

Cardinal Health
Nuclear Pharmacy Services
Quality & Regulatory
7000 Cardinal Place
Dublin, OH 43017
tel 614.757.4120
fax 614.652.4598

www.cardinal.com



CardinalHealth

Q-5
MS-16

2011 OCT -6 AM 10:53
RECEIVED
REGION I

October 5, 2011

Betsy Ullrich
Licensing Assistance Team
Division of Nuclear Materials Safety
U.S. NRC Region I
475 Allentown Road
King of Prussia, PA 19406-1415

03038331

Re: Amendment Request and Additional Information for Radioactive Materials License number 34-32780-02, Cardinal Health PET Manufacturing Services, East Hartford, CT.

Licensing / Ms. Ullrich:

Cardinal Health Nuclear Pharmacy Services and PET Manufacturing Services (hereafter Cardinal Health) submits additional information in accordance with the above referenced license condition number 13.

Please see the attached Certification of Financial Assurance and Standby Trust Agreement for the above referenced license and for new license applications pending review in Region III. This completes the response required according to item 2.b. in your letter dated September 7, 2011. Cardinal Health submits this Certification in accordance with Sections A.2.5 and A.3.3 of NUREG-1757, Vol. 3 and 10-CFR-30.

Cardinal Health commits to adjust the site-specific cost estimate and associated funding levels at intervals not to exceed 3 years using the same methods which are based on the initial Decommissioning Funding Plan (DFP). The DFP adjustments for future cost estimates will incorporate assessments of (a) the associated decommissioning costs for labor, materials, permits, and disposal of radioactive waste; (b) valuation of the surety bond to cover primary or incidental expenses such as the cost of maintaining financial assurance instruments; and, if practical, (c) any other alternative method of transfer or disposal of radioactive material as waste commensurate with state-of-the-art technology, labor, materials, and regulatory compliance with applicable regulations.

If you have any questions regarding this request or progress report, please contact Willie Regits, Ph.D., Corporate Radiation Safety Officer (CRSO), at 614.757.4120.

Sincerely,

Jack L. Coffey, Senior V.P.
Quality and Regulatory
Nuclear Pharmacy Services

Enclosure: Certification of Financial Assurance
Standby Trust Agreement 9/30/2011
Delegation of Authority

575595
NMSS/RGN1 MATERIALS-002

NRC Region I Licensing
License No. 34-32780-02
October 4, 2011

Page 2

cc: James Mathews, RSO (loc. 5869)
Kevin Null, NRC Region III, 2443 Warrenville Road, Suite 210, Lisle, IL 60532-4352
License File 5869 (2)

Cardinal Health
Nuclear Pharmacy Services
Quality & Regulatory
7000 Cardinal Place
Dublin, OH 43017
tel 614.757.5000
fax 614.652.4598

www.cardinal.com



To Whom It May Concern

FROM: Jack Coffey, Senior Vice President, Quality and Regulatory
DATE: November 4, 2009
SUBJECT: Delegation of Authority – Signature Authority

This confirms the individuals listed below on behalf of Cardinal Health 414, LLC (hereafter Cardinal Health), its subsidiaries and affiliates, to make legally binding statements pertaining to regulatory issues, radioactive materials licenses, permits and registrations. The following list of individuals may sign as certifying officials to request, respond, initiate or verify implementation of corrective actions; and to ensure compliance with regulations.

- Willie Regits, Ph.D., Corporate Radiation Safety Officer, Director, Health Physics
Nuclear Pharmacy Services
- Vai Paye, Senior Health Physicist, Quality and Regulatory

A handwritten signature in black ink that reads "Jack L. Coffey".

Jack L. Coffey
Senior Vice President, Quality and Regulatory
Nuclear Pharmacy Services



Certification of Financial Assurance

Principal: Cardinal Health 414, LLC dba: Cardinal Health Nuclear Pharmacy Services,
(hereafter Cardinal Health) 7000 Cardinal Place, Dublin, OH 43017

U.S. Nuclear Regulatory Commission (NRC) license number: **34-32780-02**

Licensee location: 131 East Hartland St., East Hartford, Connecticut 06108

Issued to: U.S. Nuclear Regulatory Commission

I certify that Cardinal Health is licensed to possess the following types of radioactive materials:

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, as indicated in the above referenced NRC license(s) at each location authorized by this license:

<u>Type of Material</u>	<u>Amount of Material</u>
Sealed sources:	
FF. Sodium 22	FF. 200 microcuries per source and 400 microcuries total
GG. Sodium 22	GG. 1 microcurie per source and 2 microcuries total
Unsealed discrete sources:	
N. Manganese 54	N. 10 millicuries
Q. Cobalt 57	Q. 100 millicuries
S. Cobalt 60	S. 15 millicuries
X. Zinc65	X. 15 millicuries
Y. Niobium 93m	Y. 15 millicuries
Z. Niobium 94m	Z. 100 millicuries

I also certify that financial assurance in the amount of \$500,000.00 for each location has been obtained for the purpose of decommissioning as prescribed by 10 CFR Part 30.

A handwritten signature in cursive script that reads "Jack L Coffey".

Jack Coffey, SVP, Quality and Regulatory Affairs

[No Corporate seal exists nor is required under Delaware law]

September 30, 2011

STANDBY TRUST AGREEMENT

This STANDBY TRUST AGREEMENT (the "Agreement"), is entered into as of September 30, 2011 by and between Cardinal Health 414, LLC, a Delaware limited liability company, herein referred to as the "Grantor," and JPMorgan Chase Bank, National Association, 420 W. Van Buren, Chicago, IL 60606, 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 30. These regulations, applicable to the Grantor, require that a holder of, or an applicant for, a materials license issued pursuant to 10 CFR Part 30.35 provide assurance that funds will be available when needed for required decommissioning activities.

WHEREAS, the Grantor has elected to use a surety bond of such financial assurance for the facilities identified herein; and

WHEREAS, only when payment is made under a surety bond, this standby trust shall be used for the receipt of such payment and the terms and conditions of this Agreement shall govern the Trustee's administration of such deposited funds; 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 materials and activities at the facilities identified in the Licenses to be issued pursuant to 10 CFR Part 30.35, as shown in Schedule A.

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 paid under the surety bond described in Schedule B attached hereto. Such cash and any other property subsequently deposited with 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. Prior to the depositing of any cash or other property with the Trustee, the Grantor shall designate for which License(s) that portion of the Fund is available.

The Fund shall be held by the Trustee, IN TRUST, as hereinafter provided. The Trustee shall not be responsible nor shall it undertake any responsibility for the amount of, or adequacy of the Fund, nor any duty to collect from the Grantor, any payments necessary to discharge any liabilities of the Grantor established by NRC.

Section 5. Payment for Required Activities Specified in the Plan.

- (a) The Trustee shall make payments from the Fund to the Grantor upon presentation to the Trustee of the following:
- (i) A Certificate of Resolution substantially in the form set forth in Schedule C, duly executed by the Secretary of the Grantor attesting to the commencement of decommissioning activities at the facility covered by the License , and
 - (ii) A Certificate of Events substantially in the form set forth in Schedule D attesting to the following conditions:
 - (A) that decommissioning is proceeding pursuant to an NRC-approved plan;
 - (B) that the funds withdrawn will be expended for activities undertaken pursuant to that plan; and
 - (C) that NRC has been given 30 days prior notice of Grantor's intent to withdraw funds from the Fund.
 - (iii) No withdrawal from the Fund pursuant to this Section 5(a) for a particular License can exceed 10 percent of the remaining funds available for that License as previously designated by the Grantor in accordance with Section 4 unless NRC written approval is attached to the Certificate of Events.
 - (iv) To the extent Grantor provides any certificate and/or instructions, Grantor represents warrants and covenants that each certificate and/or instruction so provided shall comply with applicable laws and regulations.

Any certificate or instructions delivered by the Grantor and setting forth, claiming, containing, or in any way related to the transfer or distribution of the Fund, including but not limited to any such funds transfer instructions that may otherwise be set forth in such a certificate or written instruction permitted pursuant to this Section 5(a), may be given to the Trustee only by confirmed facsimile and no instruction for or related to the transfer or distribution of the Fund, or any portion thereof, shall be deemed delivered and effective unless the Trustee actually shall have received such instruction by facsimile at the number provided to the Grantor by the Trustee in accordance with Section 14 and as further evidenced by a confirmed transmittal to that number.

- (b) In addition, the Trustee shall make payments from the Fund as NRC shall direct, in writing, to provide for the payment of the costs of required activities covered by this Agreement. The Trustee shall reimburse the Grantor or other persons as specified by NRC from the Fund for expenditures for required activities in such amounts as NRC shall

direct in writing. In addition, the Trustee shall refund to the Grantor such amounts as NRC specifies in writing. Upon refund, such funds shall no longer constitute part of the Fund as defined herein.

Section 6. Trust Management.

- (a) 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 as set forth in Section 6(b) below or 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:
- (i) Securities or other obligations of the Grantor, or any other owner or operator of the facilities, or any of their affiliates as defined in the Investment Company Act of 1940, as amended (15 U.S.C. 80a-2(a)), shall not be acquired or held, unless they are securities or other obligations of the Federal or a State government;
- (ii) The Trustee is authorized to invest the Fund in time or demand deposits of the Trustee, to the extent insured by an agency of the Federal government, and in obligations of the Federal government such as GNMA, FNMA, and FHLM bonds and certificates; and
- (iii) 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.
- (b) Attached as Schedule E is a list of available investments for the Fund approved by the Grantor and the Trustee (the "Available Investments"). The Grantor hereby instructs the Trustee that the Fund shall be invested in JPMorgan US Government Fund – US Treasuries & Agencies, Repo (the "Investment"), based upon Grantor's independent review of prospectuses previously delivered or made available to Grantor. Grantor acknowledges that an affiliate of the Trustee, JPMorgan Asset Management ("JPMAM"), serves as investment manager for the selected Investment and receives fees from the invested funds for services rendered separate from the fees for services rendered by the Trustee as further provided within the Trust Agreement. The Fund shall remain invested in the Investment selected by the Grantor unless and until the Grantor instructs the Trustee to invest the Fund in another investment vehicle or fund listed on Schedule E (an "Alternative Investment"). Schedule E may be amended by the Trustee from time to time. If an Investment or Alternative Investment is removed from the Trustee's list of Available Investments, the Grantor agrees to promptly select another Available Investment. If the Grantor does not promptly respond to a request from the Trustee to

select another Available Investment, the Trustee shall have the right, as provided under the Trust Agreement, to select another Available Investment.

- (c) Instructions by the Grantor to make any Alternative Investment must be in writing and shall specify the type and identity of the investments to be purchased and/or sold. The Trustee is hereby authorized to execute purchases and sales of Investments and Alternative Investments through the facilities of its own trading or capital markets operations or those of any affiliated entity. The Trustee or any of its affiliates may receive compensation with respect to any Investment or Alternative Investment instructed hereunder including without limitation charging any applicable agency fee in connection with each Investment, Alternative Investment and/or transaction.
- (d) Market values, exchange rates and other valuation information provided (including, without limitation, any market value or notional value information provided pursuant to the Trust Agreement), of any Investment or Alternative Investment furnished in any report or statement may be obtained from third party sources and is furnished for the exclusive use of the Parties. Except with respect to the annual valuation report required by Section 10 below, the Trustee has no responsibility whatsoever to determine the market or other value of any Investment or Alternative Investment and makes no representation or warranty, express or implied, as to the accuracy of any such valuations or that any values necessarily reflect the proceeds that may be received on the sale of an Investment or Alternative Investment. The Trustee shall not be liable for any loss or damage arising out of the inaccuracy of any such information or of the Grantor's or NRC's reliance thereon.
- (e) Except as set forth in this Section 6, the Grantor recognizes and agrees that the Trustee will not provide supervision, recommendations or advice relating to either the investment of moneys held in the Fund or the purchase, sale, retention or other disposition of any Investment or Alternative Investment described herein. The Trustee shall not have any liability for any loss sustained as a result of any investment in an Investment or Alternative Investment made pursuant to the terms of this Section 6 or as a result of any liquidation of any Investment or Alternative Investment prior to its maturity or for the failure of the Grantor to give the Trustee Instructions to invest or reinvest the Fund. The Trustee shall have the right to liquidate any Investment or Alternative Investment in order to provide funds necessary to make required payments under this Agreement.

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 to allow duly authorized withdrawals at the joint request of the Grantor and NRC or to reinvest in securities at the direction of the Grantor;
- (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 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, to the extent insured by an agency of the Federal government; and
- (e) To compromise or otherwise adjust all claims in favor of or against the Fund.
- (f) The Trustee shall have only those duties as are specifically and expressly provided in this Agreement, and no other duties or obligations shall be implied. Except with respect to the NRC, all of the duties set forth are and shall be deemed purely ministerial in nature. The Trustee shall under no circumstances whatsoever be considered a fiduciary for the Grantor or for any other person or entity, except, solely to the extent set forth in this Agreement.
- (g) The Trustee shall not be liable to the Grantor for any action taken, suffered or omitted to be taken by it except to the extent that a final adjudication of a court of competent jurisdiction determines that the Trustee's bad faith was the primary cause of any loss.

- (h) The Trustee may execute any of its powers and perform any of its duties hereunder and under the Trust Agreement directly or through affiliates or agents. The Trustee may consult with counsel, accountants and other skilled persons to be selected and retained by it. The Trustee shall not be liable for any action taken, suffered or omitted to be taken by it in accordance with, or in reliance upon, the advice or opinion of any such counsel, accountants or other skilled persons.
- (i) The Trustee shall not be obligated to perform any duty under this Agreement, and shall not incur any liability for the nonperformance or breach of any obligation thereunder, to the extent that the Trustee is delayed in performing, unable to perform or breaches such obligation because of acts of God, war, terrorism, fire, floods, strikes, electrical outages, equipment or transmission failure, or other causes reasonably beyond its control.

Section 9. Taxes and Expenses. The Grantor has provided the Trustee with its fully executed Internal Revenue Service ("IRS") Form W-8, or W-9 and/or other required documentation. All interest or other income earned under the Trust Agreement shall be allocated to Grantor and reported, as and to the extent required by law, by the Trustee to the IRS, or any other taxing authority, on IRS Form 1099 or 1042S (or other appropriate form) as income earned from the Fund by Grantor whether or not said income has been distributed during such year. 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 annually, at least 30 days before the anniversary date of receipt of payment into the standby trust fund, furnish to the Grantor and to NRC a statement confirming the value of the Trust. Any securities in the Fund shall be valued at market value as of no more than 60 days before the anniversary date of the establishment of the Fund. The failure of the Grantor to object in writing to the Trustee within 90 days after the statement has been furnished to the Grantor and NRC 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 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 with the Grantor. (See Schedule F.)

Section 13. Successor Trustee. Upon 90 days notice to NRC and the Grantor, the Trustee may resign; upon 90 days notice to NRC and the Trustee, the Grantor may replace the Trustee; but such resignation or replacement shall not be effective until the Grantor has appointed a successor

Trustee, the successor accepts the appointment, the successor is ready to assume its duties as trustee, and NRC has agreed, in writing, that the successor is an appropriate Federal or State government agency or an entity that has the authority to act as a trustee and whose trust operations are regulated and examined by a Federal or State agency. The successor Trustee shall have the same powers and duties as those conferred upon the Trustee hereunder. When the resignation or replacement is effective, 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, NRC, 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.

- (a) 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. The Trustee shall not be liable to Grantor, NRC, any beneficiary or other person for refraining from acting upon any certificate or instruction from Grantor setting forth, claiming, containing, objecting to, or related to the transfer or distribution of the Fund, or any portion thereof, and as permitted by Section 5(a), unless such certificate or instruction shall have been delivered to the Trustee by confirmed facsimile and the Trustee has been able to satisfy any applicable security procedures as may be required hereunder. If NRC issues orders, requests, or instructions to the Trustee these shall be in writing, signed by NRC 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 or NRC 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 NRC, except as provided for herein. The Trustee shall neither be responsible for, nor chargeable with, knowledge of, nor have any requirements to comply with, the terms and conditions of any other agreement, License, instrument or document (collectively, "Agreement"), between the Grantor and NRC, in connection herewith, if any, nor shall the Trustee be required to determine if Grantor, NRC, person or other entity has complied with any such Agreements, nor shall any additional obligations of the Trustee be inferred from the terms of such Agreements, even though reference thereto may be made in this Agreement.
- (b) Except for certificates, instructions or other communications related to the transfer or distribution of the Fund, or any portion thereof, any notice or other communication required or permitted to be given under this Agreement by any party thereto to any other party thereto shall be considered as properly given if in writing and (i) delivered against receipt therefor, (ii) mailed by registered or certified mail, return receipt requested and postage prepaid or

(iii) sent by telefax machine, in each case to the address or telefax number, as the case may be, set forth below:

If to Trustee: JPMorgan Chase Bank, N.A.
Escrow Services
420 W. Van Buren, Mail Code IL1-0113
Chicago, IL 60606
Attn: Cynthia Reis
Facsimile No: (312) 954-0430

If to Grantor: Cardinal Health 414, LLC
7000 Cardinal Place
Dublin, OH 43017
Attn: Treasury Operations, Les Hess
Reference: CAH 414 NRC Decommission Trust
Telefax No.: 614-553-9561
Telephone No.: 614-757-2906

Notwithstanding the above, in the case of any certificates, instructions or other communications delivered to the Trustee, such communications shall be deemed to have been given on the date received by an officer of the Trustee or any employee of the Trustee who reports directly to any such officer at the above-referenced office and the Trustee has had a reasonable period of time to act upon such Instructions or other communication after it was received.

- (c) In the event funds transfer instructions are received by the Trustee by facsimile transmission the Trustee is authorized to seek confirmation of such instructions by telephone call-back to the person or persons designated on Schedule G, and the Trustee may rely upon the confirmation of anyone purporting to be the person or persons so designated. The persons and telephone numbers for call-backs may be changed only in a writing actually received and acknowledged by the Trustee. The Trustee and the beneficiary's bank in any funds transfer may rely solely upon any account numbers or similar identifying numbers provided to identify (i) the beneficiary, (ii) the beneficiary's bank, or (iii) an intermediary bank. The Trustee may apply any of the Fund for any payment order it executes using any such account and/or identifying number, even when its use may result in a person other than the beneficiary being paid, or the transfer of funds to a bank other than the beneficiary's bank or an intermediary bank designated.

Grantor acknowledges that the Trustee is authorized to use the following funds transfer instructions to disburse any funds due to Grantor without a verifying call-back:

Grantor's Bank account information:

Bank name: Wells Fargo
Bank Address: Charlotte, NC
ABA number: 053000219
Account name: Cardinal Health, Inc.
Account number: [REDACTED]
Reference: CAH 414 NRC Decommission
Trust

In addition to funds transfer instructions as set forth above, repetitive funds transfer instructions may be given to the Trustee for one or more beneficiaries where only the date of the requested transfer, the amount of funds to be transferred, and/or the description of the payment shall change within the repetitive instructions ("Standing Settlement Instructions"). Grantor shall deliver to Trustee such specific Standing Settlement Instructions for each respective beneficiary as set forth in Schedule G, by facsimile or other written Instruction. Trustee may rely solely upon such Standing Settlement Instructions and all account and/or identifying information set forth therein for each beneficiary. Trustee and Grantor agree that such Standing Settlement Instructions shall be effective as the funds transfer instructions of Grantor, without requiring a verifying callback, whether or not authorized, if such Standing Settlement Instructions are consistent with previously authenticated Standing Settlement Instructions for that beneficiary. The Grantor agrees that the security procedures set forth herein are commercially reasonable.

Section 15. Amendment of Agreement. This Agreement may be amended by an instrument in writing executed by the Grantor, the Trustee, and NRC, or by the Trustee and NRC if the Grantor ceases to exist. All amendments shall meet the relevant regulatory requirements of NRC.

Section 16. Irrevocability and Termination. Subject to the right of the parties to amend this Agreement as provided in Section 15, this trust shall be irrevocable and shall continue until terminated at the written agreement of the Grantor, the Trustee, and NRC, or by the Trustee and NRC if the Grantor ceases 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.

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 or NRC issued in accordance with this Agreement. The Trustee and its affiliates and their respective successors, assigns, directors, officers, agents and employees (the "Indemnitees"), shall be indemnified and saved harmless by the Grantor or from the Fund, or both, from and against any personal liability, and all losses, damages, claims, liabilities, penalties, judgments, settlements, litigation, investigations, costs or expenses (including, without limitation, the fees and expenses of outside counsel, accountants and experts and their staffs and all expenses of document location, duplication and shipment) (collectively, "Losses") arising out of or in connection with (i) the Trustee's execution and performance of this Agreement, tax reporting or withholding, the enforcement of any rights or remedies under or in connection with this Agreement, or as may arise by reason of any act, omission or error of the Indemnitee, except in the case of any Indemnitee to the extent that such

Losses are finally adjudicated by a court of competent jurisdiction to have been primarily caused by bad faith of such Indemnitee, or (ii) its following any instructions from the Grantor or NRC, whether joint or singular. The Grantor acknowledges that the indemnity obligations set forth herein shall survive the resignation, replacement or removal of the Trustee or the termination of this Agreement. Anything in this Trust Agreement to the contrary notwithstanding, in no event shall the Trustee be liable for special, incidental, punitive, indirect or consequential losses or damages of any kind whatsoever (including but not limited to lost profits), even if the Trustee has been advised of the likelihood of such losses or damages and regardless of the form of action.

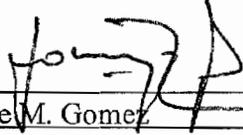
Section 18. This Agreement shall be administered, construed, and enforced according to the laws of the State of Ohio.

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.

Section 20. PATRIOT Act Disclosure. Section 326 of the Uniting and Strengthening America by Providing Appropriate Tools Required to Intercept and Obstruct Terrorism Act of 2001 ("USA PATRIOT Act") requires the Trustee to implement reasonable procedures to verify the identity of any person that opens a new account with it. Accordingly, the Grantor acknowledges that Section 326 of the USA PATRIOT Act and the Trustee's identity verification procedures require the Trustee to obtain information which may be used to confirm the Grantor's identity including without limitation name, address and organizational documents ("identifying information"). The Grantor agrees to provide the Trustee with and consents to the Trustee obtaining from third parties any such identifying information required as a condition of opening an account with or using any service provided by the Trustee.

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.

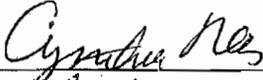
Cardinal Health 414, LLC

By: 
Name: Jorge M. Gomez
Title: Senior Vice President & Treasurer

ATTEST:


Name: Jennifer Skinner
Title: Director, Treasury

JPMorgan Chase Bank, NA

By: 
Name: Cynthia Reis
Title: Vice President

ATTEST:


Name: Kristina Matejic
Title: Officer

[seal]

Schedule A

This Agreement demonstrates financial assurance for the following cost estimates or prescribed amounts for the following licensed activities:

<u>U.S. NUCLEAR REGULATORY COMMISSION LICENSE NUMBER(S)</u>	<u>NAME AND ADDRESS OF LICENSEE</u>	<u>ADDRESS OF LICENSED ACTIVITY</u>	<u>COST ESTIMATES FOR REGULATORY ASSURANCES DEMONSTRATED BY THIS AGREEMENT</u>
34-32780-02 ¹	Cardinal Health 414, LLC 7000 Cardinal Place Dublin, Ohio 43017	131 East Hartland St. East Hartford Connecticut 06108	\$500,000.00*
New	Cardinal Health 414, LLC 7000 Cardinal Place Dublin, Ohio 43017	c/o Michigan State University 138 Service Road Suite E127 East Lansing Michigan 48824	\$500,000.00*
New	Cardinal Health 414, LLC 7000 Cardinal Place Dublin, Ohio 43017	10718 Trenton Avenue Saint Louis Missouri 63132	\$500,000.00*
			*includes a 25% contingency

¹ The cost estimates for License Number 34-32780-02 listed here were last adjusted and approved by NRC on September 7, 2011.

Schedule B

\$0

This is a standby trust to receive funds payable under the Payment Surety Bonds # [REDACTED] and # [REDACTED] issued by Travelers Casualty and Surety Company of America, executed on May 26, 2011, in an amount up to \$500,000.00 for each licensed location described on Schedule A.

SCHEDULE C

CARDINAL HEALTH 414, LLC
(fka Cardinal Health 414, Inc.)

Secretary's Certificate

The undersigned Secretary of Cardinal Health 414, LLC (f/k/a Cardinal Health 414, Inc.), a Delaware limited liability company (the "Company"), hereby certifies that he is the duly elected and acting Secretary of the Company, that the following is a true copy of resolutions duly adopted by the Sole Member of the Company on _____, and that such resolutions have not subsequently been rescinded, amended, or otherwise modified and are still in full force and effect:

Decommissioning Resolutions

RESOLVED, that the Sole Member hereby authorizes any officer of the Company to commence decommissioning activities at *[insert name of facility]* in accordance with the terms and conditions described to this Sole Member and with such other terms and conditions as such officer shall approve with and upon the advice of counsel; and further

RESOLVED, that any and all actions previously taken by any officer of the Company in connection with the foregoing resolution prior to the date set forth above are hereby ratified, confirmed and approved as the official acts of the Company.

_____, as Secretary of the Company has executed this certificate as of _____.

By: _____
Secretary

SCHEDULE D Certificate of Events

JPMorgan Chase Bank, NA
Escrow Services
420 W. Van Buren, Mail Code IL1-0113
Chicago, IL 60606
Attn: _____
Facsimile No: (312) 954-0430

Attention: _____

Dear Mr. or Ms. _____:

In accordance with the terms of the Agreement with you dated September 30, 2011,
I, _____, Secretary of Cardinal Health 414, LLC, hereby certify that the following events
have occurred:

1. Cardinal Health 414, LLC is required to commence the decommissioning of its facility located at [*insert location of facility*] (hereinafter called the decommissioning).
2. The plans and procedures for the commencement and conduct of the decommissioning have been approved by the United States Nuclear Regulatory Commission, or its successor, on _____ (copy of approval attached).
3. The Sole Member of Cardinal Health 414, LLC has adopted the attached resolution authorizing the commencement of the decommissioning.

Secretary of Cardinal Health 414, LLC

Date

SCHEDULE E

Investments

JPMorgan US Government Fund - US Treasuries & Agencies, Repo

JPMorgan US Treasury Plus Fund - US Treasuries & Agencies

JPMorgan 100% US Treasury - US Treasuries only

Schedule F

J.P.Morgan

Schedule of Fees for Trustee Services

Based upon our current understanding of your proposed transaction, our fee proposal is as follows:

Account Acceptance FeeWaived

Encompassing review, negotiation and execution of governing documentation, opening of the account, and completion of all due diligence documentation. Payable upon closing.

Annual Administration Fee \$1,500

The Administration Fee covers our usual and customary ministerial duties, including record keeping, distributions, document compliance and such other duties and responsibilities expressly set forth in the governing documents for each transaction. Payable upon closing and annually in advance thereafter, without pro-ration for partial years.

Extraordinary Services and Out-of Pocket Expenses

Any additional services beyond our standard services as specified above, and all reasonable out-of-pocket expenses including attorney's or accountant's fees and expenses will be considered extraordinary services for which related costs, transaction charges, and additional fees will be billed at the Bank's then standard rate. Disbursements, receipts, investments or tax reporting exceeding 25 items per year may be treated as extraordinary services thereby incurring additional charges. The Trustee may impose, charge, pass-through and modify fees and/or charges for any account established and services provided by the Trustee, including but not limited to, transaction, maintenance, balance-deficiency, and service fees, agency or trade execution fees, and other charges, including those levied by any governmental authority.

Disclosure & Assumptions

- Please note that the fees quoted are based on a review of the transaction documents provided and an internal due diligence review. JPMorgan reserves the right to revise, modify, change and supplement the fees

quoted herein if the assumptions underlying the activity in the account, level of balances, market volatility or conditions or other factors change from those used to set our fees.

- The deposit shall be continuously invested in a JPMorgan Chase Money Market Mutual Fund (“MMMF”). MMMF have rates of compensation that may vary from time to time based upon market conditions. The Annual Administration Fee would include a supplemental charge up to 25 basis points on the deposit amount if another investment option were to be chosen.
- Payment of the invoice is due upon receipt.

Compliance

To help the government fight the funding of terrorism and money laundering activities, Federal law requires all financial institutions to obtain, verify, and record information that identifies each person or entity that opens an account. We may ask for information that will enable us to meet the requirements of Federal law.

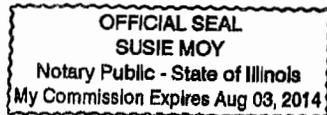
A.17.8 Model Letter of Acknowledgment

STATE OF ILLINOIS

To Wit: _____

CITY OF CHICAGO

On this 30th day of September, before me, a notary public in and for the city and State aforesaid, personally appeared Cynthia Reis, and she/~~he~~ did depose and say that she/~~he~~ is the Vice President of JPMorgan Chase Bank, National Association, Trustee, which executed the above instrument; that she/~~he~~ knows the seal of said association; that the seal affixed to such instrument is such corporate seal; that it was so affixed by order of the association; and that she/~~he~~ signed her/~~his~~ name thereto by like order.



Susie Moy
[Signature of notary public]

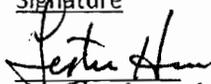
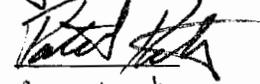
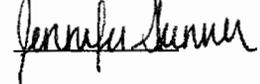
My Commission Expires:

8/3/14
[Date]

SCHEDULE G

Telephone Number(s) for Call-Backs and
Person(s) Designated to Instruct and Confirm Funds Transfer Instructions

If from Grantor:

<u>Name</u>	<u>Signature</u>	<u>Telephone Number</u>
1. Lester Hess		614-757-2906
2. Patrick Kelty		614-757-5044
3. Jennifer Skinner		614-553-3560

All funds transfer instructions must include the signature of the person(s) authorizing said funds transfer. Grantor agrees that repetitive or standing settlement instructions will be effective as the funds transfer instructions of the stated beneficiary, whether or not authorized, if such settlement instructions are verified pursuant to any security procedure provided in this Agreement or such other security procedure to which Trustee and Grantor may agree.

APPENDIX A
NUREG-1757, Vol. 3 A-168



UNITED STATES
NUCLEAR REGULATORY COMMISSION
REGION I
475 ALLENDALE ROAD
KING OF PRUSSIA, PENNSYLVANIA 19406-1415

5869(2)
RECEIVED
SEP 12 2011

September 7, 2011

BY:

Docket No. 030-38331
Control No. 575595

License No. 34-32780-02

COPY

Willie Regits, Ph.D.
Corporate Health Physicist
Cardinal Health 414, LLC
7000 Cardinal Place
Dublin, OH 43017

SUBJECT: CARDINAL HEALTH 414, LLC, REQUEST FOR ADDITIONAL INFORMATION
CONCERNING FINANCIAL ASSURANCE FOR LICENSE, CONTROL NO.
575595

Dear Dr. Regits:

This is in reference to your letter dated August 11, 2011 providing a decommissioning funding plan (DFP), cost estimate, and financial assurance instrument for Nuclear Regulatory Commission License No. 34-32780-02. In order to continue our review, we need the following additional information:

1. The DFP and cost estimate were reviewed. Although you selected a value for cobalt-57 which is not in accordance with NRC regulations, resulting in a sum-of-fractions that is less than the NRC staff calculated using the values in NRC regulations, you used a DFP and cost estimate to determine the amount of financial assurance to be submitted. A DFP is required by NRC calculations, so the sum-of-fractions you determined does not affect the NRC requirement. The DFP provided as the basis for the cost estimate of \$371,635.25 is accepted. No response to this item is required.
2. You provided a Surety Bond in the amount of \$500,000 as the financial assurance instrument for the above-listed license. The surety bond in that amount is accepted. The Power of Attorney provided also is accepted. However, additional documents in support of the financial assurance instrument must be provided as follows:
 - a. The use of a Surety Bond requires that a standby trust agreement and all supporting documentation be provided to the NRC. This is noted in Section A.9.3 and Checklist 9-A of NUREG-1757, "Consolidated NMSS Guidance", Volume 3, "Financial Assurance, Recordkeeping and Timeliness (NUREG-1757, Vol. 3). The requirements for the standby trust agreement and supporting documentation can be found in Section A.17 and Checklist 17-A of NUREG-1757, Vol. 3.
 - b. In accordance with Section A.2.5 and A.3.3 of NUREG-1757, Vol. 3, a Certification of Financial Assurance is required to be provided. The Model Certification of Financial Assurance in Section A.2.4 should be used. Please note that you are providing financial assurance in accordance with the

requirements of 10 CFR Part 30; you are not authorized to possess materials pursuant to Parts 40 or 70, and should omit those references from your documents.

- c. In accordance with Checklist 3, Section A.3.2 and A.3.3 of NUREG-1757, Vol. 3, provide a description of the means that will be used to adjust the site-specific cost estimate and associated funding levels at intervals not to exceed 3 years, as specified in 10 CFR 30.35(e).
3. Paragraph 3 of your letter requested that the NRC revise the Appendix B quantities in 10 CFR Part 30 to list accelerator-produced radioactive materials. However, this must be done separately in accordance with NRC regulations for rulemaking. Basic information for submitting a petition for rulemaking may be found on the NRC website at <http://www.nrc.gov/about-nrc/regulatory/rulemaking.html>, and detailed information is in 10 CFR 2.802. Petitions for rulemaking may be submitted by email or fax, in addition to regular mail.

Current NRC regulations and guidance are included on the NRC's website at www.nrc.gov; select **Nuclear Materials; Med, Ind, & Academic Uses**; then **Licensee Toolkits**, see our **toolkit index page**. You may also obtain these documents by contacting the Government Printing Office (GPO) toll-free at 1-866-512-1800. The GPO is open from 7:00 a.m. to 6:30 p.m. EST, Monday through Friday (except Federal holidays).

We will continue our review upon receipt of this information. Please reply to my attention at the Region I Office and refer to Mail Control No. 575595. If you have any technical questions regarding this deficiency letter, please contact me by telephone at (610) 337-5040 or by email to Elizabeth.Ullrich@nrc.gov.

If we do not receive a reply from you within 30 calendar days from the date of this letter, please provide me with an update by telephone or email, explaining the reason for the delay and describing the current status of your efforts to obtain the required documentation.

Sincerely,



Betsy Ullrich
Senior Health Physicist
Commercial and R&D Branch
Division of Nuclear Materials Safety

cc:
James Matthews, Radiation Safety Officer