

Exelon Nuclear
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10 CFR 50.75

January 23, 2003

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

Braidwood Station, Units 1 and 2
Facility Operating License Nos. NPF-72 and NPF-77
NRC Docket Nos. STN 50-456 and STN 50-457

Byron Station, Units 1 and 2
Facility Operating License Nos. NPF-37 and NPF-66
NRC Docket Nos. STN 50-454 and STN 50-455

Dresden Nuclear Power Station, Units 1, 2 and 3
Facility Operating License Nos. DPR-19 and DPR-25
NRC Docket Nos. 50-10, 50-237 and 50-249

LaSalle County Station, Units 1 and 2
Facility Operating License Nos. NPF-11 and NPF-18
NRC Docket Nos. 50-373 and 50-374

Limerick Generating Station, Units 1 and 2
Facility Operating License Nos. NPF-39 and NPF-85
NRC Docket Nos. 50-352 and 50-353

Peach Bottom Atomic Power Station, Units 1, 2, and 3
Facility Operating License Nos. DPR-12, DPR-44 and DPR-56
NRC Docket Nos. 50-171, 50-277, and 50-278

Quad Cities Nuclear Power Station, Units 1 and 2
Facility Operating License Nos. DPR-29 and DPR-30
NRC Docket Nos. 50-254 and 50-265

Salem Generating Station, Units 1 and 2
Facility Operating License Nos. DPR-70 and DPR-75
NRC Docket Nos. 50-272 and 50-311

Zion Nuclear Power Station, Units 1 and 2
Facility Operating License Nos. DPR-39 and DPR-48
NRC Docket Nos. 50-295 and 50-304

Subject: Notice of Proposed Amendments to Trust Agreement to Implement Assignment
of Decommissioning Trust Funds for Exelon Generation Company, LLC

17001

Notice of Proposed Amendments to Trust Agreement

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In accordance with the Facility Operating Licenses for the reactors listed above, Exelon Generation Company, LLC (ExGen) is providing 30 days prior written notice to the NRC of proposed amendments to its trust agreement in order to implement an assignment of ExGen's nonqualified and qualified decommissioning funds to wholly-owned single member limited liability companies located and organized in Nevada. The existing Trustees for these trusts, Mellon Bank, NA (Mellon) and The Northern Trust Company (Northern), will remain the Trustees, respectively, for all of the affected trusts, and both Mellon and Northern's fiduciary duties with respect to the trusts will continue unaffected by the proposed changes to the trusts. In addition, Mellon and/or Northern may provide certain administrative support to the Nevada LLCs and the trusts through an office that they may establish and maintain in Nevada.

The qualified funds (Q Funds) will be assigned to Exelon Generation Consolidation, LLC (ExGen Consolidation), a Nevada company. The nonqualified funds (NQ Funds) will be assigned to twenty single member limited liability companies (NQF Companies), which will each hold the NQ Funds for a single ExGen unit (i.e., one single member limited liability company for each NQ Fund). Subsequent to the assignment of the NQ Funds, ExGen will contribute its interests in the NQF Companies to ExGen Consolidation. Through its direct and indirect ownership interests, ExGen will be the sole owner of these subsidiary LLCs. The reason for the proposed assignment is explained below. Descriptions of the proposed organization structure and the proposed trust changes are provided in the attachments to this letter.

The decommissioning funds are maintained in accordance with 10 CFR 50.75 ("Reporting and recordkeeping for decommissioning planning"). Under the current organizational structure, the decommissioning funds (i.e., Q Funds and NQ Funds) create adverse state tax impacts for the Exelon organization because such funds are currently included in ExGen's Pennsylvania Capital Stock Tax base. The adverse state tax impact occurs even though a significant portion of such funds is related to facilities located outside the Commonwealth of Pennsylvania.

Assigning the Q Funds and NQ Funds to ExGen Consolidation and the NQF Companies, respectively, is expected to provide substantial state tax efficiencies for ExGen as well as Exelon Corporation. As an additional benefit, the state tax efficiencies will increase the after-tax earnings of the NQ Funds.

The proposed restructuring is also expected to create a unit-level accounting function in order to increase the accuracy of information reported to ExGen and the entire Exelon organization.

The proposed assignment of the Q Funds to ExGen Consolidation and the NQ Funds to the NQF Companies will not have an adverse impact on ExGen's ability to provide reasonable assurance that funds will be available to decommission the ExGen units. This change will have no impact on the current trust assets, future contributions, or the ability to withdraw funds to satisfy decommissioning obligations. The new entities' operating agreements will set forth their responsibilities and authorities, demonstrating the continued assurance of availability of the funds for decommissioning the ExGen units. The language that will be included in the operating agreements of each entity (i.e., ExGen Consolidation and the NQF Companies) is as follows:

- (i) the funds may be used for only decommissioning purposes as provided in the Qualified and Nonqualified Trust Agreements; (ii) that the appropriate party shall be granted immediate access to the Funds upon satisfaction of the conditions in the Qualified and Nonqualified Trust Agreements; (iii) that the LLC {ExGen Consolidation or NQF Company} shall make no material changes to the Qualified and Nonqualified Trust

Agreements without 30 days prior written notice to the NRC Director, Nuclear Reactor Regulation; and (iv) that these terms shall not be materially changed without 30 days prior written notice to the NRC Director, Nuclear Reactor Regulation.

In addition to the above changes, the proposed amendments to the two (2) current master trust agreements between ExGen and Mellon Bank N.A. ("Mellon") and between ExGen and The Northern Trust Company ("Northern") are as follows:

1. Each Master Trust Agreement will be amended and restated into two separate agreements:
 - a. Amended and Restated Qualified Nuclear Decommissioning Master Trust Agreement by and between ExGen Consolidation and Mellon;
 - b. Amended and Restated Nonqualified Nuclear Decommissioning Master Trust Agreement by and between the NQF Companies and Mellon;
 - c. Amended and Restated Qualified Nuclear Decommissioning Master Trust Agreement by and between ExGen Consolidation and Northern, and;
 - d. Amended and Restated Nonqualified Nuclear Decommissioning Master Trust Agreement by and between the NQF Companies and Northern.
2. These agreements incorporate and will be governed by the Master Terms for Trust Agreements for each Trustee, and the respective Master Terms for Trust Agreements are substantially similar to the terms of the existing master trust agreements with each Trustee.
3. No change will be made to the existing Trustees (i.e., Mellon and Northern will continue as the Trustee of the applicable Qualified Funds and Nonqualified Funds for which they are currently the Trustee).
4. The proposed Amended and Restated Master Trust Agreements include the changes necessary to reflect that ExGen will: (1) assign its interests in the Qualified Funds to ExGen Consolidation; (2) assign its interests in the Nonqualified Funds to the appropriate NQF Company; and (3) following these assignments, contribute its interests in the NQF Companies to ExGen Consolidation.
5. In the event an investment manager terminates, or is terminated, ExGen Consolidation or the appropriate NQF Company or Companies shall use their best efforts to appoint an investment manager for those assets as soon as reasonably possible.
6. Other minor changes.

Accordingly, attached is the following information regarding this transfer:

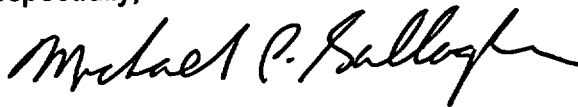
Attachment A – Draft Amended and Restated Master Trust Agreements (Mellon)
Attachment B – Draft Amended and Restated Master Trust Agreements (Northern)

Attachment C – Current Organization Structure
Attachment D – Proposed Organization Structure

ExGen will provide final copies of the trust agreements to the NRC.

In accordance with the license conditions of the ExGen plants, ExGen plans to implement the revised trust agreements and trust restructuring described above absent any written objection from the NRC within 30 days of the date of this letter. If you have any questions about this letter, please contact T. Loomis at (610) 765-5510.

Respectfully,



Michael P. Gallagher
Director, Licensing and Regulatory Affairs
Mid Atlantic Regional Operating Group

Attachments

cc: NRC Director of Nuclear Material Safety and Safeguards
Regional Administrator – NRC Region I
Regional Administrator – NRC Region III
NRC Senior Resident Inspector – Braidwood Station
NRC Senior Resident Inspector – Byron Station
NRC Senior Resident Inspector – Dresden Nuclear Power Station
NRC Senior Resident Inspector – LaSalle County Station
NRC Senior Resident Inspector – Limerick Generating Station
NRC Senior Resident Inspector – Peach Bottom Atomic Power Station
NRC Senior Resident Inspector – Salem Generating Station
NRC Senior Resident Inspector – Quad Cities Nuclear Power Station
NRC Project Manager, NRR - Braidwood and Byron Stations
NRC Project Manager, NRR - Dresden Nuclear Power Station, Unit 1
NRC Project Manager, NRR - Dresden Nuclear Power Station, Units 2 and 3
NRC Project Manager, NRR - LaSalle County Station
NRC Project Manager, NRR - Limerick Generating Station
NRC Project Manager, NRR - Peach Bottom Atomic Power Station
NRC Project Manager, NRR - Salem Generating Station
NRC Project Manager, NRR - Quad Cities Nuclear Power Station
Office of Nuclear Facility Safety - IDNS

ATTACHMENT A

**DRAFT AMENDED AND RESTATED MASTER TRUST AGREEMENTS
WITH MELLON BANK, N.A.**

- 1. Draft Master Terms for Trust Agreements**
- 2. Draft Amended and Restated Nonqualified Nuclear Decommissioning Master Trust Agreement**
- 3. Draft Amended and Restated Qualified Nuclear Decommissioning Master Trust Agreement**

- 1. Draft Master Terms for Trust Agreements (Mellon Bank, N. A.)**

EXHIBIT 1

MASTER TERMS FOR TRUST AGREEMENTS

The following Master Terms for Trust Agreements (the "Master Terms") shall apply for purposes of the Amended and Restated Qualified Nuclear Decommissioning Master Trust Agreement by and between Exelon Generation Company, LLC ("ExGen"), Exelon Generation Consolidation Company, LLC ("Consolidation") and Mellon Bank, N.A. as Trustee (the "Trustee"), and for purposes of the Amended and Restated Nonqualified Nuclear Decommissioning Master Trust Agreement by and between ExGen, the limited liability companies identified on Schedule A of such agreement (the "NQF Companies") and the Trustee, collectively the "Trust Agreements".

Any terms capitalized but not defined herein shall have the same meaning as assigned to such terms in the Trust Agreements.

ARTICLE I

[Intentionally Deleted]

ARTICLE II

Payments by the Trustee

Section 2.01. Use of Assets. The assets of each Fund shall be used exclusively (a) to satisfy, in whole or in part, any expenses or liabilities incurred with respect to the decommissioning of that Fund's Unit, including expenses incurred in connection with the preparation for decommissioning of that Unit, such as engineering and other planning expenses, and all expenses incurred after the actual decommissioning occurs, such as physical security and radiation monitoring expenses (the "Decommissioning Costs"), (b) to pay the administrative costs and other incidental expenses of each Fund, and (c) to invest in publicly-traded securities and investments (including common trust funds) as directed by the investment manager(s) pursuant to Section 3.02(a) or the Trustee pursuant to Section 3.02(b), except that all assets of the Qualified Funds must be invested in Permissible Assets as defined in the Special Terms. Except for investments tied to market indexes or other non-nuclear sector mutual funds, (1) the assets of the Funds shall not be invested in the securities or other obligations of Exelon Corporation or affiliates thereof, or their successors or assigns; and (2) investments in any entity owning one or more nuclear power plants are prohibited. Use of the assets of the Qualified Funds shall be further limited by the provisions of the Special Terms. The assets of the Funds shall be used, in the first instance, to pay the expenses related to the decommissioning of that Fund's Unit, as defined by the United States Nuclear Regulatory Commission ("NRC")

in its regulations and issuances, and as provided in the NRC issued license to operate each Unit and any amendments thereto.

Section 2.02. Certification for Decommissioning Costs.

(a) If assets of a Fund are required to satisfy Decommissioning Costs of that Fund's Unit, Consolidation or the appropriate NQF Company, as the case may be, shall present a certificate substantially in the form attached hereto as Exhibit B-1 (in the case of Consolidation) or B-2 (in the case of the NQF Companies) to the Trustee signed by its Chairman of the Board, its President or one of its Vice Presidents and its Treasurer or an Assistant Treasurer, requesting payment from its Fund. Any certificate requesting payment by the Trustee to a third party or to Consolidation or the appropriate NQF Company from a Fund for Decommissioning Costs shall include the following:

(1) a statement of the amount of the payment to be made from the Fund and whether the payment is to be made from the Nonqualified Fund, the Qualified Fund or in part from both Funds;

(2) a statement that the payment is requested to pay Decommissioning Costs which have been incurred, and if payment is to be made from the Qualified Fund, a statement that the Decommissioning Costs to be paid constitute Qualified Decommissioning Costs, as defined in the Special Terms;

(3) the nature of the Decommissioning Costs to be paid;

(4) the payee, which may be Consolidation or the appropriate NQF Company in the case of reimbursement for payments previously made or expenses previously incurred by Consolidation or the appropriate NQF Company for Decommissioning Costs;

(5) a statement that the Decommissioning Costs for which payment is requested have not theretofore been paid out of the Funds; and

(6) a statement that any necessary authorizations of the Pennsylvania Public Utility Commission (the "PUC"), NRC and/or any other governmental agencies having jurisdiction with respect to the decommissioning have been obtained.

(b) No disbursements of payments for decommissioning costs from the Funds shall be made by the Trustee:

(1) unless the Trustee has first provided thirty (30) days' prior written notice of such disbursement or payment to the NRC Director, Office of Nuclear Reactor Regulation; and

(2) if the Trustee receives written notice of an objection from the NRC Director, Office of Nuclear Reactor Regulation during such thirty (30) day notice period, or if the Trustee receives such notice at any later time that is nevertheless prior to disbursement.

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

(d) Consolidation and the NQF Companies shall have the right to enforce payments from the Funds upon compliance with the procedures set forth in this Section 2.02.

Section 2.03. Administrative Costs. The Trustee shall pay, as directed by the appropriate NQF Company, the administrative costs and other incidental expenses of each Nonqualified Fund, including all federal, state, and local taxes, if any, imposed directly on the Nonqualified Fund or the income therefrom, legal expenses, accounting expenses, actuarial expenses and trustee expenses, from the assets of the respective Nonqualified Fund and shall pay, as directed by Consolidation, the administrative costs and other incidental expenses of each Qualified Fund, as defined in the Special Terms, from the assets of the respective Qualified Fund.

Section 2.04. Payments between the Funds. The Trustee shall make payments (i) from a Unit's Qualified Fund to that Unit's Nonqualified Fund provided such payments are in cash and are in accordance with Section 4 of the Special Terms or (ii) from a Unit's Nonqualified Fund to that Unit's Qualified Fund provided such payments are in cash and are in accordance with the contribution limitations set forth in Section 2 of the Special Terms, as the case may be, upon presentation by Consolidation and the appropriate NQF Company of a certificate substantially in the form of Exhibit C hereto executed by Consolidation or the appropriate NQF Company instructing the Trustee to make any such payments. The Trustee shall be fully protected in relying upon such certificate.

ARTICLE - III

Concerning the Trustee

Section 3.01. Authority of Trustee. The Trustee shall have the authority and discretion to manage and control the Funds to the extent provided in Trust Agreements and these Master Terms but does not guarantee the Funds in any manner against investment loss or depreciation in asset value or guarantee the adequacy of the Funds to satisfy the Decommissioning Costs. The Trustee shall not be liable for the making, retention or sale of any asset of a Qualified Fund which qualifies as a Permissible Asset,

as defined in the Special Terms, nor shall the Trustee be responsible for any other loss to or diminution of the Funds, or for any other loss or damage which may result from the discharge of its duties hereunder except for any action not taken in good faith.

Section 3.02. Investment of Funds.

(a) Consolidation and the NQF Companies shall have the authority to appoint one or more investment managers who shall have the power to direct the Trustee in investing the assets of the Funds; provided, however, that the Trustee shall not follow any direction which would result in assets of the Qualified Funds being invested in assets other than Permissible Assets as defined in the Special Terms. Any such investment manager(s) or other person directing investments made in the Trusts shall adhere to the "Prudent Investor" standard as specified in 18 C.F.R. 35.32(a)(3) of the Federal Energy Regulatory Commission ("FERC") regulations (the "Prudent Investor Standard"). To the extent that Consolidation and the NQF Companies choose to exercise this authority, Consolidation and/or the appropriate NQF Company or Companies shall so notify the Trustee and instruct the Trustee in writing to separate into a separate account those assets the investment of which will be directed by each investment manager. Consolidation and the appropriate NQF Company or Companies shall designate in writing the person or persons who are to represent any such investment manager in dealings with the Trustee. Upon the separation of the assets in accordance with such instructions, the Trustee, as to those assets while so separated, shall be released and relieved of all investment duties, investment responsibilities and investment liabilities normally or statutorily incident to a trustee; provided, however, that the Trustee shall not be relieved of the responsibility of ensuring that assets of the Qualified Funds are invested solely in Permissible Assets, as defined in the Special Terms. The Trustee shall retain all other fiduciary duties with respect to assets the investment of which is directed by investment managers.

(b) Consolidation or the appropriate NQF Company or Companies shall notify the Trustee if the investment of assets of the Funds are not being directed by one or more investment managers under Section 3.02(a), and the Trustee shall hold, invest, and reinvest such assets as it in its sole discretion deems advisable, subject to the restrictions set forth herein for investment of the assets of the Qualified Funds and adherence to the Prudent Investor Standard; provided however, that in the event an investment manager terminates, or is terminated, Consolidation or the appropriate NQF Company or Companies shall use their best efforts to appoint an investment manager for those assets as soon as reasonably possible.

(c) Regardless of the person directing investments, any assets of the Qualified Funds shall be invested solely in Permissible Assets as defined in, and required by, the Special Terms, and shall be accumulated, invested, and reinvested in like manner. Upon the written consent of Consolidation, the assets of a Qualified Fund relating to a Unit may be pooled with the assets of any other Qualified Fund relating to any other Unit; provided

that the book and tax allocations of the pooling arrangement are made in compliance with Code section 704 (and the Treasury Regulations thereunder) and provided further that such pooling arrangement elects to be classified as a partnership for federal income tax purposes.

(d) Notwithstanding any other provision of these Master Terms, with respect to the pooling of investments authorized by subparagraph (c) no part of any Fund's (or any subsequent holder's) interest in such pool, nor any right pertaining to such interest (including any right to substitute another entity for the Fund or for any subsequent holder, as holder of investments pooled pursuant to subparagraph (c)) may be sold, assigned, transferred or otherwise alienated or disposed of by any holder of an interest in the pool unless the written consent to the transfer of every other holder of interests in such pool is obtained in advance of any such transfer.

(e) Notwithstanding the provisions of subparagraph (d) of this Section, a Fund's investment in a pooled arrangement may be withdrawn from the pool (but not from the Trust Agreements, except as otherwise permitted by this Agreement) at any time upon 7 days written notice to the Trustee by the Fund. If the Fund withdraws its entire interest in a pool, the pooled arrangement shall terminate 30 days after notice of final withdrawal has been given by any withdrawing Fund unless a majority in interest of the remaining Funds give their written consent to continue the pool within such 30 day period. If the pooled arrangement terminates, each Fund's assets will be segregated into a separate account under the Trust Agreements, and no further commingling may occur for a period of at least one year after such termination.

(f) Subparagraphs (c), (d) and (e) apply to transfers of interests within, and withdrawals from, the pooling arrangement. Nothing within these sections shall be interpreted to permit or to limit transfer of interests in, or withdrawals from, a Fund, which transfers and withdrawals are governed by other provisions of these Master Terms. In addition, the provisions of subparagraphs (c), (d) and (e) shall not limit the Trustee's authority to invest in permissible common or collective trust funds.

Section 3.03. Prohibition Against Self Dealing. Notwithstanding any other provision in this Agreement, the Trustee shall not engage in any act of self dealing as defined in section 468A(e)(5) of the Code and Treasury Regulations § 1.468A-5(b) or any corresponding future law or Treasury Regulation.

Section 3.04. Compensation. The Trustee shall be entitled to receive out of the Funds reasonable compensation for services rendered by it, as well as expenses necessarily incurred by it in the execution of the Trusts hereunder, provided such compensation and expenses qualify as administrative costs and other incidental expenses of a Qualified Fund, as defined in the Special Terms, with respect to any payment of compensation and expenses from that Qualified Fund. Consolidation and the NQF

Companies acknowledge that, as part of the Trustee's compensation, the Trustee will earn interest on balances, including disbursement balances and balances arising from purchase and sale transactions. If the Trustee advances cash or securities for any purpose, including the purchase or sale of foreign exchange or of contracts for foreign exchange, or in the event that the Trustee shall incur or be assessed taxes, interest, charges, expenses, assessments, or other liabilities in connection with the performance of these Master Terms, except such as may arise from its own negligent action, negligent failure to act, or willful misconduct, any property at any time held for the Funds or the Trust Agreements shall be security therefor and the Trustee shall be entitled to collect from the Funds sufficient cash for reimbursement, and if such cash is insufficient, dispose of the assets of Consolidation and the NQF Companies held under the Trust Agreements to the extent necessary to obtain reimbursement. To the extent the Trustee advances funds to the Funds for disbursements or to effect the settlement of purchase transactions, the Trustee shall be entitled to collect from the Funds either (i) with respect to domestic assets, an amount equal to what would have been earned on the sums advanced (an amount approximating the "federal funds" interest rate) or (ii) with respect to nondomestic assets, the rate applicable to the appropriate foreign market.

Section 3.05. Books of Account. The Trustee shall keep separate true and correct books of account with respect to each Fund, which books of account shall at all reasonable times be open to inspection by Consolidation and each of the NQF Companies or its duly appointed representatives. The Trustee shall, upon written request of Consolidation or the appropriate NQF Company, permit government agencies, such as the PUC, NRC or the Internal Revenue Service, to inspect the books of account of each Fund. The Trustee shall furnish to Consolidation and each of the NQF Companies on or about the tenth business day of each month a statement for each Fund showing, with respect to the preceding calendar month, the balance of assets on hand at the beginning of such month, all receipts, investment transactions, and disbursements which took place during such month and the balance of assets on hand at the end of such month. The Trustee agrees to provide on a timely basis any information deemed necessary by Consolidation or the NQF Companies to file the federal, state and local tax returns of Consolidation and the NQF Companies.

Section 3.06. Reliance on Documents. The Trustee, upon receipt of documents furnished to it by Consolidation and any of the NQF Companies pursuant to the provisions of these Master Terms, shall examine the same to determine whether they conform to the requirements thereof. The Trustee acting in good faith may conclusively rely, as to the truth of statements and the correctness of opinions expressed, on any certificate or other documents conforming to the requirements of these Master Terms. If the Trustee in the administration of the Funds, shall deem it necessary or desirable that a matter be provided or established prior to taking or suffering any action hereunder, such matter (unless evidence in respect thereof is otherwise specifically prescribed hereunder) may be deemed by the Trustee to be conclusively provided or established by a certificate

signed by the Chairman of the Board, the President or any Vice President of Consolidation or any of the NQF Companies, as the case may be, and delivered to the Trustee. The Trustee shall have no duty to inquire into the validity, accuracy or relevancy of any statement contained in any certificate or document nor the authorization of any party making such certificate or delivering such document, and the Trustee may rely and shall be protected in acting or refraining from acting upon any such written certificate or document furnished to it hereunder and believed by it to be genuine and to have been signed or presented by the proper party or parties. The Trustee shall not, however, be relieved of any obligation (a) to refrain from self-dealing as provided in Section 3.03 hereof; (b) to ensure that all assets of the Qualified Funds are invested solely in Permissible Assets as defined in the Special Terms; or (c) to adhere to the Prudent Investor Standard if acting as manager.

Section 3.07. Liability and Indemnification. The Trustee shall not be liable for any action taken by it in good faith and without gross negligence, willful misconduct or recklessness and reasonably believed by it to be authorized or within the rights or powers conferred upon it by this Agreement and may consult with counsel of its own choice (including counsel for Consolidation and the NQF Companies) and shall have full and complete authorization and protection for any action taken or suffered by it hereunder in good faith and without gross negligence and in accordance with the opinion of such counsel, provided, however, that the Trustee shall be liable for direct damages resulting from investing assets of the Qualified Funds in other than Permissible Assets or from self dealing as provided in Section 3.03 hereof. Provided indemnification does not result in self dealing under Section 3.03 hereof or in a deemed contribution to a Qualified Fund in excess of the limitation on contributions under Section 468A of the Code and the Treasury Regulations thereunder, ExGen (as to both the Qualified Funds and the Nonqualified Funds), Consolidation (as to the Qualified Funds) and the NQF Companies (as to the Nonqualified Funds) hereby agree to indemnify the Trustee for, and to hold it harmless against, any loss, liability or expense incurred without gross negligence, willful misconduct, recklessness or bad faith on the part of the Trustee, arising out of or in connection with its entering into the Trust Agreements and carrying out its duties hereunder, including the costs and expenses of defending itself against any claim of liability, provided such loss, liability or expense does not result from investing assets of the Qualified Funds in other than Permissible Assets as defined in the Special Terms or from self dealing under Section 3.03 hereof, and provided further that no such costs or expenses shall be paid if the payment of such costs or expenses is prohibited by Section 468A of the Code or the Treasury Regulations thereunder.

The Trustee shall not be responsible or liable for any losses or damages suffered by a Fund arising as a result of the insolvency of any custodian, subtrustee or subcustodian, except to the extent the Trustee was negligent in its selection or continued retention of such entity. Under no circumstances shall the Trustee be liable for any indirect, consequential, or special damages with respect to its role as Trustee.

Section 3.08. Resignation, Removal and Successor Trustees. The Trustee may resign at any time upon sixty (60) days' written notification to Consolidation and the NQF Companies. Consolidation and the NQF Companies may remove the Trustee for any reason at any time upon thirty (30) days' written notification to the Trustee. If a successor Trustee shall not have been appointed within these specified time periods after the giving of written notice of such resignation or removal, the Trustee or Consolidation and the NQF Companies may apply to any court of competent jurisdiction to appoint a successor Trustee to act until such time, if any, as a successor shall have been appointed and shall have accepted its appointment as provided below. If the Trustee shall be adjudged bankrupt or insolvent, a vacancy shall thereupon be deemed to exist in the office of Trustee and a successor shall thereupon be appointed by Consolidation and the NQF Companies. Any successor Trustee appointed hereunder shall execute, acknowledge and deliver to Consolidation and the NQF Companies an appropriate written instrument accepting such appointment hereunder, subject to all the terms and conditions hereof, and thereupon such successor Trustee shall become fully vested with all the rights, powers, trusts, duties and obligations of its predecessor in trust under the Trust Agreements, with like effect as if originally named as Trustee thereunder. The predecessor Trustee shall, upon written request of Consolidation and the NQF Companies for payment of all fees and expenses, deliver to the successor Trustee the corpus of the Funds and perform such other acts as may be required or be desirable to vest and confirm in said successor Trustee all right, title and interest in the corpus of the Funds to which it succeeds.

Section 3.09. Merger of Trustee. Any corporation or other legal entity into which the Trustee may be merged or with which it may be consolidated, or any corporation or other legal entity resulting from any merger or consolidation to which the Trustee shall be a party, or any corporation or other legal entity to which the corporate trust functions of the Trustee may be transferred, shall be the successor Trustee under the Trust Agreement and these Master Terms without the necessity of executing or filing any additional acceptance of the Trust Agreement and these Master Terms or the performance of any further act on the part of any other parties hereto.

ARTICLE IV **Amendments**

Consolidation and the NQF Companies may amend these Master Terms and the Trust Agreements from time to time, provided such amendment does not cause the Qualified Funds to fail to qualify as nuclear decommissioning reserve funds under section 468A of the Code and the Treasury Regulations thereunder. These Master Terms and the Trust Agreements may not be amended so as to violate 468A of the Code or the Treasury Regulations thereunder. The Qualified Funds are established and shall be maintained for

the sole purpose of qualifying as nuclear decommissioning reserve funds under section 468A of the Code and the Treasury Regulations thereunder. If the Qualified Funds would fail to so qualify because of any provision contained in Trust Agreements or these Master Terms, the Trust Agreements and these Master Terms shall be deemed to be amended as necessary to conform with the requirements of Code Section 468A and the regulations thereunder. If a proposed amendment shall affect the responsibility of the Trustee, such amendment shall not be considered valid and binding until such time as the amendment is executed by the Trustee. Notwithstanding any provision herein to the contrary, neither these Master Terms nor the Trust Agreements may be modified in any material respect without first providing thirty (30) days' prior written notice to the NRC Director, Office of Nuclear Reactor Regulation.

ARTICLE V

Powers of the Trustee and Investment Manager

Section 5.01. General Powers. The Trustee shall have and exercise the following powers and authority in the administration of the Funds only on the direction of an Investment Manager where such powers and authority relate to a separate account established for an Investment Manager, and in its sole discretion where such powers and authority relate to investments made by the Trustee in accordance with Section 3.02(b):

(a) to purchase, receive or subscribe for any securities or other property and to retain in trust such securities or other property;

(b) to sell, exchange, convey, transfer, lend, or otherwise dispose of any property held in the Funds and to make any sale by private contract or public auction; and no person dealing with the Trustee shall be bound to see to the application of the purchase money or to inquire into the validity, expediency or propriety of any such sale or other disposition;

(c) to vote in person or by proxy any stocks, bonds or other securities held in the Funds;

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

(e) to join in, dissent from or oppose the reorganization, recapitalization, consolidation, sale or merger of corporations or properties of which the Funds may hold

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

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

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

(h) to purchase, enter, sell, hold, and generally deal in any manner in and with contracts for the immediate or future delivery of financial instruments of any issuer or of any other property and in foreign exchange or foreign exchange contracts; to grant, purchase, sell, exercise, permit to expire, permit to be held in escrow, and otherwise to acquire, dispose of, hold and generally deal in any manner with and in all forms of options in any combination.

Settlements of transactions may be effected in trading and processing practices customary in the jurisdiction or market where the transaction occurs. Consolidation and the NQF Companies acknowledge that this may, in certain circumstances, require the

delivery of cash or securities (or other property) without the concurrent receipt of securities (or other property) or cash and, in such circumstances, Consolidation and the appropriate NQF Company, as the case may be, shall have sole responsibility for nonreceipt of payment (or late payment) by the counterparty.

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

Section 5.02. Specific Powers of the Trustee. The Trustee shall have the following powers and authority, to be exercised in its sole discretion with respect to the Funds:

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

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

property (in accordance with market practice, custom, or regulation) with any recognized foreign or domestic clearing facility, book-entry system, centralized custodial depository, or similar organization;

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

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

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

(f) to establish and maintain such separate accounts in accordance with the instructions of Consolidation or the appropriate NQF Company, as Consolidation or the appropriate NQF Company, as the case may be, deem necessary for the proper administration of the Funds, or as determined to be necessary by the Trustee;

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

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

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

unlimited, joint venture and other forms of joint enterprise created for any lawful purpose; and

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

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

Section 5.03 The powers described in Section 5.02 may be exercised by the Trustee with or without instructions from Consolidation or the NQF Companies or a party authorized by Consolidation or the NQF Companies to act on its behalf, but where the Trustee acts on Authorized Instructions, the Trustee shall be fully protected as described in Section 3.07. All directions and instructions to the Trustee from an Authorized Party shall be in writing, by facsimile transmission, electronic transmission subject to the Trustee's practices, or any other method specifically agreed to in writing by Consolidation or the NQF Companies and the Trustee, provided the Trustee may, in its discretion, accept oral directions and instructions and may require confirmation in writing. Without limiting the generality of the foregoing, the Trustee shall not be liable for the acts or omissions of any person appointed under paragraph (a) of Section 5.02 pursuant to Authorized Instructions.

Section 5.04 The assets of the Funds shall not be invested in the securities or other obligations of Exelon Corporation or affiliates thereof, or their successors or assigns as identified by Consolidation and the NQF Companies. Except for investments tied to market indexes or other non-nuclear sector mutual funds or common trust funds, the assets of the funds shall not be invested in the securities of any entity owning one or more nuclear power plants, as identified by a source agreed to by the Trustee and Consolidation and the NQF Companies.

ARTICLE VI

Termination

A Unit's Qualified Fund shall terminate upon the later of (A) the earlier of either (i) substantial completion of decommissioning of that Fund's Unit, as defined in the Special Terms, or (ii) disqualification of that Unit's Qualified Fund by the Internal Revenue Service as provided in Treasury Regulations § 1.468A5(c) or any corresponding future Treasury Regulation or (B) termination by the NRC of that Unit's operating license. A Nonqualified Fund shall terminate upon termination by the NRC of that Unit's license. If a Fund termination occurs before the NRC terminates the respective Unit's operating license, the Trustee will adhere to Section 5.02(b) of these Master Terms. Upon the termination of any Fund, the assets of the terminated Fund shall be distributed in accordance with any written directive of the PUC concerning termination of such fund.

Absent a written directive of the PUC within thirty (30) days after the PUC is notified of the termination, all of the assets of the terminated Qualified Fund shall be distributed to Consolidation, and all of the assets of the terminated Nonqualified Fund shall be distributed to the NQF Company that is the beneficiary of such Fund, except that if a Unit's Qualified Fund is terminated prior to the termination of a Unit's Nonqualified Fund, the assets of the terminated Qualified Fund shall be distributed to the Nonqualified Fund for the Unit that is held by the appropriate NQF Company. Consolidation or the appropriate NQF Company, as the case may be, shall provide the Trustee with notification that the Fund has been terminated and with either (i) the PUC written directive or (ii) a certificate signed by its Chairman of the Board, its President or one of its Vice Presidents and its Treasurer or an Assistant Treasurer, that there is no PUC written directive and that thirty (30) days have elapsed since notification to the PUC of termination prior to distribution of the assets of the terminated Fund.

EXHIBIT "A"

SPECIAL TERMS OF THE QUALIFIED NUCLEAR DECOMMISSIONING RESERVE FUNDS

The following Special Terms of the Qualified Funds (hereinafter referred to as the "Special Terms") will apply for purposes of these Master Terms. To the extent construed to be in conflict therewith, these Special Terms shall take precedence over the Master Terms. Capitalized terms shall have the same meaning as set forth in the Master Terms or the Trust Agreements:

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

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

(b) "Final Tax Liabilities" shall mean any and all tax liabilities determined to be owing but not paid out of the assets of any of the Seller's or Transferor's Qualified Fund related to each unit prior to the transfer of the assets of the Seller's or Transferor's Qualified Fund to the Qualified Fund.

(c) "Final Tax Refunds" shall mean any and all tax refunds determined to be receivable but not collected by the Seller's or Transferor's Qualified Fund prior to the transfer of the assets of the Seller's or Transferor's Qualified Fund to the Qualified Funds.

(d) "Permissible Assets" shall mean any investment permitted for a qualified nuclear decommissioning reserve fund under section 468A of the Code and the Treasury Regulations thereunder, subject to the restrictions provided in Section 5.04 of the Agreement.

(e) "PUC" shall mean the Pennsylvania Public Utility Commission.

(f) "Qualified Decommissioning Costs" shall mean all expenses otherwise deductible for federal income tax purposes without regard to section 280B of the Internal Revenue Code of 1986, as amended, or any corresponding section or sections of any future United States internal revenue statute (the "Code"), incurred (or to be incurred) in

connection with the entombment, decontamination, dismantlement, removal and disposal of the structures, systems and components of a Unit when it has permanently ceased the production of electric energy, excluding any costs incurred for the disposal of spent nuclear fuel, as provided in Treasury Regulations § 1.468A-1(b)(5) or any corresponding future Treasury Regulation. Such term includes all otherwise deductible expenses to be incurred in connection with the preparation for decommissioning, such as engineering and other planning expenses, and all otherwise deductible expenses to be incurred with respect to a Unit after the actual decommissioning occurs, such as physical security and radiation monitoring expenses.

(g) "Seller's or Transferor's Qualified Fund" shall mean the trust established and maintained for any respective unit that qualified as a nuclear decommissioning reserve fund under Code section 468A prior to the sale or transfer of such unit.

(h) "Substantial completion of decommissioning" shall mean the date that the maximum acceptable radioactivity levels mandated by the NRC with respect to a decommissioned nuclear power plant are satisfied by the Unit; provided, however, that if Consolidation requests a ruling from the Internal Revenue Service, the date designated by the Internal Revenue Service as the date on which substantial completion of decommissioning occurs shall govern; provided, further, that the date on which substantial completion of decommissioning occurs shall be in accordance with Treasury Regulations §1.468A-5(d)(2) or any corresponding future Treasury Regulation.

Section 2. Contributions to a Qualified Fund. The assets of the Qualified Funds shall be contributed by Consolidation (or by others approved by Consolidation in writing) from time to time in cash. The Trustee shall not accept any contributions for the Qualified Funds other than cash payments with respect to which Consolidation is allowed a deduction under section 468A(a) of the Code and Treasury Regulations §1.468A-2(a) or any corresponding future Treasury Regulations, except for any Final Tax Refunds. Consolidation hereby represents that all contributions (or deemed contributions), except for any Final Tax Refunds, by Consolidation to the Qualified Funds in accordance with the provisions of Section 1.03 of the Agreement shall be deductible under section 468A of the Code and Treasury Regulations §1.468A-2(a) or any corresponding future Treasury Regulation or shall be withdrawn pursuant to Section 4 hereof.

Section 3. Limitation on Use of Assets. The assets of the Qualified Funds shall be used exclusively as follows:

(a) To satisfy, in whole or in part, the liability for Qualified Decommissioning Costs through payments by the Trustee pursuant to Section 2.02 of the Master Terms; and

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

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

Section 4. Transfers by Consolidation. If Consolidation's contribution (or deemed contribution) excluding any Final Tax Refunds to the Qualified Funds in any one year exceeds the amount deductible under section 468A of the Code and the Treasury Regulations thereunder, Consolidation may instruct the Trustee to transfer such excess contribution from a Unit's Qualified Fund to that Unit's Nonqualified Fund, as defined in the Trust Agreements and these Master Terms, pursuant to Section 2.04 of the Master Terms, provided any such transfer occurs on or before the date prescribed by law (including extensions) for filing the federal income tax return of the Qualified Funds for the taxable year to which the excess contribution relates for withdrawals pursuant to Treasury Regulations §§1.468A-5(c)(2) and 1.468A-2(f)(2) and occurs on or before the later of the date prescribed by law (including extensions) for filing the federal income tax return of the Qualified Funds for the taxable year to which the excess contribution relates or the date that is thirty (30) days after the date that Consolidation receives the ruling amount for such taxable year for withdrawals pursuant to Treasury Regulations § 1.468A-3(j)(3). If Consolidation determines that transfer pursuant to this Section 4 is appropriate, Consolidation shall present a certificate so stating to the Trustee signed by its Chairman of the Board, its President or one of its Vice Presidents and its Treasurer or an Assistant Treasurer, requesting such withdrawal and transfer. The certificate shall be substantially in the form attached as Exhibit C to the Master Terms for transfers to Nonqualified Funds as provided in Section 2.04 of the Master Terms and substantially in the form of Exhibit D to the Master Terms for withdrawals and transfers by Consolidation.

Section 5. Taxable Year/Tax Returns. The accounting and taxable year for the Qualified Funds shall be the taxable year of Consolidation for federal income tax purposes. If the taxable year of Consolidation shall change, Consolidation shall notify the Trustee of such change and the accounting and taxable year of the Qualified Funds must change to the taxable year of Consolidation as provided in Treasury Regulations §1.468A-4(c)(1) or any corresponding future Treasury Regulation. Consolidation shall assist the Trustee in complying with any requirements under section 442 of the Code and Treasury Regulations §1.442-1. Consolidation shall prepare, or cause to be prepared, any tax returns required to be filed by the Qualified Funds, and the Trustee shall sign and file such returns on behalf of the Qualified Funds. The Trustee shall cooperate with Consolidation in the preparation of such returns.

EXHIBIT "B-1"

CERTIFICATE FOR PAYMENT OF DECOMMISSIONING COSTS

**[Name of Trustee],
as Trustee
[Address]**

This Certificate is submitted pursuant to Section 2.02 of the Master Terms for Trust Agreements. All capitalized terms used in this Certificate and not otherwise defined herein shall have the meanings assigned to such terms in the Master Terms. In your capacity as Trustee, you are hereby authorized and requested to disburse out of the [Unit name's] Funds to [payee] the amount of \$_____ from the Qualified Fund for the payment of the Decommissioning Costs which have been incurred with respect to the [Unit name]. Prior to making such disbursements, however, the Trustee shall provide thirty days prior written notice of such disbursement to the NRC and shall not make such disbursement if the Trustee receives written notice of any objections from the NRC Director, Office of Nuclear Reactor Regulations during such thirty day period, or if the Trustee receives such notice at any later time that is nevertheless prior to disbursement. With respect to such Decommissioning Costs, Consolidation hereby certifies as follows:

1. The amount to be disbursed pursuant to this Certificate shall be solely used for the purpose of paying the Decommissioning Costs described in Schedule A hereto.
2. None of the Decommissioning Costs described in Schedule A hereto have previously been made the basis of any certificate pursuant to Section 2.02 of the Master Terms.
3. The amount to be disbursed from the Qualified Fund pursuant to this Certificate shall be used solely for the purpose of paying Qualified Decommissioning Costs as defined in the Special Terms.
4. Any necessary authorizations of the PUC, NRC, or any corresponding governmental authority having jurisdiction over the decommissioning of the Unit have been obtained, other than the required 30 days prior written Notice.

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

**EXELON GENERATION CONSOLIDATION
COMPANY, LLC**

By: _____

Name:

Title:

**EXELON GENERATION CONSOLIDATION
COMPANY, LLC**

By: _____

Name:

Title:

**Acknowledged by:
MELLON BANK, N.A.**

By: _____

Name:

Title:

EXHIBIT "B-2"

CERTIFICATE FOR PAYMENT OF DECOMMISSIONING COSTS

**[Name of Trustee],
as Trustee
[Address]**

This Certificate is submitted pursuant to Section 2.02 of the Master Terms for Trust Agreements. All capitalized terms used in this Certificate and not otherwise defined herein shall have the meanings assigned to such terms in the Master Terms. In your capacity as Trustee, you are hereby authorized and requested to disburse out of the [Unit name's] Funds to [payee] the amount of \$_____ from the Nonqualified Fund for the payment of the Decommissioning Costs which have been incurred with respect to the [Unit name]. Prior to making such disbursements, however, the Trustee shall provide thirty days prior written notice of such disbursement to the NRC and shall not make such disbursement if the Trustee receives written notice of any objections from the NRC Director, Office of Nuclear Reactor Regulations during such thirty day period, or if the Trustee receives such notice at any later time that is nevertheless prior to disbursement. With respect to such Decommissioning Costs, Exelon _____ NQ LLC hereby certifies as follows:

1. The amount to be disbursed pursuant to this Certificate shall be solely used for the purpose of paying the Decommissioning Costs described in Schedule A hereto.
2. None of the Decommissioning Costs described in Schedule A hereto have previously been made the basis of any certificate pursuant to Section 2.02 of the Master Terms.
3. Any necessary authorizations of the PUC, NRC, or any corresponding governmental authority having jurisdiction over the decommissioning of the Unit have been obtained, other than the required 30 days prior written Notice.

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

EXELON _____ NQ LLC

By: _____

Name:

Title:

EXELON _____ NQ LLC

By: _____

Name:

Title:

**Acknowledged by:
MELLON BANK, N.A.**

By: _____

Name:

Title:

EXHIBIT "C"

**CERTIFICATE FOR TRANSFER BETWEEN THE QUALIFIED FUND
AND THE NONQUALIFIED FUND**

**[Name of Trustee],
as Trustee**

[Address]

This Certificate is submitted pursuant to Section 2.04 of the Master Terms for Trust Agreements (the "Master Terms"), dated _____. All capitalized terms used in this Certificate and not otherwise defined herein shall have the meanings assigned to such terms in the Master Terms. In your capacity as Trustee, you are hereby authorized and instructed as follows (complete one):

To pay \$_____ in cash from the [Unit name's] Nonqualified Fund to that Unit's Qualified Fund; or

To pay \$_____ in cash from the [Unit name's] Qualified Fund to that Unit's Nonqualified Fund.

With respect to such payment, Consolidation and _____ hereby certify as follows:

1. Any amount stated herein to be paid from the Nonqualified Fund to the Qualified Fund is in accordance with the contribution limitations applicable to the Qualified Fund set forth in Section 2 of the Special Terms and the limitations of Section 2.04 of the Master Terms.
2. Any amount stated herein to be paid from the Qualified Fund to the Nonqualified Fund is in accordance with Section 4 of the Special Terms. Consolidation and _____ have determined that such payment is appropriate under the standards of Section 4 of the Special Terms.

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

**EXELON GENERATION CONSOLIDATION
COMPANY, LLC**

By: _____
Name: _____
Title: _____

_____,
LLC

By: _____
Name: _____
Title: _____

**Acknowledged by:
MELLON BANK, N.A.**

By: _____
Name: _____
Title: _____

EXHIBIT "D"

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

**[Name of Trustee],
as Trustee**

[Address]

This Certificate is submitted pursuant to Section 4 of the Special Terms attached as Exhibit A to the Master Terms for Trust Agreements ("Master Terms"). All capitalized terms used in this Certificate and not otherwise defined herein shall have the meanings assigned to such terms in the Master Terms. In your capacity as Trustee, you are hereby authorized and instructed to pay \$_____ in cash to Consolidation from the [Unit name's] Qualified Fund. With respect to such payment, Consolidation hereby certifies that withdrawal and transfer pursuant to Section 4 of the Special Terms is appropriate and that \$_____ constitutes an excess contribution pursuant to such Section.

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

**EXELON GENERATION CONSOLIDATION
COMPANY, LLC**

By: _____

Name:

Title:

**Acknowledged by:
MELLON BANK, N.A.**

By: _____

Name:

Title:

EXHIBIT "E"

CROSS-TRADING INFORMATION

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

I. The existence of the cross-trading program

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

II. The "triggering events" creating cross-trade opportunities

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

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

III. The pricing mechanism utilized for securities purchased or sold

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

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

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

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

IV. The allocation methods

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

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

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

**2. Draft Amended and Restated Nonqualified Nuclear
Decommissioning Master Trust Agreement (Mellon Bank, N. A.)**

**AMENDED AND RESTATED
NONQUALIFIED
NUCLEAR DECOMMISSIONING
MASTER TRUST AGREEMENT**

THIS AMENDED AND RESTATED NONQUALIFIED NUCLEAR DECOMMISSIONING MASTER TRUST AGREEMENT (the "Agreement"), dated as of _____, 2003 by and between Exelon Generation Company, LLC, ("ExGen"), a limited liability company organized under the laws of the State of Delaware and having a principal office at 300 Exelon Way, Kennett Square, Pennsylvania 19348, the limited liability companies duly organized and existing under the laws of the State of Nevada, identified on Schedule A attached hereto (collectively, the "NQF Companies"), and MELLON BANK, N.A., as Trustee, having its office at _____, Nevada [zip] (the "Trustee").

WITNESSETH:

WHEREAS, ExGen is the owner in whole or in part of each of the Units ("Unit" shall mean each, and "Units" shall mean all, of the nuclear power plants listed on the Schedule A attached to this Agreement (as that Schedule may be supplemented from time to time by the NQF Companies by written notice to the Trustee). Each unit of a multi-unit nuclear power plant site shall be considered as a separate Unit for the purposes of this Agreement); and

WHEREAS, PECO Energy Company ("PECO") entered into certain Trust Agreements with the Trustee described in Schedule B (the "Prior Agreements") which were established for the purpose of holding the decommissioning funds established by PECO for each Unit in which PECO owned an interest in whole or in part; and

WHEREAS, by Assignment dated January 10, 2001, PECO assigned its interests in the Units and its interests, rights, duties and obligations under the Prior Agreements to ExGen and ExGen agreed to accept such interests in the Units and such interests, rights, duties and obligations under the Prior Agreements; and

WHEREAS, by agreement dated as of January 10, 2001, ExGen and the Trustee entered into an amended and restated trust agreement (the "Amended and Restated Agreement") which amended the Prior Agreements and consolidated the separate trusts established by the Prior Agreements into a master trust; and

WHEREAS, the Amended and Restated Agreement provides for trusts for the exclusive purpose of providing for the decommissioning of the Units, which trusts consisted of qualified nuclear decommissioning funds (the "Qualified Funds") under section 468A of the Internal Revenue Code of 1986, as amended (the "Code") and nonqualified nuclear decommissioning trusts (the "Nonqualified Funds"), the Qualified Funds and the Nonqualified Funds may hereinafter be referred to collectively as the "Funds"; and

WHEREAS, pursuant to certain assignment agreements ExGen wishes to transfer to the NQF Companies its interests, rights, duties and obligations under the Amended and Restated Agreement in the Nonqualified Funds, as set forth in Schedule A attached hereto, and the NQF Companies have agreed to accept such interests, rights, duties and obligations; and

WHEREAS, pursuant to certain assignment agreements ExGen wishes to transfer to ExGen Trust Consolidation Company, LLC ("Consolidation"), a limited liability company organized under the laws of the State of Nevada, its interests, rights, duties and obligations under the Amended and Restated Agreement in the Qualified Funds, and Consolidation has agreed to accept such interests, rights, duties and obligations; and

WHEREAS, ExGen, the NQF Companies and Consolidation wish to amend the Amended and Restated Agreement so that it is restated into two separate agreements, one with respect to the Nonqualified Funds and one with respect to the Qualified Funds; and

WHEREAS, ExGen, the NQF Companies and the Trustee wish that this Agreement shall amend and restate the Amended and Restated Agreement with respect to the Nonqualified Trusts; and

WHEREAS, ExGen and the NQF Companies wish that the Trustee continue to serve as trustee of the Nonqualified Funds.

NOW, THEREFORE, to provide for the maintenance of the Nonqualified Funds, the making of payments therefrom and the performance of covenants by the NQF Companies and the Trustee set forth herein, ExGen has previously sold, assigned, set over and pledged unto the Trustee, and to the Trustee's successors and its assigns, and the Trustee has acknowledged receipt of the funds representing the initial funding of and any additional contributions to the Nonqualified Funds.

TO HAVE AND TO HOLD THE SAME IN TRUST for the exclusive use and purposes and upon the terms and conditions hereinafter set forth and as set forth in the Master Terms for Trust Agreements (the "Master Terms") appended hereto as Exhibit 1, and such additional funds as may from time to time be added thereto as provided herein, together with the proceeds and reinvestments thereof.

ARTICLE I

PURPOSES OF THE TRUSTS

Section 1.01. Establishment of the Trusts. The Trustee shall hold a separate Nonqualified Fund for each Unit. The Nonqualified Funds for each Unit shall be as identified in Schedule A, with the NQF Company as identified in Schedule A as beneficiary of each Nonqualified Fund. The Nonqualified Funds shall be maintained separately at all times in the United States pursuant to this Agreement. The Trustee shall maintain such records as are necessary to reflect each Nonqualified Fund separately on its books from each other Nonqualified Fund, and shall create and maintain such subaccounts within each Nonqualified Fund as the relevant NQF Company shall direct. In performing its duties under this Agreement,

the Trustee shall exercise the same care and diligence that it would devote to its own property in like circumstances.

Section 1.02. Purposes of the Trusts. The Nonqualified Funds are established for the exclusive purpose of providing funds for the decommissioning of the Units. The Nonqualified Fund for a Unit shall accumulate all contributions (whether from the relevant NQF Company or others) which do not satisfy the requirements for contributions to the Qualified Fund for that Unit, pursuant to Section 2 of the Special Terms contained in Exhibit A to the Master Terms. None of the assets of the Nonqualified Funds shall be subject to attachment, garnishment, execution of levy in any manner for the benefit of creditors of a NQF Company or any other party.

Section 1.03. Contributions to the Funds. The assets of the Nonqualified Funds shall be transferred or contributed by the NQF Companies (or others approved in writing by the NQF Companies) from time to time.

Section 1.04. Master Terms. In addition to the terms set forth in this Agreement, the Nonqualified Funds shall also be governed by the provisions of the Master Terms. The terms of this Agreement, to the extent construed to be in conflict with the Master Terms, shall take precedence over the Master Terms. Any terms capitalized and not defined herein shall have the meaning set forth in the Master Terms.

ARTICLE II **DISTRIBUTIONS**

Section 2.01. Distributions. Upon receipt of written instructions from a NQF Company, and pursuant to the terms of Article II of the Master Terms, the Trustee shall distribute all or a portion of the Nonqualified Fund of which such NQF Company is a beneficiary to such NQF Company.

ARTICLE III **TERMINATION**

Section 3.01. Termination. A NQF Company may terminate all or a portion of the Nonqualified Fund of which such NQF Company is a beneficiary, upon written notice to the Trustee, in accordance with Article VI of the Master Terms.

Section 3.02. Distribution of Trust Upon Termination. Upon termination of all or a portion of a Nonqualified Fund, the Trustee shall assist the Investment Manager in liquidating assets of such trust (if so directed by the relevant NQF Company), and distributing the then-existing assets of the Fund (either the liquidation proceeds or the Fund assets-in-kind, including accrued, accumulated and undistributed net income) less final Fund administration expenses (including accrued taxes paid directly to a taxing authority) to such NQF Company, provided,

however, that no such distribution shall be made unless the Trustee has received an opinion of legal counsel of such NQF Company stating that such distribution does not violate any Order, and that the requirements of Article VI of the Master Terms have been met.

ARTICLE IV

Miscellaneous

Section 4.01. Binding Agreement. All covenants and agreements in this Agreement shall be binding upon and inure to the benefit of the respective parties hereto, their successors and assigns.

Section 4.02. Notices. All notices and communications hereunder shall be in writing and shall be deemed to be duly given on the date mailed if sent by registered mail, return receipt requested, as follows:

MELLON BANK, N.A.
[Insert Contact and Address]
NQF COMPANIES
as set forth in Schedule A

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

Section 4.03. Governing Law. Each Nonqualified Fund has been established pursuant to this Agreement in accordance with the requirements for trusts under the laws of the Commonwealth of Pennsylvania and this Agreement shall be governed by and construed and enforced in accordance with the laws of the Commonwealth of Pennsylvania.

Section 4.04. Counterparts. This Agreement may be executed in several counterparts, and all such counterparts executed and delivered, each an original, shall constitute but one and the same instrument.

Section 4.05. Contractual Income. The Trustee shall credit the Nonqualified Funds with income and maturity proceeds on securities on the contractual payment date net of any taxes or upon actual receipt as agreed between the Trustee and the NQF Companies. To the extent the NQF Companies and the Trustee have agreed to credit income on the contractual payment date, the Trustee may reverse such accounting entries with back value to the contractual payment date if the Trustee reasonably believes that such amount will not be received by it.

Section 4.06. Contractual Settlement. The Trustee will attend to the settlement of securities transactions on the basis of either contractual settlement date accounting or actual settlement date accounting as agreed between the NQF Companies and the Trustee. To the extent the NQF Companies and the Trustee have agreed to settle certain securities transactions on the basis of contractual settlement date accounting, the Trustee may reverse with back value

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

Section 4.07. Authority. The NQF Companies and the Trustee hereby each represent and warrant to the other that it has full authority to enter into this Agreement upon the terms and conditions hereof and that the individual executing this Agreement on its behalf has the requisite authority to bind the NQF Companies and the Trustee to this Agreement.

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

EXELON PEACH BOTTOM 1 NQ, LLC

By: _____
Name:
Title:

EXELON PEACH BOTTOM 2 NQ, LLC

By: _____
Name:
Title:

EXELON PEACH BOTTOM 3 NQ, LLC

By: _____
Name:
Title:

EXELON SALEM 1 NQ, LLC

By: _____
Name:
Title:

EXELON SALEM 2 NQ, LLC

By: _____
Name:
Title:

EXELON LIMMERICK 1 NQ, LLC

By: _____
Name:
Title:

EXELON LIMMERICK 2 NQ, LLC

By: _____
Name:
Title:

EXELON GENERATION COMPANY, LLC

By: _____
Name:
Title:

MELLON BANK, N.A.

By: _____
Name:
Title:

Schedule A

The following is a list of nuclear power plants owned in whole or part by ExGen, trust funds and their owners covered by the Master Terms:

<u>Unit</u>	<u>Nonqualified Fund</u>	<u>NQF Company</u>
Peach Bottom Unit 1	Exelon Peach Bottom Unit 1 Nonqualified Fund	Exelon Peach Bottom 1 NQ, LLC
Peach Bottom Unit 2	Exelon Peach Bottom Unit 2 Nonqualified Fund	Exelon Peach Bottom 2 NQ, LLC
Peach Bottom Unit 3	Exelon Peach Bottom Unit 3 Nonqualified Fund	Exelon Peach Bottom 3 NQ, LLC
Salem Unit 1	Exelon Salem Unit 1 Nonqualified Fund	Exelon Salem 1 NQ, LLC
Salem Unit 2	Exelon Salem Unit 2 Nonqualified Fund	Exelon Salem 2 NQ, LLC
Limerick Unit 1	Exelon Limerick Unit 1 Nonqualified Fund	Exelon Limerick 1 NQ, LLC
Limerick Unit 2	Exelon Limerick Unit 2 Nonqualified Fund	Exelon Limerick 2 NQ, LLC

The address of each of the NQF Companies is as follows: [Insert Nevada Address]

Schedule B

The following is a list of the Prior Agreements:

1. Nuclear Decommissioning Trust Agreement -- Peach Bottom Unit 1, dated as of February 22, 1994, as amended.
2. Nuclear Decommissioning Trust Agreement -- Peach Bottom Unit 2, dated as of February 22, 1994, as amended and restated.
3. Nuclear Decommissioning Trust Agreement -- Peach Bottom Unit 3, dated as of February 22, 1994, as amended and restated.
4. Nuclear Decommissioning Trust Agreement -- Salem Unit 1, dated as of February 22, 1994, as amended.
5. Nuclear Decommissioning Trust Agreement -- Salem Unit 2, dated as of February 22, 1994, as amended.
6. Nuclear Decommissioning Trust Agreement -- Limerick Unit 1, dated as of February 22, 1994, as amended.
7. Nuclear Decommissioning Trust Agreement -- Limerick Unit 2, dated as of February 22, 1994, as amended.

**3. Draft Amended and Restated Qualified Nuclear Decommissioning
Master Trust Agreement (Mellon Bank, N. A.)**

**AMENDED AND RESTATED
QUALIFIED NUCLEAR DECOMMISSIONING
MASTER TRUST AGREEMENT**

THIS AMENDED AND RESTATED QUALIFIED NUCLEAR DECOMMISSIONING MASTER TRUST AGREEMENT (the "Agreement"), dated as of _____, 2003 by and between Exelon Generation Company, LLC ("ExGen"), a limited liability company organized under the law of the State of Delaware and having a principal office at 200 Exelon Way, Kennett Square, Pennsylvania 19348, Exelon Generation Consolidation Company, LLC ("Consolidation"), a limited liability company duly organized and existing under the laws of the State of Nevada, having its principal office at _____, Nevada [zip], and MELLON BANK, N.A., as Trustee, having its office at _____, Nevada [zip] (the "Trustee");

WITNESSETH:

WHEREAS, ExGen is the owner in whole or in part of each of the Units ("Unit" shall mean each, and "Units" shall mean all, of the nuclear power plants listed on the Schedule A attached to this Agreement (as that Schedule may be supplemented from time to time by Consolidation by written notice to the Trustee). Each unit of a multi-unit nuclear power plant site shall be considered as a separate Unit for the purposes of this Agreement); and

WHEREAS, PECO Energy Company ("PECO") entered into certain Trust Agreements with the Trustee, described in Schedule B ("the Prior Agreements") which were established for the purpose of holding the decommissioning funds established by PECO for each Unit in which PECO owned an interest in whole or in part; and

WHEREAS, by Assignment dated January 10, 2001 PECO assigned its interests in the Units and its interests, rights, duties and obligations under the Prior Agreements to ExGen and ExGen agreed to accept such interests, rights, duties and obligations under the Prior Agreements; and

WHEREAS, by agreement dated as of January 10, 2001, ExGen and the Trustee entered into an amended and restated trust agreement (the "Amended and Restated Agreement") which amended the Prior Agreements and consolidated the separate trusts established by the Prior Agreements into a master trust; and

WHEREAS, the Amended and Restated Agreement provides for trusts for the exclusive purpose of providing for the decommissioning of the Units, which trusts consisted of qualified nuclear decommissioning funds (the "Qualified Funds") under section 468A of the Internal Revenue Code of 1986, as amended (the "Code") and nonqualified nuclear decommissioning funds (the "Nonqualified Funds"), the Qualified Funds and the Nonqualified Funds may hereinafter be referred to collectively as the "Funds"; and

WHEREAS, pursuant to certain assignments ExGen wishes to transfer to certain limited liability companies duly organized and existing under the laws of the State of Nevada (the "NQF Companies") its interests, rights, duties and obligations under the Amended and Restated Agreement in the Nonqualified Funds, as set forth in Schedule A attached hereto, and the NQF Companies have agreed to accept such interests, rights, duties and obligations; and

WHEREAS, pursuant to certain assignment agreements ExGen wishes to transfer to Consolidation its interest, rights, duties and obligations under the Amended and Restated Agreement in the Qualified Funds, and Consolidation has agreed to accept such interests, rights, duties and obligations; and

WHEREAS, ExGen, the NQF Companies and Consolidation wish to amend the Amended and Restated Agreement so that it is restated into two separate agreements, one with respect to the Nonqualified funds and one with respect to the Qualified Funds; and

WHEREAS, ExGen, Consolidation and the Trustee wish that this Agreement shall amend and restate the Amended and Restated Agreement with respect to the Qualified Funds; and

WHEREAS, ExGen and Consolidation wish that the Trustee continue to serve as Trustee of the Qualified Funds; and

WHEREAS, the execution and delivery of this Agreement have been duly authorized by Consolidation and the Trustee and all things necessary to make this Agreement a valid and binding agreement by Consolidation and the Trustee have been done.

NOW, THEREFORE, to provide for the maintenance of the Qualified Funds and the making of payments therefrom and the performance of the covenants by Consolidation and the Trustee set forth herein, ExGen has previously sold, assigned, transferred, set over and pledged unto the Trustee, and to the Trustee's successors and assigns, and the Trustee has acknowledged receipt of the funds representing the initial funding of and any additional contributions to the Qualified Funds.

TO HAVE AND TO HOLD THE SAME IN TRUST for the exclusive use and purposes and upon the terms and conditions hereinafter set forth and as set forth in the Master Terms for Trust Agreements (the "Master Terms") appended hereto as Exhibit 1, and such additional funds as may from time to time be added thereto as provided herein, together with the proceeds and reinvestments thereof.

ARTICLE I

PURPOSES OF THE TRUSTS

Section 1.01. Establishment of the Trusts. The Trustee shall hold a separate Qualified Fund for each Unit. The Qualified Funds for each Unit shall be as identified in Schedule A. The Qualified Funds shall be maintained separately at all times in the United States pursuant to this Agreement. Consolidation intends that the Qualified Funds shall qualify as nuclear decommissioning reserve funds under section 468A of the Code. The assets of the Qualified Funds may be used only in a manner authorized by section 468A of the Code and the Treasury Regulations thereunder and this Agreement cannot be amended to violate section 468A of the Code or the Treasury Regulations thereunder. The Trustee shall maintain such records as are necessary to reflect each Qualified Fund separately on its books from each other Qualified Fund and shall create and maintain such subaccounts within each Qualified Fund as Consolidation shall direct. In performing its duties under this agreement, the Trustee shall exercise the same care and diligence that it would devote to its own property in like circumstances.

Section 1.02. Purposes of the Funds. The Qualified Funds are established for the exclusive purpose of providing funds for the decommissioning of the Units. The Qualified Funds shall accumulate all contributions (whether from Consolidation or others) which satisfy the requirements of Section 2 of the Special Terms contained in Exhibit A to the Master Terms. The assets in the Qualified Funds shall be used as authorized by section 468A of the Code and regulations thereunder. None of the assets of the Qualified Funds shall be subject to attachment, garnishment, execution or levy in any manner for the benefit of creditors of Consolidation or any other party.

Section 1.03. Contributions to the Funds. The assets of the Qualified Funds shall be transferred or contributed by Consolidation (or by others approved in writing by Consolidation) from time to time. Cash contributions for each Unit shall be allocated to the Qualified Funds as Consolidation designates in writing at the time of payment.

Section 1.04. Master Terms. In addition to the terms set forth in this Agreement, the Qualified Funds shall also be governed by the provisions of the Master Terms. The terms of this Agreement, to the extent construed to be in conflict with the Master Terms, shall take precedence over the Master Terms. Any terms capitalized and not defined herein shall have the meaning set forth in the Master Terms.

ARTICLE II

DISTRIBUTIONS

Section 2.01. Distributions. Upon receipt of written instructions from Consolidation, and pursuant to the terms of Article II of the Master Terms, the Trustee

shall distribute all or a portion of the Qualified Trust to Consolidation.

ARTICLE III **TERMINATION**

Section 3.01. Termination. Consolidation may terminate all or a portion of the Qualified Funds, upon written notice to the Trustee, in accordance with Article VI of the Master Terms.

Section 3.02. Distribution of Trust Upon Termination. Upon termination of all or a portion of a Qualified Fund, the Trustee shall assist the Investment Manager in liquidating assets of such trust, and distributing the then-existing assets of the Qualified Fund (either the liquidation proceeds or the Fund assets-in-kind, including accrued, accumulated and undistributed net income) less final Fund administration expenses (including accrued taxes paid directly to a taxing authority) to Consolidation, provided, however, that no such distribution shall be made unless the Trustee has received an opinion of legal counsel of Consolidation stating that such distribution does not violate any Order, and that the requirements of Article VI of the Master Terms have been met

ARTICLE IV **Miscellaneous**

Section 4.01. Binding Agreement. All covenants and agreements in this Agreement shall be binding upon and inure to the benefit of the respective parties hereto, their successors and assigns.

Section 4.02. Notices. All notices and communications hereunder shall be in writing and shall be deemed to be duly given on the date mailed if sent by registered mail, return receipt requested, as follows:

MELLON BANK, N.A.
[Insert Contact and Address]

EXELON GENERATION CONSOLIDATION COMPANY, LLC
[Insert Contact and Address]

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

Section 4.03. Governing Law. Each Qualified Fund has been established pursuant to this Agreement in accordance with the requirements for trusts under the laws of the Commonwealth of Pennsylvania and this Agreement shall be governed by and construed and enforced in accordance with the laws of the Commonwealth of Pennsylvania.

Section 4.04. Counterparts. This Agreement may be executed in several counterparts, and all such counterparts executed and delivered, each an original, shall constitute but one and the same instrument.

Section 4.05. Contractual Income. The Trustee shall credit the Qualified Funds with income and maturity proceeds on securities on the contractual payment date net of any taxes or upon actual receipt as agreed between the Trustee and Consolidation. To the extent Consolidation and the Trustee have agreed to credit income on the contractual payment date, the Trustee may reverse such accounting entries with back value to the contractual payment date if the Trustee reasonably believes that such amount will not be received by it.

Section 4.06. Contractual Settlement. The Trustee will attend to the settlement of securities transactions on the basis of either contractual settlement date accounting or actual settlement date accounting as agreed between Consolidation and the Trustee. To the extent Consolidation and the Trustee have agreed to settle certain securities transactions on the basis of contractual settlement date accounting, the Trustee may reverse with back value to the contractual settlement date any entry relating to such contractual settlement where the related transaction remains unsettled according to established procedures.

Section 4.07. Authority. Consolidation and the Trustee hereby each represent and warrant to the other that it has full authority to enter into this Agreement upon the terms and conditions hereof and that the individual executing this Agreement on its behalf has the requisite authority to bind Consolidation and the Trustee to this Agreement.

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

**EXELON GENERATION CONSOLIDATION
COMPANY, LLC**

By: _____
Name:
Title:

EXELON GENERATION COMPANY, LLC

By: _____

Name:
Title:
MELLON BANK, N.A.

By: _____
Name:
Title:

Schedule A

The following is a list of nuclear power plants owned in whole or part by ExGen and the Qualified Funds covered by the Master Terms:

<u>Units</u>	<u>Funds</u>
Peach Bottom Unit 2	Exelon Peach Bottom Unit 2 Qualified Fund
Peach Bottom Unit 3	Exelon Peach Bottom Unit 3 Qualified Fund
Salem Unit 1	Exelon Salem Unit 1 Qualified Fund
Salem Unit 2	Exelon Salem Unit 2 Qualified Fund
Limerick Unit 1	Exelon Limerick Unit 1 Qualified Fund
Limerick Unit 2	Exelon Limerick Unit 2 Qualified Fund

Schedule B

The following is a list of the Prior Agreements:

1. Nuclear Decommissioning Trust Agreement -- Peach Bottom Unit 1, dated as of February 22, 1994, as amended.
2. Nuclear Decommissioning Trust Agreement -- Peach Bottom Unit 2, dated as of February 22, 1994, as amended and restated.
3. Nuclear Decommissioning Trust Agreement -- Peach Bottom Unit 3, dated as of February 22, 1994, as amended and restated.
4. Nuclear Decommissioning Trust Agreement -- Salem Unit 1, dated as of February 22, 1994, as amended.
5. Nuclear Decommissioning Trust Agreement -- Salem Unit 2, dated as of February 22, 1994, as amended.
6. Nuclear Decommissioning Trust Agreement -- Limerick Unit 1, dated as of February 22, 1994, as amended.
7. Nuclear Decommissioning Trust Agreement -- Limerick Unit 2, dated as of February 22, 1994, as amended.

ATTACHMENT B

DRAFT AMENDED AND RESTATED MASTER TRUST AGREEMENTS WITH THE NORTHERN TRUST COMPANY

- 1. Draft Master Terms for Trust Agreements**
- 2. Draft Amended and Restated Non-Tax Qualified Nuclear
Decommissioning Master Trust Agreement**
- 3. Draft Amended and Restated Tax-Qualified Nuclear
Decommissioning Master Trust Agreement**

- 1. Draft Master Terms for Trust Agreements (The Northern Trust Company)**

MASTER TERMS FOR TRUST AGREEMENTS

Between

EXELON GENERATION CONSOLIDATION COMPANY, LLC

EXELON BRAIDWOOD 1 NQ, LLC

EXELON BRAIDWOOD 2 NQ, LLC

EXELON BYRON 1 NQ, LLC

EXELON BYRON 2 NQ, LLC

EXELON DRESDEN 1 NQ, LLC

EXELON DRESDEN 2 NQ, LLC

EXELON DRESDEN 3 NQ, LLC

EXELON LASALLE 1 NQ, LLC

EXELON LASALLE 2 NQ, LLC

EXELON QUAD CITIES 1 NQ, LLC

EXELON QUAD CITIES 2 NQ, LLC

EXELON ZION 1 NQ, LLC

EXELON ZION 2 NQ, LLC

and

THE NORTHERN TRUST COMPANY

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MASTER TERMS FOR TRUST AGREEMENTS

The following Master Terms for Trust Agreements (the "Master Terms") shall apply for purposes of the Amended and Restated Tax-Qualified Nuclear Decommissioning Master Trust Agreement by and between Commonwealth Edison Company (for the limited purposes of confirming the assignment reflected in Section 3.11 of the Tax-Qualified Agreement hereof and its rights as stated in Section 1.04 of said Agreement and Sections 2.8 and 2.9 hereof), Exelon Generation Company, LLC ("ExGen"), Exelon Generation Consolidation Company, LLC ("Consolidation") and the Northern Trust Company as Trustee (the "Trustee"), and for purposes of the Amended and Restated Non-Tax Qualified Nuclear Decommissioning Master Trust Agreement by and between Commonwealth Edison Company (for the limited purposes of confirming the assignment reflected in Section 3.11 of the Non-Tax Qualified Agreement and its rights as stated in Section 1.04 of said Agreement and Sections 2.8 and 2.9 hereof), ExGen, the limited liability companies identified on Schedule A of such agreement (the "NQF Companies") and the Trustee.

Any terms capitalized but not defined herein shall have the same meaning as assigned to such terms in the Trust Agreements.

ARTICLE 1: DEFINITIONS, NAME, AUTHORIZED ACTORS AND PURPOSE

1.1 *Definitions.* For purposes of the Master Terms, the following terms shall have the following meanings:

"Agreements," and **"Trust Agreements"** shall mean and include the Amended and Restated Tax-Qualified Nuclear Decommissioning Master Trust Agreement and the Amended and Restated Non-Tax Qualified Nuclear Decommissioning Master Trust Agreement as they may from time to time be amended, modified, or supplemented.

"Applicable Regulatory Requirements" shall mean laws, rules, regulations, orders and license requirements applicable to the retention, investment and utilization of funds for the costs of the decommissioning of any Plant, including, without limitation, rules, regulations and orders issued by the NRC and any requirements set forth in the NRC-issued license to operate that Plant and any amendments thereto.

"Code" shall mean the Internal Revenue Code of 1986, as it may be amended from time to time, and the regulations promulgated thereunder. **"Section 468A"** shall mean that section of the Code, as it may be amended from time to time, and any successor provision thereto, and the regulations promulgated thereunder. **"Section 4951"** shall mean that section of the Code, as it may be amended from time to time, and any successor provision thereto, and the regulations promulgated thereunder.

"ComEd" shall mean Commonwealth Edison Company, an Illinois corporation, and its successors and assigns. Such term shall include, for purposes of Sections 2.8 hereof and Section 3.07 of the Trust Agreements (and Section 2.9 hereof, to the extent that Section addresses

amendments of Sections 2.8 hereof or Section 3.07 of the Trust Agreements), the entity that is then responsible for effecting any refunds to ratepayers as contemplated by the Order, dated December 20, 2000, and Amendatory Order dated February 21, 2001, entered by the Illinois Commerce Commission in Docket No. 00-0361, as such Orders may be amended, modified, replaced or superceded by any subsequent Illinois Commerce Commission or judicial order or any legislative enactment or provision.

"Consolidation" shall mean the Exelon Generation Consolidation Company, LLC.

"Disbursement Certificate" shall mean a document properly completed and executed by Consolidation or any of the NQF Companies substantially in the form of Exhibit A hereto.

"Excess Contribution" shall have the meaning set forth in Section 2.4 hereof.

"Final Tax Liabilities" shall mean any and all tax liabilities of a Tax-Qualified Trust determined to be owing but not paid out of the assets of a seller's or transferor's trust prior to the transfer of the assets of a seller's or transferor's trust to the Trust.

"Final Tax Refunds" shall mean any and all tax refunds of a Tax-Qualified Trust determined to be receivable but not collected by a seller's or transferor's trust prior to the transfer of the assets of a seller's or transferor's trust to the Trust.

"Future Orders" shall mean any orders of applicable regulatory bodies, including the NRC, and any Federal or state laws adopted, in connection with the retention, investment and utilization of funds for the costs of the decommissioning of any Plant.

"Master Terms" shall mean this Master Terms for Trust Agreements.

"Non-Tax Qualified Trust" shall mean each, and ***"Non-Tax Qualified Trusts"*** shall mean all, of the separate funds established for nuclear decommissioning, which are not tax qualified under Section 468A.

"NQF Company" shall mean any, and ***"NQF Companies"*** shall mean all of the the limited liability companies identified on Schedule A of the Amended and Restated Non-Tax Qualified Nuclear Decommissioning Master Trust Agreement.

"Plant" shall mean each, and ***"Plants"*** shall mean all, of the nuclear power plants listed on the separate Schedules attached to the Trust Agreements, as such Schedules may be supplemented from time to time by Consolidation and the NQF Companies by written notice to the Trustee. Each unit of a multi-unit nuclear power plant site shall be considered as a separate Plant for the purposes of this Agreement.

"Qualified Costs" shall mean the costs incurred in the decommissioning of a Plant (including, in the case of a multi-unit nuclear power plant site, any related common facilities), to the extent that such costs may be paid out of a Trust without contravening Applicable Regulatory Requirements. For a Tax-Qualified Trust, the applicable regulations will include the provisions of Section 468A.

"Service" shall mean the Internal Revenue Service.

"Substantial Completion of Decommissioning" shall mean the date at which the maximum acceptable radioactivity levels mandated by the NRC with respect to the decommissioned nuclear power plant are satisfied and the NRC license is terminated.

"Tax-Qualified Trust" shall mean each, and **"Tax-Qualified Trusts"** shall mean all, of the separate funds established for nuclear decommissioning under Section 468A.

"Trust" shall mean each, and **"Trusts"** shall mean all, of the funds created under the Trust Agreements, as such Agreements may be supplemented from time to time by Consolidation and the NQF Companies by written notice to the Trustee.

"Withdrawal Certificate" shall mean a document properly completed and executed by Consolidation or any of the NQF Companies substantially in the form of Exhibit B hereto.

1.2 **Names of Trusts.** Each Non-Tax Qualified Trust created under the Amended and Restated Non-Tax Qualified Nuclear Decommissioning Master Trust Agreement shall be known as the "[Name of Plant] Non-Tax Qualified Trust." Non-Tax Qualified Trusts, collectively, shall be known as the "Non-Tax Qualified Trust Funds." Each Tax-Qualified Trust created under the Amended and Restated Tax-Qualified Nuclear Decommissioning Master Trust Agreement shall be known as the "[Name of Plant] Tax-Qualified Trust", collectively, shall be known as the "Tax-Qualified Trust Funds."

1.3 **Purpose of Trust Agreement.** The purpose of this Trust Agreement is to provide funds for the contemplated decommissioning of the Plants listed on the separate Schedules attached hereto, and to comply with Applicable Regulatory Requirements. Tax-Qualified Trusts shall constitute "nuclear decommissioning reserve funds" within the meaning of Section 468A, and the assets of the Tax-Qualified Trusts must be used as authorized by Section 468A.

ARTICLE 2: ESTABLISHMENT OF SEPARATE TRUSTS AND DISPOSITIVE PROVISIONS

The Trustee shall manage, invest, reinvest and, after payment of the expenses described in Section 4.1 hereof, distribute each Trust as follows:

2.1 [This Section Intentionally Deleted]

2.2 **Payment of Nuclear Decommissioning Costs.**

(a) Subject to the restrictions contained in Section 2.2(d), the Trustee shall make payments of Qualified Costs in accordance with the following procedures:

(i) **Disbursements to Third Parties.** The Trustee shall make payments of Qualified Costs to any person (other than Consolidation or the NQF Companies) for goods provided or labor or other services rendered to

Consolidation or a NQF Company in connection with the decommissioning of a Plant as described in a Disbursement Certificate.

(ii) *Reimbursement.* The Trustee shall make payments to Consolidation or the appropriate NQF Company or Companies in reimbursement of Qualified Costs actually incurred and paid to any other person as described in a Withdrawal Certificate.

(b) The Trustee shall be under no duty to inquire into the correctness or accuracy of matters contained in a Disbursement Certificate or Withdrawal Certificate unless representatives of the Trustee then approving any withdrawal or disbursement based on such certificate have actual knowledge of the falsity of any statements made therein.

(c) ExGen (as to both the Tax-Qualified Trusts and the Non-Tax Qualified Trusts), Consolidation (as to the Tax-Qualified Trusts) and the NQF Companies (as to the Non-Tax Qualified Trusts) hereby agree to indemnify the Trustee and hold it harmless from any tax imposed pursuant to Section 4951 with respect to a disbursement or reimbursement made by the Trustee pursuant to this Section 2.2 in reliance on a Disbursement Certificate or a Withdrawal Certificate, *provided* representatives of the Trustee then approving such disbursement or reimbursement do not have actual knowledge of the falsity of any statements made in the related Disbursement Certificate or Withdrawal Certificate that would have prevented the imposition of such tax.

(d) Except for administrative costs and taxes as provided in Sections 2.5 and 4.1 hereof, no disbursements or payments for decommissioning costs from the Trusts shall be made by the Trustee:

(i) unless the Trustee has first provided thirty days' prior written notice of such disbursement or payment to the NRC Director, Office of Nuclear Reactor Regulation; and

(ii) if, within thirty days of providing the notice referred to in clause (i) of this Section 2.2(d), the Trustee receives written notice of an objection from the NRC Director, Office of Nuclear Reactor Regulation.

2.3 Additions to Trusts. From time to time prior to the termination of each Trust held hereunder, Consolidation and the NQF Companies may make, and the Trustee shall accept, additional contributions of funds to any separate Trust held hereunder to satisfy the purpose of the Trust Agreements as set forth in Section 1.4 of these Master Terms. The making of a contribution by Consolidation or the NQF Companies shall constitute the certification of Consolidation or the NQF Companies, as the case may be, that all necessary consents and approvals to such contribution have been obtained, and that in the case of Tax-Qualified Trusts, the contribution meets the requirements of Section 468A.

2.4 *Subsequent Adjustments.*

(a) *For a Tax-Qualified Trust:* The Trustee and Consolidation understand that the contributions (excluding any Final Tax Refunds) made by Consolidation and allocated to a Trust from time to time may subsequently be determined to exceed the amounts determined pursuant to Section 468A and paragraph (c)(2)(ii) of Treasury Regulation § 1.468A-5 thereunder (any such excess being hereinafter referred to as an "**Excess Contribution**"). Upon the written certification of Consolidation, setting forth the amount of the Excess Contribution, and upon receipt of the opinion of legal counsel described below, the Trustee shall distribute such amount to the Trustee of the appropriate Non-Tax Qualified Trust, or, if so requested in such written certification, transfer all or a portion of such amount to one or more other separate Trusts held under the Trust Agreements. Any income attributable to any such Excess Contribution shall be allocated to the Trust to which such Excess Contribution relates.

(b) *For a Non-Tax Qualified Trust:* The Trustee and the NQF Companies understand that all or a portion of the contributions made by the NQF Companies and allocated to a Trust from time to time may subsequently be determined to be amounts that may be contributed to the Tax-Qualified Trust pursuant to Section 468A (any such excess also being hereinafter referred to as an "**Excess Contribution**"). Upon the written certification of Consolidation and the appropriate NQF Company, setting forth the amount of the Excess Contribution, and upon receipt of the opinion of legal counsel described below, the Trustee shall transfer such amount to the Trustee of the Tax-Qualified Trust, *provided, however*, that such transfer shall be made prior to the expiration of 2-1/2 months after the close of the taxable year for which the contribution was made. Income attributable to any such Excess Contribution shall not be transferred.

(c) Distributions and transfers of any Excess Contribution shall not be made unless Consolidation and the appropriate NQF Company furnish the Trustee with an opinion of legal counsel to the effect that such distribution or transfer will not result in disqualification of the Trust under Section 468A or constitute a violation of Applicable Regulatory Requirements, and that all necessary consents and approvals to such distribution or transfer have been obtained.

2.5 *Remittance and Payment of Taxes*

(a) *Payment of Taxes Owed on Tax-Qualified Trusts.* The Trustee shall pay out of each separate Trust any Federal and, if applicable, state and local taxes on the income of such Trust, including any Final Tax Liability, as and when due in accordance with the returns prepared pursuant to Section 3.5 hereof.

(b) *Remittance of Taxes for Non-Tax Qualified Trusts.* The Trustee shall remit to each of the NQF Companies, annually within 15 business days after a NQF Company requests therefor the amount from each Trust which said NQF Company certifies as the amount by which said NQF Company's Federal and, if applicable, state income taxes for the preceding fiscal year were increased by the net income of such

Trust. The Trustee shall be under no duty to inquire into the correctness or accuracy of any such certificate.

(c) *Unrelated Business Taxable Income.* To the extent that assets of any Trust(s) are segregated in an investment management account pursuant to Section 3.8(a) hereof, the Investment Manager shall have the sole responsibility to make any determination as to whether any investment of such assets results in unrelated business taxable income and shall prepare any applicable tax returns, tax information returns and/or other reports pursuant to Section 3.5. The Trustee shall act at the direction of the Investment Manager consistent with the provisions of Section 2.5(a), 2.5(b) and 3.5 hereof.

2.6 [Intentionally Deleted]

2.7 *Time of Termination.* Each Trust under the Trust Agreements shall terminate in whole, to the extent provided in this Section 2.7, upon the earlier to occur of the following events:

(a) The Substantial Completion of Decommissioning of the Plant (including, in the case of a multi-unit nuclear power plant site, any related common facilities) for which such Trust was created and named, as evidenced to the Trustee by the written certification of Consolidation or the appropriate NQF Company.

(b) The distribution of all of the assets from the Trust.

The Trust Fund shall terminate when all of the separate Trusts have terminated.

2.8 *Distribution of Trust Upon Termination.* Upon termination of each Trust, the Trustee shall distribute the entire remaining amount of that Trust, including all accrued, accumulated, and undistributed net income, to ComEd. The interest of ComEd in any Trust is not subject to the claims of creditors of ComEd.

2.9 *Alterations and Amendments.* The Trustee and Consolidation and the NQF Companies understand and agree that amendments may be required to the Trust Agreements and/or these Master Terms from time to time to effectuate the purpose of the Trust Agreements and to comply with amendments to or changes in Applicable Regulatory Requirements, changes in tax laws (including Section 468A), regulations or rulings (whether published or private) of the Service (whether or not directly relating to Section 468A), and any other changes in the laws applicable to Consolidation and the NQF Companies, the Plants or the Trusts created in the Trust Agreements. Consolidation and the NQF Companies and the Trustee may amend the Trust Agreements and/or these Master Terms to the extent necessary or desirable to effectuate such purpose or to comply with such changes; *provided, however*, that neither the Trust Agreement nor these Master Terms may be amended so as to violate Section 468A; *provided further* that Sections 2.8, and Section 2.9 of the Master Terms and Sections 1.04, 3.07 and 3.11 of the Trust Agreements may not be amended without the approval of ComEd; and *provided further* that neither the Trust Agreements and nor these Master Terms may be modified in any material

respect without first providing thirty days' prior written notice to the NRC Director, Office of Nuclear Reactor Regulation and to ComEd, and absent notice of objection from the NRC Director, Office of Nuclear Reactor Regulation, prior to the effective date of any such amendment. Consolidation and the NQF Companies shall furnish the Trustee with an opinion of legal counsel that any such amendment does not violate Applicable Regulatory Requirements, and would not result in the disqualification of the Tax-Qualified Trusts as "nuclear decommissioning reserve funds" under Section 468A, and that all necessary approvals to such amendment have been obtained. Notwithstanding the foregoing, the Trustee may decline to adopt such amendment, if such amendment materially increases the expenses or responsibilities of the Trustee and no adequate provision has been made to compensate the Trustee for such increase, or if the Trustee would be unable with reasonable effort to comply with its duties as to be amended.

2.10 *No Authority to Conduct Business.* The purpose of the Trust Agreements is limited to the matters set forth in Section 1.4 above. Neither the Trust Agreement nor these Master Terms shall be construed to confer upon the Trustee any authority to conduct business.

ARTICLE 3: GENERAL PROVISIONS RELATING TO THE TRUSTEE

The appointment of any successor Trustee, provisions governing resignation and compensation of the Trustee, and the general rules governing the relationships of the Trustee and Consolidation and the NQF Companies and any third parties are as follows:

3.1 *Designation and Qualification of Successor Trustees.* At any time during the term of the Trust Agreements, Consolidation and the appropriate NQF Company or Companies shall have the right, with respect to their respective Trust(s), to remove the Trustee acting under the Trust Agreements and appoint another qualified entity as a successor trustee upon 30 days' notice in writing to the Trustee, or upon such shorter notice as may be acceptable to the Trustee. Any Trustee shall have the right to resign at any time upon 30 days' notice in writing to Consolidation and/or the appropriate NQF Company or Companies for the affected Trust(s) and upon such resignation Consolidation and/or the appropriate NQF Company or Companies shall appoint another qualified entity as a successor Trustee for their respective Trust(s).

Any successor Trustee shall qualify by a duly acknowledged acceptance of the Trust Agreements, the Trusts created thereunder and these Master Terms, delivered to Consolidation and/or the appropriate NQF Company or Companies. Upon acceptance of such appointment by the successor Trustee, the Trustee shall transfer to such successor Trustee the Trust Fund. Any successor Trustee shall have all the rights, powers, duties and obligations herein granted to the original Trustee.

If for any reason Consolidation or the appropriate NQF Company or Companies are unable to or do not appoint a successor Trustee within 90 days after the resignation or removal of the Trustee for their respective Trust(s) as provided above, Consolidation, the appropriate NQF Company or Companies, or the Trustee may apply to a court of competent jurisdiction for the appointment of a successor Trustee.

3.2 Compensation and Reimbursement. The Trustee shall be entitled to compensation from each Trust held under the Trust Agreements at such rates as may be approved in writing from time to time by Consolidation or the NQF Companies as the case may be. Subject to the approval of Consolidation and the NQF Companies (which shall not be unreasonably withheld or delayed), the Trustee shall be entitled to be reimbursed from each Trust held hereunder for out-of-pocket expenses, including, but not limited to, expenses of agents, auditors and counsel, incurred in connection with the administration of such Trust.

3.3 Transactions With Third Parties. No person or organization dealing with the Trustee shall be required to inquire into or to investigate its authority for entering into any transaction or to see to the application of the proceeds of any such transaction.

3.4 Financial Statements. The Trustee shall furnish monthly financial statements (audited by the Trustee's internal audit staff) for each Trust to Consolidation and the appropriate NQF Company or Companies not later than the 15th business day of the following month. The financial statements shall show the financial condition of the Trust, including, without limitation, the market value of the assets, and the income and expenses of each Trust for the period since the preceding statement. Any such financial statement may be approved by Consolidation and the appropriate NQF Company or Companies with respect to their respective Trust(s) by written notice to the Trustee or by failure to object to such financial statement within six months of the date upon which such financial statement was delivered to Consolidation and the appropriate NQF Company or Companies. The approval of any such financial statement shall constitute a full and complete discharge of the Trustee as to all matters set forth in such financial statement; *provided, however*, that the foregoing shall not relieve or absolve the Trustee from any liability associated with a failure to perform its fiduciary responsibilities. Effective January 1, 2000, the financial statements shall be audited upon direction of Consolidation or the appropriate NQF Company or Companies with respect to their respective Trust(s) by independent certified public accountants employed by the Trustee, subject to the limitations contained in Section 4.9 hereof.

3.5 Tax Returns, Tax Information Returns and Other Reports. The Trustee shall prepare or cause to be prepared such income or other tax returns for the Tax-Qualified Trusts, and tax information returns and such reports as may be required from time to time for the Non-Tax Qualified Trusts, and shall provide copies thereof to Consolidation or the appropriate NQF Company or Companies in advance of their filing for review. The Trustee shall provide to Consolidation or the appropriate NQF Company or Companies, as the case may be, all statements, documents, lists, or other information reasonably requested by Consolidation or the appropriate NQF Company or Companies. The Trustee shall also sign all such income or other tax returns and information returns, and the Trustee shall file them or cause them to be filed with the appropriate government agencies. The Trustee shall cooperate with all requests made by regulatory agencies and shall provide copies to Consolidation and/or the appropriate NQF Company or Companies in advance of all information submitted to regulatory agencies. At the request of Consolidation or the appropriate NQF Company or Companies, the Trustee shall testify with respect to the Trusts and the Trust Fund in proceedings before regulatory agencies.

3.6 *Nominees; Depositories.* If the Trustee employs an agent or depository, specifically for purposes of providing services related to any Trust held hereunder (other than a securities broker), the Trustee shall disclose to such agent or depository that it is employed on behalf of such Trust. Subject to Section 3.10(b) hereof, the Trustee shall be liable for acts or omissions of the Trustee (and those of its officers and employees) occasioned by the willful misconduct or negligence of such Trustee (and that of its officers and employees). The Trustee shall further be liable for the acts of its nominee, or of any agent or depository or any nominee of any agent or depository with which any security of any Trust is deposited by the Trustee, as the case may be, with respect to any security registered in the name of the Trustee's nominee or in the name of the nominee of any such agent or depository, or with respect to any security of such Trust deposited with any agent or depository, and shall be liable for its acts and the acts of any such agent or depository with respect to the holding of securities in bulk.

With respect to the Tax-Qualified Trusts, the Trustee, or the Investment Manager with respect to an "investment manager account" (as hereinafter defined) (and, in either case, not the Trusts), shall also be liable for any tax imposed pursuant to Section 4951, as such section is made applicable to the Trusts, the Trust Fund, or the Trustee, and any applicable successor provision.

3.7 *Future Orders.* Consolidation and the NQF Companies shall promptly advise the Trustee in writing of the existence of any Future Orders having the effect of imposing new or different responsibilities upon the Trustee under the Trust Agreements or the Master Terms.

3.8 *Appointment of Investment Manager.*

(a) Consolidation and the NQF Companies shall have the right from time to time to appoint and remove one or more Investment Managers for their respective Trust(s) held under the applicable Trust Agreement and to direct the segregation of any part or all of any such Trust into one or more accounts to be known as "*investment manager accounts*" and if Consolidation or an NQF Company does so, it shall appoint an individual, partnership, association, or corporation as Investment Manager to manage the portion of any Trust so segregated. Written notice of any such appointment and/or removal shall be given to the Trustee and the Investment Manager so appointed. The appointment, after the date hereof, shall be accomplished using an investment manager agreement signed by Consolidation or the appropriate NQF Company and the Investment Manager. The Trustee may assume that any investment manager account previously established and the prior appointment of any Investment Manager for that account continues in force until receipt of written notice to the contrary from Consolidation or the appropriate NQF Company, as the case may be. As long as the Investment Manager is acting, the Investment Manager shall have full authority to direct the acquisition, retention and disposition of the assets from time to time comprising the investment manager account being managed by the Investment Manager, in accordance with Sections 2.5(c), 4.2, 4.3, 4.4 and 4.5 hereof. Upon the separation of the assets in accordance with Consolidation or the NQF Company instructions, the Trustee, as to those assets while so separated, shall be released and relieved of all investment duties, investment responsibilities and investment liabilities normally or statutorily incident to a

trustee; *provided, however*, that the Trustee shall review the transactions in each investment manager account on a daily basis for the purpose of determining whether any assets acquired or any pending asset acquisitions (as to which the Trustee has been given information) are Prohibited Investments as provided in Section 4.3 hereof. In the event that the Trustee determines as a result of any such daily review that an investment is a Prohibited Investment as provided in Section 4.3, hereof, then it shall notify Consolidation or the appropriate NQF Company and the applicable Investment Manager within one business day of such determination by telephone, with confirmation in writing. The Trustee shall retain all other fiduciary duties with respect to assets the investment of which is directed by investment managers.

(b) ExGen (as to both the Tax-Qualified Trusts and the Non-Tax Qualified Trusts), Consolidation (as to the Tax-Qualified Trusts) and the NQF Companies (as to the Non-Tax Qualified Trusts) hereby agree to indemnify the Trustee and hold it harmless from any liability or expense incurred without gross negligence, willful misconduct, recklessness or bad faith on the part of the Trustee, in connection with or arising out of: (i) any action taken or omitted or any investment or disbursement of any part of the investment manager account made by the Trustee at the direction of the Investment Manager, or (ii) any action taken by the Trustee pursuant to notification of an order issued by an Investment Manager to purchase or sell securities directly to a broker or dealer under a power of attorney.

(c) To the extent that Consolidation or the appropriate NQF Company or Companies notify the Trustee with respect to their respective Trust(s) that any Trust assets are currently not allocated to an investment manager account, the Trustee shall have investment responsibility for such assets until further notice from Consolidation or the appropriate NQF Company or Companies, and shall hold, invest and reinvest such assets subject to any investment guidelines issued to it by Consolidation or the appropriate NQF Company or Companies, and subject further to the provisions of Sections 4.2 and 4.3 hereof.

3.9 Use of Subordinated Trusts. Consolidation and each of the NQF Companies shall have the right to direct the segregation of any part of the Trusts into one or more "*Subordinated Trusts*." If Consolidation and/or the NQF Companies do so, they shall appoint a corporate trustee as Subordinated Trustee to manage the portion of any trust so segregated. Written notice of any such appointment and/or removal shall be given to the Trustee and Consolidation and/or the NQF Companies shall direct the Trustee to enter into such trust agreement with each Subordinated Trustee as Consolidation and/or the NQF Companies determine is appropriate.

The Subordinated Trust shall be under the control of the Subordinated Trustee. The Subordinated Trustee shall be responsible for complying with the provisions of Section 4.2 and 4.3 hereof, and the Trustee shall have no responsibility therefore; *provided, however*, that if the Trustee has actual knowledge of an action taken by the Subordinated Trustee in violation of or noncompliance with any of the provisions of Section 4.2 or 4.3 hereof, the Trustee shall have a duty to promptly inform Consolidation and/or the NQF Companies, as the case may be, of such violation or noncompliance.

Consolidation and the NQF Companies will indemnify the Trustee and hold it harmless from any liability or expense in connection with or arising out of the actions of the Subordinated Trustee with respect to the Subordinated Trust account.

3.10 *Certain Duties and Responsibilities of the Trustee.*

(a) In the absence of bad faith on its part, the Trustee may conclusively rely upon certificates or opinions furnished to the Trustee and conforming to the requirements of the Trust Agreements and the Master Terms; but in the case of any such certificates or opinions which by any provision hereof are specifically required to be furnished to the Trustee, the Trustee shall have no duty to examine the same to determine whether they conform to the requirements of the Trust Agreements and these Master Terms unless the representative of the Trustee involved with the certificate in question has actual knowledge of the falsity of any statement made therein.

(b) No provision of the Trust Agreements or these Master Terms shall be construed to relieve the Trustee from liability for its own negligent action, its own negligent failure to act, or its own willful misconduct, except that (i) this subsection shall not be construed to limit the effect of subsection (a) of this section; (ii) the Trustee shall not be liable for any error of judgment made in good faith by a responsible officer of the Trustee, unless it shall be proved that the Trustee was negligent in ascertaining the pertinent facts or was otherwise negligent in making the judgment; and (iii) no provision of the Trust Agreements or these Master Terms shall require the Trustee to expend or risk its own funds or otherwise incur any financial liability in the performance of any of its duties hereunder, or in the exercise of any of its rights or powers, if it shall have reasonable grounds for believing that repayment of such funds or adequate indemnity against such risk or liability is not reasonably assured to it.

3.11 *Certain Rights of Trustee.* Except as otherwise provided in Section 3.10 hereof:

(a) Any request or direction of Consolidation or any of the NQF Companies mentioned herein shall be sufficiently evidenced by a written request or direction signed, prepared or furnished by an authorized representative of Consolidation or the appropriate NQF Company, or an oral or telephonic request or order confirmed within a reasonable time by such a written request or direction, and any action of the board of directors of Consolidation and any of the NQF Companies may be sufficiently evidenced by a certificate of Consolidation or the appropriate NQF Company's secretary or assistant secretary;

(b) Whenever in the administration of any Trust created under the Trust Agreements the Trustee shall deem it desirable that a matter be proved or established prior to taking, suffering or omitting any action hereunder, the Trustee (unless other evidence be herein specifically prescribed) may, in the absence of bad faith on its part, rely upon the certificate of an authorized representative of Consolidation or the NQF Companies;

(c) The Trustee may consult with legal counsel and the written advice of such counsel or any opinion of such counsel shall be full and complete authorization and protection in respect of any action taken or omitted by it hereunder in good faith and in reliance thereon; and

(d) The Trustee shall be under no obligation to exercise any of the rights or powers vested in it by the Trust Agreements at the request or direction of Consolidation or the NQF Companies pursuant to the Trust Agreements or these Master Terms, unless Consolidation or the NQF Companies, as the case may be, shall have offered to the Trustee reasonable security or indemnity against the costs, expenses and liabilities which might be incurred by it in compliance with such request or direction.

ARTICLE 4: TRUSTEE'S POWERS

The Trustee shall have, with respect to each Trust held under the Trust Agreements, the following powers, all of which powers are fiduciary powers to be exercised in a fiduciary capacity and in the best interests of such Trust, and which are to be exercised as the Trustee, acting in such fiduciary capacity, in its discretion, shall determine, except that the Trustee shall not act in its discretion but only at the direction of an appointed Investment Manager in the exercise of those powers given in Sections 4.2, 4.3, 4.4 and 4.5 hereof with respect to the acquisition, retention, and disposition of the assets of an investment manager account, and, except as otherwise provided, which are intended in no way to limit the general powers of the office. The Subordinated Trustee shall have those powers set forth in an appropriate Subordinated Trust Agreement, which shall not be inconsistent with the material terms of the Trust Agreement or these Master Terms.

4.1 *Payment of or Provision for Expenses of Administration.* The Trustee shall have the power to incur, pay or make provision for any and all charges, taxes, and expenses upon or connected with each Trust held under the Trust Agreements in the discharge of its fiduciary obligations thereunder (and other incidental expenses of the Fund (including legal, accounting, actuarial and trustee expenses)), but to charge said amounts to such Trust only to the extent that such amounts are directed to be paid from such Trust by Consolidation or any of the NQF Companies pursuant to Section 2.4 or 3.2 hereof or, in the case of Tax-Qualified Trusts, as may be incurred and paid from such Trust without causing the Trust to become disqualified under Section 468A.

4.2 *Investment of Trust Fund: Prudent Investor Standard.*

(a) Pending any other permissible use of any Trust held under the Trust Agreements, and subject to the limitations provided in Section 4.3 of these Master Terms, the Trustee shall have the power and authority to invest and reinvest all or any part of the assets of such Trust, including any undistributed income therefrom, in a manner consistent with the "prudent investor" standard as specified in 18 CFR § 35.32(a)(3) of the Federal Energy Regulatory Commission regulations and in such a way as to attempt to maximize the after-tax returns thereon.

(b) In the exercise of the power and authority set forth in Section 4.2(a) hereof, the Trustee has the following powers and authority:

(i) to purchase, receive or subscribe for any securities or other property and to retain in trust such securities or other property;

(ii) to sell, exchange, convey, transfer, lend, or otherwise dispose of any property held in the Trusts and to make any sale by private contract or public auction; and no person dealing with the Trustee shall be bound to see to the application of the purchase money or to inquire into the validity, expediency or propriety of any such sale or other disposition;

(iii) to vote in person or by proxy any stocks, bonds or other securities held in the Trusts;

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

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

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

(vi) to invest assets of the Trust in foreign and domestic futures contracts, options on futures contracts, options contracts, swaps, short sales and other derivative investments, and, in connection with such investments, to transfer assets of the Trust to brokers or other third parties as margin or collateral at the direction of the Investment Manager; *provided, however*, that the Investment Manager and Trustee shall have first entered into an appropriate account agreement with such broker or third party. Notwithstanding anything to the contrary contained in the Trust Agreements or these Master Terms, the Trustee shall have no custodial responsibility for any assets so transferred;

(vii) to invest in any collective, common or pooled trust fund operated or maintained exclusively for the commingling and collective investment of monies or other assets including any such fund operated or maintained by the Trustee or an affiliate. Consolidation and the NQF Companies expressly understand and agree that any such collective fund may provide for the lending of its securities by the collective fund trustee and that such collective fund's trustee will receive compensation for the lending of securities that is separate from any compensation of the Trustee hereunder, or any compensation of the collective fund trustee for the management of such collective fund; and

(viii) to make foreign investments, including investments to be maintained abroad; *provided, however*, that such authority is limited to those foreign jurisdictions in which the Trustee has selected a foreign custodian in accordance with Section 4.7 hereof.

(c) Consolidation and the NQF Companies recognize that settlements of transactions may be effected in trading and processing practices customary in the jurisdiction or market where the transaction occurs. Consolidation and the NQF Companies acknowledge that this may, in certain circumstances, require the delivery of cash or securities (or other property) without the concurrent receipt of securities (or other property) or cash and, in such circumstances, Consolidation and/or the appropriate NQF Company shall have sole responsibility for non-receipt of payment (or late payment) by the counterparty.

(d) All investments must be sufficiently liquid to enable each Trust to fulfill the purpose of the Trust Agreements and to satisfy obligations as they become due as communicated in writing to the Trustee, and absent a written communication, the Trustee shall invest each separate Trust as though such Trust had no short or intermediate term cash requirements. Nothing in this Section 4.2 shall be construed as requiring the Trustee to make any investigation as to when any of the Plants may be decommissioned or when obligations relating to such decommissioning may be expected to become due.

4.3 Prohibited Investments. The Trustee shall assure that the assets of the Trusts are not invested or reinvested in the following Prohibited Investments:

(a) Any deposit with a banking institution unless such banking institution has not less than \$350 million in equity capital on a current market value basis; or

(b) Any securities or other obligations of Exelon Corporation or affiliates thereof, or their successors or assigns; *provided, however*, that the foregoing restriction shall not prevent investments tied to market indices or other non-nuclear sector collective, commingled or mutual funds; or

(c) Any securities or other obligations of any entity owning or operating one or more nuclear power plants; *provided, however*, that the foregoing restriction shall not prevent investments tied to market indices or other non-nuclear sector collective, commingled, or mutual funds; or

(d) Any investment which would contravene any Future Orders in effect at the time such investment or reinvestment is made and previously furnished to the Trustee with reference to the Trusts; or

(e) Any investment not permitted under Section 468A of the Code.

4.4 *Management of Trusts.*

(a) The Trustee shall have the power to sell, exchange or otherwise dispose of all or any part of any Trust held hereunder, without prior application to or approval by or order of any court, upon such terms and in such manner and at such prices as the Trustee shall determine; to modify, renew, or extend mortgages, bonds, notes, or other obligations or any installment of principal thereof or any interest due thereon and to waive any defaults in the performance of the terms and conditions thereof; and to execute and deliver any and all assignments, bonds, or other instruments in connection with these powers, at such times, in such manner and upon such terms and conditions as the Trustee may be deemed expedient. The Trustee's determinations of manner of sales, terms, prices and the exercise of other powers granted herein, if reasonably made, are not to be questioned.

(b) Notwithstanding anything contained in the Trust Agreements or these Master Terms to the contrary, the Trustee may not authorize or carry out any sale, exchange, or other transaction between any Trust and the Trustee or any affiliate of the Trustee, or any "disqualified person" within the meaning of Section 4951, of the kind described in Treasury Regulation 1.468A-5(b), except the payment of compensation and expenses pursuant to Section 3.2 hereof, or unless such transaction is not an act of "self-dealing" within the meaning of Section 4951 of the Code. The Trustee shall not cause any Trust to engage in any act of self-dealing with Consolidation or the NQF Companies or any affiliate of Consolidation or the NQF Companies. Consolidation and the NQF Companies agree to furnish the Trustee with the identity of persons who are "disqualified persons" within the meaning of Section 4951 by reason of their affiliation with Consolidation and/or the NQF Companies.

4.5 *Extension of Obligations and Negotiation of Claims.* Subject to the limitations contained in Sections 4.2, 4.3 and 4.4 hereof, the Trustee shall have the power to renew or extend the time of payment of any obligation, secured or unsecured, payable to or by any Trust, for as long a period or periods of time and on such terms as it shall determine; and, subject to the approval of Consolidation or the appropriate NQF Company or Companies (which shall not be unreasonably withheld or delayed), to adjust, settle, compromise, and arbitrate claims or demands in favor of or against any Trust, including claims for taxes, upon such terms as it deems advisable.

4.6 *Registration of Securities.* The Trustee shall have the power to hold any stocks, bonds, securities, and/or other property in the name of a nominee, in a street name, or by other title-holding device, without indication of trust.

4.7 *Foreign Custodians.*

(a) The Trustee shall have the power to appoint foreign custodians as agent of the Trustee to custody foreign securities holdings of the Trust or any investment manager account. Custody of foreign investments shall be maintained with foreign custodians selected by the Trustee. In the case of an investment manager account, the Investment Manager shall have sole responsibility for the decision to maintain the custody of foreign investments in its investment manager account abroad, which decision shall be subject to the limitation contained in the foregoing second sentence of this Section 4.7(a). The Trustee shall have no responsibility for losses to the Trust resulting from the acts or omissions of any foreign custodian appointed by the Trustee unless due to the foreign custodian's fraud, negligence or willful misconduct.

(b) The Trustee shall have the power to utilize any tax reclaim procedures with respect to taxes withheld to which the Trust may be entitled under applicable tax laws, treaties and regulations; provided that any exercise of such power by the Trustee shall be on a reasonable efforts basis.

4.8 *Securities Lending.* Pursuant to a written agreement between the Trustee and Consolidation or the appropriate NQF Company or Companies, Trustee shall have authority to lend the assets of the Trusts and, specifically, to loan any securities to brokers, dealers or banks upon such terms, and secured in such manner, as may be determined by the Trustee, to permit the loaned securities to be transferred into the name of the borrower or others and to permit the borrower to exercise such rights of ownership over the loaned securities as may be required under the terms of any such loan, and to receive and invest collateral provided by the borrower; provided that with respect to the lending of securities pursuant to the securities lending authorization agreement between the parties, (a) both parties intend that, for purposes of the relevant provisions of the US Bankruptcy Code, at all relevant times the Trustee/securities lending agent shall be deemed to be and to be acting as a "financial institution" as defined in section 101(22) of the US Bankruptcy Code, and each loan entered into by the Trustee/securities lending agent with borrowers under authority of the securities lending authorization agreement (a "Loan") shall be deemed to be a "securities contract" as defined in section 741 of the US Bankruptcy Code; and (b) each Loan shall be made in conformity with all applicable laws

governing such Loan and all applicable rules, regulations and exemptions from time to time promulgated and issued under the authority of those laws.

4.9 *Retention and Removal of Professional Service Providers.* The Trustee shall have the power to employ attorneys, accountants, and custodians as it shall deem advisable and to make such payments thereof as the Trustee shall deem reasonable for the implementation of the purpose of the Trust Agreements. The Trustee shall have the absolute right to dismiss any such agents for any reason whatsoever; *provided* that the Trustee's selection of an accounting firm shall be subject to the prior consent of Consolidation or the appropriate NQF Company, as the case may be, which consent shall not be unreasonably withheld.

4.10 *Delegation of Ministerial Powers.* The Trustee shall have the power to delegate to other persons such ministerial powers and duties as it may deem to be advisable.

4.11 *Discretion in Exercise of Powers.* The Trustee shall have the power to do any and all other acts which the Trustee shall deem proper to effectuate the powers specifically conferred upon it by the Trust Agreements and these Master Terms; *provided, however*, that this Section 4.11 shall not authorize the Trustee to do any act or participate in any transaction which would (a) contravene any provision of the Trust Agreements or these Master Terms; (b) violate the terms and conditions of, or cause any Trust held under the Trust Agreements not to satisfy Applicable Regulatory Requirements; or (c) disqualify any of the Tax-Qualified Trusts as "nuclear decommissioning reserve funds" under Section 468A.

**ARTICLE 5:
[INTENTIONALLY DELETED]**

EXHIBIT A-1

DISBURSEMENT CERTIFICATE Tax-Qualified Decommissioning Trust

The undersigned, being a duly authorized officer of Exelon Generation Consolidation Company, LLC, a Nevada limited liability company ("**Consolidation**"), and, in such capacity, being duly authorized and empowered to execute and deliver this certificate, hereby certifies to the Trustee of the Exelon Generation Consolidation Company, LLC Tax Qualified Decommissioning Trust—[name of Plant(s)] (the "**Trust(s)**"), pursuant to Section 2.2(a)(i) of the Master Terms as amended and restated as of _____, 2003 (the "**Master Terms**"), between Consolidation and the Trustee, as follows:

(a) There is due and owing to each Payee ("**Payees**") [all/a portion of] the invoiced cost to Consolidation for goods or services provided in connection with the decommissioning of the [name of Plant(s)] as evidenced by the Invoice Schedule (with supporting exhibits) attached as Exhibit 1 hereto;

(b) All such amounts due and owing to such Payees constitute Qualified Costs;

(c) All conditions precedent to the making of this disbursement set forth in any agreement between each such Payee and Consolidation have been fulfilled;

(d) No Payee is a "disqualified person" within the meaning of Section 4951 or Section 468A by reason of an affiliation with Consolidation or, if any are, then the payment constitutes compensation or payment or reimbursement of expenses which are reasonable and necessary to carry out the purpose of the Trust(s) and the payment is not excessive; and

(e) The payment of the amounts owing meets Applicable Regulatory Requirements, requirements of the Code, and all necessary consents and approvals for such payment have been obtained.

Accordingly, subject to the requirements of Section 2.2(b) of the Master Terms, you are directed to permit the disbursement of the amounts indicated on Exhibit 1 hereto from the Trust(s) in order to permit payment of such sum(s) to be made to the aforementioned Payees for such purpose. You are further directed to disburse such sum(s), once withdrawn, directly to such Payees, in the manner indicated on Exhibit 1 hereto.

Although you are under no obligation to make any further inquiry or investigation or to obtain any further documentation, it is understood that you may, in your discretion, elect to withhold any such disbursement to any Payee unless and until you receive written releases, in a form satisfactory to you, of any liens, security interests, or claims of such Payee against Consolidation or its property as you may, in your discretion, require.

Capitalized terms used herein without definition shall have the meanings given to such terms in the Trust Agreements and the Master Terms.

WITNESS my hand this ____ day of _____, ____.

EXELON GENERATION TRUST
CONSOLIDATION COMPANY, LLC

By: _____
Duly Authorized Officer

EXHIBIT A-2

**DISBURSEMENT CERTIFICATE
Non-Tax Qualified Decommissioning Trust**

The undersigned, being a duly authorized officer of _____ LLC, a Nevada limited liability company ("LLC"), and, in such capacity, being duly authorized and empowered to execute and deliver this certificate, hereby certifies to the Trustee of the _____ LLC Non-Tax Qualified Decommissioning Trust—[name of Plant(s)] (the "*Trust(s)*"), pursuant to Section 2.2(a)(i) of the Master Terms as amended and restated as of _____, 2003 (the "*Master Terms*"), between LLC and the Trustee, as follows:

(f) There is due and owing to each Payee ("*Payees*") [all/a portion of] the invoiced cost to LLC for goods or services provided in connection with the decommissioning of the [name of Plant(s)] as evidenced by the Invoice Schedule (with supporting exhibits) attached as Exhibit 1 hereto;

(g) All such amounts due and owing to such Payees constitute
Qualified Costs;

(h) All conditions precedent to the making of this disbursement set forth in any agreement between each such Payee and Consolidation have been fulfilled;

(i) No Payee is a "disqualified person" within the meaning of Section 4951 or Section 468A by reason of an affiliation with LLC or, if any are, then the payment constitutes compensation or payment or reimbursement of expenses which are reasonable and necessary to carry out the purpose of the Trust(s) and the payment is not excessive; and

(j) The payment of the amounts owing meets Applicable Regulatory Requirements, and all necessary consents and approvals for such payment have been obtained.

Accordingly, subject to the requirements of Section 2.2(b) of the Master Terms, you are directed to permit the disbursement of the amounts indicated on Exhibit 1 hereto from the Trust(s) in order to permit payment of such sum(s) to be made to the aforementioned Payees for such purpose. You are further directed to disburse such sum(s), once withdrawn, directly to such Payees, in the manner indicated on Exhibit 1 hereto.

Although you are under no obligation to make any further inquiry or investigation or to obtain any further documentation, it is understood that you may, in your discretion, elect to withhold any such disbursement to any Payee unless and until you receive written releases, in a form satisfactory to you, of any liens, security interests, or claims of such Payee against Consolidation or its property as you may, in your discretion, require.

Capitalized terms used herein without definition shall have the meanings given to such terms in the Trust Agreements and the Master Terms.

WITNESS my hand this ____ day of _____, ____.

NQ, LLC

By: _____
Duly Authorized Officer

EXHIBIT B-1

WITHDRAWAL CERTIFICATE Tax-Qualified Decommissioning Trust

The undersigned, being a duly authorized officer of Exelon Generation Consolidation Company, LLC, a Nevada limited liability company ("**Consolidation**"), and, in such capacity, being duly authorized and empowered to execute and deliver this certificate, hereby certifies to the Trustee of the Exelon Generation Consolidation Company, LLC Tax-Qualified Decommissioning Trust—[name of Plant(s)] (the "**Trust(s)**"), pursuant to Section 2.2(a)(ii) of the Master Terms, amended and restated as of _____, 2003 (the "**Master Terms**"), between Consolidation and the Trustee, as follows:

(a) Consolidation has paid, and is entitled to reimbursement for, amounts paid for goods or services provided in connection with the decommissioning of the [name of Plant(s)] as described in the schedule (with supporting exhibits) attached as Exhibit 1 hereto;

(b) All such amounts paid constitute Qualified Costs;

(c) No payee was a "disqualified person" within the meaning of Section 4951 or Section 468A by reason of an affiliation with Consolidation or, if any were, then the payment constituted compensation or payment or reimbursement of expenses which were reasonable and necessary to carry out the purpose of the Trust and the payment was not excessive; and

(d) The payment of the amounts met Applicable Regulatory Requirements, requirements of the Code, and all necessary consents and approvals for such payment had been obtained.

Accordingly, subject to the requirements of Section 2.2(b) of the Master Terms, you are directed to permit the disbursement of the amounts indicated on Exhibit 1 hereto from the Trust(s) in order to reimburse Consolidation for such payments. You are further directed to disburse such sum(s), once withdrawn, directly to "Exelon Generation Consolidation Company, LLC."

Capitalized terms used herein without definition shall have the meanings given to such terms in the Trust Agreements and the Master Terms.

WITNESS my hand this ____ day of _____, ____.

EXELON GENERATION
CONSOLIDATION COMPANY, LLC

By: _____
Duly Authorized Office

EXHIBIT B-2

**WITHDRAWAL CERTIFICATE
Non-Tax Qualified Decommissioning Trust**

The undersigned, being a duly authorized officer of _____ LLC, a Nevada limited liability company ("LLC"), and, in such capacity, being duly authorized and empowered to execute and deliver this certificate, hereby certifies to the Trustee of the _____ LLC Non-Tax Qualified Decommissioning Trust—[name of Plant(s)] (the "*Trust(s)*"), pursuant to Section 2.2(a)(ii) of the Master Terms, amended and restated as of _____, 2003 (the "*Master Terms*"), between LLC and the Trustee, as follows:

(e) LLC has paid, and is entitled to reimbursement for, amounts paid for goods or services provided in connection with the decommissioning of the [name of Plant(s)] as described in the schedule (with supporting exhibits) attached as Exhibit 1 hereto;

(f) All such amounts paid constitute Qualified Costs;

(g) No payee was a "disqualified person" within the meaning of Section 4951 or Section 468A by reason of an affiliation with LLC or, if any were, then the payment constituted compensation or payment or reimbursement of expenses which were reasonable and necessary to carry out the purpose of the Trust and the payment was not excessive; and

(h) The payment of the amounts met Applicable Regulatory Requirements, and all necessary consents and approvals for such payment had been obtained.

Accordingly, subject to the requirements of Section 2.2(b) of the Master Terms, you are directed to permit the disbursement of the amounts indicated on Exhibit 1 hereto from the Trust(s) in order to reimburse LLC for such payments. You are further directed to disburse such sum(s), once withdrawn, directly to "_____ Company, LLC."

Capitalized terms used herein without definition shall have the meanings given to such terms in the Trust Agreements and the Master Terms.

WITNESS my hand this ____ day of _____, ____.

NQ, LLC

By: _____
Duly Authorized Office

**2. Draft Amended and Restated Non-Tax Qualified Nuclear
Decommissioning Master Trust Agreement (The Northern Trust Company)**

**AMENDED AND RESTATED
NON-TAX QUALIFIED
NUCLEAR DECOMMISSIONING
MASTER TRUST AGREEMENT**

THIS AMENDED AND RESTATED NON-TAX QUALIFIED NUCLEAR DECOMMISSIONING MASTER TRUST AGREEMENT (the "Agreement"), dated as of _____, 2003 by and between Commonwealth Edison Company ("ComEd"), an Illinois corporation (for the limited purpose of confirming the assignment reflected in Sections 1.04, 3.07 and 3.11 of this Agreement and its rights as stated in Sections 2.8 and 2.9 of the Master Terms), Exelon Generation Company, LLC ("ExGen"), a limited liability company organized under the laws of the State of Delaware and having a principal office at 200 Exelon Way, Kennett Square, Pennsylvania 19348, the limited liability companies duly organized and existing under the laws of the State of Nevada, identified on Schedule A attached hereto (collectively, the "NQF Companies"), and The Northern Trust Company, as Trustee, having its office at _____, Nevada [zip] (the "Trustee").

WITNESSETH:

WHEREAS, ExGen is the owner in whole or in part of each of the Units ("Unit" shall mean each, and "Units" shall mean all, of the nuclear power plants listed on the Schedule A attached to this Agreement as that Schedule may be supplemented from time to time by ExGen by written notice to the Trustee). Each unit of a multi-unit nuclear power plant site shall be considered as a separate Unit for the purposes of this Agreement; and

WHEREAS, the Amended and Restated Nuclear Decommissioning Master Trust Agreement dated June 28, 2002, and effective September 1, 2002 ("Amended and Restated Agreement") provides for trusts for the exclusive purpose of providing for the decommissioning of the Units, which trusts consisted of qualified nuclear decommissioning funds (the "Tax-Qualified Trusts") under Section 468A of the Internal Revenue Code of 1986, as amended (the "Code") and nonqualified nuclear decommissioning trusts (the "Non-Tax Qualified Trusts"); and

WHEREAS, the Non-Tax Qualified Trusts that are the subject of this Agreement were established by ComEd in accordance with the Illinois Statute; and

WHEREAS, pursuant to certain assignment agreements ExGen wishes to transfer to the NQF Companies its interests, rights, duties and obligations under the Amended and Restated Agreement in the Non-Tax Qualified Trusts, as set forth in Schedule A attached hereto, and the NQF Companies have agreed to accept such interests, rights, duties and obligations; and

WHEREAS, pursuant to certain assignment agreements ExGen wishes to transfer to ExGen Trust Consolidation Company, LLC ("Consolidation"), a limited liability company organized under the laws of the State of Nevada, its interests, rights, duties and obligations under the Amended and Restated Agreement in the Tax-Qualified Trusts, and Consolidation has agreed to accept such interests, rights, duties and obligations; and

WHEREAS, ExGen, the NQF Companies and Consolidation wish to amend the Amended and Restated Trust Agreement so that it is restated into two separate agreements, one with respect to the Non-Tax Qualified Trusts and one with respect to the Tax-Qualified Trusts; and

WHEREAS, ExGen, the NQF Companies and the Trustee wish that this Agreement shall amend and restate the Amended and Restated Trust Agreement pursuant to this Agreement with respect to the Non-Tax Qualified Trusts; and

WHEREAS, ExGen, Consolidation, the NQF Companies and the Trustee wish that this Agreement shall amend and restate the restrictions on the transferability imposed by the Amended and Restated Trust Agreement; and

WHEREAS, ExGen and the NQF Companies wish that the Trustee continue to serve as trustee of the Non-Tax Qualified Trusts.

NOW, THEREFORE, ComEd has previously delivered Schedules to this Agreement to the Trustee, and the Trustee has acknowledged receipt of the funds described thereon representing the initial funding of the Trusts with respect to the Plants described or referenced on such Schedules, and Trustee has acknowledged additional contributions by ExGen;

TO HAVE AND TO HOLD THE SAME IN TRUST for the exclusive use and purposes and upon the terms and conditions hereinafter set forth and as set forth in the Master Terms for Trust Agreements (the "Master Terms") appended hereto as Exhibit 1, and such additional funds as may from time to time be added thereto as provided herein, together with the proceeds and reinvestments thereof.

ARTICLE I

PURPOSES OF THE TRUSTS

Section 1.01. Establishment of the Trusts. The Trustee has established and shall hold a separate Non-Tax Qualified Trust for each Plant. Each time any of the NQF Companies make a contribution to the Non-Tax Qualified Trusts, it shall designate the amount of such contribution allocable to the Trust. The Trustee shall maintain separate records for each Non-Tax Qualified Trust, and shall credit thereto its pro rata share of all income of the Trust Fund and charge thereto its pro rata share of all expenses (other than expenses attributable to a particular Plant which shall be expenses charged to the Non-

Tax Qualified Trust named for such Plant) and any losses. Until otherwise instructed in writing by the NQF Companies, nothing in this Agreement or in the Master Terms shall be deemed to require the Trustee to segregate or invest separately assets of the Trusts, it being intended that the assets of the Trusts may be maintained and invested and reinvested as a common pool, but shall not be required to be so maintained or invested.

Section 1.02. Purposes of the Trusts. The Non-Tax Qualified Trusts are established for the exclusive purpose of providing funds for the decommissioning of the Units. The Non-Tax Qualified Trust for a Unit shall accumulate all contributions (whether from the relevant NQF Company or others) which do not satisfy the requirements for contributions to the Tax-Qualified Trust for that Unit, pursuant to the Master Terms. None of the assets of the Non-Tax Qualified Trusts shall be subject to attachment, garnishment, execution of levy in any manner for the benefit of creditors of a NQF Company or any other party.

Section 1.03. Contributions to the Funds. The assets of the Non-Tax Qualified Trusts shall be transferred or contributed by the NQF Companies (or others approved in writing by the NQF Companies) from time to time.

Section 1.04. Transferability. The NQF Companies may transfer any interest in a Non-Tax Qualified Trust; provided, *however*, that any such transfer shall be made subject to, and upon the agreement (which shall be in form and substance satisfactory to ComEd) of the successor to observe, the provisions of this Section 1.04, Sections 2.8 and 2.9 of the Master Terms (as it relates to approval of amendments of this Section 1.04, Sections 2.8 and 2.9 of the Master Terms, and Sections 3.07 and 3.11 of this Agreement), and Sections 3.07 and 3.11 of this Agreement. The interest of the NQF Companies in any Non-Tax Qualified Trust is not subject to the claims of the creditors of the NQF Companies; *provided, however*, that any creditor of the NQF Companies, as to which a Disbursement Certificate for a Non-Tax Qualified Trust has been properly completed and submitted to the Trustee, and not objected to by the NRC within the time period specified in Section 2.2(b) of the Master Terms, may assert a claim directly against such Trust in an amount not to exceed the lesser of the amount specified on such Disbursement Certificate or the amount of such Trust available to pay costs other than amounts then owing the Trustee under Section 3.2 of the Master Terms.

Section 1.05. Master Terms. In addition to the terms set forth in this Agreement, the Non-Tax Qualified Trusts shall also be governed by the provisions of the Master Terms. It is intended that the provisions of the Master Terms be complementary to the terms of this Agreement, provided, however, that to the extent that the terms of this Agreement are construed by a court of competent jurisdiction or applicable governmental agency to be in conflict with the Master Terms, the terms of this Agreement shall take precedence over the Master Terms. Any terms capitalized and not defined herein shall have the meaning set forth in the Master Terms.

ARTICLE II **DISTRIBUTIONS**

Section 2.01. Distributions. Upon receipt of written instructions from a NQF Company, and in accordance with Article 2 of the Master Terms, the Trustee shall distribute all or a portion of the Non-Tax Qualified Trust of which such NQF Company is a beneficiary to such NQF Company.

ARTICLE III **Miscellaneous**

Section 3.01. Headings. The Section headings set forth in this Agreement are inserted for convenience of reference only and shall be disregarded in the construction or interpretation of any of the provisions of this Agreement.

Section 3.02. Particular Words. Any word contained in the text of this Agreement shall be read as the singular or plural as may be applicable in the particular context. Unless otherwise specifically stated, the word "person" shall be taken to mean and include an individual, partnership, association, trust, company, or corporation.

Section 3.03. Severability of Provisions. If any provision of this Agreement or of the Master Terms or its application to any person or entity in any circumstances shall be invalid and unenforceable, the application of such provision to persons and in circumstances other than those as to which it is invalid or unenforceable, and the other provisions of this Agreement and the Master Terms, shall not be affected by such invalidity or unenforceability.

Section 3.04. Form and Content of Communications. The names of persons authorized to act on behalf of the NQF Companies shall be certified to the Trustee by the NQF Companies. Until notified in writing to the contrary, the Trustee shall have the right to assume that there has been no change in the identity or authority of any person previously certified to it hereunder.

Section 3.05. Delivery of Notices Under Agreement. Any notice required by this Agreement to be given to the NQF Companies or the Trustee shall be deemed to have been properly given when delivered in person or when mailed postage prepaid, by registered or certified mail. Notices to the NQF Companies shall be addressed to:

NQF Companies
As set forth in Schedule A

Notices to the Trustee shall be addressed to:

[Insert Contact Name and Address]

Section 3.06. Successors and Assigns. Subject to the provisions of Sections 1.04 of this Agreement and 3.1 of the Master Terms, this Agreement shall be binding upon and inure to the benefit of the NQF Companies, the Trustee, and their respective successors and assigns.

Section 3.07. Third Parties. Except as expressly provided in this Section 3.07, Sections 1.04 and 3.11 of this Agreement, and Sections 2.8, and 2.9 of the Master Terms with respect to ComEd, nothing expressed or implied in this Agreement or in the Master Terms is intended, or shall be construed, to confer upon or give any person or entity other than the NQF Companies and the Trustee any rights or remedies under or by reason of this Agreement. ComEd shall have the right to enforce the provisions of Sections 1.04 and 3.11 of this Agreement, this Section 3.07, and Sections 2.8 and 2.9 of the Master Terms insofar as such Sections grant it rights under this Agreement.

Section 3.08. Counterparts of Agreement. This Agreement has been executed in counterparts, each of which shall be deemed to be an executed original.

Section 3.09. Governing Jurisdiction. The Trusts created hereunder are Illinois trusts. All questions pertaining to the validity, construction, and administration of the Non-Tax Qualified Trusts shall be determined in accordance with the laws of the State of Illinois.

Section 3.10. Trust Fiscal Year. The accounting and taxable year for the Trusts shall be the taxable year of the NQF Companies for federal income tax purposes. If the taxable year of the NQF Companies shall change, the NQF Companies shall notify the Trustee of such change and the accounting and taxable year of all Trusts must change to the taxable year of the NQF Companies.

Section 3.11. Confirmation of Transfer. ComEd has previously confirmed its assignment of its rights and obligation under the Amended and Restated Agreement to ExGen. By its execution of this Agreement, ComEd hereby confirms the assignment of its rights and obligations under this Agreement to the NQF Companies other than (i) its rights under Section 1.04 hereof to approve any successor of a Non-Tax Qualified Trust, (ii) its right to receive any funds pursuant to the provisions of Section 2.9 of the Master Terms, (iii) its right to approve any amendment to Section 1.04 and 3.07 hereof and Sections 2.8 and 2.9 of the Master Terms and this Section 3.11 under Section 2.9 of the Master Terms, and (iv) its rights under Section 3.07 of this Agreement to enforce its rights under Sections 2.8 and 2.9 of the Master Terms and 1.04 and 3.07 of this Agreement and this Section 3.11. ComEd hereby acknowledges its notice of the

amendments in this Amended and Restated Non-Tax Qualified Nuclear Decommissioning Master Trust Agreement and hereby waives its rights under Section 2.9 of the Master Terms to any other prior written notices.

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

EXELON BRAIDWOOD 1 NQ, LLC

By: _____
Name:
Title:

EXELON BRAIDWOOD 2 NQ, LLC

By: _____
Name:
Title:

EXELON BYRON 1 NQ, LLC

By: _____
Name:
Title:

EXELON BYRON 2 NQ, LLC

By: _____
Name:
Title:

EXELON DRESDEN 1 NQ, LLC

By: _____
Name:
Title:

EXELON DRESDEN 2 NQ, LLC

By: _____
Name:
Title:

EXELON DRESDEN 3 NQ, LLC

By: _____
Name:
Title:

EXELON LASALLE 1 NQ, LLC

By: _____
Name:
Title:

EXELON LASALLE 2 NQ, LLC

By: _____
Name:
Title:

EXELON QUAD CITIES 1 NQ, LLC

By: _____
Name:
Title:

EXELON QUAD CITIES 2 NQ, LLC

By: _____
Name:
Title:

EXELON ZION 1 NQ, LLC

By: _____
Name:
Title:

EXELON ZION 2 NQ, LLC

By: _____
Name:
Title:

EXELON GENERATION COMPANY, LLC

By: _____
Name:
Title:

COMMONWEALTH EDISON COMPANY

By: _____
Name:
Title:

THE NORTHERN TRUST COMPANY

By: _____
Name:
Title:

Schedule A

The following is a list of nuclear power plants owned in whole or part by ExGen and the trust funds covered by the Master Terms:

<u>Unit</u>	<u>Trust Fund</u>	<u>Owner</u>
Braidwood Unit 1	Exelon Braidwood Unit 1 Non-Tax Qualified Trust	Exelon Braidwood 1 NQ, LLC
Braidwood Unit 2	Exelon Braidwood Unit 2 Non-Tax Qualified Trust	Exelon Braidwood 2 NQ, LLC
Byron Unit 1	Exelon Byron Unit 1 Non-Tax Qualified Trust	Exelon Byron 1 NQ, LLC
Byron Unit 2	Exelon Byron Unit 2 Non-Tax Qualified Trust	Exelon Byron 2 NQ, LLC
Dresden Unit 1	Exelon Dresden Unit 1 Non-Tax Qualified Trust	Exelon Dresden 1 NQ, LLC
Dresden Unit 2	Exelon Dresden Unit 2 Non-Tax Qualified Trust	Exelon Dresden 2 NQ, LLC
Dresden Unit 3	Exelon Dresden Unit 3 Non-Tax Qualified Trust	Exelon Dresden 3 NQ, LLC
LaSalle Unit 1	Exelon LaSalle Unit 1 Non-Tax Qualified Trust	Exelon LaSalle 1 NQ, LLC
LaSalle Unit 2	Exelon LaSalle Unit 2 Non-Tax Qualified Trust	Exelon LaSalle 2 NQ, LLC
Quad Cities Unit 1	Exelon Quad Cities Unit 1 Non-Tax Qualified Trust	Exelon Quad Cities 1 NQ, LLC
Quad Cities Unit 2	Exelon Quad Cities Unit 2 Non-Tax Qualified Trust	Exelon Quad Cities 2 NQ, LLC
Zion Unit 1	Exelon Zion Unit 1 Non-Tax Qualified Trust	Exelon Zion 1 NQ, LLC
Zion Unit 2	Exelon Zion Unit 2 Non-Tax Qualified Trust	Exelon Zion 2 NQ, LLC

The address of each of the Non-Tax Qualified Trust LLCs is as follows: [Insert Nevada Address]

**3. Draft Amended and Restated Tax-Qualified Nuclear
Decommissioning Master Trust Agreement (The Northern Trust Company)**

**AMENDED AND RESTATED
TAX-QUALIFIED
NUCLEAR DECOMMISSIONING
MASTER TRUST AGREEMENT**

THIS AMENDED AND RESTATED TAX-QUALIFIED NUCLEAR DECOMMISSIONING MASTER TRUST AGREEMENT (the "Agreement"), dated as of _____, 2003 by and between Commonwealth Edison Company ("ComEd"), an Illinois corporation (for the limited purpose of confirming the assignment reflected in Sections 1.04, 3.07 and 3.11 of this Agreement and its rights as stated in Sections 2.8 and 2.9 of the Master Terms), Exelon Generation Company, LLC ("ExGen"), a limited liability company organized under the laws of the State of Delaware and having a principal office at 200 Exelon Way, Kennett Square, Pennsylvania 19348, Exelon Generation Consolidation Company, LLC ("Consolidation"), and The Northern Trust Company, as Trustee, having its office at _____, Nevada [zip] (the "Trustee").

WITNESSETH:

WHEREAS, ExGen is the owner in whole or in part of each of the Units ("Unit" shall mean each, and "Units" shall mean all, of the nuclear power plants listed on the Schedule A attached to this Agreement as that Schedule may be supplemented from time to time by the ExGen by written notice to the Trustee). Each unit of a multi-unit nuclear power plant site shall be considered as a separate Unit for the purposes of this Agreement; and

WHEREAS, the Amended and Restated Nuclear Decommissioning Master Trust Agreement dated June 28, 2002 and effective September 1, 2002 ("Amended and Restated Agreement") provides for trusts for the exclusive purpose of providing for the decommissioning of the Units, which trusts consisted of qualified nuclear decommissioning funds (the "Tax-Qualified Trusts") under Section 468A of the Internal Revenue Code of 1986, as amended (the "Code") and nonqualified nuclear decommissioning trusts (the "Non-Tax Qualified Trusts"); and

WHEREAS, the Tax-Qualified Trusts that are the subject of this Agreement were established by ComEd (as hereinafter defined) in accordance with Section 8-508.1 of the Illinois Public Utilities Act (220 ILCS 5/8-508.1) (the "Illinois Statute"), and this Agreement and such Tax-Qualified Trusts are intended by the Company to be maintained and to be and remain qualified under Section 468A (as hereinafter defined);

WHEREAS, pursuant to certain assignment agreements ExGen wishes to transfer to the NQF Companies its interests, rights, duties and obligations under the Amended and Restated Agreement in the Non-Tax Qualified Trusts, as set forth in Schedule A attached

hereto, and the NQF Companies have agreed to accept such interests, rights, duties and obligations; and

WHEREAS, pursuant to certain assignment agreements ExGen wishes to transfer to Consolidation, a limited liability company organized under the laws of the State of Nevada, its interests, rights, duties and obligations under the Amended and Restated Agreement in the Tax-Qualified Trusts, and Consolidation has agreed to accept such interests, rights, duties and obligations; and

WHEREAS, ExGen, the NQF Companies and Consolidation wish to amend the Amended and Restated Trust Agreement so that it is restated into two separate agreements, one with respect to the Non-Tax Qualified Trusts and one with respect to the Tax-Qualified Trusts; and

WHEREAS, ExGen, Consolidation and the Trustee wish that this Agreement shall amend and restate the Amended and Restated Trust Agreement pursuant to this Agreement with respect to the Tax-Qualified Trusts; and

WHEREAS, ExGen, Consolidation, the NQF Companies and the Trustee wish that this Agreement shall amend and restate the restrictions on the transferability imposed by the Amended and Restated Trust Agreement; and

WHEREAS, ExGen and Consolidation wish that the Trustee continue to serve as trustee of the Tax-Qualified Trusts.

NOW, THEREFORE, ComEd has previously delivered Schedules to this Agreement to the Trustee, and the Trustee has acknowledged receipt of the funds described thereon representing the initial funding of the Trusts with respect to the Plants described or referenced on such Schedules, and Trustee has acknowledged additional contributions by ExGen;

TO HAVE AND TO HOLD THE SAME IN TRUST for the exclusive use and purposes and upon the terms and conditions hereinafter set forth and as set forth in the Master Terms for Trust Agreements (the "Master Terms") appended hereto as Exhibit 1, and such additional funds as may from time to time be added thereto as provided herein, together with the proceeds and reinvestments thereof.

ARTICLE 1

PURPOSES OF THE TRUSTS

Section 1.01. Establishment of the Trusts. The Trustee has established and shall hold a separate Tax-Qualified Trust for each Plant. Each time Consolidation makes a contribution to the Tax-Qualified Trusts, it shall designate the amount of such contribution allocable to the Trust. The Trustee shall maintain separate records for each

Tax-Qualified Trust, and shall credit thereto its pro rata share of all income of the Trust Fund and charge thereto its pro rata share of all expenses (other than expenses attributable to a particular Plant which shall be expenses charged to the Tax-Qualified Trust named for such Plant) and any losses. Until otherwise instructed in writing by Consolidation, nothing in this Agreement or in the Master Terms shall be deemed to require the Trustee to segregate or invest separately assets of the Trusts, it being intended that the assets of the Trusts may be maintained and invested and reinvested as a common pool, but shall not be required to be so maintained or invested.

No part of the interest of a Tax-Qualified Trust in the common pool, nor any right pertaining to such interest (including any right to substitute another entity for that Tax-Qualified Trust as a participant in the common pool), may be sold, assigned, transferred or otherwise alienated or disposed of by the Tax-Qualified Trust to any other party. Any Tax-Qualified Trust may withdraw any part or all of its commingled investments in the common pool at any time upon written notice to the Trustee from Consolidation. Upon the withdrawal of the entire interest of any Tax-Qualified Trust from the common pool, the common pool will terminate. At that time, each Tax-Qualified Trust's assets will be segregated in a separate account and no further commingling will occur. Notwithstanding the foregoing, the majority in interest of the remaining Tax-Qualified Trusts, acting through their respective Trustee within 60 days after the date of withdrawal of a Tax-Qualified Trust, may agree by written agreement of their respective Trustees to continue pooling their assets in the common pool.

Section 1.02. Purposes of the Trusts. The Qualified Funds are established for the exclusive purpose of providing funds for the decommissioning of the Units. The Qualified Funds shall accumulate all contributions (whether from Consolidation or others) which satisfy the requirements of Section 2 of the Special Terms contained in Exhibit A to the Master Terms. The assets in the Qualified Funds shall be used as authorized by Section 468A of the Code and regulations thereunder. None of the assets of the Qualified Funds shall be subject to attachment, garnishment, execution or levy in any manner for the benefit of creditors of Consolidation or any other party.

Section 1.03. Contributions to the Funds. The assets of the Tax-Qualified Trusts shall be transferred or contributed by Consolidation (or others approved in writing by Consolidation) from time to time.

Section 1.04. Transferability. Consolidation may transfer any interest in a Tax-Qualified Trust; provided, *however*, that any such transfer shall be made subject to, and upon the agreement (which shall be in form and substance satisfactory to ComEd) of the successor to observe, the provisions of this Section 1.04, Sections 2.8 and 2.9 of the Master Terms (as it relates to approval of amendments of this Section 1.04, Sections 2.8 and 2.9 of the Master Terms, and Sections 3.07 and 3.11 of this Agreement), and Sections 3.07 and 3.11 of this Agreement. The interest of Consolidation in any Tax-Qualified Trust is not subject to the claims of the creditors of Consolidation; *provided, however*,

that any creditor of Consolidation, as to which a Disbursement Certificate for a Tax-Qualified Trust has been properly completed and submitted to the Trustee, and not objected to by the NRC within the time period specified in Section 2.2(b) of the Master Terms, may assert a claim directly against such Trust in an amount not to exceed the lesser of the amount specified on such Disbursement Certificate or the amount of such Trust available to pay costs other than amounts then owing the Trustee under Section 3.2 of the Master Terms.

Section 1.05. Master Terms. In addition to the terms set forth in this Agreement, the Tax-Qualified Trusts shall also be governed by the provisions of the Master Terms. It is intended that the provisions of the Master Terms be complementary to the terms of this Agreement, provided, however, that to the extent that the terms of this Agreement are construed by a court of competent jurisdiction or applicable governmental agency to be in conflict with the Master Terms, the terms of this Agreement shall take precedence over the Master Terms. Any terms capitalized and not defined herein shall have the meaning set forth in the Master Terms.

ARTICLE II **DISTRIBUTIONS**

Section 2.01. Distributions. Upon receipt of written instructions from Consolidation, and in accordance with Article 2 of the Master Terms, the Trustee shall distribute all or a portion of the Tax-Qualified Trust to Consolidation.

ARTICLE III **Miscellaneous**

Section 3.01. Headings. The Section headings set forth in this Agreement are inserted for convenience of reference only and shall be disregarded in the construction or interpretation of any of the provisions of this Agreement.

Section 3.02. Particular Words. Any word contained in the text of this Agreement shall be read as the singular or plural as may be applicable in the particular context. Unless otherwise specifically stated, the word "person" shall be taken to mean and include an individual, partnership, association, trust, company, or corporation.

Section 3.03. Severability of Provisions. If any provision of this Agreement or of the Master Terms or its application to any person or entity in any circumstances shall be invalid and unenforceable, the application of such provision to persons and in circumstances other than those as to which it is invalid or unenforceable, and the other provisions of this Agreement and the Master Terms, shall not be affected by such invalidity or unenforceability.

Section 3.04. Form and Content of Communications. The names of persons authorized to act on behalf of Consolidation shall be certified to the Trustee by Consolidation. Until notified in writing to the contrary, the Trustee shall have the right to assume that there has been no change in the identity or authority of any person previously certified to it hereunder.

Section 3.05. Delivery of Notices Under Agreement. Any notice required by this Agreement to be given to Consolidation or the Trustee shall be deemed to have been properly given when delivered in person or when mailed postage prepaid, by registered or certified mail. Notices to Consolidation shall be addressed to:

EXELON TRUST CONSOLIDATION COMPANY, LLC
[Insert Contact and Address]

Notices to the Trustee shall be addressed to:

[Insert Contact and Address]

Section 3.06. Successors and Assigns. Subject to the provisions of Sections 1.04 of this Agreement and 3.1 of the Master Terms, this Agreement shall be binding upon and inure to the benefit of Consolidation, the Trustee, and their respective successors and assigns.

Section 3.07. Third Parties. Except as expressly provided in this Section 3.07 and Sections 1.04 and 3.11 of this Agreement and Sections 2.8 and 2.9 of the Master Terms with respect to ComEd, nothing expressed or implied in this Agreement or in the Master Terms is intended, or shall be construed, to confer upon or give any person or entity other than Consolidation and the Trustee any rights or remedies under or by reason of this Agreement. ComEd shall have the right to enforce the provisions of Sections 1.04 and 3.11 of this Agreement and this Section 3.07 and Sections 2.8 and 2.9 of the Master Terms insofar as such Sections grant it rights under this Agreement.

Section 3.08. Counterparts of Agreement. This Agreement has been executed in counterparts, each of which shall be deemed to be an executed original.

Section 3.09. Governing Jurisdiction. The Trusts created hereunder are Illinois trusts. All questions pertaining to the validity, construction, and administration of the Tax-Qualified Trusts shall be determined in accordance with the laws of the State of Illinois.

Section 3.10. Trust Fiscal Year. The accounting and taxable year for the Trusts shall be the taxable year of Consolidation for federal income tax purposes. If the taxable

year of Consolidation shall change, Consolidation shall notify the Trustee of such change and the accounting and taxable year of all Trusts must change to the taxable year of Consolidation.

Section 3.11. Confirmation of Transfer. ComEd has previously confirmed its assignment of its rights and obligation under the Amended and Restated Agreement to ExGen. By its execution of this Agreement, ComEd hereby confirms the assignment of ExGen's rights and obligations under this Agreement to Consolidation other than (i) its rights under Section 1.04 hereof to approve any successor of a Tax-Qualified Trust, (ii) its right to receive any funds pursuant to the provisions of Section 2.9 of the Master Terms, (iii) its right to approve any amendment to Section 1.04 and 3.07 hereof and Section 2.8 and 2.9 of the Master Terms and this Section 3.11 under Section 2.9 of the Master Terms, and (iv) its rights under Section 3.07 of this Agreement to enforce its rights under Sections 2.8 and 2.9 of the Master Terms, and 3.07 of this Agreement and this Section 3.11. ComEd hereby acknowledges its notice of the amendments in this Amended and Restated Tax-Qualified Nuclear Decommissioning Master Trust Agreement and hereby waives its rights under Section 2.9 of the Master Terms to any other prior written notices.

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

**EXELON GENERATION CONSOLIDATION
COMPANY, LLC**

By: _____
Name:
Title:

EXELON GENERATION COMPANY, LLC

By: _____
Name:
Title:

COMMONWEALTH EDISON COMPANY

By: _____

Name:

Title:

THE NORTHERN TRUST COMPANY

By: _____

Name:

Title:

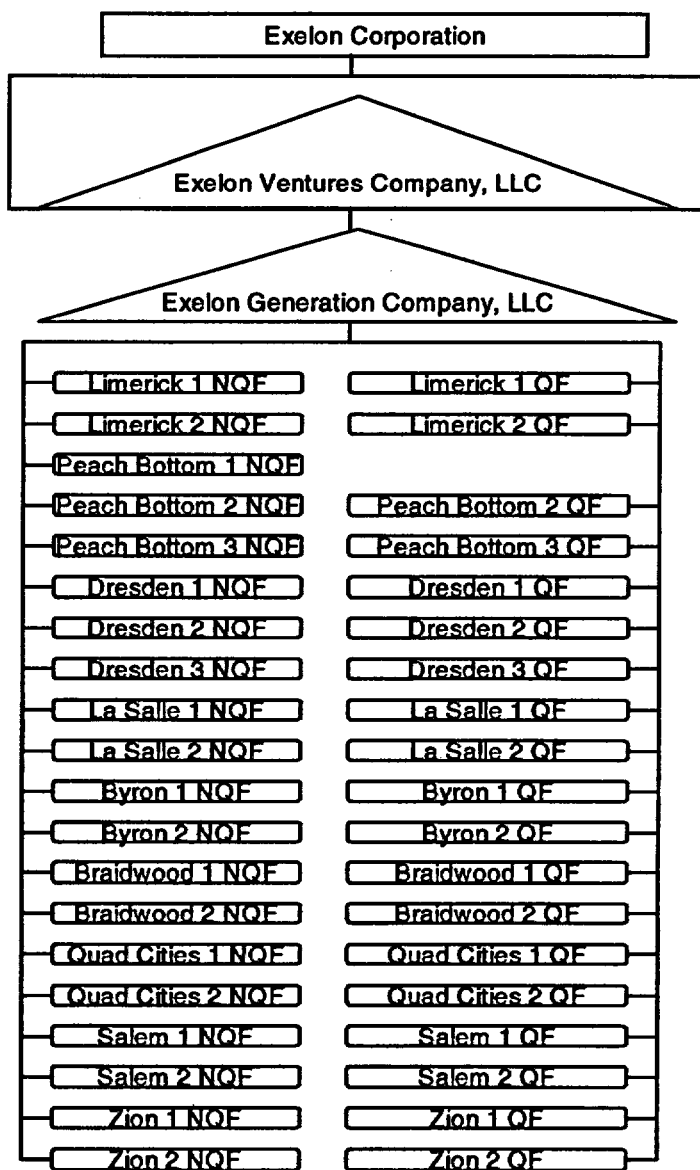
Schedule A

The following is a list of nuclear power plants owned in whole or part by ExGen and trust funds covered by the Master Terms:

<u>Unit</u>	<u>Trust Fund</u>
Braidwood Unit 1	Exelon Braidwood Unit 1 Tax-Qualified Trust
Braidwood Unit 2	Exelon Braidwood Unit 2 Tax-Qualified Trust
Byron Unit 1	Exelon Byron Unit 1 Tax-Qualified Trust
Byron Unit 2	Exelon Byron Unit 2 Tax-Qualified Trust
Dresden Unit 1	Exelon Dresden Unit 1 Tax-Qualified Trust
Dresden Unit 2	Exelon Dresden Unit 2 Tax-Qualified Trust
Dresden Unit 3	Exelon Dresden Unit 3 Tax-Qualified Trust
LaSalle Unit 1	Exelon LaSalle Unit 1 Tax-Qualified Trust
LaSalle Unit 2	Exelon LaSalle Unit 2 Tax-Qualified Trust
Quad Cities Unit 1	Exelon Quad Cities Unit 1 Tax-Qualified Trust
Quad Cities Unit 2	Exelon Quad Cities Unit 2 Tax-Qualified Trust
Zion Unit 1	Exelon Zion Unit 1 Tax-Qualified Trust
Zion Unit 2	Exelon Zion Unit 2 Tax-Qualified Trust

ATTACHMENT C
Current Organization Structure

Current Structure



NQF – nonqualified fund
QF- qualified fund

Proposed Structure

