



Department of Energy

Oak Ridge Operations

P. O. Box E

Oak Ridge, Tennessee 37831

October 31, 1983

NRC

ATTN: William T. Crow, Section Leader
Uranium Fuel Licensing Branch
Division of Fuel Cycle & Material Safety
Washington, DC 20555

Gentlemen:

DOE/AFRIMET-INDUSSA, INC. SETTLEMENT AGREEMENT

In accordance with your request of October 28, 1983, enclosed is a copy of the settlement agreement executed by DOE and Afrimet-Indussa, Inc. which, among other things, transferred title to all Afrimet-Indussa, Inc. residues at Niagara Falls, NY, and Fernald, OH to DOE effective July 1, 1983.

Please advise if we can be of further help to you on this matter.

Sincerely,

E. L. Keller, Director
Technical Services Division

CE-53:ELK

Enclosure:
Agreement Doc.

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CONTRACT OF AGREEMENT AND SETTLEMENT

THIS CONTRACT OF AGREEMENT AND SETTLEMENT (hereinafter sometimes referred to as "Agreement") is made this 21st day of August, 1983, between the UNITED STATES OF AMERICA (hereinafter referred to as the "Government"), acting through the SECRETARY OF ENERGY (hereinafter referred to as the "Secretary"), the statutory head of the DEPARTMENT OF ENERGY (hereinafter referred to as "DOE"), and AFRIMET-INDUSSA INC. (hereinafter referred to as "AFRIMET"), a corporation organized and existing under the laws of the State of New York, with its offices and principal place of business being located at 1212 Avenue of the Americas, New York, New York 10036.

WITNESSETH THAT

WHEREAS, through its predecessor agency, the United States Atomic Energy Commission (hereinafter "AEC"), DOE entered into lease agreements (Contract No. AT-(40-1)-2427 (Niagara Falls) and Contract No. AT-(40-1)-2429 (Fernald), effective July 1, 1958 and November 1, 1958, respectively (hereinafter "the Contracts") with AFRICAN METALS CORPORATION (predecessor of AFRIMET) for the

storage of certain AFRIMET-owned radium-bearing ore residues (hereinafter "residues"), at AEC sites in Niagara Falls, New York, and Fernald, Ohio; and

WHEREAS, by their terms, the Contracts expire on June 30, 1983; and

WHEREAS, the Contracts provide that AFRIMET must arrange for the disposition of the residues and improvements at the Niagara Falls and Fernald sites on or before one-hundred twenty (120) days following lease expiration; and

WHEREAS, the Contracts provide that if AFRIMET does not arrange for such disposition on or before one-hundred twenty (120) days following lease expiration, DOE is authorized to enter the leased premises to effect (1) removal, (2) cooperation, (3) cartage, and (4) storage of the residues at the cost and expense of AFRIMET; and

WHEREAS, AFRIMET has, through its Belgian supplier and the Belgian Government, called attention, at the highest levels of government, to the fact that furnishing the subject ores (which gave rise to the residues) was highly instrumental in successful completion of the United States' prosecution of its defense programs during World War II; and

WHEREAS it has been determined at the highest levels of government that there exist foreign policy reasons and common defense and security considerations sufficient to justify a balancing of AFRIMET's legal obligations against the Belgian Government's contribution to U.S. interests; and

WHEREAS, such balancing of interests dictates that a reasonable settlement of AFRIMET's legal responsibilities be effected, giving due consideration to the Belgian Government's contributions to the United States' interests;

NOW THEREFORE, the parties agree as follows:

1. AFRIMET recognizes its responsibilities to safekeep its residues at both Niagara Falls and Fernald. In consideration of commitments taken by DOE, as set forth in paragraph 2 hereafter, AFRIMET agrees to pay to DOE the sum of \$7,300,000 payable as follows:

July 1, 1983:	\$1,000,000
October 15, 1983:	\$1,000,000
December 31, 1983:	\$2,000,000
March 1, 1984:	\$1,500,000
July 1, 1984:	\$1,500,000
October 15, 1984:	\$ 300,000

2. In consideration of AFRIMET's payment of \$1,000,000 on July 1, 1983, and AFRIMET's promise to pay

stipulated by DOE, DOE agrees

(i) to take title to said residues effective July 1, 1983;

(ii) with the exception of the payments specifically listed herein, to not hold AFRIMET further responsible for either interim (temporary) or permanent (long-term) storage/disposition;

(iii) to release AFRIMET from all obligations arising under the Contracts or from ownership of the materials;


(iv) to release AFRIMET and to hold AFRIMET harmless from any obligation or liability whatsoever to any public authorities or private parties with respect to said residues, whether arising from storage, transport or disposal of said residues.

3. Failure on the part of AFRIMET to render the initial payment as provided hereunder or any subsequent payment thereafter shall result in title to said residues being revested in AFRIMET in their entirety. The rights and obligations of both parties under the contract shall be reinstated as if this agreement had not been executed. The United States shall retain any partial payments made under this agreement, but they shall be credited to the account of AFRIMET as partial payment for any remedial program which the United States may undertake under the provisions of the original Contracts.

IN WITNESS WHEREOF, the parties hereto have executed
this agreement the date first above written to be effective
as of the 1st day of July, 1983.


THE UNITED STATES OF AMERICA

BY: SECRETARY OF ENERGY

BY: 
(Contracting Officer)

TITLE: MANAGER
OFFICE OF COLLECTIONS

AFRIMET-INDUSSA INC.

BY: 
Victor Shick

TITLE: President and Chief Executive
Officer