

MAR 01 1994

License No: 29-19396-01
Docket No: 030-17541
Control No: 113250

Exxon Biomedical Sciences, Inc.
ATTN: Paul E. Purwin
Counsel
P.O. Box 390
Florham Park, New Jersey 07932-0390

Dear Mr. Purwin:

Subject: Financial Assurance for Decommissioning

This is in reference to your various submittals dated July 27, 1990, and February 15, 1994 to provide financial assurance for License No. 20-19396-01. We have reviewed these documents and have no further questions at this time.

Based on the information provided in the above referenced documents, you are presently in compliance with the financial assurance requirements outlined in the decommissioning rule in 10 CFR 30.35.

Please note that the decommissioning funding plan, including the cost estimate, should be updated at the time of license renewal or when the amounts/types of materials change at your facility.

If you have any questions, please contact Anthony Dimitriadis, of my staff, at (610) 337-6953.

Your cooperation with us is appreciated.

Sincerely,

Original Signed By:
Mohamed M. Shanbaky

Mohamed M. Shanbaky, Chief
Research and Development Section
Division of Radiation Safety
and Safeguards

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9405130044 940301
PDR ADDCK 03017541
C PDR

"OFFICIAL RECORD COPY" ML 10

cc:

Exxon Biomedical Sciences, Inc.
ATTN: W. James Bover, Ph.D.
Environmental Sciences Division
Mettlers Road, CN2350
East Millstone, New Jersey 08875-2350

bcc:

M. Shanbaky, RI
A. Dimitriadis, RI

DRSS:RI
Dimitriadis

02/27/94

DRSS:RI
Shanbaky

02/ /94

NOTE TO DMB:

THE ATTACHED DOCUMENTS ARE TO BE PROCESSED AS ONE FINANCIAL ASSURANCE FOR DECOMMISSIONING PACKAGE.

LICENSE NUMBER: 29-19396-01

DOCKET NUMBER: 030-17541

CONTROL NUMBER: 113250

THIS SHEET MAY BE DISCARDED AFTER PROCESSING.

THANK YOU!

MS-16

K-8

EXXON RESEARCH AND ENGINEERING COMPANY

P. O. BOX 390, FLORHAM PARK, NEW JERSEY 07932-0390

PAUL E. PURWIN
Counsel

Telephone: 201-785-3643
Cable: EXXONRELAW FLORHAM PARK
Facsimile: 201-785-2529

February 15, 1994

Re: License No. 29-19396-01

VIA COURIER

Mr. John D. Kinneman, Chief
Research, Development & Decommissioning Section
Division of Radiation Safety and Safeguards
U. S. Nuclear Regulatory Commission
Region 1, Mail Control No. 113590 250
475 Allendale Road
King of Prussia, PA 19406-1415

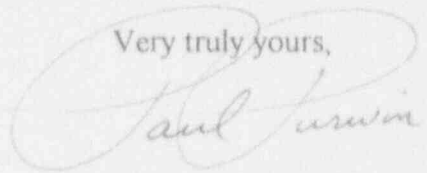
Attention: Mr. Anthony Dimitriades

Dear Mr. Kinneman:

Enclosed herewith for your files are the signed original copies of the Standby Trust Agreement (two originals) and the Letter of Credit (LOC) No. LC968-044533, in satisfaction of the financial assurance requirements of our subject NRC License.

Thank you again for your patience and the courtesy extended Dr. Bover and EBSI.

Very truly yours,



Paul E. Purwin

PEP:sbf
Enclosure

c: W. J. Bover
H. F. Paetzold

113250

FEB 21 1994

STANDBY TRUST AGREEMENT

TRUST AGREEMENT, the Agreement entered into as of February 1, 1994 by and between Exxon Biomedical Sciences, Inc., a Delaware corporation, herein referred to as the "Grantor," and Wachovia Bank of North Carolina, N.A., 301 North Main Street, Winston-Salem, North Carolina 27150-2105 referred to herein 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.

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:

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 identified in License Number 29-19396-01 issued pursuant to 10 CFR Part 30 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 the NRC. The Grantor and the Trustee intend that no third party have access to the Fund except as provided herein.

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

Section 5. 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 30 days' prior notice of Exxon Biomedical Sciences, Inc.'s intent to withdraw funds from the escrow fund.

No withdrawal from the Fund can exceed ten percent (10%) of the outstanding balance of the Fund or Twenty five thousand U.S. dollars (\$25,000 U.S.), 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, or State agency, from the Fund for expenditures for required activities in such amounts as the NRC, or State agency, 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.

Section 6. Trust Management. The Trustee shall invest and reinvest the principal and income of the Fund and keep the Fund invested as a single fund, without distinction between principal and income, in accordance with general investment policies and guidelines which the Grantor may communicate in writing to the Trustee from time to time, subject, however, to the provisions of this section. In investing, reinvesting, exchanging, selling, and managing the Fund, the Trustee shall discharge its duties with respect to the Fund solely in the interest of the beneficiary and with the care, skill, prudence, and diligence under the circumstances then prevailing which persons of prudence, acting in a like capacity and familiar with such matters, would use

in the conduct of an enterprise of a like character and with like aims; except that:

- (a) Securities or other obligations of the Grantor, or any other owner or operator of 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 or 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 60 days, the Trustee is authorized to hold uninvested cash, awaiting investment or distribution, without liability for the payment of interest thereon.

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 service 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 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.

Section 9. Taxes and Expenses. All taxes of any kind that may be assessed or levied against or in respect of the Fund and all brokerage commissions incurred by the Fund shall be paid from the Fund. All other expenses incurred by the Trustee in connection with the administration of this Trust, including fees for legal services rendered to the Trustee, the compensation of the Trustee to the extent not paid directly by the Grantor, and all other proper charges and disbursements of the Trustee shall be paid from the Fund.

Section 10. Annual Valuation. After payment has been made into this Standby Trust Fund, the Trustee shall annually, at least 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 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 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.

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 C).

Section 13. Successor Trustee. Upon 90 days notice to the NRC, the Trustee may resign; upon 90 days notice to NRC and the Trustee, the Grantor may replace the Trustee; but such resignation or displacement 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 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, the NRC or State agency, and the present Trustee by certified mail 10 days before such change becomes effective. Any expenses incurred by the Trustee as a result of any of the acts contemplated by this section shall be paid as provided in Section 9.

Section 14. Instructions to the Trustee. All orders, requests, and instructions by the Grantor to the Trustee shall be in writing, signed by such persons as are signatories to this Agreement or such other designees as the Grantor may designate in writing. The Trustee shall be fully protected in acting without inquiry in accordance with the Grantor's orders, requests, and instructions. If the NRC or State agency issues orders, requests, or instructions to the Trustee these shall be in writing, signed by the NRC, or State agency, or their designees, and the Trustee shall act and shall be fully protected in acting in accordance with such orders, requests, and instructions. The Trustee shall have the right to assume, in the absence of written notice to the contrary, that no event constituting a change or a termination of the authority of any person to act on behalf of the Grantor, the NRC, or State agency, hereunder has occurred. The Trustee shall have no duty to act in the absence of such orders, requests, and instructions from the Grantor and/or the NRC, or State agency, except as provided for herein.

Section 15. Amendment of Agreement. This Agreement may be amended by an instrument in writing executed by the Grantor, the Trustee and the NRC, or State agency, or by the Trustee and the NRC or State agency, if the Grantor ceases to exist.

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 the NRC or State agency, or by the Trustee and the NRC or State agency, 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, the NRC, or State agency, issued in accordance with this Agreement.

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

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

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

ATTEST:

James T. Cohen

(Seal)

EXXON BIOMEDICAL SCIENCES, INC.

By J. L. Lo

Title VICE PRESIDENT

ATTEST:

RH Eden

(Seal) ASST SECRETARY

WACHOVIA BANK OF NORTH CAROLINA, N.A.

By J. D. [Signature]

Title VICE PRESIDENT

Specimen Certificate

Wachovia Bank of North Carolina, N.A.
301 North Main Street
Winston-Salem, North Carolina 27150-2105

Attention: Trust Division

Gentlemen:

In accordance with the terms of the Agreement with you dated _____, I, _____, Secretary of Exxon Biomedical Sciences, Inc., hereby certify that the following events have occurred:

1. Exxon Biomedical Sciences, Inc. is required to commence the decommissioning of its facility located at _____ [insert] _____ (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 _____ [Date] _____ (copy of approval attached).
3. The Board of Directors of Exxon Biomedical Sciences, Inc. has adopted the attached resolution authorizing the commencement of the decommissioning.

Secretary of Exxon Biomedical Research,
Inc.

Date

TRUST AGREEMENT SCHEDULES

SCHEDULE A

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

<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>
29-19396-01	Exxon Biomedical Sciences, Inc.	East Millstone	≤ 250,000

SCHEDULE B

AMOUNT \$250,000.00

AS EVIDENCED BY Letter of Credit No.

SCHEDULE C

Trustee's fees shall be an annual fee equal to _____.

Specimen A

IRREVOCABLE STANDBY LETTER OF CREDIT NO. [INSERT NO.]

This Credit Expires January 31, 1995 and is Automatically Extended

[Date]

U.S. Nuclear Regulatory Commission
Washington, DC 20555

Dear Sir or Madam:

We hereby establish our Irrevocable Standby Letter of Credit No. _____ in your favor, at the request and for the account of Exxon Biomedical Sciences, Inc., Mettlers Road, East Millstone, NJ 08875-2350, up to the aggregate amount of Two hundred fifty thousand U.S. dollars (\$250,000.00 U.S.) available upon presentation of:

- (1) your sight draft, bearing reference to this Letter of Credit No. _____, 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 the U.S. Nuclear Regulatory Commission."

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 Part 30 provide assurance that funds will be available when needed for decommissioning.

This Letter of Credit is effective as of February 1, 1994 and shall expire on January 31, 1995, but such expiration date shall be automatically extended for a period of one year and on each successive expiration date, unless, at least 90 days before the current expiration date, we notify both you and Exxon Biomedical Sciences, Inc., by certified mail, as shown on the signed return receipts. If Exxon Biomedical Sciences, Inc. is unable to secure alternative financial assurance to replace this Letter of Credit within 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 could result in suspension or revocation of the bank's charter or license 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 30 days, and we shall deposit the amount of the draft directly into the Standby Trust Fund of Exxon Biomedical Sciences, Inc. in accordance with your instructions.

Each draft must bear on its face the clause: "Drawn under Letter of Credit No. _____, dated _____, and the total of this draft and all other drafts previously drawn under this letter of credit does not exceed \$250,000.00."

Wachovia Bank of North Carolina, N.A.

By _____

Title _____

Date _____

This credit is subject to "the most recent edition of the Uniform Customs and Practice for Documentary Credits, published by the International Chamber of Commerce", or "the Uniform Commercial Code".

07069302.FDP/esr

WACHOVIA BANK OF NORTH CAROLINA, N.A.
 301 NORTH MAIN STREET
 WINSTON-SALEM, NORTH CAROLINA 27150
 ATTN: STANDBY LETTER OF CREDIT UNIT

IRREVOCABLE STANDBY LETTER OF CREDIT NO.: LC968-044533

FEBRUARY 14, 1994

BENEFICIARY:
 U.S. NUCLEAR REGULATORY COMMISSION
 WASHINGTON, DC 20555

APPLICANT:
 EXXON BIOMEDICAL SCIENCES, INC.
 METTLERS ROAD, CN 2350
 EAST MILLSTONE, NJ 08875-2350

AMOUNT: * US \$250,000.00 *
 * TWO HUNDRED FIFTY THOUSAND
 AND 00/100 ONLY U.S. DOLLARS *

EXPIRATION: JANUARY 31, 1995
 OR ANY FUTURE EXTENDED DATE
 AS PROVIDED HEREIN
 AT OUR COUNTERS FOR PAYMENT

DEAR SIR OR MADAM:

WE HEREBY ESTABLISH OUR IRREVOCABLE STANDBY LETTER OF CREDIT NO. LC968-044533 IN YOUR FAVOR, AT THE REQUEST AND FOR THE ACCOUNT OF EXXON BIOMEDICAL SCIENCES, INC., METTLERS ROAD, EAST MILLSTONE, NJ 08875-2350, UP TO THE AGGREGATE AMOUNT OF TWO HUNDRED FIFTY THOUSAND U.S. DOLLARS (\$250,000.00 U.S.) AVAILABLE UPON PRESENTATION OF:

(1) YOUR SIGHT DRAFT, BEARING REFERENCE TO THIS LETTER OF CREDIT NO. LC968-044533. 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 THE U.S. NUCLEAR REGULATORY COMMISSION."

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 PART 30 PROVIDE ASSURANCE THAT FUNDS WILL BE AVAILABLE WHEN NEEDED FOR DECOMMISSIONING.

THIS LETTER OF CREDIT IS EFFECTIVE AS OF FEBRUARY 1, 1994 AND SHALL EXPIRE ON JANUARY 31, 1995, BUT SUCH EXPIRATION DATE SHALL BE AUTOMATICALLY EXTENDED FOR A PERIOD OF ONE YEAR AND ON EACH SUCCESSIVE EXPIRATION DATE, UNLESS, AT LEAST 90 DAYS BEFORE THE CURRENT EXPIRATION DATE, WE NOTIFY BOTH YOU AND EXXON BIOMEDICAL SCIENCES, INC., BY CERTIFIED MAIL, AS SHOWN ON THE SIGNED RETURN RECEIPTS.

-CONTINUED-

OUR IRREVOCABLE STANDBY LETTER OF CREDIT NO.: LC968-044533

PAGE 2

IF EXXON BIOMEDICAL SCIENCES, INC. IS UNABLE TO SECURE ALTERNATIVE FINANCIAL ASSURANCE TO REPLACE THIS LETTER OF CREDIT WITHIN 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 COULD RESULT IN SUSPENSION OR REVOCATION OF THE BANK'S CHARTER OR LICENSE 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 30 DAYS, AND WE SHALL DEPOSIT THE AMOUNT OF THE DRAFT DIRECTLY INTO THE STANDBY TRUST FUND OF EXXON BIOMEDICAL SCIENCES, INC. IN ACCORDANCE WITH YOUR INSTRUCTIONS.

EACH DRAFT MUST BEAR ON ITS FACE THE CLAUSE: "DRAWN UNDER LETTER OF CREDIT NO. LC968-044533, DATED FEBRUARY 14, 1994, AND THE TOTAL OF THIS DRAFT AND ALL OTHER DRAFTS PREVIOUSLY DRAWN UNDER THIS LETTER OF CREDIT DOES NOT EXCEED U.S. \$250,000.00."

THIS LETTER OF CREDIT IS SUBJECT TO THE UNIFORM CUSTOMS AND PRACTICE FOR DOCUMENTARY CREDITS, 1993 REVISION, INTERNATIONAL CHAMBER OF COMMERCE PUBLICATION NO. 500.

VERY TRULY YOURS,
WACHOVIA BANK OF NORTH CAROLINA, N.A.

BY: *Rhonda C. Sudler*
ASSISTANT VICE PRESIDENT

FEBRUARY 14, 1994

/KCS

EXXON BIOMEDICAL SCIENCES, INC.

METTLERS ROAD, CN 2350, EAST MILLSTONE, N.J. 08875-2350

Environmental Sciences Division
DAVID H. WASSERSTROM, Director
Environmental Toxicology

RECEIVED REGION
93 SEP -7 P126

030-17541

September 3, 1993

Decommissioning Plan for
EBSI; License Number
29-19396-01

93MR 1175

John D. Kinneman, Chief
Anthony Dimitriadis
U.S. Nuclear Regulatory Commission
475 Allendale Road
King of Prussia, Pennsylvania 19406-1415

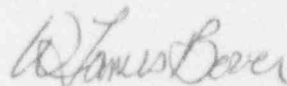
Gentlemen:

Let me first thank you for all the assistance (and patience) your office has extended us in our efforts to re-do the decommissioning financial assurance for our License Number 29-19396-01. We have been able, with guidance from your office, to reduce the correct amount of the certification to \$150,000.

Because of the cost/complexity of providing the "Auditor's Special Report and Schedule Attachment" for Exxon Corporation (EBSI's parent company) which you required as part of the parent company guarantee, we are securing the alternative Letter of Credit and Standby Trust Agreement from an approved banking institution. We will forward these documents as soon as the bank signs them.

Thanks again for your assistance.

Very truly yours,



W. JAMES BOVER
Radiation Safety Officer

WJB:tlc
Bover/0133.93

cc: D. Poller
E. C. Vath

OFFICIAL RECORD COPY ML 10

113250

SEP 07 1993

AUG 5 1993

Docket No. 030-17541
License No. 29-19396-01
Control No. 113250

Exxon Biomedical Sciences, Inc.
ATTN: W. James Bover, Ph.D.
Environmental Sciences Division
Mettlers Road, CN2350
East Millstone, New Jersey 08875-2350

Dear Dr. Bover:

This is in reference to your submittal dated August 19, 1990 to provide financial assurance for License No. 29-19396-01. Eric Reber of my staff discussed your submittal with you by telephone on July 31, 1992, and provided a copy of Regulatory Guide 3.66, but we have not received the additional documentation requested at that time. Please modify your submission to address the specific matters listed below:

1. 10 CFR 30.35 requires that you submit either a Decommissioning Funding Plan (DFP) including an actual cost estimate or a certification statement as a demonstration that adequate funds will be available for decommissioning. Your submission does not include either a DFP or a certification statement. Based upon the \$150,000 of assurance specified in the letter from the guarantor, it appears that a certification statement should have been included. Submit a statement certifying compliance with the decommissioning rules, as recommended in Regulatory Guide 3.66 "Standard Format and Content of Financial Assurance Mechanisms Required for Decommissioning Under 10 CFR Parts 30, 40, 70, and 72," June 1990, page 1-5 (copy enclosed). From the possession limits in your license it appears that the correct amount for the certification is \$750,000.
2. A parent-subsidary relationship must exist between a guarantor and a licensee in order for the parent guarantee to be a valid method of financial assurance under NRC regulations. Your submission includes a letter from the assistant treasurer of Exxon Corporation which states that the Corporation is providing a guarantee for "Exxon Biomedical Sciences, Inc., a wholly owned subsidiary of Exxon Corporation." This statement is not sufficient evidence that a parent-subsidary relationship exists, and no other evidence is provided in the submission. Appropriate evidence includes incorporation agreements (i.e., copies of submissions to the appropriate State Corporation Commission) or a corporate resolution certifying that the licensee and its parent guarantor are separate and distinct corporate entities. If a parent-subsidary

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relationship cannot be demonstrated, then a parent guarantee is not permitted by NRC regulations and you must submit another type of financial assurance mechanism.

3. If you are able to demonstrate a parent-subsidary relationship, your submission still requires modification. Your submission consists of two letters from your counsel that state that Exxon Biomedical is providing a parent company guarantee as financial assurance and a letter from the assistant treasurer of Exxon Corporation that states, "Exxon Corporation represents that it meets the requisite Financial Test set forth in Appendix A of Part 30." These letters do not include the wording recommended in Regulatory Guide 3.66 and do not fulfill the requirements of NRC regulations.

10 CFR 30.35(b)(2) requires that "as part of the certification, a copy of the financial instrument obtained to satisfy the requirements... is to be submitted to NRC." Your submission does not clearly substantiate that a parent guarantee and financial test have been executed satisfactorily. In addition to providing evidence that a parent-subsidary relationship exists, as discussed above, the guarantor must explicitly demonstrate its ability to pass the financial test; simply referring to Appendix A of Part 30 does not allow NRC to evaluate whether the guarantee and financial test comply with the requirements.

Please submit the following documents, which are more completely described in Section 4.7 (pages 4-35 to 4-41) of Regulatory Guide 3.66:

- a. Letter from Chief Executive Officer of the licensee;
- b. Letter from the guarantor's Chief Financial Officer, including demonstration of ability to pass the financial test (either Alternative I or II);
- c. Corporate guarantee agreement;
- d. Evidence that the guarantor is the parent company of the licensee, e.g., that the guarantor has majority control of the licensee's voting stock;
- e. Auditor's special report and schedule attachment to the special report;
- f. Evidence that parties signing the parent guarantee agreement for the guarantor are authorized to represent the company in the transaction; and
- g. A Standby Trust Agreement.

Exxon Biomedical Sciences, Inc.

-3-

Satisfactory financial assurance is required for your license. Therefore, we request that you respond within 30 calendar days of the date of this letter. Please refer to Mail Control No. 113250. If you have any questions regarding this letter, please contact Anthony Dimitriadis at (215) 337-6953.

Sincerely,

Original Signed By:

John D. Kinneman, Chief
Research Development and
Decommissioning Section
Division of Radiation Safety
and Safeguards

Enclosure:
Regulatory Guide 3.66

bcc: J. Kinneman, RI

DRSS:RI
Dimitriadis/smh

08/5/93

DRSS:RI
Kinneman

08/5/93

CONVERSATION RECORD

TIME

8:20 AM

DATE

6/25/93

TYPE

VISIT

CONFERENCE

TELEPHONE

INCOMING

OUTGOING

ROUTING

NAME/SYMBOL

INT

Location of Visit/Conference:

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

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

TELEPHONE NO.

JAMES BOVER, PhD, RSO

EXXON BIOMEDICAL Sci

908-873-

6318

SUBJECT

Financial Assurance for 70 CFR 30.35.

SUMMARY

① Are you going to submit the information regarding the parent-company guarantee?

He said that their lawyers are working on it.

② I asked him if they utilize the amount of activity of H-3 and C-14 reflected on their license. (eg. It would be acceptable for them to lower their limits of those two isotopes such that the regulations in 10CFR 30.35 would not apply to them. the financial assurance amount may be less than the current \$750,000.00 required now.)

③ I explained to him that they would also need to submit a decommissioning funding plan when their license is up for renewal in July of 1996.

He said that they are working on it. ~~and~~ I told him that we will be sending him a def. letter which would specifically point out

ACTION REQUIRED

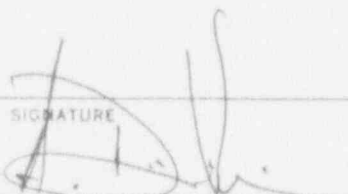
NONE

NAME OF PERSON DOCUMENTING CONVERSATION

SIGNATURE

DATE

DIMATRIADIS



6/25/93

ACTION TAKEN

SIGNATURE

TITLE

DATE

issues which need to be addressed if they wish to pursue
a Parent-Co. guarantee.

EXXON BIOMEDICAL SCIENCES, INC.

METTLERS ROAD, CN 2350, EAST MILLSTONE, N.J. 08875-2350

MS 66
L3

Environmental Sciences Division
DAVID H. WASSERSTROM, Director
Environmental Toxicology

August 27, 1992

030-17541
29-19396-01

92SM 72

Mr. Eric Reber
United States Nuclear Regulatory Commission
Region 1
475 Allendale Road
King of Prussia, Pennsylvania 19406-1415

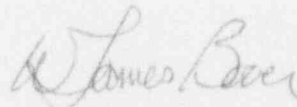
Dear Mr. Reber:

This letter is to document our conversation of July 31, 1992 and to provide a response within 30 days.

During our phone conversation you informed me that the documents provided by Exxon Research and Engineering Company and Exxon Corporation in July 1990 regarding financial assurance mechanisms required for decommissioning under 10 CFR Parts 30, 40, 70, and 72 were not sufficient. You indicated that additional documentation was necessary to support the existence of a parent-subsidiary relationship between Exxon Corporation and Exxon Biomedical Sciences, Inc. (EBSI). The guidance for the required documentation is found in the NRC Regulatory Guide 3.66, which you said would be forwarded to me.

The Guide 3.66 was received in mid-August and we are forwarding the data package to our law department for action. A formal response will be forthcoming.

Very truly yours,



W. JAMES BOVER

WJB:paf

OFFICIAL RECORD COPY ML 10

113250
AUG 31 1992

U. S. Nuclear Regulatory Commission		Date: 7/31/92 <i>July</i>
Telephone or Verbal Conversation Record		Time: 1:20pm
<input type="checkbox"/> Incoming Call	<input checked="" type="checkbox"/> Outgoing Call	<input type="checkbox"/> Visit
Person Calling: Eric H. Reber	Office: USNRC Region I	Phone #: (215) 337-5276
Person Called: W. James Bover, Ph.D.	Office: RSO	Phone #: (908) 873-6318
Conversation		
Subject: Exxon Biomedical Sciences/29-19396-01/Deficiencies in Parent Company Guarantee		
Summary:		
<ol style="list-style-type: none"> 1. Please provide executed copies of all documents on pages 4-35 through 4-44 of Reg. Guide 3.66 to support Exxon Corporation's parent company guarantee. 2. Please demonstrate that a parent/subsidiary relationship exists between Exxon Corporation and Exxon Biomedical Sciences. 		
Referred to:		
Action Requested: I requested response within 30 days		
Action Taken:		

LIST OF INSTRUCTIONS

EXXON BIOMEDICAL SCIENCES, INC.

In reviewing the comments the reviewer will note that there will be some overlap between ICF and OGC comments. The following comments should be included in the basis for the deficiency letter:

1. ICF comments 1 through 3.
2. All OGC comments.

All other comments and discussions are for reviewer information.

February 6, 1991

Note to: Louis Bykoski, NMSS/LLWM
From: Mike Finkelstein, OGC/R&FC
Re: Review of ICF Comments in 5th Package dated 1/7/91

For each of the submittals listed below, the regional reviewers must verify that the document is a signed copy of the original and duly notarized.

Unless otherwise stated, the ICF comments and recommendations are correct and should be implemented.

Exxon Biomedical Sciences, Inc. (parent guarantee)

No Parent Company Guarantee documentation was submitted. All ICF recommendations should be implemented because the analysis is correct. Additionally, Exxon Biomedical is a prime candidate for enforcement action after they respond to the deficiency letter.



ICF INCORPORATED

December 21, 1990

To: Dr. Lou Bykoski, NMSS/NRC

From: Bryan Kelleher, John Collier, and Craig Dean, ICF Incorporated

Subject: Review of Parent Guarantee/Financial Test Submitted by Exxon Biomedical Sciences, Inc.

Exxon Biomedical Sciences, Inc., of Florham Park, New Jersey, submitted a certification of financial assurance, using a parent guarantee from the Exxon Corporation, in the amount of \$150,000. The submission assures decommissioning costs for license 29-19396-01 issued under 10 CFR Part 30. ICF assumes that NRC has verified that the amount of the financial assurance, \$150,000, is acceptable under 10 CFR Part 30.35.¹ The submission includes none of the parent company guarantee/financial test documentation recommended in the draft *Regulatory Guide* to substantiate the ability of the parent company to provide adequate financial assurance for decommissioning activities of the licensee.

Upon review of the entire submission, ICF recommends that NRC Region I require the licensee to modify the submission in the following three ways:

- (1) Submit either a statement of certification or a decommissioning cost estimate; and
- (2) Demonstrate that a parent-subsidiary relationship exists between the guarantor and the licensee, or submit a different method of financial assurance.

If the licensee can demonstrate that it is eligible to use the parent guarantee, then it should also modify its submission in the following way:

- (3) Submit the required documents in support of the parent guarantee and financial test.

These issues are discussed below.

¹ Information in the submission, however, is not sufficient to evaluate the adequacy of the certification amount.

(1) **Submit Either a Statement of Certification or a Decommissioning Cost Estimate**

Under 10 CFR 30.35, a licensee is required to submit either a decommissioning cost estimate or a certification statement as a demonstration that adequate funds will be available for decommissioning. The licensee's submission does not include either a decommissioning cost estimate or a certification statement. Based upon the \$150,000 of assurance specified in the letter from the guarantor, it appears that a certification statement should have been included. ICF recommends that NRC require the licensee to submit a certification statement certifying compliance with the decommissioning rules, as recommended in the draft *Regulatory Guide "Standard Format and Content of Financial Assurance Mechanisms Required for Decommissioning Under 10 CFR Parts 30, 40, 70, and 72,"* January 1990, page 1-7.

(2) **Demonstrate that a Parent-Subsidiary Relationship Exists Between the Guarantor and the Licensee, or Submit a Different Method of Financial Assurance**

A parent-subsidiary relationship must exist between a guarantor and a licensee in order for the parent guarantee to be a valid method of financial assurance under NRC regulations. As stated in 10 CFR 30.35(f)(2), a parent company guarantee, like the surety and insurance methods of financial assurance, must "guarantee that decommissioning costs will be paid should the licensee default." This mechanism is only allowed when the parent company provides "an independent commitment beyond that of the licensee to expend funds" (53 Federal Register 24036, June 27, 1988).

The submission includes a letter from the assistant treasurer of Exxon Corporation which states that the Corporation is providing a guarantee for "Exxon Biomedical Sciences, Inc., a wholly owned subsidiary of Exxon Corporation." This statement is not sufficient evidence that a parent-subsidiary relationship exists, and no other evidence is provided in the submission. ICF recommends that NRC require the licensee to demonstrate explicitly that there is a parent-subsidiary relationship. Appropriate evidence includes incorporation agreements (i.e., copies of submissions to the appropriate State Corporation Commission) or a certified corporate resolution certifying that the licensee and its parent guarantor are separate and distinct corporate entities. If a parent-subsidiary relationship cannot be demonstrated, then a parent guarantee is not permitted by the regulations and the licensee must submit another type of financial assurance mechanism.

If, however, the licensee is able to demonstrate a parent-subsidiary relationship, then ICF also recommends that NRC require the licensee to modify its submission as described below.

(3) **Submit the Required Documents in Support of the Parent Guarantee and Financial Test**

The submission consists only of three letters. Two letters are from the licensee's counsel and state that Exxon Biomedical is providing a parent

company guarantee. In addition, a letter from the assistant treasurer of Exxon Corporation is included that states "Exxon Corporation represents that it meets the requisite Financial Test set forth in Appendix A of Part 30." None of these letters include wording recommended in the draft *Regulatory Guide*.

10 CFR 30.35 requires that "as part of the certification, a copy of the financial instrument obtained to satisfy the requirements . . . is to be submitted to NRC." The licensee's submission does not clearly substantiate that a parent guarantee and financial test have been executed satisfactorily. None of the documents specified in the draft *Regulatory Guide* are included in the submission. Without these documents, the guarantor has not shown that it possesses the financial strength to cover the decommissioning costs of the licensee, or that a valid guarantee exists. In addition to providing evidence that a parent-subsidiary relationship exists, as discussed above, the guarantor must explicitly demonstrate its ability to pass the financial test in a letter from its chief financial officer; simply referring to Appendix A of Part 30 does not allow NRC to evaluate whether the guarantee and financial test comply with the requirements.

ICF recommends that NRC require the licensee to submit the following documents substantiating a valid parent guarantee and financial test:

- Letter from chief executive officer of the licensee;
- Letter from the guarantor's chief financial officer, including demonstration of ability to pass the financial test (either Alternative I or II);
- Corporate guarantee agreement;
- Evidence that the guarantor is the parent company of the licensee, e.g., that the guarantor has majority control of the licensee's voting stock;
- Auditor's special report and schedule attachment to the special report;
- Evidence that parties signing the parent guarantee agreement for the guarantor are authorized to represent the company in the transaction; and
- Standby trust agreement and related documents.

These documents should be worded as recommended in the draft *Regulatory Guide* in Sections 4.3 and 4.7.

attachments

APPENDIX A
CHECKLIST FOR DECOMMISSIONING FINANCIAL ASSURANCE

NAME OF LICENSEE OR APPLICANT Exxon Biomedical Sciences, Inc.

MAILING ADDRESS Exxon Research and Engineering Company

P.O. Box 390, FLORENCE PARK, NEW JERSEY 07932-0390

A. Licensee Part (check one of the following):

- Part 30 Licensee or Applicant _____ Part 70 Licensee or Applicant
- _____ Part 40 Licensee or Applicant _____ Part 72 Licensee or Applicant

B. Check appropriate item in each category (if applicable)

1. 8/15/90 Date of Financial Assurance Submission *NO indication of issue, effective, or expiration date.*
2. _____ Public Entity
- Private Entity
3. Certification of Financial Assurance *(No Certification Statement)*
- _____ Decommissioning Funding Plan
4. (a) _____ Prepayment Option (See Appendix B)
 - _____ Trust Fund
 - _____ Escrow Account
 - _____ Certificate of Deposit
 - _____ Government Fund
 - _____ Deposit of Government Securities
- (b) Surety/Insurance/Other Guarantee (See Appendix C) \$150,000
 - _____ Surety bond
 - _____ Letter of Credit
 - _____ Line of Credit
 - Parent Company Guarantee/Financial Test*
- (c) _____ External Sinking Fund, Sinking Account and Surety/Insurance (See Appendix D)
 - _____ Trust Fund
 - _____ Escrow Account
 - _____ Certificate of Deposit
 - _____ Government Fund
 - _____ Deposit of Government Securities
 - _____ Surety Bond
 - _____ Letter of Credit
 - _____ Line of Credit
- (d) _____ Statement of Intent (public entities only)

*May not be used in combination with any other instrument.

APPENDIX C

CHECKLIST FOR SUBMISSION OF SURETY/INSURANCE/PARENT COMPANY GUARANTEE

A. Check Appropriate Form of Surety/Insurance/Guarantee

- Surety Bond
- Letter of Credit
- Line of Credit
- Parent Company Guarantee/Financial Test*
- Insurance

B. Check Documents Submitted for Surety/Insurance/Guarantee

1. Surety Bond
- Surety Bond
 - Standby Trust Agreement
 - Acknowledgement

2. Letter of Credit
- Letter of Credit
 - Standby Trust Agreement
 - Acknowledgement

3. Line of Credit
- Verification
 - Standby Trust Agreement
 - Acknowledgement

4. Parent Company Guarantee
- Letter from Chief Executive Officer of Applicant or Licensee
 - Letter from Chief Financial Officer of Parent Company
 - Financial Test: Alternative [I or II]
 - Auditor's Special Report and Attached Schedule
 - Corporate Guarantee
 - Standby Trust Agreement
 - Acknowledgement

Contains letter from Assistant treasurer, and parent company's legal counsel only.

Reference is made in letters to a parent company guarantee under 10 CFR 30.35(b)(2) but no forms for such mechanism are provided.

5. Insurance
- Certificate of Insurance
 - Standby Trust Agreement
 - Acknowledgement

May not be used in combination with any other instrument.

No Parent Company Guarantee
was submitted

Exxon Biomedical Services, Inc
License # 24-19296-01

EXHIBIT 3-8

CHECKLIST OF CRITERIA FOR REVIEW OF PARENT COMPANY GUARANTEES

- No • Copy of letter from the chief executive officer of the licensee, verifying that it is a going concern* with positive tangible net worth (submitted annually at same time as parent company financial test in Sections 4.7.3 and 4.7.4 of this guide).
- No • Copy of corporate by-laws or other evidence indicating that parties signing the financial instrument (for the applicant) are authorized to represent the organization in the transaction.
- No • Evidence that the financial instrument is an originally signed duplicate (e.g., an executed copy of the instrument).
- No • Evidence that the corporate parent has majority control of the applicant's voting stock.
- YES ✓ Name and address of guarantor.
- YES ✓ Name and address of the licensee.
- No • Name and address of the regulatory agency.
- No • Recitation of the guarantor's authority to provide the guarantee, such as ownership of the licensee.
- YES ✓ Identification of the facilities for which the guarantee provides financial assurance and amounts guaranteed for decommissioning activities.

*A "going concern" is a firm that is expected to continue operating at least long enough for current expectations and plans to be carried out and for the reasonably foreseeable future period after that.

EXHIBIT 3-8 (Continued)

- No • Description of the primary obligation (decommissioning requirements).
- No • Unequivocal statement of guarantee.
 - a. Recitation of the consideration for the guarantee.
 - b. Liability of the guarantor.
 - a. Limitation of liability
 - b. Condition(s) of liability
 - c. Effect on liability of a change in the status of the licensee
- No • Statement that guarantor remains bound despite amendment or modification of license or decommissioning funding plan, reduction or extension of time of performance of required activities, or any other modification or alteration of an obligation of licensee.
- No • Notice requirements.
- No • Discharge of the guarantor.
- No • Termination and revocation.
 - 1. Termination on occurrence of contingency
 - 2. Voluntary revocation by guarantor
 - 3. Effective date of termination or revocation
- Yes ✓ Date.
- Yes ✓ Signatures.

030-17541

EXXON RESEARCH AND ENGINEERING COMPANY

P.O. BOX 390, FLORHAM PARK, NEW JERSEY 07932-0390

LAW DEPARTMENT

August 10, 1990

Re: Parent Company Guarantee For
Exxon Biomedical Sciences, Inc.
License No. 29-19396-01
Ref. Doc. No. 030-17541
Control No. 112599

U. S. Nuclear Regulatory Commission
Region 1
475 Allendale Road
King of Prussia, PA 19406

Dear Sir or Madam:

Enclosed herewith is a parent company guarantee of funds for decommissioning costs in connection with the above identified domestic license. This guarantee was first sent to the Washington Office, but as evident from the enclosed documents was returned by the post office. The address previously used was that identified in the Federal Code of Regulations.

Please don't hesitate to contact us if there are any further issues involved in this matter.

Very truly yours,

Paul E. Purwin
Paul E. Purwin

PEP:esr
Enclosure

Log	Aug 34 - I
Remitter	
Check No.	
Amount	
Fee Category	3M
Type of Fee	cmd
Date Check Rec'd.	
Date Completed	10/10/90
By:	AK

FEE NOT REQUIRED
Per 8/30/90 Memo

A:08109001.PEP

113250

AUG 15 1990

OFFICIAL RECORD COPY **ML1B**

EXXON CORPORATION

1261 AVENUE OF THE AMERICAS, NEW YORK, N.Y. 10020-1198

EDUAR A. ROBINSON
Vice President and Treasurer
W. A. HARRISON
R. A. ROSENBERG
Assistant Treasurers

July 25, 1990

Director
Office of Nuclear Material Safety and Safeguards
U. S. Nuclear Regulatory Commission
Washington, D.C. 20655

Dear Sir or Madam:

This letter constitutes a guarantee of funds for decommissioning costs for Exxon Biomedical Sciences, Inc., wholly owned subsidiary of Exxon Corporation. The guarantee is in the amount of \$150,000, established pursuant to 10CFR 30.35(b)(2). Exxon Corporation represents that it meets the requisite Financial Test set forth in Appendix A of Part 30, Rules of General Applicability to Domestic Licensing.

Respectfully submitted,

Exxon Corporation

By



R.A. Rosenberg

PEP:esr

A:07259001.PEP



EXXON RESEARCH AND ENGINEERING COMPANY

P.O. BOX 390, FLORHAM PARK, NEW JERSEY 07932-0390

P. E. PURWIN
Counsel

Telephone: 201-765-3643
Cable: EXXONRELAW FLORHAM PARK

July 27, 1990

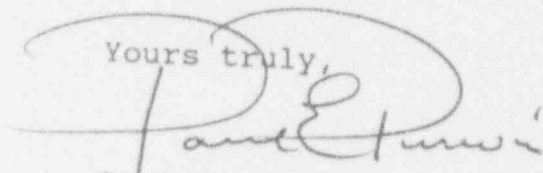
RE: Parent Company Guarantee For
Exxon Biomedical Sciences, Inc.
License No. 29-19396-01
Ref. Doc. No. 030-17541
Control No. 112599

Director
Office of Nuclear Material
2120 L Street, N. W.
Washington, DC 20655

Dear Sir or Madam:

Enclosed is a parent company guarantee of funds for decommissioning costs issued by Exxon Corporation for the benefit of Exxon Biomedical Sciences, Inc., in connection with its above identified domestic license. The guarantee is issued pursuant to 10CFR part 30, et. seq. Exxon Biomedical Sciences is a wholly owned subsidiary of Exxon Corporation.

Yours truly,



Paul E. Purwin

PEP/cak

Enclosure

07279001.PEP

113250

AUG 15 1990

P. E. Purwin FP101
AFTER 8 DAYS RETURN TO
EXXON RESEARCH AND ENGINEERING COMPANY
FLORHAM PARK, N. J. 07932

GENERAL 85A



Director
Office of Nuclear Material
2120 L Street, N. W.
Washington, DC ~~20555~~

Received
AUG 09 1990
Paul E. Purwin

8/09/90



BETWEEN:

LICENSE FEE MANAGEMENT BRANCH, ARM
AND
REGIONAL LICENSING SECTIONS

(FOR LFMS USE)
INFORMATION FROM LTS

PROGRAM CODE: 03620
STATUS CODE: 2
FEE CATEGORY: 3M
EXP. DATE: 19900630
FEE COMMENTS: 3M EFF 6/12/85

LICENSE FEE TRANSMITTAL

A. REGION I

1. APPLICATION ATTACHED

APPLICANT/LICENSEE: EXXON BIOMEDICAL SCIENCES, INC.
RECEIVED DATE: 900815
DOCKET NO: 3017541
CONTROL NO.: 113250
LICENSE NO.: 29-19396-01
ACTION TYPE: AMENDMENT

2. FEE ATTACHED

AMOUNT: -----
CHECK NO.: -----

3. COMMENTS

FA only

SIGNED *JM Shiverskamp*
DATE *8/30/90*

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

1. FEE CATEGORY AND AMOUNT: 3M ----- **FEE NOT REQUIRED**

2. CORRECT FEE PAID. APPLICATION MAY BE PROCESSED FOR: per 8/30/90 Memo
AMENDMENT -----
RENEWAL -----
LICENSE -----

3. OTHER -----

SIGNED *SK*
DATE *10/10/90*