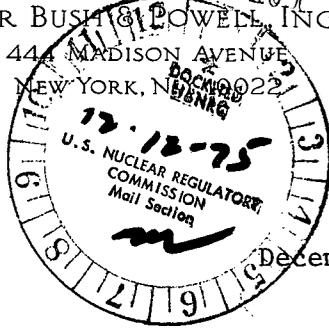


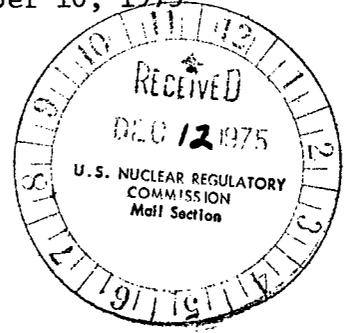
REGULATORY DOCKET FILE COPY 50-286

TER BUSH & POWELL, INC.  
44 MADISON AVENUE  
NEW YORK, N.Y. 10022

J. WILLIAM CAMPO  
PRESIDENT



December 10, 1975



Mr. Jerome Saltzman  
Nuclear Regulatory Commission  
5650 Nicholson Lane Room N-316  
Rockville, Maryland

Dear Jerry:

Enclosed is the endorsement which NEL/PIA proposes to use on the liability insurance policies covering the Indian Point location.

As you know, this endorsement has been telexed to London for approval by Lloyd's underwriters. We are expecting an answer from them before the end of this week.

Kindest regards.

Sincerely,

J. William Campo

JWC:d  
Att.

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## AMENDATORY ENDORSEMENT

### (Facility Form)

It is agreed that:

1. The definition of "nuclear energy hazard" is replaced by the following: "nuclear energy hazard" means the radioactive, toxic, explosive, or other hazardous properties of nuclear material, but only if (1) the nuclear material is at Section B of the facility which is described in endorsement number \_\_\_\_\_ (to which is attached a Plot Plan that delineates Section A of the facility and Section B of the facility), or has been discharged or dispersed from Section B of the facility without intent to relinquish possession or custody thereof to any person or organization, or (2) the nuclear material is in an insured shipment which is (a) in the course of transportation, including handling and temporary storage incidental thereto, within the territorial limits of the United States of America, its territories or possessions, Puerto Rico or the Canal Zone and (b) away from any other nuclear facility; provided that the nuclear energy hazard does not include the radioactive, toxic, explosive, or other hazardous properties of nuclear material which is at Section B of the facility solely because it is in the course of transportation to or from Section A of the facility and another location;
  
2. The definition of "insured shipment" is replaced by the following: "insured shipment" means a shipment of source material, special

nuclear material, spent fuel or waste, herein called "material," (1) to Section B of the facility from any location except from an indemnified nuclear facility, (including Section A of the facility), but only if the transportation of the material is not by predetermination to be interrupted by removal of the material from a transporting conveyance for any purpose other than the continuation of its transportation, or (2) from Section B of the facility to any other location (including Section A of the facility), but only until the material is removed from a transporting conveyance for any purpose other than the continuation of its transportation. "Insured shipment" does not include a shipment of material to or from Section A of the facility which is intended to pass through Section B of the facility solely for the purpose of transit.

3. LIMIT OF LIABILITY; SHARING OF LIMIT OF LIABILITY WITH FACILITY FORM POLICY NUMBER 100 ISSUED TO CONSOLIDATED EDISON COMPANY OF NEW YORK; TERMINATION OF POLICY UPON EXHAUSTION OF LIMIT

Regardless of the number of persons and organizations who are insureds under this policy, and regardless of the number of claims made and suits brought against any or all insureds because of one or more occurrences resulting in bodily injury or property damage caused during the policy period by the nuclear energy hazard, the limit of the companies' liability stated in the declarations is the total liability of the companies for their obligations under this policy and the expenses incurred by the companies in connection with such obligations, including

- (a) payments in settlement of claims and in satisfaction of judgments against the insureds for damage because

of bodily injury or property damage, payments made under parts (2), (3), and (4) of Coverage A and payments made in settlement of claims under Coverages B and C;

- (b) payments for expenses incurred in the investigation, negotiation, settlement and defense of any claim or suit, including, but not limited to, the cost of such services by salaried employees of the companies, fees and expenses of independent adjusters, attorneys' fees and disbursements, expenses for expert testimony, inspection and appraisal of property, examination, X-ray or autopsy or medical expenses of any kind;
- (c) payments for expenses incurred by the companies in investigating an occurrence resulting in bodily injury or property damage or in minimizing its effects.

Each payment made by the companies in discharge of their obligations (including expenses incurred in connection with any such obligations) under:

- (1) this policy, or
- (2) Facility Form policy number 100 issued to Consolidated Edison Company of New York, or,
- (3) both of the above described policies,

shall reduce by the amount of such payments the limit of the companies' liability under this policy.

If, during the policy period or subsequent thereto, the total of such payments made by the companies shall exhaust the limit of the companies' liability under this policy, all liability and obligations of the companies under this policy shall thereupon terminate and shall be conclusively presumed to have been discharged. This policy, if not theretofore

• canceled, shall thereupon automatically terminate.

Regardless of the number of years this policy shall continue in force and the number of premiums which shall be payable or paid, the limit of the companies' liability stated in the declarations shall not be cumulative from year to year.

4. Condition 4 is replaced by the following:

LIMITATION OF LIABILITY; COMMON OCCURRENCE. Any occurrence or series of occurrences resulting in bodily injury or property damage arising out of the radioactive, toxic, explosive, or other hazardous properties of

(a) nuclear material discharged or dispersed from Section A of the facility and also arising out of such properties of other nuclear material so discharged or dispersed from Section B of the facility, or

(b) nuclear material discharged or dispersed over a period of days, weeks, months or longer from

(1) Sections A and B of the facility, or

(2) Section A of the facility, or

(3) Section B of the facility,

and also arising out of such properties of other nuclear material so discharged or dispersed from one or more other nuclear facilities insured under any Nuclear Energy Liability Policy (Facility Form) issued by Nuclear Energy Liability Insurance Association, or

(c) source material, special nuclear material, spent fuel or waste in the course of transportation for which insurance is afforded under this policy and also arising out of such

properties of other source material, special nuclear material, spent fuel or waste in the course of transportation for which insurance is afforded under one or more other Nuclear Energy Liability Policies (Facility Form) issued by Nuclear Energy Liability Insurance Association,

shall be deemed to be a common occurrence resulting in bodily injury or property damage caused by the nuclear energy hazard.

With respect to such bodily injury and property damage (1) the total aggregate liability of the members of Nuclear Energy Liability Insurance Association under all Nuclear Energy Liability Policies (Facility Form), including this policy, applicable to such common occurrence shall be the sum of the limits of liability of all such policies, the limit of liability of each such policy being as determined by Condition 3 thereof, but in no event shall such total aggregate liability of such members exceed \$96,875,000;

(2) the total liability of the companies under this policy shall not exceed that proportion of the total aggregate liability of the members of Nuclear Energy Liability

Insurance Association, as stated in clause (1) above, which

(a) the limit of liability of this policy, as determined by Condition 3, bears to (b) the sum of the limits of liability of all such policies issued by such members, the limit of liability of each such policy being as determined by Condition 3 thereof.

The provisions of this condition shall not operate to increase the limit of the companies' liability under this policy.