

Request For Board Action

REFERRED TO BOARD August 13, 2018

AGENDA ITEM NO: 8

ORIGINATING DEPARTMENT: Administrator's Office

SUBJECT: Consideration of a Resolution Designating Funds in the Water and Sewer Account as Reserves for Radium Removal Contingencies.

SUMMARY AND BACKGROUND OF SUBJECT MATTER:

In May 2006, the Village approved a 20-year agreement with WRT Environmental, LLC ("Environmental"), and R.M.D. Operations, LLC ("RMD") to operate, maintain, and remove radium from wells 9 and 10. In 2008, WRT and Environmental merged into Water Remediation Technology, LLC ("WRT"). WRT assumed all assets, liabilities, rights, and obligations of RMD. The Village assigned the contract to WRT which requires WRT to remove and dispose of the spent media that contains radium.

The Illinois Administrative Code requires that WRT provide financial assurances to the State to ensure public health and safety, however, under the agreement, WRT has shifted the requirement of financial assurances to the Village of Antioch. The Enterprise Fund currently has, and will continue to have, sufficient cash available to perform the radium removal. The Village will maintain a reserve balance no less than \$134,750.00, to satisfy the obligation. The funds cannot be used for any other purpose than radium removal from the site(s) if WRT is unable to do so.

FINANCIAL IMPACT: Increase of reserves from \$113,855 to \$134,750.

DOCUMENTS ATTACHED:

1. Resolution
2. Exhibit A – Agreement
3. Exhibit B – Self Guarantee
4. Exhibit C – Village Treasurer's Statement

REQUIRED DOCUMENTS NOT ATTACHED:

1. FY2017 Comprehensive Annual Financial Report

RECOMMENDED MOTION:

Move to approve: A Resolution Designating Certain Funds in the Water and Sewer Fund account "Reserves for Radium Removal" for Radium Removal Contingencies

RESOLUTION NO. ____

**A RESOLUTION DESIGNATING CERTAIN FUNDS IN ITS
WATER FUND ACCOUNT “RESERVES FOR RADIUM REMOVAL”
FOR RADIUM REMOVAL CONTINGENCIES**

WHEREAS, on or about the 2nd day of May 2006, the Village of Antioch (“Village”) entered into a certain Radium Removal System Treatment Agreement (“Agreement”) between the Village, WRT Environmental, LLC (“Environmental”), and R.M.D. Operations, LLC (“RMD”), a true and correct copy of which is attached hereto as Exhibit A; and

WHEREAS, on or about October 30, 2008, in a corporate consolidation action Environmental merged into a sister-company, Water Remediation Technology, LLC (“WRT”), with WRT being the surviving entity; and

WHEREAS, also on or about October 30, 2008, WRT assumed all of the assets, liabilities, rights, and obligations of RMD, including RMD's position in the Agreement and any of RMD's radioactive material licenses; and

WHEREAS, pursuant to the Agreement, radium is removed from the Village’s public water supply and then must be removed from certain vessels and transported to a licensed disposal facility; and

WHEREAS, under the Agreement, WRT is required to remove and properly dispose of the spent media which contains radium from a radium removal site (“Site or Sites”) with the Village; and

WHEREAS, a license has been issued to WRT (license #IL-02251-01) by the Illinois Emergency Management Agency, (“Agency”) for the Site or Sites; and

WHEREAS, the Village acknowledges that, while WRT has contractual and legal obligations to remove all of the radium from the Site or Sites, if WRT does not remove the radium from the Site or Sites, such removal obligation will, as a practical matter, devolve upon the Village as the owner of the underlying property; and

WHEREAS, Section 326.30 of Title 32 of the Illinois Administrative Code requires that the licensee WRT must provide satisfactory financial assurances to the State of Illinois to ensure the protection of public health and safety in the event of abandonment, default or other inability of WRT to properly remove all of the radium from the Site or Sites; and

WHEREAS, under the Agreement, WRT has shifted to the Village this regulatory requirement of providing financial assurances; and

WHEREAS, the definition of financial assurance arrangement in Section 326.40 of Title 32 of the Illinois Administrative Code provides for alternate financial assurances as approved by the Agency; and

WHEREAS, the Village provides such financial assurances without prejudice to any action, cause of action, lawsuit or other recourse which it may have against WRT or others, under the Agreement or through some other action either at law or in equity; and

WHEREAS, this Resolution and the attached Self-Guarantee and Village Treasurer Statement are being adopted and the Village is obligating itself with regard to the State to perform as herein contemplated pursuant to the authority of the Intergovernmental Cooperation Act (5 ILCS 220/1 et seq.) and the Intergovernmental Cooperation provisions of the Illinois Constitution (Article VII Section 10, Illinois Constitution) and any and all other authority as such exists; and

WHEREAS, the Village's Water Fund has and will have sufficient cash available on hand to perform the radium removal without materially affecting the cash flow and operation of the Village water system; and

WHEREAS, the Village Board recognizes that the Agency may, from time to time, increase or reduce the financial assurances it imposes on the Village and the WRT, and that it is appropriate and prudent to direct the Village Administrator to budget and appropriate funds on a timely basis as such increases or reductions are announced by the Agency;

NOW, THEREFORE BE IT RESOLVED, by the Mayor and Board of Trustees of the Village of Antioch, Lake County, Illinois as follows:

SECTION 1. Incorporation of Preambles: The Preambles to this Resolution and all Exhibits are incorporated herein as if fully set forth in this Section 1.

SECTION 2. Creation of Reserve: There is hereby created within the Village's Water Fund the following line item: "Reserve for Radium Removal Contingencies" (the "Reserve").

SECTION 3. Reserve Balance: Unless monies in the Reserve are used to remove radium from a Site or Sites, the Village shall maintain a balance in the Reserve of not less than one hundred and thirty-four thousand, seven hundred and fifty dollars (\$134,750.00). The Reserve shall be fully funded 18 months from the date of this Resolution, the earliest anticipated date when reclamation activities and removal of spent media may become necessary should the licensee be unable to perform its contractual obligation. The monies in this Reserve shall not be used for any purpose except removal of radium from the Site or Sites. These monies shall be held for the benefit of the Agency until such time as regulations, statutes, or other applicable rule or opinion no longer require this commitment. The Village Administrator is directed to maintain communications with the Agency and to provide, by budgeting and appropriations subject to all applicable laws and ordinances, that the amount in the Reserve shall be increased or decreased on a timely basis, pursuant to any updated Reclamation Plan and Cost

Estimate as may in the future be approved in writing by the Agency.

SECTION 4. Use of Reserve: In the event of a default by WRT under the Agreement or when otherwise required by the Agency, the Village shall remove and properly dispose of all such radium in a properly licensed disposal facility. The Agency shall have oversight and approval of any expenditures of the Reserve. The Village may utilize the monies earmarked in the Reserve for such purpose.

SECTION 5. Guarantee: The Mayor hereby authorized and directed to execute on behalf of the Village a Self-Guarantee substantially in the form of Exhibit B attached hereto. The Village Treasurer is directed to execute the Statement substantially in the form of Exhibit C attached hereto.

SECTION 6. Severability: If any section, paragraph, clause or provision of this Resolution is held invalid, the invalidity of such section, paragraph, clause or provision shall not affect any of the other provisions of this Resolution.

SECTION 7. Repealer: All ordinances, resolutions, orders or parts thereof, which conflict with the provisions of this Resolution, are to the extent of such conflict, hereby repealed.

SECTION 8. Effective Date: This Resolution shall be in full force and effect after its passage and approval. The Village may only repeal or amend this Resolution with the prior written consent of the Illinois Emergency Management Agency.

PASSED this ___ day of _____, 2018.

AYES:

NAYS:

ABSTAIN:

APPROVED this ___ day of _____, 2018.

Lawrence M. Hanson, Mayor

Attest:

Lori K. Romine, Village Clerk

EXHIBIT B
SELF-GUARANTEE

This Self-Guarantee is made this ____ day of _____, 2018 by the Village of Antioch (“Village”) to the Illinois Emergency Management Agency, (“Agency”). For purposes of this Self-Guarantee, the “licensee” means Water Remediation Technology, LLC or its successors or assigns. This Self-Guarantee is being given with regard to Water Remediation Technology, LLC License Number IL-02251-01.

RECITALS

1. The Village has the full authority and capacity to enter into this Guarantee under the authority of and cited in Resolution No. _____ adopted by the Village.
2. This guarantee is being issued to comply with regulations issued by the Agency, pursuant to the Radiation Protection Act of 1990. The Agency has promulgated regulations in 32 Ill. Adm. Code 326 that require that general or specific licensees provide assurance that funds will be available when needed for reclamation activities. While the Village is not a licensee, as approved by the Agency, the Village is permitted to provide this guarantee in lieu of the licensee.
3. The guarantee is issued to provide financial assurance for reclamation activities associated with the removal of radium from the Village’s public water supply as required by 32 Ill. Adm. Code 326. The reclamation costs are as follows: one hundred and thirty-four thousand, seven hundred and fifty dollars (\$134,750.00). This amount shall be placed in a separate account Reserve within 18 months after the date of this Self-Guarantee, when reclamation activities and removal of spent media may become necessary.
4. Reclamation activities as used below refer to the activities required by 32 Ill. Adm. Code 330 for reclamation of a facility located at Wells No. 9 and No. 10 in the Village of Antioch, Illinois.
5. The Village guarantees to the Agency that in the event of a refusal by the licensee to perform or when otherwise required by the Agency that it will: (A) Carry out the required reclamation activities as required by 32 Ill. Adm. Code 330; or (B) Upon written notification from the Agency, pay the reclamation cost amount guaranteed for the Facility(ies) to the Agency as directed by the Director of the Illinois Emergency Management Agency. The Agency shall have oversight and approval of any expenditure of the funds pledged herein.
6. The Village shall submit audited financial statements to the Agency annually within 90 days after the close of its fiscal year. Upon review, if the Agency deems it necessary, the

Village shall provide alternate financial assurance within 120 days of such written notice by the Agency.

7. The Village, as well as its successors and assigns, agrees to remain bound under this guarantee notwithstanding any or all of the following: amendment or modification of the license or Agency-approved reclamation funding plan for that facility, the extension or reduction of the time of performance of required activities, or any other modification or alteration of an obligation of the licensee pursuant to 32 Ill. Adm. Code 326.
8. The Village shall remain bound under this guarantee for as long as the licensee must comply with the applicable financial assurance requirements of 32 Ill. Adm. Code 326 for the previously listed facility(ies) or if the Village is no longer required by law and valid contract to comply.
9. All bound parties shall be jointly and severally liable for all litigation costs incurred by the Agency in any successful effort to enforce this guarantee.

This Self-Guarantee is issued this _____ day of _____, 2018 at the Village of Antioch, Illinois.

By: _____
Lawrence M. Hanson
In his capacity as Mayor
and not individually

Attest:

By: _____
Lori K. Romine, Village Clerk

VILLAGE TREASURER'S STATEMENT

I am the Treasurer for the Village of Antioch, an Illinois municipal corporation. This letter is in support of the Village providing an alternate financial assurance for the reclamation of Village well sites in the event of a failure or refusal of the licensee Water Remediation Technology, LLC under License No. IL -02251-01 or its successors or assigns to perform such remediation or at the request of the Director of the Illinois Emergency Management Agency.

I certify that attached hereto are the latest audited financial statements of the Village of Antioch, Illinois.

Executed at the Village of Antioch, Illinois
This ____ day of _____, 2018.

Witness

Treasurer

VILLAGE OF ANTIOCH

06-05-15

***AN ORDINANCE APPROVING WRT RADIUM REMOVAL SYSTEM AGREEMENT
BETWEEN THE VILLAGE OF ANTIOCH AND WRT ENVIRONMENTAL LLC AND
R.M.D OPERATIONS LLC.***

ADOPTED BY THE PRESIDENT AND BOARD OF TRUSTEES

OF THE

VILLAGE OF ANTIOCH, ILLINOIS

ON

May 1, 2006.

Publication Not Required.

DOROTHY LARSON	President	ROBERT J. CAULFIELD JR.	Trustee
CANDI L. ROWE	Clerk	LAWRENCE M. HANSON	Trustee
RUDOLPH F. MAGNA, JR.	Attorney	ROBERT E. MCCARTY	Trustee
		SCOTT A. PIERCE	Trustee
		BARBARA S. PORCH	Trustee
		MARY J. TURNER	Trustee

06-05-15

***AN ORDINANCE APPROVING WRT RADIUM REMOVAL SYSTEM AGREEMENT
BETWEEN THE VILLAGE OF ANTIOCH AND WRT ENVIRONMENTAL LLC AND
R.M.D OPERATIONS LLC.***

***BE IT ORDAINED BY THE PRESIDENT AND THE BOARD OF TRUSTEES OF
THE VILLAGE OF ANTIOCH, LAKE COUNTY, ILLINOIS, AS FOLLOWS:***

SECTION I: That the attached "WRT Radium Removal System Agreement" between the Village of Antioch and WRT Environmental LLC and R.M.D Operations LLC be and is hereby approved and adopted as if fully set forth in this Ordinance.

SECTION II: That the Mayor is hereby directed and authorized to execute the said Agreement on behalf of the Village of Antioch, and the Clerk shall attest to her signature and affix the seal of the Village to her certification.

SECTION III: That the Agreement shall be executed in several duplicate originals, and duplicates of the executed Contract shall be delivered to all parties thereto.

SECTION IV: Nothing in this Ordinance shall be construed to affect any suit or proceeding pending in any court, or any rights acquired, or liability incurred, or any cause or causes of action arising, acquired or existing under any act or ordinance or portion thereof hereby repealed or amended by this ordinance; nor shall any just or legal right, claim, penalty or remedy of any character of the corporate authority existing on the effective date hereof be lost, impaired or affected by this Ordinance.

SECTION V: This Ordinance shall be in full force and effect from and after its passage and approval as required by law.

Passed this 1st day of May, 2006.

	Ayes:	Nays:	Absent/Abstain:
Robert J. Caulfield, Jr.	<u> X </u>	_____	_____
Lawrence M. Hanson	<u> X </u>	_____	_____
Robert E. McCarty	_____	_____	<u>Absent</u>
Scott A. Pierce	<u> X </u>	_____	_____
Barbara S. Porch	<u> X </u>	_____	_____
Mary J. Turner	<u> X </u>	_____	_____

APPROVED:

By: *Dorothy Larson* Date: May 2, 2006
DOROTHY LARSON, President

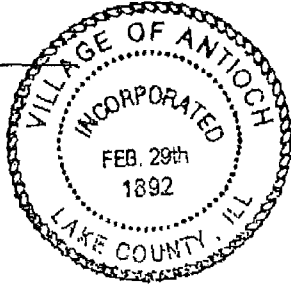
ATTEST:

By: *Candi L. Rowe*
CANDI L. ROWE, Village Clerk

Presented and read, or reading having been waived, at a duly convened meeting of the Corporate Authorities on May 1, 2006.

Candi L. Rowe
CANDI L. ROWE, Village Clerk

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**WRT RADIUM REMOVAL
SYSTEM AGREEMENT**

VILLAGE OF ANTIOCH

AND

WRT ENVIRONMENTAL LLC

AND

R.M.D. OPERATIONS LLC

WRT RADIUM REMOVAL SYSTEM AGREEMENT

BASIC PROVISIONS

This **WRT RADIUM REMOVAL SYSTEM AGREEMENT** ("Agreement") dated for reference the 1 day of MAY, 2006 is entered into by and between the **Village of Antioch** a Village established under the laws of Illinois (the "Client"), and **WRT Environmental LLC**, and **R.M.D. Operations LLC**. This "Agreement" includes these Basic Provisions, the Standard Terms, and EXHIBITS A, B, C, D, E, F, AND G attached hereto, all of which together constitute this Agreement.

RECITALS

- A. The Client owns or operates the "Client's Water System," which includes the "Wells".
- B. The water produced through the Client's Water System contains "Radium" in concentrations which exceed the "MCL" for Radium
- C. WRT is licensed to use the "WRT Technology" to design, fabricate and supply "WRT Radium Removal Systems" containing "WRT Media." As water passes through the stages of the WRT Radium Removal System the level of Radium in the water is reduced by its contact with the WRT Media. Once the WRT Media in a stage becomes loaded with Radium it is considered "Spent Media" and is removed from such stage and is disposed of in a "Licensed Disposal Facility".
- D. RMD has expertise in the operation of WRT Radium Removal Systems, the installation of WRT Media in such systems, the removal of Spent Media from such systems and the transportation and disposal of Spent Media, and has entered into arrangements with the owners and/or operators of one or more Licensed Disposal Facilities to provide for the disposal of Spent Media.
- E. The parties wish to enter into this Agreement to provide that for "Term" of this Agreement:
 - (1) The Client will construct, erect or otherwise provide, a "Structure" for each Well;
 - (2) WRT will provide a WRT Radium Removal System, consisting of the materials listed on Exhibit G, for each Well;
 - (3) The Client will make each "Site" available to WRT and RMD and provide access to and from each Site;
 - (4) The Client will install each WRT Radium Removal System in the applicable Site;
 - (5) WRT will provide the Client with WRT Media;
 - (6) WRT will lease each of the WRT Radium Removal Systems to the Client; and
 - (7) RMD will undertake the maintenance of the WRT Radium Removal Systems, the installation of WRT Media in the WRT Radium Removal Systems from time to time, and the removal and disposal of Spent Media from such WRT Radium Removal Systems.

NOW THEREFORE in consideration of the premises and other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged by the Client and WRT and RMD, the Client, WRT, and RMD hereby agree as set out in this Agreement.

**ARTICLE 1
RULES OF CONSTRUCTION AND DEFINITIONS**

- 1.1 **Rules of Construction**
The rules of construction are set out in *Section 1.1 of the "Standard Terms."*
- 1.2 **Certain Defined Terms**
As used in this Agreement, the terms defined in *Section 1.2 of the Standard Terms* and appearing in quotation marks when first used herein, have the meanings set out in *Section 1.2 of the Standard Terms*, which are applicable to both the singular and plural forms of the terms defined.

**ARTICLE 2
TERM**

- 2.1 **Term**
 - (a) This Agreement will commence on the "Commencement Date".
 - (b) This Agreement will, subject to the provisions of this Article 2, end on the date occurring 20 years after the commencement of operation of the first WRT Radium Removal System.
 - (c) Provided always that in no event shall the "Treatment Charge," or any other amounts payable by the Client under this Agreement, be paid for a period of time in excess of 19 years 11 months except as may be provided in *Section 2.1 of the Standard Terms*.

**ARTICLE 3
CONFIDENTIALITY**

- 3.1 **Confidentiality**
The Client acknowledges the confidential nature of WRT Technology, and subject to the Client's statutory obligations of disclosure, agrees not to disclose, use, access or test the WRT Technology, the WRT Radium Removal Systems or WRT Media, all as more particularly described in *Section 3 of the Standard Terms*.

ARTICLE 4
WRT RADIUM REMOVAL SYSTEMS

4.1 Lease of WRT Radium Removal Systems

WRT will, at its cost and expense:

- (a) Design and fabricate for each Well a WRT Radium Removal System to remove Radium from water that is supplied from such Well and that has the "Agreed Water Profile" for such Well;
- (b) Deliver or cause such WRT Radium Removal System to be delivered to the Structure for such Well;
- (c) Monitor the installation, by or on behalf of the Client, of such WRT Radium Removal System at the Site for such Well; and
- (d) Lease each of the WRT Radium Removal Systems to the Client, during the term of this Agreement, for use by the Client and RMD in accordance with the provisions of this Agreement.

4.2 WRT Media

WRT will throughout the Term sell to the Client and deliver, or cause to be delivered, to each Site such WRT Media as is required for the operation of the WRT Radium Removal System for such Well for the whole of the Term. The Client authorizes and directs WRT to make all deliveries of WRT Media pursuant to this Article 4.2 directly to RMD.

4.3 Base Volume of Water - Well Base Volume

- (a) For the purposes of calculating the fees and charges payable by the Client pursuant to this Agreement, the "Well Base Volume" for each Well and the "Base Volume" for all Wells is set out in Exhibit A.
- (b) If, for any reason fewer than all of the Wells are governed by this Agreement, the "Base Volume" will be equal to the aggregate of the Well Base Volumes of the Wells which are at that time governed by the terms of this Agreement.

4.4 Training, Monitoring, Removal, and Disposal Obligations of RMD

- (a) RMD covenants and agrees with the Client that prior to the commencement of operation of the WRT Radium Removal System for each Well, RMD will:
 - (i) prepare, and deliver to the Client the "Operation and Maintenance Manual"; and
 - (ii) provide an initial on site training session covering the operation of such WRT Radium Removal System and the material described in the Operation and Maintenance Manual for such reasonable number of employees of the Client as may be required to operate such WRT Radium Removal System;
- (b) RMD covenants and agrees with the Client that at all times during the term of this Agreement, RMD will:
 - (i) upon the request of the Client, provide one additional training session per calendar year to be conducted at a facility provided by the Client (or at RMD's option at a facility provided by RMD) for such reasonable number of employees of the Client as may be required to operate such WRT Radium Removal System, such training session to be one half day in duration;
 - (ii) maintain such WRT Radium Removal System in good condition and repair in accordance with the Operation and Maintenance Manual;
 - (iii) monitor the operation of such WRT Radium Removal System by employees of the Client as provided in the Operation and Maintenance Manual, and in accordance with the provisions of this Agreement;
 - (iv) order from WRT, for and on behalf of the Client, such WRT Media as is required from time to time for the continued operation of such WRT Radium Removal System;
 - (v) make necessary arrangements for unloading of the WRT Media when delivered by WRT;
 - (vi) make all necessary arrangements for and take all necessary actions respecting the removal, as required, of Spent Media from such WRT Radium Removal System, and for the transport of such Spent Media to, and the disposal of such Spent Media in, a Licensed Disposal Facility;
 - (vii) install in such WRT Radium Removal System from time to time such WRT Media as is required to replace Spent Media that is removed from a stage of such WRT Radium Removal System, and the parties acknowledge and agree that each WRT Radium Removal System which contains two or more stages will have the Spent Media removed and WRT Media replaced on a stage by stage basis, and that the WRT Media in the second stage may be moved to the first stage and fresh WRT Media installed in the second stage; and
 - (viii) ensure that employees and agents of the Client will not be required, at any time:
 - A. to install, remove or otherwise handle any WRT Media or any Spent Media with respect to such WRT Radium Removal System; or
 - B. to install in, apply to, or remove from, such WRT Radium Removal System any chemical, compound, material or other substance.
- (c) RMD covenants and agrees with the Client that RMD shall ensure that all Spent Media removed from a WRT Radium Removal System is with no undue delay loaded into a transportation vehicle, and is transported to and disposed of at a Licensed Disposal Facility, and RMD shall provide written confirmation of the disposal of the Spent Media together with the name of the Licensed Disposal Facility, the date of disposal, and the applicable identifying numbers allotted to the receipt and disposal of that Spent Media.
- (d) Without restricting the generality of Article 7 or the other provisions of this Article 4.4, RMD agrees that at any time a "Compliance Test" shows a concentration of 4.8 picocuries per liter or more, RMD shall remove Spent Media or take other action, all as more particularly described in Section 4.5(a) of the Standard Terms.
- (e) RMD also agrees, as an additional requirement, to remove Spent Media from each stage of each WRT Radium Removal System before the concentration of radium 226 in the Spent Media in such stage reaches 8,000 picocuries per gram, all as more particularly described in Section 4.5(b) of the Standard Terms.

4.5 Structures - Required Client Services

The Client covenants and agrees with WRT and RMD that the Client, at its cost and expense, will:

- (a) Construct, erect or otherwise provide each Structure for such Well;
- (b) Install each WRT Radium Removal System in the respective Structure;
- (c) Connect the WRT Radium Removal System into the Client's Water System;

- (d) Perform daily monitoring and periodic water sampling of the WRT Radium Removal System for each Well in accordance with the Operation and Maintenance Manual and as otherwise directed by WRT or RMD, acting reasonably, and will provide copies of the results of such sampling to WRT and RMD;
- (e) Provide, or cause to be provided, all required facility security against vandalism and terrorism for such Well, Structure, and WRT Radium Removal System in compliance with national, state and local requirements.

4.6 Ownership of WRT Radium Removal Systems

The Client, WRT, and RMD acknowledge that each WRT Radium Removal System is and shall remain the property of WRT as more particularly described in *Section 4.10 of the Standard Terms*.

4.7 Ownership of WRT Media

The Client, WRT and RMD acknowledge and agree that:

- (a) Subject always to the provisions of Article 3 of these Basic Provisions and to *Section 3 of the Standard Terms*, title to WRT Media that WRT delivers, or causes to be delivered, to RMD at the Site for each Well pursuant to Article 4.2 will transfer from WRT to the Client when such WRT Media is delivered and before such WRT Media is first loaded into the WRT Radium Removal System treatment vessel; and
- (b) The parties acknowledge and agree that for the purposes of applicable governmental regulations, and for all purposes of this Agreement, the Radium and other radioactive materials in the Client's Water System, in each WRT Radium Removal System, and in the Spent Media is, and at all applicable times shall be and be deemed to be, owned, used and possessed by the Client, except as specifically provided in Article 4.7(c); and
- (c) At all times after the removal of the Spent Media from the WRT System, the Radium contained within the Spent Media, and all Spent Media are, and shall be deemed to be, the property of RMD.

**ARTICLE 5
FEES AND CHARGES**

5.1 Treatment Charge – Base Treatment Charge

- (a) The Client will pay to WRT the "Treatment Charge" in equal monthly payments, in advance, on the 1st day of each calendar month during the Term, subject to the provisions of *Section 4.3 of the Standard Terms*, this Article 5.1, and subject to the overriding provisions of Article 2.1(c).
- (b) Initially the Treatment Charge will be \$85,179.00 the same as the "Base Treatment Charge".
- (c) The Base Treatment Charge is comprised of the sum of two portions, the "Fixed Portion" and the "Variable Portion".
- (d) The Fixed Portion is the fixed sum of \$ 0 per year and does not increase with inflation.
- (e) The Variable Portion will initially be \$85,179.00 per year and will increase with inflation as provided in *Section 5.3 of the Standard Terms*.

5.2 Volume Charges- Base Volume Charge

- (a) In the event the aggregate usage of water from the Wells and through the WRT Radium Removal Systems, during any calendar year, exceeds the Base Volume, then the "Volume Charge" will be paid by the Client to WRT for each 1000 gallons in excess of the Base Volume.
- (b) Initially the Volume Charge will be \$0.370 per 1,000 gallons, the same as the "Base Volume Charge."

5.3 Adjustments and Additional Charges

Under certain circumstances there will be adjustments and additional charges. Those circumstances, and the section of the Standard Terms in which the adjustments are as follows:

- (a) The Base Treatment Charge and the Volume Charge will be adjusted for inflation, as more particularly described in *Section 5.3 of the Standard Terms*;
- (b) "Excess Disposal Cost Charges" may become payable, as more particularly described in *Section 5.4 of the Standard Terms*;
- (c) If the level of Radium changes, a "Water Profile Change Charge (Radium)" may become payable, or the Client may obtain a credit, all as more particularly described in *Section 5.5 of the Standard Terms*;
- (d) If the water profile changes, a "Water Profile Change Charge (Other)" may become payable, as more particularly described in *Section 5.6 of the Standard Terms*; and
- (e) "Governmental Adjustments" may become payable as more particularly described in *Section 5.7 of the Standard Terms*;

5.4 Additional Services by WRT or RMD

If at any time the Client wishes WRT or RMD personnel to attend at any of the Sites or to undertake any additional work or services other than those specifically herein set out, WRT and RMD shall each use all commercially reasonable efforts to do so and the Client shall pay to WRT, within 30 days of receipt of an invoice from WRT, an amount equal to the sum of the "WRT Cost" with respect to providing such services, plus 20% of such WRT Cost.

5.5 Installation Payment

- (a) The Client, if applicable, will make the "Installation Payment" in the amount set out in Exhibit A.
- (b) The obligation of the Client to pay the Installation Payment is unconditional and irrevocable.
- (c) The Installation Payment shall be paid in full on or before the date or dates set out in Exhibit A.
- (d) The parties acknowledge and agree that but for the payment of the Installation Payment, the Treatment Charge would have been significantly higher.

5.6 One Time Charges

- (a) The Client, if applicable, will make the "One Time Charges" in the amounts set out in Exhibit A.
- (b) The obligation of the Client to pay the One Time Charges is unconditional and irrevocable.
- (c) The One Time Charges shall be paid in full on or before the date or dates set out in Exhibit A.
- (d) The parties acknowledge and agree that but for the payment of the One Time Charges, the Treatment Charge would have been higher.

5.7 Financial Assurance Reimbursement

If, notwithstanding the requirements of *Sections 10.1(b) and 10.1(c) of the Standard Terms*, WRT or RMD are required, at any time, to provide any type of "Financial Assurance" in connection with the use, operation and ultimate removal and disposal of the WRT Radium Removal Systems and WRT Media and Spent Media which are the subject of this Agreement, the

Client will reimburse WRT, within 30 days of receipt of an invoice from WRT for the amount equal to the sum of the "WRT Cost" with respect to providing such Financial Assurance.

ARTICLE 6 TERMINATION

- 6.1 Termination of this Agreement by Client without Cause**
The Client, at its option, may elect to terminate this Agreement in its entirety upon payment of the "Termination Payment," as more particularly set forth in *Section 6.1 of the Standard Terms*.
- 6.2 Termination, by Client, In Respect of One or More WRT Radium Removal Systems without Cause**
The Client, when not in default hereunder, may at its option terminate this Agreement in respect of one or more WRT Radium Removal Systems without terminating the whole Agreement, upon payment of the "Per System Termination Payment," all as more particularly described in *Section 6.2 of the Standard Terms*.
- 6.3 Termination of this Agreement by Client for Cause for Cause**
The Client may elect to terminate this Agreement as more particularly set forth in *Section 6.3 of the Standard Terms*
- 6.4 Termination of this Agreement by WRT**
WRT may elect to terminate this Agreement as more particularly set forth in *Section 6.4 of the Standard Terms*.

ARTICLE 7 MCL COMPLIANCE

- 7.1 Testing for MCL Compliance**
In order to determine whether the level of Radium in water returned to the Client's Water System after passing through a WRT Radium Removal System complies with the MCL, the Client will perform, at the Client's sole cost, "Compliance Tests" of such water as and when required by any and all governmental authorities or at such additional times as the Client may determine and the provisions of *Section 7.1 of the Standard Terms* shall apply to the testing.
- 7.2 Non-Compliant System**
If the results of any Compliance Test for any Well shows a radium level above the MCL, the provisions of *Section 7.2 of the Standard Terms* shall apply to determine whether a WRT Radium System becomes a "Non-Compliant System."
- 7.3 Changes From Agreed Water Profile**
If the results of any Compliance Test for any Well show a Radium level above the MCL and the subsequent "Input Test" for such Well indicates that the water entering the WRT Radium Removal System for such Well is not consistent with the Agreed Water Profile for such Well, then the provisions of *Section 7.3 of the Standard Terms* shall apply.

ARTICLE 8 PAYMENTS AND APPLICABLE TAXES

- 8.1 Obligation to Pay**
- (a) Except as specifically otherwise provided in *Section 4.3, Section 6.2, Section 7.2 and Section 8.3 of the Standard Terms*, the obligations of the Client to pay all charges, including but not limited to, the "Treatment Charges," the "Volume Charges," the "Excess Disposal Cost Charges," any "Governmental Adjustments" and any "Water Profile Change Charges (Radium)" and "Water Profile Change Charges (Other)," with respect to any Well, are in each case unconditional.
 - (b) The payment obligations of the Client with respect to any Well commence on the first date of operation of the WRT Radium Removal System for such Well and, subject to Article 2.1(c), shall continue at all times during the Term, and during any renewals or extensions of this Agreement or any holding over under this Agreement.
 - (c) Except as specifically provided on Exhibit A, in *Section 4.3, Section 6.2, Section 7.2 and Section 8.3 of the Standard Terms*, all payments to be made by the Client to WRT under this Agreement will be paid by the Client to WRT in full, on time, and without deduction, abatement or setoff of any kind.
 - (d) All payments to be made by the Client to WRT under this Agreement will be paid by the Client to WRT with good funds by check.
 - (e) The Client covenants and agrees that it will levy, collect, and deposit in the "Fund", all fees and assessments necessary or required to permit Client to honor all its obligations under this Agreement.

ARTICLE 9 LIABILITY, CLAIMS, INSURANCE

The parties' respective liabilities and responsibilities for claims and their responsibilities for maintaining insurance are provided for in more detail in *Section 9 of the Standard Terms*.

ARTICLE 10 APPROVALS AND PERMITS

- 10.1 Client Approvals and Permits**
The Client, at its cost and expense, will be responsible for, and will obtain and maintain, throughout the Term all "Client Approvals and Permits" as described and provided in *Section 10.1 of the Standard Terms*.
- 10.2 WRT Approvals and Permits**
WRT, at its cost and expense, will be responsible for, and will obtain and maintain, or will cause to be obtained and maintained, throughout the Term all permits, licenses and other approvals required from all applicable governmental agencies:
- (a) for the production of WRT Media; and
 - (b) for the delivery of WRT Media to the Site for each Well.
- 10.3 RMD Approvals and Permits**
- (a) RMD at its cost and expense, will be responsible for, and will obtain and maintain, or cause to be obtained and maintained, throughout the Term all permits, licenses and other approvals required:
 - (i) for the transportation of Spent Media to a Licensed Disposal Facility; and

- (ii) for the disposal of Spent Media in a Licensed Disposal Facility.
- (b) Without limiting the Client's obligations pursuant to the provisions of Article 10.1 and of Section 10.1 of the Standard Terms, including, but not limited to those in Section 10.1(a)(ii)B and Section 10.1(c) thereof, all of which shall be the primary obligations, RMD will also obtain and maintain, or cause to be obtained and maintained throughout the Term any additional permits, licenses, or approvals in respect of the role of RMD in the operation of the WRT Radium Removal Systems or the handling or removal of Spent Media, provided, however, that if, due to changes in governmental requirements, the cost of obtaining or maintaining such permits renders RMD's continued performance of its obligations under this Agreement commercially unreasonable, then, at RMD's request the parties will attempt to negotiate an additional amount to be paid by the Client and, in the event such efforts are unsuccessful, the additional amount, if any, to be paid by the Client shall be determined arbitration pursuant to Section 4.8 of the Standard Terms.
- (c) The Client, as reasonably requested by RMD at any time and from time to time, will cooperate with RMD, and will assist RMD in obtaining any of the RMD Approvals and Permits.

**ARTICLE 11
SITE AND ACCESS**

The Client hereby agrees to make the Sites available and accessible to WRT and RMD and RMD in accordance with the provisions of Section 11 of the Standard Terms.

**ARTICLE 12
REPRESENTATIONS AND WARRANTIES**

The parties' representations and warranties are fully set forth in Section 12 of the Standard Terms.

**ARTICLE 13
GENERAL**

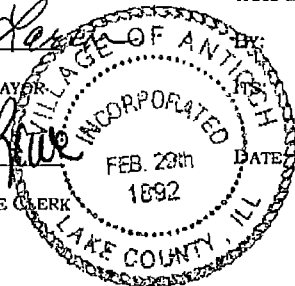
- 13.1 Notices**
Any notice, consent or other communication permitted or required to be given to any party under this Agreement must be in writing and delivered in accordance with the provisions of Section 13.1 of the Standard Terms.
- 13.2 Binding Effect**
This Agreement is comprised of these Basic Provisions, the Standard Terms and Exhibits A, B, C, D, E, F, and G, all of which together constitute this Agreement. This Agreement will inure to the benefit of, and will be binding upon and enforceable by, the Client, WRT and RMD and their respective successors and permitted assigns.
- 13.3 Time of the Essence**
Time is of the essence of this Agreement.

IN WITNESS WHEREOF the Client, WRT and RMD have executed this Agreement.

VILLAGE OF ANTIPOCH

WRT ENVIRONMENTAL LLC

BY: *Dorothy A. Larson* BY: *Charles S. Williams*
 ITS: DOROTHY A. LARSON, MAYOR ITS: PRESIDENT
 BY: *Candi L. Rowe* DATE: *5/8/06*
 ITS: CANDI L. ROWE, VILLAGE CLERK
 DATE: MAY 2, 2006



R.M.D. OPERATIONS LLC

BY: ITS MANAGER
 R.M.D. OPERATIONS, INC.
 BY: *Charles S. Williams*
 CHARLES S. WILLIAMS
 ITS: PRESIDENT
 DATE: *5/8/06*

EXHIBIT A

PART 1 - WELL INFORMATION

1.1 WELL	<u>Well</u> 1	<u>Well</u> 2
1.2 ADDRESS		
1.3 OR LEGAL DESCRIPTION		
1.4 PER SYSTEM FACTOR (Section 1.2 the Standard Terms)	0.42	0.58
1.5 WELL FLOW RATE (Section 1.2 of the Standard Terms)	600 gpm	860 gpm
(a) MAXIMUM HYDRAULIC FLOW RATE IN GALLONS PER MINUTE (GPM)	650 gpm	910 gpm
(b) MINIMUM HYDRAULIC FLOW RATE IN	550 gpm	810 gpm
1.6 WELL BASE VOLUME IN GALLONS PER CALENDAR YEAR (Article 4.3 of Basic Provisions)	94,387,248 gallons	135,825,552 gallons

PART 2 - FINANCIAL TERMS

- 2.1 BASE TREATMENT CHARGE: \$85,179.00 per annum.
(Article 5.1 of Basic Provisions)
- (a) FIXED PORTION: \$0 per annum
- (b) INITIAL VARIABLE PORTION: \$85,179.00 per annum
- 2.2 BASE VOLUME: 230,212,800 gallons per calendar year.
(Article 4.3 of Basic Provisions)
- 2.3 BASE VOLUME CHARGE: \$0.370 per 1,000 gallons in excess of the Base Volume for each calendar year.
(Article 5.2 of Basic Provisions)
- 2.4 AGREED RADIUM CONCENTRATION: 7.0 picocuries per liter.
(Section 1.2 of Standard Terms)
- 2.5 INSTALLATION PAYMENT: Well 1: \$330,000.00; Well 2: \$370,000.00
(Article 5.5 of Basic Provisions)
payable within 30 days of receipt of an invoice from WRT confirming that the WRT Radium Removal System has been delivered to the Site.
- 2.6 ONE TIME CHARGES
(Article 5.6 of Basic Provisions)
- (a) One Time Engineering Charge of \$ ____-0-_____, payable \$ ____-0-_____ as a deposit on execution of this Agreement and the balance of \$ ____-0-_____ upon invoice following completion of engineering work.
- (b) One Time Permits and Licensing Assistance Charge of \$ ____-0-_____, payable \$ ____-0-_____ as a deposit on execution of this Agreement and the balance of \$ ____-0-_____ upon invoice following issuance of the permits and licenses.
- (c) One Time Connection Charge of \$ ____-0-_____ per WRT Radium Removal System payable upon invoice following completion of installation and connection of each WRT Radium Removal System to the Client's Water System.
- 2.7 STATED DISPOSAL COST: \$75.00 per cubic foot.

PART 3 - INFLATION TERMS

- 3.1 **BASE INDEX DATE:** The date of final acceptance of the WRT Radium Removal System.
(Section 1.2 of Standard Terms)
- 3.2 **INFLATION INCREASE DATE:** *One year from the Base Index Date.*
(Section 1.2 of Standard Terms)

PART 4 - NOTICE TO CLIENT

4.1 ADDRESS FOR NOTICE TO CLIENT
(Article 13.1 of Basic Provisions)

TO: Village of Antioch
874 Main Street
Antioch, IL 60002

WITH A COPY TO:

Attention: Attention:

Facsimile No: Facsimile No:

PART 5 - ADDITIONAL PROVISIONS

A. Sampling

Wherever a sample is required to be taken pursuant to this Agreement, the party taking the sample shall collect two samples, one of which will be provided, unaltered, to the other party. A party may waive its right to receive any or all such samples by providing a written notice to the other party.

B. WRT's or RMD's Insolvency or Inability to Perform

In the event of the inability of WRT Environmental, LLC or WRT Disposal, LLC (formerly R.M.D Services, LLC) to provide media and/or dispose of spent media as provided in this Agreement, or in the event of the insolvency, bankruptcy or the assignment for the benefit of creditors of WRT Environmental, LLC or WRT Disposal, LLC, the Village of Antioch may, in its sole discretion, terminate this agreement without penalty and without obligation to pay liquidated damages provided under Paragraph 6.1 of this Agreement. Should this Agreement or any material part of this Agreement be assigned by WRT Environmental, LLC or WRT Disposal, LLC (formerly R.M.D Services, LLC), and/or further assigned by any such assignee, this paragraph shall be applicable to such assignee(s).

In the event of the inability of WRT Environmental, LLC or WRT Disposal, LLC (formerly R.M.D Services, LLC) to provide the media and/or dispose of spent media as provided in this Agreement, or in the event of the insolvency, bankruptcy or the assignment for the benefit of creditors of WRT Environmental, LLC or WRT Disposal, LLC, the Village of Antioch shall have the right but not the obligation, within ninety (90) days of it receiving actual notice of such insolvency, bankruptcy or the assignment for the benefit of creditors of WRT Environmental, LLC or WRT Disposal, LLC, or its assignees, to purchase the equipment provided by WRT Environmental, LLC under the terms of this Agreement, or any subsequent mutual modification or amendment thereof. The purchase price for such equipment shall be the net book value of the equipment as carried on the books of WRT Environmental, LLC, or its assignee utilizing generally recognized accounting principles.

C. Indemnity

Section 9.1(b) of the Standard Terms does not apply to any demands, suits, damages, costs, and expenses arising from the release of WRT Media if such release is caused by the fault of WRT and/or RMD.

Section 9.3 of the Standard Terms is hereby modified by the addition of the following language:

Notwithstanding anything in this Agreement to the Contrary, WRT shall indemnify and save Client harmless from any claim, cost or expense, incurred by Client as a result of any claim of any kind alleging any violation by WRT of any State, Federal, or local, law, statute, regulation, or rule pertaining to the transportation and/or disposal of radium or Spent Media.

Section 9.4 of the Standard Terms is hereby modified by the addition of the following language:

Notwithstanding anything in this Agreement to the Contrary, RMD shall indemnify and save Client harmless from any claim, cost or expense, incurred by Client as a result of any claim of any kind alleging any violation by RMD of any State, Federal, or local, law, statute, regulation, or rule pertaining to the transportation and/or disposal of radium or Spent Media.

D. Insurance

WRT and RMD warrant that, in addition to the insurance set forth in Sections 9.6 and 9.7 of the Standard Terms that they maintain Contractor Pollution Liability Insurance in the amount of not less than \$1,000,000 and that the Village of Antioch will be named as an additional insured on that and on their general liability insurance. The provisions of Sections 9.6 and 9.7 of the Standard Terms shall apply WRT's and RMD's Contractor Pollution Liability Insurance.

EXHIBIT B

DESCRIPTION OF THE INFLATION INDEX

1. Description of Inflation Index
The "Inflation Index" will be the U.S. Department of Labor, Bureau of Labor Statistics, Consumer Price Index:
 - All Urban Consumers,
 - Not Seasonally Adjusted,
 - U.S. City Average,
 - All Items,
 - Base Period: 1982 - 84 = 100(the index as described above is herein called the "CPI").
2. Changes in Base Period
If at any time during the Term the Base Period for the Inflation Index shall be changed then:
 - (a) if it is possible to do so, WRT shall continue to make the calculations required under this Agreement based on the Base Period as described in Section 1 above and in such event there will be no changes made to any other provisions of this Agreement;
 - (b) if WRT is not able to make the calculations required under this Agreement based on the Base Period as set out in Section 1 above then WRT shall determine, having regard to the changed Base Period (the "Changed Base Period"), such revised index numbers ("Revised Index Numbers") which are required to adequately account for the Changed Base Period, and which shall include a revised Base Index Level.
 - (c) WRT will provide written notice of the Revised Index Numbers to the Client together with the basis for the calculation thereof;
 - (d) the calculation and determination by WRT of the Revised Index Numbers shall be final and determinative absent a manifest error resulting in a calculation which is in error by more than 10% of the figure being calculated;
 - (e) the Revised Index Numbers will be applicable to all inflation adjustment calculations under this Agreement effective as and from January 1 of the calendar year next following the date of the change of the Base Period.
3. Discontinuance of Index
 - (a) If at any time during the Term the U.S. Department of Labor, Bureau of Labor Statistics should cease to produce the CPI, then WRT, acting reasonably, will select an alternate index to be used as the Inflation Index (the "Replacement Inflation Index").
 - (b) The Replacement Inflation Index will have the following characteristics:
 - (i) it will, if possible, be an index published by any Bureau or Department of the United States of America Government;
 - (ii) it will, if possible, be an index which is calculated and published on a monthly basis;
 - (iii) it will, if possible, be an index which has application throughout the whole of the United States of America and which measures prices in a manner similar to the CPI.
 - (c) WRT will:
 - (i) select the Replacement Inflation Index and the selection shall be final;
 - (ii) calculate Revised Index Numbers based on the Replacement Inflation Index; and
 - (iii) provide written notice thereof to the Client together with the basis for the calculation of the Revised Index Numbers.
 - (d) The calculation and determination by WRT of the Revised Index Numbers shall be final and determinative absent a manifest error resulting in a calculation which is in error by more than 10% of the figure being calculated;
 - (e) The Replacement Inflation Index and the Revised Index Numbers will be applicable to all inflation adjustment calculations under this Agreement effective as and from January 1 of the calendar year next following the selection by WRT of the Replacement Inflation Index

EXHIBIT C

DESCRIPTION OF STRUCTURES, SITES, ETC.

WELL: WELL #9

DESCRIPTION OF STRUCTURE: Substantially as shown on the drawings labeled 04-88-1020-09, prepared by WRT, dated 9-1-05, with such modifications as may be approved by the Client, WRT, and RMD, all acting reasonably (the "Well #9 Drawings")

DESCRIPTION OF SITE: As shown on the Well #9 Drawings

DESCRIPTION OF CLIENT'S WORK: As shown on the Well #9 Drawings

DESCRIPTION OF ACCESS AND LOADING AREAS: As shown on the Well #9 Drawings

DESCRIPTION OF UTILITIES AND SERVICES: As shown on the Well #9 Drawings

ESTIMATED DATE FOR COMPLETION OF THE CLIENT'S WORK (Section 3.13) December 31, 2006

WELL: WELL #10

DESCRIPTION OF STRUCTURE: Substantially as shown on the drawings labeled 04-88-1020-10, prepared by WRT, dated 9-1-05, with such modifications as may be approved by the Client, WRT, and RMD, all acting reasonably (the "Well #2 Drawings")

DESCRIPTION OF SITE: As shown on the Well #10 Drawings

DESCRIPTION OF CLIENT'S WORK: As shown on the Well #10 Drawings

DESCRIPTION OF ACCESS AND LOADING AREAS: As shown on the Well #10 Drawings

DESCRIPTION OF UTILITIES AND SERVICES: As shown on the Well #10 Drawings

ESTIMATED DATE FOR COMPLETION OF THE CLIENT'S WORK (Section 3.13) December 31, 2006

_____, 200__.

EXHIBIT D

AGREED WATER PROFILE FOR EACH WELL

NOTES:

(1) Attached are reports of the water profile for each Well and identified as follows:

TO BE PROVIDED BY CLIENT

(collectively the "Reports").

(2) To the extent that certain materials, compounds, elements, isotopes, or other substances are shown in certain concentrations in the Reports, the concentrations of such material, compound, element, isotope, or other substance, as shown in a Report for a Well will form part of the "Agreed Water Profile" for such Well.

(3) To the extent that any materials, compounds, elements, isotopes, or other substances are shown in the Report for any Well in zero concentrations as below detectible limits, then the "Agreed Water Profile" for such Well will include all such materials, compounds, elements, isotopes, or other substances at zero concentrations as below detectible limits as of the date of this agreement.



PDC Laboratories, Inc.

P.O. Box 9071 - Peoria, IL 61612-9071
(309) 692-9688 - (800) 752-6651 - FAX (309) 692-6689



Laboratory Results

McHenry Analytical Water Lab
4314-A Crystal Lake Road

Date Received : 11/03/05 15:15

Report Date 12/09/05

Customer # : 275632

McHenry, IL 60050

P.O. Number :

Attn : Mr. Mark Mueller

Facility :

Sample No: 05111648-1	Collect Date: 10/27/05 06:30
Client ID: VILL OF ANTIOCH	Site: RAW IOC WRT
	Locator: 5J27013-01

Parameter	Qualifier	Result	Analysis Date	Analyst
EPA 200.7 R4.4				
Iron		3.1 mg/l	11/29/05 10:45	JVH
Sodium		19 mg/l	11/29/05 10:45	JVH
EPA 200.8 R5.4				
Antimony	<	0.003 mg/l	11/04/05 14:27	wjm
Arsenic	<	0.001 mg/l	11/04/05 14:27	wjm
Barium		0.07 mg/l	11/04/05 14:27	wjm
Beryllium	<	0.001 mg/l	11/04/05 14:27	wjm
Cadmium	<	0.001 mg/l	11/04/05 14:27	wjm
Chromium	<	0.004 mg/l	11/04/05 14:27	wjm
Manganese		0.021 mg/l	11/04/05 14:27	wjm
Mercury	<	0.0002 mg/l	11/04/05 14:27	wjm
Nickel		0.0068 mg/l	11/04/05 14:27	wjm
Selenium	<	0.001 mg/l	11/04/05 14:27	wjm
Thallium	<	0.001 mg/l	11/04/05 14:27	wjm
Zinc		0.21 mg/l	11/04/05 14:27	wjm
EPA 300.0 R2.1				
Fluoride		1 mg/l	11/15/05 23:21	pli
Sulfate		32 mg/l	11/15/05 23:43	pli
SM (18) 2130B				
Turbidity Check	<	1 NTU	11/04/05 11:00	DAB
SM 4500 CN C, G				
Cyanide, Total	<	0.01 mg/l	11/08/05 09:23	lgjla



PDC Laboratories, Inc.

P.O. Box 9071 - Peoria, IL 61612-9071
(309) 692-9688 - (800) 752-6651 - FAX (309) 692-6689



Laboratory Results


McHenry Analytical Water Lab
4314-A Crystal Lake Road

McHenry, IL 60050
Attn : Mr. Mark Mueller

Date Received : 11/03/05 15:15
Report Date 12/09/05
Customer # : 275632
P.O. Number :
Facility :

PDC Laboratories participates in the following laboratory accreditation/certification and proficiency programs. Endorsement by the Federal or State Government or their agencies is not implied.

NELAC Accreditation for Drinking Water, Wastewater, Hazardous and Solid Wastes Fields of Testing through IL EPA Lab No. 100230
State of Illinois Bacteriological Analysis in Drinking Water Certified Lab Registry No. 17533
Drinking Water Certifications: Indiana (C-IL-040); Kansas (E-10338); Kentucky (90058); Missouri (00870); Wisconsin (998294430)
Wastewater Certifications: Arkansas; Iowa (240); Kansas (E-10338); Wisconsin (99829443)
Hazardous/Solid Waste Certifications: Arkansas; Kansas (E-10338); Wisconsin (998294430)
UST Certification: Iowa (240)

Certified by 
Lori L. Stenzel, Project Manager

report shall not be reproduced, except in full, without the written approval of the laboratory.

EXHIBIT E

**HOURLY RATES
FOR THE RESPECTIVE PERSONNEL
OF
WRT AND RMD**

1. Hourly Rates For Personnel:

The original hourly rates for personnel of WRT and RMD will be as follows:

	\$ / hour
Principal	\$ 220.00 / hour
Project Manager	\$ 200.00 / hour
Senior Engineer	\$ 180.00 / hour
Engineer	\$ 135.00 / hour
Electrical Technician	\$ 155.00 / hour
Designer	\$ 145.00 / hour
CAD Technician	\$ 125.00 / hour
Administrative	\$ 125.00 / hour
Clerical	\$ 95.00 / hour; plus
Per diem expenses	\$ 350.00 / day per person

(collectively, the "Original Hourly Rates").

2. Inflation Factor:

(a) Until December 31 of the year preceding the Inflation Increase Date, the "Hourly Rates" will be equal to the Original Hourly Rates.

(b) During the calendar year commencing on the Inflation Increase Date, and during each respective calendar year thereafter, the Hourly Rates will be equal to the greater of:

- (i) the Original Hourly Rates; and
- (ii) the Original Hourly Rates x $\frac{\text{Applicable Index Level}}{\text{Base Index Level}}$

3. Free Credits:

(a) Prior to commencement of the operation of each WRT Radium Removal System WRT will not charge for the services of WRT or RMD personnel in respect of that WRT Radium Removal System.

(b) In addition, WRT agrees that WRT and RMD will provide, without reimbursement, a non-cumulative, aggregate of two hours of personnel services for each WRT Radium Removal System for each calendar year.

(c) Except as provided in 3(a) and 3(b) above, for the purpose of calculating WRT Cost, WRT personnel and RMD personnel will be charged at their respective Hourly Rates.

EXHIBIT F

TERMINATION PAYMENT

As of the Commencement Date, the Termination Payment is \$410,250.00, total, with the following Per System Termination Payments for each well:

Well No. 1 - \$172,500.00
Well No. 2 - \$237,750.00

These amounts will be adjusted annually for inflation as follows:

- (a) For the period up to December 31 of the year preceding the Inflation Increase Date, the Termination Payment will remain unchanged.
- (b) During the calendar year commencing on the Inflation Increase Date, and during each respective calendar year thereafter, the Termination Payment will be increased by the product of the Termination Payment and Applicable Index Level divided by the Base Index Level.

EXHIBIT G

MATERIALS FOR WRT RADIUM REMOVAL SYSTEMS

The materials to be used in the WRT Radium Removal Systems are shown in the Equipment Specifications Book which is made a part hereof by reference.

WRT RADIUM REMOVAL SYSTEM AGREEMENT

STANDARD TERMS

SECTION 1
RULES OF CONSTRUCTION AND DEFINITIONS

1.1 Rules of Construction

(a) The captions in this Agreement including those in the Basic Provisions, these Standard Terms and the Exhibits are included for convenience of reference only, and will not affect in any manner the construction or interpretation of this Agreement.

(b) Words of the masculine gender mean and include correlative words of the feminine and neuter genders, and words importing the singular number mean and include the plural number, and vice versa.

(c) This Agreement includes the Basic Provisions, these Standard Terms and the Exhibits, all of which together constitute this one Agreement.

(d) Unless contrary intent is shown:

(i) references to Articles mean Articles of the Basic Provisions; and

(ii) references to Sections mean Sections of these Standard Terms.

1.2 Certain Defined Terms

As used in this Agreement, the following terms have the following meanings, which are applicable to both the singular and plural forms of the terms defined:

"Access and Loading Areas" means all areas over which RMD has access or loading rights as referred to in Section 11.5 of these Standard Terms."

"Actual Radium Concentration" means, for each year:

The aggregate of "A" x "B" for each Well

The aggregate volume, in liters, of water pumped from all Wells through WRT Radium Removal Systems during that calendar year.

Where:

"A" equals the "Average Well Concentration" for each Well; and

"B" equals the volume of water pumped from such Well and through the WRT Removal System during that calendar year;

"Agreed Liquidated Damages" is the amount the Client must pay to WRT if WRT terminates this Agreement as provided in Section 6.4 of these Standard Terms, and is equal to the Termination Payment as set forth in Exhibit F to the Basic Provisions of this Agreement.

"Agreed Radium Concentration" means an agreed weighted average concentration of Radium for all Wells based on the Radium concentrations as shown on the Agreed Water Profile for each Well and the Well Base Volume for each such Well, expressed in the number of picocuries per liter and set forth in Exhibit A.

"Agreed Water Profile" means the agreed water profile for the water pumped from each Well as described in Exhibit D.

"Agreement" means this WRT Radium Removal System Agreement between the Client, WRT, and RMD, including the Basic Provisions, these Standard Terms, and Exhibits A, B, C, D, E, F AND G attached hereto.

"Applicable Index Level" means the level of the Inflation Index for the month of October of the calendar year immediately preceding the calendar year for which the calculation is to be made.

"Applicable Taxes" means:

(i) any fees or taxes of any kind including, but not limited to, any federal, state, county, municipal, local, or other, excise, sales or withholding taxes, fees, levies or assessments and any value added taxes, rates or assessments or any similar or replacement taxes, rates, fees, levies or assessments calculated in respect of or based on any of the payments referred to in Section 8.2(a);

(ii) any federal, state, county, municipal, local or other taxes, fees, levies, or assessments in respect to any of the Properties, the Structures, the Sites, or the WRT Radium Removal Systems; and

(iii) any federal, or state, county, municipal or local taxes, fees, levies or assessments based on, computed in reference to, or otherwise related to the operation of the WRT Radium Removal Systems, the removal of Radium or any other materials from the Client's water, or the possession, creation, concentration, enhancement, collection, storage or shipment of radioactive material, including, but not limited to, all fees and payments payable pursuant to all United States, state, and other applicable governmental regulations and provisions; but not

(iv) federal or state, county, municipal or local income taxes assessed on the income of WRT or RMD; or

(v) applicable state (excluding the state in which the Sites are located), county, municipal or local taxes, or taxes included in the calculation of Actual Disposal Costs; and

"Arbitration Act" means the Uniform Arbitration Act of the State of Colorado.

"Attribute Change" means a change of more than 15% of the constituents in the water as shown on the Agreed Water Profile.

"Average Well Concentration" means the average concentration of Radium, measured in picocuries per liter, in water entering the WRT Radium Removal System as contained in all tests taken at the same times as Compliance Tests undertaken quarterly during such calendar year and all Confirmatory Tests undertaken at similar times to the times that Compliance Tests are undertaken.

"Base Index Date" means the date set out in Exhibit A.

"Base Index Level" means the level of the Inflation Index as at the Base Index Date.

"Base Treatment Charge" means the initial annual Treatment Charge as set out in Article 5.1 of the Basic Provisions.

"Base Volume" means the agreed total volume of gallons per calendar year as set out in Article 5.1 of the Basic Provisions.

"Base Volume Charge" means the initial Volume Charge as provided in Article 5.1 of the Basic Provisions.

"Changed Base Period" has the meaning assigned to that term in Exhibit B.

"Client" means the party to this Agreement more particularly described in the initial paragraph of this Agreement and includes its successors and permitted assigns.

"Client Approvals and Permits" means, collectively, all permits, licenses and other approvals required to be obtained and maintained by the Client as referred to in Section 10.1. of these Standard Terms.

"Client's Water System" means the water system owned or operated by the Client and includes all components thereof, and all water in the system or which passes through the system.

"Client's Work" means the Client's responsibility to provide each Structure and each Site, constructed in accordance with the requirements of Exhibit C.

"Commencement Date" means the date upon which this Agreement is executed by all parties.

"Compliance Test" means a water test to determine whether the level of Radium in water returned to the Client's Water System after passing through a WRT Radium Removal System complies with the MCL, conducted in accordance with EPA and applicable State standards.

"Confidential Information" means information of a secret, proprietary or confidential nature which the Client may acquire in respect of the WRT Technology, the content or operations of the WRT Radium Removal Systems, or the content of the WRT Media.

"Confirmatory Test" means a test performed by a laboratory as selected by RMD and authorized to conduct the test by applicable State agencies.

"CPI" has the meaning assigned to that term in Exhibit B.

"EPA" means Environmental Protection Agency of the United States of America.

"Event of Force Majeure" means the event of any act of God, act of terrorism, war, riot, fire, explosion, accident, flood, sabotage, lack of adequate fuel, power, raw materials, labor, containers or transportation facilities, compliance with governmental requests, laws, regulations, orders or actions, breakage or failure of machinery or operators, national defense requirements, strike, lockout, other labor dispute, injunction or any other event beyond the reasonable control of WRT or RMD (provided always that neither WRT nor RMD will be required to settle any labor dispute), but excluding all financial matters, which prevents WRT or RMD from complying with any of its respective obligations under this Agreement.

"Excess Disposal Cost Charges" mean the an additional amounts to be paid to WRT when, because of the unavailability of a Licensed Disposal Facility, RMD must pay amounts for the disposal of Spent Media from a WRT Radium Removal System in excess of the Stated Disposal Cost, all as described in Section 5.4 of these Standard Terms.

"Existing Laws" means applicable federal, state or local statutes, laws, rules or regulations in existence as at October 1, 2002.

"Financial Assurance" means any bond, letter of credit, surety, deposit, guarantee, or other financial assurance arrangement required by any United States, state or other governmental agencies.

"Fixed Portion" means the portion of the Treatment Charge which does not increase with inflation as described in Article 5.1 of the Basic Provisions.

"Fund" means the Client's waterworks fund or, if applicable, the Client's combined waterworks and sewerage fund.

"Governmental Adjustments" means the amount of additional costs incurred by WRT or RMD as a result of changes to Existing Laws, in an amount equal to the WRT Cost thereof on an ongoing basis throughout the Term, but without duplication, in such amounts as are agreed by WRT and the Client or, failing agreement, as determined by Arbitration.

"Hazardous Materials" means materials which are designated as such by applicable law and which exist in concentrations in excess of those permitted by applicable law.

"Hourly Rates" has the meaning assigned to that term in Exhibit E.

"Increased Radium Factor" means the Actual Radium Concentration divided by the Agreed Radium Concentration, minus one, and is used to determine the Water Profile Change Charge (Radium), pursuant to Section 5.5 of these Standard Terms.

"Inflation Increase Date" means the date upon and after which Inflation Index based increases will apply, as specified in Exhibit A.

"Inflation Index" has the meaning assigned to that term in Exhibit B.

"Input Test" means for any WRT Radium Removal System and associated Well, a test of the water entering the WRT Radium Removal System for such Well to confirm the water profile for that Well.

"Installation Payment" means a one-time up front payment in respect of one or more WRT Radium Removal Systems as described in Article 5.5 of the Basic Provisions and in the amount set out in Exhibit A.

"Licensed Disposal Facility" means a facility licensed or permitted by all applicable laws to accept and dispose of the Spent Media.

"MCL" means Maximum Contaminant Level for radium-226 and radium-228 of 5 picocuries per liter (rounded to the nearest whole picocurie) as established as of the date of this Agreement by the EPA and applicable State agencies.

"NRC" means the Nuclear Regulatory Commission of the United States, and any replacement entity and includes any state agencies exercising regulatory control for or on behalf of the Nuclear Regulatory Commission.

"New Materials" means one or more materials, compounds, elements, isotopes or other substances which were not disclosed on the Agreed Water Profile for a Well.

"Non-Compliant System" means a Well and the WRT Radium Removal System for such Well, which, despite the ongoing efforts to make adjustments or other modifications of such WRT Radium Removal System pursuant to Section 7.2 of these Standard Terms, the average Radium level shown by the results of the Compliance Tests for any such Well for the four most recently completed calendar quarters exceeds the MCL.

"One Time Charges" means the charges, referred to in Article 5.6 of the Basic Provisions, and in the amounts set out in Exhibit "A".

"Operation and Maintenance Manual" means an operation and maintenance manual for the WRT Radium Removal Systems, updated from time to time by RMD, acting reasonably.

"Original Hourly Rates" has the meaning assigned to that term in Exhibit E.

"Other Materials Increase" means the presence of any material, compound, element, isotope, or other substance, other than Radium, in a concentration which is greater than 115% of the concentration of such material, compound, element, isotope, or other substance as shown on the Agreed Water Profile for a Well.

"Permitted Uses" means the use of each Site for the purpose of the installation, operation, and ultimate removal of a WRT Radium Removal System and for the observance and performance by RMD and WRT of their respective rights and obligations in accordance with the provisions of this Agreement, including, but not be limited to, the fabrication, installation, connection, repair, replacement, operation and removal of a WRT Radium Removal System, the installation, testing and replacement of WRT Media, and the removal of Spent Media, all as provided in this Agreement.

"Per System Factor" means the factor set out in Exhibit A for each Well and used to equitably allocate the Treatment Charge, Termination Payment and other amounts among the WRT Radium Removal Systems for each Well.

"Per System Termination Payment" is the agreed upon fair and reasonable amount the Client must pay to WRT

upon the Client's termination of the Agreement in part without cause before the end of the Term as provided in Section 6.2 of these Standard Terms, and as set forth in Exhibit F to the Basic Provisions of this Agreement.

"Property" means the property on which a Site is located as described in Exhibit A.

"Radium" means, and is limited to, the radium isotopes radium-226 and radium-228.

"Radium Credit" means the credit which the Client will receive when there is a Reduced Radium Factor as provided in Section 5.5 of these Standard Terms.

"Reduced Radium Factor" has the meaning set out in Section 5.5 of these Standard Terms.

"Replacement Inflation Index" has the meaning assigned to that term in Exhibit B.

"Reports" means the reports of the water profile for each Well identified in Exhibit D.

"Re-Stated Cost" means the cost of disposal of Spent Media from a WRT Radium Removal System at an alternate Licensed Disposal Facility, as described in Section 5.4 of these Standard Terms.

"Revised Index Numbers" has the meaning assigned to that term in Exhibit B.

"RMD" means R.M.D. Operations LLC, a limited liability company under the laws of Nevada, and includes any other person who, pursuant to Section 2.4 of these Standard Terms, assumes the rights and obligations of RMD under this Agreement, and includes RMD's successors and permitted assigns.

"RMD Approvals and Permits" means collectively, all permits, licenses, and other approvals required to be obtained and maintained by RMD pursuant to Article 10.3.

"Site" means, for any Well, the portion of the Structure for such Well where the WRT Radium Removal System will be located as more fully described in Exhibit C.

"Spent Media" means WRT Media loaded with Radium.

"Standard Terms" means these standard terms which are read with the Basic Provisions and the Exhibits, and together with the Basic Provisions and the Exhibits, constitute the Agreement.

"Stated Disposal Cost" means the cost per cubic foot for disposal of Spent Media from a WRT Radium Removal System, as set forth in Exhibit A of the Basic Provisions.

"Structure" means, for each Well, any building or other structure located in proximity to such Well and more fully described in Exhibit C.

"Term" means the term of this Agreement as described in Article 2.1 of the Basic Provisions.

"Termination Payment" is the agreed upon fair and reasonable amount the Client must pay to WRT upon the Client's termination of the Agreement in whole without cause before the end of the Term as provided in Section 6.1 of these Standard Terms, and as set forth in Exhibit F to the Basic Provisions of this Agreement.

"Transportation Surcharge" means the amount that WRT may charge if transportation costs increase by more than the Inflation Index, as more particularly described in Section 5.8 of these Standard Terms.

"Treatment Charge" means the annual charge to be paid to WRT throughout the Term as described in Article 5.1 of the Basic Provisions.

"Utilities and Services" means all services and utilities as required from time to time by RMD and WRT in order to effectively operate each WRT Radium Removal System and to comply with their respective rights and obligations as provided in this Agreement, which utilities and services shall include, but shall not be limited to those described in Exhibit C.

"Variable Portion" means the portion of the Treatment Charge which does increase with inflation as described in Article 5.1 of the Basic Provisions.

"Volume Charge" means the additional charge to be paid by the Client to WRT for each 1000 gallons in excess of the "Base Volume."

"Water Profile Change Charge (Other)" means a charge to reimburse WRT for any diminution in the useful life of the WRT Media for the WRT Radium Removal System for a Well, or an increase in operating costs, or an increase in the disposal costs of Spent Media, occasioned by an Other Materials Increase; and/or New Materials; and/or an Attribute Change, for the Well as described in Section 5.6 of these Standard Terms.

"Water Profile Change Charge (Radium)" means, with respect to any calendar year, an amount equal to the sum of:

(i) Increased Radium Factor multiplied by the Treatment Charge payable by the Client for that calendar year; plus

(ii) Increased Radium Factor multiplied by the Volume Charge (if any) payable by the Client for that calendar year, all as described in Section 5.5 of these Standard Terms,

"Well Base Volume" means the agreed volume of water per calendar year to be pumped from each Well through the WRT Radium Removal System for such Well is as set out in Exhibit A for each Well.

"Well Flow Rate" means the agreed target maximum and minimum hydraulic flow rate for each Well as set out in Exhibit A.

"Wells" means the well or wells described in Exhibit A.

"WRT" means WRT Environmental LLC, a limited liability company under the laws of Nevada, and its successors and permitted assigns.

"WRT Approvals and Permits" means collectively, all permits, licenses and other approvals required to be obtained and maintained by WRT pursuant to Article 10.2 of the Basic Provisions.

"WRT Cost" means, with respect to any action, event or occurrence, all bona fide third party costs incurred by or on behalf of any of WRT and RMD in connection with such action, event or occurrence (including, but not limited to, reasonable fees and disbursements of accountants, attorneys, consultants, engineers and other professional advisors and all travel and lodging expenses for the respective personnel of WRT and RMD) and the costs of personnel of WRT and RMD allocated to such action, event or occurrence at Hourly Rates determined and adjusted in accordance with Exhibit E, in all cases without duplication.

"WRT Media" means the proprietary media substance used in the WRT Technology.

"WRT Proposal" means a fixed price proposal, or a "cost plus" proposal, for the necessary adjustments or other modifications of a WRT Radium Removal System which may be adjusted or otherwise modified to satisfy the MCL given the Client's actual water profile, which proposal will include, as applicable, any required capital costs and expenses, any increases in the Treatment Charge, the Volume Charge, and the Excess Disposal Cost Charge for such Well, and the terms for payment of such costs, expenses and charges, all as described.

"WRT Radium Removal System" means, for any Well, a water treatment system comprised of stages, each of which will contain WRT Media, and through which water from such Well will pass.

"WRT Technology" means all the trade secret, proprietary and patent pending technology in respect of the WRT Radium Removal Systems and the WRT Media and the operation thereof pursuant to this Agreement.

**SECTION 2
TERM**

2.1 Extension or Renewal

This Agreement may be extended or renewed only if the extension or renewal is in writing and signed by the Client, WRT, and RMD, and only if the Client has all necessary authority, statutory or otherwise, to enter into the extension.

2.2 Holding Over

If, at the renewal, expiration, or earlier termination of the Term, the Client, WRT, and RMD acquiesce in the continuance of this Agreement without extending the Term or renewing this Agreement in accordance with Section 2.1 of these Standard Terms, then the provisions of Article 2.1(c) of the Basic Provisions shall continue to apply.

2.3 Termination

The Client will have the right to terminate this Agreement in whole or in part as provided in Article 6 of the Basic Provisions and in Section 6 of these Standard Terms.

2.4 Replacement of RMD

(a) The Client and RMD acknowledge and agree that WRT may, at its option, at any time during the Term, upon written notice to the Client and RMD require that RMD assign its rights and obligations under this Agreement to such party as WRT may, in the notice designate, so long as that party is qualified to perform the required RMD obligations under this Agreement, as agreed between the Client, acting reasonably, and WRT or failing agreement, as determined by arbitration pursuant to Section 4.8 of these Standard Terms.

(b) Upon receipt of the notice under the foregoing Section 2.4(a) each of the parties hereto shall do such acts and shall execute and deliver such documents as the other parties may reasonably require in order to effect the replacement of RMD with the designated party.

**SECTION 3
CONFIDENTIALITY**

3.1 Confidentiality

(a) The Client shall not, for the Term of this Agreement and for a period of five years thereafter:

(i) except as set out in Section 3.1(b) below, disclose any "Confidential Information" unless otherwise agreed in writing by WRT;

(ii) use or otherwise appropriate for its own use, directly or indirectly, any of the WRT Technology;

(iii) access the WRT Radium Removal Systems or the WRT Media except with the prior written approval of WRT;

(iv) sample, test or analyze the WRT Radium Removal Systems or the WRT Media unless such sampling, testing or analyzing is:

(A) otherwise agreed in writing by WRT; or

(B) reasonably necessary for the Client to determine compliance by WRT or RMD with the provisions of this Agreement, or with other applicable law, statute or regulation; and

(v) the Client agrees that in connection with any sampling, testing or analysing referred to in Section 3.1(a)(iv):

(A) only RMD or WRT personnel will actually access the WRT Radium Removal Systems and the WRT Media;

(B) any testing, sampling or analyzing will be limited to that which is required by Section 3.1(a)(iv)(B); and

(vi) all access, sampling, testing and analysis shall be undertaken on the clear understanding, and written confirmation thereof shall be obtained from all relevant third parties, that the WRT Radium Removal Systems and the contents of the WRT Media each constitute "Confidential Information", and shall not be disclosed by the recipient or used or otherwise appropriated by the recipient.

(b) The provisions of paragraph 3.1(a)(i) are subject to the obligations of disclosure by the Client pursuant to the provisions of applicable freedom of information laws; the Client agrees to give WRT notice of any request for disclosure which the Client receives and to permit WRT, at WRT's cost, to oppose any such application.

(c) In the event that:

(i) the Client, at WRT's specific request, opposes an application for disclosure of information; and

(ii) any judgment, award of attorneys' fees, or other sanction is levied against the Client as a result of the Client opposing such an application;

then in such event WRT shall reimburse the Client for the amount thereof.

**SECTION 4
WRT RADIUM REMOVAL SYSTEMS**

4.1 Agreed Water Profile

Based upon the review of the Client's past water quality data and any available pilot plant data, the Client and WRT have established an Agreed Water Profile for each Well. WRT will design the WRT Radium Removal System for each Well to remove Radium from the water pumped from such

Well to a level that complies with the MCL based on the Agreed Water Profile for such Well.

4.2 Well Flow Rate

(a) The Client agrees that the effective performance of the WRT Radium Removal Systems is dependent on the Wells

operating, when in operation, within the "Well Flow Rate" for such Wells. The parties agree that in the event that a Well does not operate within the Well Flow Rate the provisions of Section 4.2(c). below, shall apply.

(b) The Client does not warrant to WRT that throughout the Term each of the Wells will, when in operation, operate within the applicable Well Flow Rate for such Well but the Client does acknowledge that the Well Flow Rate for each Well is required for the effective performance of the WRT Radium Removal Systems.

(c) In the event that any Well shall cease to operate within the Well Flow Rate for that Well then the Client and WRT shall discuss the potential impact, if any, on the performance of the WRT Radium Removal Systems. If the failure of any Well to operate within the Well Flow Rate adversely affects the performance or economics of the WRT Radium Removal System, then the Client shall remain obligated to make all payments under this Agreement, and in addition, WRT, after consultation with the Client, shall be entitled to make additions or alterations to the WRT Radium Removal Systems to achieve operational equivalency to the performance of the WRT Radium Removal Systems if the Well Flow Rate were being met, and the Client shall reimburse WRT for the "WRT Cost" thereof plus 20% of such WRT Cost. In the event the Client disagrees with the proposed alterations or additions or the amount of the WRT Cost the matter shall be determined by arbitration pursuant to Section 4.8 of these Standard Terms.

4.3 Performance - Payment Preconditions

(a) WRT acknowledges and agrees that, so long as the water entering the WRT Radium Removal System for any Well is consistent with the Well Flow Rate and the Agreed Water Profile for such Well, and so long as the Client performs all obligations of the Client under this Agreement for such Well, the WRT Radium Removal System for such Well will, subject to an Event of Force Majeure, remove Radium from the water pumped from such Well to a level that complies with the MCL such that the WRT Radium Removal System does not become a Non-Compliant System pursuant to Section 7.2 of these Standard Terms, failing which the Client shall be relieved of payment obligations as hereinafter provided.

(b) If the water entering the WRT Radium Removal System for any Well is consistent with the Well Flow Rate and the Agreed Water Profile for such Well, and if the Client performs all obligations of the Client under this Agreement for such Well, but the WRT Radium Removal System for such Well does not, other than by reason of an Event of Force Majeure, remove Radium from the water pumped from such Well to a level that complies with the MCL, such that the WRT Radium Removal System becomes a Non-Compliant System pursuant to Section 7.2 of these Standard Terms, then from and after such time as the WRT Radium Removal System becomes a Non-Compliant System, no charges will be payable by the Client with respect to such WRT Radium Removal System (including the Per System Factor of the Treatment Charge, Volume Charges, Excess Disposal Cost Charges, or Governmental Adjustments) until such time as such WRT Radium Removal System does remove Radium to a level that complies with the MCL from the water pumped from such Well and which is consistent with the Well Flow Rate and Agreed Water Profile for such Well.

(c) If the water entering the WRT Radium Removal System for any Well is not consistent with the Agreed Water Profile for such Well, then:

- (i) the terms, conditions and other provisions of Sections 5.5 and 5.6 will apply with respect to such Well; and
- (ii) to the extent applicable, the provisions of Section 7.3 of these Standard Terms dealing with failure of a WRT

Radium Removal System to meet the MCL where the water is not consistent with the Agreed Water Profile shall also apply.

(d) If the Client fails to perform any obligations of the Client under this Agreement then, to the extent that such failure affects the performance of the WRT Radium Removal System for such Well, the Client will remain obligated to pay all charges and other amounts payable by the Client to WRT under this Agreement with respect to such Well and WRT Radium Removal System.

(e) If any Well and the WRT Radium Removal System for such Well becomes a Non-Compliant System pursuant to Section 7.2 of these Standard Terms, then the Client will continue to pay all charges and other amounts payable by the Client to WRT under this Agreement with respect to each other Well and the WRT Radium Removal System for such other Well that is not a Non-Compliant System.

4.4 No Additives

The Client acknowledges and agrees that it will not introduce, or cause or permit any air, oil, chemical, compound, contaminant, element, grit, material, sediment, sand, or other substance to be introduced at any time into any part of the Client's Water System in a location which is upstream of any WRT Radium Removal System without the prior written consent of WRT. Without limiting the other provisions of this Agreement, the Client shall be fully responsible for, and shall pay to WRT, the sum of the WRT Cost resulting from or in connection with any non-compliance by the Client with the provisions of this Section 4.4, plus 20% of such WRT Cost.

4.5 Removal, and Disposal Obligations of RMD

(a) The parties agree that:

(i) if any Compliance Test shows that the water from a WRT Radium Removal System contains Radium in a concentration of 4.8 picocuries per liter or more, the Client may give written notice thereof to RMD;

(ii) within 15 business days of the receipt by RMD of the notice under Section 4.5(a)(i) above, RMD shall elect whether or not to conduct a "Confirmatory Test";

(iii) if RMD does not elect to conduct a Confirmatory Test, RMD shall either:

(A) remove Spent Media from a stage of that WRT Radium Removal System and install WRT Media in that WRT Radium Removal System within 60 days after the receipt of the notice; or

(B) elect to conduct an "Input Test" and otherwise proceed in accordance with the provisions of Section 7.1(b); failing which the provisions of Section 8.3(d) shall apply;

(iv) if a Confirmatory Test is conducted, upon receipt of the results of the Confirmatory Test, the Client or RMD shall give written notice thereof to the other; and

A. if the Confirmatory Test shows a concentration of Radium of less than 4.8 picocuries per liter, no further action will be required by RMD until the results of the next Compliance Test are received;

B. if the Confirmatory Test shows a concentration of Radium of 4.8 picocuries per liter or more, then RMD shall either:

(1) remove Spent Media from a stage of that WRT Radium Removal System and install WRT Media in that WRT Radium Removal System within 45 days after receipt of notice of the results of that Confirmatory Test; or

(2) elect to conduct an Input Test and/or otherwise proceed in accordance with the provisions of Section 7.1(b); failing which the provisions of Section 8.3(d) shall apply.

(v) provided always that if the water entering such WRT Radium Removal System is not consistent with the Well Flow Rate or the Agreed Water Profile for such Existing Well, then in addition to the provisions of this Section

4.5(a), the provisions of Sections 5.5, 5.6 and 7.3 of these Standard Terms shall apply.

(b) RMD covenants and agrees that:

(i) RMD will remove Spent Media from each stage of each WRT Radium Removal System before the concentration of radium-226 in such Spent Media in such stage reaches 8,000 picocuries per gram;

(ii) Without restricting the provisions of Section 4.5(b)(i), and without requiring the Client to have such a test performed, if the Client has received a laboratory test from a laboratory licensed by applicable State agencies to perform such tests, which shows that the Spent Media in a stage of a WRT Radium Removal System has reached a concentration of radium-226 of 7,500 picocuries per gram or more, then the Client may give written notice thereof to RMD;

(iii) Within 15 business days of the receipt by RMD of the notice under 4.5(b)(ii) above, RMD shall elect whether or not to conduct a Confirmatory Test of such Spent Media;

(iv) If RMD does not elect to conduct a Confirmatory Test of such Spent Media, then RMD shall remove Spent Media from that stage and install WRT Media within 60 days of receipt of the notice, failing which the provisions of Section 8.3(d) shall apply;

(v) If a Confirmatory Test is conducted, upon receipt of the results of the Confirmatory Test, the Client or RMD shall give written notice thereof to the other and if the Confirmatory Test shows a concentration of radium-226 in such Spent Media of less than 7,500 picocuries per gram no further action will be required and if the Confirmatory Test shows a concentration of radium-226 of 7,500 picocuries per gram or more in such Spent Media then RMD shall remove such Spent Media and install WRT Media in that WRT Radium Removal System within 45 days of receipt of the notice of the results of that Confirmatory Test, failing which the provisions of Section 8.3(d) shall apply;

4.6 Promotion by WRT

The Client agrees that for promotion purposes WRT may use, disclose and refer to this Agreement, the operating and test results of the WRT Radium Removal Systems, and all plans, drawings, photographs and other depictions of any pilot plant, the Structures, and the WRT Radium Removal Systems. Subject to the approval of the Client, such approval not to be unreasonably withheld or delayed, prospective customers, government officials, banks, financial institutions, other lenders and other persons invited by WRT may visit the Sites and review the operation of the WRT Radium Removal Systems and test results.

4.7 Removal of WRT Radium Removal System

WRT and RMD covenant and agree with the Client that after the expiration or termination of this Agreement, and payment of all amounts owing to WRT hereunder, the WRT Radium Removal System for each Well and all related WRT Media and Spent Media will be safely removed by RMD from the Site for such Well and the Spent Media will be disposed of by RMD in the manner provided for in Article 4.4 and in Section 4.5. The Client agrees, at its cost, to dismantle, alter or make such other changes to each Structure as may be reasonably required by RMD or WRT to facilitate such removal from the applicable Site.

4.8 Arbitration

If a matter arises between the Client and WRT or RMD which, by the terms of this Agreement, is to be referred to arbitration, then:

(a) Within 7 days after written notice from one party to the other, or such other time as agreed to by both parties,

one representative of each party will participate in good faith negotiations to attempt to resolve and settle the matter.

(b) In the event that the parties' representatives are unable to resolve the matter within 30 days (or such longer period as the parties may agree) after the first written notice, either party may refer the matter to arbitration.

(c) Arbitration will be by a single arbitrator pursuant to the "Arbitration Act". The single arbitrator will be selected by agreement of the parties or failing agreement of the parties as provided in the Arbitration Act. Other than for purposes of the selection of an arbitrator, procedural rules of any arbitration shall be governed by the Commercial Dispute Resolution Procedures of the American Arbitration Association, effective as of the date of the commencement of the arbitration.

(d) To the extent practicable the single arbitrator selected by the parties will be a qualified professional with experience in the matters in dispute.

(e) The arbitration will take place within the greater municipal area of Denver, Colorado.

(f) Each party will bear its own attorney fees. All other costs of the arbitration may be awarded by the arbitrator in his or her discretion.

(g) The arbitrator hearing a dispute may only determine the matter referred to the arbitrator and the decision of the arbitrator will be final and binding on the parties.

(h) The Client and WRT and RMD specifically agree that the arbitrator will only have the authority to deal with matters which, pursuant to the provisions of this Agreement, are specifically to be referred to arbitration and, in particular but without restricting the generality of the foregoing, the arbitrator will not have the authority:

(i) to modify any of the contractual terms of this Agreement;

(ii) to modify or alter in any way the obligation of the Client to pay the charges payable by the Client under this Agreement;

(iii) to grant to any party remedies other than as specifically provided in this Agreement; or

(iv) to award damages against WRT or RMD, provided that determination by the arbitrator that payments actually made by the Client were in excess of the amounts required to be paid pursuant to the provisions of this Agreement, shall not constitute damages.

Any dispute not specifically referenced as to be referred to arbitration, including any of the foregoing, shall not be made part of any arbitration proceeding without the express written consent of all parties to the dispute.

(i) To the greatest extent possible the Client, WRT and RMD shall keep strictly confidential and shall not disclose any of:

(i) the fact that a negotiation or an arbitration is taking place;

(ii) the matters in issue;

(iii) any proceedings at the arbitration; or

(iv) the results of the negotiation or arbitration.

(j) WRT shall be entitled to be a full participant at any arbitration.

4.9 Labor

The Client acknowledges and agrees that neither WRT nor RMD will be bound by any of the Client's union or labor contracts or commitments and if any of WRT or RMD become bound by any of the Client's union or labor contracts or commitments, then the Client, upon demand by WRT, will reimburse to WRT the amount of any and all costs and expenses incurred by WRT or RMD and directly or indirectly arising from or by reason of any of WRT or RMD becoming bound by any such contract or commitment (including, but not limited to, any and all costs and expenses incurred directly by WRT and any and all costs and expenses incurred by RMD and payable or

reimbursable by WRT). Any controversy, claim, disagreement or dispute arising out of or relating to this Section 4.9 that is not resolved by negotiation pursuant to Section 4.8(a) of these Standard Terms must be resolved by arbitration pursuant to Section 4.8 of these Standard Terms. Without restricting the foregoing provisions of this Section 4.9, WRT and RMD agree that with respect of their respective employees each will comply, without additional cost to the Client, with applicable state and federal laws.

4.10 Ownership of WRT Radium Removal Systems

- (a) The Client, WRT, and RMD acknowledge and agree that:
- (i) Each WRT Radium Removal System is being leased by WRT to the Client;
 - (ii) no portion of the WRT Radium Removal System for any Well has been, or at any time will be, assigned, sold, conveyed or otherwise transferred by WRT to the Client;
 - (iii) the WRT Radium Removal System for each Well is, and at all times will remain, the property of WRT; and
 - (iv) title to the WRT Radium Removal System for each Well is, and at all times will remain, vested in WRT notwithstanding the location of the WRT Radium Removal System for any Well at the Site for such Well, notwithstanding any use or operation of such WRT Radium Removal System by the Client and its employees.
- (b) The Client and RMD agree that WRT may place plates, signage and other identification on the WRT Radium Removal System for each Well indicating that title to such WRT Radium Removal System is vested in WRT and, if applicable, indicating the creation by WRT of any lien on, or the grant by WRT of any security interest in, such WRT Radium Removal System in favor of any of the banks, financial institutions and other lenders of WRT.
- (c) The Client and RMD agree that neither the Client nor RMD will:
- (i) remove, alter or deface, or cause or permit the removal, alteration or defacement of, any such plate, signage or other identification that is placed at any time on the WRT Radium Removal System for any Well;
 - (ii) place, or cause or permit to be placed, on the WRT Radium Removal System for any Well the name of any person other than WRT or any of its banks, financial institutions or other lenders that could reasonably be construed as a claim of any right, title or interest in or to all or any portion of such WRT Radium Removal System other than the rights of the Client as tenant; and
 - (iii) attempt to assign, sell, convey, encumber or otherwise transfer or dispose of, and neither the Client nor RMD will claim to have any power to assign, sell, convey, encumber

or otherwise transfer or dispose of, all or any portion of the WRT Radium Removal System for any Well.

(d) The Client, WRT, and RMD each acknowledge and agree that the WRT Radium Removal System for each Well is, and at all times will remain, personal property and is not, and will not be or become or be deemed to be or become, a fixture or so related to particular real property that an interest in such WRT Radium Removal System arises under applicable real property law, notwithstanding the degree of annexation of any portion of such WRT Radium Removal System to any real property or any common law or statute to the contrary. If, despite the foregoing provisions of this Section 4.10(d), it should ever be determined by a court of competent jurisdiction that a WRT Radium Removal System is or will be treated as a fixture, then the Client and RMD each agree that the WRT Radium Removal System will remain the property of WRT, and be removable by WRT in accordance with the provisions of this Agreement.

(e) The Client authorizes WRT to file and authorize others to file documents, writings and records, including, but not limited to, fixture filings, other financing statements, amendments of financing statements and continuation statements, in respect of this Agreement, and in respect of the WRT Radium Removal System for any Well.

(f) The Client represents and warrants that no person other than the Client has any ownership interest in or to any Structure or the land upon which any Structure is located which could give that person any claim or interest in respect of any WRT Radium Removal System except to the extent that such person has entered into an agreement with WRT in form acceptable to WRT, pursuant to which such person releases any such interest or claim.

4.11 WRT Lenders - Certificate

- (a) WRT may, from time to time, obtain financing from such banks, financial institutions and other lenders as WRT may determine;
- (b) WRT may assign, pledge and grant security interests in WRT's rights under this Agreement, to WRT's banks, financial institutions and other lenders; and
- (c) The Client agrees to complete, execute, and deliver, from time to time, within 10 business days after each request by WRT, a certificate acceptable to WRT's lenders confirming the terms and status of this Agreement.

SECTION 5 CHARGES

5.1 Treatment Charge

- (a) The Client will commence payment of the Treatment Charge on the 1st day of the month next following the commencement of operation of a WRT Radium Removal System.
- (b) Until all of the WRT Radium Removal Systems to which the Treatment Charge relates are operational, the monthly payment of the Treatment Charge will be adjusted pro rata, based on the Per System Factor of the WRT Radium Removal Systems which are operational.
- (c) The annual Treatment Charge will also be prorated from the date of the first payment until December 31 of that year, and from January 1 of the last calendar year of the Term until the expiration of the Term

5.2 Volume Charge

- (a) WRT will invoice the Client for all Volume Charges payable and the Client will pay the Volume Charges within 30 days of receipt of the invoice from WRT.

5.3 Inflation Adjustments - Treatment Charge and Volume Charge

- (a) For the period up to December 31 of the year preceding the Inflation Increase Date, the Treatment Charge will be equal to the Base Treatment Charge.
- (b) During the calendar year commencing on the Inflation Increase Date, and during each respective calendar year thereafter, the Treatment Charge will be equal to the sum of:
- (i) The Fixed Portion of the Base Treatment Charge; plus

- (ii) the greater of:
A. The Variable Portion of the Base Treatment Charge; or
B. The Variable Portion of the Base Treatment Charge x Applicable Index Level

Base Index Level

- (c) For the period up to December 31 of the year preceding the Inflation Increase Date, the Volume Charge will be equal to the Base Volume Charge.
(d) During the calendar year commencing on the Inflation Increase Date, and during each respective calendar year thereafter, the Volume Charge will be equal to the greater of:
(i) the Base Volume Charge; or
(ii) the Base Volume Charge x Applicable Index Level

Base Index Level

- (e) WRT will use all reasonable efforts to provide written notice to the Client on or before December 15 of each year of changes to the Treatment Charge and the Volume Charge for the following calendar year, resulting from changes to the Inflation Index, together with full particulars thereof. If any payments in respect of such calendar year have been made before the notification of the adjustment, any shortfall will be paid by the Client within 30 days of receipt of notice thereof.

5.4 Excess Disposal Cost Charges

RMD has a contract with a Licensed Disposal Facility for the term of this Agreement to dispose of the Spent Media at the Stated Disposal Cost. If, in the event that the Licensed Disposal Facility is unavailable for disposal, and an alternate Licensed Disposal Facility acceptable to RMD is not available for disposal of Spent Media at or below the Stated Disposal Cost, then the Client shall pay to WRT an "Excess Disposal Cost Charge", all as more particularly described below:

- (a) RMD will locate an acceptable alternate Licensed Disposal Facility, and notify Client in writing of the disposal cost at such facility (including any increased transportation and/or packaging costs); and Client may:
(i) accept the new disposal cost in writing, in which case such cost shall be the "Re-Stated Disposal Cost;"
(ii) locate a different Licensed Disposal Facility, reasonably acceptable to RMD, and notify RMD in writing of the disposal cost at that facility (including any increased transportation and/or packaging costs), which will, thereafter be the Re-Stated Disposal Cost; or
(iii) initiate an arbitration proceeding pursuant to Section 4.8 of these Standard Terms to select a new Licensed Disposal Facility and to establish the lowest reasonable Re-Stated Disposal Cost.
(b) The Excess Disposal Cost shall be the difference between the Stated Disposal Cost and the Re-Stated Disposal Cost and shall be charged to the Client each time Spent Media from the Client's WRT Radium Removal System is disposed of.
(c) WRT shall invoice the Client in writing for any Excess Disposal Cost Charge payable.
(i) The Client will pay all Excess Disposal Cost Charges within 30 days of receipt of an invoice from WRT.

5.5 Agreed Radium Concentration - Water Profile Change Charge (Radium) - Radium Credit

If the Actual Radium Concentration should exceed the "Agreed Radium Concentration" the Client shall pay to WRT a Water Profile Change Charge (Radium) as more particularly described below:

- (a) If for any reason fewer than all of the Wells are governed by the terms of this Agreement the Agreed Radium Concentration will be recalculated (in the same way as the Agreed Radium Concentration was originally

calculated), with respect to the Wells which are governed by the terms of this Agreement.

- (b) If the Actual Radium Concentration for a given year exceeds the Agreed Radium Concentration set forth in Exhibit A to the Basic Provisions of this Agreement then the "Increased Radium Factor" for that year will be equal to the Actual Radium Concentration divided by the Agreed Radium Concentration, minus one.

For each calendar year for which there is an Increased Radium Factor the Client will pay to WRT a Water Profile Change Charge (Radium).

- (c) WRT shall calculate the amount of the Water Profile Change Charge (Radium) for such calendar year as soon as is reasonably possible following the end of the calendar year and shall provide written particulars thereof to the Client which will include, but not be limited to:

- (i) the calculation of the Actual Radium Concentration;
(ii) the calculation of the Increased Radium Factor; and
(iii) the calculation of the Water Profile Change Charge (Radium).

(d) WRT shall, together with the calculation of the Water Profile Change Charge (Radium) provide an invoice to the Client.

(e) The Client shall pay the Water Profile Change Charge (Radium) within 30 days of receipt of the invoice from WRT.

- (f) If the Client does not accept WRT's calculation of the Water Profile Change Charge (Radium) then the Client may refer the determination including the accuracy of the test results of the Water Profile Change Charge (Radium) to arbitration pursuant to Section 4.8 of these Standard Terms and the arbitrator's sole task will be to review and confirm the amount of the Water Profile Change Charge (Radium) payable in accordance with the provisions of this Agreement.

(g) If the Actual Radium Concentration is less than the Agreed Radium Concentration then the "Reduced Radium Factor" will be equal to the Agreed Radium Concentration divided by the Actual Radium Concentration, minus one.

(h) For each calendar year for which there is a Reduced Radium Factor the Client will receive a credit (a "Radium Credit") equal to ("L" x "M" x 0.25) plus "N"; where:

- (i) "L" is equal to the Reduced Radium Factor; and "M" is equal to the Treatment Charge payable by the Client for that calendar year minus the Fixed Portion of the Base Treatment Charge; and
(ii) "N" is equal to the Reduced Radium Factor multiplied by the Volume Charge (if any) payable by the Client for that calendar year multiplied by 0.25.

(i) WRT shall calculate the amount of the "Radium Credit" for such calendar year as soon as is reasonably possible following the end of the calendar year and shall provide written particulars thereof to the Client ;

(j) WRT shall apply the Radium Credit against amounts otherwise owing by the Client and give notice thereof to the Client;

(k) If the Client does not accept WRT's calculation of the Radium Credit then the Client may refer the determination including the accuracy of the test results of the Radium Credit to arbitration pursuant to Section 4.8 of these Standard Terms and the arbitrator's sole task will be to review and confirm the amount of the Radium Credit payable in accordance with the provisions of this Agreement.

5.6 Changes in Actual Water Profile Other Than Radium

(a) If at any time during the Term of this Agreement the actual water profile of the water pumped from a Well differs from the Agreed Water Profile for that Well by virtue of:

- (i) an "Other Materials Increase";
(ii) the presence of "New Materials"; or
(iii) an "Attribute Change",

then the following provisions, as applicable, shall apply.

- (b) If there are one or more of:
 - (i) an Other Materials Increase; and/or
 - (ii) New Materials; and/or
 - (iii) an Attribute Change,in respect of a Well, and if the presence of the Other Materials Increase, the New Materials, and/or the Attribute Change has resulted in a diminution in the useful life of the WRT Media for the WRT Radium Removal System for such Well, or an increase in operating costs, or an increase in the disposal costs of Spent Media, then the Client will pay WRT a Water Profile Change Charge (Other).
- (c) Prior to making a claim for Water Profile Change Charge (Other) WRT shall provide the relevant data to the Client, shall permit the Client to conduct its own retesting if the Client so desires, and shall discuss the impact of the changes and the size of any applicable Water Profile Change Charge (Other) with the Client.
- (d) WRT will calculate the amount of the Water Profile Change Charge (Other) and shall provide written particulars thereof to the Client, which will include but not be limited to:
 - (i) details of the Other Materials Increase, the New Materials and/or the Attribute Change, as the case may be, in respect of each affected Well;
 - (ii) the impact on the useful life of the WRT Media and/or the operation or disposal cost increase in respect of the WRT Radium Removal System for such Wells; and
 - (iii) the calculation of the Water Profile Change Charge (Other) for the WRT Radium Removal System in respect of such Wells.
- (e) WRT will provide an invoice to the Client for the amount of the Water Profile Change Charge (Other).
- (f) The Water Profile Change Charge (Other) will be paid by the Client within 30 days of receipt of the invoice from WRT.
- (g) If the Client does not accept WRT's calculation of the Water Profile Change Charge (Other) then the Client may refer the calculation and/or the amount of the Water Profile Change Charge (Other) to arbitration pursuant to Section 4.8 of these Standard Terms.

5.7 Governmental Adjustments

If Existing Laws shall change and as a result WRT or RMD costs are increased, then Governmental Adjustments may be payable as more particularly described below:

- (a) In the event that the Existing Laws should change and as a result of such change any costs to WRT or RMD (other than Actual Disposal Cost), should increase by an amount greater than inflation increases in accordance with the Inflation Index, then "Governmental Adjustments" will be

paid directly by the Client to WRT within 30 days after written request from WRT, or if the parties agree, an agreed amount may be added to the Treatment Charge and the Volume Charge otherwise payable in the future.

- (b) WRT will provide written notice to the Client when WRT becomes aware of any change to Existing Laws which may result in the application of Government Adjustments, and will give notice to the Client of any Governmental Adjustments, together with particulars of the calculation thereof, as soon as reasonably possible after the details of the Governmental Adjustments become known to WRT.
- (c) Notwithstanding any change to Existing Laws and notwithstanding the imposition of any further, additional, or increased requirements or restrictions which may at any time during the Term be imposed on the Client, in respect of the use or operation of the Client's Water System, in respect of water quality, or in respect of any WRT Radium Removal System, the Client's obligation to make payments under this Agreement including but not limited to the Termination Payment, Agreed Liquidated Damages, Treatment Charges, the Volume Charges, the Excess Disposal Cost Charges, any Governmental Adjustments, the Water Profile Change Charge (Radium), and the Water Profile Change Charge (Other) shall continue in full force and effect and shall be unconditional except as otherwise provided in Section 4.3 and Section 8.4(d) of these Standard Terms.

5.8 Transportation Surcharge

- (a) If after the Base Index Date transportation costs increase from the costs as at the Base Index Date at a rate greater than the increase in the Inflation Index, then WRT may charge an additional amount, in respect of the transportation costs of each delivery of WRT Media to a Site and the delivery of Spent Media to a Licensed Disposal Facility, equal to the amount of such excess (the "Transportation Surcharge").
- (b) If WRT expects that a Transportation Surcharge may be payable, WRT will give prior written notice to the Client.
- (c) WRT shall provide the Client with an invoice together with all necessary information and calculations and the Transportation Surcharge will be paid within 30 days of receipt of the invoice from WRT.
- (d) Any dispute over the calculation of the Transportation Surcharge will be resolved by arbitration pursuant to Section 4.8 of these Standard Terms.

SECTION 6 TERMINATION

6.1 Termination of this Agreement by Client without Cause

The Client, when not in default under this Agreement, may at its option, terminate this Agreement in its entirety provided the Client complies with the following provisions:

- (a) The Client must give to WRT and RMD, and to any of WRT's lenders or other third parties who have requested a copy thereof, not less than 90 days prior written notice of termination specifying the proposed effective date of termination, which date shall be not less than 90 days after the receipt of the notice.
- (b) The Client must:

- (i) pay all amounts payable to WRT pursuant to this Agreement up to the date of termination;
- (ii) pay the Termination Payment as calculated with reference to Exhibit F to the Basic Provisions of this Agreement, and
- (iii) pay to WRT an additional amount equal to any applicable Excess Disposal Cost Charges in respect of the disposal of the Spent Media pursuant to Section 6.1(d).
- (c) The Termination Payment, as set forth in Exhibit F to the Basic Provisions of this Agreement, will become due and be paid within 30 days of receipt by the Client of an invoice from WRT and in any event, the Termination Payment must be paid before the effective date of the termination of this Agreement.

(d) Concurrently with the payment by the Client to WRT of the Termination Payment, and the reimbursement by the Client of all amounts payable under Section 6.1(b) of these Standard Terms, RMD shall remove all WRT Media and Spent Media from all WRT Radium Removal Systems and Sites for all Wells, shall transport such Spent Media to, and dispose of such Spent Media in, a Licensed Disposal Facility, and shall remove all WRT Radium Removal Systems from all Sites for all Wells. The Client shall, at the Client's sole cost, assist and co-operate fully with RMD including, but not limited to, the disconnection of the WRT Radium Removal Systems from the Client's Water System, and shall at its sole cost provide any necessary infrastructure modifications required to the Structures and otherwise in connection with the removal of the WRT Radium Removal Systems, together with such additional co-operation and assistance as RMD may reasonably request.

(e) The Client shall continue to pay, in full but without duplication, all amounts owing by the Client to WRT under this Agreement until this Agreement has been terminated.

(f) If the Client does not fully comply with all of the foregoing provisions of this Section 6.1 of these Standard Terms, the Agreement shall continue in full force and effect and the notice of termination shall cease to be operative.

(g) WRT agrees that the Termination Payment, and the reimbursement amount under Section 6.1(b), if requested by the Client, may be placed in escrow, upon the Client and WRT, each acting reasonably, agreeing on an escrow agent and the terms of the escrow instructions, which instructions shall provide that all funds will be released to WRT upon delivery of reasonable evidence to the escrow agent that RMD has complied with the requirements of Section 6.1(e) of these Standard Terms.

(h) Upon the payment to WRT of the Termination Payment and reimbursement of the Section 6.1(b) amount, this Agreement will be terminated and, without limiting the foregoing, the lease to the Client of the WRT Radium Removal Systems shall be at an end.

6.2 Termination by Client, in Respect of One or More WRT Radium Removal Systems without Cause

The Client, when not in default hereunder, may at its option, terminate this Agreement in respect of one or more WRT Radium Removal Systems without terminating the whole Agreement. In order to effect such a partial termination, the Client must comply in full with the following provisions:

(a) The Client must give to WRT and RMD, and to any third parties who have requested a copy thereof, not less than 90 days prior written notice of termination, specifying the WRT Radium Removal System to be terminated and the proposed effective date of termination, which date shall be not less than 90 days after receipt of the notice.

(b) The Client must:

(i) pay all amounts payable to WRT pursuant to this Agreement up to the date of termination;

(ii) pay the "Per System Termination Payment" as set forth in Exhibit F to, the Basic Provisions of this Agreement, and

(iii) pay to WRT an additional amount equal to any applicable Excess Disposal Cost Charges in respect of the disposal of the Spent Media pursuant to Section 6.2(d).

(c) All Per System Termination Payments will become due and be paid within 30 days of receipt by the Client of an invoice from WRT and in any event, all Per System Termination Payments must be paid before the effective date of the termination.

(d) Concurrently with the payment by the Client to WRT of the Per System Termination Payments and the reimbursement by the Client of all amounts payable under Section 6.2(b) of these Standard Terms, RMD shall remove

all WRT Media and Spent Media from all applicable WRT Radium Removal Systems and Sites for the applicable Wells, shall transport such Spent Media to, and dispose of such Spent Media in, a Licensed Disposal Facility, and shall remove the applicable WRT Radium Removal Systems from the Sites for such Wells. The Client shall, at the Client's sole cost, assist and co-operate fully with RMD including, but not limited to, the disconnection of the WRT Radium Removal Systems from the Client's Water System, and shall provide at the Client's sole cost any necessary infrastructure modifications required to the Structure and otherwise in connection with the removal of the WRT Radium Removal Systems, together with such additional co-operation and assistance as RMD may reasonably request.

(e) WRT agrees that the Per System Termination Payment and reimbursement amount under Section 6.2(b), if requested by the Client, may be placed in escrow upon the Client and WRT, each acting reasonably, agreeing on an escrow agent and the terms of the escrow instructions, which instructions shall provide that all funds will be released to WRT upon reasonable evidence to the escrow agent that RMD has complied with the requirements of Section 6.2(e) hereof.

(f) The Client shall continue to pay, in full but without duplication, all amounts owing to WRT in respect of a WRT Radium Removal System for which a notice of termination has been given hereunder until this Agreement has been terminated in respect of such WRT Radium Removal System.

(g) If the Client does not fully comply with all of the foregoing provisions of this Section 6.2, this Agreement shall remain in full force and effect in respect of the WRT Radium Removal System for which a notice of termination was given, and the notice of termination shall cease to be operative.

(h) Upon payment to WRT of the Per System Termination Payment for each such WRT Radium Removal System and the Section 6.2(b) amount, this Agreement shall be at an end in respect of each such WRT Radium Removal System and, without limiting the foregoing:

(i) each of the Fixed Portion and Variable Portion of the Base Treatment Charge will be permanently reduced by the Per System Factor in respect of such WRT Radium Removal System;

(ii) the Base Volume will be reduced as provided in Article 4.3 of the Basic Provisions; and

(iii) the lease of such WRT Radium Removal Systems shall be at an end.

(i) Provided always that this Agreement shall remain in full force and effect in respect of all other WRT Radium Removal Systems for which a notice of termination was not given.

6.3 Termination of this Agreement by Client for Cause

(a) If:

(i) either WRT or RMD become bankrupt or insolvent;

(ii) either WRT or RMD fail to perform or comply with any of their material obligations under this Agreement, and WRT and RMD fail to remedy such failure within 90 days after written notice of such failure is given by the Client or, if more than 90 days are required by WRT and RMD to remedy such failure and WRT and RMD promptly commence and diligently pursue such remedy, and keep the Client informed, in writing, on a monthly basis, of their progress in doing so, then such longer period as is reasonably required to remedy such failure; then

(iv) the Client may elect to terminate this Agreement.

(b) If the Client terminates this Agreement pursuant to this Section 6.3 then the following provisions shall apply:

(i) The Client will be relieved of any further obligation to make payments pursuant to this Agreement; and
(iii) RMD shall, at its sole cost, remove all WRT Media and Spent Media from all WRT Radium Removal Systems and Sites for all Wells, shall transport such Spent Media to, and shall dispose of such Spent Media in, a Licensed Disposal Facility.

(c) If WRT or RMD do not agree that the preconditions set forth in Section 6.3(a)(i) or (ii) have been met, they may submit the dispute to arbitration pursuant to Section 4.8 of these Standard Terms.

6.4 Termination of this Agreement by WRT

(a) If:

(i) the Client becomes bankrupt or insolvent;

(ii) the Client fails to pay when due any amount payable by the Client to WRT under this Agreement within 90 days after written notice of such failure is given by WRT to the Client; or

(iii) the Client fails to perform or comply with any other material obligation of the Client under this Agreement, and the Client fails to remedy such failure within 90 days after written notice of such failure is given by WRT to the Client or, if more than 90 days are required by the Client to remedy such failure and the Client promptly commences and diligently pursues such remedy, and keeps WRT informed, in writing, on a monthly basis, of its progress in doing so, then such longer period as is reasonably required to remedy such failure; then

(iv) WRT may elect to terminate this Agreement and the Client shall pay the "Agreed Liquidated Damages," all as more particularly described in this Section 6.4.

(b) If WRT terminates this Agreement pursuant to this Section 6.4 then the following provisions shall apply.

(i) The Client will pay all amounts payable to WRT pursuant to this Agreement up to the date of termination, shall pay the Agreed Liquidated Damages under Section 6.3(b)(ii), and shall reimburse to WRT, within 30 days of receipt by the Client of an invoice from WRT, the aggregate amount of all costs and expenses directly or indirectly incurred by WRT or RMD as a result of the termination of this Agreement, including, but not limited to, reasonable attorney fees and disbursements including those in connection with the enforcement of this Agreement, and in addition, but without duplication, the Client shall pay to WRT an additional amount equal to all applicable Excess Disposal Cost Charges in respect of the disposal of the Spent Media pursuant to Section 6.4(b)(iv).

(ii) Because of the difficulty or impossibility of determining the amount of actual damages that would be suffered by WRT and RMD as a result of the termination of this Agreement, the Client will pay to WRT the "Agreed Liquidated Damages, as liquidated damages and not as a penalty; the Agreed Liquidated Damages are intended to compensate WRT for loss of revenue, the initial capital costs incurred by WRT and the contractual obligations assumed by WRT and RMD, in reliance upon the Client honoring all of the Client's obligations under this Agreement for the full duration of the Term for all of the WRT Radium Removal Systems.

(iv) The Agreed Liquidated Damages as aforesaid, will become due and be paid to WRT within 30 days of receipt by the Client of an invoice from WRT.

(v) Upon the payment by the Client to WRT of the Agreed Liquidated Damages, and the reimbursement by the Client of all amounts payable under Section 6.4(b)(i) hereof (or earlier at RMD's sole option), RMD shall remove all WRT Media and Spent Media from all WRT Radium Removal Systems and Sites for all Wells, shall transport such Spent Media to, and shall dispose of such Spent Media in, a Licensed Disposal Facility, and shall remove all WRT Radium Removal Systems from all Sites for all Wells. The Client shall, at the Client's sole cost, assist and co-operate fully with RMD including, but not limited to, the disconnection of the WRT Radium Removal Systems from the Client's Water System, and shall at the Client's sole cost provide any necessary infrastructure modifications required to the Structures or otherwise in connection with the removal of the WRT Radium Removal Systems, together with such additional co-operation and assistance as RMD may reasonably request.

(vi) Each of the Client, WRT, and RMD acknowledges, agrees, and accepts that the Agreed Liquidated Damages are an agreed, fair, and reasonable amount to be paid by the Client to WRT as damages in respect of the termination of this Agreement.

(vii) The Client shall continue to be bound by this Agreement and to pay, in full but without duplication, all amounts owing by the Client to WRT under this Agreement until all amounts payable to WRT have been paid, and the WRT Radium Removal Systems have been removed, at which time this Agreement shall be at an end.

(c) If the Client does not agree that the preconditions set forth in Section 6.4(a)(i), (ii) or (iii) have been met, it may submit the dispute to arbitration pursuant to Section 4.8 of these Standard Terms.

SECTION 7 MCL COMPLIANCE

7.1 Testing for MCL Compliance

(a) Upon receipt by the Client of the results of any Compliance Test for any Well, the Client immediately will give to WRT and RMD a complete and accurate copy of such results.

(b) If the results of any Compliance Test for any Well show a Radium level above the MCL, then the Client and RMD will, at RMD's request, conduct an Input Test by a laboratory authorized to perform a "Confirmatory Test"; and

(i) if such Input Test indicates that the water entering such WRT Radium Removal System for such Well is consistent with the Agreed Water Profile for such Well and if the Well is operating within the Well Flow Rate for such Well, then at RMD's option, either:

(A) RMD shall cause Spent Media to be removed from a stage of such WRT Radium Removal System, and WRT

Media to be installed in such WRT Radium Removal System; or

(B) WRT promptly will undertake adjustments or other modifications of such WRT Radium Removal System in accordance with Section 7.2 of these Standard Terms; or

(ii) if the Well is not operating within the Well Flow Rate for such Well, the Client (or WRT pursuant to Section 4.2 of these Standard Terms) shall make such adjustments for such Well until it does operate within the Well Flow Rate for such Well or as otherwise provided in Section 4.2 of these Standard Terms and the Client and RMD shall conduct a new Input Test; or

(iii) if such Input Test indicates that the water entering such WRT Radium Removal System for such Well is not consistent with the Agreed Water Profile for such Well, then the provisions of Section 7.3 of these Standard Terms, shall apply.

7.2 Non-Compliant System

If the results of any Compliance Test for any Well show a radium level above the MCL, and if the subsequent Input Test for such Well indicates that the water entering the WRT Radium Removal System for such Well is consistent with the Well Flow Rate and the Agreed Water Profile for such Well and if a Confirmatory Test (should RMD wish to conduct a Confirmatory Test) confirms the Radium level is above the MCL, then RMD will, if appropriate, remove Spent Media from and install WRT Media in such WRT Radium Removal System, and/or:

(a) WRT or RMD promptly will, at WRT's cost and expense, undertake such adjustments or other modifications of such WRT Radium Removal System as WRT believes are required to reduce the level of Radium in water returned to the Client's Water System after passing through such WRT Radium Removal System to a level that complies with the MCL, and will provide regular written reports of its actions to the Client.

(b) If the results of the next Compliance Test or Confirmatory Test for such Well show a Radium level that complies with the MCL, then no further action under this Section 7.2 will be required by WRT with respect to the WRT Radium Removal System for such Well.

(c) None of the Client, WRT, or RMD will be obligated to incur any additional capital costs or expenses with respect to any Well and the WRT Radium Removal System for such Well that may become a Non-Compliant System.

(d) During such time as any WRT Radium Removal System for any Well is, pursuant to the provisions of this Agreement, a Non-Compliant System as defined in Section 1.2, the Client will, as the Client's sole remedy, be relieved of any obligation to pay:

(i) the Per System Factor of the Treatment Charge in respect of such WRT Radium Removal System; and

(ii) any Volume Charges, Excess Disposal Cost Charges, Water Profile Change Charge (Radium), Water Profile Change Charge (Other), or Governmental Adjustments in respect of such WRT Radium Removal System.

(e) If any Well and the WRT Radium Removal System for such Well becomes a Non-Compliant System, the Client will continue to pay the Treatment Charge, the Volume Charges, the Excess Disposal Cost Charges and all other charges and amounts payable by the Client under this Agreement in respect of each other WRT Radium Removal System for any Well that is not a Non-Compliant System;

(f) If any Well and the WRT Radium Removal System for such Well becomes, pursuant to the provisions of this Agreement, a Non-Compliant System as defined in Section 1.2, and the water from that WRT Radium Removal System continues to be not in compliance with the MCL for an additional period of two consecutive calendar months, then:

(i) the Client may give to RMD and WRT a written request for RMD to remove such WRT Radium Removal System from the Site for such Well if the water from such WRT Radium Removal System continues to be not in compliance with the MCL 60 days after such request is given by the Client to WRT; or

(ii) WRT may by notice in writing to the Client elect to have RMD remove such WRT Radium Removal System from the Site.

(g) If at the expiration of the notice period referred to in Section 7.2(f)(i) the water from the WRT Radium Removal System continues to be not in compliance with the MCL or if WRT elects to have RMD remove the WRT Radium Removal System under Section 7.2(f)(ii) of these Standard Terms, then:

(i) Thereafter, each of the Fixed Portion and the Variable Portion of the Base Treatment Charge will be permanently reduced by the Per System Factor in respect of such WRT Radium Removal System;

(ii) RMD shall remove such WRT Radium Removal System and all related WRT Media and Spent Media from the Site for such WRT Radium Removal System, and the Client will, at the Client's cost, assist and co-operate with RMD in the manner described in Section 6.2(e);

(iii) the Base Volume will be reduced as provided in Article 4.3; and

(iv) the lease of such WRT Radium Removal System shall cease and such WRT Radium Removal System will no longer be governed by the terms of this Agreement.

7.3 Changes From Agreed Water Profile

If the results of any Compliance Test for any Well show a Radium level above the MCL and the subsequent Input Test for such Well indicates that the water entering the WRT Radium Removal System for such Well is not consistent with the Agreed Water Profile for such Well, and if in the opinion of WRT, and agreed to by the Client, or failing agreement as determined by arbitration pursuant to Section 4.8 of these Standard Terms, the change from the Agreed Water Profile has resulted in, or contributed to, the failure to comply with the MCL, then the following provisions will apply:

(a) The Client will continue to pay the Treatment Charge, the Volume Charges, the Excess Disposal Cost Charges, and Governmental Adjustments in respect of such WRT Radium Removal System and in addition shall pay any applicable Water Profile Change Charge (Radium) and Water Profile Change Charge (Other).

(b) If WRT or RMD is able, without the incurring by WRT or RMD of any additional capital or operating costs or expenses, to adjust or otherwise modify the WRT Water Removal System for such Well to reduce the level of Radium in water returned to the Client's Water System after passing through such WRT Radium Removal System to a level that complies with the MCL, then WRT or RMD shall do so and the Client will pay to WRT, within 30 days of receipt of an invoice from WRT, an amount equal to the sum of the WRT Cost in respect of the activities of WRT and RMD plus 20% of such WRT Cost.

(c) If WRT believes the WRT Radium Removal System for any Well may be adjusted or otherwise modified to satisfy the MCL given the Client's actual water profile, then WRT may, if requested by the Client but is not obligated to, prepare and provide to the Client with a "WRT Proposal"

(d) The Client may elect whether or not to accept a WRT Proposal.

(e) If the Client accepts a WRT Proposal, then WRT will use reasonable commercial efforts to adjust or otherwise modify such WRT Radium Removal System to satisfy the MCL given the Client's actual water profile, but with no assurance or guarantee of performance except as may be specifically set out in such WRT Proposal.

(f) If the Client does not accept a WRT Proposal, then this Agreement will remain in full force and effect and the Client will continue to pay all charges and other amounts payable by the Client to WRT under this Agreement.

(g) If in respect of any one or more WRT Radium Removal Systems to which this Section 7.3 applies:

(i) WRT advises the Client that it will not make a WRT Proposal; or

(ii) the Client does not accept the WRT Proposal; or

(iii) the Client accepts the WRT Proposal and WRT is unable to modify such WRT Radium Removal System to satisfy the MCL given the Client's actual water profile; then in any such event, the Client may, at its option, elect to terminate this Agreement in respect of such WRT Radium Removal System in accordance with Section 6.2, provided the Client also pays the amounts owing under Section 7.3(i).

(h) If the Client accepts a WRT Proposal and the WRT Radium Removal System for any Well is adjusted or otherwise modified as set forth in such WRT Proposal, then the Client will pay the new charges for such Well as set out in such WRT Proposal whether or not such WRT Radium Removal System, as so adjusted or otherwise modified, satisfies the MCL given the Client's actual water profile.

(i) The Client will pay to WRT, within 30 days after receipt of an invoice from WRT, an amount equal to the sum of the WRT Cost with respect to any efforts by WRT or RMD to work with the Client to determine whether or not the

WRT Radium Removal System for any Well can be adjusted or otherwise modified, if required, to satisfy the MCL given the Client's actual water profile, the preparation of any WRT Proposal, and any and all adjustments and other modifications of any of the WRT Radium Removal Systems for the Wells pursuant to this Section 7.3, plus 20% of such WRT Cost, which amount is payable whether or not a WRT Proposal is prepared or submitted or, if prepared and submitted, whether or not a WRT Proposal is accepted (but without duplication for any costs and expenses which are included in a WRT Proposal and paid by the Client).

SECTION 8 PAYMENTS AND APPLICABLE TAXES

8.1 Late Charge and Interest

(a) All amounts owing to WRT by the Client shall become due and be paid at the times and dates specified in this Agreement or such later dates as are mandated by applicable law.

(b) The Client will pay to WRT, with respect to any amount payable by the Client to WRT under this Agreement that is not paid when such amount becomes due as provided in Section 8.1 of these Standard Terms, an interest penalty equal to the lesser of (x) one percent of such delinquent amount for each month or fraction thereof after the date the amount becomes due as aforesaid until final payment thereof is made in full, and (y) the maximum legal rate of interest applicable to the Client and this transaction. Notwithstanding any other term, condition or provision of this Agreement to the contrary, neither this Section 8.1 nor any other term or provision of this Agreement will require the payment or permit the collection of interest, fees or charges in excess of the maximum rate, if any, permitted by applicable law.

8.2 Applicable Taxes

(a) All payments to be paid by the Client including, but not limited to, all Treatment Charges, Volume Charges, Excess Disposal Cost Charges, Government Adjustments, Water Profile Change Charges (Radium) and Water Profile Change Charges (Other), all Per System Termination Payments, any Termination Payment, all Agreed Liquidated Damages, and all reimbursements of costs and payments related to WRT Cost, will in each case, be paid in full by the Client, and will be exclusive of all "Applicable Taxes."

(b) All "Applicable Taxes" will be paid by the Client.

8.3 RMD Failure to Dispose of Spent Media

(a) If the Client is of the opinion that RMD has failed to remove and dispose of Spent Media in accordance with the provisions in this Agreement in respect of any one or more WRT Radium Removal Systems, the Client shall provide written notice to RMD and provide a copy to WRT;

(b) Within 30 days receipt of the Client's notice under Section 8.3(a) RMD shall either:

(i) commence the removal and disposal of Spent Media; or

(ii) WRT or RMD may give written notice to the Client disputing the Client's notice.

(c) If RMD or WRT dispute the Client's notice then the Client may submit the question of whether or not RMD has complied with its obligation to remove and dispose of Spent Media to arbitration pursuant to Section 4.8 of these Standard Terms.

(d) In the event that:

(i) RMD or WRT do not, bona fide, dispute the Client's notice; or

(ii) the arbitrator shall determine that RMD has failed to remove and dispose of Spent Media in respect of any WRT Radium Removal System as required by this Agreement; or

(iii) the provisions of this Section 8.4(d) are made applicable pursuant to Section 4.5(a)(iii) or (iv) of these Standard Terms;

then in any such event the Client shall be entitled, without further action, to withhold the Per System Factor of the Treatment Charge related to the WRT Radium Removal System from which Spent Media has not been removed and disposed of as aforesaid, until such time as RMD has complied with its obligation to remove and dispose of such Spent Media, at which time all withheld payments shall be paid to WRT, without interest. This provision overrides any conflicting provisions of Article 8.1 of the Basic Provisions.

8.4 Invoicing of Certain Charges

WRT agrees that in order to be effective, an invoice for Volume Charges, Excess Disposal Cost Charges, Water Profile Change Charge (Radium), Water Profile Change Charge (Other), Governmental Adjustments, and additional services, must be sent to the Client no later than 16 months after the end of the calendar year in which the charge arose or to which the charge relates.

8.5 Payments to RMD

The parties acknowledge and agree that:

(a) RMD, by contract with WRT, will receive all of its compensation for the performance of RMD's services and obligations pursuant to this Agreement, from WRT;

(b) The Client shall make all payments as provided in this Agreement to WRT; and

(c) WRT will make the contracted payments to RMD.

SECTION 9 LIABILITY, CLAIMS, INSURANCE

9.1 Client's Liability - Client's Water System

(a) If the Client is in breach of its obligations under this Agreement and if WRT or RMD suffers direct loss or damage as a result of such breach then the Client will be liable to WRT or RMD, as applicable, for the amount of such direct loss or damage.

(b) The Client acknowledges and agrees that WRT and RMD have been requested to enter into this Agreement to attempt to cure the Client's long term existing radium problem, and accordingly, subject only to the provisions of Section 9.3 the Client will be solely responsible for, and will defend, indemnify and hold harmless WRT and RMD and their respective directors, officers, members, managers and

employees from and against any and all demands, claims, suits, damages, costs and expenses including, without limitation, all attorney fees and consultant costs arising from or in respect of the Client's Water System, including, but not limited to, all demands, suits, damages, costs, and expenses arising from or in respect of water processed through a WRT Radium Removal System, and whether or not the WRT Radium Removal System is successful to remove Radium to the level of the MCL, or any other element, compound or material from the Client's water, and whether or not this Agreement is terminated by the Client or WRT.

(c) The Client's obligation to defend, indemnify and hold harmless WRT and RMD shall include the defense of all indemnified parties, and reimbursement of attorney's fees and expert witness costs reasonably incurred by WRT, RMD, or the indemnified parties in respect of any action in respect of the Client's Water System commenced against them or in which they are joined as defendants or third parties.

(d) Provided always that if WRT or RMD have claimed reimbursement of attorney's fees and costs in respect of a claim to which Section 9.1(b) applies, and if the Client has commenced and is maintaining an action against WRT pursuant to Section 9.3, then the Client may defer any reimbursement of the attorney's fees and costs of WRT and RMD in respect of an action which alleges that WRT Media has caused the loss or damage, until such time as the Client's action referred to in Section 9.3 is finally disposed of, and if, and to the extent that the decision of the court of competent and final jurisdiction is that the WRT Media caused the loss or damage, the Client shall be relieved of any obligation to reimburse WRT or RMD for such attorney's fees and costs.

(e) To the extent the action referred to in Section 9.3 is not determined in favour of the Client or, if no action is brought, or if brought, is not prosecuted to final determination, then in each case WRT and RMD shall receive reimbursement for attorney's fees and costs as provided in Section 9.1(c).

9.2 Limitations of Claims

Each of the Client, WRT, and RMD acknowledges and agrees that WRT and RMD are entering into this Agreement at the Client's request, in an attempt to rectify the Client's existing Radium problem and, accordingly, notwithstanding anything to the contrary in this Agreement, or in common law or statutory law, except as otherwise specifically provided in Section 9.3 in respect of WRT, or Section 9.4 in respect of RMD, the sole remedy of the Client for any inaccuracy in or breach of, or any failure to perform or comply with, any representation, warranty, covenant or other obligation of WRT or RMD under this Agreement, or otherwise, will be the suspension, to the extent provided in this Agreement, of the obligation of the Client to pay the charges and other amounts payable by the Client to WRT under this Agreement and, without limiting the generality of the preceding provisions of this Section 9.2, neither WRT nor RMD will be liable to the Client for any damages (whether direct, special, indirect, incidental, consequential, punitive, economic or exemplary or otherwise), nor for any loss of revenue, data, goodwill or profits, nor for any claims of water users or any other persons for any matter howsoever caused and whether based on breach of contract, tort (including negligence), warranty or duty of strict liability or otherwise and whether or not any of WRT and RMD has been advised of the possibility of any such damage, loss or claim.

9.3 WRT Liability

Without restricting, and subject to, the provisions of Sections 9.1 and 9.2 of these Standard Terms, if it is determined by a Court of competent and final jurisdiction in a separate action brought by the Client, that as a direct result of the content of WRT Media, the Client has suffered direct loss or damage which the Client would not otherwise have incurred (but excluding any failure of the WRT Radium Removal Systems to remove Radium from the Client's water whether as provided in this Agreement or otherwise), then WRT will be liable to the Client for the amount of such direct loss or damage.

9.4 RMD Liability

Without restricting, and subject to, the provisions of Sections 9.1 and 9.2, if it is determined by a Court of competent and final jurisdiction in a separate action brought by the Client that RMD has failed to comply with its obligations under this Agreement and that the Client has suffered direct loss or damage as a result thereof, then RMD will be liable to the Client for the amount of such direct loss or damage.

9.5 Client Insurance

(a) The Client will obtain and maintain at all times during the Term fire and extended coverage insurance in respect of each Structure.

(b) The Client will obtain and maintain at all times during the Term general liability insurance in the amount of not less than \$1,000,000.

(c) The Client will obtain and maintain at all times during the Term, workers compensation insurance coverage as required by all applicable State laws.

(d) The Client will use reasonable efforts to cause the insurance to be carried by the Client to:

(i) cover damage to each Structure and each Site, in each case to their full replacement values;

(ii) provide that the policy may not be cancelled without not less than 15 days prior written notice to WRT or such shorter or longer period as WRT may in writing, approve;

(iii) contain a waiver of subrogation in favor of WRT and RMD;

(iv) name WRT and RMD as additional insureds; and

(v) shall otherwise be subject to the approval of WRT as to form and content, such approval not to be unreasonably withheld or delayed.

(e) Should the Client fail to obtain and maintain the insurance coverage as set out in Section 9.5(a) and (b) of these Standard Terms, WRT may obtain such insurance for and on behalf of the Client and in such event the Client shall reimburse WRT for all costs incurred by WRT to obtain such insurance.

9.6 WRT Insurance

(a) WRT will obtain and maintain at all times during the Term general liability insurance in the amount of not less than \$1,000,000.

(b) WRT will obtain and maintain at all times during the Term, workers compensation insurance coverage as required by all applicable State laws.

(c) WRT will use reasonable efforts to cause the insurance to be carried by WRT to:

(i) provide that the policy may not be cancelled without not less than 15 days prior written notice to the Client or such shorter or longer period as the Client may approve in writing;

(ii) contain a waiver of subrogation in favor of the Client;

(iii) name the Client as an additional insured; and

otherwise be subject to the approval of the Client as to the form and content, such approval not to be unreasonably withheld or delayed.

(d) Should WRT fail to obtain and maintain the insurance coverage as set out in Section 9.6(a) and (b) of these Standard Terms, the Client may obtain such insurance for and on behalf of WRT and in such event WRT shall reimburse the Client for all costs incurred by the Client to obtain such insurance.

(e) The Client agrees that RMD may, if agreed by WRT and RMD, be included as an additional insured under the insurance arranged by WRT, in which event separate insurance coverage for RMD will not be required.

9.7 RMD Insurance

(a) RMD will obtain and maintain at all times during the Term general liability insurance in the amount of not less than \$1,000,000.

(b) RMD shall obtain and maintain at all times during the Term, workers compensation insurance as required by all applicable State laws.

(c) RMD shall use reasonable efforts to cause the insurance to be carried by RMD to:

(i) provide that the policy may not be cancelled without not less than 15 days prior written notice to the Client or such shorter or longer period as the Client may approve in writing;

(ii) contain a waiver of subrogation in favor of the Client;

(iii) name the Client as an additional insured; and

(iv) otherwise be subject to the approval of the Client as to the form and content, such approval not to be unreasonably withheld or delayed.

(d) Should RMD fail to obtain and maintain the insurance coverage as set out in Section 9.7(a) and (b) of these Standard Terms, the Client may obtain such insurance for and on behalf of RMD and in such event RMD shall reimburse the Client for all costs incurred by the Client to obtain such insurance.

(e) The Client agrees that WRT may, if agreed by RMD and WRT, be included as an additional insured under the insurance arranged by RMD, in which event separate insurance coverage for WRT will not be required.

SECTION 10 APPROVALS AND PERMITS

10.1 Client Approvals and Permits

(a) The Client, at its cost and expense, will be responsible for, and will obtain and maintain, throughout the Term the Client Approvals and Permits, including:

(i) all zoning changes, land use permits, building permits and other permits, licenses and approvals required for the construction, erection or other provision of the Structure for each Well and for the installation of the WRT Radium Removal System for each Well;

(ii) all permits, licenses and other approvals required from all applicable governmental agencies:

A. for the use of the Structure and the Site for each Well, including, but not limited to, the storage of WRT Media at such Site;

B. for the use and operation of the WRT Radium Removal System for each Well, including, but not limited to, the installation and use of WRT Media in, and the removal of Spent Media from, such WRT Radium Removal System;

C. to connect the WRT Radium Removal System for each Well to the Client's Water System;

D. for the continued operation of the Client's Water System; and

E. as referred to in Section 10.1(b) and (c) of these Standard Terms.

(b) Without restricting the provisions of Section 10.1(a) the Client acknowledges and agrees, as owner and operator of the Client's Water System which contains Radium, and as the owner of the Radium and other radioactive materials in the Client's Water System, in each WRT Radium Removal System, and in the Spent Media (as provided in Article 4.7), the Client will be classified or designated as the generator of any radioactive waste associated in any way with the WRT Radium Removal Systems and accordingly the Client shall:

(i) obtain and maintain throughout the Term, a "generator identification number" or any similar required designation, and such licenses and permits as may, from time to time, be required by all United States and state regulators including but not limited to the NRC, the EPA and any other authorities having jurisdiction; and

(ii) properly record and document the removal and transportation of the Spent Media and the disposal of Spent Media in a Licensed Disposal Facility.

(c) Without restricting the other provisions of this Section 10.1, the Client will be solely responsible for and shall provide, at the Client's cost, any bond, letter of credit, surety, or other Financial Assurance arrangement which may, from time to time, be required by any United States, state or other applicable governmental agencies, in connection with the licensing, use, operation and ultimate removal and disposal of the WRT Radium Removal Systems and WRT Media and Spent Media and the decommissioning of the Sites, provided always that the obligation to provide such bond, letter of credit, surety or other financial assurance arrangement shall not in any way qualify, limit or reduce the obligations of WRT and RMD as otherwise contained in this Agreement.

(d) WRT and RMD, as reasonably requested by the Client at any time and from time to time, will cooperate with the Client and assist the Client in obtaining any of the Client Approvals and Permits. The Client will reimburse to WRT, upon demand, the amount of the WRT Cost with respect to such cooperation and assistance provided in connection with obtaining any of the Client Approvals and Permits, other than the initial Client Approvals and Permits relating to the construction, erection or other provision of the Structure for any Well and the installation of the WRT Radium Removal System for any Well for which no additional charge for WRT Cost will be made.

SECTION 11 SITE AND ACCESS

11.1 License to Use Sites

(a) RMD and WRT are hereby granted a license, for the Term of this Agreement, for access to each Site, each Structure and each "Property," and for the use of the respective "Access and Loading Areas," in each case as reasonably required, for all purposes in connection with WRT and RMD's performance of their obligations under this Agreement, including: the planning, scheduling, and preparation for the installation of a WRT Radium Removal System in each Site; the connection of a WRT Radium Removal System in each Site to the Client's Water System; the operation of a WRT Radium Removal System in each Site; the maintenance of a WRT Radium Removal System in each Site; and the removal of Spent Media from the WRT Radium Removal System in each Site.

(b) WRT and RMD are hereby granted a further license, for the periods of time from the expiration of Term of this Agreement until the WRT Radium Removal System and Spent Media have been removed from each Site, for access to each Site, each Structure and each Property, and for the use by RMD and WRT of respective Access and Loading Areas, in each case as reasonably required, for all purposes in connection with the removal of the WRT Radium Removal System and all Spent Media. Such license will extend until at least six months after the end of the Term of this Agreement.

11.2 Client's Work

The Client shall complete the "Client's Work" at the sole cost of the Client.

11.3 Completion of Work

(a) The Client agrees to use all reasonable efforts to complete the Client's Work in respect of each Site on or before the respective dates set out in Exhibit C, or as soon thereafter as possible.

(b) When the Client's Work has been completed in respect of a Site to a stage which permits the installation of the WRT Radium Removal System in that Site, the Client shall give written notice thereof to RMD and to WRT.

(c) The Client will, if required, obtain a permit which authorizes the use and occupation of the Site for the Permitted Uses.

11.4 Use of Sites

(a) RMD may use each Site for all "Permitted Uses."

(b) RMD shall not use any Site for any purpose other than the Permitted Uses without the prior written consent of the Client, which consent may not be unreasonably withheld, delayed or conditioned.

(c) The Client shall not interfere with the use, for the Permitted Uses, of any Sites or the Access and Loading Areas by RMD, or its respective servants, agents, consultants and invitees.

11.5 Access and Loading Areas

(a) During the Term of this Agreement and, if applicable, the time of any further license pursuant to Section 11.1(b) of these Standard Terms, RMD and its respective employees, customers, agents and invitees will have the free and uninterrupted, nonexclusive license and easement:

- (i) to pass and repass over such portions of each Property, and through portions of each Structure, as reasonably required;
- (ii) to use all roads and driveways for access to, and egress from each Structure and each Site; and
- (iii) to use all applicable loading areas.

(b) The rights of access and use of loading areas shall in all instances be sufficient to permit the efficient movement of personnel, vehicles and equipment as required by RMD for access to and egress from each Site for loading and unloading of vehicles and for all Permitted Uses.

(b) Without restricting the generality of the other provisions of this Section 11.5:

(i) the Client shall provide access to, egress from, and loading areas in respect of each Site in the locations as described in Exhibit C; and

(ii) all areas of vehicular access shall be accessible by diesel trailer trucks with 40 foot trailers and capable of supporting a combined loaded weight of 80,000 pounds.

(c) The Client will use all reasonable efforts, at the Client's cost, to keep the Access and Loading Areas in a safe and finished condition, free of ice, snow or obstruction and available for use by RMD and its respective servants, agents, employees, customers and invitees, as reasonably required.

(d) RMD may give notice to the Client when RMD or its respective servants, agents, employees, customers or invitees require exclusive use of the Access and Loading Areas, or any relevant portions of any of the Structures, or of the Properties, and the Client shall use all reasonable efforts to ensure that exclusive use of the Access and Loading Areas, and the relevant portions of the Structure or the Property is provided and made available.

11.6 Utilities and Services

(a) The Client, at the Client's sole cost, shall install at and to each of the Sites, as part of Client's Work, and thereafter shall maintain for the whole of the Term of this Agreement and, if applicable the time of any further license pursuant to Section 11.1(b) of these Standard Terms, all "Utilities and Services."

(b) If the Utilities and Services to be provided to any of the Sites by the Client are interrupted from time to time, the Client shall reinstate or cause the same to be reinstated as expeditiously as possible, and with as little disruption to RMD or the operation of the WRT Radium Removal Systems as is reasonably possible in the circumstances.

(c) The Client shall give RMD not less than 10 business days prior written notice of any planned or proposed interruption to the provision of the Utilities and Services by the Client or of which the Client becomes aware, and shall keep RMD updated, on a regular basis, of the status of the interruption and the timetable for reinstatement.

(d) The Client will be solely responsible to supply and pay all costs for the installation, provision, utilization, operation, repair and replacement of all of the Utilities and Services.

11.7 Alterations and Repairs

(a) During the Term of this Agreement and, if applicable the time of any further license pursuant to Section 11.1(b) of these Standard Terms:

(i) RMD, at its sole cost and expense, may make such non-structural alterations, modifications or additions to any of the Sites or to the Access or Loading Areas as are reasonably required by RMD to enable RMD or WRT to more efficiently or effectively perform, or cause to be performed, their respective rights and obligations under the WRT Agreement, provided that the written consent of the Client is first obtained, such consent not being unreasonably withheld, delayed or conditioned.

(ii) RMD, at its sole cost and expense, may make alterations, modifications or additions to any of the Structures as may be reasonably required by RMD to enable RMD or WRT to more efficiently or effectively perform their respective rights and obligations under the

WRT Agreement, provided that the prior written consent of the Client is obtained, such consent not to be unreasonably withheld, delayed, or conditioned.

(b) Neither RMD nor WRT will be required to repair any of the Sites, any of the Structures, any Utilities and Services, or any of the Access and Loading Areas, the maintenance and repair of all of which are, and will remain, the responsibility of the Client.

(c) The Client, throughout the Term of this Agreement and, if applicable the time of any further license pursuant to Section 11.1(b) of these Standard Terms, will maintain in good condition and repair each Site, each Structure, all Utilities and Services and all Access and Loading Areas.

(d) Any damage to any of the WRT Radium Removal Systems or to any other property of WRT, RMD, or others located at or near any of the Sites, and resulting from or in connection with loss or damage to any of the Structures, or caused by the Client's failure to maintain and repair any of the Sites, any of the Structures, any Utilities and Services, or the Access and Loading Areas, shall be remedied or repaired by RMD or WRT and the Client shall pay to WRT or RMD the WRT Cost thereof.

(e) If any of the Sites, or any of the Structures, or any of the Utilities and Services is damaged or destroyed, in whole or in part, whether by fire or other casualty, whether or not the damage is insured, the Client, at the Client's sole cost, shall repair the same with due diligence to the standard required by this Agreement.

(f) The Client will perform all of its repair and maintenance obligations in such a manner as is reasonably practicable to minimize any adverse impact on RMD, WRT, and the WRT Radium Removal Systems.

(g) The Client will reimburse RMD for any costs or expenses incurred by RMD or WRT as a result of failure of the Client to comply with the provisions of this Section 11.7, such reimbursement to be in an amount equal to the WRT Cost in respect thereof.

(h) The Client agrees with RMD that the Client shall take all necessary steps to ensure that:

(i) throughout the Term of this Agreement and, if applicable the time of any further license pursuant to Section 11.1(b) of these Standard Terms, each Structure and each Site will comply with all applicable municipal, county, state and federal laws, ordinances, statutes, rules, and regulations, including but not limited to, the Americans with Disabilities Act of 1990, as amended, and all environmental laws; and

(ii) continuing throughout the Term of this Agreement and, if applicable the time of any further license pursuant to Section 11.1(b) of these Standard Terms, WRT shall be entitled to install and RMD shall be entitled to operate a WRT Radium Removal System in each Site as provided in this Agreement.

11.8 Termination

(a) The Client acknowledges and agrees that the license to use the Sites is required for the use and operation of the WRT Radium Removal Systems pursuant to this Agreement. Accordingly the Client agrees that, except as specifically provided in this Section 11.8, the Client shall have no right to terminate or end WRT's and RMD's license to use the Sites, notwithstanding any failure by RMD or any other party to comply with any terms of this license, any common law or statutory remedy, rule, or provision to the contrary notwithstanding. Without limiting the foregoing provisions of this Section 11.8(a), the Client shall retain all of its rights of termination as specified in Article 6.

(b) If this Agreement is terminated in respect of one or more of the WRT Radium Removal Systems and if all payments payable by the Client to WRT in respect of the

terminated WRT Radium Removal System have been paid in full as provided in Article 6 of these Standard Terms, then the parties hereto agree that this license shall cease in respect of that Site one day after the WRT Radium Removal System and all Spent Media have been removed from that Site.

11.9 Client To Limit Access

(a) The Client shall, subject to Article 3 of the Basic Provisions and to Section 3 and Section 11.9(b) of these Standard Terms, limit access to each Site for the Client's servants, agents and consultants, to that required for the Client to perform its obligations under this Agreement; and it is agreed that RMD and WRT shall be entitled to establish reasonable terms relating to such access, either by including the same in the Operation and Maintenance Manual, or by separate written notice to the Client, and the Client shall comply, and shall cause its servants, agents, and consultants to comply, with such terms.

(b) The Client agrees that neither the Client nor its servants, agents and consultants, nor any other person on their behalf, shall access the WRT Radium Removal Systems except for the limited purposes of observation and performing tests strictly in accordance with this Agreement, the Operation and Maintenance Manual, or as otherwise agreed to in writing by WRT or RMD.

11.10 Mechanics' Lien

(a) Except for filings permitted to be made by or on behalf of WRT or RMD pursuant to the provisions of this Agreement, RMD will not permit any mechanics' or materialmen's lien on any of the Sites or the Properties for any labor or material furnished to RMD or WRT in connection with work performed for which they are responsible.

(b) Where, for any reason, such a lien has been filed against the Sites or the Properties, RMD shall have the right to contest the validity, nature or amount of any such lien but, within thirty (30) business days of final determination of such questions, shall pay any adverse judgment rendered together with all proper costs and charges and shall have the lien released at its own expense.

(c) If RMD desires to contest any such lien, then prior to commencing such contest, RMD will, if the Client so requests, furnish the Client with security acceptable to the Client, acting reasonably, to secure the payment of such obligation.

(d) RMD will reimburse the Client for costs and expenses, including reasonable attorneys' fees, reasonably incurred by the Client, to obtain the release of any such lien for which RMD or WRT is responsible and which they have not removed in accordance with the provisions of this Section 11.10.

11.11 Hazardous Materials

(a) Subject to, and without restricting the provisions of Section 9.1 and Section 9.2, RMD will be responsible for and shall remove, and as required by applicable law shall remediate, any "Hazardous Materials" deposited by RMD or WRT at, in or around the Sites, the Properties or the Access and Loading Areas.

(b) The Client will be responsible for and shall remove, and as required by applicable law shall remediate, all Hazardous Materials other than Hazardous Materials for which RMD is responsible to remove and remediate pursuant to Section 11.11(a) of these Standard Terms.

**SECTION 12
REPRESENTATIONS AND WARRANTIES**

12.1 Representations and Warranties of the Client

The Client represents and warrants to WRT that:

- (a) The Client is a legal entity duly established, formed or incorporated under applicable law, and is existing.
- (b) The Client has all necessary capacity, powers and authority, which include but are not limited to those in Section 12.1 (g) of these Standard Terms and any grants of power referred to in Exhibit A, to enter into this Agreement and to perform all of the Client's obligations under this Agreement.
- (c) The execution and delivery by the Client of this Agreement, and the performance by the Client of its obligations under this Agreement have been duly authorized by all necessary action on the part of the Client, including, but not limited to, the enactment of all necessary resolutions and ordinances by all required majorities or super majorities, the publication and posting of all required notices, and the compliance with all other provisions of all enactments and all other applicable laws so as to fully authorize and implement the intent of the parties as expressed in this Agreement.
- (d) The Client has executed and delivered this Agreement.
- (e) This Agreement constitutes a legal, valid and binding obligation of the Client, enforceable against the Client in accordance with its terms.
- (f) The Client will on an ongoing basis establish, levy, collect and deposit in the Fund, rates in respect of the Client's waterworks and, if applicable, sewerage system, which are sufficient to permit the Client to comply with all the payments required to be made by the Client under this Agreement, including but not limited to all of the payment obligations referred to in Article 5 or in Article 6 of the Basic Provisions or in Sections 5 or 6 of these Standard Terms.
- (g) The Client will throughout the Term, obtain and maintain all necessary approvals from all applicable authorities having jurisdiction to enable the Client to

comply with all of its obligations under this Agreement including, but not limited to, all payment obligations.

12.2 Representations and Warranties of WRT

WRT represents and warrants to the Client that:

- (a) WRT is a limited liability company duly formed and existing under the laws of the State of Nevada.
- (b) WRT has all necessary limited liability company power and authority to execute and deliver, and to perform WRT's obligations under, this Agreement.
- (c) The execution and delivery by WRT of this Agreement, and the performance by WRT of its obligations under this Agreement have been duly authorized by all necessary limited liability company action on the part of WRT.
- (d) WRT has executed and delivered this Agreement.
- (e) This Agreement constitutes a legal, valid and binding obligation of WRT, enforceable against WRT in accordance with its terms.

12.3 Representations and Warranties of RMD

RMD represents and warrants to the Client that:

- (a) RMD is a limited liability company duly formed and existing under the laws of the State of Nevada.
- (b) RMD has all necessary limited liability company power and authority to execute and deliver, and to perform RMD's obligations under, this Agreement.
- (c) The execution and delivery by RMD of this Agreement, and the performance by RMD of its obligations under this Agreement have been duly authorized by all necessary limited liability company action on the part of RMD.
- (d) RMD has executed and delivered this Agreement.
- (e) This Agreement constitutes a legal, valid and binding obligation of RMD, enforceable against RMD in accordance with its terms.

**SECTION 13
GENERAL**

13.1 Notices

Any notice, consent or other communication permitted or required to be given to any party under this Agreement must be in writing and delivered or sent by telephone facsimile transmission, personal delivery, certified or registered mail with return receipt requested, or express courier or delivery service, address to such party as follows:

(a) If to the Client, to the address or addresses as set out in Exhibit A.

(b) If to WRT, at:

WRT Environmental LLC
5460 Ward Road, Suite 100
Arvada, Colorado 80002
Attention: President
Facsimile No. 303-425-7497
With a copy to:
WRT Environmental LLC
c/o Dorsey & Whitney LLP
Republic Plaza Building
Suite 4700, 370 17th Street
Denver, Colorado 80202-5647
Attention: Managing Partner
Facsimile No.: 303-629-3450

(c) If to RMD, at:

R.M.D. Operations LLC
5460 Ward Road, Suite 150
Arvada, Colorado 80002
Attention: President
Facsimile No. 303-425-7497
With a copy to:
R.M.D. Operations LLC
c/o Dorsey & Whitney LLP
Republic Plaza Building
Suite 4700, 370 17th Street
Denver, Colorado 80202-5647
Attention: Managing Partner
Facsimile No.: 303-629-3450

Any party to this Agreement may change its address or telephone facsimile number for notice or provide for a copy of the notice to be sent by providing written notice of such change to the other party to this Agreement in accordance with this Section. All such notices, consents and other communications will be deemed given (a) when sent and received for (or upon the date of attempted delivery when delivery is refused), if sent by personal delivery, certified or registered mail with return receipt requested, or express courier or delivery service, or (b) when received, if sent by telephone facsimile transmission (confirmation of such

receipt via confirmed telephone facsimile transmission being deemed receipt).

13.2 Force Majeure

The performance by WRT and RMD of their respective obligations under this Agreement will be suspended in an "Event of Force Majeure".

13.3 Recording

(a) The Client acknowledges and agrees that WRT and RMD shall be entitled to record or cause to be recorded against title to each of the Properties and in all applicable registries and government offices, all or any of the following:

- (i) a notice or other filing in respect of this Agreement;
- (ii) a notice or other filing with respect to WRT's ownership of the WRT Radium Removal Systems; and
- (iii) any and all assignments, security interests, pledges, charges or other documents, filings or other recordings in respect of any of the foregoing requested by RMD, WRT, or its banks, financial institutions and other lenders.

(b) The Client acknowledges that if at any time any of RMD, WRT, or its banks, financial institutions and other lenders, wish to obtain any further assurance in respect of this Agreement, the Client shall provide such assistance and shall execute and deliver such documents as RMD, WRT, or its banks, financial institutions and other lenders may reasonably request, from time to time, in respect thereto.

(c) The Client represents and warrants that the rights of WRT and RMD under this Agreement will not be subject to any liens, charges, or encumbrances created by the Client which could adversely affect the rights of WRT or RMD under this Agreement.

(d) Without limiting the provisions of Section 13.3(c), the Client will obtain a non-disturbance agreement, in form satisfactory to RMD and WRT, acting reasonably, from any person who at any time holds a superior interest in any of the Properties, the Structures, the Sites or the Access and Loading Areas pursuant to which such person agrees not to disturb WRT's or RMD's rights under this Agreement.

13.4 Assignment

(a) Otherwise than as contemplated in Section 4.11 the rights and obligations of WRT under this Agreement may only be assigned or delegated by WRT with the prior consent of the Client, which may not be unreasonably withheld, delayed, or conditioned.

(b) In addition to the provisions of Section 2.4, the rights and obligations of RMD under this Agreement may be

assigned, subcontracted or delegated by RMD to a party, approved by WRT, who agrees in writing with the Client to assume such rights and obligations and who is qualified to perform the required obligations of RMD under this Agreement as agreed between the Client and WRT, or failing agreement as determined by arbitration pursuant to Section 4.8 of these Standard Terms.

(c) The rights and obligations of the Client under this Agreement may not be assigned by the Client without the prior written consent of WRT and RMD.

13.5 Entire Agreement

This Agreement contains the entire understanding and agreement between the Client and WRT and RMD, and supersedes all prior understandings, agreements and negotiations, both written and oral, between the Client, WRT and RMD with respect to the subject matter of this Agreement. This Agreement includes and is comprised of the Basic Provisions, these Standard Terms and the Exhibits.

13.6 Severability

If any term, condition or other provision of this Agreement is prohibited, invalid or unenforceable in any jurisdiction, then such term, condition or other provision will be ineffective, as to such jurisdiction, to the extent of such prohibition, invalidity or unenforceability without affecting the validity or enforceability of such term, condition or other provision in any other jurisdiction and without invalidating or rendering unenforceable the remaining terms, conditions and other provisions of this Agreement.

13.7 Governing Law - Remedies

(a) This Agreement will be governed by, and construed in accordance with, the laws of the State of Colorado, without reference to choice-of-laws or conflict-of-laws principles or rules that would direct the general application of the laws of another jurisdiction.

(b) Except with respect to matters specifically required to be determined by arbitration, all other legal rights and remedies shall be available to the parties hereto in accordance with the provision of this Agreement.

13.8 Amendments

No amendment may be made to any of the terms, conditions or other provisions of this Agreement unless the amendment is in writing and signed by the Client, WRT, and RMD.

END OF STANDARD TERMS