

VOID SHEET

TO: License Fee Management Branch

FROM: RTH

SUBJECT: VOIDED APPLICATION

21-08362-13

Control Number:

00174

Applicant:

Dow Corning Corporation

Date Voided:

8-26-92

Reason for Void:

Decommissioning action.

Robert D. Hatter 8-26-92
Signature Date

Attachment:
Official Record Copy of
Voided Action

FOR LFMB USE ONLY

Final Review of VOID Completed:

- ☐ Refund Authorized and processed
☐ No Refund Due
☒ Fee Exempt or Fee Not Required

Comments:

050065

Log completed

Processed by: RTH

ML
30 OH

BETWEEN:

LICENSE FEE MANAGEMENT BRANCH, ARM
AND
REGIONAL LICENSING SECTIONS

(FOR LFMS USE)
INFORMATION FROM LTS

PROGRAM CODE: 03521
STATUS CODE: 0
FEE CATEGORY: 3G
EXP. DATE: 19961231
FEE COMMENTS:
DECOM FIN ASSUR REQD: Y

LICENSE FEE TRANSMITTAL

A. REGION III

1. APPLICATION ATTACHED

APPLICANT/LICENSEE: DOW CORNING CORP.
RECEIVED DATE: 901203
DOCKET NO: 3012746
CONTROL NO.: 300174
LICENSE NO.: 21-08362-13
ACTION TYPE: AMENDMENT

2. FEE ATTACHED

AMOUNT: \$

CHECK NO.: \$

3. COMMENTS

SIGNED P. Detloff

DATE 2-12-92

B. LICENSE FEE MANAGEMENT BRANCH (CHECK WHEN MILESTONE 03 IS ENTERED ✓)

1. FEE CATEGORY AND AMOUNT: 3G

PER 8/30/90 MEMO

2. CORRECT FEE PAID. APPLICATION MAY BE PROCESSED FOR:

AMENDMENT ✓

RENEWAL

LICENSE

3. OTHER

SIGNED Arta Jacques

DATE 2/20/92

KA per 8/30/90 memo



Continental Bank

CABLE ADDRESS: Conl Bank Telex 02-5233 • SWIFT ADDRESS: CNTLUS44 • TELEFAX NUMBER: 987-6828

PAGE: 1

DATE: DECEMBER 20, 1991

AMENDMENT TO IRREVOCABLE STANDBY CREDIT NUMBER: C7166416

AMENDMENT NUMBER 1

RECEIVED BY LFMS	
Date	2/18/92
Loc	Feb 11
By	dy
Rate Completed	2/20/92

BENEFICIARY
U.S. NUCLEAR REGULATORY COMMISSION
11555 ROCKVILLE PIKE 1, WHITE FLINT
N.BLDG.ATTN:CHIEF MATERIALS LIC SEC
ROCKVILLE, MARYLAND 20852

APPLICANT
DOW CORNING CORPORATION
2200 WEST SALEBURG, ROAD
AUBURN, MICHIGAN 48611

THIS AMENDMENT IS TO BE CONSIDERED AN INTEGRAL PART OF THE ABOVE CREDIT AND MUST BE ATTACHED THERETO.

THE ABOVE MENTIONED CREDIT IS AMENDED AS FOLLOWS:

ON PAGE TWO, THE SECOND PARAGRAPH IS DELETED AND RESTATED AS FOLLOWS:

"WHENEVER THIS LETTER OF CREDIT IS DRAWN ON UNDER AND IN COMPLIANCE WITH THE TERMS OF THIS LETTER OF CREDIT, WE SHALL DULY HONOR SUCH DRAFT UPON ITS PRESENTATION TO US WITHIN THIRTY (30) DAYS, AND WE SHALL DEPOSIT THE AMOUNT OF THE DRAFT DIRECTLY INTO THE STANDBY TRUST FUND OF DOW CORNING CORPORATION IN ACCORDANCE WITH YOUR INSTRUCTIONS."

ALL OTHER TERMS AND CONDITIONS REMAIN UNCHANGED.

IF YOU REQUIRE ANY ASSISTANCE OR HAVE ANY QUESTIONS REGARDING THIS AMENDMENT, PLEASE CALL 312-923-5915.

CONTINENTAL BANK, NATIONAL ASSOCIATION

FEE NOT REQUIRED

Cherica Michaels
FOR CASHIER

D. Groom
FOR CASHIER

THIS DOCUMENT CONSISTS OF 1 PAGE(S).

RECEIVED

DEC 23 1990

REGION III

ORIGINAL

CONTROL NO. 00174



PAGE: 1

DATE: DECEMBER 3, 1990

IRREVOCABLE DOCUMENTARY CREDIT NUMBER: C7166416

BENEFICIARY

U.S. NUCLEAR REGULATORY COMMISSION
11555 ROCKVILLE PIKE 1, WHITE FLINT
N.BLDG.ATTN:CHIEF MATERIALS LIC SEC
ROCKVILLE, MARYLAND 20852

APPLICANT

DOW CORNING CORPORATION
2200 WEST SALZBURG, ROAD
AUBURN, MICHIGAN 48611

AMOUNT

USD 75,000.00
SEVENTY FIVE THOUSAND AND 00/100'S
US DOLLARS

EXPIRY

DECEMBER 3, 1991 AT OUR COUNTERS

WE HEREBY ESTABLISH OUR IRREVOCABLE STANDBY LETTER OF CREDIT NUMBER C7166416 IN YOUR FAVOR, AT THE REQUEST AND FOR THE ACCOUNT OF DOW CORNING CORPORATION UP TO THE AGGREGATE AMOUNT OF SEVENTY-FIVE THOUSAND U.S. DOLLARS (U.S. \$75,000.00) AVAILABLE UPON PRESENTATION OF:

(1) YOUR SIGHT DRAFT BEARING REFERENCE TO THIS LETTER OF CREDIT NUMBER C7166416, AND

(2) YOUR SIGNED STATEMENT READING AS FOLLOWS: "I CERTIFY THAT THE AMOUNT OF THE DRAFT IS PAYABLE PURSUANT TO REGULATIONS ISSUED UNDER AUTHORITY OF 10 CFR PART 30."

THIS LETTER OF CREDIT IS ISSUED IN ACCORDANCE WITH REGULATIONS ISSUED UNDER THE AUTHORITY OF 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. THE NRC HAS PROMULGATED REGULATIONS IN TITLE 10, CHAPTER I OF THE CODE OF FEDERAL REGULATIONS, PART (30), WHICH REQUIRE THAT A HOLDER OF, OR AN APPLICANT FOR, A LICENSE ISSUED UNDER 10 CFR PARTS (30) PROVIDE ASSURANCE THAT FUNDS WILL BE AVAILABLE WHEN NEEDED FOR DECOMMISSIONING.

THIS LETTER OF CREDIT IS EFFECTIVE AS OF DECEMBER 3, 1990, AND SHALL EXPIRE AT OUR CLOSE OF BUSINESS ON DECEMBER 3, 1991, BUT SUCH EXPIRATION DATE SHALL BE AUTOMATICALLY EXTENDED FOR A PERIOD OF ONE YEAR FROM THE CURRENT EXPIRATION DATE AND ON EACH SUCCESSIVE EXPIRATION DATE, UNLESS; AT LEAST 90 DAYS BEFORE THE CURRENT EXPIRATION DATE, WE NOTIFY BOTH YOU AND DOW CORNING CORPORATION, AS SHOWN ON THE SIGNED RETURN RECEIPTS. IF DOW CORNING CORPORATION IS UNABLE TO SECURE ALTERNATIVE FINANCIAL ASSURANCE TO REPLACE THIS LETTER OF CREDIT WITHIN THIRTY (30) DAYS OF NOTIFICATION OF CANCELLATION THE NRC MAY DRAW UPON THE FULL VALUE OF THIS LETTER OF CREDIT PRIOR TO CANCELLATION. THE BANK SHALL GIVE IMMEDIATE NOTICE TO THE APPLICANT AND THE NRC OF ANY NOTICE RECEIVED OR ACTION FILED ALLEGING

(1) THE INSOLVENCY OR BANKRUPTCY OF THE FINANCIAL INSTITUTION OR

(2) ANY VIOLATIONS OF REGULATORY REQUIREMENTS THAT ARE LIKELY TO RESULT IN SUSPENSION OR REVOCATION OF THE BANK'S CHARTER OR LICENSE

CONTROL NO. 00174

ORIGINAL

~~CONTROL NO. 00174~~



Continental Bank

CABLE ADDRESS: Conl Bank Telex 02-5233 • SWIFT ADDRESS: CNTLUS44 • TELEFAX NUMBER 967-6826

PAGE: 2

THIS IS AN INTEGRAL PART OF LETTER OF CREDIT NUMBER: C7166416

TO DO BUSINESS. THE FINANCIAL INSTITUTION ALSO SHALL GIVE IMMEDIATE NOTICE IF THE BANK, FOR ANY REASON, BECOMES UNABLE TO FULFILL ITS OBLIGATION UNDER THE LETTER OF CREDIT.

WHENEVER THIS LETTER OF CREDIT IS DRAWN ON UNDER AND IN COMPLIANCE WITH THE TERMS OF THIS LETTER OF CREDIT, WE SHALL DULY HONOR SUCH DRAFT UPON ITS PRESENTATION TO US WITHIN THIRTY (30) DAYS.

EACH DRAFT MUST BEAR ON ITS FACE THE CLAUSE: "DRAWN UNDER LETTER OF CREDIT NUMBER C7166416 DATED DECEMBER 3, 1990, AND THE TOTAL OF THIS DRAFT AND ALL OTHER DRAFTS PREVIOUSLY DRAWN UNDER THIS LETTER OF CREDIT DOES NOT EXCEED \$75,000.00."

THIS DOCUMENTARY CREDIT IS SUBJECT TO THE UNIFORM CUSTOMS AND PRACTICE FOR DOCUMENTARY CREDITS (1983 REVISION) INTERNATIONAL CHAMBER OF COMMERCE, PUBLICATION NO. 400.

IF YOU REQUIRE ANY ASSISTANCE OR HAVE ANY QUESTIONS REGARDING THIS TRANSACTION, PLEASE CALL 312-923-5915.

CONTINENTAL BANK, NATIONAL ASSOCIATION

[Signature]
FOR CASHIER

[Signature]
FOR CASHIER

THIS DOCUMENT CONSISTS OF 2 PAGE(S).

CONTROL NO. 00173

ORIGINAL

AUG 26 1992

Dow Corning Corporation
ATTN: Janet A. Grappin
Corporate Radiation
Protection Officer
2200 W. Salzburg Road
Midland, MI 48686

License Number: 21-08362-13

Dear Ms. Grappin:

We have reviewed your decommissioning financial assurance submittal received December 03, 1990 and subsequent submittals dated August 13, 1991, August 12, 1992, August 13, 1992 and August 20, 1992. Within the scope of our review, no further deficiencies were identified. A copy of this information will be placed in your license file.

If you have any questions or require clarification on any of the information stated above, you may contact us at (708) 790-5625.

Sincerely,

Original Signed By
Robert G. Gattone, Jr.
Nuclear Materials Licensing Section

RIII
69
Gattone/rg
8/25/92

RIII
Jmm
McCann
8/26/92

CONVERSATION RECORD

TIME

8:15

DATE

8-25-92

TYPE

☐ VISIT

☒ CONFERENCE

☒ TELEPHONE

☐ INCOMING

☒ OUTGOING

ROUTING

NAME/SYMBOL

INT

Location of Visit/Conference:

NAME OF PERSON(S) CONTACTED OR IN CONTACT WITH YOU

Dave Gattone

ORGANIZATION (Office, dept., bureau, etc.)

OGC

TELEPHONE NO.

301

504-1621

SUBJECT

CIN 00174

Lic. # 21-08362-13

SUMMARY

Q Do the omissions of "State Agency" in the amendment to Section V of the Standby Trust Agreement make it unacceptable?

A No

ACTION REQUIRED

NAME OF PERSON DOCUMENTING CONVERSATION

Bob Gattone

SIGNATURE

Robert E. Gattone Jr.

DATE

8-25-92

ACTION TAKEN

SIGNATURE

TITLE

DATE

CONVERSATION RECORD

TIME

9:45

DATE

8-18-92

TYPE

☐ VISIT☐ CONFERENCE☒ TELEPHONE☐ INCOMING☒ OUTGOING

ROUTING

NAME/SYMBOL

INT

Location of Visit/Conference:

NAME OF PERSON(S) CONTACTED OR IN CONTACT WITH YOU

Ed Ovesnik

ORGANIZATION (Office, dept., bureau, etc.)

Dow Corning

TELEPHONE NO.

317

496-4710

SUBJECT

C/N 00174

Lic. # 21-08362-13+08

SUMMARY

Regarding FAX rec'd 8-17-92

Q1. Is this information to be withheld from the public?

A2. It's not NRC Policy to do preliminary reviews of unsigned documents. Must air-mail originals, signed ASAP.

A1 NO

A2 Will submit originally signed documents to be reviewed by NRC on 8-20-92.

Licensee complained that Hardly Trust Agreements cost \$ and NRC delayed guidance by putting 10% caps on withdrawal. Also, complained that NRC will not do preliminary review of drafts which may cost \$ also.

ACTION REQUIRED

Reflect licensee's concerns with Mike McLann

NAME OF PERSON DOCUMENTING CONVERSATION

Bob Gattone

SIGNATURE

Robert G. Gattone

DATE

8-18-92

ACTION TAKEN

SIGNATURE

TITLE

DATE

CONVERSATION RECORD

TIME

9:45

DATE

8-3-92

TYPE

☐ VISIT

☐ CONFERENCE

☒ TELEPHONE

☐ INCOMING

☒ OUTGOING

ROUTING

NAME/SYMBOL

INT

Location of Visit/Conference:

NAME OF PERSON(S) CONTACTED OR IN CONTACT WITH YOU

Ed Overmire
~~John J. Gattone~~

ORGANIZATION (Office, dept., bureau, etc.)

Don Corning

TELEPHONE NO.

517 4710
496-~~4710~~

SUBJECT

CIA 00174

Lic. #'s 21-08362-13 +08

SUMMARY

NRC Requests the following information:

① Submit a Certification Statement for Lic. # 21-08362-13 as recommended in R.G. 3.66, page 1-5.

② Amend the non-renewal provisions in both Letters of Credit (Lic. Nos. 21-08362-08 +13) to require notification by certified mail (reference R.G. 3.66, page 4-33).

③ Modify Section 5 of the Standby Trust Agreement (for both Lic. Nos. 21-08362-08 +13) so that you can't withdraw more than 10% of the outstanding balance without NRC approval (reference NMSS ltr. addressing withdrawal limits, August 7, 1990). The limitation must be stated in terms of 10 percent of the balance of funds applicable to the particular license since a single Standby Trust Agreement is used for both licenses.

④ Submit evidence indicating that the party signing the Standby Trust Agreement, Don Corning, is authorized to represent the company (over)

ACTION REQUIRED

The above conversation involved John Jones and Bob Gattone

NAME OF PERSON DOCUMENTING CONVERSATION

Bob Gattone

SIGNATURE

Robert E. Gattone Jr.

DATE

8-3-92

ACTION TAKEN

SIGNATURE

John Jones

TITLE

Project Manager

DATE

8/3/92

(reference R.G. 3.66, page 3-14).....

- ⑤ Submit a Specimen Certificate of Events and Specimen Certificate of Resolution with the Standby Trust Agreement (ref. R.G. 3.66, pages 4-24 and 4-25).
- ⑥ Submit a Letter of Acknowledgement with the Standby Trust agreement (ref. R.G. 3.66, page 4-27).

Respond in < ¹⁰~~15~~ days or NOV will be issued.

The licensee stated he felt the requirement for submitting a blank copy of his Specimen Certificate of Events was a waste of time, money + paper and a potential violation of the Paperwork Reduction Act. John Jones agreed to confer with management regarding the concern. The licensee agreed to comply with our request.



Continental Bank

Frank Sgaraglino
Vice President

August 20, 1992

Mr. Robert Gattone
Nuclear Licensing Section
Nuclear Regulatory Commission
Region III
799 Roosevelt Road
Glen Ellyn, IL 60137

Dear Mr. Gattone:

Enclosed are two signed copies of the amendment to the Dow Corning Standby Trust Agreement. Please return a completed executed copy for our records.

If you have any question, please let me know.

Sincerely,

A handwritten signature in cursive script, reading "Frank Sgaraglino".

FS:lh

Enclosures

5315SGAR.LTR

RECEIVED

AUG 22 1992

REGION III

AMENDMENT AGREEMENT

AMENDMENT AGREEMENT made this 20 day of August, 1992 between Dow Corning Corporation, a Michigan corporation ("Grantor") and Continental Bank, N.A. of Chicago, Illinois ("Trustee").

WHEREAS Grantor and Trustee entered into a Standby Trust Agreement dated as of August 8, 1991 ("Trust Agreement"); and

WHEREAS the parties wish to amend the Trust Agreement,

NOW THEREFORE in consideration of the premises contained herein and other good and valuable consideration, the parties agree as follows:

1. The body of Article V, titled "Payment for Required Activities Specified in the Plan", shall be deleted and replaced with the following paragraphs:

The Trustee shall make payments from the Fund to the Grantor upon presentation to the Trustee of the following:

A. A certificate duly executed by the Secretary of the Depositor attesting to the occurrence of the events and in the form set forth in the attached Specimen Certificate; and

B. A certificate attesting to the following conditions:

1. that decommissioning is proceeding pursuant to an NRC approved plan;

2. that the funds withdrawn will be expended for activities undertaken pursuant to that Plan; and

3. that the NRC has been given thirty (30) days prior notice of Dow Corning Corporation's intent to withdraw funds from the escrow fund.

For each License Number described in Schedule A, Grantor shall not withdraw in excess of ten percent (10%) of the remaining balance of the Fund specifically allocated for decommissioning materials and activities under such License Number without prior approval from NRC.

In the event of the Grantor's default or inability to direct decommissioning activities, the Trustee shall make payments from the Fund as the 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 the NRC from the Fund for expenditures for required activities in such amounts as the NRC shall direct in writing. In addition, the Trustee shall refund

on State Agency

on State Agency

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

2. Except as herein and hereby amended, the Trust Agreement
shall remain in full force and effect and is hereby ratified
and confirmed.

IN WITNESS WHEREOF Grantor and Trustee have executed this
Amendment Agreement as of the day and year first above written.

CONTINENTAL BANK, N.A.

DOW CORNING CORPORATION

By: [Signature]
Name: Frank Sgaraglino
Title: Vice President

By: [Signature]
Name: Edward Steinhof
Title: Vice President & Chief Financial Officer

600
207

Consented to:

U.S. NUCLEAR REGULATORY COMMISSION

By: _____
Name: _____
Title: _____

PMS/sr/nuclear

AMENDMENT AGREEMENT

AMENDMENT AGREEMENT made this 20 day of August, 1992 between Dow Corning Corporation, a Michigan corporation ("Grantor") and Continental Bank, N.A. of Chicago, Illinois ("Trustee").

WHEREAS Grantor and Trustee entered into a Standby Trust Agreement dated as of August 8, 1991 ("Trust Agreement"); and

WHEREAS the parties wish to amend the Trust Agreement,

NOW THEREFORE in consideration of the premises contained herein and other good and valuable consideration, the parties agree as follows:

1. The body of Article V, titled "Payment for Required Activities Specified in the Plan", shall be deleted and replaced with the following paragraphs:

The Trustee shall make payments from the Fund to the Grantor upon presentation to the Trustee of the following:

A. A certificate duly executed by the Secretary of the Depositor attesting to the occurrence of the events and in the form set forth in the attached Specimen Certificate; and

B. A certificate attesting to the following conditions:

1. that decommissioning is proceeding pursuant to an NRC approved plan;

2. that the funds withdrawn will be expended for activities undertaken pursuant to that Plan; and

3. that the NRC has been given thirty (30) days prior notice of Dow Corning Corporation's intent to withdraw funds from the escrow fund.

For each License Number described in Schedule A, Grantor shall not withdraw in excess of ten percent (10%) of the remaining balance of the Fund specifically allocated for decommissioning materials and activities under such License Number without prior approval from NRC.

In the event of the Grantor's default or inability to direct decommissioning activities, the Trustee shall make payments from the Fund as the 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 the NRC from the Fund for expenditures for required activities in such amounts as the NRC shall direct in writing. In addition, the Trustee shall refund

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

2. Except as herein and hereby amended, the Trust Agreement
shall remain in full force and effect and is hereby ratified
and confirmed.

IN WITNESS WHEREOF Grantor and Trustee have executed this
Amendment Agreement as of the day and year first above written.

CONTINENTAL BANK, N.A.

DOW CORNING CORPORATION

By: [Signature]
Name: John Sgaraglino
Title: Vice President

By: [Signature]
Name: Edward Steinhof
Title: Vice President & Chief Financial Officer

ECO
pmz

Consented to:

U.S. NUCLEAR REGULATORY COMMISSION

By: _____
Name: _____
Title: _____

PMS/sr/nuclear

DOW CORNING

LEGAL DEPARTMENT

August 17, 1992

(517) 496-4710

Writer's Direct Dial

TELECOPY TO:

Bob Gattone
NRC, Region III708-790-5625
708-790-5665

FROM:

Edward C. Ovsenik
Staff Attorney
Admin Law C01242*Edward Ovsenik*CALL BACK No.: (517) 496-4415
Reba Williams3 Total number of pages including this cover sheet.

PROPRIETARY, PRIVILEGED AND CONFIDENTIAL information.
This information is intended only for the use of the
addressee(s) named above. If YOU are not the intended
recipient(s), or are not the employee or agent
responsible for delivering messages to the intended
recipient(s), please note that any dissemination,
distribution or copying of this communication is
strictly prohibited. Anyone who receives this
communication in error should promptly notify the
SENDER immediately by telephone and return the original
message to the sender at the address below via U.S.
Mail.

BOB: Please see attached draft changes to Section V of the
Standby Trust Agreement. Need your approval before getting
signatures.

17 AUG 92 2:35

DOW CORNING CORPORATION

Addresses:

Freight & UPS
2200 W. Salzburg Road
Auburn, MI 48611First Class & Parcel Post
Legal Department C01222
Midland, MI 48686-0994

Facsimile:

(517) 496-5849 (1)
(517) 496-6354 (11)
Telex: 189806000

AMENDMENT AGREEMENT

AMENDMENT AGREEMENT made this ____ day of August, 1992 between Dow Corning Corporation, a Michigan corporation ("Grantor") and Continental Bank, N.A. of Chicago, Illinois ("Trustee").

WHEREAS Grantor and Trustee entered into a Standby Trust Agreement dated as of August 8, 1991 ("Trust Agreement"); and

WHEREAS the parties wish to amend the Trust Agreement,

NOW THEREFORE in consideration of the premises contained herein and other good and valuable consideration, the parties agree as follows:

1. The body of Article V, titled "Payment for Required Activities Specified in the Plan", shall be deleted and replaced with the following paragraphs:

The Trustee shall make payments from the Fund to the Grantor upon presentation to the Trustee of the following:

A. A certificate duly executed by the Secretary of the Depositor attesting to the occurrence of the events and in the form set forth in the attached Specimen Certificate; and

B. A certificate attesting to the following conditions:

1. that decommissioning is proceeding pursuant to an NRC approved plan;

2. that the funds withdrawn will be expended for activities undertaken pursuant to that Plan; and

3. that the NRC has been given thirty (30) days prior notice of Dow Corning Corporation's intent to withdraw funds from the escrow fund.

No withdrawal from the Fund can exceed 10 percent of the outstanding balance of the Fund specifically allocated for decommissioning the materials and activities identified in License Numbers 21-08362-08 and 21-08362-13 (see Schedule A attached hereto).

In the event of the Grantor's default or inability to direct decommissioning activities, the Trustee shall make payments from the Fund as the 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 the NRC from the Fund for expenditures for required activities in such amounts as the NRC shall direct in writing. In addition, the Trustee shall refund

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

2. Except as herein and hereby amended, the Trust Agreement
shall remain in full force and effect and is hereby ratified
and confirmed.

IN WITNESS WHEREOF Grantor and Trustee have executed this
Amendment Agreement as of the day and year first above written.

CONTINENTAL BANK, N.A.

DOW CORNING CORPORATION

By: _____	By: _____
Name: _____	Name: _____
Title: _____	Title: _____

Consented to:

U.S. NUCLEAR REGULATORY COMMISSION

By: _____
Name: _____
Title: _____

PMS/sr/nuclear



Continental Bank

August 13, 1992

U. S. Nuclear Regulatory Commission
11555 Rockville Pike
One White Flint N. Bldg.
Rockville, Maryland 20852
Attention: Chief Materials LIC Sec

Gentlemen:

Re: Dow Corning Corporation
Our letter of credit reference C7166405 for \$150,000
Our letter of credit reference C7166416 for \$75,000

Enclosed is a Standby Trust Agreement Acknowledgement.

This Acknowledgement should have accompanied two amendments that were sent to you by overnight mail on Tuesday, August 11, 1992.

Copies of the amendments are enclosed.

Sincerely,

Salye Marshall
Trade Services Division
312 828-8144

Copy to: Dave Carlsen
Trade Services Division

RECEIVED

AUG 17 1992

REGION III

PM CANNOT READ

The following Acknowledgement must be included with the Standby Trust Agreement.

ACKNOWLEDGEMENT

STATE OF ILLINOIS

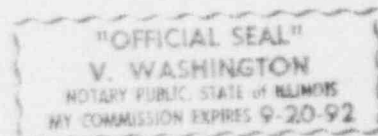
To Wit: _____

CITY OF CHICAGO

On this 12 day of August, before me, a notary public in and for the city and State aforesaid, personally appeared Frank Scraggitt, and she/he did depose and say that she/he is the Vice President (title), of Continental Bank NA, national banking association, Trustee, which executed the above instrument, that she/he knows the seal of the 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.

V. Washington
(Signature of Notary Public)

Commission Expires: 9-20-92
(date)





PAGE: 1

DATE: AUGUST 11, 1992

AMENDMENT TO IRREVOCABLE STANDBY CREDIT NUMBER: C7166416

AMENDMENT NUMBER 2

BENEFICIARY	APPLICANT
U.S NUCLEAR REGULATORY COMMISSION	DOW CORNING CORPORATION
11555 ROCKVILLE PIKE 1, WHITE FLINT	2200 WEST SALZBURG, ROAD
N.BLDG.ATTN:CHIEF MATERIALS LIC SEC	AUBURN, MICHIGAN 48611
ROCKVILLE, MARYLAND 20852	

THIS AMENDMENT IS TO BE CONSIDERED AN INTEGRAL PART OF THE ABOVE CREDIT AND MUST BE ATTACHED THERETO.

THE ABOVE MENTIONED CREDIT IS AMENDED AS FOLLOWS:

FIRST SENTENCE OF PARAGRAPH BEGINNING WITH "THIS LETTER OF CREDIT IS EFFECTIVE... IS RESTATED AS FOLLOWS:

THIS LETTER OF CREDIT IS EFFECTIVE AS OF DECEMBER 3, 1990, AND SHALL EXPIRE ON DECEMBER 3, 1991, BUT SUCH EXPIRATION DATE SHALL BE AUTOMATICALLY EXTENDED FOR A PERIOD OF ONE (1) YEAR ON DECEMBER 3, 1991, AND ON EACH SUCCESSIVE EXPIRATION DATE, UNLESS, AT LEAST 90 DAYS BEFORE THE CURRENT EXPIRATION DATE, WE NOTIFY BOTH YOU AND DOW CORNING CORPORATION, BY CERTIFIED MAIL, RETURN RECEIPT REQUEST, AS SHOWN ON THE SIGNED RETURN RECEIPTS...

THE FOLLOWING PARAGRAPH IS NOW ADDED

THE LETTER OF CREDIT CAN BE REDUCED BY MORE THAN 10% OF THE REMAINING BALANCE ONLY WITH PRIOR APPROVAL OF THE NUCLEAR REGULATORY COMMISSION.

ALL OTHER TERMS AND CONDITIONS REMAIN UNCHANGED.

IF YOU REQUIRE ANY ASSISTANCE OR HAVE ANY QUESTIONS REGARDING THIS AMENDMENT, PLEASE CALL 312-923-5915.

CONTINENTAL BANK, NATIONAL ASSOCIATION

Veronica Michael
95748
FOR CASHIER

J. Orsini 08043
FOR CASHIER

THIS DOCUMENT CONSISTS OF 1 PAGE(S).

ORIGINAL

DOW CORNING

LEGAL DEPARTMENT

August 12, 1992

(517) 496-4710

Writer's Direct Dial

Mr. Robert Gattone
Materials Licensing Section
Nuclear Regulatory Commission
Region III
799 Roosevelt Road
Glen Ellyn, Illinois 60137

VIA OVERNIGHT SERVICE

RE: Financial Assurance Documents
Licenses 21-08362-08 and 21-08362-13

On Monday August 3, 1992, I participated in a phone call with you and John Jones. You explained that Financial Assurance documents submitted by Dow Corning Corporation for the above referenced licenses were not complete. You also stated that Dow Corning had ten days to complete these documents or it would face a possible Notice of Violation.

I am enclosing certain of the documents you requested. I have also included a short description of the items discussed during the above referenced phone call. (See Attachment 1). The items enclosed with this letter respond to concerns I.A., III.B., IV.A., and IV.B. The remaining concerns are being addressed by Continental Bank, N.A., the bank issuing the Letter of Credit and Standby Trust Agreement, concerns II.A. and V. (See Attachment 2 for directions issued to Continental Bank, N.A.) These items were sent to NRC Headquarters in Rockville, Maryland under separate cover from the bank. They were addressed to the Chief, Materials Licensing Section.

Item III.A. will be addressed separately. Dow Corning Corporation was confused with your directions. We asked the bank to change section 5 of the Letter of Credit to address your concern. However, we learned that this change was to be made to the Standby Trust Agreement. We are in the process of making that change. We expect to get signature at Dow Corning on Monday and to have the bank sign on Tuesday, with transmission of the executed document to you for arrival Wednesday.

RECEIVED

AUG 17 1992

REGION III

DOW CORNING CORPORATION

Addresses:

Freight & UPS
2200 W. Salzburg Road
Auburn, MI 48611

First Class & Parcel Post
Legal Department C01222
Midland, MI 48686-0994

Facsimile:

(517) 496-5849 (I)
(517) 496-6354 (II)
Telex: 189806000

PM 8-15-92

Robert Gattone
Financial Assurance Documents
Licenses 21-08362-08 and 21-08362-13

Dow Corning Corporation apologizes for having the bank send the documents to Rockville. Your directions for mailing were not clear. Unfortunately, since originals must be sent to the NRC, the bank cannot send copies to Region III.

Please call me at the number above if you have any questions.

Sincerely,



Edward C. Dvsenik
Staff Attorney
Admin Law C01242

ECO/eo NUCLEAR\FARESP2.1et

CERTIFICATION OF FINANCIAL ASSURANCE

PRINCIPAL: Dow Corning Corporation
3901 South Saginaw Road
Midland, Michigan 48686-0995

LICENSE NO.: 21-08362-13
604 Building
3901 South Saginaw Road
Midland, Michigan 48686-0995

MAILING

ADDRESS: Dow Corning Corporation
C/O Corporate radiation Safety Officer
Research and Development Building C40D01
P.O. Box 0994
Midland, Michigan 48686-0994

ISSUED TO: U.S. Nuclear Regulatory Commission

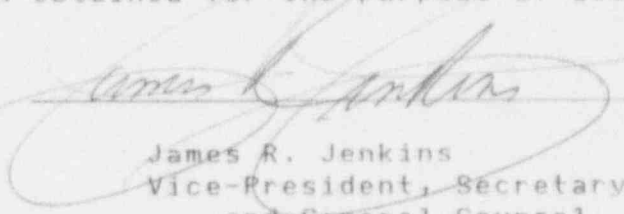
This is to certify that Dow Corning Corporation is licensed to possess radioactive byproduct material in 604 Building of the following types and amounts:

Cobalt-60	325,000 curies total. No single source to exceed 5000 curies,
-----------	---

and that financial assurance in the amount prescribed by 10 CFR Part 30, \$75,000.00 (Seventy-Five Thousand Dollars) has been obtained for the purpose of decommissioning.

SIGNED:

ECO


James R. Jenkins
Vice-President, Secretary
and General Counsel

DATE:

August 12, 1992

CERTIFIED COPY OF RESOLUTION

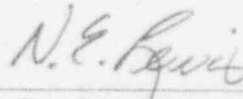
I, N.E. Lewis, Assistant Secretary of Dow Corning Corporation, a corporation organized and existing under the laws of the State of Michigan, do hereby certify that at a meeting of the Board of Directors of this Corporation duly held on the 8th day of December 1989, at which a quorum was present and acting throughout, the following resolution was unanimously adopted and was on November 28, 1990 in full force and effect:

RESOLVED, that the Vice President & Chief Financial Officer or the Treasurer, acting singly, are hereby authorized with the advance approval of the Corporation's Finance Committee, to borrow or guarantee loans and to issue letters of credit up to an aggregate total of \$300MM, or the equivalent amount in a non-dollar denominated currency or currencies or any combination thereof; and...

FURTHER RESOLVED, that the said officers are authorized to take all actions necessary to carry out such borrowings, guarantees and letters of credit, including delegations of authority.

This resolution supersedes the prior resolution of December 9, 1988.

IN WITNESS WHEREOF, I have hereunto set my hand and the seal of said Corporation this 6th day of August, 1992.



N.E. Lewis
Assistant Secretary

4.3.2.1 Specimen Certificate of Events

[Insert name and address of trustee]

Attention: Trust Division

Gentlemen:

In accordance with the terms of the Agreement with you dated _____, 1, _____, Secretary of [insert name of licensee], hereby certify that the following events have occurred:

1. [Insert name of licensee] 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 Board of Directors of [insert name of licensee] has adopted the attached resolution authorizing the commencement of the decommissioning.

Secretary of [insert name of licensee]

Date

4.3.2.2 Certificate of Resolution

I, _____, do hereby certify that I am Secretary of [insert name of licensee], a [insert state of incorporation] corporation, and that the resolution listed below was duly adopted at a meeting of this Corporation's Board of Directors on _____, 19__.

IN WITNESS WHEREOF, I have hereunto signed my name and affixed the seal of this Corporation this _____ day of _____, 19__.

Secretary

RESOLVED, that this Board of Directors hereby authorizes the President, or such other employee of the Company as he may designate, to commence decommissioning activities at [insert name of facility] in accordance with the terms and conditions described to this Board of Directors at this meeting and with such other terms and conditions as the President shall approve with and upon the advice of Counsel.

August 4, 1992

NRC CONCERNS WITH FINANCIAL ASSURANCE DOCUMENTS

I. CERTIFICATION STATEMENT

A. LICENSE 13

1. follow Regulatory Guide 3.66, page 1-5
2. we did this for license 08, not for 13
3. use exact wording on 1-5

II. NON-RENEWAL PROVISIONS

A. LICENSE 08 AND 13

1. all notices must be by certified mail,
2. amend language in LOC to require notice by certified mail
3. use language in 3.66, page 4-33

III. STANDBY TRUST AGREEMENT

A. LICENSE 08 AND 13

1. Section 5 must state that we cannot remove more than 10% of the remaining balance of funds in trust for that particular license without express approval of NRC.
2. 10% applies to funds for each license:
 - a. 08 -- \$150,000 original balance
 - b. 13 -- \$ 75,000 original balance

B. EVIDENCE OF ABILITY TO BIND CORPORATION

1. Must provide Motion of Board of Directors allowing Treasurer to sign for \$225,000.
2. see 3.66, page 3-14.

IV. NEED SPECIMEN DOCUMENTS

A. Need Specimen Certificate of Events

1. see 3.66, page 4-24

B. Need Specimen Certificate of Resolution

1. see 3.66, page 4-25

V. LETTER OF ACKNOWLEDGEMENT

A. MUST COMPLY WITH 3.66, PAGE 4-27.

CHANGES TO 11/28/90 LETTER OF CREDIT

A. All notices regarding expiration date of the LOC shall be made by Certified Mail, Return Receipt Requested. Due to an apparent typographical error on the application, the following words were deleted: by certified mail. The language of Paragraph 1 should read as follows (indicates changes or additions) :

This letter of credit is effective as of December 3, 1990, and shall expire on December 3, 1991, but such expiration date shall be automatically extended for a period of 1 year on December 3, 1991, and on each successive expiration date, unless{,} at least 90 days before the current expiration date, we notify both you and Dow Corning Corp{oration}, {by certified mail}, as shown on the signed return receipts.

B. Section 5 of the Letter of Credit must contain language limiting the amount allowed to be removed from the LOC. The limitation is 10% of the remaining balance of the LOC for the specific licensed facility. For license 08 the original balance was \$150,000, for license 13 it was \$75,000. This language must state that removal of more than 10% of the remaining balance can only be done with prior approval of the Nuclear Regulatory Commission.

C. The following Acknowledgement must be included with the Standby Trust Agreement.

ACKNOWLEDGEMENT

STATE OF _____

To Wit: _____

CITY OF _____

On this _____ day of _____, before me, a notary public in and for the city and State aforesaid, personally appeared _____, and she/he did depose and say that she/he is the _____ [title] _____, of Continental Bank NA, national banking association, Trustee, which executed the above instrument, that she/he knows the seal of the 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.

[Signature of Notary Public]

My Commission Expires: _____
[Date]

FEB 24 1992

MEMORANDUM FOR: Dr. Louis Bykoski, Project Officer, Regulatory Branch,
Division of Low Level Waste Management & Decommissioning,
Office of Nuclear Material Safety and Safeguards

FROM: George M. McCann, Chief, Materials Licensing Section, Nuclear
Materials Safety Branch, Division of Radiation Safety and
Safeguards, Region III

SUBJECT: REQUEST FOR ASSISTANCE IN PROCESSING AND REVIEW OF
NONSTANDARD FINANCIAL ASSURANCE SUBMITTALS RELATED
TO THE DECOMMISSIONING RULE

Enclosed for your review is one financial assurance submittal from a Region III licensee. The licensee is Dow Corning Corporation, NRC License No. 21-08362-13. They have submitted a Standby Letter of Credit which requires contractor review.

We appreciate your efforts in resolving these issues. If you have any questions please contact Bob Gattone of my staff at FTS 388-5545.

Original Signed By
George M. McCann, Chief
Materials Licensing Section
Nuclear Materials Safety
Branch, DRSS

Enclosure: Licensee Financial
Assurance Submittal

1.111
132
Gattone\rg
2/3/92

R.11
132
McCann
2/9/92

DOW CORNING

LEGAL DEPARTMENT

August 13, 1991

(517) 496-4710

Writer's Direct Dial

Chief, Materials Licensing Section
Nuclear Regulatory Commission
One White Flint North Building
11555 Rockville Pike
Rockville, Maryland 20852

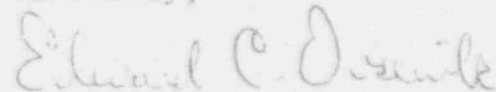
RE: Standby Trust Agreement
Licenses 21-08362-08 and 21-08362-13

Enclosed, please find a fully executed original of a Standby Trust Agreement for the above referenced licenses.

This Standby Trust Agreement is established to take the proceeds from the Letters of Credit C7166405 (\$150,000.00) and C7166416 (\$75,000.00) to use in decommissioning the respective facilities under Licenses 21-08362-08 and 21-08362-13. Dow Corning Corporation submitted those Letters of Credit to NRC in December, 1990.

Please call me at the number above if you have any questions.

Sincerely,



Edward C. Ovsenik
Staff Attorney
Admin Law C01242

CC: P.A. Marcella C01222
J.A. Grappin C03101
K.W. Glenna MID060

ECO/eo NUCLEAR\STDBYTRS.let

DOW CORNING CORPORATION

Addresses:

Freight & UPS
2200 W. Salzburg Road
Auburn, MI 48611

First Class & Parcel Post
Legal Department C01222
Midland, MI 48686-0994

Facsimile:

(517) 496-5849 (H)
(517) 496-6354 (H)
Telex: 189806000

AUG 14 1991

STANDBY TRUST AGREEMENT

THIS TRUST AGREEMENT entered into as of the 24th day of August, 1991 by and between Dow Corning Corporation, a Michigan corporation herein referred to as the "Grantor" and Continental Bank, N.A. of Chicago, Illinois herein referred to as 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 Part 30 license provide assurance that funds will be available when needed for required decommissioning activities; and

WHEREAS the Grantor has elected to use a letter of credit to provide all of such financial assurance for the facilities identified herein; and

WHEREAS when payment is made under a letter of credit, 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:

I. DEFINITIONS

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.

II. COSTS OF DECOMMISSIONING.

This Agreement pertains to the costs of decommissioning the materials and activities identified in License Numbers 21-08362-08 and 21-08362-13 issued pursuant to 10 CFR Part 30 as shown in Schedule A.

III. ESTABLISHMENT OF FUND

The Grantor and the Trustee hereby establish a Standby Trust Fund ("the Fund") for the benefit of the NRC. The Grantor and

the Trustee intend that no third party have access to the Fund except as provided herein.

IV. 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, described in Schedule B attached hereto. 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. 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 the NRC.

V. PAYMENT FOR REQUIRED ACTIVITIES SPECIFIED IN THE PLAN

The Trustee shall make payments from the Fund to the Grantor upon presentation to the Trustee of the following:

- A. A certificate duly executed by the Secretary of the Depositor attesting to the occurrence of the events and in the form set forth in the attached Specimen Certificate; and
- B. A certificate attesting to the following conditions:
 - 1. that decommissioning is proceeding pursuant to an NRC approved plan;
 - 2. that the funds withdrawn will be expended for activities undertaken pursuant to that Plan; and
 - 3. that the NRC has been given thirty (30) days prior notice of Dow Corning Corporation's intent to withdraw funds from the escrow fund.

No withdrawal from the fund can exceed 50 percent of the outstanding balance of the Fund or One Hundred Thousand Dollars, whichever is greater, unless NRC approval is attached.

In the event of the Grantor's default or inability to direct decommissioning activities, the Trustee shall make payments from the Fund as the 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 the NRC from the Fund for expenditures for required activities in such amounts as the NRC shall direct in writing. In addition, the Trustee shall refund to the Grantor such amounts as the NRC specifies in writing.

Upon refund, such funds shall no longer constitute part of the Fund as defined herein.

VI. 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 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;

B. 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 or State and Municipal bonds rated BBB or higher by Standard and Poors or Baa or higher by Moody's Investment Services; and

C. For a reasonable time not to exceed sixty (60) days, the Trustee is authorized to hold uninvested cash, awaiting investment or distribution, without liability for the payment of interest thereon.

VII. 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.

VIII. 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 the 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.

IX. 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 paid directly by the Grantor, and all other proper charges disbursements of the Trustee shall be paid from the Fund.

X. ANNUAL VALUATION

After payment has been made into this Standby Trust Fund, the Trustee shall annually, at least thirty (30) days before the anniversary date of receipt of payment into the Standby Trust Fund, furnish to the Grantor and to the 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 sixty (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 ninety (90) days after the statement has been furnished to the Grantor and the NRC, or State agency, 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.

XI. ADVICE OF COUNSEL

The Trustee may, from time to time, consult with counsel with respect to any question arising as 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 advise of counsel.

XII. TRUSTEE COMPENSATION

The Trustee shall be entitled to reasonable compensation for its services as agreed upon in writing with the Grantor.

XIII. SUCCESSOR TRUSTEE

Upon ninety (90) days notice to the NRC, the Trustee may resign; upon ninety (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 and this successor accepts the appointment. 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 fund 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, the NRC and the present Trustee by certified mail ten (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.

XIV. 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 designated to this Agreement or such other designees as the Grantor may designate in writing. The Trustee shall be fully bound by such orders, requests and instructions without inquiry in accordance with the requests and instructions. If the NRC issues orders or instructions to the Trustee, these shall be binding on the Trustee, the NRC or their designees, and the Trustee shall be fully protected in acting in accordance with such orders, requests and instructions. The Trustee shall have no right to assume, in the absence of written instructions to the contrary, that no event constituting a change of the authority of any person to act on behalf of the Grantor or the NRC hereunder has occurred. The Trustee shall have the duty to act in the absence of such orders, requests and instructions from the Grantor and/or the NRC except as otherwise provided herein.

XV. AMENDMENT AND AGREEMENT

This Agreement shall be amended by an instrument in writing executed by the Grantor, the Trustee and the NRC or by the Trustee and the Grantor if the Grantor ceases to exist.

XVI. IRREVOCABILITY AND TERMINATION

Subject to the right of the parties to amend this Agreement as provided in Section IV, this Trust shall be irrevocable and shall continue until terminated at the written agreement of the Grantor, the Trustee and the NRC or by the Trustee and the 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.

XVII. 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 the NRC 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.

XVIII. This Agreement shall be administered, construed and enforced according to the laws of the State of Michigan.

XIX. 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 corporate seals to be hereunto affixed and attested as of the date first written above.

ATTEST:

DOW CORNING CORPORATION
(GRANTOR)

Nancy Landgrash

By:

Edward Staff

Title: Vice President of
Finance and
Chief Financial Officer

ATTEST:

CONTINENTAL BANK, N.A.
(TRUSTEE)

Alice K. Greenhouse

By:

[Signature]

Title: Vice President

PAM/sr/standby

SCHEDULE A

<u>U.S. Nuclear Regulatory Commission License Number</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>
21-08362-08	Dow Corning Corporation 2200 W. Salzburg Road Auburn, Michigan 48611	DC-3 Building 2200 W. Salzburg Road Auburn, Michigan 48611	\$150,000.00 LOC# C7166405
U.S. Mail --	Radiation Safety Officer Dow Corning Corporation P.O. Box 994 Midland, MI 48686-0994	Radiation Safety Officer Mail Code C03101 P.O. Box 994 Midland, MI 48686-0994	
21-08362-13	Dow Corning Corporation 3901 South Saginaw Road Midland, Michigan 48640	604 Building 3901 South Saginaw Road Midland, Michigan 48640	\$75,000.00 LOC# C7166416
U.S. Mail --	Radiation Safety Officer Dow Corning Corporation P.O. Box 995 Midland, MI 48686-0995	Radiation Safety Officer Mail Code MID115 P.O. Box 995 Midland, MI 48686-0995	

SCHEDULE B

AMOUNT \$150,000.00

AS EVIDENCED BY Letter of Credit No. C7166405

and

AMOUNT \$75,000.00

AS EVIDENCED BY Letter of Credit No. C7166416

MEMORANDUM FOR: John D. Jones, License Reviewer

FROM: Robert G. Gattone, Jr., License Reviewer

SUBJECT: CHRONOLOGY OF EVENTS REGARDING DOW CORNING DECOMMISSIONING
FINANCIAL ASSURANCE BASED ON AVAILABLE DOCUMENTATION

The following outlines the chronology of main events during the course of reviewing Dow Corning's decommissioning financial assurance regarding License No. 21-08362-08:

1. Action assigned to Kevin Null who submitted licensee's letter of credit to headquarters. ICF comments were received on May 31, 1991 (see Tab A).
2. Kevin requested Standby Trust Agreement from licensee via teleconference on August 8, 1991 (see Tab B).
3. Standby Trust Agreement received August 14, 1991 (see Tab C).
4. Action reassigned to Bob Gattone in September, 1991.
5. Deficiency letter sent to licensee on October 10, 1991 (see Tab D). This letter is based on ICF comments received May 31, 1991 excluding request to submit Standby Trust Agreement. Apparently a miscommunication occurred during the process of reassignment in that it was assumed that the Standby Trust Agreement had already been reviewed and found acceptable prior to transfer.
6. Licensee responded to the deficiency letter by letters dated December 18, 1991 (see Tab E) and February 5, 1992 (see Tab F).
7. Acceptance letter sent March 13, 1992 (see Tab G).

The following outlines the chronology of main events during the course of reviewing Dow Corning's decommissioning financial assurance regarding License No. 21-08362-13:

1. Licensee's original submittal (see Tab H) and Standby Trust Agreement received August 14, 1991 (see Tab I) were submitted to headquarters February 24, 1992.
2. ICF comments received June 29, 1992 (see Tab J). These comments refer to deficiencies in the Standby Trust Agreement (for both licenses). They are:

- o Section V of the Standby Trust Agreement needs modification to disallow > 10 % withdrawal;

John D. Jones

2

- o Need evidence that the party signing the Standby Trust Agreement is authorized;
- o Need Specimen Certificate of Events and Certificate of Resolution; and
- o Need Letter of Acknowledgment.

Also the Letter of Credit for License No. 21-08362-08 needs to be amended to require notification of cancellation by certified mail (Note: this item was not addressed previously by ICF).

The comments identify multiple deficiencies with the Letter of Credit for License Number 21-08362-13.

Proposed Plan:

Due to the apparent good faith of the licensee and the relatively simple corrections required, telephone the licensee and request the corrections promptly. If response is late or deficient, issue NOV.

Robert G. Gattone, Jr.
Robert G. Gattone, Jr.
Nuclear Materials Licensing Section