

FORM 12: Promissory Note in Payment of Civil Penalty

EA-YY-XXX

(Name of licensee)
(Address)

ATTN: (Name of contact)

SUBJECT: PROMISSORY NOTE IN PAYMENT OF CIVIL MONETARY PENALTY

Dear (Name of contact):

This refers to the (date) telephone conversation between you and (name), NRC, concerning the execution of a Promissory Note in Payment of Civil Monetary Penalty (Note) in response to the Proposed Civil Monetary Penalty issued to (licensee) on (date). During the telephone conversation, you agreed to pay \$ (amount) over (number of years) in settlement of the proposed civil monetary penalty. The staff is satisfied with this agreement in light of your financial condition and, consistent with the public interest, agreed to this settlement.

Please read the enclosed "Promissory Note in Payment of Civil Penalties" carefully. Please note that your signature constitutes a waiver of your right to contest the amount of the civil penalty and the underlying violations and empowers the United States to obtain a judgment against you without a hearing in the event that you fail to make a required payment.

You must sign the enclosed Note in duplicate and return it within 30 days of the date of this letter to (name of Director, OE), Director, Office of Enforcement, U. S. Nuclear Regulatory Commission, Washington, DC 20555-0001. Upon receipt of your signed Note, we will promptly counter-sign it and send you a copy.

In accordance with 10 CFR 2.390 of the NRC's "Rules of Practice," a copy of this letter, its enclosure(s), and any further response will be made available electronically for public inspection in the NRC Public Document Room or from the NRC's document system (ADAMS), accessible from the NRC Web site at <http://www.nrc.gov/reading-rm/adams.html>.

Sincerely,

(Name of Director, OE), Director
Office of Enforcement

Docket No. _____
License No. _____

Enclosure: As stated

Promissory Note in Payment of Civil Penalty

Docket No. _____
License No. _____
EA-YY-XXX

1. Obligation - For value received, (name of licensee) (hereafter referred to as the Maker) promises to pay to the order of the U.S. Nuclear Regulatory Commission the principal sum of \$ (amount), with interest accruing from (agreed upon date), at the rate of (percentage rate) percent per year. This note is being given for the purpose of refinancing and paying off an amount which constitutes the sum of the principal due and all unpaid interest and other charges owed to the United States on the civil penalty debt \$ (amount) which has been assigned the control number captioned above. The Maker hereby acknowledges and admits the validity and amount of that debt, which the principal sum stated in this note is intended to repay. The Maker further acknowledges that execution of this note constitutes a waiver of the Maker's right to contest the amount of the civil penalty under Section 234c of the Atomic Energy Act of 1954, as amended, 42 U.S.C. §2282c, and the underlying violations on which it is based.

2. Installments - This note is to be paid in monthly installments starting on (agreed upon date), plus interest on the unpaid principal balance, payable to the Nuclear Regulatory Commission, Washington, DC, on or before the 1st day of the month, beginning on (agreed upon date) and continuing until either the principal sum and all interest and other charges assessed under the provisions of this note have been fully paid, or this note is considered to be in default under the provisions of paragraph 6 of this note. Payments will be mailed to the following address:

U. S. Nuclear Regulatory Commission
Office of Enforcement
ATTN: (Name of Director, OE)
Washington, DC 20555-0001

The following is a schedule of monthly installments exclusive of administrative charges and late-payment penalties:

Beginning Balance.....\$(amount)
To be paid monthly, beginning on [Provide the agreed upon date when payments are to begin] (date)

Due Date Principal Interest Admin. Charge Installment Balance
[Fill in Schedule using these fields.]

3. Administrative Charges - Administrative charges to cover the costs incurred by the United States in handling and processing past-due amounts will be assessed at the rate of (\$amount) or each payment more than thirty (30) days past due.

4. Late Payment Penalties - Late payment penalties will be assessed on any amount more than ninety (90) days past due, at the rate of (percentage rate) percent per year.

5. Payment Crediting - The payments that the Maker makes under this note will be credited as of the date received by the U.S. Nuclear Regulatory Commission, and will be allotted first, to outstanding penalties and administrative charges; second, to accrued interest; and third, to the outstanding principal sum. Any payments that the Maker made to the United States on this debt during the period from the date on which interest accrues under this note (as specified in paragraph 1) until the effective date of this note (as specified in paragraph 11) shall be applied to the principal sum, interest, and other charges accruing under this note in accordance with the provisions of this paragraph.
6. Default, Acceleration, and Other Remedies - If any installment shall remain unpaid for a period of thirty (30) days or more, this note shall, at the option of the United States, be considered to be in default. In the event of default, the full amount of the principal sum, together with any accrued interest and other charges assessed under this note, less any payments actually received by the United States from the Maker, shall be due and payable in full immediately, without the need for further demands or notices to the Maker. Furthermore, in that event, the Maker agrees that the United States may exercise any collection options legally available to it, including, but not limited to, taking administrative offset, hiring a private debt collection agency, filing adverse credit reports to local and national credit bureaus, referring the Maker's account for legal action, and suspending or revoking any license or other privilege which the U.S. Nuclear Regulatory Commission has granted to the Maker.
7. Default Costs and Fees - In the event of default, the Maker agrees to pay all reasonable collection costs, court costs, and attorney's fees incurred by the United States as a result of the default and any appropriate collection actions taken by the United States.
8. Confess Judgement Provision - The Maker, if permitted by Controlling Law (as specified in paragraph 9), does hereby authorize and empower a United States Attorney, any of his assistants, or any attorney of any court of record, State or federal, to appear for the Maker and to enter and confess judgement against the Maker for the entire amount of this obligation, with interest, less payments actually made, at any time after the same becomes due and payable, as herein provided, in any court of record, Federal or State; to waive the issuance and service of process upon the Maker in any suit on the obligation; to waive any venue requirement in such suit; to release all errors which may intervene in entering upon such judgement or in issuing any execution thereon; and to consent to immediate execution on said judgement. The Maker does hereby ratify and confirm all that said attorney may do by virtue hereof.
9. Controlling Law - Except where controlled by Federal law, all disputes concerning this note shall be controlled by the law of the jurisdiction in which the Maker is incorporated at the time this note is signed.
10. Changes - The provisions of this note may not be changed except by a written agreement which specifies the agreed-upon changes and which is signed by the Maker and an authorized representative of the United States.
11. Legal Effect - This note shall not be effective or legally binding upon the Maker or the United States until it has been first signed by the Maker and then countersigned by an appropriate official of the United States in the spaces indicated below. The United States will promptly provide the Maker a copy of this note after it has been countersigned.

12. Signatures and Certification - I, as the Maker, do hereby certify that I have read and understood the terms of this note.

SIGNED: This _____ day of _____, 20(XX).

Maker's Signature Printed Name Title

Address

Taxpayer Identification Number Telephone Number

I am an authorizing official of the Maker and do certify that the Maker is incorporated in the State of _____ at the time this note is signed and that the signature above is that of an individual authorized to enter into a promissory note for the Maker.

SIGNED:

Signature Printed Name Title

Address

As an authorized representative of the United States, I hereby agree to the payment of this debt owed by the Maker to the United States under the terms of the installment agreement evidenced by this note.

COUNTERSIGNED:

Representative's Signature Representative's Name Representative's Title and Agency

Date Countersigned: This _____ day of _____, 20(XX).