

IRREVOCABLE STANDBY LETTER OF CREDIT

JULY 26, 1990

5040830W

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U.S. NUCLEAR REGULATORY COMMISSION  
WASHINGTON, DC 20555  
REF: LICENSE # R-61, 20-19808-01

50-134

DEAR SIR OR MADAM:

WE HEREBY, ESTABLISH OUR IRREVOCABLE STANDBY LETTER OF CREDIT IN YOUR FAVOR, AT THE REQUEST AND FOR THE ACCOUNT OF WORCESTER POLYTECHNIC INSTITUTE, 100 INSTITUTE ROAD, WORCESTER, MA 01609-2280, UP TO THE AGGREGATE AMOUNT OF SEVENTY THOUSAND AND 00/100 U.S. DOLLARS \*\*\*\*\*\$70,000.00 AVAILABLE UPON PRESENTATION BY YOU OR YOUR DESIGNEE OF

(1) YOUR SIGHT DRAFT, BEARING REFERENCE TO THIS LETTER OF CREDIT NUMBER 5040830W

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 (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."

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 1 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 JULY 26, 1990 AND SHALL EXPIRE ON JULY 26, 1991, BUT SUCH EXPIRATION DATE SHALL BE AUTOMATICALLY EXTENDED FOR A PERIOD OF ONE YEAR ON JULY 26, 1991 AND ON EACH SUCCESSIVE EXPIRATION DATE, UNLESS, AT LEAST 90 DAYS BEFORE THE CURRENT EXPIRATION DATE, WE NOTIFY BOTH YOU AND WORCESTER POLYTECHNIC INSTITUTE BY RETURN RECEIPT THAT WE HAVE DECIDED NOT TO EXTEND THIS LETTER OF CREDIT BEYOND THE CURRENT EXPIRATION DATE. IN THE EVENT YOU ARE SO NOTIFIED, ANY UNUSED PORTION OF THE CREDIT SHALL BE AVAILABLE UPON PRESENTATION OF YOUR SIGHT DRAFT WITHIN 90 DAYS AFTER THE DATE OF RECEIPT OF NOTIFICATION BY BOTH YOU AND WORCESTER POLYTECHNIC INSTITUTE AS SHOWN ON THE LATER OF THE SIGNED RETURN RECEIPTS AND READING AS FOLLOWS:

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PDR ADOCK 05000134  
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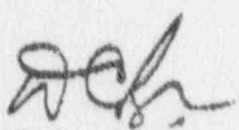
U.S. NUCLEAR REGULATORY COMMISSION  
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"WE CERTIFY THAT THE LICENSEE HAS FAILED TO REPLACE THIS LETTER OF CREDIT WITH OTHER COLLATERAL ACCEPTABLE TO THE DEPARTMENT WITHIN 30 DAYS OF THE BANK'S NOTICE TO TERMINATE THE LETTER OF CREDIT."

WHENEVER THIS LETTER OF CREDIT IS DRAWN ON, UNDER, AND IN COMPLIANCE WITH THE TERMS OF THIS CREDIT, WE SHALL DULY HONOR SUCH DRAFT UPON PRESENTATION TO US, AND WE SHALL DEPOSIT THE AMOUNT OF THE DRAFT DIRECTLY INTO THE STANDBY TRUST OF WORCESTER POLYTECHNIC INSTITUTE IN ACCORDANCE WITH YOUR INSTRUCTIONS.

WE WILL ENDEAVOR TO GIVE PROMPT NOTICE TO THE LICENSEE AND THE DEPARTMENT OF A NOTICE RECEIVED OR ACTION FILED ALLEGING THE INSOLVENCY OR BANKRUPTCY OF THE BANK OR ALLEGING ANY VIOLATIONS OF REGULATORY REQUIREMENTS WHICH SHALL RESULT IN SUSPENSION OR REVOCATION OF THE BANK'S CHARTER OR LICENSE TO DO BUSINESS.

DRAFTS DRAWN HEREUNDER MUST BE MARKED "DRAWN UNDER SHAWMUT BANK, N.A., CREDIT NO. 5040830W DATED JULY 26, 1990".



D.C. PENNYBAKER  
ASSISTANT VICE PRESIDENT  
JULY 26, 1990

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