

37-30850-01  
03036438

**From:** Chad Gunther  
**To:** Modes, Kathy  
**Cc:** [chris@gammais.com](mailto:chris@gammais.com); [terry@gammais.com](mailto:terry@gammais.com)  
**Subject:** NRC License Amendment  
**Date:** Friday, June 12, 2015 11:44:41 AM  
**Attachments:** [Change of Control for NRC .pdf](#)  
[GIS Operating Agreement.pdf](#)  
[NRC form 313.pdf](#)  
[public disclosure letter for NRC .pdf](#)

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Good Morning Kathy,

We hope all is well. I am attaching NRC Form 313 along with our change of control letter. Also attached is our operating agreement that we would like to work under and a public disclosure letter than coincides with the highlighted text that we would like to withhold in the operating agreement. We hope this will be sufficient enough to produce the next amendment for our license. If it is not and other information is required, please let us know and we will get it over to you in a timely manner. Thank you very much Kathy!

Sincerely,

*Chad Gunther*

Gamma Irradiator Service LLC, FSE

Office: 570-925-5681

Cell: 570-912-2389

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Email: [chad@gammais.com](mailto:chad@gammais.com)


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LICENSING ASSISTANCE TEAM  
DIVISION OF NUCLEAR MATERIALS SAFETY  
U.S. NUCLEAR REGULATORY COMMISSION, REGION I  
2100 RENAISSANCE BOULEVARD, SUITE 100  
KING OF PRUSSIA, PA 19406-2713

Gamma Irradiator Service, LLC (furthermore known as GIS), is the holder of U.S. Nuclear Regulatory Commission (NRC) Materials License 37-308850-01. GIS is submitting an application to the NRC requesting approval of the change of control of Materials License 37-308850-01. The change of control involves a six-member purchase agreement whereby all shares in GIS will be divided amongst the members. The Atomic Energy Act of 1954, as amended (the Act), and NRC regulations require that any change of control over an NRC license be approved by the NRC. As 37-308850-01 authorizes the possession and use of RAM, approval of the application here is required pursuant to Section 40.46 of Title 10 of the Code of Federal Regulations (10 CFR). This regulation states as follows: No license issued or granted pursuant to the regulations in this part shall be transferred, assigned or in any manner disposed of, either voluntarily or involuntarily, directly or indirectly, through transfer of control of any license to any person, unless the Commission shall, after securing full information, find that the transfer is in accordance with the provisions of [the Act], and shall give its consent in writing.

Though GIS' ownership shares will be divided among the six members, Christopher Van Nostrand – Radiation Safety Officer, and Doyle Terry Stout – President, will possess the only managerial power for the company. No other member can or will make decisions singly for the company without the discretion of the managers, Christopher Nostrand and Doyle Stout. Attached with this letter is NRC Form 313 and a public disclosure letter requesting certain information from the operating agreement to be withheld under 10 CFR 2.390. All of us at GIS look forward to your reply. Please contact us via phone or email should any questions or concerns arise.

  
\_\_\_\_\_  
Christopher Nostrand, RSO                      6/12/15                      Date

**OPERATING AGREEMENT  
OF  
GAMMA IRRADIATOR SERVICE, L.L.C.  
(A Pennsylvania Limited Liability Company)**

This Operating Agreement of **Gamma Irradiator Service, L.L.C.** (the "Company"), dated as of January 1, 2015, has been adopted by the members of the Company, being Doyle Terry Stout, Christopher Nostrand, Kylie Stout, Denise Stout, Chad Gunther and Terri Nostrand.

**RECITALS**

A. The Company has been organized or is to be organized as a Pennsylvania limited liability company by the filing of a certificate of organization with the Department of State of the Commonwealth of Pennsylvania under and pursuant to the Act.

NOW, THEREFORE, in consideration of the mutual covenants and agreements set forth herein, and intending to be legally bound hereby, the Members agree as follows:

1. **Definitions.** In addition to the terms defined in other provisions of this Agreement, the following terms shall have the meanings set forth below unless the context requires otherwise:

"Act." The Pennsylvania Limited Liability Company Law of 1994, 15 Pa.C.S. § 8901, et seq., and any successor statute, as amended from time to time.

"Affiliate." As to any Person, any other Person that directly or indirectly, through one or more intermediaries controls, is controlled by, or is under common control with such Person or, if such Person is an individual, the Immediate Family of such Person or trusts solely for the benefit of such Immediate Family. As used in this definition, the term "control" means the possession, directly or indirectly, or as trustee or executor, of the power to direct or cause the direction of the management and policies of a Person, whether through ownership of voting securities, as trustee or executor, by contract or credit arrangement or otherwise.

"Agreement." This Operating Agreement, as amended, modified, supplemented, or restated from time to time.

"Capital Account." The individual account maintained by the Company with respect to each Member as provided in section 7.

"Capital Contribution." The aggregate amount of cash and the agreed value of any property or services (as determined by the Member and the Company) contributed by each Member to the Company as provided in section 6. In the case of a Member that acquires a Membership Interest in the Company by an assignment or transfer in accordance with the terms of this Agreement, "Capital Contribution" means the Capital Contribution of that Member's predecessor proportionate to the acquired Membership Interest.

"Certificate." The certificate of organization of the Company and any and all amendments thereto and restatements thereof filed on behalf of the Company with the Department of State of the Commonwealth of Pennsylvania pursuant to the Act.

"Claim." See section 21(b).

"Code." The Internal Revenue Code of 1986, as amended.

"Company." See the preamble.

"Covered Person." A Member, any Affiliate of a Member, any officer, director, shareholder, partner, employee, representative, or agent of a Member, or their respective Affiliates, or any officer, employee, or agent of the Company or its Affiliates.

"Damages." See section 21(a).

"Immediate Family." With respect to any individual, such individual's parents, spouse, issue, and adopted children, or any of them.

"Indemnified Party." See section 21(b).

"Involuntary Withdrawal" means, with respect to any Member, the occurrence of any of the following events:

- (i) The Member makes an assignment for the benefit of creditors;
- (ii) The Member files a voluntary petition of bankruptcy;
- (iii) The Member is adjudged bankrupt or insolvent or there is entered against the Member an order for relief in any bankruptcy or insolvency proceeding;

(iv) The Member files a petition or answer seeking for the Member any reorganization, arrangement, composition, readjustment, liquidation, dissolution, or similar relief under any statute, law, or regulation;

(v) The Member seeks, consents to, or acquiesces in the appointment of a trustee for, receiver for, or liquidation of the Member or of all or any substantial part of the Member's properties;

(vi) The Member files an answer or other pleading admitting or failing to contest the material allegations of a petition filed against the Member in any proceeding described in Subsections (i) through (v);

(vii) Any proceeding against the Member seeking reorganization, arrangement, composition, readjustment, liquidation, dissolution, or similar relief under any statute, law, or regulation, continues for one hundred twenty (120) days after the commencement thereof, or the appointment of a trustee, receiver, or liquidator for the Member or all or any substantial part of the Member's properties without the Member's agreement or acquiescence, which appointment is not vacated or stayed for one hundred twenty (120) days or, if the appointment is stayed, for one hundred twenty (120) days after the expiration of the stay during which period the appointment is not vacated;

(viii) If the Member is acting as a Member by virtue of being a trustee of a trust, the termination of the trust;

(ix) If the Member is a partnership or another limited liability company, the dissolution and commencement of winding up of the partnership or limited liability company;

(x) If the Member is a corporation, the dissolution of the corporation or the revocation of its charter; or

(xi) If the Member is a decedent's or incapacitated person's estate, the distribution by the fiduciary of the estate's entire interest in the limited liability company to a Person other than a Permitted Transferee.

"Laws." Any of the following:

(1) all constitutions, treaties, laws, statutes, codes, ordinances, orders, decrees, rules, regulations, and municipal bylaws, whether domestic, foreign, or international;

(2) all judgments, orders, writs, injunctions, decisions, rulings, decrees, and awards of any governmental body;

(3) all policies, practices, and guidelines of any governmental body; and

(4) any amendment, modification, re-enactment, restatement, or extension of any of the foregoing, in each case binding on or affecting the party or Person referred to in the context in which such word is used.

"Majority Vote." The written approval of, or the affirmative vote by, Members holding a majority of the Voting Rights.

"Manager". Each Person has authority to manage the business and affairs of the Company pursuant to this Agreement. Such Persons are listed on Annex B as may be updated from time to time according to the terms of this Agreement. A Manager may be but is not required to be a Member.

"Member." A Person who at the time is a member of the Company. "Members" means two or more Persons when acting in their capacities as members of the Company. For purposes of the application of a provision of the Act to the Company, the Members shall constitute one class or group of members. Annex A shall be amended from time to time to show the current Members.

"Membership Interest." The interest of a Member in the Company, including, without limitation, interests in the profits and losses, rights to distributions (liquidating or otherwise), allocations and information, and rights to consent to or approve actions by the Company, all in accordance with the provisions of this Agreement and the Act.

"Notice." See section 21(b).

"Percentage Interest." The proportionate Membership Interest of a Member expressed as a percentage as shown on Annex A, as it may be amended from time to time by Additional Capital Contributions.

"Permitted Transferee." A Member, any lineal descendant of a Member, a spouse of a Member, the lineal descendants of a spouse of a Member, the estate of an existing but deceased or incapacitated Member, or a trust of which all of the then current vested beneficiaries are one of the above. For purposes of this Paragraph, the words "descendant" and "descendants" shall include adopted persons and their descendants.

"Person." A natural person, corporation, general or limited partnership, limited liability company, joint venture, trust, estate, association, or other legal entity or organization.

"Profits and Losses." For each taxable year or other period, an amount equal to the Company's taxable income or loss for that year or period, determined in accordance with Code § 703(a) (for these purposes, all items of income, gain, loss, or deduction required to be stated separately pursuant to Code § 703(a)(1) shall be included in taxable income or loss), with the following adjustments:

(1) Any income of the Company that is exempt from federal income tax and not otherwise taken into account in computing Profits and Losses pursuant to the foregoing shall be added to such taxable income or loss.

(2) Any expenditures of the Company described in Code section 705(a)(2)(B) or that are treated as Code § 705(a)(2)(B) expenditures pursuant to Treas. Reg. § 1.704-1(b)(2)(iv)(i) and not otherwise taken into account in computing Profits and Losses pursuant to the foregoing shall be subtracted from such taxable income or loss.

(3) In the event the Gross Asset Value of any Company asset is adjusted pursuant to paragraph (2), (3), or (4) of the definition of Gross Asset Value, the amount of the adjustment shall be taken into account as gain or loss from the disposition of the asset for purposes of computing Profits and Losses.

(4) Gain or loss resulting from any disposition of Company property with respect to which gain or loss is recognized for federal income tax purposes shall be computed by reference to the Gross Asset Value of the property disposed of, notwithstanding that the adjusted tax basis of the property differs from its Gross Asset Value.

(5) In lieu of the depreciation, amortization, and other cost recovery deductions taken into account in computing such taxable income or loss, there shall be taken into account Depreciation for the taxable year or other period, computed in accordance with the definition of Depreciation under this Agreement.

(6) Notwithstanding the above, any items that are specially allocated to certain Members shall not be taken into account in computing Profits and Losses.

"Tax Payment Loan." See section 14.

"Treasury Regulations" or "Treas. Regs." The income tax regulations, including temporary regulations, promulgated under the Code, as those regulations may be amended from time to time (including corresponding provisions of succeeding regulations).

"Voting Rights," The number of votes of each Member (as set forth in section 16(b)) for the purpose of voting on any matter arising under this Agreement.

"Withholding Tax Act." See section 14.

2. Organization. The Members hereby authorize the organization of the Company as a limited liability company under and pursuant to the provisions of the Act and agree that the rights, duties, and liabilities of the Members shall be as provided in the Act, except as otherwise provided in this Agreement.

3. Purpose. The Company is formed for the object and purpose of, and the nature of the business to be conducted and promoted by the Company is engaging in any lawful act or activity for which limited liability companies may be organized under the Act and engaging in any and all activities necessary, convenient, desirable, or incidental to the foregoing.

4. Term. The existence of the Company shall be deemed to have commenced on the date the Certificate is or was filed in the office of the Department of State of the Commonwealth of Pennsylvania and shall continue until the Company is dissolved in accordance with the provisions of this Agreement.

5. Principal Office. The principal office of the Company shall be located at 337 Distillery Hill Road, Benton, Pennsylvania 17814, or at such other location as may be determined, from time to time, by the Members. The Company may also have such other offices at such other locations as, from time to time, may be determined by the Members.

6. Company Capital and Percentage Interests.

(a) Initial Capital Contributions. The initial Capital Contribution that each Member has made or is deemed to have made to the Company shall be as contributed by a Member to the Company, or as agreed between the parties, as the Initial Capital Contribution, and the same may be amended from time to time by Additional Capital Contributions.



(b) Additional Capital Contributions. A Member shall not be required to make any capital contribution to the Company not specifically agreed to in writing between the Member and the Company, or be obligated or required under any circumstances to restore any negative balance in the Member's Capital Account.

(c) No Interest. Interest shall not be paid on or with respect to the Capital Contribution or Capital Account of any Member.

(d) No Right to Return of Capital Contributions. Although the Company may make distributions to the Members from time to time as a return of their Capital Contributions, a Member shall not have the right to withdraw or demand a return of any of the Member's Capital Contribution or Capital Account, except upon dissolution or liquidation of the Company.

(e) Percentage Interests. The proportionate Membership Interest of a Member expressed as a percentage as shown on Annex A, as it may be amended from time to time by Additional Capital Contributions.

#### 7. Capital Accounts.

(a) Tax Provisions. The allocation and capital account maintenance provisions of Treasury Regulations under section 704 of the Code are hereby incorporated by reference, including a "qualified income offset" within the meaning of Treas. Reg. § 1.704-1(b)(2)(ii)(d), the rules regarding allocation of "partner nonrecourse deductions" under Treas. Reg. § 1.704-2(i)(1), "minimum gain chargeback" under Treas. Reg. § 1.704-2(f) and "partner nonrecourse debt minimum gain chargeback" under Treas. Reg. § 1.704-2(i)(4), and the limitation on allocation of losses to any Member that would cause a deficit capital account in excess of such Member's capital contribution obligations and share of minimum gain and partner nonrecourse debt minimum gain under Treas. Reg. § 1.704-1(b)(2)(ii)(d) as modified by Treas. Reg. §§ 1.704-2(g)(1) and 1.704-2(i)(5).

(b) Contributed Property. To the extent contributed property has a fair market value at the time of contribution that differs from the contributing Member's basis in the property, and to the extent the carrying value of property of the Company for Capital Account purposes otherwise differs from the Company's basis in such property, depreciation, gain, and loss for capital account purposes shall be computed by reference to such carrying value rather than such tax basis. In accordance with section 704(c) of the Code, income, gain, loss, and deduction with respect to such property shall, solely for tax purposes, be shared among the Members so as to take account of the variation

between the basis of the property to the Company and its fair market value at the time of contribution, or at the time that the carrying value of such property is adjusted under Treas. Reg. § 1.704-1(b)(2)(iv)(f), as the case may be.

8. Allocation of Profits or Losses. At all times while there is more than one Member, Profits or Losses shall be allocated to the Members in accordance with Percentage Interests, except as otherwise provided in section 7.

9. Distributions.

(a) General Rule. Subject to subsection (b), distributions of cash and/or other assets or property of the Company, from whatever source (including, without limitation, net proceeds of Company operations and sale, and financing or refinancing of Company assets) shall be made to the Members in accordance with their respective Percentage Interests at such times, and in such amounts, as the Members shall determine. In making determinations regarding distributions, the Members may set aside funds and establish reserves for such items as the Members shall determine, including, without limitation, working capital, maintenance of bonding capacity, capital expenditures, acquisition of other assets by the Company, and the satisfaction of liabilities (including, without limitation, contingent liabilities).

(b) Minimum Distribution. With respect to any taxable year of the Company in which Members are allocated taxable income for federal income tax purposes (and for this purpose all items of income, gain, loss, or deduction required to be separately stated pursuant to section 703 of the Code shall be included in the calculation of taxable income (other than the amount, if any, by which capital losses exceed capital gains)), the Company shall attempt to distribute to the Members, within 90 days after the close of that taxable year, no less than the amount determined by multiplying the Company's taxable income (computed as set forth in this sentence) by the highest composite federal, state, and local income tax rate applicable to any Member. For purposes of the preceding sentence, the Company's taxable income for a year shall be reduced by any net loss of the Company in prior years that has not previously been so taken into account under this section 9(b). Nothing herein shall require the Company to borrow money or reduce its cash flow so as to restrict its ability to operate the day-to-day activities of the business in order to make such distributions.

10. Establishment of Reserves. The Members shall have the right and obligation to establish reasonable reserves for maintenance, improvements, acquisitions, capital expenditures, and other contingencies, such reserves to be funded with such

portion of the operating revenues of the Company as the Members may deem necessary or appropriate for that purpose.

11. Tax Returns. The Members shall arrange for the preparation of all tax returns required to be filed for the Company. Each Member shall be entitled to receive copies of all federal, state, and local income tax returns and information returns, if any, which the Company is required to file. All information needed by the Members and other Persons who were Members during the applicable taxable year for income tax purposes shall be prepared by the Company's accountants and furnished to each such Person after the end of each taxable year of the Company.

12. Tax Elections.

(a) Elections to be Made. To the extent permitted by applicable tax law, the Company may make the following elections on the appropriate tax returns:

(1) to adopt the calendar year as the Company's taxable year;

(2) to adopt the cash method of accounting and to keep the Company's books and records on the income-tax method;

(3) if a transfer of a Membership Interest as described in section 743 of the Code occurs, on written request of the transferee, or if a distribution of Company property is made on which gain described in section 734(b)(1)(A) of the Code is recognized or there is an excess of adjusted basis as described in section 734(b)(1)(B) of the Code, to elect, pursuant to section 754 of the Code, to adjust the basis of Company properties;

(4) to elect to amortize the organizational expenses of the Company and the start-up expenditures of the Company ratably over a period of 60 months as permitted by sections 195 and 709(b) of the Code; and

(5) any other election the Members may deem appropriate and in the best interests of the Members.

13. Tax Matters Partner. If the Company is subject to the consolidated audit procedures of sections 6221 to 6234 of the Code, the "tax matters partner" of the Company pursuant to section 6231(a)(7) of the Code shall be a Member that is designated as such by vote of the Members. Any Member who is designated "tax matters partner" shall take such action as may be necessary to cause each other

Member to become a "notice partner" within the meaning of section 6223 of the Code. Any Member who is designated "tax matters partner" shall inform each other Member of all significant matters that may come to its attention in its capacity as "tax matters partner" by giving notice thereof on or before the fifth Business Day after becoming aware thereof and, within that time, shall forward to each other Member copies of all significant written communications it may receive in that capacity. The Company shall reimburse the tax matters partner for any costs incurred representing the interests of the Members in respect of Company tax matters.

14. Tax Withholding. Unless treated as a Tax Payment Loan, any amount paid by the Company for or with respect to any Member on account of any withholding tax or other tax payable with respect to the income, profits, or distributions of the Company pursuant to the Code, the Treasury Regulations, or any state or local statute, regulation, or ordinance requiring such payment (each a "Withholding Tax Act") shall be treated as a distribution to the Member for all purposes of this Agreement. To the extent that the amount required to be remitted by the Company under a Withholding Tax Act exceeds the amount then otherwise distributable to the Member, the excess shall constitute a loan from the Company to the Member (a "Tax Payment Loan"). Each Tax Payment Loan shall be payable upon demand and shall bear interest, from the date that the Company makes the payment to the relevant taxing authority, at the applicable federal short-term rate under section 1274(d)(1) of the Code, determined and compounded semiannually. So long as any Tax Payment Loan or the interest thereon remains unpaid, the Company shall make future distributions due to the Member under this Agreement by applying the amount of any such distribution first to the payment of any unpaid interest on all Tax Payment Loans of the Member and then to the repayment of the principal of all Tax Payment Loans of the Member. The Members shall take all actions necessary to enable the Company to comply with the provisions of any Withholding Tax Act applicable to the Company and to carry out the provisions of this subsection.

15. Conflicts of Interest.

(a) Other Business Interests. No Member may engage (without the unanimous consent of the Member or Members) in or possess an interest in other business ventures of any nature or description, similar to or in competition to the Company, independently or with others. Members shall be obligated to present particular investment opportunities to the Company which are related to the Company's operations. No Member will recommend to others any such particular investment opportunity which relates to the Company's operations.

(b) Interested Transactions. A contract or transaction between the Company and one or more of its Members or between the Company and another

domestic or foreign association in which one or more of its Members have a management role or a financial or other interest, shall not be void or voidable solely for that reason, or solely because the Member is present at or participates in the meeting of the Members that authorizes the contract or transaction, or solely because the vote of the Member is counted for that purpose, if:

(1) the material facts as to the relationship or interest and as to the transaction are disclosed or known to the Members entitled to vote thereon and the contract or transaction is specifically approved in good faith by vote of those Members; or

(2) the contract or transaction is fair to the Company as of the time it is authorized, approved, or ratified by the Members.

16. Control and Management.

(a) Power and Duty of the Managers. The management of the business and affairs of the Company shall be vested in the Managers. The initial Managers of the Company are set forth in Annex B which is attached hereto. The decisions of the Managers shall be controlling unless specifically changed or modified by the Members through the exercise of their voting rights as set forth herein. Otherwise, the Managers shall have all rights and powers relating to the Company, including, but not limited to, the following:

(1) to appoint, and remove with or without cause, a President, one or more Vice Presidents, a Secretary, a Treasurer and such other officers of the Company as the Members deem appropriate to carry out and execute the decisions and instructions of the Members in the day-to-day operations of the business of the Company, with such duties and powers as are from time to time specified by the Members;

(2) to retain all or any part of the Company's assets as long as the Members deem advisable, and to invest, reinvest, and keep invested all or any part thereof, without being restricted in any way with respect to the type of assets retained or invested in or with respect to the portion of the assets devoted to any investment;

(3) to purchase, lease, or otherwise acquire the ownership, use, or benefit of assets, properties, rights, or privileges, real or personal, tangible or intangible, of any kind or description, whether income producing or not;

(4) to sell, pledge, mortgage, lease without limit of time, exchange, or to grant options for the purchase, lease, or exchange of any Company assets, on such terms and conditions as the Members may determine;

(5) to institute any legal action or proceeding on behalf of the Company;

(6) to assign, transfer, pledge, compromise, or release any claims or debts due the Company;

(7) to make, execute, or deliver any assignment for the benefit of creditors or any confession of judgment, mortgage, deed, guarantee, indemnity, or surety bond;

(8) to vote at any election or meeting of any corporation, partnership, limited liability company, joint venture, or other entity, in person or by proxy, to appoint agents to do so in the place and stead of the Members, and to exercise all rights (including without limitation approval and consent rights) that the Company may have with respect to such entity, whether pursuant to applicable law, governing documents, contracts, or otherwise;

(9) to borrow money for any purpose that the Members consider to be for the benefit of the Company or to facilitate its administration, and to mortgage or pledge Company assets to secure the repayment thereof;

(10) to retain and pay custodians, accountants, counsel, and other agents and to incur any other expenses which are reasonably related to the operation of the Company;

(11) to enter into agreements with, and to fix and adjust the compensation of, employees of the Company; and

(12) to invest in time deposits and savings accounts and to maintain banking accounts in any institutions determined by the Members.

(b) Voting Rights. Each Member shall have that number of Voting Rights as equals such Member's Percentage Interest in the Company (e.g., a Member who has a 10% Membership Interest in the Company has 10 Voting Rights).

(c) Voting Procedures. Members may vote in person or by proxy at a meeting of Members (which may be held by conference telephone), or by

consent in lieu of a meeting. Proxies and consents shall be in writing or communicated by electronic means.

(d) Binding Effect of Actions. Each Member shall be bound and hereby consents to any and all actions taken and decisions made by the Managers in accordance with the terms of this Agreement. The Managers shall have the authority to bind the Company. No Member other than a Manager shall have the authority to bind the Company.

(e) Business Transactions. Notwithstanding any other provision of this Agreement, unless approved by Members holding 80% of the Voting Rights, the Managers may not:

(1) engage in a merger or consolidation with or into any corporation, partnership, limited liability company, or any other entity, whether or not the Company shall be the surviving entity of such merger or consolidation;

(2) sell all or substantially all of its assets to any person or entity;

(3) divide into two or more limited liability companies; or

(4) agree to any single expenditure in excess of \$30,000.00.

17. Transfer of Interests; Admission of Additional Members.

(a) Initial and Subsequent Members. The initial Members of the Company are the Persons listed on Annex A. A Person who is not already a Member and who acquires a previously outstanding Membership Interest in a manner which is in accordance with this Agreement shall automatically be admitted as a Member; other Persons may be admitted as Members from time to time on such terms as are unanimously fixed by the then existing Members. It shall be necessary for Persons who are subsequently admitted as Members or who acquire any or all of an existing Member's Membership Interest to execute this Agreement either by counterpart or amendment, but if they fail to adhere to this requirement, they still shall be bound by the terms hereof. When any Person is admitted as a Member or ceases to be a Member, Annex A shall be revised and distributed it to all the Members.

(b) Record Holders of Membership Interests. The Company shall be entitled to treat the Person in whose name a Membership Interest stands on the books of the Company as the absolute owner thereof and as a Member of the

Company. The Company shall not be bound to recognize any equitable or other claim to, or interest in, such Membership Interest on the part of any other Person, whether or not the Company has express or other notice of any such claim.

(c) Transfers and Assignments of Membership Interests.

(1) Except as otherwise provided in this Agreement, no Member may transfer all, or any portion of, or any interest or rights in, the Membership Interests owned by the Member (hereafter, a "Transfer"). Each Member hereby acknowledges the reasonableness of this prohibition in view of the purposes of the Company and the relationship of the Members. The Transfer of any Membership Interests in violation of the prohibition contained in this Section 17(c) shall be deemed invalid, null and void, and of no force or effect. Any Person to whom Membership rights are attempted to be transferred shall not be entitled to vote on matters coming before the Members, participate in the management of the Company, act as an agent of the Company, receive distributions or have any other rights in or with respect to the Membership Interests.

(2) Except with respect to a transfer of a Membership Interests to a Permitted Transferee (which may be effected at any time, so long as there is compliance with Section 17(c)(4)(a.-e.)), a Member may only Transfer his or her Membership Interest in the Company by first according the Company its Option Right per Section 17(c)(3), below, and, if the Company does not exercise its Option to purchase all of the tendered Membership Interests in the Company owned by the Transferor, pursuant to Section 17(c)(4), below, by meeting the Conditions of Transfer set forth therein. If all of the Membership Interests of the Transferor are not Transferred either under Section 17(c)(3) or 17(c)(4), and if that Transferor so elects by written notice to the Company, the Company shall thereafter be liquidated and dissolved forthwith.

(3) Option Right.

a. If a Member (a "Transferor") desires or is required to Transfer all or any portion of, or any interest or rights in, the Transferor's Membership Interest (the "Transferor's Interest") to a Person other than a Permitted Transferee, or to Liquidate or Dissolve the Company, the Transferor shall notify the Company of that desire (the "Transfer Notice"). The Transfer Notice shall describe the Transferor Interest. The Company shall have the



option (the "Purchase Option") to purchase all of the Transferor Interest for a price (the "Purchase Price") determined in accordance with Section 17(c)(6). Upon the occurrence of an event requiring Involuntary Withdrawal, and if a Transfer of the relevant Membership Interest to a Permitted Transferee does not occur within 30 days after the Company acknowledges such event in writing or such time as a notice of such event and the fact that it is an Involuntary Withdrawal is received by the Company, a Transfer Notice will be deemed to have occurred upon the expiration of the said 30 day period.

b. The Purchase Option shall be and remain irrevocable for a period (the "Transfer Period") ending at 11:59 p.m., local time, at the Company's principal office on the thirtieth (30<sup>th</sup>) day following the date the Transfer Notice is given to the Company.

c. At any time during the Transfer Period, the Company may elect to exercise the Purchase Option by giving written notice of its election to the Transferor. The Transferor shall not be deemed a Member for the purpose of voting on whether the Company shall elect to exercise the Purchase Option.

d. If the Company elects to exercise the Purchase Option, the Company's notice of its election shall fix a closing date (the "Transfer Closing Date") for the purchase, which shall not be earlier than five (5) days after the date of the notice of election or more than thirty (30) days after the expiration of the Transfer Period.

e. If the Company elects to exercise the Purchase Option, the Purchase Price shall be paid in cash on the Transfer Closing Date or the Company may elect to finance said Purchase Price through the Transferor as follows: the Purchase Price, or any part of it which is elected by the Company to be financed, shall be repayable in full in 60 equal monthly amortizing installments, incorporating a fixed interest rate equal to the Wall Street Journal Prime Rate of interest in effect on the date on which the Transfer Notice is given.

(4) As used in Section 17(c)(2), "Conditions of Transfer" means the following conditions to a Transfer:

a. The transfer will not require registration of Membership Interests under any federal or state securities laws;

b. The transferee delivers to the Company a written instrument agreeing to be bound by the terms of this Agreement;

c. The transfer will not result in the termination of the Company pursuant to IRC Section 708;

d. The transfer will not result in the Company being subject to the Investment Company Act of 1940, as amended;

e. The Transferor or the transferee delivers the following information to the Company: (i) the transferee's taxpayer identification number; and (ii) the transferee's initial tax basis in the Transferor's Interest; and

f. The Transfer shall have been unanimously approved in writing by all then current Members.

(5) Involuntary Withdrawal. If a Member is deemed to have Involuntarily Withdrawn or to otherwise be subject to Involuntary Withdrawal, the Company will be deemed to have received a Transfer Notice as set forth in Section 17(c)(3)a., above, and the procedure set forth at Section 17(c)(3), above, shall thereafter be followed. If an Involuntary Withdrawal occurs and the Company does not exercise its Option Right, after said Option Right expires, the Transferor may transfer his or her Membership Rights and Interest pursuant to Section 17(c)(4) or any Member or Interest Holder may, by written notice, compel Dissolution of the Company.

(6) Purchase Price. The Purchase Price, where applicable, shall be the Agreed Value. The term "Agreed Value" means that dollar amount last agreed upon in writing by those Members owning Fifty-one percent (51%) or more of the Percentages (the "Agreed Value"). With respect to the purchase or redemption of the Membership Interests of a Transferor, the last agreed upon Agreed Value shall be the last Agreed Value agreed upon 90 or more days prior to the event of withdrawal. Notwithstanding anything contained in this Agreement to the contrary, if the date of the most recent determination of Agreed Value is more than eighteen (18) months prior to the date of the event giving rise to the purchase and sale

of Membership Rights or an Interest, then the Purchase Price shall be equal to Appraised Value.

a. The term "Appraised Value" means the appraised value of the equity of the Company as hereinafter provided. Within fifteen (15) days after demand by either one to the other, the Company and the Withdrawing Member shall each appoint an appraiser to determine the value of the equity of the Company. If the two appraisers agree upon the equity value of the Company, they shall jointly render a single written report stating that value. If the two appraisers cannot agree upon the equity value of Company, they shall each render a separate written report and shall appoint a third appraiser, who shall appraise the equity of the Company and shall render a written report of his opinion thereon. Each party shall pay the fees and other costs of the appraiser appointed by that third party, and the fees and other costs of the third appraiser shall be shared equally by both parties.

b. The equity value contained in the aforesaid joint written report or written report of the third appraiser, as the case may be, shall utilize the appraised fair market value of the Company's assets (with no allowance for goodwill, trade names or other intangibles) and the amounts of all of the Company's liabilities (not including reserves for contingent liabilities), as of the date on which the Transfer Notice is deemed to have been given; provided, however, that if the value of the equity contained in the appraisal report of the third appraiser is more than the higher of the first two appraisals, the higher of the first two appraisals shall govern; and provided, further, that if the value of the equity contained in the appraisal report of the third appraiser is less than the lower of the first two appraisals, the lower of the first two appraisals shall govern.

(7) Capital Account of Transferee. Upon the valid transfer of a Membership Interest, the transferee shall succeed to the corresponding portion of the Capital Account of the transferor.

(8) Distribution Upon Dissociation. A Member who is dissociated from the Company except pursuant to a transfer of the Membership Interest of the Member shall have the right under section 8933 of the Act to receive any distribution declared but not paid prior to the date of dissociation and, within a reasonable time after dissociation, to be paid

the fair value of the Membership Interest of the Member based upon the right of the Member to share in distributions from the Company.

(d) Lack of Authority. A Member in his, her, or its capacity as such shall not have the authority or power to act for or on behalf of the Company or otherwise bind the Company in any way.

(e) No Right of Partition. A Member shall not have the right to seek or obtain partition by court decree or operation of law of any Company property, or the right to own or use particular assets of the Company.

18. Dissolution.

(a) Events of Dissolution. The Company shall dissolve, and its affairs shall be wound up, only upon the first to occur of the following:

(1) the vote, consent, or agreement of Members holding at least 80% of the Voting Rights;

(2) the entry of an order of judicial dissolution of the Company under section 8972 of the Act.

(3) Upon the occurrence of an event which, pursuant to the terms of this Agreement, mandates dissolution.

(b) Distributions upon Dissolution. In the event of the dissolution of the Company, the assets of the Company shall be liquidated in such manner as the Members shall determine and, after the obligations of the Company to third parties have been discharged or provided for in accordance with applicable law, the net proceeds of the liquidation shall be distributed in accordance with the following procedure:

(1) The net proceeds shall be distributed first, among the Members, if any, who have made unrepaid loans or advances to the Company, in an amount up to the aggregate amount of such unrepaid loans and advances, and in proportion to the amount of such loans and advances and the unpaid interest thereon.

(2) The Company may sell any or all Company property, including to Members, and any resulting gain or loss from each sale shall be computed and allocated to the Capital Accounts of the Members.

(3) With respect to all Company property that has not been sold, the fair market value of that property shall be deemed and the Capital Accounts of the Members shall be adjusted to reflect the manner in which the unrealized income, gain, loss, and deduction inherent in property that has not been reflected in the Capital Accounts previously would be allocated among the Members if there were a taxable disposition of that property for the fair market value of that property on the date of distribution.

(4) After completion of the steps in paragraphs (1) and (2), the remaining assets shall be distributed to the Members in an amount equal to the credit balance in each of their Capital Accounts, after giving effect to all contributions, distributions, and allocations for all periods.

(c) Procedure. A reasonable time shall be allowed for the liquidation of the Company in order to minimize the losses normally attendant upon a liquidation.

(d) Certificate of Dissolution. On completion of the liquidation of Company assets as provided herein, the Members (or such other person or persons as the Act may require or permit) shall file a Certificate of Dissolution with the Department of State of the Commonwealth of Pennsylvania and take such other actions as may be necessary to terminate the existence of the Company.

(e) Final Accounting. In connection with the Company's liquidation, the Company's accountants shall compile and furnish to each Member a statement setting forth the assets and liabilities of the Company as of the date of complete liquidation.

19. Books and Records.

(a) General Rule. The Members shall cause to be kept full and accurate books and records of the Company. All books and records of the Company shall be kept at the Company's principal office and shall be available at such location at reasonable times for inspection and copying by the Members or their duly authorized representatives.

(b) Annual Financial Information. Unless waived by 80% of the Members' Voting Rights, the Company shall furnish to its Members annual financial statements, including at least a balance sheet as of the end of each fiscal year and a statement of income and expenses for the fiscal year. The financial

statements shall be prepared on the basis of generally accepted accounting principles, if the Company prepares financial statements for the fiscal year on that basis for any purpose. The financial statements shall be mailed by the Company to each of the Members within 120 days after the close of each fiscal year. Statements that are not audited or reviewed by a certified public accountant shall be accompanied by a statement of the person in charge of the Company's financial records:

(1) stating his or her reasonable belief as to whether or not the financial statements were prepared in accordance with generally accepted accounting principles and, if not, describing the basis of presentation.

(2) describing any material respects in which the financial statements were not prepared on a basis consistent with those of the previous year.

20. Liability of Members. The Members, as such, shall not be liable for the debts, obligations, or liabilities of the Company except to the extent required by the Act.

21. Indemnification.

(a) Indemnification of Covered Persons. Except as expressly prohibited by Law, the Company shall indemnify, defend, and hold harmless each Covered Person from and against any and all debts, losses, claims, damages, costs, demands, fines, judgments, contracts (implied and expressed, written and unwritten), penalties, obligations, payments, liabilities of every type and nature (whether known or unknown, fixed or contingent), including, without limitation, those arising out of any lawsuit, action, or proceeding (whether brought by or on behalf of a party to this Agreement or by any third party), together with any reasonable costs and expenses (including, without limitation, reasonable attorneys' fees, out-of-pocket expenses, and other reasonable costs and expenses incurred in investigating, preparing, or defending any pending or threatened lawsuit, action, or proceeding) incurred in connection with the foregoing (collectively "Damages") suffered or sustained by such Covered Person by reason of any act, omission, or alleged act or omission by such Covered Person arising out of such Covered Person's activities taken primarily on behalf of the Company, or at the request or with the approval of the Company, or primarily in furtherance of the interests of the Company. Notwithstanding the foregoing, indemnification shall not be available under this section where the acts, omissions, or alleged acts or omissions upon which an actual or threatened action, proceeding, or claim is based constituted willful misconduct or recklessness.

(b) Indemnification Procedure. The procedure under which indemnification shall be provided under this section shall be as follows:

(1) A party seeking indemnification from the Company pursuant to subsection (a) (an "Indemnified Party") shall give prompt notice to the Company of the assertion of any claim, including any claim brought by a third party, in respect of which indemnity may be sought (a "Claim") and shall give the Company such information with respect thereto as the Company may reasonably request, but no failure to give such notice shall relieve the Company of any liability hereunder except to the extent the Company has suffered actual prejudice thereby.

(2) Except as provided in paragraph (3), the Company shall have the right, exercisable by written notice (the "Notice") to the Indemnified Party (which Notice shall state that the Company expressly agrees that as between the Company and the Indemnified Party, the Company shall be solely obligated to satisfy and discharge the Claim) within 30 days of receipt of notice from the Indemnified Party of the commencement of or assertion of any Claim, to assume the defense of the Claim, using counsel selected by the Company and reasonably acceptable to the Indemnified Party. If the Company fails to give the Indemnified Party the Notice within the stated time period, the Indemnified Party shall have the right to assume control of the defense of the Claim and all Damages in connection therewith shall be reimbursed by the Company upon demand of the Indemnified Party.

(3) The Company shall not have the right to assume the defense of a Claim:

(i) seeking an injunction, restraining order, declaratory relief, or other non-monetary relief against the Indemnified Party (whether or not the Company is also named as a party), or

(ii) if the named parties to the action (including any impleaded parties) include both the Indemnified Party and the Company and the Indemnified Party has been advised by counsel that there are one or more legal or equitable defenses available to the Indemnified Party that are different from those available to the Company.

(4) A party defending a Claim shall not have the right to compromise or settle any claim for non-monetary relief against any other

party without the other party's consent. A party defending a Claim shall not have the right to compromise or settle any claim for monetary relief against any other party without the other party's consent unless the monetary relief is paid in full by the settling party. A party shall not unreasonably withhold or deny its consent under this paragraph, but an Indemnified Party shall not be required to consent to a compromise or settlement of a Claim if in the reasonable judgment of the Indemnified Party the compromise or settlement would have a continuing material adverse effect on the Indemnified Party's business (including any material impairment of its relationships with customers and suppliers).

(5) If at any time after the Company assumes the defense of a Claim the situation changes such that the Company would not be able to assume the defense of the Claim under paragraph (3) if the Claim were newly filed at that time, the Indemnified Party shall have the same rights as if the Company never assumed the defense of the Claim.

(6) The Company or the Indemnified Party, as the case may be, shall always have the right to participate, at its own expense, in the defense of any Claim that the other is defending.

(7) Whether or not the Company chooses to defend or prosecute a Claim involving a third party, the Company and the Indemnified Party shall cooperate in the defense or prosecution thereof and shall furnish such records, information, and testimony, and attend such conferences, discovery proceedings, hearings, trials, and appeals as may be reasonably requested in connection therewith.

(c) Right to Advancement of Expenses. Except as expressly prohibited by Law, expenses (including legal fees) incurred by a Covered Person in defending any claim, demand, action, suit, or proceeding shall, from time to time, be advanced by the Company prior to the final disposition of such claim, demand, action, suit, or proceeding upon receipt by the Company of an undertaking by or on behalf of the Covered Person to repay such amount if it shall be determined that the Covered Person is not entitled to be indemnified as authorized in subsection (a).

(d) Insurance. The Company may purchase and maintain insurance, to the extent and in such amounts as the Members shall deem reasonable, on behalf of Covered Persons and such other Persons as the Members shall determine, against any liability that may be asserted against or expenses that may be incurred by any such Person in connection with the activities of the



Company or such indemnities, regardless of whether the Company would have the power to indemnify such Person against such liability under the provisions of this Agreement. The Company may enter into indemnity contracts with Covered Persons and such other Persons as the Members shall determine and adopt written procedures pursuant to which arrangements are made for the advancement of expenses and the funding of obligations under this section 21 and containing such other procedures regarding indemnification as are appropriate.

(e) Non-exclusivity of Rights. The rights conferred on any person by this section 21 shall not be exclusive of any other rights which such person may have or hereafter acquire under any statute, provision of the Certificate, agreement, vote of Members, or otherwise.

(f) Amendment or Repeal. Any repeal or modification of this section 21 shall not adversely affect any right or protection hereunder of any person in respect of any act or omission occurring prior to the time of such repeal or modification.

(g) Changes in Law. References in this section 21 to Law shall be to such Law as it existed on the date this Agreement was executed or as such Law thereafter may be changed, except that:

(1) in the case of any change that limits the indemnification rights or the rights to advancement of expenses that the Company may provide, the rights to indemnification and to the advancement of expenses provided in this section 21 shall continue as theretofore agreed upon to the extent permitted by law; and

(2) if the change permits the Company without the requirement of any further action by the Members to provide broader indemnification rights or rights to the advancement of expenses than the Company was permitted to provide prior to the change, then the rights to indemnification and the advancement of expenses shall be so broadened to the extent permitted by Law.

(h) Applicability. The provisions of this section 21 shall be applicable to all actions, suits, or proceedings commenced after its adoption, whether such arise out of acts or omissions which occurred prior or subsequent to such adoption and shall continue as to a person who has ceased to be a Covered Person, and shall inure to the benefit of the heirs and personal representatives of such person.

22. Miscellaneous.

(a) Notices to Members. Any notice required to be given to a Member under the provisions of this Agreement or by the Act shall be given either personally or by sending a copy thereof:

(1) by first class or express mail, postage prepaid, or courier service, charges prepaid, to the postal address of the Person appearing on the books of the Company for the purposes of notice. Notice pursuant to this paragraph shall be deemed to have been given to the Person entitled thereto when deposited in the United States mail or with a courier service for delivery to that Person.

(2) by facsimile transmission, e-mail, or other electronic communication to the Person's facsimile number or address for e-mail or other electronic communications supplied by the Person to the Company for the purpose of notice. Notice pursuant to this paragraph shall be deemed to have been given to the Person entitled thereto when sent.

(b) Entire Agreement. This Agreement constitutes the entire agreement among the Members with respect to the subject matter hereof and supersedes all prior agreements, express or implied, oral or written, with respect thereto. The express terms of this Agreement control and supersede any course of performance or usage of trade inconsistent with any of the terms hereof.

(c) Effect of Waiver or Consent. A waiver or consent, express or implied, to or of any breach or default by any Person in the performance by that Person of its obligations with respect to the Company is not a consent or waiver to or of any other breach or default in the performance by that Person of the same or any other obligations of that Person with respect to the Company. Failure on the part of a Person to complain of any act of any Person or to declare any Person in default with respect to the Company, irrespective of how long that failure continues, does not constitute a waiver by that Person of its rights with respect to that default until the period of the applicable statute of limitations has run.

(d) Execution in Counterparts. This Agreement may be executed in any number of counterparts, each of which shall be deemed to be an original as against any party whose signature appears thereon, and all of which shall together constitute one and the same instrument. If executed in multiple counterparts, this Agreement shall become binding when any counterpart or counterparts, individually or taken together, bear the signatures of all of the parties.

(e) Amendments. The Certificate may be amended only if the amendment is approved by the vote, consent, or agreement of Members holding at least 80% of the Voting Rights, except that any provision of this Agreement requiring a higher vote may only be amended or repealed by at least that higher vote. An amendment to this Agreement must be in writing and shall take effect when executed by Members holding at least the number of the Voting Rights required to approve the amendment.

(f) Binding Effect and Rights of Third Parties. This Agreement has been adopted to govern the operation of the Company, and shall be binding on and inure to the benefit of the Members and their respective heirs, personal representatives, successors, and assigns. This Agreement is expressly not intended for the benefit of any creditor of the Company or any other Person, except a Person entitled to indemnification or advancement of expenses under section 21. Except and only to the extent provided by applicable statute, no such creditor or other Person shall have any rights under this Agreement.

(g) Governing Law. This Agreement shall be governed by and interpreted and enforced in accordance with the substantive laws of the Commonwealth of Pennsylvania (including, without limitation, provisions concerning limitations of actions), without reference to the conflicts of laws rules of that or any other jurisdiction, except that federal law shall also apply to the extent relevant.

(h) Severability. If any provision of this Agreement or the application thereof to any Person or circumstance is held invalid or unenforceable to any extent, the remainder of this Agreement and the application of that provision to other Persons or circumstances shall not be affected thereby and that provision shall be enforced to the greatest extent permitted by law.

(i) Construction. Whenever the context requires, the gender of any word used in this Agreement includes the masculine, feminine, or neuter, and the number of any word includes the singular or plural. All references to articles and sections refer to articles and sections of this Agreement, and all references to annexes are to annexes attached hereto, each of which is made a part hereof for all purposes. The headings in this Agreement are for convenience only; they do not form a part of this Agreement and shall not affect its interpretation.

IN WITNESS WHEREOF, the undersigned have executed and delivered this Agreement as of the date first above written.

**GAMMA IRRADIATOR SERVICE, LLC**

By \_\_\_\_\_  
**Doyle T. Stout, Member**

By \_\_\_\_\_  
**Christopher Nostrand, Member**

By \_\_\_\_\_  
**Kylie Stout, Member**

By \_\_\_\_\_  
**Denise Stout, Member**

By \_\_\_\_\_  
**Chad Gunther, Member**

By \_\_\_\_\_  
**Terri Nostrand, Member**

**ANNEX A**

<u>MEMBER NAME AND ADDRESS</u>	<u>PERCENTAGE INTEREST</u>
Doyle T. Stout 337 Distillery Hill Road Benton, PA 17814	40%
Christopher Nostrand [REDACTED]	25%
Kylie Stout 337 Distillery Hill Road Benton, PA 17814	5%
Denise Stout 337 Distillery Hill Road Benton, PA 17814	20%
Chad Gunther 337 Distillery Hill Road Benton, PA 17814	5%
Terri Nostrand [REDACTED]	5%

**ANNEX B**  
**MANAGERS**

Managers of the Company are as follows:

Doyle Stout

Christopher Nostrand

The parties to this Agreement agree that the above individuals are the sole Managers of the Company.

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**Doyle T. Stout, Member**

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**Christopher Nostrand, Member**

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**Kylie Stout, Member**

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**Denise Stout, Member**

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**Chad Gunther, Member**

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**Terri Nostrand, Member**


<b>NRC FORM 313</b> (03-2014) 10 CFR 30, 32, 33, 34 35, 36, 37, 39, and 40	<b>U.S. NUCLEAR REGULATORY COMMISSION</b>   <b>APPLICATION FOR MATERIALS LICENSE</b>	<b>APPROVED BY OMB: NO. 3150-0120</b> EXPIRES: 06/31/2015  Estimated burden per response to comply with this mandatory collection request 4.3 hours. Submittal of the application is necessary to determine that the applicant is qualified and that adequate procedures exist to protect the public health and safety. Send comments regarding burden estimate to the FOIA, Privacy, and Information Collections Branch (T-5 F53), U.S. Nuclear Regulatory Commission, Washington, DC 20555-0001, or by Internet e-mail to <a href="mailto:InfoCollect.Resource@nrc.gov">InfoCollect.Resource@nrc.gov</a> , and to the Desk Officer, Office of Information and Regulatory Affairs, NEOB-10202, (3150-0120), Office of Management and Budget, Washington, DC 20503. If a means used to impose an information collection does not display a currently valid OMB control number, the NRC may not conduct or sponsor, and a person is not required to respond to, the information collection.																		
<b>INSTRUCTIONS: SEE THE APPROPRIATE LICENSE APPLICATION GUIDE FOR DETAILED INSTRUCTIONS FOR COMPLETING APPLICATION. SEND TWO COPIES OF THE ENTIRE COMPLETED APPLICATION TO THE NRC OFFICE SPECIFIED BELOW. *AMENDMENTS/RENEWALS THAT INCREASE THE SCOPE OF THE EXISTING LICENSE TO A NEW OR HIGHER FEE CATEGORY WILL REQUIRE A FEE.</b>																				
<table border="1" style="width: 100%; border-collapse: collapse;"> <tr> <td style="width: 50%; vertical-align: top;"> <b>APPLICATION FOR DISTRIBUTION OF EXEMPT PRODUCTS FILE APPLICATIONS WITH:</b>             OFFICE OF FEDERAL &amp; STATE MATERIALS AND ENVIRONMENTAL MANAGEMENT PROGRAMS            DIVISION OF MATERIALS SAFETY AND STATE AGREEMENTS            U.S. NUCLEAR REGULATORY COMMISSION            WASHINGTON, DC 20555-0001   <b>ALL OTHER PERSONS FILE APPLICATIONS AS FOLLOWS:</b>  <b>IF YOU ARE LOCATED IN:</b>             ALABAMA, CONNECTICUT, DELAWARE, DISTRICT OF COLUMBIA, FLORIDA, GEORGIA, KENTUCKY, MAINE, MARYLAND, MASSACHUSETTS, NEW HAMPSHIRE, NEW JERSEY, NEW YORK, NORTH CAROLINA, PENNSYLVANIA, PUERTO RICO, RHODE ISLAND, SOUTH CAROLINA, TENNESSEE, VERMONT, VIRGINIA, VIRGIN ISLANDS, OR WEST VIRGINIA,   <b>SEND APPLICATIONS TO:</b>             LICENSING ASSISTANCE TEAM            DIVISION OF NUCLEAR MATERIALS SAFETY            U.S. NUCLEAR REGULATORY COMMISSION, REGION I            2100 RENAISSANCE BOULEVARD, SUITE 100            KING OF PRUSSIA, PA 19406-2713         </td> <td style="width: 50%; vertical-align: top;"> <b>IF YOU ARE LOCATED IN:</b>             ILLINOIS, INDIANA, IOWA, MICHIGAN, MINNESOTA, MISSOURI, OHIO, OR WISCONSIN,  <b>SEND APPLICATIONS TO:</b>             MATERIALS LICENSING BRANCH            U.S. NUCLEAR REGULATORY COMMISSION, REGION III            2443 WARRENVILLE ROAD, SUITE 210            Lisle, IL 60532-4352             ALASKA, ARIZONA, ARKANSAS, CALIFORNIA, COLORADO, HAWAII, IDAHO, KANSAS, LOUISIANA, MISSISSIPPI, MONTANA, NEBRASKA, NEVADA, NEW MEXICO, NORTH DAKOTA, OKLAHOMA, OREGON, PACIFIC TRUST TERRITORIES, SOUTH DAKOTA, TEXAS, UTAH, WASHINGTON, OR WYOMING,   <b>SEND APPLICATIONS TO:</b>             NUCLEAR MATERIALS LICENSING BRANCH            U.S. NUCLEAR REGULATORY COMMISSION, REGION IV            1600 E. LAMAR BOULEVARD            ARLINGTON, TX 78011-4511         </td> </tr> </table>			<b>APPLICATION FOR DISTRIBUTION OF EXEMPT PRODUCTS FILE APPLICATIONS WITH:</b>  OFFICE OF FEDERAL & STATE MATERIALS AND ENVIRONMENTAL MANAGEMENT PROGRAMS DIVISION OF MATERIALS SAFETY AND STATE AGREEMENTS U.S. NUCLEAR REGULATORY COMMISSION WASHINGTON, DC 20555-0001  <b>ALL OTHER PERSONS FILE APPLICATIONS AS FOLLOWS:</b> <b>IF YOU ARE LOCATED IN:</b>  ALABAMA, CONNECTICUT, DELAWARE, DISTRICT OF COLUMBIA, FLORIDA, GEORGIA, KENTUCKY, MAINE, MARYLAND, MASSACHUSETTS, NEW HAMPSHIRE, NEW JERSEY, NEW YORK, NORTH CAROLINA, PENNSYLVANIA, PUERTO RICO, RHODE ISLAND, SOUTH CAROLINA, TENNESSEE, VERMONT, VIRGINIA, VIRGIN ISLANDS, OR WEST VIRGINIA,  <b>SEND APPLICATIONS TO:</b>  LICENSING ASSISTANCE TEAM DIVISION OF NUCLEAR MATERIALS SAFETY U.S. NUCLEAR REGULATORY COMMISSION, REGION I 2100 RENAISSANCE BOULEVARD, SUITE 100 KING OF PRUSSIA, PA 19406-2713	<b>IF YOU ARE LOCATED IN:</b>  ILLINOIS, INDIANA, IOWA, MICHIGAN, MINNESOTA, MISSOURI, OHIO, OR WISCONSIN, <b>SEND APPLICATIONS TO:</b>  MATERIALS LICENSING BRANCH U.S. NUCLEAR REGULATORY COMMISSION, REGION III 2443 WARRENVILLE ROAD, SUITE 210 Lisle, IL 60532-4352  ALASKA, ARIZONA, ARKANSAS, CALIFORNIA, COLORADO, HAWAII, IDAHO, KANSAS, LOUISIANA, MISSISSIPPI, MONTANA, NEBRASKA, NEVADA, NEW MEXICO, NORTH DAKOTA, OKLAHOMA, OREGON, PACIFIC TRUST TERRITORIES, SOUTH DAKOTA, TEXAS, UTAH, WASHINGTON, OR WYOMING,  <b>SEND APPLICATIONS TO:</b>  NUCLEAR MATERIALS LICENSING BRANCH U.S. NUCLEAR REGULATORY COMMISSION, REGION IV 1600 E. LAMAR BOULEVARD ARLINGTON, TX 78011-4511																
<b>APPLICATION FOR DISTRIBUTION OF EXEMPT PRODUCTS FILE APPLICATIONS WITH:</b>  OFFICE OF FEDERAL & STATE MATERIALS AND ENVIRONMENTAL MANAGEMENT PROGRAMS DIVISION OF MATERIALS SAFETY AND STATE AGREEMENTS U.S. NUCLEAR REGULATORY COMMISSION WASHINGTON, DC 20555-0001  <b>ALL OTHER PERSONS FILE APPLICATIONS AS FOLLOWS:</b> <b>IF YOU ARE LOCATED IN:</b>  ALABAMA, CONNECTICUT, DELAWARE, DISTRICT OF COLUMBIA, FLORIDA, GEORGIA, KENTUCKY, MAINE, MARYLAND, MASSACHUSETTS, NEW HAMPSHIRE, NEW JERSEY, NEW YORK, NORTH CAROLINA, PENNSYLVANIA, PUERTO RICO, RHODE ISLAND, SOUTH CAROLINA, TENNESSEE, VERMONT, VIRGINIA, VIRGIN ISLANDS, OR WEST VIRGINIA,  <b>SEND APPLICATIONS TO:</b>  LICENSING ASSISTANCE TEAM DIVISION OF NUCLEAR MATERIALS SAFETY U.S. NUCLEAR REGULATORY COMMISSION, REGION I 2100 RENAISSANCE BOULEVARD, SUITE 100 KING OF PRUSSIA, PA 19406-2713	<b>IF YOU ARE LOCATED IN:</b>  ILLINOIS, INDIANA, IOWA, MICHIGAN, MINNESOTA, MISSOURI, OHIO, OR WISCONSIN, <b>SEND APPLICATIONS TO:</b>  MATERIALS LICENSING BRANCH U.S. NUCLEAR REGULATORY COMMISSION, REGION III 2443 WARRENVILLE ROAD, SUITE 210 Lisle, IL 60532-4352  ALASKA, ARIZONA, ARKANSAS, CALIFORNIA, COLORADO, HAWAII, IDAHO, KANSAS, LOUISIANA, MISSISSIPPI, MONTANA, NEBRASKA, NEVADA, NEW MEXICO, NORTH DAKOTA, OKLAHOMA, OREGON, PACIFIC TRUST TERRITORIES, SOUTH DAKOTA, TEXAS, UTAH, WASHINGTON, OR WYOMING,  <b>SEND APPLICATIONS TO:</b>  NUCLEAR MATERIALS LICENSING BRANCH U.S. NUCLEAR REGULATORY COMMISSION, REGION IV 1600 E. LAMAR BOULEVARD ARLINGTON, TX 78011-4511																			
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<b>13. CERTIFICATION. (Must be completed by applicant) THE APPLICANT UNDERSTANDS THAT ALL STATEMENTS AND REPRESENTATIONS MADE IN THIS APPLICATION ARE BINDING UPON THE APPLICANT.</b>  THE APPLICANT AND ANY OFFICIAL EXECUTING THIS CERTIFICATION ON BEHALF OF THE APPLICANT, NAMED IN ITEM 2, CERTIFY THAT THIS APPLICATION IS PREPARED IN CONFORMITY WITH TITLE 10, CODE OF FEDERAL REGULATIONS, PARTS 30, 32, 33, 34, 35, 36, 37, 38, AND 40, AND THAT ALL INFORMATION CONTAINED HEREIN IS TRUE AND CORRECT TO THE BEST OF THEIR KNOWLEDGE AND BELIEF. WARNING: 18 U.S.C. SECTION 1001 ACT OF JUNE 25, 1948 82 STAT. 749 MAKES IT A CRIMINAL OFFENSE TO MAKE A WILLFULLY FALSE STATEMENT OR REPRESENTATION TO ANY DEPARTMENT OR AGENCY OF THE UNITED STATES AS TO ANY MATTER WITHIN ITS JURISDICTION.																				
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LICENSING ASSISTANCE TEAM  
DIVISION OF NUCLEAR MATERIALS SAFETY  
U.S. NUCLEAR REGULATORY COMMISSION, REGION I  
2100 RENAISSANCE BOULEVARD, SUITE 100  
KING OF PRUSSIA, PA 19406-2713

The intent of this letter is set forth to (1) request information to be withheld from public disclosure under 10 CFR 2.390 and (2) to persist the authority structure of Gamma Irradiator Service, LLC will not change with the new operating agreement in place. This information will be submitted by Christopher Van Nostrand, Radiation Safety Officer of Gamma Irradiator Service, LLC. Christopher Nostrand has been specifically delegated the function of reviewing the information sought to be withheld and authorized to apply for its withholding on behalf of the company. This letter will be executed by the owner of the information, Doyle Terry Stout, even though the information sought to be withheld is submitted to the Commission by Christopher Nostrand.

- (1) Attached with this letter, you will find Gamma Irradiator Service, LLC's operating agreement. We would like to request to withhold from public disclosure Annex A on page 27, which contains a description of the members with their addresses along with the percentage of the company. We would like this information withheld under subparts(b)(4)(i) – information that has been held in confidence by Doyle Terry Stout.
- (2) GIS' structure of authority will not change from its current delegation of having Doyle Terry Stout and Christopher Van Nostrand in charge of decision making for the company as they will remain as the only two "managers" of the company with binding authority.

  
\_\_\_\_\_  
Christopher Nostrand, RSO      6/12/15  
DATE