

EXHIBIT 36

A27

EXHIBIT 36



Morgan Casner Associates, Inc.
POLITICAL AND PUBLIC AFFAIRS CONSULTANTS
WASHINGTON, D. C.

July 19, 1995

Ms. Patricia A. Santiago
Assistant Director for Materials
N MSS
U.S. Nuclear Regulatory Commission
Mail Stop T8FS
Washington, D.C. 20555

Dear Ms. Santiago:

By now you are probably aware that our friends at I.W.I. in New Mexico have taken advantage of opportunities to show their good faith. Most recently this has occurred in their letter to Susan Greene of July 7th and a major management decision which was made earlier this week.

In the July 7th letter, I.W.I. reaffirms it's commitment to "achieve and maintain total compliance with NRC policy and regulations". The decision to stop shipping product even though they have no way of knowing whether any of the tritium they have received from their new supplier has been mixed into existing stocks from their approved supplier backs up their written pledge with indisputable action.

By this extraordinary gesture, there should no longer be any doubt as to the commitment of I.W.I.'s new management team to the regulatory process.

Technical information from the new supplier, LUMITEC, was sent by FAX to Susan Greene yesterday. I understand that this was sufficient to begin the process of amending I.W.I.'s license to include LUMITEC as an approved supplier as Ms. Greene has sent the information on the Sealed Source Office for review. She has agreed that any questions or request for further information will be addressed to this office.

By this letter, I formally request that your office do whatever is possible to expedite the license amendment process. I cannot express strongly enough the need for this. I.W.I. is, for all practical purposes, a start-up company and any interruption of its cash-flow is of critical concern. More than a week of two of curtailed income could very well cause irreparable damage to their financial well-being.

1332 INDEPENDENCE AVENUE S.E. • WASHINGTON, D. C. 20003 • (202) 543-4600

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Release

Ms. Patricia A. Santiago
July 19, 1995

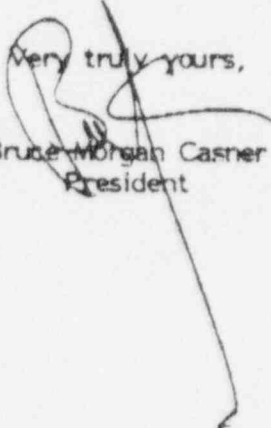
Page 2

Let me take this opportunity to thank you again for your courtesy and that of Susan Greene. As I said during our meeting in June, I feel that we have the basis of a good working relationship. On my assessment of this, our friends at I.W.I. have placed themselves in your hands.

Please don't hesitate to contact me if there is anything we can do to assist you.

With all best regards, I am

Very truly yours,


Bruce Morgan Casner
President

cc: David Gregor,
President I.W.I.

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1088 /

Ms. Patricia A. Santiago
July 28, 1995

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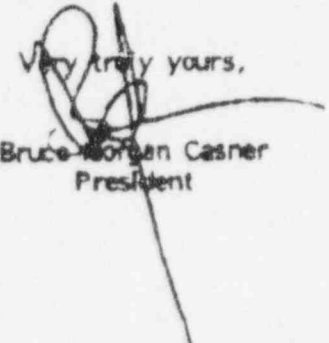
I am sure you will agree that Ms. Van Cleave's actions are unnecessary in light of IWI's decision to stop shipping all product to prevent any unintentional delivery of South African tritium. I am sure you will also agree that this is an inappropriate response on the part of NRC to IWI's extraordinary show of good faith. I therefore request that you do whatever is necessary to discourage Ms. Van Cleave from this present course of behavior which our friends at IWI consider to be mean-spirited and harassing.

I reiterate my earlier request that IWI's requested license amendment be expedited on the basis of extreme hardship caused by the cessation of product shipment and the resulting interruption of its cash-flow in this critical stage of its development as a financially viable entity. As I indicated, it is my belief that more than a week of two of curtailed income could very well cause irreparable damage to their financial stability.

Please don't hesitate to contact me with your response or any questions you might have.

With all best regards, I am

Very truly yours,


Bruce Morgan Casner
President

cc: Ms. Susan Greene
David Gregor,
President I.W.I.

WORD PROCESSOR PRINT OF IWI LETTER TO SRB

attached
"A"

July 21, 1995

Dear Sirs,

As you are probably aware, we have been negotiating with South Africa on the purchase of their tritium light sources. We felt it necessary to obtain another supplier upon learning SRB was about to enter the night sight market and become a direct competitor of I.W.I. We have cultivated our relationship with the South Africans and it looks very promising but we would like to continue purchasing tritium from SRB as well. Please quote price and availability of all sources. Thank you for your time and assistance in this matter. Please respond via fax as soon as possible.

Regards,

David Gregor

JUL-24-95 MON 4 12 PM

508 271 2633

RECEIVED

JUL 24 1995

Margen Center Associates
WASHINGTON, D.C.

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STRI Technologies Inc.
P.O. Box 1000
Moncton, New Brunswick E7Y 4G8
Tel: (506) 850-0710
Fax: (506) 850-7720

July 21, 1995

attached
"B"

Mr. David Gregor
Innovative Weaponry Inc.
337 Eubank NE
Albuquerque, NM 87121

Dear Mr. Gregor:

With reference to your fax of today's date, the following are prices for the supply of
trillion lights from our Canadian facility.

- | | |
|--------------------------|---------------|
| a) Part No. 251030G0130A | \$10.00 each. |
| b) Part No. 252050G0150A | \$9.80 each. |
| c) Part No. 252050G0250A | \$11.25 each. |
| d) Part No. 252050Y0150A | \$10.80 each. |
| e) Part No. 252050T0100A | \$10.30 each. |

Above prices are shown in Canadian Dollars.
Full payment to be submitted with Purchase Order

Delivery: 4-6 weeks from receipt of order

Sincerely,

Brian G. Pullen
President

c.c. I Wills - SUBY(C)

JUL-21-95 FRI 4:25 PM

505 271 2633

RECEIVED

JUL 21 1995

Morgan & Associates
1000 BROADWAY

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EXHIBIT 41

TRITIUM INVENTORY

5/22 5/23 5/23 5/23 5/24 5/24 5/25 5/25 5/26 5/26

GREEN										
250	60	60	60	43	43	43	43	—	—	—
150	—	—	—	—	—	—	—	—	—	—
130	264	256	256	245	241	231	231	226	226	216
Red YELLOW	—	—	1700	1700	1700	1603	1603	1603	1603	1319
150 yellow	3990	3890	3890	3890	3890	3890	3890	3593	3593	3593
green 250 ORANGE	—	—	5000	5000	5000	4903	4903	4753	4753	4753
100 orange	3772	3675	3675	3675	3675	3675	3675	3675	3675	3675
green 150 WHITE	—	—	670	670	670	670	670	670	670	670
OUTLINE PLASTIC										
.76	1442	1442	1442	1442	1442	1442	1442	1442	1442	1442
.84	4031	3734	3734	3734	3734	3734	3734	3340	3340	3340
.91	2560	2560	2560	2463	2463	2463	2463	2069	2069	2069
.107	3880	3686	3686	3686	3686	3589	3589	3492	3492	3492

FRONT TUBES MADE

GREEN-250										
.108	1940	1859	1859	1858	1858	1857	1857	1954	1954	1954
.93	2735	2732	2732	2725	2725	2722	2722	2815	2815	2809
.86	1874	1873	1873	1872	1872	1872	1872	1871	1871	1871
.78	1064	1064	1064	1062	1062	1061	1061	1058	1058	1058

Lead tubes

5-86 orange
5-86 green ft.
2-93 green ft.
4-93 green 150
8-86 green 150
1-93 green black ft.

Lead 4 lithium

72 - red
11 - green 350

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CASE NO. 95-022

TRITIUM INVENTORY

5/31 5/30 5/31 5/21 6/1 6/1 6/2 2/2

GREEN	Am	Pm	Am	Pm	Am	Pm	Am	Pm		
250	4752	4751	4751	4751	4751	4751	4751	4751		
150 (Africa)	670	670	670	670	670	670	670	670		
130	216	182	182	174	174	134	134	109		
YELLOW (15)	3593	3593	3593	3399	3399	3399	3399	3399		
Red 450	1319	1219	1219	1003	1003	1003	1003	1003		
ORANGE										
100	3675	3675	3675	3675	3675	3675	3675	3675		

WHITE OUTLINE PLASTIC

.76	1448	1360	1360	1360	1360	1360	1360	1360		
.84	3306	3306	3306	2912	2912	2912	2912	2912		
.91	2128	2128	2128	1734	1734	1734	1734	1734		
.107	4188	4188	4188	4188	4188	4188	4188	4188		

FRONT TUBES MADE

GREEN-250										
.108	1746	1744	1744	1744	1744	1744	1744	1744		
.93	2669	2668	2668	2662	2662	2661	2661	2658		
.86	1169	1167	1167	1167	1167	1167	1167	1165		
.78	1020	1019	1019	1016	1016	1015	1015	1015		

Lead Tubes

2-86 yellow
1-93 red

All Lead
Tubes
Shipped

Back 6/30/95

Lead Tritium

42-Red
1-Bar (130)
16-Red
1-Red

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Raw

	10/9/95 pm	10/10/95 pm	10/11/95 pm	10/12/95 pm	10/13/95 pm
Green					
250	850	850	850	850	850
150	11668	11568	11568	11568	11568
130	13497	13487	13487	13458	13458
Yellow	11020	11020	11020	11020	11020
Orange	14763	14763	14763	14763	14763
Red	4197	4104	4104	4104	4104
Blue	—	—	—	—	—

Plastic

2.108	—	—	—	—	—	—	—	—	—
0.93	12525	12525	12525	12525	12334	12334	12140	12140	12140
0.86	819	626	626	626	626	626	426	426	426
0.78	8377	8377	8377	8377	8377	8377	8201	8201	8201

Front Tubes Made

Green - 250

0.108	2488	2488	2488	2487	2487	2487	2487	2484	2454	2484
0.93	1472	1469	1469	1156	1156	1149	1149	1334	1334	1445
0.86	1071	1068	1068	1068	1068	1062	1062	1062	1062	1062
0.78	1326	1322	1322	1319	1319	1319	1319	1318	1318	1318

Single Tubes Made

	10/9/95	pm	10/10/95	pm	10/11/95	pm	10/12/95	pm	10/13/95	pm
0.93	212	212	212	212	212	212	212	212	212	212
0.86	1049	1049	1049	1049	1049	1049	1049	1049	1049	1049
0.78	95	95	95	95	95	95	95	95	95	95

Yellow

0.93	386	386	386	386	386	386	386	386	386	386
0.86	202	202	202	202	202	202	202	202	202	202
0.78	91	91	91	91	91	91	91	91	91	91

Green

0.93	465	465	465	465	465	465	465	465	465	465
0.86	528	528	528	528	528	297	297	297	297	297
0.78	187	187	187	187	187	187	187	187	187	187

Red

0.93	194	194	194	194	194	586	586	586	586	586
0.86	81	81	81	81	81	173	173	173	173	173
0.78	—	—	—	—	—	—	—	—	—	—

Blue

0.93	—	—	—	—	—	—	—	—	—	—
0.86	—	—	—	—	—	—	—	—	—	—
0.78	—	—	—	—	—	—	—	—	—	—

Matched Tubes Made

0.93	1355	1355	1355	1287	1287	1263	1263	1233	1233	1233
0.86	524	524	524	524	524	465	465	462	462	462
0.78	203	203	203	203	203	203	203	202	202	202

Yellow

0.93	1236	1236	1236	1236	1236	1222	1222	1177	1177	1177
0.86	1000	1000	1000	998	998	982	982	982	982	982
0.78	369	369	369	369	369	369	369	369	369	369

Green

0.93	195	195	195	15	155	118	118	118	118	84
0.86	521	521	521	496	498	498	498	498	498	498
0.78	233	233	233	233	233	233	233	233	233	233

Red

0.93	62	62	62	62	62	62	62	62	62	62
0.86	181	181	181	181	181	181	181	181	181	181
0.78	149	149	149	149	149	149	149	149	149	149

Blue

0.93	—	—	—	—	—	—	—	—	—	—
0.86	—	—	—	—	—	—	—	—	—	—
0.78	—	—	—	—	—	—	—	—	—	—

Blacken Rears Matched

Age	10/9/95	pm	10/10/95	pm	10/11/95	pm	12/12/95	pm	12/13/95	pm
0.93	9	9	9	9	9	9	9	9	9	9
0.86	10	10	10	10	10	10	10	10	10	10
0.78	1	1	1	1	1	1	1	1	1	1

Yellow

0.93	10	10	10	10	10	10	10	10	10	10
0.86	3	3	3	3	3	3	3	3	3	3
0.78	—	—	—	—	—	—	—	—	—	—

Green

0.93	—	—	—	—	—	—	—	—	—	—
0.86	—	—	—	—	—	—	—	—	—	—
0.78	—	—	—	—	—	—	—	—	—	—

Red

0.93	—	—	—	—	—	—	—	—	—	—
0.86	—	—	—	—	—	—	—	—	—	—
0.78	—	—	—	—	—	—	—	—	—	—

Blue

0.93	—	—	—	—	—	—	—	—	—	—
0.86	—	—	—	—	—	—	—	—	—	—
0.78	—	—	—	—	—	—	—	—	—	—

Blacken Fronts

0.108	12	12	12	12	12	12	12	12	12	12
0.93	40	40	40	40	40	40	40	40	40	40
0.86	4	4	4	4	4	4	4	4	4	4
0.78	7	7	7	7	7	7	7	7	7	7

.108 Fronts for Night Liners

Red	26	26	26	26	26	26	26	26	26	26
Blue	—	—	—	—	—	—	—	—	—	—
Orange	146	146	146	146	146	146	146	146	146	146
Yellow	145	145	145	145	145	145	145	145	145	145

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Morgan Casner Associates, Inc.
POLITICAL AND PUBLIC AFFAIRS CONSULTANTS
WASHINGTON, D. C.

January 22, 1996

Mr. Donald A. Cool, Director
Division of Industrial and
Medical Nuclear Safety
Office of Nuclear Material Safety
and Safeguards
U.S. Nuclear Regulatory Commission
Washington, D.C. 20555-0001

In Re: Answer to NRC Confirmatory Action Letter, December 22, 1995
CAL No. 4-95-04
Docket No. 030-30266
License no. 30-23697-01E

Dear Mr. Cool:

This firm is the Washington Representative of Innovative Weaponry, Inc. (IWI). This letter is intended to provide you with information requested of IWI in your letter of December 22, 1995.

Reference Page 1, item 1.:

All Lumitec sources have been inventoried and matched against shipping documents. All Lumitec sealed sources that were installed into gunsights have been boxed and segregated from all Canadian sources. They have been counted, packaged, sealed and physically segregated from the Canadian sources. A similar procedure has been conducted regarding the sources which have not been installed into any device. Both groups have been placed in a vault in the front office; all Canadian sources are stored in the tritium room, which is located in a different part of the building. Patricia Wilson and David Gregor, Officers of IWI are the only persons who have access to the vault in which the Lumitec sources are secured. These steps having been taken, inadvertent distribution of Lumitec sources cannot occur.

Reference Page 1, item 2.:

As mentioned above, insertion of Lumitec sources into devices of any kind cannot occur as sight room personnel do not have access to them.

Reference Page 2, item 1.:

32 tubes were shipped to MMC on July 14, 1995. Of these, 24 tubes were returned.

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PAGE 1 OF 6 PAGE(S)

Release

Mr. Donald A. Cool
January 22,
1996

Page 2

Reference Page 2, Item 1. (Continued):

The following is a list of devices which were unintentionally sold by IWI staff at the SOF Show in Las Vegas.

<u>Customer</u>	<u>Tubes</u>	<u>Date</u>	<u>Where</u>
Ron Ferrara	2 red in sight	10/01/95	SOF Show
/Karl Poffinbarger	2 red tubes in Glock	09/30/95	"
/Dave Hart	2 red tubes in Sig	09/30/95	"
/Bob Foreman	2 red tubes in sight	09/29/95	"
Don Loughlin	2 red tubes in sight	10/01/95	"

Additionally, one sight was sent out of IWI:

/John Martin	2 red tubes in Glock	06/29/95	IWI
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Reference Page 2, Item 2.:

<u>Customer</u>	<u>Dates/Comment</u>	<u>Models</u>	<u>Quantity</u>
MMC	IWI has been doing business with MMC since IWI's previous management was in place until the present	Glock Colt 1911 H & K USP	4,666 sights including fronts & rears
Millett Sights	IWI had done business with Millett since IWI's previous management was in place. As the relationship was a problematic one, IWI has recently severed its relationship with Millett	2FB10SR 2SS360SR 2DC340SR 2DC312SR 2DC225SR 2SW385STR BESR, 2DC275SR 3-360T, 2FB03, 2FB04 2FB09, 2FX460SR, TA460 2BB460, 01-00-312TR 01-00-360TR, 03-00-360TR	1,139 sights in all

NOTE: None of the devices listed in the above response to Page 2 Item 2 contained non-approved tritium sources or were unlicensed models.

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Mr. Donald A. Cool
January 22,
1996

Page 3

Reference Page 2, Item 3.a.:

IWI (if Nevada changed its name to 21st Century Technologies, Inc. A copy of the Certificate amending the Articles of Incorporation is attached. IWI of New Mexico is a wholly owned subsidiary of 21st Century Technologies, Inc.

Reference Page 3, Item 3.:

This letter constitutes written notice that IWI has ceased distribution of gunsights not specifically authorized in License condition 10.

Please note that IWI is a small business in its "start-up" phase. They are experiencing severe (perhaps terminal) financial hardship. Earlier this month, they were forced to begin laying off workers and they are not confident that they will be able to survive if the NRC review of their application for license amendment is delayed any further.

Please also note that this whole process began when SRB Technologies (the Canadian supplier) announced that they were going into business in competition with IWI. Not long afterwards, SRB gave notice that they would raise the price charged to IWI for sources to prohibitive levels, and would not guarantee timely shipment.

IWI has spent thousands of scarce dollars preparing the license amendment application that will allow it to compete with the other three companies which are now selling sights in the U.S. By all accounts IWI's devices are superior by almost every measurable standard. It would be a shame to unnecessarily penalize this company further or to force it out of business. This unfortunate situation can be avoided if NRC will approve IWI's application. Additional NRC-requested information will be presented at NRC Offices on Wednesday afternoon.

Please do not hesitate to contact me with any questions or comments you might have.

Very truly yours,

Bruce Morgan Casner
President

Attachment: Certificate of Amendment of Articles of Incorporation

Jan-18-96 04:11P I W I / Trident

505 271 2633

P.04

CERTIFICATE OF AMENDMENT OF ARTICLES OF INCORPORATION

After issuance of Stock.

71122 27

FILED
IN THE OFFICE OF THE
CLERK OF THE STATE OF NEVADA

Innovative Weaponry, Inc.
Name of Corporation

SEP 29 1995

No. 1472-94

Dean Wilson

DEAN WILSON, Secretary of State

Fred W. Rausch, Jr.

President or Vice President

Innovative Weaponry, Inc.

Name of Corporation

do hereby certify:

That the Board of Directors of said corporation at a meeting duly convened, held on the 21st
day of SEPTEMBER, 1995 adopted a resolution to amend the original articles as follows:

Article 1 is hereby amended to read as follows:

That the name of Innovative Weaponry, Inc. is changed to:

~~Innovative Weaponry, Inc.~~

21st Century Technologies, Inc.

SEP 26 1995

Notary Public

The number of shares of the corporation outstanding and entitled to vote on an amendment to the Articles of Incorporation is 1,000,000 and the said change(s) and amendment have been consented to and approved by a majority vote of the stockholders holding at least a majority of each class of stock outstanding and entitled to vote thereon.

Fred W. Rausch, Jr.

President or Vice President

Dean Wilson

Secretary or Assistant Secretary

State of KANSAS

County of SHAWNEE

SEP 29 1995

On September 25, 1995

personally appeared before me, a Notary Public.

FRED W. RAUSCH, JR.

Name of Person(s) Appearing and Giving Acknowledgment

who acknowledged

that they executed the above instrument.

Cynthia B. Stansell

Signature of Notary

NOTARY STAMP OR SEAL

SEP 29 1995

SEP 27 1995

CASE NO. 4-95-022

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Jan-18-96 04.11P I W 1 / Trident

505 271 2633

P.05

State of New Mexico

County of Bernalillo

On September 22nd 1995 personally appeared before me, a Notary Public, Patricia Wilson who ~~acknowledged~~ ^{acknowledged} that they executed the above instrument.

Chau P. De
Notary Public in and for
State of New Mexico

My commission expires: 8.9.97

Good

1078

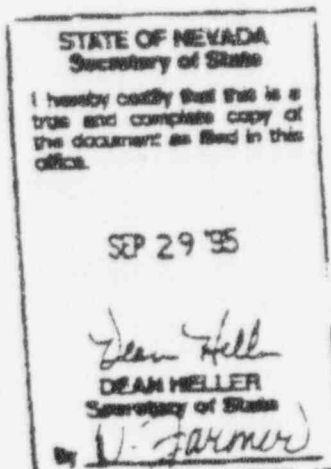
5905 FOS 100

W868:ET 8661-12-10

Jan-18-96 04:12P I W I / Trident

505 271 2633

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JAN-18-96 10:00 AM

505 271 2633

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