

MATERIALS LICENSE

Pursuant to the Atomic Energy Act of 1954, as amended, the Energy Reorganization Act of 1974 (Public Law 93-438), and Title 10, Code of Federal Regulations, Chapter I, Parts 30, 31, 32, 33, 34, 35, 36, 39, 40, and 70, and in reliance on statements and representations heretofore made by the licensee, a license is hereby issued authorizing the licensee to receive, acquire, possess, and transfer byproduct, source, and special nuclear material designated below; to use such material for the purpose(s) and at the place(s) designated below; to deliver or transfer such material to persons authorized to receive it in accordance with the regulations of the applicable Part(s). This license shall be deemed to contain the conditions specified in Section 183 of the Atomic Energy Act of 1954, as amended, and is subject to all applicable rules, regulations, and orders of the Nuclear Regulatory Commission now or hereafter in effect and to any conditions specified below.

<p>Licensee</p> <p>1. Safety Light Corporation</p> <p>2. 4150-A Old Berwick Road Bloomsburg, Pennsylvania</p>	<p>In accordance with the letter dated September 11, 2007,</p> <p>3. License number 37-00030-08 is amended in its entirety to read as follows:</p> <hr/> <p>4. Expiration date December 31, 2007</p> <hr/> <p>5. Docket No. 030-05982 Reference No.</p>
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<p>6. Byproduct, source, and/or special nuclear material</p> <p>A. Hydrogen 3</p> <p>B. Carbon 14</p> <p>C. Krypton 85</p> <p>D. Any byproduct material with atomic numbers 1 through 83</p>	<p>7. Chemical and/or physical form</p> <p>A. Any</p> <p>B. Sealed Sources</p> <p>C. Sealed Sources</p> <p>D. Sealed Sources</p>	<p>8. Maximum amount that licensee may possess at any one time under this license</p> <p>A. 350,000 curies</p> <p>B. 2 curies</p> <p>C. 5 curies</p> <p>D. 1 millicurie</p>
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9. Authorized use:

- A. Manufacture of self-luminous devices, foils, targets, electron tubes, rod and pins; distribution to persons authorized to receive the licensed material pursuant to the terms and conditions of specific licenses issued by the U.S. Nuclear Regulatory Commission or any Agreement State; research and development as defined in 10 CFR 30.4; and demonstration of prototype products at customer facilities.
- B. through D. Reference standards for radiation and/or luminous measurements.

CONDITIONS

10. Licensed material may be used or stored only at the licensee's facilities located at 4150-A Old Berwick Road, Bloomsburg, Pennsylvania. Licensed material listed in Item 6.A. also may be used at temporary job sites of the licensee anywhere in the United States.

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11. Licensed material shall be used by, or under the supervision of, Charles G. Berlin, Norman G. Fritz, Zacharia J. Laubauch, Martha J. Rider, or Jerry L. Slowick.
12. The Radiation Safety Officer for this license is Martha J. Rider.
13. This license does not authorize commercial distribution of licensed material to persons generally licensed pursuant to 10 CFR Part 31 or to persons exempt from licensing pursuant to 10 CFR 30.14 through 30.21, inclusive, or equivalent regulations of any Agreement State.
14. The licensee shall not use licensed material in or on human beings except as provided otherwise by specific condition of this license.
15.
 - A. Sealed sources shall be tested for leakage and/or contamination at intervals not to exceed six months or at the intervals specified in the certificate of registration issued by the U.S. Nuclear Regulatory Commission under 10 CFR 32.210 or under equivalent regulations of an Agreement State.
 - B. Notwithstanding Paragraph A of this Condition, sealed sources designed to primarily emit alpha particles shall be tested for leakage and/or contamination at intervals not to exceed 3 months.
 - C. Each sealed source fabricated by the licensee shall be inspected and tested for construction defects, leakage, and contamination prior to any use or transfer as a sealed source.
 - D. In the absence of a certificate from a transferor indicating that a leak test has been made within the intervals specified in the certificate of registration issued by the U.S. Nuclear Regulatory Commission under 10 CFR 32.210 or under equivalent regulations of an Agreement State, prior to the transfer, a sealed source received from another person shall not be put into use until tested and the test results received.
 - E. Sealed sources need not be tested if they contain only hydrogen-3; or they contain only a radioactive gas; or the half-life of the isotope is 30 days or less; or they contain not more than 100 microcuries of beta- and/or gamma-emitting material or not more than 10 microcuries of alpha-emitting material.
 - F. Sealed sources need not be tested if they are in storage and are not being used; however, when they are removed from storage for use or transferred to another person and have not been tested within the required leak test interval, they shall be tested before use or transfer. No sealed source shall be stored for a period of more than 10 years without being tested for leakage and/or contamination.
 - G. The leak test shall be capable of detecting the presence of 0.005 microcurie (185 becquerels) of radioactive material on the test sample. If the test reveals the presence of 0.005 microcurie (185 becquerels) or more of removable contamination, a report shall be filed with the U.S. Nuclear Regulatory Commission in accordance with 10 CFR 30.50(c)(2), and the source shall be removed immediately from service and decontaminated, repaired, or disposed of in accordance with Commission regulations.

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- H. Tests for leakage and/or contamination, including leak test sample collection and analysis, shall be performed by the licensee or by other persons specifically licensed by the U.S. Nuclear Regulatory Commission or an Agreement State to perform such services.
- I. Records of leak test results shall be kept in units of microcuries and shall be maintained for 5 years.
16. The licensee shall conduct a physical inventory every six months, or at other intervals approved by the U.S. Nuclear Regulatory Commission, to account for all sources and/or devices received and possessed under the license. Records of inventories shall be maintained for 5 years from the date of each inventory and shall include the radionuclides, quantities, manufacturer's name and model numbers, and the date of the inventory.
17. In addition to the possession limits in Item 8, the licensee shall further restrict the quantity of hydrogen-3 (tritium) waste stored on the licensee's premises to a maximum of 35,000 curies.
18. Radioactive waste shall be stored in accordance with the statements, representations, and procedures included with the waste storage plan described in the licensee's letters dated March 8, 1994 (ML041610158), and April 9, 1999 (ML003727438).
19. Pursuant to 10 CFR 30.11, the licensee is granted an exemption from 10 CFR 30.32(h) and 30.35(a) through (f) provided the licensee makes monthly deposits into the decommissioning trust fund in the amount of \$12,000 per month, payable by the first day of each month, during the license renewal period.
- a. Funds in the decommissioning trust fund may not be committed or used without the written permission of the Region I (RI) Regional Administrator and shall be used only for reasonable expenses directly associated with decommissioning activities (including disposal of tritium wastes from pre-2000 license activities) for the site and for maintenance of the perimeter fence and warning signs. Legal fees and expenses of counsel shall not be chargeable against the decommissioning trust fund.
 - b. Payments by the licensee to another Federal or State agency in connection with decommissioning activities at the Bloomsburg site will be considered an offset against the licensee's required monthly payments to the decommissioning trust fund.
 - c. The NRC RI Regional Administrator may approve brief extensions in the decommissioning trust fund payment schedule upon the licensee's demonstration of good cause (for example, through appropriate financial records or showing of payments made to cover the cost of Bloomsburg site decommissioning activities undertaken by another Federal agency). If the licensee submits such demonstration at least 7 calendar days prior to the due date of any scheduled monthly payment, that payment will not be considered delinquent during the pendency of such request or when a revised payment schedule is approved.

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- d. The licensee will report to the NRC and the Pennsylvania Department of Environmental Protection (PADEP), within 10 calendar days, any failure to make a payment to the decommissioning trust fund. The report shall discuss the cause of the failure, corrective actions to prevent repetition, and why the NRC should have confidence that the licensee has sufficient resources to conduct licensed activities safely. The licensee agrees that any failure to make a payment when due, that has not been cured by payment in full within 90 calendar days of the due date, shall result in the rescission of the aforementioned exemption from 10 CFR 30.32(h) and 30.35(a-f) as well as the immediate suspension of this license without further action by the NRC. If failure to make a payment is not fully cured within 90 calendar days of the due date, the licensee will immediately initiate any and all actions to comply with 10 CFR 30.36(b) and (c).
20. The licensee will cease activities at the Bloomsburg site by December 31, 2007, and agrees not to request renewal of this license beyond that date.
- a. The licensee will develop a plan for orderly shutdown of its licensed activities at the Bloomsburg site and submit such plan by March 31, 2006, to the NRC RI Regional Administrator, for approval, with a copy provided to PADEP.
- b. The licensee agrees to submit quarterly progress reports to NRC and PADEP beginning on September 30, 2005, regarding the development and implementation of said plan.
- c. Consistent with the requirements of 10 CFR 30.36(c), this plan will include provisions to:
- (i) cooperate fully with EPA emergency removal and remediation efforts, including continued security to assure safe conditions at the site and the removal and disposal of non-radiological waste on an ongoing basis;
 - (ii) Manage licensed material such that no licensed material inventory associated with tritium manufacturing operations, or tritium waste generated after September 30, 2004, remains at the site after December 31, 2007;
 - (iii) Notify, by August 30, 2007, Safety Light Corporation customers of exit signs and other devices containing licensed material that these signs and devices can no longer be returned to the Bloomsburg, Pennsylvania facility after October 31, 2007. Any such signs or devices possessed by the licensee must be transferred to an authorized recipient by December 31, 2007;
 - (iv) Dispose of pre-2000 tritium waste (i.e., solid waste now stored in the Waste Building and in hoods in the Tritium Processing Building) and tritium wastes generated during the renewal period. The approved plan shall provide for:

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- (a) Characterization of pre-2000 tritium waste by January 31, 2007, to the extent sufficient for waste disposal and development of a cost estimate for such disposal. The characterization is to be completed by January 31, 2007, provided sufficient funds are available in the decommissioning trust fund.
 - (b) Disposal of pre-2000 tritium waste, including obtaining any required allotment from the low level waste disposal facility located in Barnwell, South Carolina, for any waste (for example, foils and targets) that must be disposed of at that facility.
21. In the event that the Commonwealth of Pennsylvania acquires, pursuant to an agreement with the NRC under Section 274b of the Atomic Energy Act, as amended, regulatory authority over the above-mentioned licenses for the Bloomsburg site, all responsibilities of, and references to, the "NRC" specified in this settlement agreement shall be deemed to refer to the "Commonwealth of Pennsylvania" or the appropriate State agency.
22. The licensee is authorized to transport licensed material in accordance with the provisions of 10 CFR Part 71, "Packaging and Transportation of Radioactive Material."

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23. Except as specifically provided otherwise in this license, the licensee shall conduct its program in accordance with the statements, representations, and procedures contained in the documents, including any enclosures, listed below. The U.S. Nuclear Regulatory Commission's regulations shall govern unless the statements, representations, and procedures in the licensee's application and correspondence are more restrictive than the regulations.
- A. Trust Agreement (with The Chase Manhattan Bank, now JP Morgan), dated December 12, 1994
 - B. Letter dated March 8, 1994 [ML041610158]
 - C. Radiological Contingency Plan dated September 15, 1994 [ML041610262], as revised by the letter received October 28, 1999 [ML003727436]
 - D. Letter dated July 29, 1996 [ML003727447]
 - E. Letter dated October 1, 1996 [ML003727448]
 - F. Application dated April 9, 1999 [ML003727438]
 - G. Health and Safety Program, Revision 11, dated September 29, 1998 [ML003727440] as revised by the letter dated August 19, 1999 [ML003727446]
 - H. Letter received October 28, 1999 [ML003727445]
 - I. Letter dated October 26, 2004 [ML043130195]
 - J. Settlement Agreement, as approved by the Atomic Safety and Licensing Board in LBP-05-14 on June 29, 2005 [ML051800476]
 - K. Letter dated March 15, 2006 [ML060970415]
 - L. Letter dated August 8, 2006 [ML062280119]

For the U.S. Nuclear Regulatory Commission

Date September 21, 2007

By

Original signed by Elizabeth UllrichElizabeth Ullrich
Commercial and R&D Branch
Division of Nuclear Materials Safety
Region I
King of Prussia, Pennsylvania 19406