

file
#2-90-014

CASE NO.: A2-93-41

NO.: 22-94-11

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On the day of _____ at _____ in the

Correspondence inspection criteria and result certification.

DATE June 1964

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It is not specified if the subjects for completion of the questionnaire were the parents whose sons are the subjects who are in the institutional care or requires participation of the subjects in the sample themselves. Such generalization is not possible. For example, with the term "parental consent" it is not clear if it is a parent or the family who has given consent.

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United States of America

NUCLEAR REGULATORY COMMISSION

IN THE MATTER OF: OI INVESTIGATION

CASE NO.:

TO:

4/26/70
Fitz/Fortune
talk below
removed
by Fitz
BAT

YOU ARE HEREBY COMMANDED, pursuant to Section 161 (c) of the Atomic Energy Act of 1954, as amended, to appear ~~at~~ *forthwith*

on ~~the~~ *an* ~~day of~~ *OT investigation*, ~~at~~ *regarding electrical relays*
matter of *supplied to the nuclear industry* to testify in the

YOU ARE FURTHER COMMANDED to provide the NRC any and all records (such as but not limited to purchase orders, invoices, etc.) pertaining to the provision of any electrical devices or components to civilian nuclear power plants either directly or indirectly by Stokley Enterprises, Incorporated *since the inception of Stokley Enterprises, Inc. in 1985.*

BY ORDER OF THE DIRECTOR,
OFFICE OF INVESTIGATIONS

BY Ben B. Hayes, Director

DATE June

Requested by:

On motion made promptly, and in any event at or before the time specified in the subpoena for compliance by the person to whom the subpoena is directed, and on notice to the party at whose instance the subpoena was issued, the Commission may (1) quash or modify the subpoena if it is unreasonable or requires evidence not relevant to any matter in issue, or (2) condition denial of the motion on just and reasonable terms. Such motion should be directed to the Secretary of the Commission, Washington, DC 20555. Failure to comply with the terms of this subpoena may result in the Commission's seeking judicial enforcement of the subpoena pursuant to Section 233 of the Atomic Energy Act of 1954, as amended, 42 U.S.C. 2281.

RETURN

CERTIFICATE OF PERSONAL SERVICE:

I certify that I delivered a copy of this subpoena in hand to:

on _____, 19 _____, at _____ o'clock _____ M.,
at _____

CERTIFICATE OF SERVICE BY MAIL:

I certify that I caused a copy of this subpoena to be mailed by

_____mail, postage prepaid, to the address
specified and with delivery restricted to the person named thereon on

_____, 19 _____, Receipt No. _____.

(Signature)

(Printed Name and Title)
Office of Investigations
U.S. Nuclear Regulatory Commission

United States of America

NUCLEAR REGULATORY COMMISSION

IN THE MATTER OF:

IT INVESTIGATION

CASE NO.:

TO:

MORRIS EDEL, President
SHERATONICS, INC.
121 MONTGOMERY DR. E.S.P.
MOBILE, ALABAMA 36686

4/29
Advised by
RF that
Pace Davis (loc)
verbally approved
these subpoenas
4/29/90
RL

YOU ARE HEREBY COMMANDED, pursuant to Section 161 (c) of the Atomic Energy Act of 1954, as amended, to appear at Fort Worth and

on the day of , 19 , at .m. to testify in the matter of an IT investigation regarding electrical plants and their electrical components supplied to the nuclear industry

YOU ARE FURTHER COMMANDED to provide the NRC, forthwith, any and all records, including but not limited to, purchase orders, invoices, and bills of material, pertaining to the production of electrical plants or components to electrical plants, either directly or indirectly, by Sheratonics Inc., since the inception of Sheratonics in 1953, to include but not be limited to, purchase orders, invoices, correspondence, inspection, testing and certification, product recall, and the purchase and maintenance records.

BY ORDER OF THE DIRECTOR,
OFFICE OF INVESTIGATIONS

BY _____

DATE _____

Requested by:

On motion made promptly, and in any event at or before the time specified in the subpoena for compliance by the person to whom the subpoena is directed, and on notice to the party at whose instance the subpoena was issued, the Commission may (1) quash or modify the subpoena if it is unreasonable or requires evidence not relevant to any matter in issue, or (2) condition denial of the motion on just and reasonable terms. Such motion should be directed to the Secretary of the Commission, Washington, DC 20555. Failure to comply with the terms of this subpoena may result in the Commission's seeking judicial enforcement of the subpoena pursuant to Section 233 of the Atomic Energy Act of 1954, as amended, 42 U.S.C. 2281.

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on _____, 19 _____, at _____ o'clock _____ M.,
at _____

CERTIFICATE OF SERVICE BY MAIL:

I certify that I caused a copy of this subpoena to be mailed by

_____ mail, postage prepaid, to the address
specified and with delivery restricted to the person named thereon on

_____, 19 _____, Receipt No. _____.

(Signature)

(Printed Name and Title)
Office of Investigations
U.S. Nuclear Regulatory Commission

United States of America

NUCLEAR REGULATORY COMMISSION

IN THE MATTER OF: *DT INVESTIGATION*

CASE NO.:

TO: *PETER TOLBERT, JR. (Respondent)*
SIGNATURES INC.
1211 Montclair Drive, #550
Mobile, Alabama 36689

Custodian

YOU ARE HEREBY COMMANDED, pursuant to Section 161 (c) of the Atomic Energy Act of 1954, as amended, to appear at

on the _____ day of _____, 19____, at _____ m. to testify in the matter of _____

YOU ARE FURTHER COMMANDED to provide the NRC

BY ORDER OF THE DIRECTOR,
OFFICE OF INVESTIGATIONS

BY _____

DATE _____

Requested by:

On motion made promptly, and in any event at or before the time specified in the subpoena for compliance by the person to whom the subpoena is directed, and on notice to the party at whose instance the subpoena was issued, the Commission may (1) quash or modify the subpoena if it is unreasonable or requires evidence not relevant to any matter in issue, or (2) condition denial of the motion on just and reasonable terms. Such motion should be directed to the Secretary of the Commission, Washington, DC 20555. Failure to comply with the terms of this subpoena may result in the Commission's seeking judicial enforcement of the subpoena pursuant to Section 233 of the Atomic Energy Act of 1954, as amended, 42 U.S.C. 2281.

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cont

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IN THE UNITED STATES DISTRICT COURT
FOR THE EASTERN DISTRICT OF VIRGINIA
NORFOLK DIVISION

UNITED STATES OF AMERICA

v.

1. WILLIAM M. STOKLEY
(Counts 1-20)

2. JANET M. STOKLEY
(Counts 1-20)

3. STOKLEY ENTERPRISES, INC.
a/k/a STOKELY ENTERPRISES, INC.
(Counts 1-20)

CRIMINAL NO. 91- -N

Count 1
Conspiracy
18 U.S.C. § 371

Counts 2-20
Trafficking in
Counterfeit Goods
Aiding and Abetting
18 U.S.C. §§ 2320, 2

☐ JUNE, 1991 TERM - at Norfolk, Virginia
INDICTMENT

THE GRAND JURY CHARGES THAT:

INTRODUCTORY ALLEGATIONS

At various times material to this Indictment:

1. Defendant STOKLEY ENTERPRISES, INC. (also known as "Stokely Enterprises, Inc.,⁽ⁿ⁾ in some documents), was a Virginia corporation, whose President was defendant WILLIAM M. STOKLEY and whose Secretary-Treasurer was defendant JANET M. STOKLEY.

2. Another person, Michael E. Martin, held approximately a 34 percent interest in STOKLEY ENTERPRISES, INC., until the Stokleys bought him out in May, 1989.

3. STOKLEY ENTERPRISES, INC., operated out of a warehouse located at 880 Avenue J, in Norfolk, Virginia, in the Eastern District of Virginia.

4. Defendant WILLIAM M. STOKLEY, with the help of defendant JANET M. STOKLEY, was responsible for the day-to-day operations

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of STOKLEY ENTERPRISES, INC.

5. Defendant JANET M. STOKLEY was responsible for handling many of the duties for STOKLEY ENTERPRISES, INC., including preparing invoices, assembling accounting statements, paying vendors, receiving payments from customers, and shipping electronics parts to STOKLEY customers.

6. STOKLEY ENTERPRISES, INC., operating through WILLIAM M. STOKLEY, JANET M. STOKLEY, and other persons, had gross sales receipts in excess of one million dollars per year. For example, in its fiscal year 1988 (September 1, 1987, to August 31, 1988), the approximate gross sales of STOKLEY ENTERPRISES, INC. were \$1,314,000; in its fiscal year 1989 they were \$1,088,000; and in its fiscal year 1990 they were \$1,161,000.

7. Both defendants WILLIAM M. STOKLEY and JANET M. STOKLEY were paid from the profits earned by STOKLEY ENTERPRISES, INC. In fiscal year 1988 the company's officers (WILLIAM M. STOKLEY, JANET M. STOKLEY, and Michael E. Martin) received together \$555,000; in fiscal year 1989 they received together \$464,000; and in fiscal year 1990 they received approximately \$284,000.

8. Defendants WILLIAM M. STOKLEY, JANET M. STOKLEY, and STOKLEY ENTERPRISES, INC., sold various electronic component parts such as shipboard controllers (also known as "shipboard controls," "motor controls," or "motor controllers"), transformers, circuit breakers, and motor-driven relays (also known as "MDR's").

9. Customers of STOKLEY ENTERPRISES, INC., included the

United States Navy; major shipbuilding companies such as Litton Systems, Inc., Ingalls Shipbuilding Division (sometimes referred to as "Ingalls Shipbuilding"); National Steel and Shipbuilding; Bath Iron Works, Inc.; and subcontractors working for the Carolina Power and Light Company.

10 9. The component parts sold by WILLIAM M. STOKLEY, JANET M. STOKLEY, and STOKLEY ENTERPRISES, INC., were used in important applications, including operational systems aboard United States Navy vessels and in electrical systems related to nuclear powered reactors.

11 10. As one example of these important applications, STOKLEY ENTERPRISES, INC., sold six circuit breakers to Temsco, Inc., which were destined to be used in the overhaul of the power control system of the reactor coolant pumps and the pressurizer for the nuclear-powered fast attack submarine USS Baltimore (SSN-704).

12 11. As another example of these important applications, STOKLEY ENTERPRISES, INC., sold a circuit breaker to the Naval Supply Center Detachment, Long Beach, California, where it was installed in support of a fire control radar on the Aegis class guided missile cruiser USS Princeton (CG-59) and was in use in the vessel when it was deployed to the Persian gulf during Operation Desert Storm.

13 12. As another example of these important applications, STOKLEY ENTERPRISES, INC., sold approximately thirty motor-driven relays to a subcontractor working on the Shearon Harris

nuclear power plant in New Hill, North Carolina.

13. Because the parts sold by STOKLEY ENTERPRISES, INC., were used in important applications, customers of STOKLEY ENTERPRISES, INC., would buy parts bearing counterfeit label plates only as a result of confusion, mistake, or deception.

14. Because the parts sold by STOKLEY ENTERPRISES, INC., were used in important applications, customers of STOKLEY ENTERPRISES, INC., would buy parts that operated unsafely only as a result of confusion, mistake, or deception.

15. Because the parts sold by STOKLEY ENTERPRISES, INC., were used in important applications, customers of STOKLEY ENTERPRISES, INC., would buy parts that were not in compliance with applicable manufacturer or military specifications only as a result of confusion, mistake, or deception.

16. Companies such as the General Electric Company; Westinghouse Electric Corporation; ITE Circuit Breaker Company; SPD Technologies; Gould, Inc.; Potter & Brumfield; Jefferson Electric Company; Ward Leonard Electric Company, Inc.; Cutler-Hammer, Inc.; Soncraft, Inc.; and others had registered their trademarks for electronic component parts on the principal register in the United States Patent and Trademark Office, and these marks were in use on their products.

17. The United States Navy and customers of companies such as the General Electric Company; Westinghouse Electric Corporation; ITE Circuit Breaker Company; SPD Technologies; Gould, Inc.; Potter & Brumfield; Jefferson Electric Company; Ward

Leonard Electric Company, Inc.; Cutler-Hammer, Inc.; Soncraft, Inc.; and others relied on the trademarks of these companies to determine the authenticity of the electronic component parts that they were buying.

18. The defendants WILLIAM M. STOKLEY, JANET M. STOKLEY, and STOKLEY ENTERPRISES, INC., were not authorized by the General Electric Company; Westinghouse Electric Corporation; ITE Circuit Breaker Company; SPD Technologies; Gould, Inc.; Potter & Brumfield; Jefferson Electric Company; Ward Leonard Electric Company, Inc.; Cutler-Hammer, Inc.; Soncraft, Inc.; or other companies to use their trademarks for the types of goods that these companies were manufacturing and distributing.

19. The General Electric Company (sometimes referred to herein as "General Electric" or "GE") had in use and registered on the principal register in the United States Patent and Trademark Office a mark consisting of a monogram cursive "GE" inside a circle surrounded on the left side by the word "General" and on the right side by the word "Electric" for various products, including shipboard controls, circuit breakers, and transformers.

20. Cutler-Hammer, Inc. (sometimes referred to herein as "Cutler-Hammer" or "CH") had in use and registered on the principal register in the United States Patent and Trademark Office a mark consisting of a block "C" enclosing the left half of a block "H" and also a mark consisting of the hyphenated word "Cutler-Hammer" for various products, including shipboard

controls, circuit breakers, and transformers.

21. The Westinghouse Electric Corporation (sometimes referred to herein as "Westinghouse") had in use and registered on the principal register in the United States Patent and Trademark Office a mark consisting of the word "Westinghouse" and also a mark consisting of a "W" with a line underneath it surrounded by a circle for various products, including shipboard controls, circuit breakers, and transformers.

22. Siemens Energy and Automatic, Inc., and SPD Technologies, Inc., had in use and registered, by assignment from the I-T-E Circuit Breaker Company (sometimes referred to herein as "ITE") and Gould, Inc., among others, on the principal register in the United States Patent and Trademark Office a mark consisting of "I-T-E," a mark consisting of "I-T-E" surrounded by a circle, and also a mark consisting of the same circle enclosing "I-T-E" which is in turn enclosed in a jagged right-hand pointing triangle for various products, including shipboard controls, circuit breakers, and transformers.

23. SPD Technologies, Inc. (sometimes referred to herein as "SPD") had in use and registered on the principal register in the United States Patent and Trademark Office a mark consisting of a semi-circle above several curving lines ^{and also a mark consisting of the word "SPD"} ~~followed by the words~~ ~~"SPD Technologies"~~ for various products, including shipboard controls, circuit breakers, and transformers.

24. Jefferson Electric Company (sometimes referred to herein as "Jefferson Electric") had in use and registered on the

principal register in the United States Patent and Trademark Office a mark consisting of the word "Jefferson" for various products, including shipboard controls, circuit breakers, and transformers.

COUNT 1

The introductory allegations are hereby alleged and incorporated by reference as if set forth in full herein.

THE CONSPIRACY

Beginning on or about August 12, 1985, and continuing until on or about September 13, 1990, the exact dates being unknown to the grand jury, within the Eastern District of Virginia and elsewhere, WILLIAM M. STOKLEY, JANET M. STOKLEY, and STOKLEY ENTERPRISES, INC., the defendants herein, unlawfully, willfully and knowingly did combine, conspire, confederate, and agree together with each other, and with others both known and unknown to the grand jury, named as co-conspirators but not as defendants in this particular indictment, to commit offenses against the United States. More particularly, the defendants WILLIAM M. STOKLEY, JANET M. STOKLEY, and STOKLEY ENTERPRISES, INC., and the co-conspirators, did combine, conspire, confederate, and agree together and with each other to commit an offense against the United States, specifically to unlawfully, knowingly, and intentionally traffic and attempt to traffic in goods and services and knowingly to use counterfeit marks on and in connection with such goods and services, which counterfeit marks were identical with and substantially indistinguishable from genuine marks in use and registered for those goods and services on the principal register in the United States Patent and Trademark Office, and the use of which marks was likely to cause confusion, to cause mistake, and to deceive, in violation of

PURPOSES AND OBJECTS OF THE CONSPIRACY

1. It was an object of the conspiracy that the defendants, WILLIAM M. STOKLEY, JANET M. STOKLEY, and STOKLEY ENTERPRISES, INC., would unjustly enrich themselves through selling products with counterfeit marks, including counterfeit electronic component parts such as shipboard controls, transformers, circuit breakers, and motor-driven relays.

2. It was also an object of the conspiracy that the defendants, WILLIAM M. STOKLEY, JANET M. STOKLEY, and STOKLEY ENTERPRISES, INC., would manufacture and sell various products in such a fashion that the products would appear to be genuine products manufactured by other companies such as General Electric, Westinghouse, SPD Technologies, Potter & Brumfield, and Jefferson Electric.

3. It was also an object of the conspiracy that the defendants, WILLIAM M. STOKLEY, JANET M. STOKLEY, and STOKLEY ENTERPRISES, INC., would manufacture and sell various products in such a fashion as to make them appear to be more recently manufactured than they actually were.

4. It was also an object of the conspiracy that the defendants, WILLIAM M. STOKLEY, JANET M. STOKLEY and STOKLEY ENTERPRISES, INC., would keep those who received their counterfeit products, either directly or indirectly, from learning that they were counterfeit.

WAYS, MANNER, AND MEANS OF THE CONSPIRACY

1. It was a part of the conspiracy that, to achieve the objects of the conspiracy, defendants WILLIAM M. STOKLEY, JANET M. STOKLEY, and STOKLEY ENTERPRISES, INC. would sell counterfeit products, including counterfeit electronic component parts such as shipboard controls, transformers, circuit breakers, and motor-driven relays.

2. It was a part of the conspiracy that, to achieve the objects of the conspiracy, defendant WILLIAM M. STOKLEY, with the help of defendant JANET M. STOKLEY, would oversee the construction of products with label plates bearing counterfeit marks.

3. It was a part of the conspiracy that, to achieve the objects of the conspiracy, defendant WILLIAM M. STOKLEY would instruct the conspirators in how to assemble counterfeit parts and add counterfeit marks.

4. It was a part of the conspiracy that, to achieve the objects of the conspiracy, defendant JANET M. STOKLEY would handle various duties for STOKLEY ENTERPRISES, INC., including taking orders, filling orders, ordering component parts necessary for the construction of counterfeit parts, paying for counterfeit label plates, maintaining accounting records, and other duties.

5. It was a part of the conspiracy that, to achieve the objects of the conspiracy, the defendants, WILLIAM M. STOKLEY, JANET M. STOKLEY, and STOKLEY ENTERPRISES, INC., would manufacture parts with counterfeit marks that would confuse and

deceive various persons, including sailors aboard United States Navy vessels and subcontractors repairing nuclear power plants, into believing that the parts were actually produced by electronics manufacturers such as General Electric, Westinghouse, SPD Technologies, Potter & Brumfield, and Jefferson Electric.

6. It was a part of the conspiracy that, to achieve the objects of the conspiracy, defendants WILLIAM M. STOKLEY and STOKLEY ENTERPRISES, INC., would provide false, deceptive, and misleading information to investigative, regulatory and military agencies, including the United States Navy and the Nuclear Regulatory Commission.

OVERT ACTS

In furtherance of the conspiracy and to accomplish the purposes thereof, the defendants, WILLIAM M. STOKLEY, JANET M. STOKLEY and STOKLEY ENTERPRISES, INC., committed the following overt acts, among others, in the Eastern District of Virginia and elsewhere:

General Overt Acts

1. On or about August 12, 1985, defendants WILLIAM M. STOKLEY and JANET M. STOKLEY incorporated defendant STOKLEY ENTERPRISES, INC., under the law governing corporations for the Commonwealth of Virginia.

2. Between on or about August 12, 1985, and on or about September 13, 1990, in the Eastern District of Virginia, defendant WILLIAM M. STOKLEY, assisted by JANET M. STOKLEY, hired various employees for STOKLEY ENTERPRISES, INC., including

employees who were skilled in the construction of electronics parts such as shipboard controls, circuit breakers, transformers, and motor-driven relays.

3. Sometime after on or about August 12, 1985, and before on or about January 1, 1988, defendant WILLIAM M. STOKLEY established with Virginia Art Metal and Plastic Company a catalog of label identification plates that included label plate stencils for industrial electrical components including: motor controls, transformers, connection boxes, low level switch matrices, contactors, switch boards, push button stations, motor driven relays, circuit breakers, fuse units, fans, power transfer switching units, and AC motors and power distribution panels.

4. Sometime before January, 1988, defendant WILLIAM M. STOKLEY arranged for Virginia Art Metal and Plastic Company, of Norfolk, Virginia, to produce label plate stencils for various electronics parts by simply identifying a label plate in the catalog.

5. Between on or about August 12, 1985, and on or about September 13, 1990, in the Eastern District of Virginia, STOKLEY ENTERPRISES, INC., assembled an inventory of label plates from Virginia Art Metal and Plastic Company for use in the construction of counterfeit parts.

6. Between on or about August 12, 1985, and on or about September 13, 1990, JANET M. STOKLEY paid for the inventory of label plates from Virginia Art Metal and Plastic Company for use in the construction of counterfeit parts.

7. Between on or about August 12, 1985, and on or about September 13, 1990, STOKLEY ENTERPRISES, INC., assembled an inventory of electronic parts and hardware for use in the construction of counterfeit parts.
8. Between on or about August 12, 1985, and on or about September 13, 1990, JANET M. STOKLEY paid for the inventory of electronic parts and hardware acquired by STOKLEY ENTERPRISES, INC., for use in the construction of counterfeit parts.
9. Between on or about August 12, 1985, and on or about September 13, 1990, JANET M. STOKLEY maintained various records for STOKLEY ENTERPRISES, INC., including financial records and records reflecting the profits paid to WILLIAM M. STOKLEY and JANET M. STOKLEY.
10. On or about February 9, 1990, JANET M. STOKLEY signed a STOKLEY ENTERPRISES, INC., check to WILLIAM M. STOKLEY for approximately \$37,021.81.
11. On or about February 9, 1990, JANET M. STOKLEY signed a STOKLEY ENTERPRISES, INC., check to herself for approximately \$8,414.69.
12. On or about April 20, 1990, JANET M. STOKLEY signed a STOKLEY ENTERPRISES, INC., check to WILLIAM M. STOKLEY for approximately \$49,818.23.
13. On or about April 20, 1990, JANET M. STOKLEY signed a STOKLEY ENTERPRISES, INC., check to herself for approximately \$10,022.50.
14. On or about July 6, 1990, JANET M. STOKLEY signed a

STOKLEY ENTERPRISES, INC., check to WILLIAM M. STOKLEY for approximately \$66,230.

15. On or about July 6, 1990, JANET M. STOKLEY signed a STOKLEY ENTERPRISES, INC., check to herself for approximately \$10,104.09.

16. On or about July 27, 1990, JANET M. STOKLEY signed a STOKLEY ENTERPRISES, INC., check to herself for approximately \$7,948.00.

17. On or about August 4, 1989, defendant JANET M. STOKLEY signed a STOKLEY ENTERPRISES, INC., check to WILLIAM M. STOKLEY for approximately \$39,730.78.

18. Between on or about August 12, 1985 and on or about September 13, 1990, in the Eastern District of Virginia, the defendants, WILLIAM M. STOKLEY, JANET M. STOKLEY, and STOKLEY ENTERPRISES, INC., shipped to various customers numerous parts with counterfeit marks on them.

Overt Acts Relating to Shipboard Controls

19. On or about May 7, 1990, STOKLEY ENTERPRISES, INC., acting through its employees and at the direction of WILLIAM M. STOKLEY and JANET M. STOKLEY, took an order from Ingalls Shipbuilding for approximately twenty General Electric motor controllers, including three controllers with General Electric part number 229B3039, six with General Electric part number 194B8435G1S2, three with General Electric part number 188B3082, three with General Electric part number 229B3036G1, and five with General Electric part number 188B3083.

20. On or about June 19, 1990, STOKLEY ENTERPRISES, INC., ordered ten label plates for General Electric shipboard controls from Virginia Art Metal and Plastic ^{Company} Corporation, in Norfolk, Virginia, in the Eastern District of Virginia.

21. On or about May 8, 1990, WILLIAM M. STOKLEY, acting on behalf of STOKLEY ENTERPRISES, INC., ordered from Jo-Kell five switches for use in the construction of counterfeit General Electric motor controls.

22. On or about May 9, 1990, STOKLEY ENTERPRISES, INC., ordered from Baker Sheet Metal in Norfolk, Virginia, in the Eastern District of Virginia, ten steel brackets of approximate dimensions of 12 and 1/2 inches by 8 and 3/4 inches for use in the construction of counterfeit General Electric motor controls.

23. On or about June 28, 1990, defendant JANET M. STOKLEY sent a check for approximately \$115.30 to Baker Sheet Metal to pay, in part, for the ten steel brackets.

24. On or about May 11, 1990, STOKLEY ENTERPRISES, INC., ordered one General Electric 115 volt coil from California Marine Supply for use in the construction of counterfeit General Electric motor controls.

25. On or about June 20, 1990, JANET M. STOKLEY sent California Marine Supply a check for approximately \$1253.25 to pay, in part, for one General Electric 115 volt coil.

26. On or about May 18, 1990, STOKLEY ENTERPRISES, INC., ordered one General Electric contact part in "as is" condition from Kinnamen Electric, Inc.

27. On or about June 14, 1990, JANET M. STOKLEY sent Indmar Corporation, also known as Kinnamen Electric, Inc., a check for approximately \$1253.25 to pay, in part, for one General Electric contact part.

28. On or about June 4, 1990, STOKLEY ENTERPRISES, INC., shipped to Ingalls Shipbuilding in Pascagoula, Mississippi, approximately three shipboard controls, known more particularly by General Electric Part number 229B3039, with counterfeit General Electric marks, for use in the overhaul of the destroyer USS John Hancock (DD-981).

29. On or about July 19, 1990, an employee of STOKLEY ENTERPRISES, INC., signed a Certificate of Compliance for the three counterfeit controllers attesting that: "All items furnished on this purchase order are in full compliance with all specification and purchase order requirements."

30. On or about August 1, 1990, STOKLEY ENTERPRISES, INC., received approximately \$5,643 from Ingalls Shipbuilding for three shipboard controls.

31. On or about June 19, 1990, STOKLEY ENTERPRISES, INC., shipped to Ingalls Shipbuilding in Pascagoula, Mississippi, approximately six shipboard controls, known more particularly by General Electric part number ^{19488435G152} ~~229B3039~~, with counterfeit General Electric marks.

32. On or about July 2, 1990, STOKLEY ENTERPRISES, INC., received approximately \$9,578.10 from Ingalls Shipbuilding for six shipboard controls.

33. On or about July 19, 1990, STOKLEY ENTERPRISES, INC., shipped to Ingalls Shipbuilding in Pascagoula, Mississippi, approximately three shipboard controls, known more particularly by General Electric part number 229B3036G1, with counterfeit General Electric marks.

34. On or about September 5, 1990, STOKLEY ENTERPRISES, INC., shipped to Ingalls Shipbuilding in Pascagoula, Mississippi, approximately two shipboard controls, known more particularly by General Electric part number 188B3082, with counterfeit General Electric marks.

35. On or about September 13, 1990, in the Eastern District of Virginia, employees of STOKLEY ENTERPRISES, INC., including defendant WILLIAM M. STOKLEY, began assembling ^{approximately} four counterfeit General Electric shipboard controls, known more particularly by General Electric part number 188B3083, before they were interrupted by agents from the Naval Investigative Service executing a federal search warrant.

36. On or about September 13, 1990, employees of STOKLEY ENTERPRISES, INC., began electroplating contactors for counterfeit General Electric shipboard controls.

37. On or about September 13, 1990, employees of STOKLEY ENTERPRISES, INC., began painting metal enclosures for counterfeit General Electric shipboard controls.

38. On or about September 13, 1990, employees of STOKLEY ENTERPRISES, INC., began wiring component parts for counterfeit General Electric shipboard controls.

39. On or about September 13, 1990, employees of STOKLEY ENTERPRISES, INC., retrieved counterfeit "General Electric shipboard control" label plates from the STOKLEY inventory of such plates.

40. On or about July 23, 1990, JANET M. STOKLEY sent to Virginia Art Metal and Plastic Company a check for approximately \$848.75 to pay, in part, for label plates for General Electric shipboard controls.

41. In or about August and September, 1989, STOKLEY ENTERPRISES, INC., agreed to sell to the Charleston Naval Shipyard four General Electric shipboard controls, known more particularly by the General Electric part number 858C100.

42. On or about August 31, 1989, STOKLEY ENTERPRISES, INC., ordered from Baker Sheet Metal Corporation six steel brackets, to be fabricated to match a sample provided by STOKLEY ENTERPRISES, INC., including adding flanges at the top.

43. On or about October 11, 1989, JANET M. STOKLEY sent to Baker Sheet Metal Corporation a check for \$401.28 to pay, in part, for six steel brackets.

44. On or about August 24, 1989, STOKLEY ENTERPRISES, INC., shipped to the Charleston Naval Shipyard a shipboard control, known more particularly by the General Electric part number 858C100, with counterfeit General Electric marks.

45. On or about August 29, 1989, STOKLEY ENTERPRISES, INC., shipped to the Charleston Naval Shipyard a shipboard control, known more particularly by the General Electric part number

858C100, with counterfeit General Electric marks.

46. On or about August 30, 1989, STOKLEY ENTERPRISES, INC., shipped to the Charleston Naval Shipyard a counterfeit General Electric shipboard control, known more particularly by the General Electric part number 858C100.

47. On or about September 11, 1989, STOKLEY ENTERPRISES, INC., shipped to the Charleston Naval Shipyard a shipboard control, known more particularly by the General Electric part number 858C100, with counterfeit General Electric marks.

48. On or about January 12, 1990, WILLIAM M. STOKLEY, acting on behalf of STOKLEY ENTERPRISES, INC., agreed to sell the Charleston Naval Shipyard six shipboard controls, known more particularly by the Cutler-Hammer part number 6962H154-4.

49. On or about January 15, 1990, STOKLEY ENTERPRISES, INC., ordered ten counterfeit Cutler-Hammer label plates from Virginia Art Metal and Plastic Company.

50. On or about January 25, 1990, STOKLEY ENTERPRISES, INC., sent to the Charleston Naval Shipyard six shipboard controls with counterfeit Cutler-Hammer marks.

51. On or about January 25, 1990, defendant JANET M. STOKLEY signed a Certificate of Compliance representing that six counterfeit Cutler-Hammer shipboard controls were in full compliance with all specification and purchase order requirements.

Overt Acts Relating to Circuit Breakers

52. On or about November 21, 1989, STOKLEY ENTERPRISES,

INC., agreed to sell to Temsco, Inc., four Westinghouse circuit breakers, known more particularly by the Westinghouse part number AQB-LF250.

53. Sometime in or about November, 1989, STOKLEY ENTERPRISES, INC., ordered from Virginia Art Metal and Plastic Company various label plates that appear on Westinghouse circuit breakers.

54. On or before December 5, 1989, employees of STOKLEY ENTERPRISES, INC., assembled four counterfeit Westinghouse circuit breakers, known more particularly by the Westinghouse part number AQB-LF250.

55. On or about December 5, 1989, STOKLEY ENTERPRISES, INC. shipped to Temsco, Inc., four circuit breakers with counterfeit Westinghouse marks destined to be used in the overhaul of the nuclear-powered fast attack submarine USS Baltimore (SSN-704).

56. On or about November 2, 1989, STOKLEY ENTERPRISES, INC., agreed to provided to Temsco, Inc., two ITE circuit breakers, known more particularly by the ITE part number ETN6908-10.

57. On or about October 20, 1989, STOKLEY ENTERPRISES, INC., ordered from Virginia Art Metal and Plastic Company approximately twelve generic ITE circuit breaker label plates.

58. On or after November 2, 1989, WILLIAM M. STOKLEY ordered from Electro Mech two ITE LF 400 (ETN 690810) trip units.

59. On or about December 12, 1989, JANET M. STOKLEY sent Electro Mech a check for approximately \$5680 to pay, in part, for

Two ITE LF 400 trip units.

60. Before on or about November 9, 1989, employees of STOKLEY ENTERPRISES, INC., assembled two counterfeit circuit breakers, known more particularly by the ITE part number ETN6908-10.

61. On or about November 9, 1989, STOKLEY ENTERPRISES, INC., shipped to Temsco, Inc., two circuit breakers with counterfeit ITE marks destined to be used in the overhaul of the nuclear-powered fast attack submarine USS Baltimore (SSN-704).

62. On or about October 20, 1989, STOKLEY ENTERPRISES, INC., agreed to provide the Navy Ship^s Parts Control Center in Mechanicsburg, Pennsylvania, with one circuit breaker, known more particularly by the ITE part number ETN6727-10S31.

63. Before on or about October 25, 1989, STOKLEY ENTERPRISES, INC., assembled a counterfeit ITE circuit breaker.

64. On or about October 25, 1989, STOKLEY ENTERPRISES, INC., shipped a counterfeit ITE circuit breaker to the Naval Supply Center, Naval Station Mayport, Florida, for the shore power system of the fast frigate USS Doyle (FFG-39).

65. On or about November 3, 1989, STOKLEY ENTERPRISES, INC., agreed to provide the Navy Ship^s Parts Control Center in Mechanicsburg, Pennsylvania, with one circuit breaker, known more particularly by the ITE part number ETN6727-10S31, for approximately \$2215.75.

66. Before on or about November 9, 1989, STOKLEY ENTERPRISES, INC., assembled a counterfeit ITE circuit breaker.

67. On or about November 9, 1989, STOKLEY ENTERPRISES, INC., shipped a circuit breaker with counterfeit ITE marks to the Naval Supply Center, Naval Station Mayport, Florida, for the shore power system of the fast frigate USS Doyle (FFG-39).

68. On or about July 24, 1990, STOKLEY ENTERPRISES, INC., agreed to provide the Navy Ships Parts Control Center with one circuit breaker, known more particularly by the ITE part number ETN6727-10S31.

69. On or about July 25, 1990, WILLIAM M. STOKLEY ordered from Hardware Specialty Company in Seattle, Washington, one surplus AQBA400 circuit breaker that "needed work" according to the shipping invoice.

70. On or about August 8, 1990, JANET M. STOKLEY sent Hardware Specialty a check for approximately \$1548.25 to pay, in part, for one surplus AQBA400 circuit breaker.

71. Before on August 3, 1990, employees of STOKLEY ENTERPRISES, INC., assembled a counterfeit ITE circuit breaker.

72. On or about August 3, 1990, STOKLEY ENTERPRISES, INC., shipped to the Naval Education Training Center, in Newport, Rhode Island, one circuit breaker with counterfeit ITE marks for the shore power system of the USS Simpson (FFG-56).

73. On or about December 22, 1989, STOKLEY ENTERPRISES, INC., agreed to provided the Navy Ships Parts Control Center with a circuit breaker, known more particularly by the part number ETN9708-10S22.

74. On or about December 26, 1989, STOKLEY ENTERPRISES,

INC., ordered from Gary S. Hopkins one NQBA1600 circuit breaker.

75. On or about January 5, 1990, JANET M. STOKLEY paid Gary S. Hopkins approximately \$2,000 for one NQBA1600 circuit breaker.

76. Before on or about December 28, 1989, employees of STOKLEY ENTERPRISES, INC., worked on the NQBA1600 circuit breaker to make it appear to be brand new.

77. On or about December 28, 1989, defendants WILLIAM M. STOKLEY, JANET M. STOKLEY, and STOKLEY ENTERPRISES, INC. ~~by~~ ^{did} shipped and caused to be shipped to the Aegis class guided missile cruiser USS Princeton (CG-59) a circuit breaker known by the part number ETN9708-10S22.

78. On or about September 10, 1990, STOKLEY ENTERPRISES, INC., agreed to provide the Murray Benjamin Electric Company two circuit breakers, known more particularly by the ITE part number ETN9707-20, destined for installation on the floating dry dock USS Oak Ridge (ARDM 1).

79. On or about September 13, 1990, in the Eastern District of Virginia, employees of STOKLEY ENTERPRISES, INC., began assembling two counterfeit ITE circuit breakers, before they were interrupted by agents from the Naval Investigative Service executing a federal search warrant.

80. On or about September 13, 1990, employees of STOKLEY ENTERPRISES, INC., replated the stationary contacts of a circuit breaker to make it appear to be a new ITE ETN9707-20 circuit breaker.

81. On or about September 13, 1990, employees of STOKLEY

ENTERPRISES, INC., installed new design arc chutes on a circuit breaker to make it appear to be a new ITE ETN9707-20 circuit breaker.

Overt Acts Relating to Transformers

82. On or about October 25, 1989, STOKLEY ENTERPRISES, INC., agreed to provide Ingalls Shipbuilding three Westinghouse transformers, known more particularly by the Westinghouse part number 5KVA 450/120V 1PH 60HZ.

83. On or about October 26, 1989, STOKLEY ENTERPRISES, INC., ordered three bottom metal sheets from Baker sheet metal.

84. On or about October 3, 1989, STOKLEY ENTERPRISES, INC., ordered from Virginia Art Metal and Plastic Company three Westinghouse transformer diagrams with blanks for federal stock numbers and for the year of manufacture.

85. On or about November 6, 1989, STOKLEY ENTERPRISES, INC., shipped to Ingalls Shipbuilding three transformers with counterfeit Westinghouse marks.

86. On or about October 25, 1989, STOKLEY ENTERPRISES, INC., agreed to provide to Ingalls Shipbuilding six Jefferson Electric transformers, known more particularly by the Jefferson Electric part number 25 KVA 450/120V 1PH 400HZ.

87. On or about November 6, 1989, STOKLEY ENTERPRISES, INC. shipped to Ingalls Shipbuilding six transformers with counterfeit Jefferson Electric marks.

Overt Acts Relating to Potter-Brumfield Motor-Driven Relays

88. On or about May 24, 1990, WILLIAM M. STOKLEY agreed to

provide Spectronics, Inc., with three different models of approximately thirty Potter and Brumfield motor-driven relays.

89. On or about May 25, 1990, STOKLEY ENTERPRISES, INC., ordered from Virginia Art Metal and Plastic various label plates that normally appear on Potter and Brumfield motor-driven relays.

90. On or about June 14, 1990, STOKLEY ENTERPRISES, INC., sent to the Shearon Harris nuclear power plant approximately thirty counterfeit Potter and Brumfield motor-driven relays.

91. On or about June 27, 1990, in the Eastern District of Virginia, defendant WILLIAM M. STOKLEY lied to investigators from the Nuclear Regulatory Commission by telling them that STOKLEY ENTERPRISES, INC., does not replace label identification plates of the electronic components that it sold.

92. On or about June 27, 1990, defendant WILLIAM M. STOKLEY lied to investigators from the Nuclear Regulatory Commission by telling them that STOKLEY ENTERPRISES, INC., never made any internal alterations on the electronics components that it sold.

(All in violation of Title 18, United States Code, Section 371.)

COUNT 2

THE GRAND JURY FURTHER CHARGES THAT:

The introductory allegations are hereby alleged and incorporated by reference as if set forth in full herein.

On or about June 4, 1990, in Norfolk, Virginia, in the Eastern District of Virginia, the defendants, WILLIAM M. STOKLEY, JANET M. STOKLEY, and STOKLEY ENTERPRISES, INC., unlawfully and intentionally did traffic and attempt to traffic in goods and services, to wit, did assemble, sell, and ~~ship~~ to Ingalls transfer + Shipbuilding shipboard controls, known more particularly by the General Electric part number 229B3036G1, and unlawfully and knowingly used counterfeit marks on and in connection with such goods and services, that is, marks consisting of a monogram cursive "GE" inside a circle surrounded on the left side by the word "General" and on the right side by the word "Electric", which counterfeit marks were identical with and substantially indistinguishable from genuine marks in use and registered for those goods and services on the principal register in the United States Patent and Trademark Office, and the use of which marks was likely to cause confusion, to cause mistake, and to deceive.

(All in violation of Title 18, United States Code, Sections 2320 and 2.)

COUNT 3

THE GRAND JURY FURTHER CHARGES THAT:

The introductory allegations are hereby alleged and incorporated by reference as if set forth in full herein.

On or about June 19, 1990, in Norfolk, Virginia, in the Eastern District of Virginia, the defendants, WILLIAM M. STOKLEY, JANET M. STOKLEY, and STOKLEY ENTERPRISES, INC., unlawfully and intentionally did traffic and attempt to traffic in goods and services, to wit, did assemble, sell, and ship to Ingalls Shipbuilding shipboard controls, known more particularly by the General Electric part number 229B3036G1, and unlawfully and knowingly used counterfeit marks on and in connection with such goods and services, that is, marks consisting of a monogram cursive "GE" inside a circle surrounded on the left side by the word "General" and on the right side by the word "Electric", which counterfeit marks were identical with and substantially indistinguishable from genuine marks in use and registered for those goods and services on the principal register in the United States Patent and Trademark Office, and the use of which marks was likely to cause confusion, to cause mistake, and to deceive.

(All in violation of Title 18, United States Code, Sections 2320 and 2.)

COUNT 4

THE GRAND JURY FURTHER CHARGES THAT:

The introductory allegations are hereby alleged and incorporated by reference as if set forth in full herein.

On or about July 19, 1990, in Norfolk, Virginia, in the Eastern District of Virginia, the defendants, WILLIAM M. STOKLEY, JANET M. STOKLEY, and STOKLEY ENTERPRISES, INC., unlawfully and intentionally did traffic and attempt to traffic in goods and services, to wit, did assemble, sell, and ship to Ingalls Shipbuilding shipboard controls, known more particularly by the General Electric part number 229B3036G1, and unlawfully and knowingly used counterfeit marks on and in connection with such goods and services, that is, marks consisting of a monogram cursive "GE" inside a circle surrounded on the left side by the word "General" and on the right side by the word "Electric", which counterfeit marks were identical with and substantially indistinguishable from genuine marks in use and registered for those goods and services on the principal register in the United States Patent and Trademark Office, and the use of which marks was likely to cause confusion, to cause mistake, and to deceive.

(All in violation of Title 18, United States Code, Sections 2320 and 2.)

COUNT 5

THE GRAND JURY FURTHER CHARGES THAT:

The introductory allegations are hereby alleged and incorporated by reference as if set forth in full herein.

On or about September 5, 1990, in Norfolk, Virginia, in the Eastern District of Virginia, the defendants, WILLIAM M. STOKLEY, JANET M. STOKLEY, and STOKLEY ENTERPRISES, INC., unlawfully and intentionally did traffic and attempt to traffic in goods and services, to wit, did assemble, sell, and ship to Ingalls Shipbuilding shipboard controls, known more particularly by the General Electric part number 229B3036G1, and unlawfully and knowingly used counterfeit marks on and in connection with such goods and services, that is, marks consisting of a monogram cursive "GE" inside a circle surrounded on the left side by the word "General" and on the right side by the word "Electric", which counterfeit marks were identical with and substantially indistinguishable from genuine marks in use and registered for those goods and services on the principal register in the United States Patent and Trademark Office, and the use of which marks was likely to cause confusion, to cause mistake, and to deceive.

(All in violation of Title 18, United States Code, Sections 2320 and 2.)

COUNT 6

THE GRAND JURY FURTHER CHARGES THAT:

The introductory allegations are hereby alleged and incorporated by reference as if set forth in full herein.

On or about August 24, 1989, in Norfolk, Virginia, in the Eastern District of Virginia, the defendants, WILLIAM M. STOKLEY, JANET M. STOKLEY, and STOKLEY ENTERPRISES, INC., unlawfully and intentionally did traffic and attempt to traffic in goods and services, to wit, did assemble, sell, and ship to the Charleston Naval Shipyard a shipboard control, known more particularly by the General Electric part number 858C100, and unlawfully and knowingly used counterfeit marks on and in connection with such goods and services, that is, marks consisting of a monogram cursive "GE" inside a circle surrounded on the left side by the word "General" and on the right side by the word "Electric", which counterfeit marks were identical with and substantially indistinguishable from genuine marks in use and registered for those goods and services on the principal register in the United States Patent and Trademark Office, and the use of which marks was likely to cause confusion, to cause mistake, and to deceive.

(All in violation of Title 18, United States Code, Sections 2320 and 2.)

COUNT 7

THE GRAND JURY FURTHER CHARGES THAT:

The introductory allegations are hereby alleged and incorporated by reference as if set forth in full herein.

On or about August 29, 1989, in Norfolk, Virginia, in the Eastern District of Virginia, the defendants, WILLIAM M. STOKLEY, JANET M. STOKLEY, and STOKLEY ENTERPRISES, INC., unlawfully and intentionally did traffic and attempt to traffic in goods and services and services, to wit, did assemble, sell, and ship to the Charleston Naval Shipyard a shipboard control, known more particularly by the General Electric part number 858C100, and unlawfully and knowingly used counterfeit marks on and in connection with such goods and services and services, that is, marks consisting of a monogram cursive "GE" inside a circle surrounded on the left side by the word "General" and on the right side by the word "Electric", which counterfeit marks were identical with and substantially indistinguishable from genuine marks in use and registered for those goods and services on the principal register in the United States Patent and Trademark Office, and the use of which marks was likely to cause confusion, to cause mistake, and to deceive.

(All in violation of Title 18, United States Code, Sections 2320 and 2.)

COUNT 8

THE GRAND JURY FURTHER CHARGES THAT:

The introductory allegations are hereby alleged and incorporated by reference as if set forth in full herein.

On or about August 30, 1989, in Norfolk, Virginia, in the Eastern District of Virginia, the defendants, WILLIAM M. STOKLEY, JANET M. STOKLEY, and STOKLEY ENTERPRISES, INC., unlawfully and intentionally did traffic and attempt to traffic in goods and services, to wit, did assemble, sell, and ship to the Charleston Naval Shipyard a shipboard control, known more particularly by the General Electric part number 858C100, and unlawfully and knowingly used counterfeit marks on and in connection with such goods and services, that is, marks consisting of a monogram cursive "GE" inside a circle surrounded on the left side by the word "General" and on the right side by the word "Electric", which counterfeit marks were identical with and substantially indistinguishable from genuine marks in use and registered for those goods and services on the principal register in the United States Patent and Trademark Office, and the use of which marks was likely to cause confusion, to cause mistake, and to deceive.

(All in violation of Title 18, United States Code, Sections 2320 and 2.)

COUNT 9

THE GRAND JURY FURTHER CHARGES THAT:

The introductory allegations are hereby alleged and incorporated by reference as if set forth in full herein.

On or about September 11, 1989, in Norfolk, Virginia, in the Eastern District of Virginia, the defendants, WILLIAM M. STOKLEY, JANET M. STOKLEY, and STOKLEY ENTERPRISES, INC., unlawfully and intentionally did traffic and attempt to traffic in goods and services, to wit, did assemble, sell, and ship to the Charleston Naval Shipyard a shipboard control, known more particularly by the General Electric part number 858C100, and unlawfully and knowingly used counterfeit marks on and in connection with such goods and services, that is, marks consisting of a monogram cursive "GE" inside a circle surrounded on the left side by the word "General" and on the right side by the word "Electric", which counterfeit marks were identical with and substantially indistinguishable from genuine marks in use and registered for those goods and services on the principal register in the United States Patent and Trademark Office, and the use of which marks was likely to cause confusion, to cause mistake, and to deceive.

(All in violation of Title 18, United States Code, Sections 2320 and 2.)

COUNT 10

THE GRAND JURY FURTHER CHARGES THAT:

The introductory allegations are hereby alleged and incorporated by reference as if set forth in full herein.

On or about January 25, 1990, in Norfolk, Virginia, in the Eastern District of Virginia, the defendants, WILLIAM M. STOKLEY, JANET M. STOKLEY, and STOKLEY ENTERPRISES, INC., unlawfully and intentionally did traffic and attempt to traffic in goods and services, to wit, did assemble, sell, and ship to the Charleston Naval Shipyard shipboard controls, known more particularly by the Cutler-Hammer part number 6962H154-4, and unlawfully and knowingly used counterfeit marks on and in connection with such goods and services, that is, marks consisting of a block "C" enclosing the left half of a block "H" and also marks consisting of the hyphenated word "Cutler-Hammer", which counterfeit marks were identical with and substantially indistinguishable from genuine marks in use and registered for those goods and services on the principal register in the United States Patent and Trademark Office, and the use of which marks was likely to cause confusion, to cause mistake, and to deceive.

(All in violation of Title 18, United States Code, Sections 2320 and 2.)

COUNT 11

THE GRAND JURY FURTHER CHARGES THAT:

The introductory allegations are hereby alleged and incorporated by reference as if set forth in full herein.

On or about September 13, 1990, in Norfolk, Virginia, in the Eastern District of Virginia, the defendants, WILLIAM M. STOKLEY, JANET M. STOKLEY, and STOKLEY ENTERPRISES, INC., unlawfully and intentionally did attempt to traffic in goods and services, to wit, did attempt to assemble, sell, and ship to Ingalls Shipbuilding shipboard controls, known more particularly by the General Electric part number 188B3083, and unlawfully and knowingly used counterfeit marks on and in connection with such goods and services, that is, marks consisting of a monogram cursive "GE" inside a circle surrounded on the left side by the word "General" and on the right side by the word "Electric", which counterfeit marks were identical with and substantially indistinguishable from genuine marks in use and registered for those goods and services on the principal register in the United States Patent and Trademark Office, and the use of which marks was likely to cause confusion, to cause mistake, and to deceive.

(All in violation of Title 18, United States Code, Sections 2320 and 2.)

COUNT 12

THE GRAND JURY FURTHER CHARGES THAT:

The introductory allegations are hereby alleged and incorporated by reference as if set forth in full herein.

On or about December 5, 1989, in Norfolk, Virginia, in the Eastern District of Virginia, the defendants, WILLIAM M. STOKLEY, JANET M. STOKLEY, and STOKLEY ENTERPRISES, INC., unlawfully and intentionally did attempt to traffic in goods and services, to wit, did attempt to assemble, sell, and ship to Temsco, Inc., circuit breakers, known more particularly by the Westinghouse part number AQB-LF250, and unlawfully and knowingly used counterfeit marks on and in connection with such goods and services, that is, marks consisting of the word "Westinghouse" and a "W" with a line underneath it surrounded by a circle, which counterfeit marks were identical with and substantially indistinguishable from genuine marks in use and registered for those goods and services on the principal register in the United States Patent and Trademark Office, and the use of which marks was likely to cause confusion, to cause mistake, and to deceive.

(All in violation of Title 18, United States Code, Sections 2320 and 2.)

COUNT 13

THE GRAND JURY FURTHER CHARGES THAT:

The introductory allegations are hereby alleged and incorporated by reference as if set forth in full herein.

On or about November 9, 1989, in Norfolk, Virginia, in the Eastern District of Virginia, the defendants, WILLIAM M. STOKLEY, JANET M. STOKLEY, and STOKLEY ENTERPRISES, INC., unlawfully and intentionally did traffic and attempt to traffic in goods and services, to wit, did assemble, sell, and ship to Temsco, Inc., circuit breakers, known more particularly by the part number ITE ETN6908-10, and unlawfully and knowingly used counterfeit marks on and in connection with such goods and services, that is, marks consisting of "I-T-E" and also a mark consisting of "I-T-E" surrounded by a circle, which counterfeit marks were identical with and substantially indistinguishable from genuine marks in use and registered for those goods and services on the principal register in the United States Patent and Trademark Office, and the use of which marks was likely to cause confusion, to cause mistake, and to deceive.

(All in violation of Title 18, United States Code, Sections 2320 and 2.)

COUNT 14

THE GRAND JURY FURTHER CHARGES THAT:

The introductory allegations are hereby alleged and incorporated by reference as if set forth in full herein.

On or about October 25, 1989, in Norfolk, Virginia, in the Eastern District of Virginia, the defendants, WILLIAM M. STOKLEY, JANET M. STOKLEY, and STOKLEY ENTERPRISES, INC., unlawfully and intentionally did traffic and attempt to traffic in goods and services, to wit, did assemble, sell, and ship to the Naval Supply Center, Naval Station Mayport, Florida, for the fast frigate USS Doyle (FFG-39) a circuit breaker, known more particularly by the part number ITE ETN6727-10S31, and unlawfully and knowingly used counterfeit marks on and in connection with such goods and services, that is, marks consisting of "I-T-E" and also a mark consisting of "I-T-E" surrounded by a circle, which counterfeit marks were identical with and substantially indistinguishable from genuine marks in use and registered for those goods and services on the principal register in the United States Patent and Trademark Office, and the use of which marks was likely to cause confusion, to cause mistake, and to deceive.

(All in violation of Title 18, United States Code, Sections 2320 and 2.)

COUNT 15

THE GRAND JURY FURTHER CHARGES THAT:

The introductory allegations are hereby alleged and incorporated by reference as if set forth in full herein.

On or about November 9, 1989, in Norfolk, Virginia, in the Eastern District of Virginia, the defendants, WILLIAM M. STOKLEY, JANET M. STOKLEY, and STOKLEY ENTERPRISES, INC., unlawfully and intentionally did traffic and attempt to traffic in goods and services, to wit, did assemble, sell, and ship to the Naval Supply Center, Naval Station Mayport, Florida, for the fast frigate USS Doyle (FFG-39) a circuit breaker, known more particularly by the part number ITE ETN6727-10S31, and unlawfully and knowingly used counterfeit marks on and in connection with such goods and services, that is, marks consisting of "I-T-E" and also a mark consisting of "I-T-E" surrounded by a circle, which counterfeit marks were identical with and substantially indistinguishable from genuine marks in use and registered for those goods and services on the principal register in the United States Patent and Trademark Office, and the use of which marks was likely to cause confusion, to cause mistake, and to deceive.

(All in violation of Title 18, United States Code, Sections 2320 and 2.)

COUNT 16

THE GRAND JURY FURTHER CHARGES THAT:

The introductory allegations are hereby alleged and incorporated by reference as if set forth in full herein.

On or about August 3, 1990, in Norfolk, Virginia, in the Eastern District of Virginia, the defendants, WILLIAM M. STOKLEY, JANET M. STOKLEY, and STOKLEY ENTERPRISES, INC., unlawfully and intentionally did traffic and attempt to traffic in goods and services, to wit, did assemble, sell, and ship to the Naval Education Training Center, Newport, Rhode Island, for the fast frigate the USS Simpson (FFG-56) a circuit breaker, known more particularly by the part number ITE ETN6727-10S31, and unlawfully and knowingly used counterfeit marks on and in connection with such goods and services, that is, marks consisting of "I-T-E" and also a mark consisting of "I-T-E" surrounded by a circle, which counterfeit marks were identical with and substantially indistinguishable from genuine marks in use and registered for those goods and services on the principal register in the United States Patent and Trademark Office, and the use of which marks was likely to cause confusion, to cause mistake, and to deceive.

(All in violation of Title 18, United States Code, Sections 2320 and 2.)

COUNT 17

THE GRAND JURY FURTHER CHARGES THAT:

The introductory allegations are hereby alleged and incorporated by reference as if set forth in full herein.

On or about December 28, 1989 in Norfolk, Virginia, in the Eastern District of Virginia, the defendants, WILLIAM M. STOKLEY, JANET M. STOKLEY, and STOKLEY ENTERPRISES, INC., unlawfully and intentionally did traffic and attempt to traffic in goods and services, to wit, did assemble, sell, and ship to the Naval Supply Center Detachment, Long Beach, California, for the Aegis class guided missile cruiser USS Princeton (CG-59) a circuit breaker, known more particularly by the part number ITE ETN9708-10S22, and unlawfully and knowingly used a counterfeit mark on and in connection with such goods and services, that is, marks consisting of a semi-circle above several curving lines, ^{and also a mark consisting of} followed by the words "SPD" ~~Technologies~~ which counterfeit marks were identical with and substantially indistinguishable from genuine marks in use and registered for those goods and services on the principal register in the United States Patent and Trademark Office, and the use of which marks was likely to cause confusion, to cause mistake, and to deceive.

(All in violation of Title 18, United States Code, Sections 2320 and 2.)

COUNT 18

THE GRAND JURY FURTHER CHARGES THAT:

The introductory allegations are hereby alleged and incorporated by reference as if set forth in full herein.

On or about September 13, 1990, in Norfolk, Virginia, in the Eastern District of Virginia, the defendants, WILLIAM M. STOKLEY, JANET M. STOKLEY, and STOKLEY ENTERPRISES, INC., unlawfully and intentionally did attempt to traffic in goods and services, to wit, did attempt to assemble, sell, and ship to the Murray Benjamin Electric Company for installation on the floating dry dock USS Oak Ridge (ARDM 1) circuit breakers, known more particularly by the part number ITE ETN9707-20, and unlawfully and knowingly used counterfeit marks on and in connection with such goods and services, that is, marks consisting of "I-T-E" and also a mark consisting of "I-T-E" surrounded by a circle, which counterfeit marks were identical with and substantially indistinguishable from genuine marks in use and registered for those goods and services on the principal register in the United States Patent and Trademark Office, and the use of which marks was likely to cause confusion, to cause mistake, and to deceive.

(All in violation of Title 18, United States Code, Sections 2320 and 2.)

COUNT 19

THE GRAND JURY FURTHER CHARGES THAT:

The introductory allegations are hereby alleged and incorporated by reference as if set forth in full herein.

On or about November 6, 1989, in Norfolk, Virginia, in the Eastern District of Virginia, the defendants, WILLIAM M. STOKLEY, JANET M. STOKLEY, and STOKLEY ENTERPRISES, INC., unlawfully and intentionally did traffic and attempt to traffic in goods and services, to wit, did assemble, sell, and ship transformers, known more particularly by the Westinghouse part number 5KVA 450/120V 1PH 60HZ, and unlawfully and knowingly used counterfeit marks on and in connection with such goods and services, that is, marks consisting of the word "Westinghouse" and also a mark consisting of a "W" with a line underneath it surrounded by a circle, which counterfeit marks were identical with and substantially indistinguishable from genuine marks in use and registered for those goods and services on the principal register in the United States Patent and Trademark Office, and the use of which marks was likely to cause confusion, to cause mistake, and to deceive.

(All in violation of Title 18, United States Code, Sections 2320 and 2.)

COUNT 20

THE GRAND JURY FURTHER CHARGES THAT:

The introductory allegations are hereby alleged and incorporated by reference as if set forth in full herein.

On or about November 6, 1989, in Norfolk, Virginia, in the Eastern District of Virginia, the defendants, WILLIAM M. STOKLEY, JANET M. STOKLEY, and STOKLEY ENTERPRISES, INC., unlawfully and intentionally did traffic and attempt to traffic in goods and services, to wit, did assemble, sell, and ship transformers, known more particularly by the Jefferson Electric part number 25 KVA 450/120V 1PH 400HZ, and unlawfully and knowingly used counterfeit marks on and in connection with such goods and services, that is, marks consisting of the word "Jefferson," which counterfeit marks were identical with and substantially indistinguishable from genuine marks in use and registered for those goods and services on the principal register in the United

States Patent and Trademark Office, and the use of which marks was likely to cause confusion, to cause mistake, and to deceive.

(All in violation of Title 18, United States Code, Sections 2320 and 2.)

A TRUE BILL

FOREPERSON

HENRY E. HUDSON
UNITED STATES ATTORNEY

By: _____
Robert J. Seidel, Jr.
Assistant United States Attorney

By: _____
Paul G. Cassell
Assistant United States Attorney

By: _____
Kevin M. Comstock
Special Assistant United States Attorney
401 Hoffman U.S. Courthouse
600 Granby Street
Norfolk, Virginia 23510
(804) 441-6331

M & P Laboratory Report

Confidential - For internal distribution only.

TITLE: SAMPLES TAKEN FROM MDR RELAYS JUNE 20, 1990. RELAYS WERE BROUGHT IN BY K.R. NAIDU. THE TWO RELAYS SAMPLED WERE LABELED MDR 138-8 AND WERE NUMBERED 2 AND 3. BOTH RELAYS HAD BEEN INITIALED G.C. ALONG WITH THE DATE 6-14-90.

PROJECT NUMBER 90-0311

ASSIGNED TO: *Melvin R. Sensmeier* ORIGINATOR: MIKE SCULLY

DATE COMPLETED: 28-JUN-1990 *2/2* DATE RECEIVED: 20-JUN-1990

PART NUMBER AND QUANTITY: 3 SAMPLES TAKEN FROM TWO MDR 138-8 RELAYS.

RESULTS:

SAMPLE # 1 :

- SMALL SECTION OF NAME PLATE - CUT FROM THE CORNER OF MDR 138-8 RELAY # 3 .

MATERIAL USED:

- ANODIZED ALUMINUM WITH AN ACRYLIC ADHESIVE ON ITS BACK SIDE.

SAMPLE # 2 :

- RED PAINT SCRAPED FROM SWITCH RING STUDS AND NUTS - FROM MDR RELAY # 3

MATERIAL USED:

- ALKYD RESIN WITH PIGMENT AND ADDITIVES CONTAINING THE ELEMENTS MAGNESIUM, ALUMINUM, SILICON, SULFUR, BARIUM AND IRON.

SAMPLE # 3:

- GREY PAINT SCRAPED FROM NYLON GROMMETS (FOR COIL LEAD WIRES) OF MDR 138-8 RELAY # 2 .

MATERIAL USED:

- ALKYD RESIN WITH PIGMENT AND ADDITIVES CONTAINING THE ELEMENTS MAGNESIUM, ALUMINUM, SILICON, TITANIUM AND IRON.

CONCLUSION: THE THREE SAMPLES TAKEN FROM THE TWO RELAYS ARE NOT THE SAME MATERIALS AS THOSE SPECIFIED BY POTTER AND BRUMFIELD FOR USE ON MDR RELAYS. SEE ATTACHED PAGES FOR DETAILED RESULTS OF ANALYSES.

DISTRIBUTION: R. COUSIN, DR. J. ERTTEL, G. JONES, B. LAMB, K. LUENEBURGER, D. PATTON

B/20

DETAILED RESULTS OF ANALYSIS OF MDR RELAYS.

SAMPLES FROM MDR 138-8 RELAY'S NUMBERED 2 AND 3 BROUGHT IN BY K.R. NAIDU 6-20-90.

SAMPLE # 1 - SAMPLE OF NAME PLATE TAKEN FROM MDR RELAY # 3.

THE NAME PLATE WAS MADE FROM AN ALUMINUM ALLOY CONTAINING A SMALL AMOUNT OF MAGNESIUM AND SILICON (SEE FIGURE 1 FOR AN ENERGY DISPERSIVE X-RAY SPECTRUM OF THE BASE MATERIAL). THE SURFACE (SEE FIGURE 2 FOR THE ENERGY DISPERSIVE X-RAY SPECTRUM) OF THE NAME PLATE HAD BEEN ANODIZED (ALUMINUM OXIDE COATING PRESUMABLY FORMED USING A SULFURIC ACID ELECTROLYTE DUE TO THE SULFUR FOUND IN THE DEPOSIT, DYED GOLD AND THEN SEALED WITH A NICKEL SALT SOLUTION). FIGURE 3 IS AN INFRARED SPECTRUM OF THE ACRYLIC ADHESIVE ON THE BACK SIDE OF THE NAME PLATE.

THE POTTER & BRUMFIELD MATERIAL SPECIFIED FOR THE NAME PLATE IS A NICKEL SILVER (COPPER, NICKEL AND ZINC ALLOY) MATERIAL WITH NO ADHESIVE BACKING . FIGURE 4 IS AN ENERGY DISPERSIVE X-RAY SPECTRUM OF A TYPICAL NAME PLATE FROM ONE OF OUR RELAY'S. THIS PARTICULAR SAMPLE WAS TAKEN FROM THE NAMEPLATE OF A MDR RELAY MANUFACTURED BY POTTER AND BRUMFIELD WITH A DATE CODE OF THE SECOND WEEK OF 1980.

SAMPLE 2 - RED PAINT SCRAPED FROM SWITCH RING STUDS AND NUTS FROM MDR RELAY # 3.

FIGURE 5 IS AN INFRARED SPECTRUM OF THE RED PAINT REMOVED FROM MDR RELAY # 3. FIGURE 6 IS AN ENERGY DISPERSIVE X-RAY SPECTRUM REPRESENTATIVE OF CHIPS FROM THIS RED PAINT.

FIGURE 7 IS AN INFRARED SPECTRUM OF THE RED ALKYD ENAMEL SPECIFIED BY POTTER AND BRUMFIELD. FIGURE 8 IS AN ENERGY DISPERSIVE X-RAY SPECTRUM REPRESENTATIVE OF CHIPS FROM THE SPECIFIED PAINT.

THE INFRARED SPECTRA ARE DIFFERENT FOR THE TWO PAINTS (EVEN THOUGH THEY BOTH ARE ALKYD TYPE PAINTS) WHICH SHOWS THAT THEY ARE NOT OF THE SAME COMPOSITION. THE X-RAY SPECTRA FURTHER SHOWS THAT THE PIGMENTS AND ADDITIVES ARE DIFFERENT. THE RED PAINT REMOVED FROM MDR RELAY # 3 CONTAINS THE ELEMENTS BARIUM AND SULFUR WHICH ARE NOT IN THE POTTER AND BRUMFIELD SPECIFIED PAINT. ADDITIONALLY, THE ELEMENT CALCIUM FOUND IN THE POTTER AND BRUMFIELD SPECIFIED PAINT IS NOT PRESENT IN THE RED PAINT REMOVED FROM MDR RELAY # 3.

SAMPLE # 3 - GREY PAINT REMOVED FROM THE GROMMETS OF MDR RELAY # 2.

FIGURE 9 IS AN INFRARED SPECTRUM OF THE GREY PAINT REMOVED FROM THE GROMMETS (FOR THE COIL LEAD WIRES) OF MDR RELAY # 2 . FIGURE 10 IS AN ENERGY DISPERSIVE X-RAY SPECTRA REPRESENTATIVE OF CHIPS FROM THIS PAINT.

POTTER AND BRUMFIELD HAS TWO GREY PAINTS SPECIFIED FOR MDR RELAYS.

FIGURE 11 IS AN INFRARED SPECTRUM OF THE MIL. SPEC. VERSION SPECIFIED FOR MDR RELAYS. FIGURE 12 IS AN ENERGY DISPERSIVE X-RAY SPECTRUM REPRESENTATIVE OF CHIPS FROM THE MIL. SPEC. VERSION OF THE GREY PAINT.

FIGURE 13 IS AN INFRARED SPECTRUM OF THE SECOND VERSION SPECIFIED BY POTTER AND BRUMFIELD. FIGURE 14 IS AN ENERGY DISPERSIVE X-RAY SPECTRUM REPRESENTATIVE OF CHIPS FROM THIS VERSION OF THE GREY PAINT.

THE INFRARED SPECTRA AGAIN SHOW THAT THE GREY PAINT REMOVED FROM MDR RELAY # 2 , IS ALSO AN ALKYD TYPE, BUT OF A DIFFERENT COMPOSITION THAN THE TWO GREY PAINTS SPECIFIED BY POTTER AND BRUMFIELD. THE MIL. SPEC. PAINT SPECIFIED BY POTTER AND BRUMFIELD CONTAINS A RESIN THAT IS A 39 % PHTHALIC ANHYDRIDE, PHENOL AND ROSIN MODIFIED SHORT OIL ALKYD RESIN, WHILE THE SECOND VERSION (A PALE GREY AND WITH A MORE GLOSSY APPEARANCE) IS A MODIFIED URETHANE.

FROM THE X-RAY SPECTRA IT CAN BE FURTHER SEEN THAT THE GREY PAINT FROM MDR RELAY # 2 HAS A DIFFERENT ELEMENTAL COMPOSITION THAN THOSE SPECIFIED BY POTTER AND BRUMFIELD. CALCIUM (AS CALCIUM CARBONATE) IN THE MIL. SPEC. PAINT IS MISSING FROM THE GREY PAINT REMOVED FROM MDR RELAY # 2. THE SECOND VERSION OF THE GREY PAINT IS DIFFERENT IN THAT IT DOES NOT CONTAIN IRON (AS IRON OXIDE) FOR THE COLORING AGENT AS WAS FOUND IN THE GREY PAINT REMOVED FROM MDR RELAY # 2.

FROM THE ABOVE ANALYSES, IT CAN BE CONCLUDED THAT THE THREE SAMPLES OF COMPONENTS FROM THE TWO MDR RELAYS ARE OF A DIFFERENT COMPOSITION THAN THOSE MATERIALS SPECIFIED BY POTTER AND BRUMFIELD.

THE FOLLOWING INSTRUMENTATION WAS USED FOR THESE ANALYSES:

INFRARED SPECTROSCOPY - BECKMAN MICROLAB 620 MX DISPERSIVE INFRARED SPECTROPHOTOMETER.

X-RAY SPECTROSCOPY - AMRAY MODEL 1830I SCANNING ELECTRON MICROSCOPE WITH INTEGRATED ENERGY DISPERSIVE X-RAY SYSTEM.
ALL SAMPLES WERE RUN AT 30 KV , 30 DEGREES SAMPLE TILT WITH THE EXCEPTION OF THE ALUMINUM NAMEPLATE IN FIGURE 1 AND FIGURE 2. THEY WERE RUN AT 20KV, 30 DEGREES TILT. ADDITIONALLY, THE EON IV " WINDOWLESS " LIGHT ELEMENT DETECTING UNIT WAS USED FOR THE SPECTRUM OBTAINED IN FIGURE 2.

Melvin R. Sensmeier

SAMPLING, ANALYSES AND REPORT BY MELVIN R. SENSMEIER, STAFF CHEMIST

FIGURE 1- X-RAY SPECTRUM OF BASE METAL USED FOR NAMEPLATE OF MDR RELAY # 3.

22-JUN-90 09:17:18 EDAX READY
RATE = 2918 CPS TIME = 302 LSEC
FS = 35195 CNT PRST = OFF
B = NAME PLATE MDR # 3. G.C.6-14

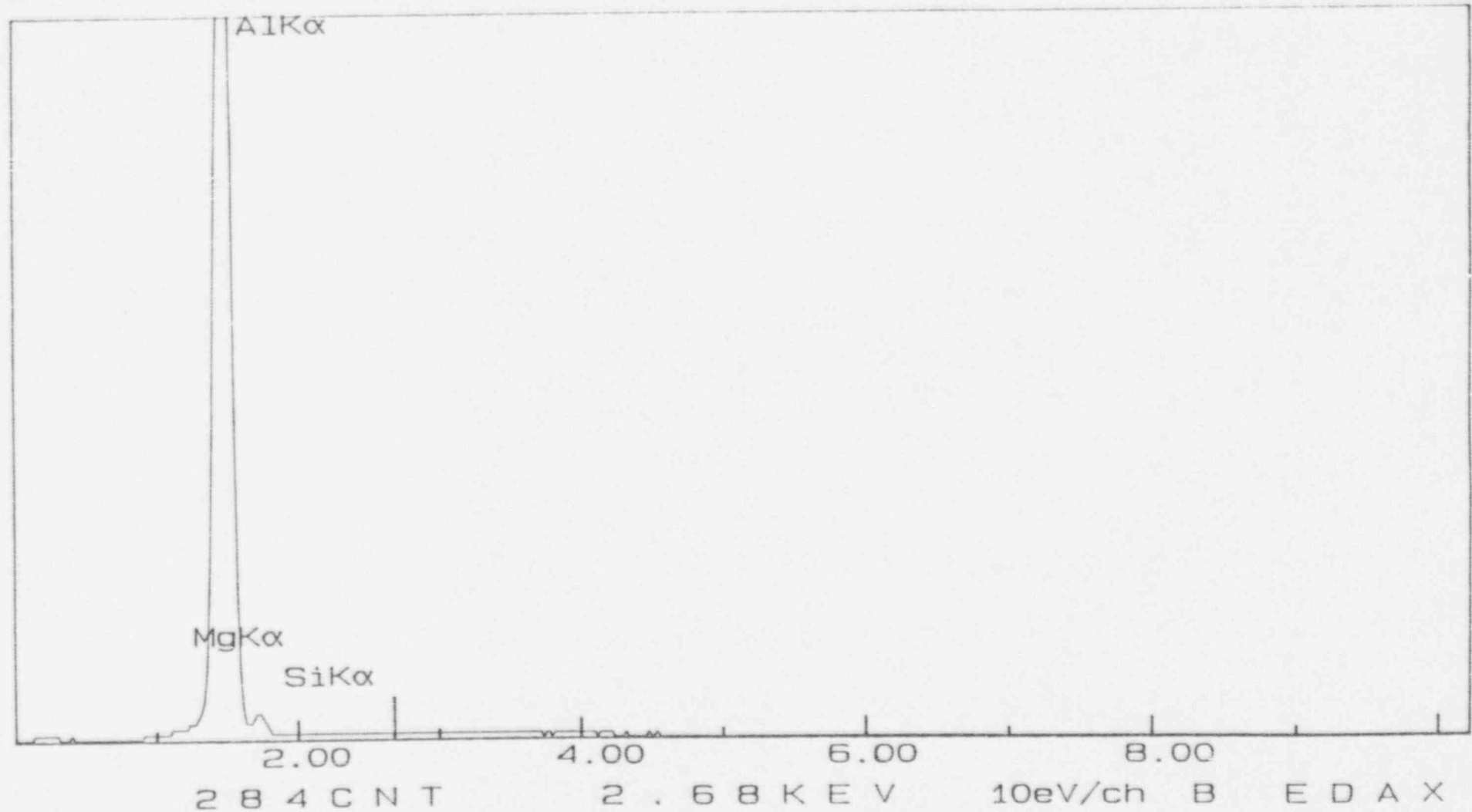
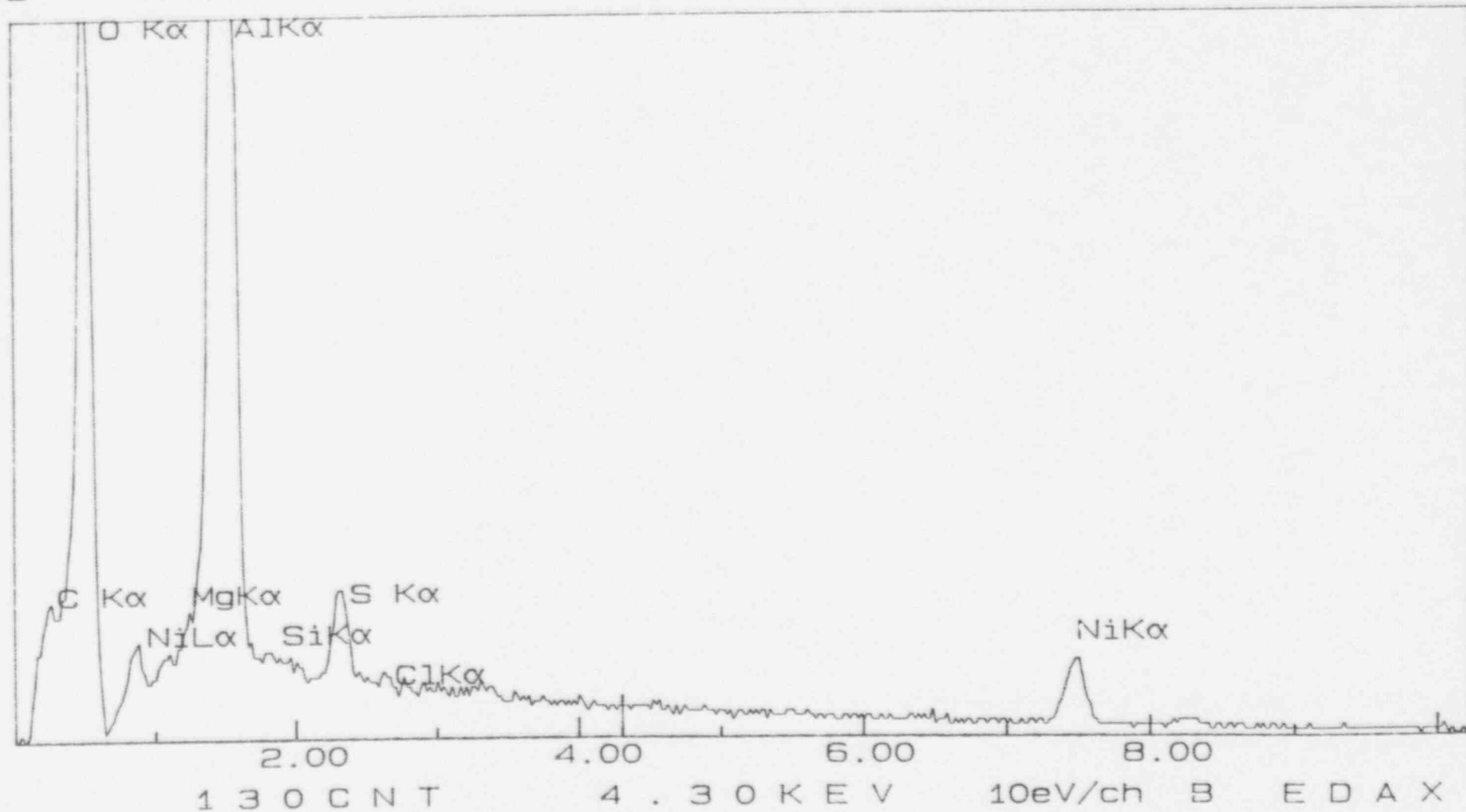


FIGURE 2 - X-RAY SPECTRUM OF ANODIZED (GOLD COLORED) SURFACE
OF NAMEPLATE FROM MDR RELAY # 3.

22-JUN-90 09:31:35 EDAX READY
RATE = 1228 CPS TIME = 252 LSEC
FS = 2574 CNT PRST = OFF
B = NAME PLATE MDR # 3, G.C.6-14



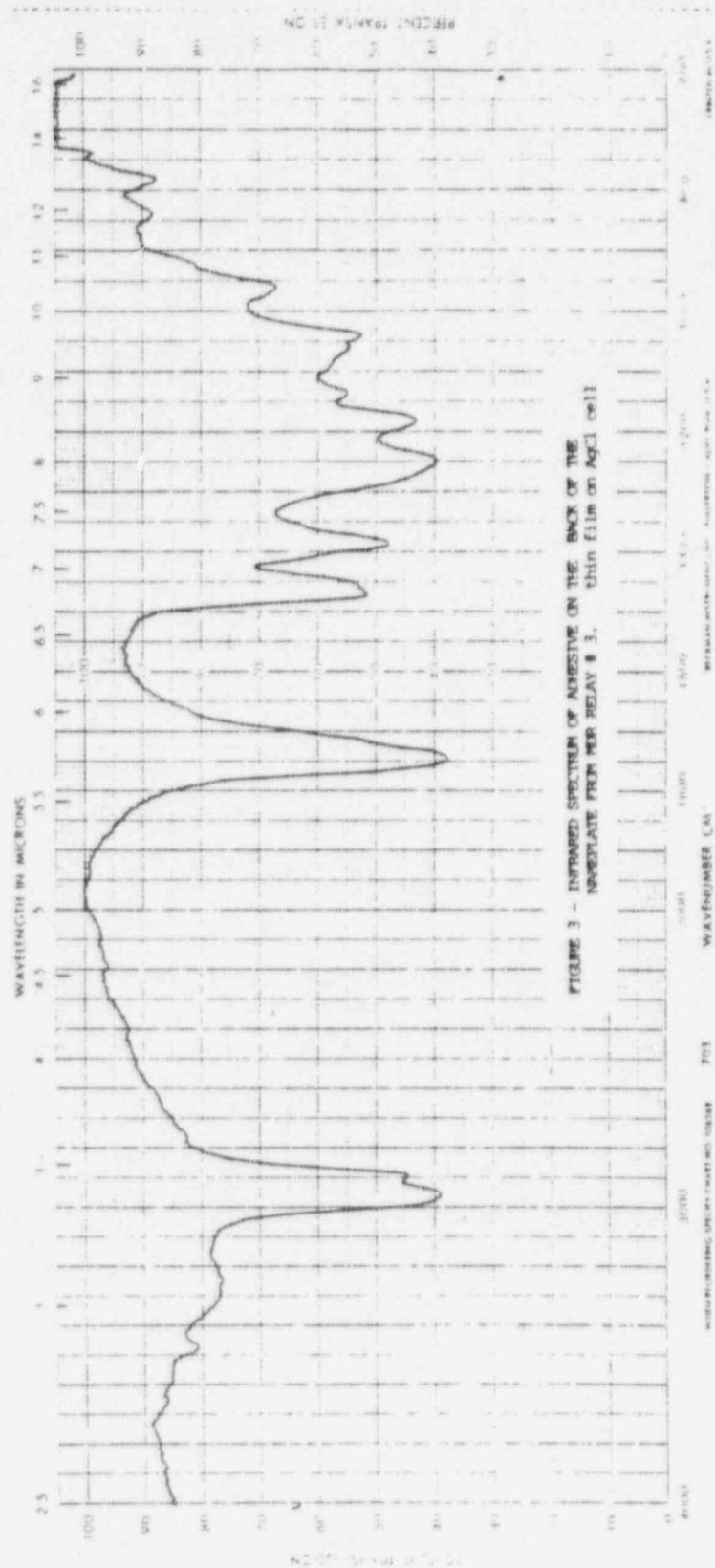
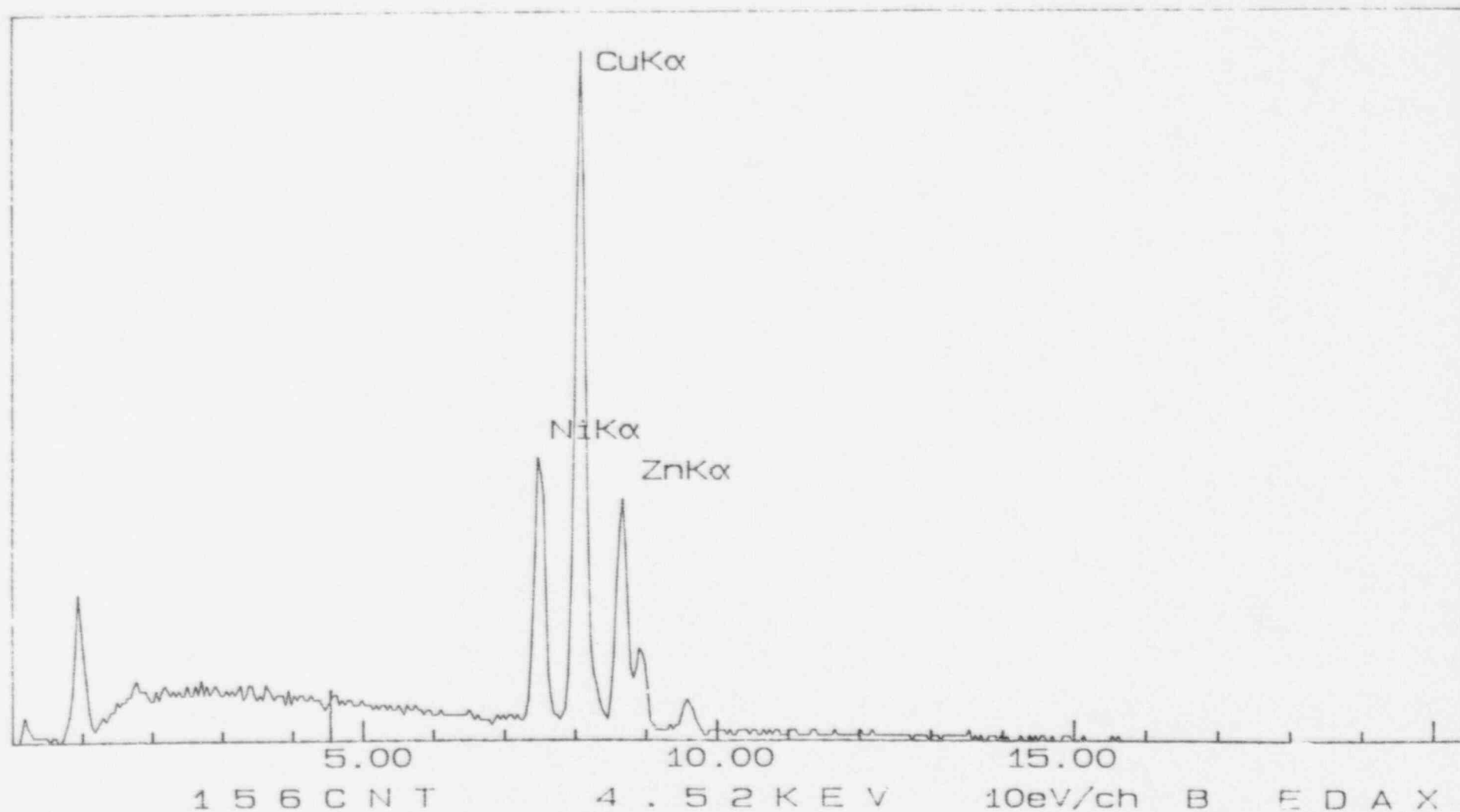


FIGURE 4 - X-RAY SPECTRUM OF NAMEPLATE MATERIAL SPECIFIED FOR MDR
RELAYS MANUFACTURED BY POTTER AND BRUMFIELD.

22-JUN-90 10:19:53 EDAX READY
RATE= 1785CPS TIME= 100LSEC
FS= 2230CNT PRST= OFF
B = P & B NAME PLATE, 8002 RELAY



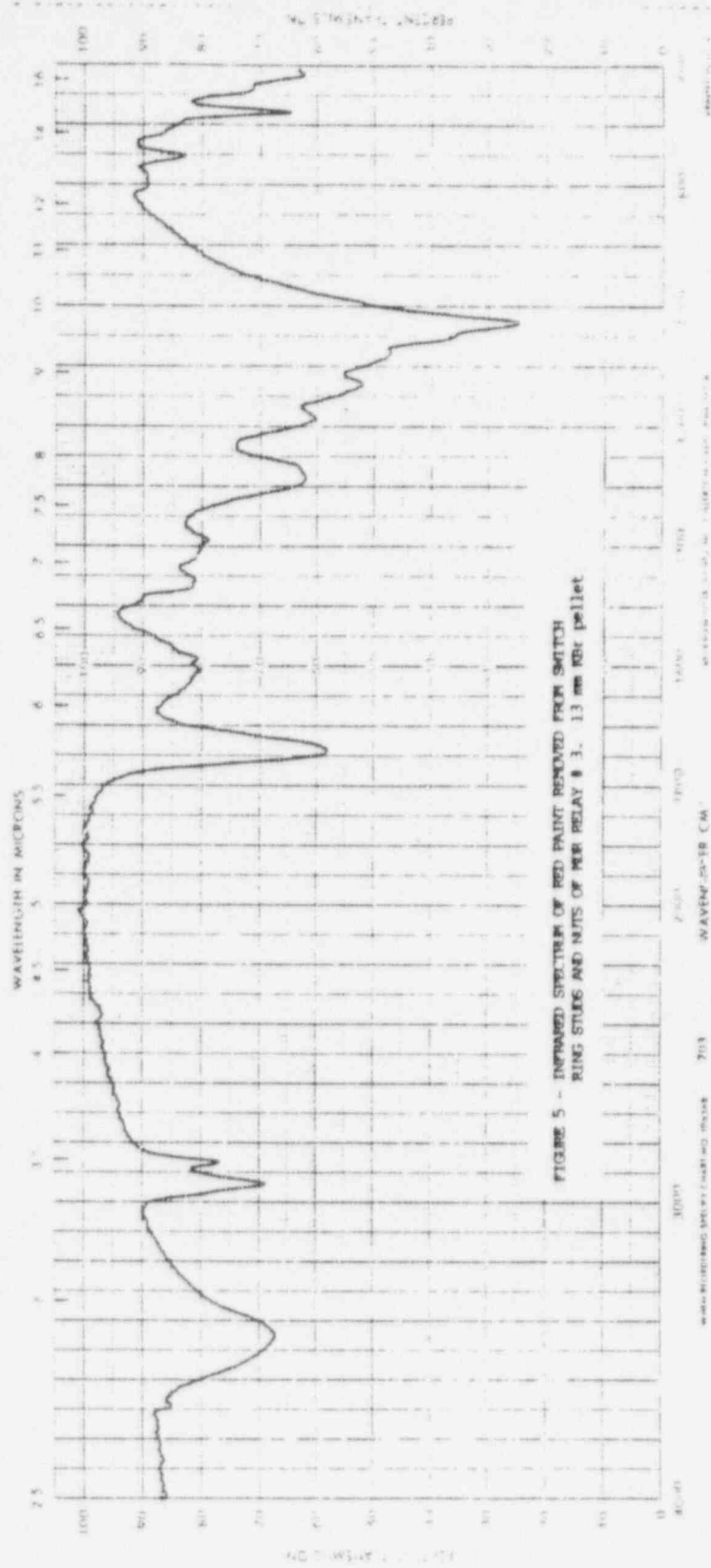
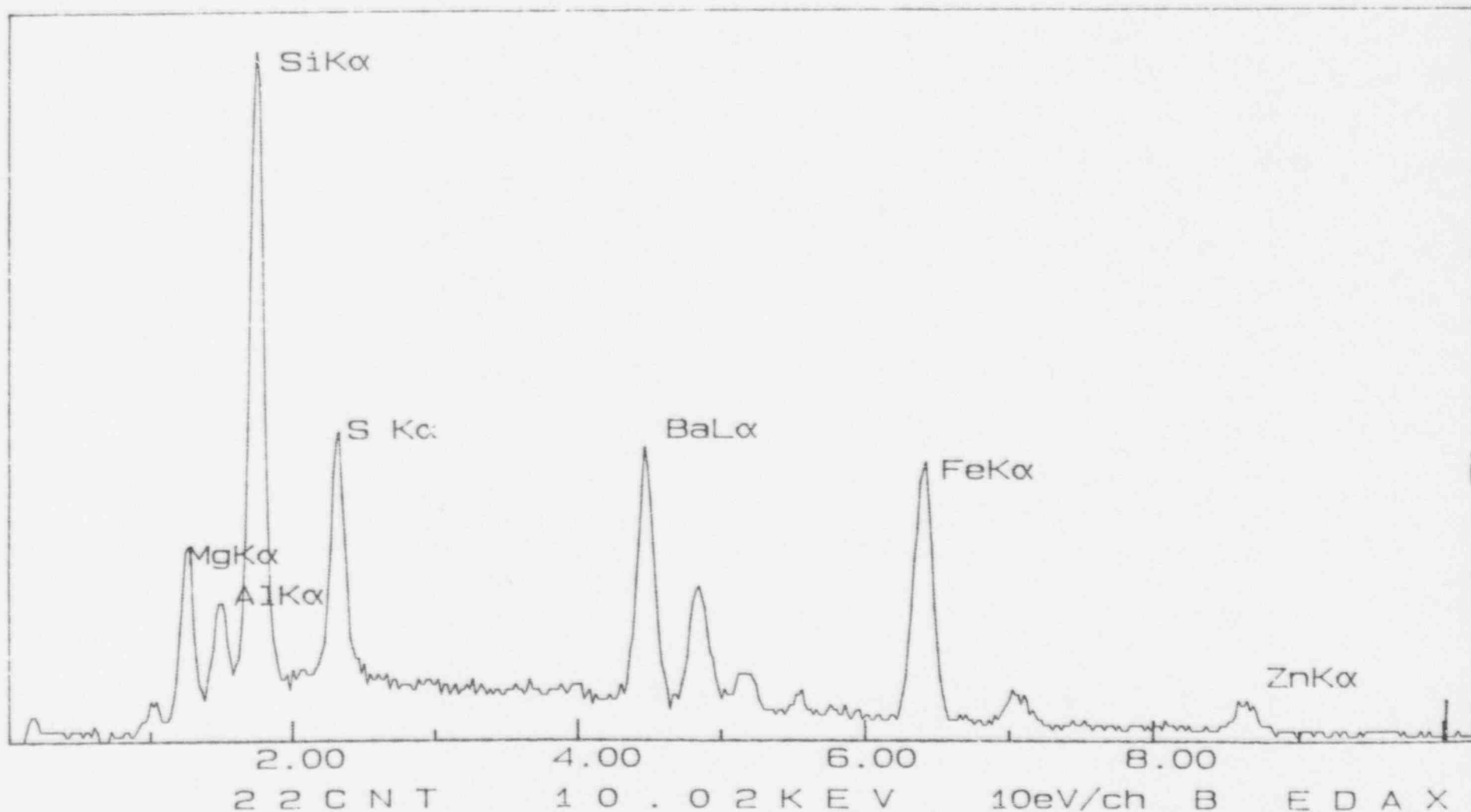


FIGURE 5 - INFRARED SPECTRUM OF RED PAINT REMOVED FROM SMITH RING STUBS AND NUTS OF PER RELAY # 3. 13 mm KBr pellet

FIGURE 6 - X-RAY SPECTRUM OF RED PAINT REMOVED FROM THE SWITCH RING
STUDS AND NUTS OF MDR RELAY # 3.

22 - JUN - 90 11:56:29 SUPER QUANT
RATE = 2027 CPS TIME = 238 LSEC
FS = 2317 / 2317 PRST = OFF
B = RED PAINT FROM MDR # 3 TOP



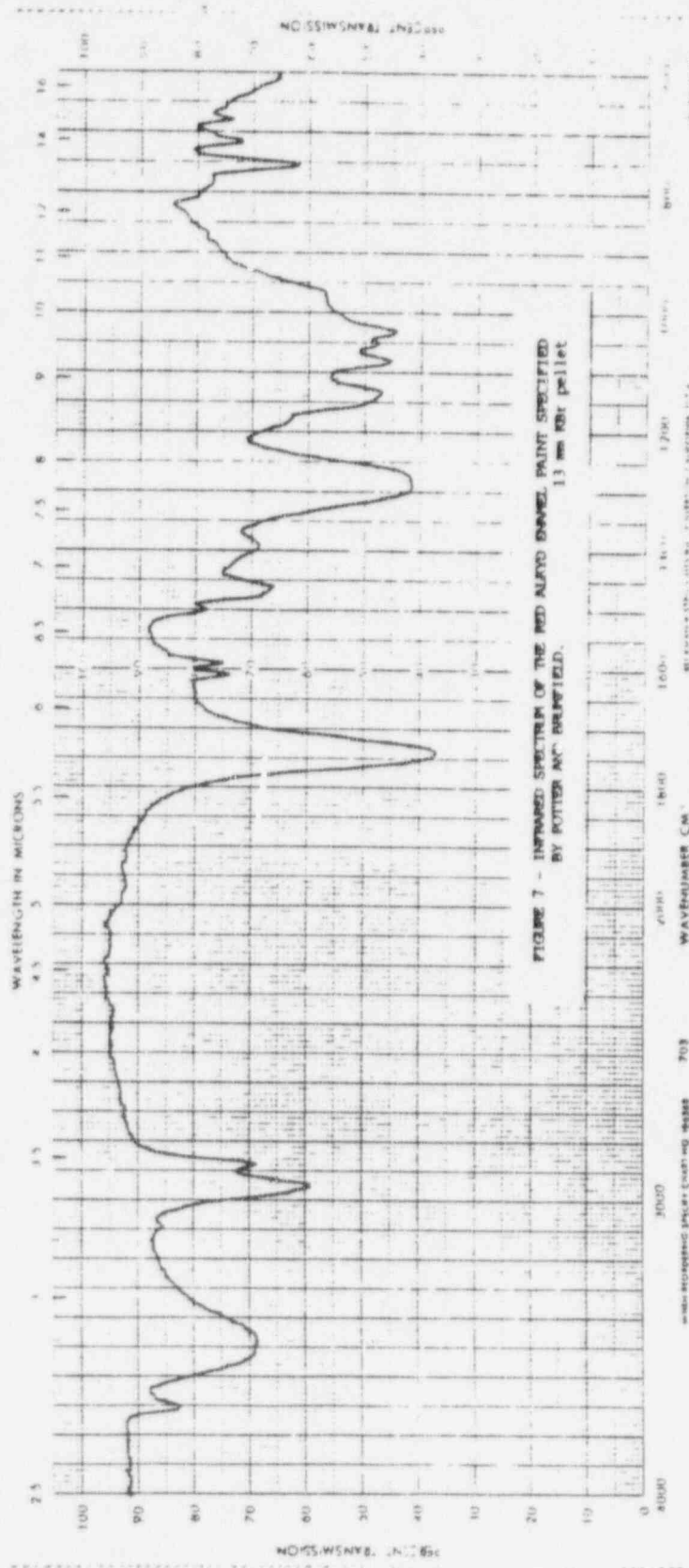
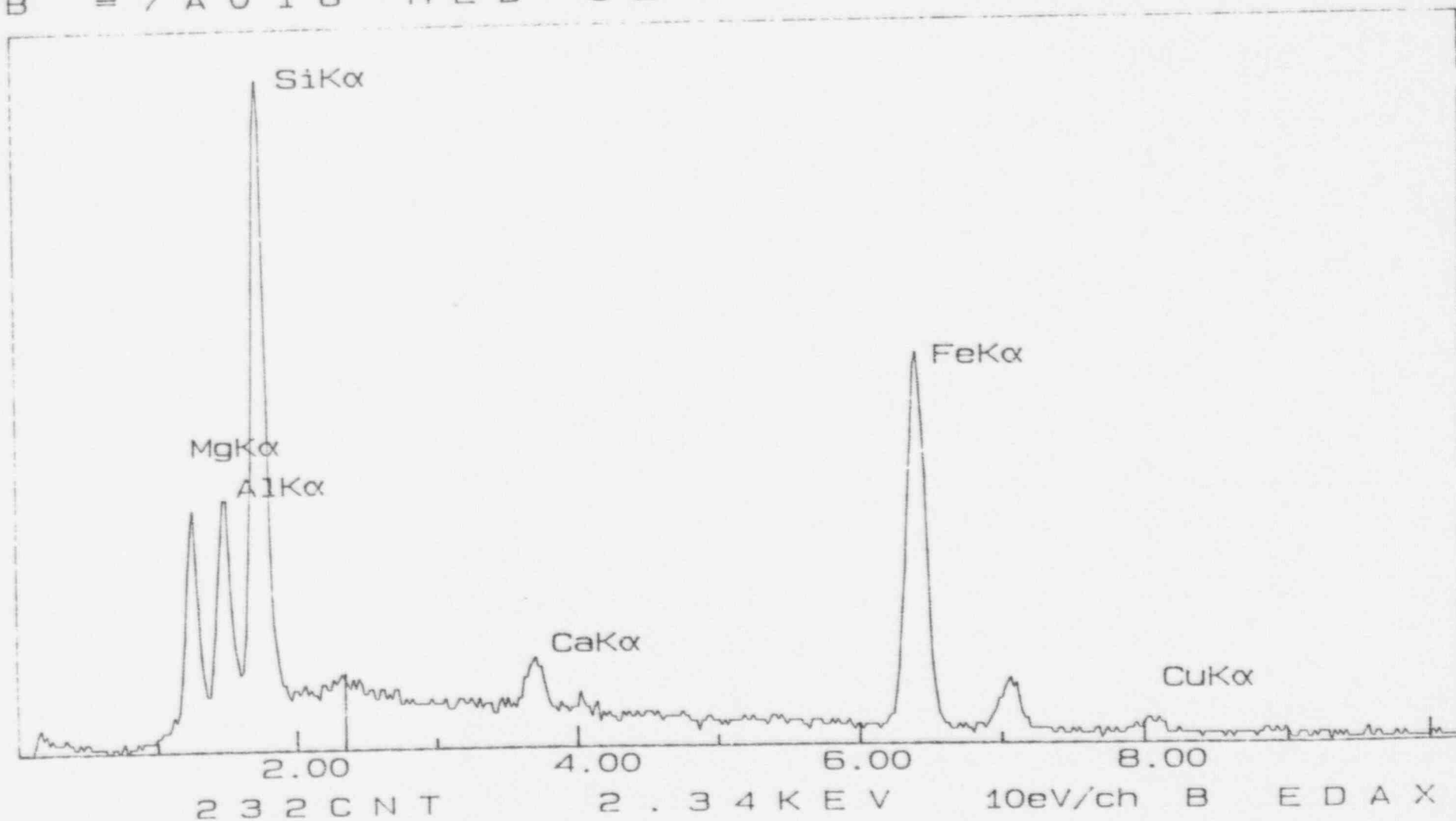


FIGURE 7 - INFRARED SPECTRUM OF THE RED ALKYD ENAMEL PAINT SPECIFIED BY POTTER AND BRUNFIELD.

13 mm KBr pellet

FIGURE 8 - X-RAY SPECTRUM OF THE RED ALKYD ENAMEL PAINT SPECIFIED
BY POTTER AND BRUMFIELD.

25 - JUN - 90 12:48:54 EDAX READY
RATE = 2124 CPS TIME = 204 LSEC
FS = 2123 CNT PRST = OFF
B = 7A018 RED GLYPTAL 1990



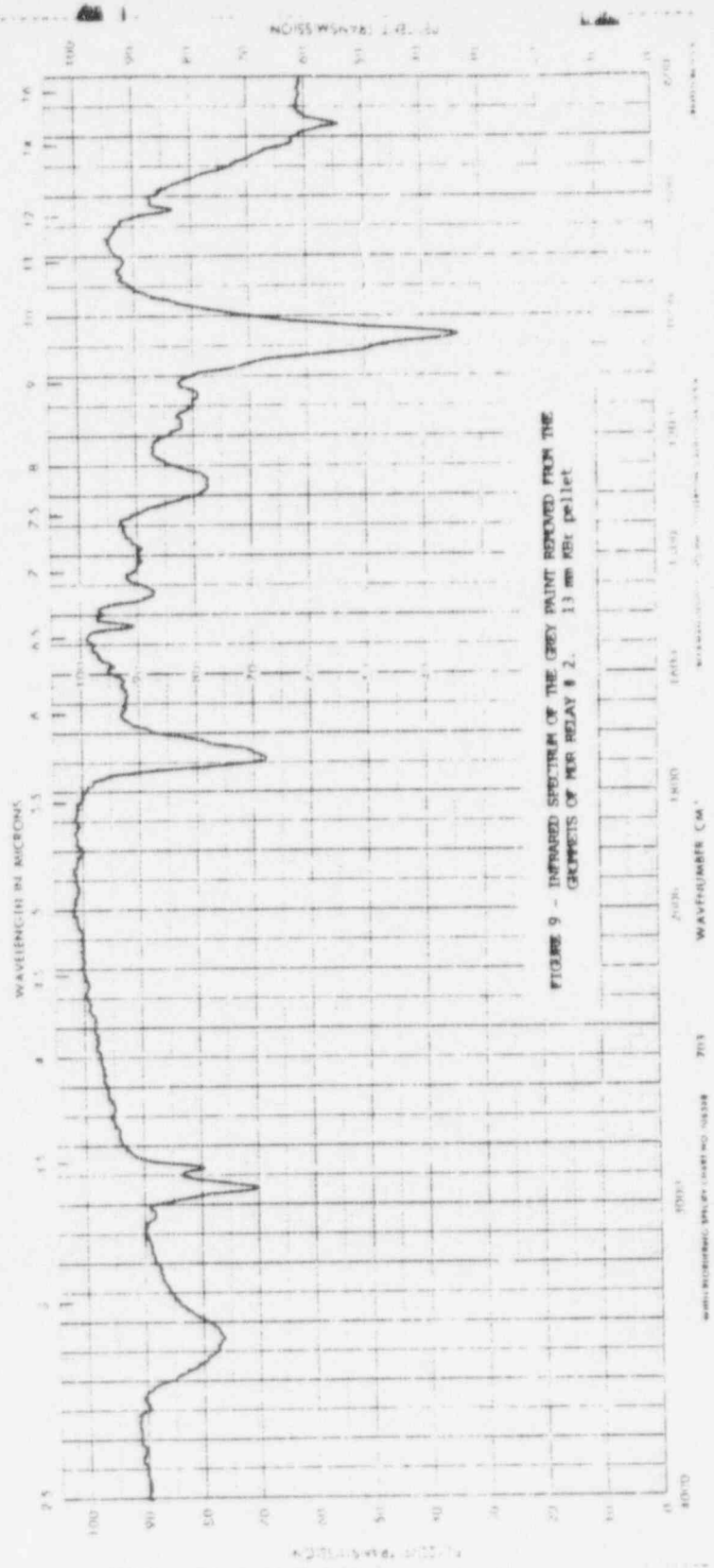
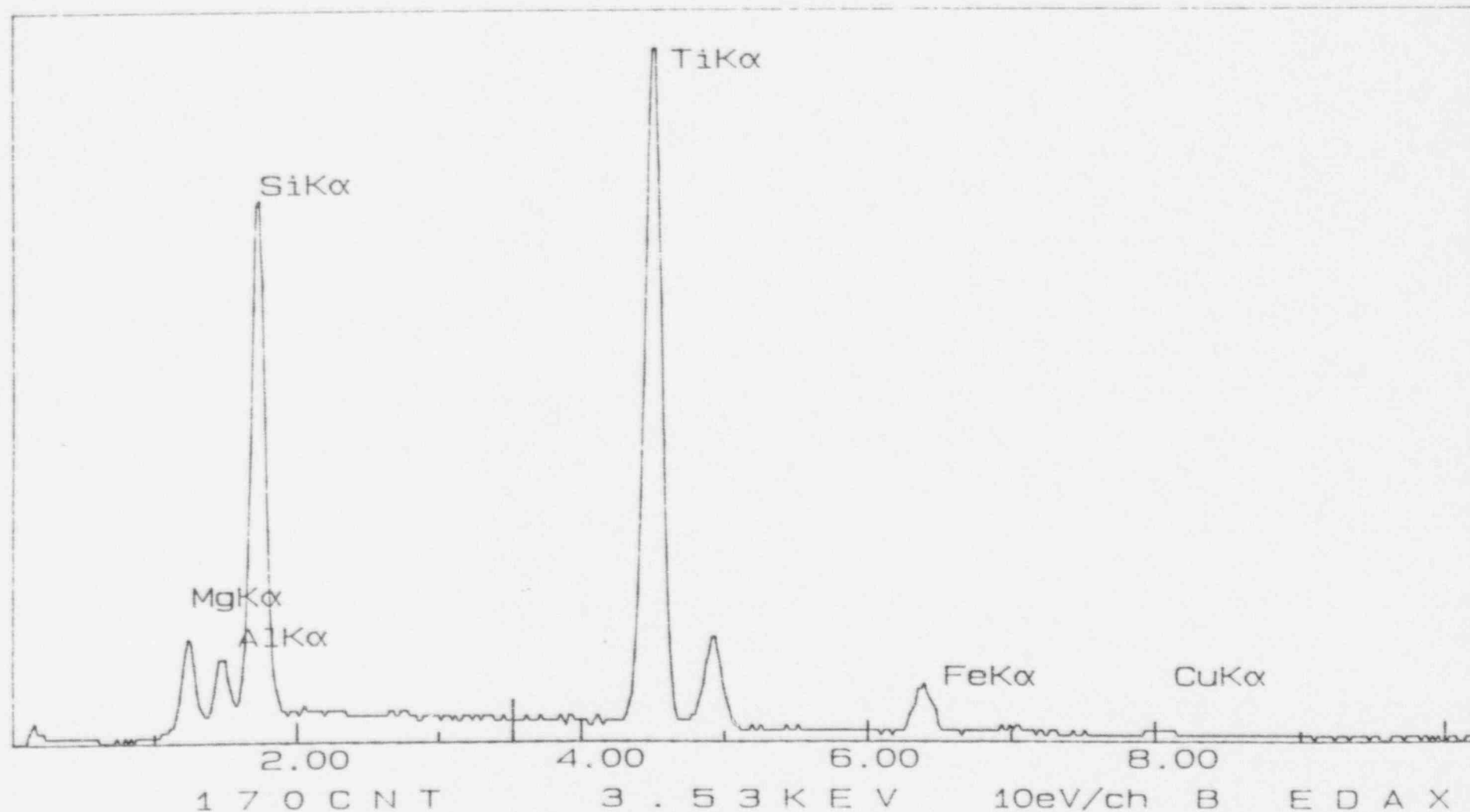


FIGURE 9 - INFRARED SPECTRUM OF THE GREY PAINT REMOVED FROM THE GROUPSETS OF PER RELAY # 2. 13 mm KBr pellet

FIGURE 10 - X-RAY SPECTRUM OF THE GREY PAINT REMOVED FROM THE GROMMETS OF MDR RELAY # 2.

27-JUN-90 10:22:00 EDAX READY
RATE = 1 CPS TIME = 225 LSEC
FS = 4768 CNT PRST = OFF
B = GREY PAINT FROM MDR RELAY # 2



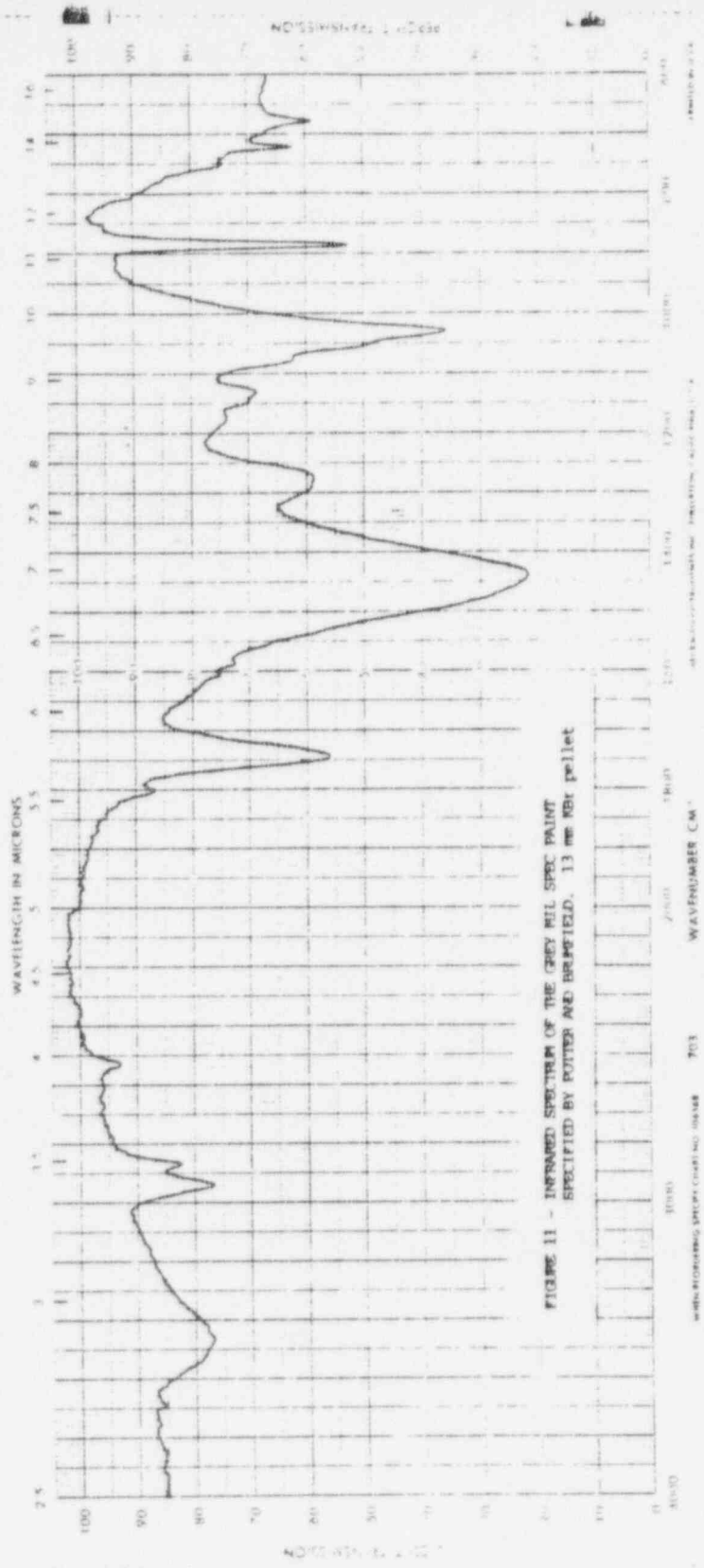
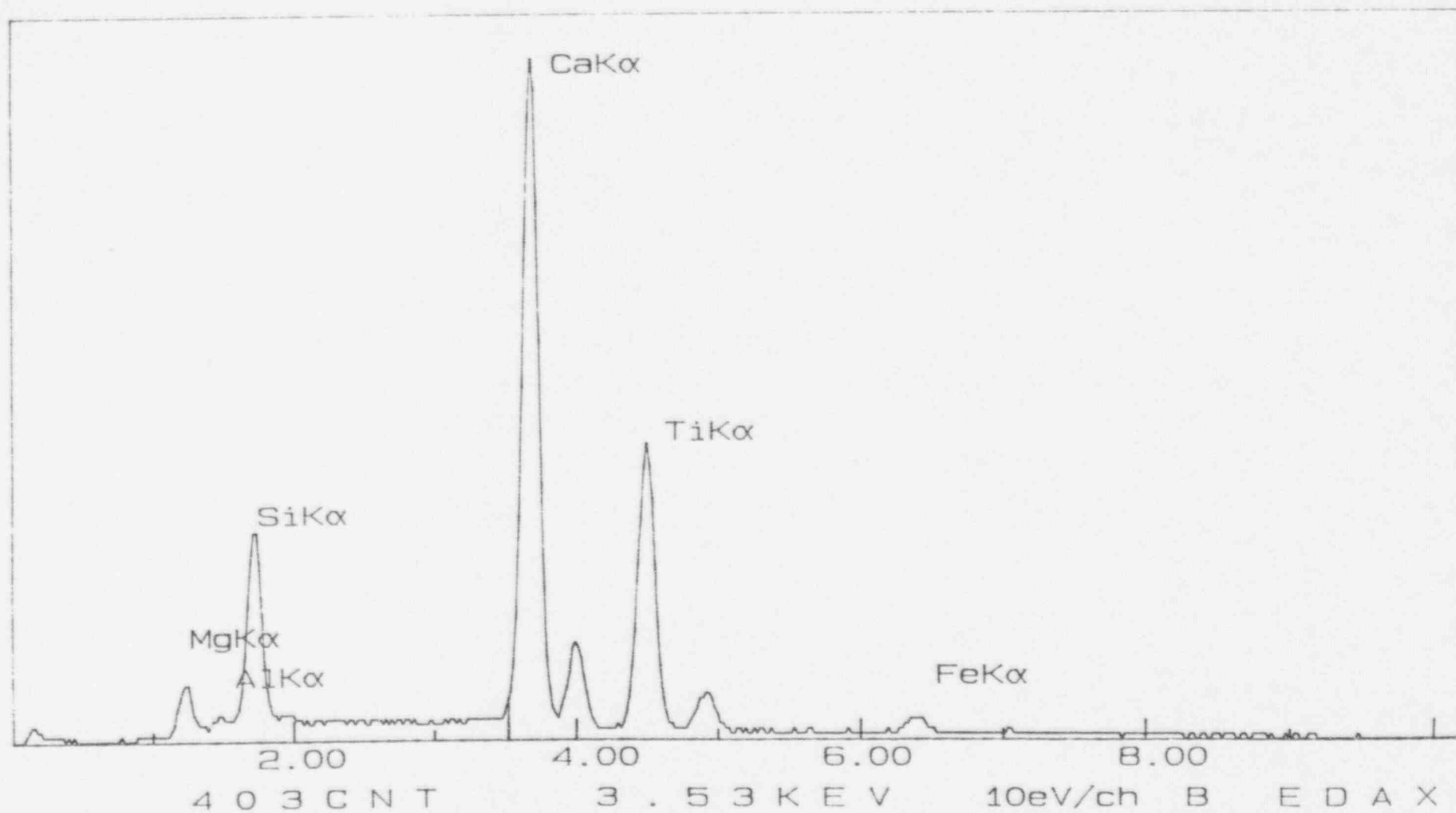


FIGURE 11 - INFRARED SPECTRUM OF THE GREY MLL SPEC PAINT SPECIFIED BY POTTER AND BRIMFIELD, 13 mm KBr pellet

with recording speed 1000 cm⁻¹ per inch

FIGURE 12 - X-RAY SPECTRUM OF THE GREY MIL SPEC PAINT
SPECIFIED BY POTTER AND BRUMFIELD.

27 - JUN - 90 10:14:24 EDAX READY
RATE = 0 CPS TIME = 200 LSEC
FS = 10019 CNT PRST = OFF
B = GREY MIL SPEC T.2.C.2 1990



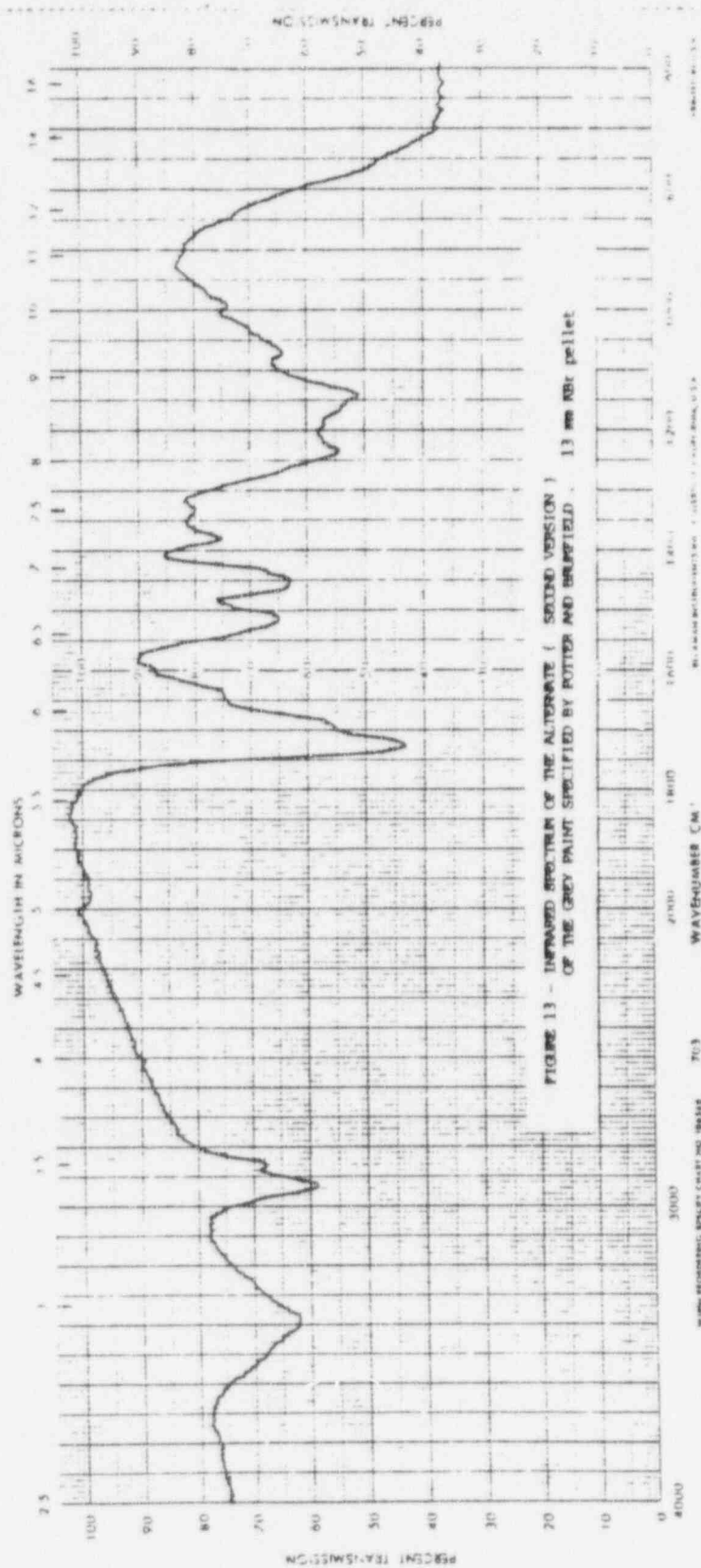
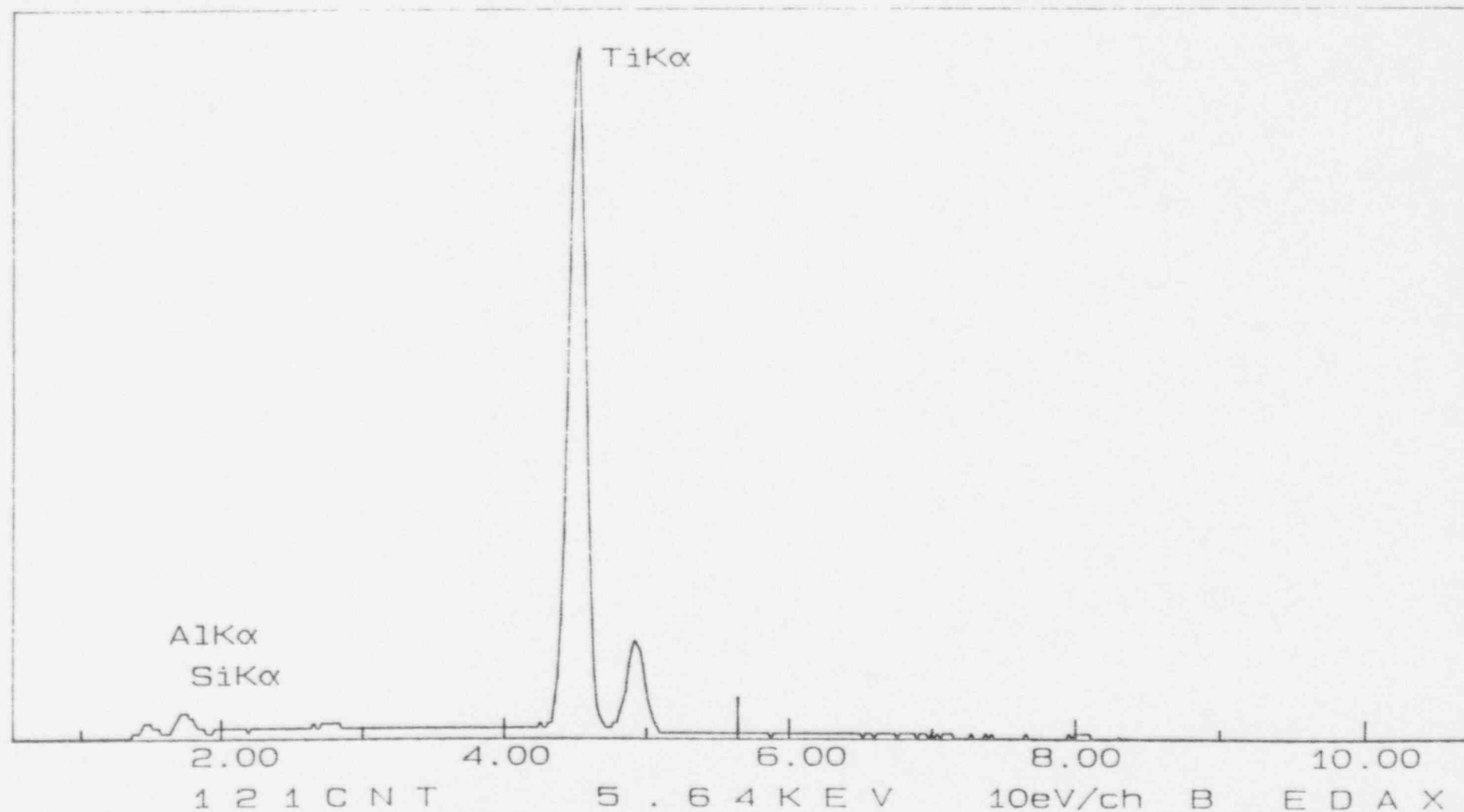


FIGURE 13 - INFRARED SPECTRUM OF THE ALTERNATE (SECOND VERSION)
OF THE GREY PAINT SPECIFIED BY POTTER AND BAUFELD 13 mm KBr pellet

FIGURE 14 - X-RAY SPECTRUM OF THE ALTERNATE (SECOND VERSION) OF THE
GREY PAINT SPECIFIED BY POTTER AND BRUMFIELD.

26 - JUN - 90 10:35:47 EDAX READY
RATE = 0 CPS TIME = 250 L SEC
FS = 14067 CNT PRST = OFF
B = PALE GLOSSY GRAY 1990 PAINT



EVIDENCE/PROPERTY CUSTODY DOCUMENT

OFFICE OF INVESTIGATIONS

(Instructions contained in Investigative Procedures (IP-004))

ROI NUMBER

DOCKET NUMBER

RECEIVING ACTIVITY		LOCATION	
Office of Investigations, Region II, USNRC		Atlanta, GA 30323	
NAME, GRADE AND TITLE OF PERSON FROM WHOM RECEIVED		ADDRESS (Include Zip Code)	
<input type="checkbox"/> OWNER <input checked="" type="checkbox"/> OTHER Arthur Roberts Senior Specialist-Mechanical		Carolina Power & Light Company Shearon Harris Nuclear Plant - Box 165 New Hill, NC 27562	
LOCATION FROM WHERE OBTAINED		REASON OBTAINED	TIME/DATE OBTAINED
Provided by Arthur Roberts at Receiving Warehouse Shearon Harris Nuclear Plant		Evaluation as Evidence	1630/06-14-90
ITEM NO.	QUANTITY	DESCRIPTION OF ARTICLES (Include model, serial number, condition and unused marks or scratches)	
1	1	Corrugated box, white, approximately 8-3/4"x6-1/2"x6-1/4", unsealed, bearing white adhesive label marked "MDR173-1", box is marked "GHC 6/14/90 1738 (1)" Above described box contains the following items: Relay, electrical, rotary, non-latching, MDR173-1, bearing unserialized metallic plate bearing manufacturer's trademark "Potter and Brumfield" and other non-unique identifying information, marked "GC 6-14-90 1" Plastic cushion type packaging for above relay Envelope, manila, approximately 5-1/2"x3-1/8" containing accessory screws for above relay	
2	1	Same as above except box marked "GHC 6/14/90 1738 (2)" and relay marked "GC 6-14-90 2"	
3	1	Same as above except box marked "GHC 6/14/90 1738 (3)" and relay marked "GC 6-14-90 3"	
4	1	Same as above except box marked "GHC 6/14/90 1739 (4)" and relay marked "GC 6-14-90 4"	

ITEM NO	DATE	RELEASED BY	RECEIVED BY	PURPOSE OF CHANGE OF CUSTODY
1-6		SIGNATURE	SIGNATURE	EVALUATION AS EVIDENCE
1-6	6-17-90	NAME, GRADE OR TITLE ARTHUR J. ROBERTS SENIOR SPECIALIST	NAME, GRADE OR TITLE GARY CLAXTON INVESTIGATOR	
1-6		SIGNATURE	SIGNATURE	TESTING BY MANUFACTURER
1-6	6-19-90	NAME, GRADE OR TITLE GARY CLAXTON INVESTIGATOR	NAME, GRADE OR TITLE 747989594 AIRBORNE EXP	
1-6	6-19-90	SIGNATURE	SIGNATURE	
		NAME, GRADE OR TITLE	NAME, GRADE OR TITLE	
		SIGNATURE	SIGNATURE	
		NAME, GRADE OR TITLE	NAME, GRADE OR TITLE	
		SIGNATURE	SIGNATURE	
		NAME, GRADE OR TITLE	NAME, GRADE OR TITLE	
		SIGNATURE	SIGNATURE	
		NAME, GRADE OR TITLE	NAME, GRADE OR TITLE	
			LOCATION	DOCUMENT NUMBER

EVIDENCE/PROPERTY CUSTODY DOCUMENT

OFFICE OF INVESTIGATIONS

(Instructions contained in Investigative Procedures (IP-004))

DOCKET NUMBER

RECEIVING ACTIVITY

Office of Investigations, Region II, USNRC

LOCATION

Atlanta, GA 30323

NAME, GRADE AND TITLE OF PERSON FROM WHOM RECEIVED

☐ OWNER☒ OTHER Arthur Roberts
Senior Specialist-Mechanical

ADDRESS (Include Zip Code)

Carolina Power & Light Company
Shearon Harris Nuclear Plant - Box 165
New Hill, NC 27562

LOCATION FROM WHERE OBTAINED

Provided by Arthur Roberts at
Receiving Warehouse
Shearon Harris Nuclear Plant

REASON OBTAINED

Evaluation as
Evidence

TIME DATE OBTAINED

1630/06-14-90

ITEM NO.	QUANTITY	DESCRIPTION OF ARTICLES (Include model, serial number, condition and unused marks or scratches)
1	1	Corrugated box, white, approximately 4 $\frac{1}{4}$ "x4 $\frac{1}{4}$ "x4 $\frac{1}{4}$ ", unsealed, bearing white adhesive label marked "MDR138-8", box is marked "GHC 6/14/90 1737 (1)" Above described box contains the following items: Relay, electrical, rotary, non-latching, MDR138-8, bearing unserialized metallic plate bearing manufacturer's trademark "Potter and Brumfield" and other non-identifying information, marked "GC 6-14-90 1" Plastic cushion type packaging for above relay Envelope, manila, approximately 5 $\frac{1}{2}$ "x 3-1/8" containing accessory screws for above relay
2	1	Same as above except box marked "GHC 6/14/90 1737 (2)" and relay marked "GC 6-14-90 2"
3	1	Same as above except box marked "GHC 6/14/90 1737 (3)" and relay marked "GC 6-14-90 3"
4	1	Same as above except box marked "GHC 6/14/90 1737 (4)" and relay marked "GC 6-14-90 4"

CHAIN OF CUSTODY

ITEM NO.	DATE	RELEASED BY	RECEIVED BY	PURPOSE OF CHANGE OF CUSTODY
1-12	6-14-90	SIGNATURE	SIGNATURE	EVALUATION AS EVIDENCE
		NAME, GRADE OR TITLE ARTHUR J. ROBERTS SENIOR SPECIALIST	NAME, GRADE OR TITLE GARY H. CLAXTON INVESTIGATOR	
1-12	6-19-90	SIGNATURE	SIGNATURE	TESTING BY MANUFACTURER.
		NAME, GRADE OR TITLE GARY H. CLAXTON INVESTIGATION	NAME, GRADE OR TITLE C. C. SIMPSON 7479894 AIRBORNE EXP.	
1-12	6-19-90	SIGNATURE	SIGNATURE	
		NAME, GRADE OR TITLE AIRBORNE EXPRESS #747989594	NAME, GRADE OR TITLE	
		SIGNATURE	SIGNATURE	
		NAME, GRADE OR TITLE	NAME, GRADE OR TITLE	
		SIGNATURE	SIGNATURE	
		NAME, GRADE OR TITLE	NAME, GRADE OR TITLE	
			LOCATION	DOCUMENT NUMBER

NRC Form 604 (1-85) NRCIP-004	U.S. NUCLEAR REGULATORY COMMISSION EVIDENCE/PROPERTY CUSTODY DOCUMENT OFFICE OF INVESTIGATIONS <small>(Instructions contained in Investigative Procedures (IP 004))</small>	ROI NUMBER DOCKET NUMBER
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RECEIVING ACTIVITY Office of Investigations, Region II, USNRC	LOCATION Atlanta, GA 30323
NAME, GRADE AND TITLE OF PERSON FROM WHOM RECEIVED <input type="checkbox"/> OWNER <input checked="" type="checkbox"/> OTHER Arthur Roberts Senior Specialist-Mechanical	ADDRESS (Include Zip Code) Carolina Power & Light Company Shearon Harris Nuclear Plant - Box 165 New Hill, NC 27562
LOCATION FROM WHERE OBTAINED Provided by Arthur Roberts at Receiving Warehouse Shearon Harris Nuclear Plant	REASON OBTAINED Evaluation as Evidence
	TIME DATE OBTAINED 1630/06-14-90

ITEM NO	QUANTITY	DESCRIPTION OF ARTICLES <small>(Include model, serial number, condition and unused marks or scratches)</small>
1	1	Corrugated box, white, approximately 8-3/4"x6-1/4"x6-1/4", unsealed, bearing white adhesive label marked "MDR142-1", box is marked "GHC 6/14/90 1738 (1)" Above described box contains the following: Relay, electrical, rotary, non-latching, MDR142-1, bearing unserialized metallic plate bearing manufacturer's trademark "Potter and Brumfield" and other non-unique identifying information, marked "GC 6-14-90 1" Plastic cushion type packaging for above relay Envelope, manila, approximately 5-1/2"x3-1/8" containing accessory screws for above described relay
2	1	Same as above except box marked "GHC 6/14/90 1738 (2)" and relay marked "GC 6-14-90 2"
3	1	Same as above except box marked "GHC 6/14/90 1738 (3)" and relay marked "GC 6-14-90 3"
4	1	Same as above except box marked "GHC 6/14/90 1738 (4)" and relay marked "GC 6-14-90 4"
//////////////////////////////////// LAST ITEM ////////////////////////////////////		

CHAIN OF CUSTODY				
ITEM NO	DATE	RELEASED BY	RECEIVED BY	PURPOSE OF CHANGE OF CUSTODY
1-4	6-14-90	SIGNATURE	SIGNATURE	EVALUATION AS EVIDENCE
		NAME, GRADE OR TITLE ARTHUR J. ROBERTS SENIOR SPECIALIST	NAME, GRADE OR TITLE GARY H. CLAXTON INVESTIGATOR	
1-4	6-19-90	SIGNATURE	SIGNATURE	TESTING BY MANUFACTURER
		NAME, GRADE OR TITLE GARY H. CLAXTON INVESTIGATOR	NAME, GRADE OR TITLE #747989594 AIRBORNE EXP	
1-4	6-19-90	SIGNATURE	SIGNATURE	
		NAME, GRADE OR TITLE AIRBORNE EXPRESS #747989594	NAME, GRADE OR TITLE	
		SIGNATURE	SIGNATURE	
		NAME, GRADE OR TITLE	NAME, GRADE OR TITLE	
		SIGNATURE	SIGNATURE	
		NAME, GRADE OR TITLE	NAME, GRADE OR TITLE	
LOCATION			DOCUMENT NUMBER	

K. L. ...

FACSIMILE TRANSMITTAL

U.S. NHC - RII

ATLANTA, GA

3-F-4

TO:

Roger FortunaOT: HQ

CHECK APPROPRIATE BOX:

☐

INFO

9/952-6728

☐

INBB

492-8185

☐

PHILLIP'S

492-8110

☒

WHITE FLINT

492-0260

☐

WOODMONT

492-7056

☐

PAYROLL

492-4371

☐

TRAINING CTR.

615/855-6543

☐

RI

346-5324

☐

RII

388-5691

☐

RV

728-8210

☐

RV

463-3804

☐RESIDENT SITE
(SEE REVERSE)☐

OTHER:

OFFICE/LOCATION

FAX NO.: _____

VERIFICATION: _____

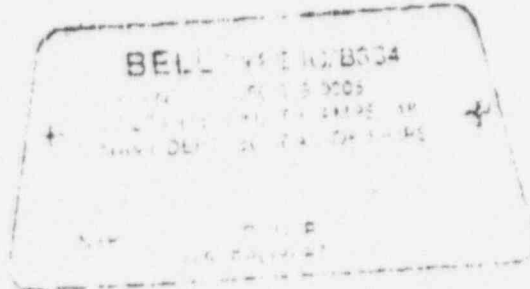
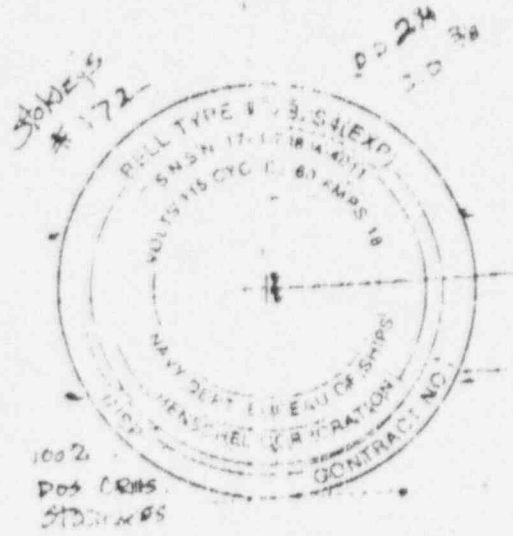
NO. OF PAGES 1 + TRANSMITTAL SHEET

FROM:

James Y. VanceOT: RTI

FAX: 841-4479 / VERIF. - 5510

B/22



1002 Negmip 1002. Shocks 1002
1/8" holes 1002



CONTINUATION SHEET

REFERENCE NO. OF DOCUMENT BEING CONTINUED

N00151-90-M-0666

PAGE

2

OFFEROR OR CONTRACTOR
MURRAY BENJAMIN ELECTRIC CO

ITEM NO.	SUPPLIES/SERVICES	QUANTITY	UNIT	UNIT PRICE	AMOUNT
----------	-------------------	----------	------	------------	--------

0001 NSN/LSN NONE
CONTROLLER

4 EA

CONTROLLER
STARTER MOTOR MAG, LVR, SIZE 1,440 V, 1 SPEED, 1WDG, DRPR
MIL-C-2212F
QPL ITEM

INSPECT AT DESTINATION
ACCEPT AT DESTINATION

INSPECT BY RECEIVER
ACCEPT BY RECEIVER

SHIP TO N0015101 DELY DATE 89 DEC 18
RECEIVING OFFICER, BLDG 624
Philadelphia Naval Shipyard
Philadelphia, PA 19112-5087

MARK FOR N00151-9283-K047 NON-MILSTRIP
(PHILADELPHIA NAVAL SHIPYARD
Philadelphia, PA 19112-5087)

USS KITTY HAWK, SHOP 51, BLDG 24
IF 1 RDD 89 OCT 27 PROJ 2R4

SHIP VIA

ACR: AA ACCTG NOTE 1400953471 627

Red Star third Party Billing

ACRN APPROP/SBHEAD OBJ BCN SA AAA TT PAA CC COST CODE
AA 17X4912.2410 000 7777 0 000151 2E 000151 -- 0000000000000

OBLIGATED AMT

MB PO # 110098

*Tony will send Shipping
Papers*

B/23

Problems with P&B MDR Relays

1. 1 week delivery - no other distributor or manufacturer could meet this time.
2. Spectronics is located in Mobile, Alabama; UPS label shows relays were shipped from Stokely Enterprises, Norfolk, Virginia.
3. Paint gray - different color (ASA61? vs ASA49?), touched up reddish-brown (on fasteners as lock) - different color, different texture, overrun, tacky upon receipt, not locking.
4. Coil wire - different size, type, insulation, color.
5. Solder joint - different equipment used (i.e., resistive unit vs solder pencil/gun low wattage), wicking present on some relays, sloppy unqualified joints.
6. Fasteners screws/nuts - 3 same color finish, one different.
7. Top plastic piece - latching relay marks on top of a nonlatching relay.
8. Coil insulators - painted on some (gray ASA61), nonpainted on relays in stock, and some on this order not painted.
9. Rivets - painted rivets on some, silver-color rivets on others.
10. Contact stacks - contact stacks are numbered; some relays seem to have two or more different number sets to make up a single stack.
11. Roter - hollow on some (maybe for live center), others are solid.
12. Groove on OD of coil stack on some, no groove on others.
13. Screws in envelopes of all these relays; screws packaged in heat-sealed plastic on other supplied relays.
14. Box - different weight & color cardboard, different labels.
15. Bubble wrap vs thin styrofoam packaging material for previously supplied relays.
16. Nameplates on this order are "silk screen," all others supplied by P&B were etched/stamped.
17. Some relays have been mounted and released, causing them to pick up addition layer of paint from mounting board, and all of this has been painted over.

2-90-014

MEM/MS-9023140/2/OS2

EXHIBIT 7 B/SY
PAGE 1 OF 2 PAGE(S)

18. Coil stack pulled down more on some than other (nuts flush with screw tops vs 2 - 3 threads above nuts).
19. No date code stamping on top plastic cap.
20. Coil resistance (ohms) - some are close to book value, others are twice book value.

EXHIBIT 7

PAGE 2 OF 2 PAGE(S)

VIRGINIA ART METAL & PLASTIC
1520 Juniper Street - Norfolk, Va. 23502
(804) 855-3173 Fax# (804) 855-7181

Written By: Jan Work Order No. 4541

Chg # _____ Cash # _____ Date _____

Date Ordered: 5-25-90 Date Required: 5-27-90 P.O. # _____
for xerox

Sold to: Stetley Ship to: _____

Ordered by: Shula Phone # _____ PO# _____

Open Acct: ☒ COD ☐ Pick Up ☒ UPS ☐ Mail ☐ Other _____

Quantity	Description	Unit Price	Amount
10	Tags (Stetley's) # 103 m/p Gold tone w/ thin adh.	3.50	35.00
6 will read:			
New	Type - MDR 773-11	Coil 125 VDC	
4 will read			
New	Type - MDR 742-11	Coil 125 VDC	
	Set	10.00	10.00

[Signature]
5/29/90

ROUTING ☒ Metal Photo ☐ Trophy _____
☐ Etching ☐ Engraving _____
☐ Silk Screen _____
Other: _____

Set-Up by: M. 5/28/90 Proofed by: _____
Engraved by: _____
FILE # _____

Amt. of Order \$ 45.00
Sales Tax TE
Sub Total 45.00
Shipping-Hdlg. _____
TOTAL: 45.00

EXHIBIT 11 B/25

2-90-014

ADDRESS ALL COMMUNICATIONS EXCEPT INVOICES TO
TENNESSEE VALLEY AUTHORITY
DIVISION OF PURCHASING
CHATTANOOGA, TENNESSEE 37401

TELEPHONE -615-751-0011 EBL 62203270
TELECOPIER -615-751-5742, 5744 ANSWERBACK - TVA PURCHASING

CONFIRMING CONTRACT

THIS BLOCK TO BE COMPLETED BY TVA

TVA REFERENCE NO. 89NL9-830288

REQUEST DATE

QUOTATIONS CLOSE

ACCOUNT NUMBER

1200-056000-0500

, A5900

COMM CODE

6105

IN COMPLIANCE WITH THIS QUOTATION AND ALL CONDITIONS HEREIN THE UNDERSIGNED OFFERER, AND AGREE IF THIS QUOTATION IS ACCEPTED WITHIN DAYS FROM DATE OF QUOTATIONS CLOSE DATE (30 DAYS UNLESS OTHERWISE STATED) TO FURNISH ANY OR ALL OF THE ITEMS AT PRICES QUOTED.

2.00% 10

TERMS
UNLESS OTHERWISE QUALIFIED BY BIDDER ON THIS FORM: (1) DISCOUNTS WILL BE DEDUCTED FROM GROSS CONTRACT PRICE; AND (2) TIME IN CONNECTION WITH DISCOUNTS OFFERED WILL BE COMPUTED FROM DATE OF DELIVERY OF SUPPLIES AT DESTINATION OR FROM DATE OF RECEIPT OF CORRECT BILL WHICHEVER IS LATER. EARLY PAYMENT DISCOUNTS WILL NOT BE USED IN EVALUATING QUOTATIONS.

VENDOR: NAME, ADDRESS PLEASE TYPE OR PRINT AND RETURN:

SPECTRONICS INC
1201 MONTLIMAR DRIVE
MOBILE AL 36609

TELEPHONE () VENDOR REF NO

TEL / TWX ANSWERBACK

DATE SIGNATURE

POINT OF SHIPMENT

POINT OF MANUFACTURE CITY

COUNTY STATE

METHOD OF SHIPMENT SHIP WT.

NO. OF CALENDAR DAYS AFTER AWARD FOR DELIVERY TO JOBSITE

TENNESSEE VALLEY AUTHORITY

MAIL INVOICE IN TRIPPLICATE FOR EACH PAYMENT TO:
TENNESSEE VALLEY AUTH (N)
ACCOUNTS PAYABLE DEPT
PO BOX 15500
KNOXVILLE, TN 37901-5500

INVOICES MUST SHOW CONTRACT NO., DISCOUNT OR TERMS OF PAYMENT AND F.O.B. POINT APPLICABLE TO THIS CONTRACT, ITEM NO., DESCRIPTION OF ARTICLE OR SERVICE, QUANTITY, UNIT PRICE, AND TOTAL AMOUNT. (SEE TERMS OF PAYMENT CLAUSE FOR MORE DETAILS.)

PROJECT

SEQUOYAH NUCLEAR PLANT

BUYING CODE

VENDOR CODE

ST/CR

OPT

REQ. REF. (MR) NO.

06367902

89-1371

CONTRACT DATE

09/15/89

PERFORMANCE DATE

10/06/89

TOTAL AMOUNT

910.00

ACCEPTED ONLY AS TO ITEM(S):

ITEM 1. CONFIRMING TELEPHONE ORDER OF 09/15/89 TO PETE TOLBERT. DO NOT DUPLICATE.

SNP-3

MPQ-1

EXP

TENNESSEE VALLEY AUTHORITY, BY

FRANCES HANNAH

PURCHASING AGENT

SHIP BY: PREPAID

UPS

TENNESSEE VALLEY AUTHORITY

CONSIGN TO:

SEQUOYAH NUCLEAR PLANT
POWER STORES UNIT
NEAR SODDY-DAISY, TN 37379
CHA AIRPORT

MARK: CONTRACT 89NL9-830285

ATTN: M L CRANE, SUPERVISOR

ITEM NO.	ARTICLES OR SERVICES (GIVE DESCRIPTION OR CATALOG NO.)	QUANTITY	UNIT	UNIT PRICE	AMOUNT
	FOB DESTINATION: QA LEVEL III NON CSSC 10 CFR PART 21: N 10 CFR 50.49: NO LIMITED QA: YES INTENDED USE: O-RLY-82-DG3BMTR2 QUALITY ASSURANCE DOES APPLY. 10 CFR PART 21 NOTICE DOES NOT APPLY 1 RELAY, 28 VDC COIL, 4PDT, CONTACT RATED AT 0.8 A AT 125 VDC RESISTIVE MANUFACTURER AND PART NUMBER: POTTER & BRUMFIELD, MDR-135-1 THE FOLLOWING TVA ATTACHMENT APPLIES: -CONTRACT PERFORMANCE TOTAL				
		3	EA	270.00	810.00
					9
					810.00

DISTRIBUTION: AUDITOR CONTRACTOR CONTRACT FILE REQUESTOR'S PLANT ACCOUNTING ACCOUNTING OFFICE COMMENTS

IMPORTANT: ATTACHED FORM TVA 1000, 5062 (GENERAL CONDITIONS) OR TVA ACP CONDITIONS IS MADE A PART OF THIS REQUEST FOR QUOTATION AND/OR ANY RESULTING CONTRACT.

SEP 20 1989

EXHIBIT 19

2-90-014

PAGE 1 OF 5 PAGE(S)

✓
TVA INTERNAL INFORMATION ONLY

----- QUALITY ASSURANCE LEVELS -----
QUALITY ASSURANCE LEVEL FOR ALL ITEMS: 3

NOTE TO POWER STORES: TAG MATERIAL WITH THE FOLLOWING
IDENTIFICATION.

LIMITED QA, FOR ITEM 1.

STORAGE PER ANSI N45.2.2 LEVEL 3.

EXHIBIT 19

PAGE 2 OF 5 PAGE(S)

GENERAL CONDITIONS ON CONTRACTS OF \$25,000 AND LESS

Part I - Conditions Applicable to Contracts Valued at \$25,000 and Less

In addition, if contract is \$2,500 or more form TVA 9941 Affirmative Action for Handicapped Workers is made a part of the contract

1 NOTICE OF CONTRACT AWARD. By submission of a quotation offerer agrees to accept notice of contract award from TVA by form TVA 26123 Notice of Contract Award. A written confirming contract document may not be issued. Therefore, offerer must keep a copy of its quotation. The quotation submitted and the Notice of Contract Award shall form the contract.

2 CONTRACTING OFFICER. The Contracting Officer shall be the Manager of Purchasing, TVA, or his/her duly authorized representative. The Manager of Purchasing has designated the Purchasing Agent who administers this contract for TVA as its duly authorized representative to act as the Contracting Officer for all purposes in the administration of this contract except for the purpose of deciding a dispute. Such designation is continuous until revoked or modified by the Manager of Purchasing. Should the need arise, the Manager of Purchasing shall designate a Disputes Contracting Officer for the purpose of deciding any dispute as provided for in General Condition DISPUTES.

3 DELIVERY. Time is of the essence of the contract. TVA requires definitely stated delivery promises. A delivery promise of stock shall mean that delivery is promised within 7 days after the date of award.

4 CHARGES. No charges shall be made or extras allowed without the written consent of the Contracting Officer.

5 TAXES. The contract price includes all Federal, State, and local taxes which are applicable to the material to be delivered under this contract.

6 STATE SALES AND USE TAXES. State sales and use taxes are not applicable to materials, supplies, or equipment sold to TVA and such taxes shall not be included in the price.

7 NEW PRODUCTS. All materials and/or equipment offered to be furnished as a result of this request for quotation shall be new, unused, not surplus, and not rebuilt. TVA may, as a condition of award, require that the manufacturer be made a party to any contract covering or including manufactured materials or equipment.

8 QUOTATION ON PRODUCT CLAIMED EQUAL TO THAT SPECIFIED. An offerer who quotes and furnishes a product of a brand name, manufacturer, or catalog number other than that listed as acceptable in the request for quotation shall be deemed to have warranted that such product is the equal of that so listed.

9 ACKNOWLEDGMENTS. The acceptance by TVA of a quotation is expressly limited to the terms, conditions, and provisions of TVA's request for quotation and subsequent contract, and no terms, conditions, or provision contained in offerer's acknowledgment or confirmation of TVA's acceptance will apply.

10 WARRANTY. The Contractor warrants that all materials, equipment, and work furnished pursuant to this contract comply in all respects with the contract, that they are free from latent and patent defects in design, materials, and workmanship that they are suitable and adequate for the purposes for which they were designed and for such other purposes if any as are specified in the contract, and that they will give efficient and satisfactory service for a period of one year after their first operation or use by TVA in actual service.

The Contractor shall, at its own expense, repair, replace, and install any materials, equipment, work, or parts thereof which prove defective or deficient during the warranty period. If, however, it is impractical for TVA to wait for the Contractor, TVA may perform such work at the Contractor's expense.

The Contractor warrants that the materials, equipment, or work furnished hereunder is free from any and all claims, demands, and encumbrances, and that it will defend the title thereto.

The foregoing warranties are in addition to, and not in substitution for, any other warranties or guarantees contained in this contract or as provided by law.

11 PATENTS AND COPYRIGHTS. The Contractor will indemnify TVA, its officers, agents, and employees against and hold each of them harmless from any and all liability, including costs and expenses for infringement upon or use of any copyrighted or uncopyrighted composition, secret process, trademark, patented or unpatented invention, article, or appliance manufactured or used in the performance of this contract including their use by TVA.

12 ASBESTOS-CONTAINING MATERIALS. Asbestos containing materials shall not be used or applied in any TVA facility unless TVA specifically provides in the request for quotation that such materials are allowable.

13 SMALL BUSINESS ASSISTANCE. Small business companies, especially manufacturers, are encouraged to call upon the Small Business Administration office nearest to their place of business for guidance in securing management, financial, or technical assistance.

14 CONTINGENT FEES. The Contractor warrants that no person or selling agency has been employed or retained to solicit or secure this contract upon an exclusive or understanding for a commission, percentage, brokerage, or contingent fee, excepting bona fide employees or bona fide established commercial or selling agencies maintained by the Contractor for the purpose of securing business. For breach or violation of this warranty, TVA shall have the right to annul this contract without liability or in its discretion to deduct from the contract price or consideration the full amount of such commission, percentage, brokerage, or contingent fee.

15 OFFICIALS NOT TO BENEFIT. No member of or delegate to Congress or Resident Commissioner or any officer, employee, special Government employee, or agent of TVA shall be admitted to any share or part of this contract or to any benefit that may arise therefrom unless it be made with a corporation in its general benefit nor shall the Contractor offer or give directly or indirectly to any officer, employee, special Government employee, or agent of TVA any gift, gratuity, favor, entertainment, loan, or any other thing of monetary value except as provided in 18 C.F.R. §§1301.735, 12 or 24. Breach of this provision shall constitute a material breach of this contract, and TVA shall have the right to exercise all remedies provided in this contract or at law.

16 CLEAN AIR ACT - FEDERAL WATER POLLUTION CONTROL ACT. Contractor hereby certifies that award of this contract will not involve the use of facilities which have given rise to a conviction under Section 113 (c) (1) of the Clean Air Act or Section 309 (c) of the Federal Water Pollution Control Act. Contractor shall notify the Contracting Officer in writing of any action or suit against Contractor in which a conviction is sought under Section 113 (c) (1) of the Clean Air Act or Section 309 (c) of the Federal Water Pollution Control Act.

17 BUY AMERICAN ACT SUPPLY CONTRACTS.

(a) In TVA's acquisition of end products the Buy American Act (41 U.S.C. 101a-101d) provides that preference be given to domestic and products for the purpose of this clause:

- (1) Components means those articles, materials, and supplies which are directly incorporated in the end products.
 - (2) End products means those articles, materials, and supplies which are to be acquired under this contract for public use and:
 - (3) A domestic end product means: (A) an unmanufactured end product which has been mined or produced in the United States and (B) an end product manufactured in the United States if the cost of the components thereof which are mined, produced, or manufactured in the United States exceeds 50 percent of the cost of all its components. For the purposes of this (3)(2)(B) components of foreign origin of the same type or kind as the products referred to in (3)(2) or (3) of this clause shall be treated as domestic.
- (b) The Contractor agrees that there will be delivered under this contract only domestic and products except end products:
- (1) Which are for use outside the United States.
 - (2) Which TVA determines are not mined, produced, or manufactured in the United States in sufficient and reasonably available commercial quantities and of a satisfactory quality.
 - (3) As to which TVA determines the domestic preference to be inconsistent with the public interest, or
 - (4) As to which TVA determines the cost to be so unreasonable.

18 ANTI KICKBACK PROCEDURES

(a) Definitions: As used in this clause, terms shall have the meanings defined in the Anti Kickback Act of 1986 (41 U.S.C. 51-58) (the Act).

- (b) The Act prohibits any person from:
- (1) Proceeding or attempting to provide or offering to provide any kickback.
 - (2) Soliciting, accepting, or attempting to accept any kickback, or
 - (3) Including, directly or indirectly, the amount of any kickback in the contract price charged by a prime Contractor to TVA or in the contract price charged by a subcontractor to a prime Contractor or higher tier subcontractor.

(c) (1) The Contractor shall have in place and follow reasonable procedures designed to prevent and detect possible violations described in paragraph (b) of this clause in its own operations and direct business relationships.

(2) When the Contractor has reasonable grounds to believe that a violation described in paragraph (b) of this clause may have occurred, the Contractor shall promptly report in writing the possible violation. Such reports shall be made to the TVA Inspector General.

(3) The Contractor shall cooperate fully with TVA or any other Federal agency investigating a possible violation described in paragraph (b) of this clause.

(d) Regardless of the contract tier at which a kickback was provided, accepted, or charged under the contract in violation of paragraph (b) of this clause, the Contracting Officer may:

- (i) Offset the amount of the kickback against any monies owed by TVA under this contract, and/or
 - (ii) Direct that the Contractor withhold from sums owed the subcontractor for the amount of the kickback. The Contracting Officer may order that monies withheld under subsection (i) of this clause be paid directly to TVA unless TVA has already offset these monies under subsection (i) of this clause. In the latter case the Contractor shall notify the Contracting Officer when the monies are withheld.
- (5) The Contractor agrees to incorporate the substance of this clause including this subparagraph (c)(5) in all substantially under this contract.

19 ASSIGNMENT. This contract or any interest therein or in any monies due or to become due hereunder shall not be assigned, hypothecated, or otherwise disposed of without the previous consent in writing of the Contracting Officer.

20 DELAYS AND REMEDIES. If the Contractor does not complete the contract within the time specified or if it assigns or encumbers any interest in it without prior written consent of TVA or if it throws into disrepair or adjudicates a bankruptcy or does not prosecute the work or any material part thereof with such diligence as in the opinion of the Contracting Officer will ensure its completion within the time specified therefor, or fails to carry out one of its other obligations after written notice from TVA, then TVA by written notice to the Contractor may terminate the Contractor's right to proceed with all or any part of the contract and prosecute the same to completion by contract or otherwise, and may purchase similar materials or supplies in the open market or secure their manufacture and delivery by contract or otherwise, charging against the Contractor and its sureties any excess cost occasioned. TVA shall be entitled to treat the Contractor within 30 calendar days from the beginning of any delay as having the Contracting Officer in writing of the cause of delay, the right of the Contractor to proceed shall not be terminated when, in the judgment of the Contracting Officer, all of the Contractor's delay is due to unforeseen causes beyond the Contractor's control and without its fault, such as acts of God or of the public enemy, acts or omissions on the part of TVA, fires, epidemics, quarantines, strikes, freight embargoes, priorities ordered by the United States Government or unforeseeable severe weather or floods. Contractor's delays due to delays of its subcontractors or suppliers of any tier and including subcontractors or suppliers not in privity of contract with the Contractor will not be excusable under this provision unless, in the judgment of the Contracting Officer, the delay of the subcontractors or suppliers was also due to causes beyond their control and without their fault, such as the causes listed above, and (2) the materials or services to be supplied by such subcontractors or suppliers could not have been procured in the open market. The Contracting Officer shall determine the cause and extent of the delays and shall extend the time for completion when, in its judgment, the facts justify such an extension. Its determination of causes and any extension of time shall be final and conclusive except as provided in General Condition DISPUTES.

Even if a delay in completion of the contract is excusable under the foregoing provisions, TVA may terminate the Contractor's right to proceed with all or any part of the contract if, in the opinion of the Contracting Officer, such termination would be in the best interest of TVA. In such a case the contract shall be equitably adjusted to compensate for such termination and the contract modified accordingly. Failure to agree to any such adjustment shall be a dispute concerning a question of fact which shall be decided in accordance with General Condition DISPUTES.

To allow or to require completion of the contract after the specified time for completion shall not constitute an extension of time or a waiver of any right or remedy which TVA may have hereunder or at law on account of Contractor's delay. No extension of time shall operate to release the Surety from any of its obligations.

21 DISPUTES. This contract is subject to the Contract Disputes Act of 1978 (41 U.S.C. §§ 601-613) (the act) and TVA's implementing regulations published at 48 C.F.R. pt. 1308.

Any request for relief which the Contractor believes is due under this contract shall be submitted to the Contracting Officer in writing in accordance with the terms of this contract including applicable time limits. If Contractor and TVA are unable to resolve Contractor's request for relief by agreement within a reasonable time, Contractor may submit a claim to the Contracting Officer.

Any dispute relating to this contract, whether arising before or after completion of performance, including disputes as to any alleged violation or breach thereof, which is not settled or disposed of by agreement of the parties shall be decided by the Contracting Officer designated for the purpose on the basis of the contract and any other facts which it may deem pertinent. Any claim by the Contractor shall be submitted in accordance with the act and TVA's implementing regulations. The Contracting Officer shall reduce its decision to writing and promptly mail or otherwise furnish a copy thereof to the Contractor. Within ninety (90) calendar days from the receipt of such copy, the Contractor may appeal to the TVA Board of Contract Appeals by mailing or otherwise furnishing to the Contracting Officer a written notice of appeal. Following the filing of a notice of appeal, the TVA Board of Contract Appeals shall arrange for the decision of the appeal in accordance with the act and TVA's implementing regulations. The decision of the TVA Board of Contract Appeals on any question of law shall not be final or conclusive, but the decision on any question of fact shall be final and conclusive unless determined by a court of competent jurisdiction to have been fraudulent, arbitrary or capricious, or so grossly erroneous as to necessarily imply bad faith or not supported by substantial evidence.

In lieu of an appeal to the TVA Board of Contract Appeals from the decision of the Contracting Officer, the Contractor may bring an action against TVA directly on the claim in a United States District Court with proper jurisdiction and venue pursuant to 28 U.S.C. § 1337. Such an action shall be brought within twelve (12) months from the date of receipt by the Contractor of the Contracting Officer's decision hereunder.

Pending final decision of an appeal, an action, or final settlement, the decision of the Contracting Officer shall govern the respective rights and obligations of the parties as to the matter in dispute and the Contractor shall proceed diligently with the performance of the contract in accordance with the Contracting Officer's decision. PROVIDED that the decision of the Contracting Officer shall be final and conclusive and not subject to review by any forum, tribunal, or Government agency unless an appeal or action is timely commenced as authorized herein.

22 METHOD OF SHIPMENT. TVA reserves the right to specify the method of transportation, the exact loading, the specific type of bill of lading, and the shipping instructions and endorsements that the Contractor must use.

If the contract is an F.O.B. origin contract with transportation charges to be collect or collect to be collected by Government bill of lading at destination, the Contractor must include TVA's contract number on the commercial bill of lading or carrier's freight bill. (Select specifically authorized by TVA, no additional valuation or cargo insurance shall be purchased by the Contractor for shipments made on F.O.B. origin contracts.)

If the contract is an F.O.B. destination contract and TVA specifies a Government bill of lading, TVA shall be entitled to deduct and retain from any monies due the Contractor an amount equal to the commercial charges which the Contractor would have had to pay for the shipment if made on a commercial bill of lading by the method of transportation stated in its offer, regardless of whether the shipment is made under a commercial or a Government bill of lading. TVA shall reimburse Contractor for any specific tax or charge which Contractor would not have been obligated to pay for TVA's instruction to use a Government bill of lading rather than a commercial bill of lading.

TVA shall be obligated to pay an amount equal only to the shipping costs that would have been incurred had the above instructions been followed by Contractor, and TVA shall be entitled to exercise any rights and remedies it may have under the contract or at law, including deducting and retaining from any monies due the Contractor an amount equal to such difference.

23 RISK OF LOSS OR DAMAGE IN TRANSIT. If the contract is an origin contract, the basis of price or prices which include transportation charges in whole or in part to destination, title to the goods and risk of loss or damage shall remain in the Contractor until delivery in acceptable condition by the carrier at destination notwithstanding the inclusion in the quotation of such technical expressions as "F.O.B. origin with freight prepaid" or "F.O.B. origin with freight allowed" or variations of such expressions, unless shipment is made on Government bill of lading furnished by TVA.

24 TERMS OF PAYMENT. Payment(s) less such discounts or deductions as are provided for in the contract or by law, will be made by U.S. Treasury check or electronic fund transfer if a participation agreement between TVA and the Contractor has been established. Electronic fund transfer will be made not more than 32 calendar days after the later of (1) receipt of a proper invoice(s) by TVA at the office designated in the contract for receipt of invoice(s) or (2) acceptance by TVA of the work, material, or equipment required by the contract at the specified delivery point. Separate invoice(s) must be submitted in triplicate for each payment.

Neither payment nor acceptance by TVA for the limited purpose described in this clause shall constitute a waiver of any rights under the contract or at law, including rights under the General Condition, Warranty.

For purposes of this provision only, the following definitions shall apply:

- (a) **Proper invoice** shall mean a numbered and dated invoice containing the TVA contract number and itemized by the line items as detailed in the contract, together with any documentation required to be submitted therewith by any other provision of the contract.
- (b) **Acceptance** shall mean receipt by TVA of the work, material, or equipment meeting the contract requirements and acknowledgment by an authorized representative of TVA that such contract specifications have been met. Solely for the purposes of establishing a payment date, such acknowledgment shall be deemed to be the seventh day after the date on which, in accordance with the terms and conditions of the contract, the property is actually delivered or performance of the service is actually completed, unless TVA actually accepted such property or services before such seventh day or unless a later acceptance period is specifically provided for elsewhere in the contract. PROVIDED: However, such acceptance may be revoked at any time by TVA upon the discovery of a latent defect in design, material, or workmanship or a latent nonconformity of the work, material, or equipment to the contract requirements.

Payments under this contract are subject to the provisions of the Prompt Payment Act (31 U.S.C. §§ 3901-3907).

If payment will be made by electronic fund transfer, quotations requiring "Net Payment" in less than 32 days will be considered in relation to the probable added cost to TVA. In any event, quotations requiring "Net Payment" in less than 30 days will not be considered.

25 PAYMENT OF INTEREST ON CLAIMS. If the Contracting Officer renders a decision under General Condition DISPUTES of this contract, simple interest on the amount found to be due to TVA shall be paid to TVA by the Contractor. Such interest shall be at the rate payable pursuant to Section 12 of the Contract Disputes Act of 1978 (41 U.S.C. § 611) in effect on the date on which the Contracting Officer determines that TVA's request for relief cannot be resolved by agreement and shall run from that date until the Contractor makes payment, unless this contract provides that payment shall be made on a specified date, in which case interest shall run from that date. Interest on amounts found to be due to Contractors in a Contracting Officer's decision shall be governed by 48 C.F.R. § 1308.5.

26. NUCLEAR ENERGY HAZARDS AND NUCLEAR INCIDENTS

(Applicable only to contracts for goods or services delivered to nuclear plants.) Prior to or at the time of shipment of the first nuclear fuel to the TVA nuclear facility, TVA will furnish nuclear liability protection in accordance with Section 170 of the Atomic Energy Act (42 U.S.C. Section 2210) and applicable regulations of the Nuclear Regulatory Commission. Should this system of protection be repaired or changed, TVA would undertake to maintain in effect during the period of operation of the plant to the extent available on reasonable terms, liability protection which would not result in a material impairment of the protection afforded to the Contractor and its suppliers under the existing system.

TVA waives any claim it might have against the Contractor or its subcontractors because of damage to, loss of, or loss of use of any property at the site of the TVA nuclear facility resulting from nuclear energy hazards or nuclear incidents. This provision shall not affect the Contractor's obligation under General Condition Warranty.

TVA will indemnify the Contractor and its subcontractors and save them harmless from any claims, losses, or liability arising as a result of damage to, loss of, or loss of use of any property at the site of the TVA nuclear facility resulting from nuclear energy hazards or nuclear incidents. In return for this indemnification, the Contractor waives any claim it might have against any third party because of damage to, loss of, or loss of use of its property at the site of the TVA nuclear facility resulting from nuclear energy hazards or nuclear incidents.

The foregoing waiver and indemnification provisions will apply to the full extent permitted by law and regardless of fault. The subcontractors referred to above include any of the Contractor's suppliers of material, equipment, or services for the work regardless of fault.

For purposes of these provisions the following definitions shall apply. Nuclear energy hazards shall mean the hazardous properties of nuclear material. Hazardous properties shall include radioactive, toxic, or explosive properties of nuclear material. Nuclear material shall include source material, special nuclear material, or by-product material as these are defined in the Atomic Energy Act (42 U.S.C. Section 2014). Nuclear incident shall have the meaning given that term in the Atomic Energy Act (42 U.S.C. Section 2014(g)).

27. UTILIZATION OF WOMEN-OWNED SMALL BUSINESS CONCERNS

It is the policy of the United States Government that women owned small businesses shall have the maximum practicable opportunity to participate in the performance of contracts awarded by any Federal agency.

The Contractor agrees to use its best efforts to carry out this policy in the award of subcontracts to the fullest extent consistent with the efficient performance of this contract. As used in this contract, a women owned small business concern means a small business that is at least 51 percent owned by a woman or women who are United States citizens and who also control and operate it. Control in this context means exercising the power to make policy decisions. Female in this context means being actively involved in the day to day management. Women means all women business owners.

28. WARRANTY GOVERNING NUCLEAR HAZARDS OR INCIDENTS

(This supplements General Condition Warranty, and applies only to contracts for goods or services delivered to nuclear plants.) Any material, equipment, or work, or parts thereof, which must be repaired, replaced, or installed under this provision will be decontaminated without cost to Contractor, to the extent necessary to permit the Contractor to perform the work.

29. CERTIFICATION REGARDING A DRUG FREE WORKPLACE

(Public Law No. 100-690, Title V, Subtitle D) Public Law No. 100-690, the Drug Free Workplace Act of 1988, prohibits the firm entering into this contract unless the Contractor certifies that it will maintain a drug free workplace and agrees to take certain reasonable measures to assure its workplace will remain drug free. Please note that neither the statute nor this clause requires the Contractor to undertake drug testing of its employees or to maintain a rehabilitation program.

(a) Definitions. As used in this provision:

(1) Controlled substance means a controlled substance in schedules I through V of section 202 of the Controlled Substances Act (21 U.S.C. § 812) and as further defined in regulation at 21 C.F.R. §§ 1308.11-1308.15.

(2) Conviction means a finding of guilt (including a plea of nolo contendere) or imposition of sentence or both by any judicial body charged with the responsibility to determine violations of the Federal or State criminal drug statutes.

(3) Criminal drug statute means a Federal or non-Federal criminal statute involving the manufacture, distribution, dispensing, possession, or use of any controlled substance.

(4) Drug free workplace means a site including TVA premises for the performance of work done in connection with a specific contract at which employees of the Contractor are prohibited from engaging in the unlawful manufacture, distribution, dispensing, possession, or use of a controlled substance.

(5) Employee means an employee of a Contractor directly engaged in the performance of work under a Government contract.

(6) Individual means an offeror/contractor that has no more than one employee including the offeror/contractor.

(b) Individuals. By submission of its offer, the offeror, if an individual who is making an offer of any dollar value, certifies and agrees that the offeror will not engage in the unlawful manufacture, distribution, dispensing, possession, or use of a controlled substance in the performance of the contract resulting from this solicitation.

(c) Enforcement. Failure of the offeror to provide the certification required by paragraph (b) of this provision renders the offeror unqualified and ineligible for award. Failure of the Contractor to comply with the requirements of paragraph (b) shall constitute a material breach of contract entitling TVA to suspend payments, terminate the contract, suspend or debar the Contractor from Government contracting in accordance with subsection 5152(b)(2) of the Drug Free Workplace Act of 1988 (Pub. L. No. 100-690) or take such other action as may be in accordance with law or the contract.

(d) In addition to other remedies available to the Government, the certification in paragraph (b) of this provision concerns a matter within the jurisdiction of an agency of the United States, and the making of a false, fictitious, or fraudulent certification may render the maker subject to prosecution under Title 18, United States Code, Section 1001.

30. PUBLIC LAW 100-418 - PROHIBITION AGAINST PROCUREMENT OF PRODUCTS AND SERVICES OF TOSHIBA MACHINE COMPANY, TOSHIBA CORPORATION, KONGSBERG TRADING COMPANY, AND KONGSBERG VAAPENFABRIK

Pursuant to Pub. L. 100-418, the President on December 28, 1988, issued an Executive Order (Implementing the Omnibus Trade and Competitiveness Act of 1988 and Related International Trade Matters) which prohibits procurement of the products and services of Toshiba Machine Company, Toshiba Corporation, Kongsberg Trading Company, and Kongsberg Vaapenfabrik. This prohibition extends as well to the products and services of all successors, affiliates, joint ventures, and subsidiaries of Toshiba Machine Company and Kongsberg Trading Company and, in some instances, to successors, affiliates, joint ventures, and subsidiaries of Toshiba Corporation and Kongsberg Vaapenfabrik. The prohibition applies to all products and services with limited exceptions. If you intend to offer a product that is manufactured in whole or in part by one of the above named companies or their successors, joint ventures, subsidiaries or affiliates, you should contact the purchasing agent in advance of submitting an offer to determine whether the prohibition or any of the limited exceptions to the prohibition may apply to the product or service offered.

Part II - Conditions Applicable to Contracts Valued at \$10,000 Up To And Including \$25,000

The following conditions supplement Part I, Conditions Applicable to Contracts Valued at \$25,000 and Less. In addition, forms TVA 9923, Equal Opportunity, and TVA 9934, Affirmative Action For Disabled Veterans and Veterans of the Vietnam Era, are made a part of the contract.

31. SUBCONTRACTING. TVA encourages its prime contractors to utilize small business and women owned business concerns as subcontractors to the maximum practical extent. TVA's Office of Small and Disadvantaged Business Utilization maintains lists of such business concerns to provide offerings. Offerors may select a list of potential subcontractors for the specific goods and/or services which they wish to subcontract by contacting:

Tennessee Valley Authority
Office of Small & Disadvantaged
Business Utilization
P.O. Box 11127
Chattanooga, TN 37402-1127
(615) 751-3266

32. DISCRIMINATION ON THE BASIS OF AGE

Executive Order 11811 states that it is the policy of the Executive Branch of the United States that (1) Contractors and subcontractors engaged in the performance of Federal contracts shall not in connection with the employment, advancement, or discharge of employees or in connection with the terms, conditions, or privileges of their employment discriminate against persons because of their age except upon the basis of a bona fide occupational qualification, retirement plan, or statutory requirement and (2) that Contractors and subcontractors or persons acting on their behalf shall not specify in solicitations or advertisements for employees to work on Government contracts a maximum age limit for such employment unless the specified maximum age limit is based upon a bona fide occupational qualification, retirement plan, or statutory requirement.

SPECTRONICS, INC.
FORMERLY SPECIALTY DISTRIBUTING CO.
1201 MONTLIMAR DRIVE, SUITE 650
MOBILE, ALABAMA 36609
PHONE (205) 344-0450
FAX (205) 344-0452

CERTIFICATE OF COMPLIANCE

IT IS HEREBY CERTIFIED THAT ALL MATERIALS USED IN THE QUANTITY CALLED
FOR ON THE SUBJECT PURCHASE ORDER CONFORM TO THE MATERIAL AND/OR
MANUFACTURING SPECIFICATIONS AS CALLED FOR ON SAID PURCHASE ORDER.

Pete Tolbert

PETE TOLBERT, V.P.

2-92-014

EXHIBIT 22

PAGE 1 OF 1 PAGE(S)

B/27

THE MARTIN COMPANY, INC.

U. S. Navy Shipboard Equipment & Parts

108 Locks Road • Chesapeake, VA 23320

Office (804) 547-2799 — Fax (804) 547-3196

Invoice

No. 000470

Date 10/10/89

Shipped to SAME

Sold To SPECTRONICS

P O BOX 9517

MOBILE AL 36691

1201 MOTLIMAR DR

MOBILE AL 36609

Your Order No. 1954		Our Order No.		Salesman MM			
Date Shipped 10/16/89		Shipped VIA UPS BLUE		F.O.B. CHESA			
				Terms NET 30			
Quantity Ordered	Quantity Shipped	Stock Number/Description			Price	Per	Amount
3	3	MDR 135-1			\$ 225 00	E	\$ 675 00
		UPS					9 00
		TOTAL. . .					\$ 684 00

(White Original) (Canary Duplicate) (Pink-Triplicate)

2-90-014

EXHIBIT 20

PAGE 1 OF 1 PAGE(S)

B/S9

REPORT NO.: P1050

RECEIVING REPORT

PAGE-NO: 001

RECEIVING LOCATION 5800 SEQUOYAH

VENDOR: SPECTRONICS INC

CONTRACT/ORD NO.: 89NLB-83028B-

CARRIER: UPS

FRT NO.: 12

HOW PAID: P

SHIPMENT STATUS: C

GRL NO.:

P=PREPAID, C=COLLECT, U=UNKNOWN

C=COMPLETE, P=PARTIAL

REPORT NO. 90411

TYPE: 02

CHARGES: 19

DATE: 10/24/89

LINE ITEM NO.	TIIC/ BIN NO.	DESCRIPTION	---ORDERED--- QTY UN	OUTSTAND QTY	ACCEPTED- QTY UN EX
1	-	RELAY, 28 VDC COIL, 4PDT,	0	0	
NO	-BIN	-FND CONTACT RATED AT 0.8 A AT	3.00 EA	3.00	3 EA
	C203 D 12	125 VDC RESISTIVE	** QA3**		
	ACCOUNT NO 1200-056000-0600	A5800	PR QTY	3.00 IN QTY	
	PART NUMBER: MDR-135-1		MFR NAME:	POTTER & BRUMFIELD	

DATE RECEIVED: 10-20-89

DATE COMPLETED: 10-24-89 BY: Bill

COMMENTS: SKIPPING WT. & LB, charges not shown.

LATE ORG CODE

QA III
COMPLETEC203-D9
C203-0FA-6Legibility evaluated and
accepted for issue.
FOR EACH PAGE.

Signature: [Signature] Date: 10-31-89

KEYED INTO MANS
0-2689
Date
MRU
Keyer

B.0109

DOCUMENT CONTROL
QA FILE

1000003.01

TRANS/DESK OCT 25 1989

EXHIBIT 21

PAGE 1 OF 1 PAGE(S)

B/30



United States Treasury

15-51
000



11 02 89

TENNESSEE VALLEY AUTHORITY
KNOXVILLE, TN

\$793AND80/100

Pay to
the order of

SPECTRONICS INC
PO BOX 9517
MOBILE

AL 36691

D O VOUCHER 230705

4912-79431845

Check No.

*****793*80

VOID AFTER ONE YEAR

TENNESSEE VALLEY AUTHORITY
TOMMIE M. GORDON
2 STATE DEPARTMENT OF REVENUE

⑈49126⑈

⑈000000518⑈ 794318459⑈

2-00-014

EXHIBIT 28

PAGE 1 OF 1 PAGE(S)

B/31

**THIS PURCHASE ORDER AND PART NUMBER
MUST APPEAR ON ALL INVOICES, PACKING SLIPS
AND PACKAGES**

THE CONDITIONS SET FORTH ON THIS AND REVERSE OF SHEET ARE A PART
OF AND GOVERN THE ACCEPTANCE OF THIS ORDER

501 SOUTH ELEVENTH STREET/MT. VERNON, ILLINOIS 62864/(618) 244-6000

DATE 2-15-90

JOB NUMBER: TVA-3996

SHIP TO: SAME AS ABOVE UNLESS
OTHERWISE INDICATED

TO: Potter Brumfield
VENDOR: c/o Spectronics
P.O. Box 9517
Mobile, Alabama 36691

QA Review and Acceptance
Date 2/16/90
Signature *[Signature]*

PHONE: 800-678-6758

ILLINOIS RETAILERS OCCUPATIONAL TAX
REGISTRATION NO. 20252481

ATTN: Pete Tolbert

☐ TAXABLE ☒ NON-TAXABLE

NEEDED DELIVERY DATE	F.O.B.	TERMS	VENDOR NO.	SHIP VIA
2-20-90	Ship Point	N/30	N/A	UPS

ITEM	QUANTITY	DESCRIPTION	UNIT PRICE	AMOUNT
1	30 24 2/20/90 4/3/90 4/9/90	Potter Brumfield Relays P/N MDR 134-1, 8 PDT, 115 VAC Shipment Schedule 24 by 2-20-90 6 by 3-19-90 Relays will be shipped with paperwork, traceable back to manufacturer.		
TOTAL:				

COMMERCIAL GRADE PURCHASE ORDER

CONDITIONS

ORIGINAL B/L PACKING SLIP MUST ACCOMPANY ALL SHIPMENTS

ALL ITEMS FURNISHED MUST BE NEW AND UNMODIFIED FROM ORIGINAL MANUFACTURER UNLESS NOTED HEREIN

GOODS SUBJECT TO OUR INSPECTION ON ARRIVAL NOTWITHSTANDING PRIOR PAYMENT TO OBTAIN CASH DISCOUNT ETC.

GOODS REJECTED ON ACCOUNT OF INCORRECT MATERIALS, INFERIOR QUALITY OR WORKMANSHIP MAY AT OUR OPTION BE RETURNED TO YOU WITH CHARGE FOR TRANSPORTATION BOTH WAYS PLUS LABOR, RELOADING, TRUCKING, ETC. AND ARE NOT TO BE REPLACED EXCEPT UPON RECEIPT OF WRITTEN INSTRUCTIONS FROM US.

ONLY PRICING AND TERMS AS SHOWN WILL BE VALID UNLESS OTHERWISE AUTHORIZED BY NUTHERM. WE EXPRESSLY OBJECT TO AND SHALL NOT BE BOUND BY ANY ADDITIONAL OR DIFFERENT TERMS UNLESS WE EXPRESSLY AGREE TO SUCH TERMS IN WRITING.

ADDITIONAL TERMS AND CONDITIONS GOVERNING THIS PURCHASE ORDER ARE PRINTED ON THE REVERSE HEREOF.

QUALITY ASSURANCE

[Signature]
PURCHASING AGENT SIGNATURE

EXHIBIT 13

PAGE 1 OF 1 PAGE(S)

2-90-014

13/32

bpc
2/18/90

INVOICE

THE MARTIN COMPANY OF VIRGINIA, INC.

U.S. Navy Shipboard Equipment & Parts

108 Locks Road • Chesapeake, VA 23320

Office: (804) 547-2799 Fax: (804) 547-3196

Please refer to this number
on all correspondence

0855

SPECTRONICS

P O BOX 9517

MOBILE AL 36691

SPECTRONICS

1201 MONTLIMAR DRIVE

MOBILE AL 36609

CUSTOMER ORDER NO.	INVOICE DATE	DATE SHIPPED	SHIPPED VIA	F.O.B.	TERMS
3900	3/26/90	3/29/90	UPS	CHESA	NET 30
QUANTITY	DESCRIPTION			UNIT PRICE	TOTAL AMOUNT
6	MDR172-1 MISSING PARTS			\$ 250.00	\$ 1500.00
				UPS	7.49
	TOTAL.				\$ 1507.49
STOKLEY ENTERPRISES					
ATTN: BILL					
880 AVE. J.					
NORFOLK VA 23513					
EXHIBIT 32					
PAGE 1 OF 1 PAGE(S)					

McBee - 1055 EAST STATE ST. - ATHENS, OHIO 45701
To Reorder Call Toll-free 1-800-526-1272

2-90-014

Thank You

DUPLICATE

THE MARTIN COMPANY
OF VIRGINIA, INC.

U.S. Navy Shipboard Equipment & Parts
108 Locks Road • Chesapeake, VA 23320

Office: (804) 547-2799 Fax: (804) 547-3196

Please refer to this number
on all correspondence

0842

SPECTRONICS

P O BOX 9517

MOBILE AL 36691

SPECTRONICS

1201 MONTLIMAR DR SUITE 650

MOBILE AL 36609

CUSTOMER ORDER NO.		INVOICE DATE	DATE SHIPPED	SHIP TO	TERMS
3900		3/26/90	3-26-90	UPS BLUE	NET 30
QUANTITY	DESCRIPTION	UNIT PRICE	TOTAL AMOUNT		
2	MDR 134-1	\$ 260.00	\$ 520.00		
2	CHANGE MDR 163-1 INTO MDR 134-1	50.00	100.00		
		TOTAL	\$ 620.00		
		UPS	11.50		
		TOTAL	\$ 631.50		

FORM 1033

Code ③

8/34

FORM 103.3

Code ③

Thank You

McBee - 1055 EAST STATE ST - ATHENS, OHIO 45701
To Reorder Call Toll-Free 1-800-526-1272

DUPLICATE

2-90-014

EXHIBIT 15

PAGE 1 OF 1 PAGE(S)

SPECTRONICS, INC.

P.O. BOX 9517

MOBILE

AL 36691

I N V O I C E

BILL TO:

NUTHERM INTERNATIONAL, INC.
501 SOUTH ELEVENTH STREET
MOUNT VERNON IL 62864

SHIP TO:

NUTHERM INTERNATIONAL, INC.
501 SOUTH ELEVENTH STREET
MOUNT VERNON IL 62864

INVOICE# DATE ORDER# DATE CUST.# CUSTOMER P.O. # TERMS SALESMAN
12311 3/28/90 10608 2/15/90 583 3966-01 NET 30 DAYS 10
THANKS FOR THE ORDER. SPECTRONICS, INC. UPS-ADD FREIGHT

STOCK #	DESCRIPTION	U/M	QUANTITY	UNIT PRICE	AMOUNT
MDR134-1	SF900053-16 ROTARY RELAY	EA	4		
	ITEM-1		2	ON BACKORDER	
	SUB TOTAL				
	UPS				
	TOTAL DUE				

EXHIBIT 16

PAGE 1 OF 1 PAGE(S)

0-00-014

2/1/90 (2/1/90)

B/35

DUPLICATE

NUTHERM International, Inc. 501 S. 11th St. Mt. Vernon, IL 62864 (618) 244-6000	LETTER OF TRANSMITTAL	Transmittal: 123836	NI Ref.: TVA-3996
		By: <i>ls</i> Date: 05/04/90	Project: WBNP

TO:
 Tennessee Valley Authority
 Watts Bar Nuclear Plant
 Power Stores Section
 near Spring City, TN 37379

P. O. No.: 90NLB-41497C
 Plant: Watts Bar
 Attn: J.R. Borum, Supervisor

DOCUMENT DATA

Item No.	Action 1) Appr 2) Info	Document	Document No.	Rev	No. of Ea.	
					Print	Repro
1	1	Nutherm Certificate of Compliance	CC-3996-1	1	1	-
2	1	Nutherm Certificate of Compliance	CC-3996-2 <i>to check</i>	<i>0</i> 2	1	-
3	2	Project Traveler	3996-001	0	1	-
4	2	TVA DC Checklist/ Shipping Release	Release No. 2	-	1	-

COMMENTS:

2-90-014

EXHIBIT 33
 PAGE 1 OF 5 PAGE(S)

B/34

CERTIFICATE OF COMPLIANCE

Date: May 1, 1990

CC-3996-2 Rev. 0

Page 1 of 2

1.0 OBJECTIVE

1.1 To certify that the items listed in Section 5.0 have been engineered, processed, inspected, packaged, and shipped in accordance with the NUTHERM International, Inc. Quality Assurance Program, 10 CFR 50 Appendix B, ANSI N45.2 and contractual provisions.

2.0 SCOPE

2.1 Applies to:

2.1.1 Client: Tennessee Valley Authority

2.1.2 Class: 1E Equipment

2.1.3 Contract No.: 90NLB-41497C and C/O #1

2.1.4 Power Plant: Watts Bar Nuclear Plant

2.1.5 NUTHERM QA Manual No.: QA-N-10179-5 Rev. 3

2.1.6 NUTHERM Reference No.: TVA-3996

2.1.7 Item Description: See Section 5.0

3.0 RESPONSIBILITY

3.1 The Quality Assurance Manager has the responsibility to ensure that the contract has been executed in accordance with Section 2.0.

4.0 QUALIFICATION CERTIFICATION

4.1 Nutherm International, Inc. certifies that the devices listed in Section 5.0 have been compared to the tested specimen and the results are acceptable for use as replacement parts in the Watts Bar Nuclear Plant. The test specimen is qualified in Nutherm International, Inc. Report No. 51091R, Rev. 4, Nutherm Testing Laboratories Reference No. N-109. Additional testing performed as a function of Nutherm's dedication process is documented in Nutherm
(continued)

CERTIFICATE OF COMPLIANCE

Date: May 1, 1990

CC-3996-2 Rev. 0

Page 2 of 2

International, Inc. Report No. TVA-3996R, Rev. 0. Report Nos. 51091R, Rev. 4 and TVA-3996R, Rev. 0, remain on file at Nutherm International, Inc. and Tennessee Valley Authority.

4.2 This Certificate of Compliance, CC-3996-2, Rev. 0, applies only to the devices purchased through Nutherm International, Inc. under the purchase order stated below.

Tennessee Valley Authority Purchase Order No. 90NLB-41497C and Change Order No. 1

Tennessee Valley Authority Original Purchase Order No. 82K6-829656

Tennessee Valley Authority Specification No. A21176.10

Nutherm Reference No. TVA-3996

Nutherm Original Reference No. T-1124

5.0 ITEM DESCRIPTION

ITEM	QUANTITY ON ORDER	QTY SHIPPED	QTY B/O	DESCRIPTION
1	28	5	0	Relay, Electromagnetic rotary, 10 amp, coil voltage 120 volt AC, 60 Hz, SPDT; Mfg. and Part No.: Potter-Brumfield, MDR134-1

CERTIFICATE OF COMPLIANCE

REVIEWED BY: F. Starr DATE: 5/2/90
F. Starr
Engineer
Quality Assurance

REVIEWED AND
APPROVED BY: Laurence Patterson DATE: 5/2/90
Laurence Patterson
Manager
Quality Assurance

Nutherm
INTERNATIONAL, INC. 
MT VERNON, IL 62864. (618) 244-6000

EXHIBIT 33
PAGE 3 OF 5 PAGE(S)

CERTIFICATE OF COMPLIANCE

Date: May 1, 1990

CC-3996-1 Rev. 1

Page 1 of 2

1.0 OBJECTIVE

1.1 To certify that the items listed in Section 5.0 have been engineered, processed, inspected, packaged, and shipped in accordance with the NUTHERM International, Inc. Quality Assurance Program, 10 CFR 50 Appendix B, ANSI N45.2 and contractual provisions.

2.0 SCOPE

2.1 Applies to:

2.1.1 Client: Tennessee Valley Authority

2.1.2 Class: 1E Equipment

2.1.3 Contract No.: 90NLB-41497C and C/O #1

2.1.4 Power Plant: Watts Bar Nuclear Plant

2.1.5 NUTHERM QA Manual No.: QA-N-10179-5 Rev. 3

2.1.6 NUTHERM Reference No.: TVA-3996

2.1.7 Item Description: See Section 5.0

3.0 RESPONSIBILITY

3.1 The Quality Assurance Manager has the responsibility to ensure that the contract has been executed in accordance with Section 2.0.

4.0 QUALIFICATION CERTIFICATION

4.1 Nutherm International, Inc. certifies that the devices listed in Section 5.0 have been compared to the tested specimen and the results are acceptable for use as replacement parts in the Watts Bar Nuclear Plant. The test specimen is qualified in Nutherm International, Inc. Report No. 51091R, Rev. 4, Nutherm Testing Laboratories Reference No. N-109. Additional testing performed as a function of Nutherm's dedication process is documented in Nutherm (continued)

Nutherm
INTERNATIONAL, INC.

MT VERNON, IL 62864, (618) 244-6000

EXHIBIT 33

PAGE 4 OF 5

CERTIFICATE OF COMPLIANCE

Date: May 1, 1990

CC-3996-1 Rev. 1

Page 2 of 2

International, Inc. Report No. TVA-3996R, Rev. 0. Report Nos. 51091R, Rev. 4 and TVA-3996R, Rev. 0, remain on file at Nutherm International, Inc. and Tennessee Valley Authority.

4.2 This Certificate of Compliance, CC-3996-1, Rev. 1, applies only to the devices purchased through Nutherm International, Inc. under the purchase order stated below.

Tennessee Valley Authority Purchase Order No. 90NLB-41497C and Change Order No. 1

Tennessee Valley Authority Original Purchase Order No. 82K6-829656

Tennessee Valley Authority Specification No. A21176.10

Nutherm Reference No. TVA-3996

Nutherm Original Reference No. T-1124

5.0 ITEM DESCRIPTION

ITEM	QUANTITY ON ORDER	QTY SHIPPED	QTY B/O	DESCRIPTION
1	28	23	5	Relay, Electromagnetic rotary, 10 amp, coil voltage 120 volt AC, 60 Hz, SPDT; Mfg. and Part No.: Potter-Brumfield, MDR134-1

CERTIFICATE OF COMPLIANCE

REVIEWED BY: F. Starr DATE: 5/2/90
F. Starr
Engineer
Quality Assurance

REVIEWED AND
APPROVED BY: Laurence Patterson DATE: 5/2/90
Laurence Patterson
Manager
Quality Assurance

Nutherm
INTERNATIONAL, INC. 
MT VERNON, IL 62864, (618) 244-6000

EXHIBIT 33
PAGE 5 OF 5 PAGE(S)

2 106
187
4 YEARS - O & M
PERM. - ER - PLANTS

CAROLINA POWER & LIGHT COMPANY
PURCHASE REQUISITION

MAY 80 1990

FIRMING ORDER NO. 568740m-BJ		BUDGETED AMT.		DELIVER TO/NO NUMBER		REQUIRED DELIVERY DATE 5-30-90		REQUISITION NO. 90136		PAGE NO. 1	
SHIP TO NAME CP&L HNP OPS Rec Bldg.		SHIP TO ADDRESS PO Box 165		SHIP TO CITY & STATE State Rd. 1134		SHIP TO CITY & STATE New Hill, N.C.		ZIP 27562		TERMS Net 30	
ENDOR NAME		ENDOR CITY & STATE		ZIP		DATE OF SHIPMENT 5-25-90		VIA PPD		ROUTING UPS	
COUNT NUMBER (S) 1H8401MCP00024166QAD		ENDOR INSTRUCTIONS		DOCUMENTATION CODES		SPEC. NUMBER & DATE		LAST PO NUMBER			
ITEM NO.		QUANTITY		MANUFACTURER'S CATALOG NUMBER		DESCRIPTION AND SPECIFICATIONS		DO NOT WRITE IN THIS SPACE			
1		12		MDR138-8		Relay, Rotary, Non-Latching, 8PDT, 125VDC, MDR138-8 CP&L # 690-013-60 724-329-17				\$370.00 EA	
2		6		MDR173-1		Relay, Rotary, 16PDT, 125VDC Non Latching MDR173-1 CP&L # 724-195-26				\$690.00 EA	
3		2		MDR142-1		Relay, Rotary, 24PDT, 125VDC, Non Latching CP&L # 724-325-94				\$690.00 EA	
										Total \$9960	
QUALITY-ASSURANCE-MATERIAL											
Spectronics P.O. Box 9517 Mobile, ALA 36691 ATTN: DATE CORRECT											
Confirming to Pete on May 30, 1990. Do Not Duplicate											

ACQUISITION BY Larry Collins		EXT. 2578		MAILING LOCATION MIC Supervisor Zone 3	
APPROVALS UNIT / SECTION HEAD		DEPT. HEAD		GROUP EXECUTIVE	
NT NAME L.A. OLSEN		Ray Steward		RR Hunt	
DATE 5/24/90		5/25/90		5/25/90	
PRINCIPAL BUYER		DATE 5/24/90		PHONE 7105	

2-90-014

EXHIBIT **31**
PAGE **1** OF **1** PAGE(S)

P.O. BOX 9517
MOBILE AL 36691

INVOICE

PURCHASING

SEP 14 1990

94250

BILL TO:

CAROLINA POWER AND LIGHT
ACCOUNTS PAYABLE DEPT
P.O. BOX 1551
RALEIGH NC 27612

SHIP TO:

C.P. & L HARRIS PLANT
OPERATIONS RECEIVING BLDG
STATE ROAD 1134
NEW HILL NC 27562

INVOICE# 14141 DATE 6/04/90 ORDER# 12741 DATE 5/24/90 CUST.# 614 CUSTOMER A.D. # 568740M-BJ TERMS NET 30 DAYS SALESMAN 70
THANKS FOR THE ORDER. SPECTRONICS, INC. UPS-ADD FREIGHT

STOCK #	DESCRIPTION	U/M	QUANTITY	UNIT PRICE	AMOUNT
MDR142-1	ROTARY RELAY ITEM-1	EA	4	690.000	2760.00
MDR173-1	ROTARY RELAY ITEM-2	EA	6	690.000	4140.00
MDR138-8	ROTARY RELAY ITEM-3	EA	12	370.000	4440.00

SUB TOTAL
UPS
TOTAL DUE

11340.00
132.00
11472.00 ✓

6/12/90
PS

EXHIBIT 25

PAGE 1 OF 1 PAGE(S)

2-90-014

B/39

CP&L

LIGHT COMPANY

GARY H. CLAXTON
UNITED STATES
NUCLEAR REGULATORY COMMISSION
101 MARIETTA ST. #2000
ATLANTA, GA. 30323
(404) 331-0510

PURCHASING COPY
PURCHASE ORDER

PAGE 1

DTL

PURCHASE ORDER NO.	DATE
568740M-BJ	06-04-9
CPL REQUISITION NUMBER	
90136	

SHIP TO:
CP&L HNP OPS REC. BLDG.
P.O. BOX 165
STATE RD. 1134
NEW HILL, N.C. 27562

Original Received Report to
any material is received
damage on face of original
Received Report. Also state on

not full and describe extent of
original Received Report if replacement is used.

UNIT PRICE	DOCUMENTATION CODES	REQUIRED DELIVERY DATE	AMC	SHELF LIFE
E		5-30-90	Q	
PACKAGING DATE	RCPT NO.	SING NO.	REQUISITIONED BY	
	A	B	LARRY COLLINS	

AH8401MCP00024166QA0

P/S	NET 30	PREPAID	UPS	DESCRIPTION	UNIT PRICE	PER
1	12	EA		#MDR138-8 RELAY, ROTARY, NON-LATCHING, 8PDT, 125VDC, MDR138-8 CP&L #724-329-17	\$370.00	E
2	6	EA		#MDR173-1 RELAY, ROTARY, 16 PDT, 125 VDC NON LATCHING MDR173-1 CP&L #724-195-26	690.00	E
3	24 6-14-94	EA		#MDR142-1 RELAY, ROTARY, 24PDT, 125VDC, NON LATCHING CP&L #724-325-94	690.00	E

CONFIRMING TO PETE ON MAY 30, 1990.

DO NOT DUPLICATE

Received from Arthur J. Roberts, all of the
above items for ^{is} evidentiary evaluation.

Gary H. Claxton, Investigator
NRC Office of Investigations

QUALITY ASSURANCE MATERIAL

B/40

\$9,960.00

TOTAL

RESPONSE TO
MARY S. THOMPSON

TELEPHONE NO
919-546-7105

AUTHORIZED SIGNATURE

FACSIMILE TRANSMITTAL

TE 6/7/90

U.S. NRC
HARRISPRIORITY
IMMEDIATELY

HOUR 4

2-4 HOURS

CDB

APPROVAL

TO: Uldis Potapovs
(NAME)

(LOCATION)

FROM: Jeff Tedrow

MAGES:

6

* TRANSMITTAL SHEET

PURPOSE:

TELEPHONE
NO.

(TELECOPIER)

UNITED &
RIFIED BY

(NAME)

(DATE)

RETURN TO ORIGINATOR
PLACE IN MAIL
OTHER

(VERIFICATION)

B/41

JUN 27 1990 10:24 CP&L PURCHASING

919-546-6710
PURCHASE ORDER

PAGE 1

DTL

FORM NO.	DATE
588740M-BJ	08-04
CPL REQUISITION NUMBER	
90136	

Carolina Power & Light Company
P.O. BOX 1551 RALEIGH, N.C. 27602

SPECTRONICS
PO BOX 9517
MOBILE, ALA 36691

SHIP TO:
CP&L HNP OPS REC. BLDG.
P.O. BOX 185
STATE RD. 1134
NEW HILL, N.C. 27562

MAIL ORIGINAL AND 2 COPIES OF INVOICE TO
CAROLINA POWER & LIGHT CO.
C/O ACCOUNTS PAYABLE UNIT
PO BOX 1551
RALEIGH, N.C. 27602

- * FAX # 919/546-6710
- * SHOW OUR ORDER NUMBER AND PART NUMBER ON INVOICES, PACKING SLIPS, PACKAGES, AND CORRESPONDENCE REFERRING TO THIS MATERIAL
- * ACKNOWLEDGE RECEIPT OF THIS ORDER PROMPTLY
- * THE ATTACHED SPECIFICATION IS HEREBY INCORPORATED AND MADE PART OF THIS ORDER

QUANTITY	UNIT	DESCRIPTION	PRICE
12	EA	#MDR138-8 RELAY, ROTARY, NON-LATCHING, 8PDT, 125VDC, MDR138-8 CP&L #724-329-17	\$370.00
6	EA	#MDR175-1 RELAY, ROTARY, 16 PDT, 125 VDC NON LATCHING MDR175-1 CP&L #724-195-26	690.00
2	EA	#MDR142-1 RELAY, ROTARY, 24PDT, 125VDC, NON LATCHING CP&L #724-325-94	890.00
CONFIRMING TO PETE ON MAY 30, 1990.			
DO NOT DUPLICATE			

PURCHASE ORDER

QUALITY ASSURANCE MATERIAL

\$9,980.00

TOTAL

FREIGHT CHARGES EXCEEDING \$25.00 MUST BE ACCOMPANIED BY THE FREIGHT BILL FOR PAYMENT OF THE INVOICE.

Rev. 12/29/1

VENDOR INSTRUCTIONS

THE INDICATED INSTRUCTIONS AND/OR REQUIREMENTS ARE IMPOSED ON THIS ITEM:

 * There shall be no changes in part numbers or item descriptions unless approved by
 * CP&L. Should changes be required, vendor shall provide a request for change on his
 * letterhead addressing the interchangeability of the parts and/or part numbers and a
 * statement that the new part/part number serves the same fit, form, and function as
 * the old part/part number. Payment will not be made for material that does not
 * comply with the requirements of the purchase order, and such material may be
 * returned at his expense.

All material shall be, as a minimum, securely tagged, stenciled, or marked as appropriate to provide traceability to CP&L's procurement document and vendor supplied documentation by the following:

1. Vendor part number
2. CP&L purchase order number

The above is in addition to any specific marking required by specification.

For small parts not suitable for individual tagging or marking, the container shall be securely tagged or marked with all required identification. Vendor authorizes CP&L to return freight collect any material that is not correctly marked. Vendor further agrees to promptly correct the marking discrepancy and return the material freight prepaid to CP&L.

- A - This item is important to nuclear safety. The Vendor shall implement a documented quality assurance program which conforms to the applicable requirements of ANSI N45.2, "Quality Assurance Program Requirements for Nuclear Power Plants," 1971 edition (or later edition implemented in accordance with a endorsing NRC Regulatory Guide) or Appendix B of 10CFR50, "Quality Assurance Criteria for Nuclear Power Plants and Fuel Reprocessing Plants."

Supplier shall extend applicable QA requirements to lower-tier suppliers.

Surveillance will not normally be conducted on replacement items, but CP&L shall have the right of access to supplier facilities and QA records for source inspection and QA audit.

This item is subject to the provisions of 10CFR21. CP&L Nuclear Licensing and the appropriate Nuclear Project location shall be concurrently notified of any reports made to the NRC pursuant to 10CFR21. Submit notification to:

Carolina Power & Light Company
 Manager - Nuclear Licensing
 Box 1551
 Raleigh, North Carolina 27602

Carolina Power & Light Company
 Department Manager
 Brunswick Nuclear Project
 NC Hwy. 2 1/2 Mi. North
 Box 10429
 Southport, NC 28461

Carolina Power & Light Company
 Department Manager
 Harris Nuclear Project
 State Road 1134, Box 155
 New Hill, NC 27562

Carolina Power & Light Company
 Department Manager
 Robinson Nuclear Project
 SC Hwy. 151 & 23, Box 790
 Hartsville, SC 29550

Nonconformance to Purchase Order requirements or CP&L approved documents which consist of one or more of the following shall be submitted to CP&L for approval of the recommended disposition:

1. Technical or material requirement is violated.
2. Supplier documents approved by CP&L are violated.
3. Nonconformance cannot be corrected by continuance of the original manufacturing process or by rework.
4. The item does not conform to the original requirements even though the it can be restored to a condition such that the capability of the item to function is unimpaired.

These submittals shall include Supplier's recommended disposition (for example "use-as-is" or "repair") and technical justification. Forward submittals to the appropriate Nuclear Project location (address listed above).


- ☐ B - This is a consumable item.
- ☐ C - This item shall be stored, packaged, and shipped in accordance with ANSI N45.2.2, 1972 edition (or later edition implemented in accordance with an endorsing NRC Regulatory Guide or approved equivalent. The vendor shall identify any special storage requirements imposed.
- ☒ E - This is considered a "Commercial Grade" item. The vendor is not required to be on the Approved Suppliers List.
- ☐ F - Vendor must have a QA system which satisfies the requirements of ASME Boiler & Pressure Vessel Code Section VIII (edition as specified in Extended Description).
- ☐ G - This item is used in equipment that is important to the protection of nuclear-safety related equipment from fire. If originally produced subject to Underwriter's Laboratory (UL) listing or Factory Mutual (FM) approval, documentation of such listing or approval shall be provided.
- ☐ H - This item must be provided in accordance with the specification attached or referenced.
- ☐ I - Calibration must be accomplished under suitable environmental conditions by appropriately trained personnel and certification must be to certified equipment having valid traceability to nationally recognized standards.

A statement of environmental conditions and copies of calibration procedures and personnel qualifications shall be provided to the purchaser or made available to the purchaser for review if requested.

Purchaser shall have right of access to the calibration facility to verify or witness calibration of instruments and to review appropriate documentation.

The accuracy of calibration standards used must be four times greater than the accuracy of the equipment being calibrated.

- ☐ J - Vendor is not required to be on Approved Suppliers List.


 Stokley Enterprises
 880 Ave J
 Norfolk VA 23513

Carolina Power & Light
 Harris Plant
 Operations Receiving Bldg.
 State Rd 117A
 New Hill, NC 27567
 PO # 568740-M-RJ


 ADULT SIGNATURE
 REQUIRED


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Carolina Power & Light
Barris Plant
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State Rd 113A
New Hill, NC 27562
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FROM NRC S HARRIS

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 Storkley Enterprises
 880 Ave J
 Norfolk VA 23513

Carolina Power & Light
 Harris Plant
 Operations Receiving Bldg.
 State Rd 117A
 New Hill, NC 27562
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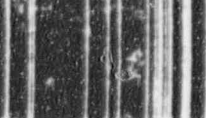

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Relay Discrepancies

- 1) 1 WEEK DELIVERY VS 12 TO 15 WEEKS
- 2) SPECTRUMICS LOCATED IN MOBILE, ALABAMA. UPS LABEL FROM STOKELY ENTERPRISES, NORFOLK, VA. "SPECTRUMICS" VISIBLE UNDER STOKELY LABEL.
- 3) GRAY PAINT DIFFERENT COLOR (SHADE)
- 4) RED PAINT TO SEAL SCREWS DIFFERENT SHADES. RED PAINT WAS ALSO TAPEY UPON RECEIPT, AND SOME WAS ADHERING TO BOXES.
- 5) COIL WIRE DIFFERENT GAUGE, TYPE, INSULATION, COLOR
- 6) SOLDER JOINTS BLOPPY, POSSIBLE WICKING ON SOME LEADS
- 7) FASTENERS DIFFERENT FINISHES
- 8) TOP PLATE. LATCHING RELAY MARKS ON TOP OF A NON-LATCHING RELAY. (2 SMALL HOLES BY INDICATION)
- 9) COIL INSULATORS. PAINTED ON SOME WITH GRAY PAINT.
- 10) SOME RIVETS PAINTED
- 11) CONTACT STACKS APPEAR TO HAVE TWO OR MORE DIFFERENT NUMBERS (SIZE, THICKNESS).
- 12) COIL SLUG HOLLOW ON SOME RELAYS, SOLID ON OTHERS.
- 13) GROOVES ON TOP OF COIL STACK. OTHERS WITH NO GROOVES.
- 14) SCREWS PACKAGED IN MANILLA ENVELOPES WITH NUMBERS IN UPPER CORNER. DIFFERENT PACKAGING THAN PREVIOUS RELAYS.
- 15) BOXES DIFFERENT THAN PREVIOUS RELAYS. NOT P&B BOXES.
- 16) PACKAGING MATERIAL DIFFERENT: BUBBLE-WRAP VS. STYROFOAM.
- 17) NAMEPLATES SILK-SCREENED. PREVIOUS RELAYS SUPPLIED ARE STAMPED OR ETCHED.
- 18) APPEARANCE OF MOUNTING / USED BASES THAT HAVE BEEN PAINTED OVER.
- 19) VARIANCES IN COIL STACK HEIGHTS AND ASSEMBLY.
- 20) LACK OF DATE CODE CONTROL STAMPS ON TOP OF RELAYS.
- 21) SOME COIL RESISTANCES ARE TWICE P&B BOOK VALUES.

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ALLEGATION REVIEW BOARD

SUMMARY

Allegation Number NRR-90-A-0020

1. The NRR Allegation Review Board met on June 11, 1990 at 3:00 p.m.
2. Present at the meeting were: B. Grimes, NRR U. Potapovs, NRR
S. Varga, NRR D. Murphy, OI
B. D. Liaw, NRR J. Lee, NRR
3. Facilities/organizations involved: (1) Spectronics and (2) Stokely Enterprises
4. Allegation title: Possible Fraudulent Relays
5. This allegation has been assigned to Vendor Inspection Branch for resolution.
6. The ARB determined the allegation to be of potential safety significance.
7. The ARB assigned this allegation a Priority Level of 2 after consideration of its safety significance.
8. The ARB made the following decision on OI referral: Yes
9. (For OI referrals) The ARB recommends an investigation priority of high.
10. The following resolution plan and schedule was approved by the ARB.

Activity

Due Date

- | | |
|--|---------------|
| a. Inspection by VIB with assistance by OI | June 14, 1990 |
| b. OI referral | July 3, 1990 |

11. Prepared by:

Jean Lee
Jean Lee, Office Allegations Coordinator

6/12/90
Date

13. Approved by:

Brian K. Grimes
Brian K. Grimes, Chairperson, ARB

6/12/90
Date

Distribution:

NRR Executive Team
Director, OI
BGrimes
WBrach
NRR OAC
SVarga

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