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## STANDBY TRUST AGREEMENT

TRUST AGREEMENT, the Agreement entered into as of 23 day of July, 2009, by and between Schlumberger Technology Corporation, a corporation acting through its Princeton Technology Center, having a place of business at 20 Wallace Road, Princeton Junction, NJ 08550 herein referred to as the "Grantor," and the Societe Generale, having a place of business at 480 Washington Blvd., 21<sup>st</sup> Floor, Jersey City, NJ 07310-1900, the "Trustee."

WHEREAS, the U.S. Nuclear Regulatory Commission (NRC), an agency of the U.S. Government, pursuant to the Atomic Energy Act of 1954, as amended, and the Energy Reorganization Act of 1974, has promulgated regulations in Title 10, Chapter I of the Code of Federal Regulations, Part 50. These regulations, applicable to the Grantor, require that a holder of, or an applicant for, a Part 50 license provide assurance that funds will be available when needed for required decommissioning activities.

WHEREAS, the Grantor has elected to use a Letter of Credit Number C.SOL.10564, to provide all of such financial assurance for the facilities identified herein; and

WHEREAS, when payment is made under Letter of Credit Number C.SOL.10564, this standby trust shall be used for the receipt of such payment; and

WHEREAS, the Grantor, acting through its duly authorized officers, has selected the Trustee to be the trustee under this Agreement, and the Trustee is willing to act as trustee,

NOW, THEREFORE, the Grantor and the Trustee agree as follows:

Section 1. Definitions. As used in this Agreement:

- a) The term "Grantor" means the NRC licensee who enters into this Agreement and any successors or assigns of the Grantor.
- b) The term "Trustee" means the trustee who enters into this Agreement and any successor trustee.

Section 2. Costs of Decommissioning. This Agreement pertains to the costs of decommissioning the facility identified in License Number 29-08636-02 issued pursuant to 10 CFR Part 50.

Section 3. Establishment of Fund. The Grantor and the Trustee hereby establish a Standby Trust Fund (the Fund) for the benefit of NRC. The Grantor and the Trustee intend that no third party shall have access to the Fund except as provided herein.

Section 4. Payments Constituting the Fund. Payments made to the Trustee for the Fund shall consist of cash, securities, or other liquid assets acceptable to the Trustee. The Fund is established initially as consisting of the property, which is acceptable to the Trustee.

(Ref. 1433413)

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NONNEGOTIABLE

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NRCSS/RGNI MATERIALS-002

Such property and any other property subsequently transferred to the Trustee are referred to as the "Fund," together with all earnings and profits thereon, less any payments or distributions made by the Trustee pursuant to this Agreement. The Fund shall be held by the Trustee, IN TRUST, as hereinafter provided.

Section 5. Payment for Required Activities Specified in the Plan. The Trustee shall make payments from the Fund to the Grantor or to a decommissioning contractor of the Grantor as the Grantor may designate upon presentation to the Trustee of the following:

- a) A certificate duly executed by the Authorized Officer of the Grantor attesting to the occurrence of the events, and in the form set forth in the attached Specimen Certificate of Events, and
- b) A certificate attesting to the following conditions:
  - 1) that decommissioning is proceeding pursuant to an NRC-noticed plan; and
  - 2) that the funds withdrawn will be expended for activities undertaken pursuant to that Plan.

Notwithstanding the foregoing, except for payments for administrative costs (including taxes) and other incidental expenses of the Fund (including legal, accounting, actuarial, and trustee expenses) in connection with the operation of the Fund, no disbursement or payments from the Fund shall be made: 1) unless thirty (30) working days prior written notice of such disbursement or payment has been made to the NRC or 2) if the Trustee receives written notice of an objection from the NRC's Director of the Office of Nuclear Reactor Regulation or the Director of the Office of Nuclear Material Safety and Safeguards, as applicable. Except that, the foregoing shall not apply if the Grantor is making a withdrawal pursuant to 20 CFR 50.82(a)(8).

In the event of the Grantor's default or inability to direct decommissioning activities, the Trustee shall : 1) make payments from the Fund as the NRC or State agency shall direct, in writing, to provide for the payment of the costs of required activities covered by this Agreement; 2) make disbursements to the Grantor or other persons as specified by the NRC, or State agency, from the Fund for expenditures for required activities in such amounts as the NRC, or State agency, shall direct in writing; and 3) refund to the Grantor such amounts remaining after the license has been terminated or as the NRC or State Agency specifies in writing. Upon refund, such funds shall no longer constitute part of the Fund defined herein.

Section 6. Trust Management. The Trustee shall invest and reinvest the principal and income of the Fund and keep the Fund invested as a single fund, without distinction between principal and income, in accordance with general investment policies and guidelines which the Grantor may communicate in writing to the Trustee from time to time, subject, however, to the provisions of this section. In investing, reinvesting, exchanging, selling, and managing the Fund, the Trustee shall discharge its duties with

respect to the Fund solely in the interest of the beneficiary and with the care, skill, prudence and diligence under the circumstances then prevailing which persons of prudence, acting in a like capacity and familiar with such matters, would use in the conduct of an enterprise of a like character and with like aims, except that:

- a) Securities or other obligations of the Grantor, or any other owner or operator of any nuclear power reactor, or any of their affiliates, subsidiaries, successors, or assigns, as defined in the Investment Company Act of 1940, as amended (15 U.S.C. 80A-2(a)), or in a mutual fund in which at least fifty (50) percent of the fund is invested in the securities of an NRC licensee of a nuclear power plant, or a parent company whose subsidiary is an owner or operator of a foreign or domestic nuclear power plant shall not be acquired or held. Investments tied to market indices or other non-nuclear-sector collective, commingled, or mutual funds (i.e., a mutual fund in which less than fifty (50) percent of the fund is invested in the securities of a licensee or a parent company whose subsidiary is an owner or operator of a foreign or domestic nuclear power plant) may be acquired or held, provided, however, that no more than ten (10) percent of trust assets may be indirectly invested in securities of any entity owning or operating one or more nuclear power plants.
- b) For a reasonable time, not to exceed 60 days, the Trustee is authorized to hold uninvested cash, awaiting investment or distribution, without liability for the payment of interest thereon.
- c) Any person directing investments made in the trusts shall adhere to the "prudent investor" standard as specified in 18 CFR 35.32(a)(3) of the Federal Energy Regulatory Commission regulations or any successor regulation thereto (the "Prudent Investor Standard"); and
- d) The Grantor, its affiliates, and its subsidiaries are prohibited from acting as investment manager for the funds or from day-to-day management direction of the funds' investments or direction on individual investments by the funds except that the Grantor, or an affiliate or subsidiary may act as an investment manager in the case of passive fund management of trust funds where management is limited to investment tracking market indices.

Section 7. Commingling and Investment. The Trustee is expressly authorized in its discretion:

- a) To transfer from time to time any or all of the assets of the Fund to any common, commingled, or collective trust fund created by the Trustee in which the Fund is eligible to participate, subject to all of the provisions thereof, to be commingled with the assets of other trusts participating therein; and

- b) To purchase shares in any investment company registered under the Investment Company Act of 1940 (15 U.S.C. 80a-1 et seq.), including one that may be created, managed, underwritten, or to which investment advice is rendered, or the shares of which are sold by the Trustee. The Trustee may vote such shares in its discretion.

Section 8. Express Powers of Trustee. Without in any way limiting the powers and discretion conferred upon the Trustee by the other provisions of this Agreement or by law, the Trustee is expressly authorized and empowered:

- a) To sell, exchange, convey, transfer, or otherwise dispose of any property held by it, by public or private sale, as necessary, for prudent management of the Fund;
- b) To make, execute, acknowledge, and deliver any and all documents of transfer and conveyance and any and all other instruments that may be necessary or appropriate to carry out the powers herein granted;
- c) To register any securities held in the Fund in its own name, or in the name of a nominee, and to hold any security in bearer form or in book entry, or to combine certificates representing such securities with certificates of the same issue held by the Trustee in other fiduciary capacities, to reinvest interest and dividends payments and funds from matured and redeemed instruments, to file proper forms concerning securities held in the Fund in a timely fashion with appropriate government agencies, or to deposit or arrange for the deposit of such securities in a qualified central depository even though, when so deposited, such securities may be merged and held in bulk in the name of the nominee or such depository with other securities deposited therein by another person, or to deposit or arrange for the deposit of any securities issued by the U.S. Government, or any agency or instrumentality thereof, with a Federal Reserve bank, but the books and records of the Trustee shall at all times show that all such securities are part of the Fund;
- d) To deposit any cash in the Fund in interest-bearing accounts maintained or savings certificates issued by the Trustee, in its separate corporate capacity, or in any other banking institution affiliated with the Trustee; and
- e) To compromise or otherwise adjust all claims in favor of or against the Fund.

Section 9. Taxes and Expenses. All taxes of any kind that may be assessed or levied against or in respect of the Fund and all brokerage commissions incurred by the Fund shall be paid from the Fund. All other expenses incurred by the Trustee in connection with the administration of this Trust, including fees for legal services rendered to the

Trustee, the compensation of the Trustee to the extent not paid directly by the Grantor, and all other proper charges and disbursements of the Trustee shall be paid from the Fund.

Section 10. Annual Valuation. After payment has been made into this Standby Trust Fund, the Trustee shall monthly furnish to the Grantor a statement confirming the value of the Trust. Any securities in the Fund shall be valued at market value within a reasonable time of such statement. The failure of the Grantor to object in writing to the Trustee within 30 days after the statement has been furnished to the Grantor shall constitute a conclusively binding assent by the Grantor, barring the Grantor from asserting any claim or liability against the Trustee with respect to the matters disclosed in the statement.

Section 11. Advice of Counsel. The Trustee may from time to time consult with counsel, who may be counsel to the grantor, with respect to any question arising as to the construction of this Agreement or any action to be taken hereunder. The Trustee shall be fully protected, to the extent permitted by law, in acting on the advice of counsel.

Section 12. Trustee Compensation. The Trustee shall be entitled to reasonable compensation for its services as agreed upon in writing from time to time with Grantor.

Section 13. Successor Trustee. Upon 90 days notice to the Grantor, the Trustee may resign; upon 90 days notice to the Trustee, the Grantor may replace the Trustee; but such resignation or replacement shall not be effective until the Grantor has either appointed a successor Trustee and this successor accepts the appointment or implements another financial assurance mechanism specified in Title 10, Chapter I, Code of Federal Regulations, Section 50.75(e). The successor Trustee shall have the same powers and duties as those conferred upon the Trustee hereunder. Upon the successor Trustee's acceptance of the appointment, the Trustee shall assign, transfer, and pay over to the successor Trustee the funds and properties then constituting the Fund. If for any reason the Grantor cannot or does not act in the event of the resignation of the Trustee, the Trustee may apply to a court of competent jurisdiction for the appointment of a successor Trustee or for instructions. The successor Trustee shall specify the date on which it assumes administration of the trust, in a writing sent to the Grantor and the present Trustee, by certified mail 10 days before such change becomes effective. Any expenses incurred by the Trustee as a result of any of the acts contemplated by this section shall be paid as provided in Section 9.

Section 14. Instructions to the Trustee. All orders, requests, and instructions by the Grantor to the Trustee shall be in writing, signed by such persons as are signatories to this Agreement or such other designees as the Grantor may designate in writing. The Trustee shall be fully protected in acting without inquiry in accordance with the Grantor's orders, requests, and instructions. If the NRC or State agency issues orders, requests, or instructions to the Trustee in the event of Grantor default, these shall be in writing, signed by NRC, State agency, or its designees, and the Trustee shall act and shall be fully protected in acting in accordance with such orders, requests, and instructions. The

Trustee shall have the right to assume, in the absence of written notice to the contrary, that no event constituting a change or a termination of the authority of any person to act on behalf of the Grantor, the NRC, or State agency, hereunder has occurred. The Trustee shall have no duty to act in the absence of such orders, requests, and instructions from the Grantor and/or the NRC, State agency, except as provided for herein.

Section 15. Amendment of Agreement. This Agreement may be amended by an instrument in writing executed by the Grantor, the Trustee, and, if applicable, the NRC or State agency, or by the Trustee and the NRC if the Grantor ceases to exist. Notwithstanding any provision herein to the contrary, this Agreement cannot be modified in any material respect without first providing thirty (30) working days prior written notice to the NRC's Director of the Office of nuclear Reactor Regulation or the Director of the Office of Nuclear Material Safety and Safeguards, as applicable. This Agreement may not be amended if the trustee receives written notice of objection from the Director, Office of Nuclear Reactor Regulation, or the Director, Office of Nuclear Materials Safety and Safeguards, as applicable, within the notice period.

Section 16. Termination. This trust agreement shall continue until terminated at the written agreement of the Grantor, the Trustee and, if applicable, the NRC or State agency, or by the Trustee and the NRC or State agency if the grantor cease to exist. Upon termination of the trust, all remaining trust property, less final trust administration expenses, shall be delivered to the Grantor or its successor, or transferred to another financial assurance mechanism specified in 10 CFR 50.75(e), as appropriate.

Section 17. Immunity and Indemnification. The Trustee shall not incur personal liability of any nature in connection with any act or omission, made in good faith, in the administration of this trust, or in carrying out any directions by the Grantor, the NRC, or State agency, issued in accordance with this Agreement. The Trustee shall be indemnified and saved harmless by the Grantor or from the trust fund, or both, from and against any personal liability to which the Trustee may be subjected by reason of any act or conduct in its official capacity, including all expenses reasonably incurred in its defense in the event the Grantor fails to provide such defense.

Section 18. Choice of Law. This Agreement shall be administered, construed, and enforced according to the laws of the State of Texas.

Section 19. Interpretation and Severability. As used in this Agreement, words in the singular include the plural and words in the plural include the singular. The descriptive headings for each section of this Agreement shall not affect the interpretation or the legal efficacy of this Agreement. If any part of this Agreement is invalid, it shall not affect the remaining provisions which will remain valid and enforceable.

IN WITNESS WHEREOF the parties have caused this Agreement to be executed by the respective officers duly authorized and the incorporate seals to be hereunto affixed and attested as of the date first written above.

ATTEST:

Schlumberger Technology Corporation

[Seal]

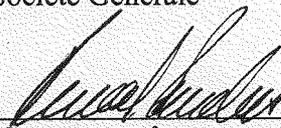
State of NY  
County of Mercer  
August 4, 2009  
to Margaret Spells

  
\_\_\_\_\_  
Nicolas Pacault, Vice President and PTC  
Technology Center Manager

ATTEST:

Societe Generale

[Seal]

  
\_\_\_\_\_  
[Signature of representative of Trustee]

Subscribed and sworn to before me  
this 03 day of July, 2009  
by Carol Z. Adick  
\_\_\_\_\_  
Notary Public

Director  
\_\_\_\_\_  
[Title]

DONNA THOMAS  
NOTARY PUBLIC, State of New York  
No. 01-TH4994538  
Qualified in Westchester County  
Certificate filed in New York County  
Commission Expires April 6, 2010

**CERTIFICATE OF EVENTS**

U.S. Nuclear Regulatory Commission  
Region I  
475 Allendale Road  
King of Prussia, PA 19406-1415

Attention: Trust Division

Gentlemen:

In accordance with the terms of the Agreement with you dated 4<sup>th</sup> day of August, 2009, I, Nicolas Pacault, Vice President and PTC Technology Center Manager of Schlumberger Technology Corporation, hereby certify that the following events have occurred:

1. Schlumberger Technology Corporation has begun the decommissioning of its facility located at Princeton Technology Center, located at 20 Wallace Road, Princeton Junction, NJ 08550 (hereinafter called the decommissioning).
2. The plans and procedures for the commencement and conduct of the decommissioning have been noticed and approved by the U.S. Nuclear Regulatory Commission, or its successor, on \_\_\_\_\_ (copy of approval attached).
3. The Board of Directors of Schlumberger Technology Corporation has adopted the attached resolution authorizing the commencement of the decommissioning.

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

Printed Name: **Nicolas Pacault**

**PTC General Manager**

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

Date: August 4<sup>th</sup> 2009

## CERTIFICATION OF FINANCIAL ASSURANCE

Principal: Schlumberger Technology Corporation  
NRC license number 29-08636-02  
Princeton Technology Center  
20 Wallace Road  
Princeton Junction, New Jersey 08550

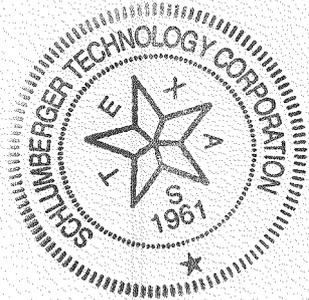
Issued to: U.S. Nuclear Regulatory Commission

I certify that Schlumberger Technology Corporation is licensed to possess the following types of sealed sources or plated foils with a half-life greater than 120 days licensed under 10 CFR Part 30 and unsealed byproduct material with a half-life greater than 120 days licensed under 10 CFR Part 30 in the following amounts:

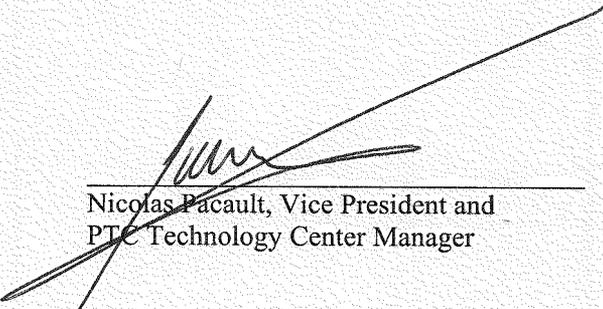
<u>Type of Material</u>	<u>Amount of Material</u>
Hydrogen-3, any Form	8,750 Curies
Hydrogen-3, as sealed sources	7,250 Curies
Barium-133, as sealed sources	50 milicuries
Gadolinium-152, as sealed sources	250 milicuries
Cesium-137, as sealed sources	4 milicuries
Americium-241, as sealed sources	118 milicuries
Cobalt-60, as sealed sources	800 microcuries
Stontium-90, as sealed sources	1 milicurie

I also certify that financial assurance in the amount USD 2,129,751.00 has been obtained for the purpose of decommissioning as prescribed by 10 CFR Part 30.

[Seal]



Schlumberger Technology Corporation

  
\_\_\_\_\_  
Nicolas Pacault, Vice President and  
PTC Technology Center Manager