furnish to the licensee and to the NRC at the address specified in Paragraph 16, below, a statement confirming the value of the escrow account. Any securities in the account shall be valued at market value as of no more than 60



days before the anniversary date of the establishment of the escrow account. The failure of BUMC to object in writing to the Escrow Agent within 90 days after the statement has been furnished to BUMC shall constitute a conclusively binding assent by BUMC, barring BUMC from asserting any claim or liability against the Escrow Agent with respect to the matters disclosed in the statement.

Paragraph 8. Successor Escrow Agent

Upon 90 days' prior notice to the NRC and BUMC, the Escrow Agent may resign. Upon 90 days prior notice to the NRC and the Escrow Agent, BUMC may replace the Escrow Agent provided that such resignation or replacement is not effective until BUMC has appointed a successor escrow agent and this successor accepts the appointment. The successor escrow agent shall have the same powers and duties as those conferred upon the Escrow Agent under this agreement. Upon the successors acceptance of the appointment, the Escrow Agent shall assign, transfer, and pay over to the successor the funds and properties then constituting the escrow account. If for any reason BUMC cannot or does not act in the event of the resignation of the Escrow Agent, the Escrow Agent may apply to a court of competent jurisdiction for the appointment of a successor, or for instructions. The successor escrow agent shall specify the date on which it assumes administration of the escrow account in a writing sent to BUMC, the NRC and the current Escrow Agent by certified mail no less than 10 days before the change becomes effective. Any expenses incurred by the Escrow Agent as a result of any of the acts contemplated by this paragraph shall be paid as provided in Paragraph 10 of this agreement.

Paragraph 9. Instructions to the Escrow Agent; Indemnification

All orders, requests, and instructions from BUMC to the Escrow Agent shall be in writing, signed by such officers as are signatories to this agreement, or such other designees as BUMC or the NRC may designate in writing. All orders, requests, and instructions from the NRC shall be in writing, signed by the designees of the NRC. The Escrow Agent shall be fully protected in acting in accordance with such orders, requests and instructions. The Escrow Agent shall have the right to assume, in the absence of written notice to the contrary, that no event constituting a change or a termination of the authority of any person to act on behalf of BUMC or the NRC under this agreement has occurred. The Escrow Agent shall have no duty to act in the absence of such orders, requests and instructions from BUMC and/or the NRC, except as provided in this agreement.

BUMC shall indemnify and hold harmless the Escrow Agent from and against all costs, fees and expenses (including the fees and expenses of counsel to the Escrow Agent in acting as such pursuant to this agreement; provided that Escrow Agent gives BUMC prior notice of its intent to incur costs in excess of Compensation allowed under Paragraph 10, however, that BUMC shall not be responsible for such

costs, fees and expenses caused by the willful misconduct or negligence of the Escrow Agent.

Paragraph 10. Compensation and Expenses of the Escrow Agent

The fee of the Escrow Agent for its services in establishing the escrow account shall be \$[ ] per year. The charges may be adjusted from time to time by mutual agreement of BUMC and the Escrow Agent, and are payable by BUMC at the time of the execution of this agreement and annually thereafter.

Expenses of the Escrow Agent for the administration of the escrow account, the compensation of the Escrow Agent for services subsequent to the establishing of the escrow account, and all other proper charges and disbursements shall be paid directly by BUMC.

Paragraph 11. Amendment to this Agreement

This agreement may be amended by an instrument in writing executed by BUMC and the Escrow Agent provided that BUMC has given 30 days prior notice to the Escrow Agent and the NRC and the NRC has not objected by written notice delivered to the Escrow Agent.

Paragraph 12. Termination

This agreement can be terminated by written notice of termination to the Escrow Agent signed by BUMC and the NRC or by the NRC alone.

Paragraph 13. Interpretation

This agreement constitutes the entire agreement between BUMC and the Escrow Agent. The Escrow Agent shall not be bound by any other agreement or contract entered into by BUMC and the only document that may be referenced in case of ambiguity in this Escrow Agreement is the licensing agreement between BUMC and NRC, or its successor. This agreement shall be governed by the laws of The Commonwealth of Massachusetts, and by the rules and regulations of the NRC.

Paragraph 14. Acceptance of Appointment by Escrow Agent

The Escrow Agent does hereby acknowledge its appointment by BUMC to serve as Escrow Agent for the escrow account created under this agreement and agrees to carry out its obligations and duties as stated in this agreement.



Paragraph 15. Severability

If any part of this agreement is invalid, it shall not affect the remaining provisions that will remain valid and enforceable.

Paragraph 16. Notice

If any notice or communication is required to be given hereunder it shall be deemed given if in writing and mailed by certified or registered mail, postage prepaid, return receipt requested:

If to Escrow Agent: State Street Bank & Trust Company  
Two International Place  
Boston, Massachusetts [zip]  
Attention: [ ]  
(the "BUMC/NRC Escrow")

If to BUMC: Boston University  
881 Commonwealth Avenue  
Boston, Massachusetts 02215  
Attention: Treasurer

and: University Hospital  
88 East Newton Street  
Boston, Massachusetts 02118  
Attn: General Counsel

If to NRC: U. S. Nuclear Regulatory Commission  
Washington, D. C. 20555

17. This agreement shall not become effective (and the Escrow Agent shall have no responsibility hereunder) except to return the escrow property to BUMC until the Escrow Agent shall have received the following and shall have advised BUMC in writing that the same are in form and substance satisfactory to the Escrow Agent:

Assistant Secretary's Certificates from both Boston University and University Hospital as to the names and specimen signatures of their officers authorized to sign this Agreement and notices, instructions and other communications hereunder.

WITNESS the execution hereof under seal as of the last date below written.

State Street Bank & Trust Company

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

Name: \_\_\_\_\_

Title: \_\_\_\_\_

Date: \_\_\_\_\_

BOSTON UNIVERSITY MEDICAL CENTER:

Trustees of Boston University

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

Name: \_\_\_\_\_

Title: Assistant Treasurer

Date: \_\_\_\_\_

University Hospital

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

Name: \_\_\_\_\_

Title: \_\_\_\_\_

Date: \_\_\_\_\_

COMMONWEALTH OF MASSACHUSETTS

Suffolk, ss.

\_\_\_\_\_, 1995

Then personally appeared before me the above-named \_\_\_\_\_  
being an authorized officer of the State Street Bank & Trust Company, and  
acknowledged the foregoing instrument to be the free act and deed of the State Street  
Bank & Trust Company, before me

\_\_\_\_\_  
Notary Public

My commission expires:

COMMONWEALTH OF MASSACHUSETTS

Suffolk, ss.

\_\_\_\_\_, 1995

Then personally appeared before me the above named \_\_\_\_\_  
Assistant Treasurer of Trustees of Boston University, and acknowledged the  
foregoing instrument to be the free act and deed of Trustees of Boston University,  
before me

\_\_\_\_\_  
Notary Public

My commission expires:

COMMONWEALTH OF MASSACHUSETTS

Suffolk, ss.

\_\_\_\_\_, 1995

Then personally appeared before me the above-named \_\_\_\_\_ of  
University Hospital, and acknowledged the foregoing instrument to be the free act  
and deed of University Hospital, before me

\_\_\_\_\_  
Notary Public

My commission expires:

The Boston University Medical Center/NRC Escrow

State Street Bank & Trust Company

SPECIMEN CERTIFICATE OF RESOLUTION

I, \_\_\_\_\_, do hereby certify that I am the Secretary of University Hospital, Inc., a Massachusetts corporation, and that the resolution listed below was duly adopted at a meeting of this Corporation's Board of Trustees on \_\_\_\_\_, 19\_\_\_\_.

IN WITNESS WHEREOF, I have hereunto signed my name and affixed the seal of this Corporation this \_\_\_\_\_ day of \_\_\_\_\_, 19\_\_\_\_.

\_\_\_\_\_  
Secretary of  
University Hospital, Inc.

RESOLVED, that this Board of Trustees hereby authorizes the President, or such other employee of the Company as he may designate to commence decommissioning activities at (name of facility), in accordance with the terms and conditions described to this Board of Directors at this meeting and with such other terms and conditions as the President shall approve with and upon the advice of Counsel.

The Boston University Medical Center/NRC Escrow

State Street Bank & Trust Company

SPECIMEN CERTIFICATE OF RESOLUTION

I, \_\_\_\_\_ do hereby certify that I am Assistant Secretary of Trustees of Boston University, a Massachusetts corporation, and that the resolution listed below was duly adopted at a meeting of this Corporation's Board of Trustees on \_\_\_\_\_, 19\_\_.

IN WITNESS WHEREOF, I have hereunto signed my name and affixed the seal of this Corporation this \_\_\_\_\_ day of \_\_\_\_\_, 19\_\_.

\_\_\_\_\_  
Assistant Secretary of  
Trustees of Boston University

RESOLVED, that this Board of Trustees hereby authorizes the President, or such other employee of the Company as he may designate to commence decommissioning activities at (name of facility), in accordance with the terms and conditions described to this Board of Directors at this meeting and with such other terms and conditions as the President shall approve with and upon the advice of Counsel.

The Boston University Medical Center/NRC Escrow  
State Street Bank & Trust Company  
Specimen Certificate of Events

State Street Bank & Trust Company  
Two International Place  
Boston, Massachusetts [zip]  
Attention: [Corporate Trust Division]

Gentlemen:

In accordance with the terms of the Agreement with you dated \_\_\_\_\_, 1996, we, \_\_\_\_\_, Assistant Secretary of Trustees of Boston University, and \_\_\_\_\_, Assistant Secretary of University Hospital, hereby certify that the following events have occurred:

1. Boston University Medical Center is required to commence the decommissioning of its facilities located at the address noted in the Agreement (hereinafter called the "decommissioning").
2. The plans and procedures for the commencement and conduct of the decommissioning have been approved by the United States Nuclear Regulatory Commission, or its successor, on \_\_\_\_\_ (copy of approval attached).
3. The Board of Trustees of Boston University and the Board of Trustees of University Hospital have adopted the attached resolutions authorizing the commencing of the decommissioning.

\_\_\_\_\_  
Assistant Secretary of Trustees of Boston University

\_\_\_\_\_  
Assistant Secretary of University Hospital

\_\_\_\_\_  
Date

(FOR LFMS USE)  
INFORMATION FROM LTS  
-----

BETWEEN:

LICENSE FEE MANAGEMENT BRANCH, ARM  
AND  
REGIONAL LICENSING SECTIONS

PROGRAM CODE: 02110  
STATUS CODE: 0  
FEE CATEGORY: 7B  
EXP. DATE: 20060228  
FEE COMMENTS: 3E DEL. 6/9/89  
DECOM FIN ASSUR REQD: Y  
.....

LICENSE FEE TRANSMITTAL

A. REGION I

1. APPLICATION ATTACHED

APPLICANT/LICENSEE: BOSTON UNIVERSITY MEDICAL CENTER  
RECEIVED DATE: 970212  
DOCKET NO: 3001845  
CONTROL NO.: 124263  
LICENSE NO.: 20-02215-01  
ACTION TYPE: FIN. ASSURANCE

2. FEE ATTACHED

AMOUNT: -----  
CHECK NO.: -----

3. COMMENTS

REF. 124262.

SIGNED  
DATE

M. A. Perkins  
2/14/97

B. LICENSE FEE MANAGEMENT BRANCH (CHECK WHEN MILESTONE 03 IS ENTERED 1--1)

1. FEE CATEGORY AND AMOUNT: 7B

**FEE EXEMPT**

2. CORRECT FEE PAID. APPLICATION MAY BE PROCESSED FOR:

AMENDMENT -----  
RENEWAL -----  
LICENSE -----

3. OTHER -----

RECEIVED BY LFDCB
2/21/97
Feb 9 1997
AB
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