



Global Laser Enrichment

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GLE-2019-0134
December 17, 2019

Attn: Document Control Desk
Director, Division of Security Operations
Office of Nuclear Security and Incident Response
U.S. Nuclear Regulatory Commission
Washington, D.C. 20555-0001

Docket 70-7016
SNM-2019

Subject: Update regarding Certificate Pertaining to Foreign Interests for GE-Hitachi Global Laser Enrichment, LLC

Reference:

1. Letter, Pat Jenny to Dir., Division of Security Operations (NRC), GLE-2019-0079, Feb. 28, 2019

Pursuant to 10 CFR 95.17(a)(1), GE-Hitachi Global Laser Enrichment, LLC (GLE), as a licensee under Docket 70-7016, SNM-2019, hereby notifies the NRC of a significant change that may affect its status concerning foreign ownership, control, or influence (FOCI). This letter serves to notify the NRC that, effective December 13, 2019, GE and GE-Hitachi Nuclear Energy have entered into a binding agreement to sell their collective 76% interest in GLE to subsidiaries of Cameco Corporation ("Cameco") and Silex Systems Ltd. ("Silex"), subject to U.S. government approval.

On February 28, 2019, GLE previously notified the NRC of the execution of a non-binding Term Sheet¹ between the GE Parties², the Silex Parties³, and the Cameco Parties⁴,

¹ Non-Binding Term Sheet among GENE Holdings, LLC, GE-Hitachi Nuclear Energy Americas LLC, General Electric Company, Cameco Corporation, Cameco Enrichment Holdings LLC, Silex Systems Ltd., and Silex USA LLC, dated as of February 5, 2019.

² General Electric Company ("GE"), GENE Holdings, LLC ("GENE"), and GE-Hitachi Nuclear Energy Americas, LLC ("GEH")(collectively, the "GE Parties").

³ Silex USA LLC ("Silex") and Silex Systems, Limited ("Silex Ltd.", and together with Silex, the "Silex Parties").

⁴ Cameco Enrichment Holdings LLC ("CEH") and Cameco Corporation ("Cameco", and together with CEH, the "Cameco Parties").

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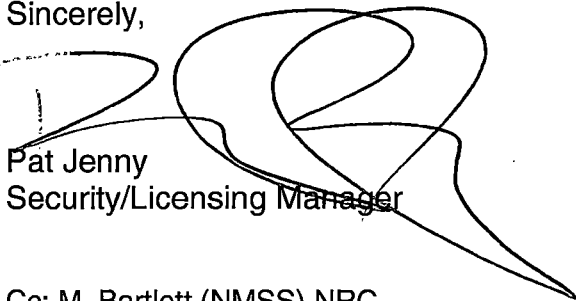
whereby Cameco and Silex (via their designated subsidiaries) intend to acquire all of the GE Parties' outstanding equity interests in GLE, subject to U.S. government approvals and other commercial conditions precedent (Reference 1). On December 13, 2019, the Term Sheet was superseded by a binding Membership Interest Purchase Agreement (MIPA) between the Parties.

As noted in Reference 1, the GE Parties will maintain majority ownership and control of GLE until the transaction is approved by the U.S. Government and allowed to proceed. During the period between the signing of the MIPA and the transaction Closing, the Silex Parties and Cameco Parties have agreed to reimburse the GE Parties a fixed amount intended to cover the GE Parties' pro-rata share of the GLE operating budget as established by the GLE Governing Board.

In the upcoming weeks, GLE intends to submit a request for continuance of the facility clearance under the proposed new ownership structure. This request will initiate the discussions on FOCl mitigation measures for the new GLE structure.

If there are any questions regarding this letter and its contents, please do not hesitate to contact me at 910-819-7447 or at pat.jenny@ge.com.

Sincerely,

A large, stylized handwritten signature in black ink, appearing to be 'Pat Jenny', written over the printed name and title.

Pat Jenny
Security/Licensing Manager

Cc: M. Bartlett (NMSS) NRC
D. Hase (NSIR) NRC
K. Everly(NSIR) NRC
L. Pitts (RII) NRC