

Nuclear Regulatory Commission

§ 140.22

behalf, and the licensee, after notice of such determination by the Commission fails to make such reimbursement within 120 days, the Commission will take appropriate steps to suspend the license for 30 days. The Commission may take such further action as is necessary if reimbursement is not made within the 30-day suspension period including but not limited to termination of the operating license.

(f)(1)(i) The general form of indemnity agreement to be entered into by the Commission with reactor licensees who furnish financial protection in the form of the nuclear energy liability insurance policy set forth in appendix A is contained in §140.92, appendix B. The general form of indemnity agreement to be entered into by the Commission with reactor licensees who furnish financial protection in the form specified in §140.14(a)(2) is set forth in §140.93, appendix C.

(ii) The general form of indemnity agreement to be entered into by the Commission with persons licensed to possess and use plutonium in a plutonium processing and fuel fabrication plant and who furnish financial protection in the form of the nuclear energy liability insurance policy set forth in appendix A² is contained in §140.107, appendix G. The general form of indemnity agreement to be entered into by the Commission with such licensees who furnish financial protection in the form specified in §140.14(a)(2) is set forth in §140.108, appendix H.

(2) The form of indemnity agreement to be entered into by the Commission with any particular licensee under this subpart shall contain such modifications of the applicable form in §§140.92, 140.93, 140.107 and 140.108, appendices A, B, C, G and H, as are provided for in applicable licenses, regulations or orders of the Commission.

(3) Each licensee who has executed an indemnity agreement under this subpart shall enter into such agreements amending such indemnity agreement as are required by applicable licenses,

²The form of the nuclear energy liability insurance policy for these licensees will be the subject of pertinent endorsements after discussion with the insurance pools.

regulations, or orders of the Commission.

[42 FR 49, Jan. 3, 1977]

§ 140.21 Licensee guarantees of payment of deferred premiums.

Each licensee required to have and maintain financial protection for each nuclear reactor as determined in §140.11(a)(4) shall at the issuance of the license and annually, on the anniversary of the date on which the indemnity agreement is effective, provide evidence to the Commission that it maintains one of the following types of guarantee of payment of deferred premiums in an amount of \$10 million for each reactor he is licensed to operate:

- (a) Surety bond,
- (b) Letter of credit,
- (c) Revolving credit/term loan arrangement,
- (d) Maintenance of escrow deposits of government securities,
- (e) Annual certified financial statement showing either that a cash flow (i.e., cash available to a company after all operating expenses, taxes, interest charges, and dividends have been paid) can be generated and would be available for payment of retrospective premiums within three (3) months after submission of the statement, or a cash reserve or a combination of cash flow and cash reserve, or
- (f) Such other type of guarantee as may be approved by the Commission.

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§ 140.22 Commission guarantee and reimbursement agreements.

Each licensee required to have and maintain financial protection for each nuclear reactor as determined in §140.11(a)(4) shall execute an indemnity agreement with the Commission that provides for the payment by the Commission of deferred premiums not paid by the licensee and reimbursement of the Commission by the licensee. The general forms of agreement to be entered into by the Committee and licensees are set forth in §140.92, appendix B and §140.93, appendix C.

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