



NUDOCs

U.S. NUCLEAR REGULATORY COMMISSION

NRC FOIA REQUEST NUMBER(S)

FOIA — 96-246

RESPONSE TO FREEDOM OF
INFORMATION ACT (FOIA) REQUEST

RESPONSE TYPE

FINAL

☒ PARTIAL (4th)

DATE

OCT 23 1996

DOCKET NUMBER(S) (if applicable)

REQUESTER

James R. Tourtellotte

PART I.—AGENCY RECORDS RELEASED OR NOT LOCATED (See checked boxes)

☐ No agency records subject to the request have been located.☐ No additional agency records subject to the request have been located.☐ Requested records are available through another public distribution program. See Comments section.☐ Agency records subject to the request that are identified in Appendix(es) _____ are already available for public inspection and copying at the NRC Public Document Room, 2120 L Street, N.W., Washington, DC.☒ Agency records subject to the request that are identified in Appendix(es) D are being made available for public inspection and copying at the NRC Public Document Room, 2120 L Street, N.W., Washington, DC, in a folder under this FOIA number.☐ The nonproprietary version of the proposal(s) that you agreed to accept in a telephone conversation with a member of my staff is now being made available for public inspection and copying at the NRC Public Document Room, 2120 L Street, N.W., Washington, DC, in a folder under this FOIA number.☐ Agency records subject to the request that are identified in Appendix(es) _____ may be inspected and copied at the NRC Local Public Document Room identified in the Comments section.☐ Enclosed is information on how you may obtain access to and the charges for copying records located at the NRC Public Document Room, 2120 L Street, N.W., Washington, DC.☒ Agency records subject to the request are enclosed. Appendix D☐ Records subject to the request have been referred to another Federal agency(ies) for review and direct response to you.

Fees

☐ You will be billed by the NRC for fees totaling \$ _____.☐ You will receive a refund from the NRC in the amount of \$ _____.☐ In view of NRC's response to this request, no further action is being taken on appeal letter dated _____, No. _____.

PART II. A—INFORMATION WITHHELD FROM PUBLIC DISCLOSURE

☐ Certain information in the requested records is being withheld from public disclosure pursuant to the exemptions described in and for the reasons stated in Part II, B, C, and D. Any released portions of the documents for which only part of the record is being withheld are being made available for public inspection and copying in the NRC Public Document Room, 2120 L Street, N.W., Washington, DC in a folder under this FOIA number.

COMMENTS

SIGNATURE, DIRECTOR, DIVISION OF FREEDOM OF INFORMATION AND PUBLICATIONS SERVICES

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PDR FOIA
TOURTEL96-246 PDR

APPENDIX D
(RECORDS RELEASED)

1. 11/13/91 Exhibit 3 to ROI 4-95-022, Memorandum for Susan Greene from John Lubinski, Subject: Device Review Request Innovative Weaponry, Inc. with enclosure (22 pages)
2. 1/23/95 Exhibit 6 to ROI 4-95-022, Letter to Innovate Weaponry Inc. from Margaret Federline (5 pages)
3. Undated Exhibit 8 to ROI 4-95-022, Note to File, Subject: February 22, 1995 Meeting with Mr. Ken Wilson, IWI, Inc. (2 pages)
4. 4/3/95 Exhibit 9 to ROI 4-95-022, Letter to Innovate Weaponry Inc. of Nevada from Susan Greene with enclosure (5 pages)
5. 11/16/95 Exhibit 11 to ROI 4-95-022, Letter to Bruce Morgan Casner from Douglas Broadus (3 pages)
6. 8/15/95 Exhibit 20 to ROI 4-95-022, Memorandum to Patricia Santiago from John Lubinski, Subject: Innovate Weaponry Inc. (1 page)
7. 7/17/95 Exhibit 34 to ROI 4-95-022, Telephone Log (1 page)
8. 7/21/95 Exhibit 37 to ROI 4-95-022, Telephone Log (1 page)
9. Undated Exhibit 38 to ROI 4-95-022, Note to File (1 page)
10. 7/25/95 Exhibit 40 to ROI 4-95-022, Telephone Log (1 page)
11. 12/22/95 Exhibit 42 to ROI 4-95-022, Letter to Innovate Weaponry, Inc. of Nevada from Donald Cool (3 pages)

JAMES R. TOURTELLOTTE
ATTORNEY AT LAW

SUITE 1141
1200 N. NASH STREET
ARLINGTON, VA 22209

FAX

TELEPHONE: (703) 522-3456
FACSIMILE: (703) 522-3567

Bar Admissions:

DISTRICT OF COLUMBIA
OKLAHOMA
U.S. SUPREME COURT

June 7, 1996

Mr. Russell A. Powell, Director
Freedom of Information and Publication Services
Office of Administration
U.S. Nuclear Regulatory Commission
Washington, D.C. 20555

FREEDOM OF INFORMATION
ACT REQUEST

FOIA-96-246
Rec'd 6-10-96

Reference: Freedom of Information Act fax request

Dear Mr. Russell,

This is a Freedom of Information Act request for documents and computer disks pertaining to an NRC enforcement action entitled, Notice of Violation and Proposed Imposition of Civil Penalty - \$7500., and Confirmatory Order Modifying License (effective immediately) (NRC Investigation Report No. 4-95-022). This action is taken by the NRC against Innovative Weaponry, Inc. (IWI) with notification being posted May 15, 1996. Copies of the enforcement and licensing documents are attached for reference purposes.

The documents requested include:

1. NRC Investigation Report No. 4-95-022 and exhibits.
2. All other documents referred to, relied upon or used by the NRC enforcement and licensing offices as a basis for taking the enforcement action and issuing the confirmatory order.
3. A list of all NRC cases closed by Virginia VanCleve, Office of Investigations, since 1991 including:
 - a. Name of licensee company
 - b. Address of licensee company
 - c. Phone and fax numbers of licensee company
 - d. Licensee contact person
 - e. Date each case was opened
 - f. Dates of site visits
 - g. Names of all persons interviewed by investigator in each case
 - h. Date each case was closed
 - i. Recommended actions of investigator in each case
 - j. Enforcement action taken in each case
4. Copies of all general licenses for distribution which pertain in any way to the distribution of gunsights.
5. For each licensee listed in the immediately preceding item 4, provide the following:
 - a. A list of dates of inspections for the 5 years preceding this request and the name of the NRC inspectors.

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3 pp.

- TEL NO. 410 040 2041
- b. A list of dates of investigations for the 5 years preceding this request, the name of the investigator, action recommended by the investigator and enforcement action taken.

The computer disks requested include:

1. A disk containing list of NMSS licensees, including names, mailing addresses, contact persons phones and program codes.
2. Separately or on the same disk, the same information breaking out general license holders of distribution licenses.

If possible, the disk or disks, should be in Wordperfect 5.1.

This request is made on behalf of the licensee, IWI, by its counsel, James R. Tourtellotte. The information sought is necessary to prepare the IWI defense and Answer to Notice of Violation pursuant to 10 CFR 2.205.

IWI respectfully requests waiver of any and all fees that might otherwise be assessed under an ordinary FOIA request. This is a request for documents pursuant to the legitimate right of a disputant to discover records of a federal agency. As such it is not an ordinary FOIA request as anticipated by the statute or NRC regulations.

This request is being made through FOIA channels because IWI counsel was directed to do so by NRC representatives. It is presumed that this is for the administrative convenience of the NRC.

Whatever the reason, it is inappropriate for a federal agency to impose fees for documents subject to discovery. In this circumstance, FOIA fees prescribed by regulators should not be assessed in the first instance or, if the NRC administrative practice requires it, should be waived because the request is in the nature of discovery.

Please be advised that there is a sense of urgency in this case. The original date for IWI response to the NRC Notice of Violation was June 14, 1996. Counsel for IWI and the NRC Director of Enforcement have agreed to extend that time to 30 days but not later than July 15, 1996. Consequently, your response time to this request has a direct bearing upon how soon issues in this case can be addressed and resolved.

Should the request for waiver of fees be denied, IWI will pay up to \$500. for the requested documents and disks. However, such payment should not be regarded as a waiver of IWI's right to protest such fees and request reimbursement.

IWI counsel will be traveling through Asia from May 27 to June 10. During that time, NRC representatives may correspond with Anita Parker at (703) 978-6784 concerning this FOIA request. Ms. Parker is fully empowered to act on behalf of IWI counsel.

Thank you for your kind and prompt attention to this very important matter.

Sincerely,



James R. Tourtellotte
Attorney-at Law

JAMES R. TOURTELOTTE
ATTORNEY AT LAW

SUITE 1141
1200 N. NASH STREET
ARLINGTON, VA 22209

TELEPHONE: (703) 522-3456
FACSIMILE: (703) 522-3567

Bar Admissions:

DISTRICT OF COLUMBIA
OKLAHOMA
U.S. SUPREME COURT

Facsimile Transmission

June 7, 1996 - 1:09 pm

Attention: Mr. Russell A. Powell, Director

Company: NRC. Freedom of Information & Publications

Telephone #: 301-415-6527

Fax #: 301-415-5130

Subject: FOIA Request

Sender: Anita Parker

Sender Telephone #: 703-978-6784

Sender Fax #: 703-978-6785

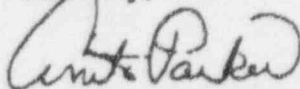
You should receive 22 pages, including this cover sheet.. If you do not receive all the pages, please call the number above.

COMMENTS: Dear Mr. Powell,

Attached you will find our FOIA request along with the referenced NRC documents. As you will note in our letter, we are under a time constraint to issue our response to an NRC Notice of Violation. The requested information is critical to our response. If there is any problem in obtaining the information requested in time to meet our deadline, please call me right away. Also, I would prefer to pick up the information rather than have it go by mail. Could you please call me when it is available?

If you have any questions, please do not hesitate to call. Your prompt response is appreciated.

Sincerely,



Anita M. Parker for
James R. Tourtellotte



UNITED STATES
NUCLEAR REGULATORY COMMISSION
WASHINGTON, D.C. 20545-0001

May 15, 1996

EA 96-135
EA 96-170

Innovative Weaponry, Inc.
ATTN: Mr. David Gregor, President
337 Eubank NE
Albuquerque, New Mexico 87123

SUBJECT: NOTICE OF VIOLATION AND PROPOSED IMPOSITION OF CIVIL PENALTY -
\$7,500 AND
CONFIRMATORY ORDER MODIFYING LICENSE (EFFECTIVE IMMEDIATELY)
NRC Investigation Report No. 4-95-022)

Dear Mr. Gregor:

This refers to the predecisional enforcement conference conducted on April 23, 1996, with you and other Innovative Weaponry, Inc. (IWI) representatives in the NRC's offices in Rockville, Maryland. A list of conference attendees is enclosed (Enclosure 1).

The conference was conducted to discuss apparent violations identified during an NRC investigation conducted between May 9, 1995, and March 22, 1996. These apparent violations, as well as the concern that they may have been committed willfully by company officers, were discussed by telephone with an IWI representative on April 11, 1996, and were briefly described in a letter sent to IWI on April 17, 1996.

Based on the information developed during the investigation and on our consideration of the information that you provided during the conference, the NRC has determined that violations of NRC requirements occurred. These violations, which IWI admitted at the conference, are cited in the enclosed Notice of Violation and Proposed Imposition of Civil Penalty (Enclosure 2). Specifically, the NRC concludes that IWI distributed licensed material, i.e. tritium, in various gunsights that were not approved by the NRC and not authorized on the license and that IWI distributed tritium sources that were obtained from a manufacturer not authorized on the license.

At the conference, IWI officials admitted that violations had occurred but denied that there was any intent to commit them. Notwithstanding the Licensee's position on intent, the NRC is concerned that the violations resulted from a lack of effective action to assure compliance with license requirements, despite IWI officials being aware that the NRC license contained

Innovative Weaponry, Inc.

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limitations on what could and could not be distributed. This awareness should have prompted IWI to make certain that it both understood and was conducting its business in compliance with the license while it was seeking to amend it.

Thus, even though these violations did not result in any actual safety impacts, they are nonetheless significant from a regulatory standpoint. Therefore, the violations in the enclosed Notice have been categorized as a Severity Level III problem in accordance with the "General Statement of Policy and Procedure for NRC Enforcement Actions" (Enforcement Policy), NUREG-1600.

In accordance with the Enforcement Policy, a base civil penalty in the amount of \$2,500 is considered for a Severity Level III problem. In this case, given management's failure to assure that requirements were met and that the license was understood, I have been authorized, after consultation with the Director, Office of Enforcement and the Deputy Executive Director for Nuclear Materials Safety, Safeguards and Operations Support, to exercise discretion pursuant to section VII.A.1 of the Enforcement Policy and propose a civil penalty of \$7,500.

At the conference and at the licensing meeting that followed it, IWI officials voluntarily made various commitments to correct these violations and to assure that future operations will be conducted in strict accordance with the license conditions. These commitments included the development of a training program for all IWI employees whose activities may affect compliance with NRC requirements, and the hiring of a third-party, independent auditor to develop an audit plan and conduct periodic audits of IWI to assure continued compliance with all NRC requirements. These commitments are described in more detail and are confirmed in the enclosed Confirmatory Order Modifying License.

Pursuant to section 223 of the Atomic Energy Act of 1954, as amended, any person who willfully violates, attempts to violate, or conspires to violate, any provision of the enclosed Order shall be subject to criminal prosecution as set forth in that section. Violation of this order may also subject the person to civil monetary penalty.

You are required to respond to the Notice and the enclosed Order and should follow the instructions in each when preparing your response. In your response to the Notice, you should document the specific actions taken and any additional actions you plan to prevent recurrence. After reviewing your response to this Notice, including your proposed corrective actions and the results of future inspections, the NRC will determine whether further NRC enforcement action is necessary to ensure compliance with NRC regulatory requirements.

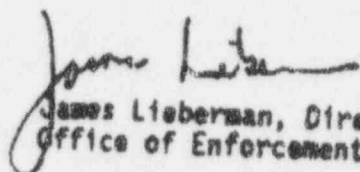
TEC
TEL NO. 410-040-2041
JUN 1 1959 0127 1000

Innovative Weaponry, Inc.

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In accordance with 10 CFR 2.790 of the NRC's "Rules of Practice," a copy of this letter, its enclosures, and your response will be placed in the NRC Public Document Room (PDR). To the extent possible, your response should not include any personal privacy, proprietary, or safeguards information so that it can be placed in the PDR without redaction.

Sincerely,


James Lieberman, Director
Office of Enforcement

Docket No. 030-30266
License No. 30-23697-01E

Enclosures:

1. Conference Attendance List
2. Notice of Violation and Proposed Imposition of Civil Penalty
3. Confirmatory Order Modifying License

cc w/encl:
State of New Mexico

PREDECISIONAL ENFORCEMENT CONFERENCE ATTENDANCE		
LICENSEE/FACILITY	Innovative Weaponry, Inc. of Nevada	
DATE/TIME	April 23, 1996 / 9 a.m. EDT	
MEETING LOCATION	NRC HQ, Rockville, Maryland	
EA NUMBER	96-135	
NAME	ORGANIZATION	TITLE
David Gregor	IWI of Nevada	President
Patricia Wilson	IWI of Nevada	Executive Vice President
Kenneth Wilson	IWI of Nevada	Consultant
James Tourtellotte	Representing IWI of Nevada	Attorney
James Lieberman	NRC	Director, Office of Enforcement
Geoffrey Cant	NRC	Enforcement Specialist, Office of Enforcement
Larry W. Camper	NRC	Chief, Medical, Academic and Commercial Use Safety Branch
Susan Greene	NRC	Medical, Academic and Commercial Use Safety Branch
Michael Rafky	NRC	Office of the General Counsel
Jeff Bartlett	NRC	Office of the General Counsel
Linda Howell	NRC, Region IV	Chief, Nuclear Materials Inspection and Fuel Cycle/Decommissioning Branch
Gary Sanborn	NRC, Region IV	Enforcement Officer

NOTICE OF VIOLATION
AND
PROPOSED IMPOSITION OF CIVIL PENALTY

Innovative Weaponry, Inc. of Nevada
Albuquerque, New Mexico

Docket No. 030-30266
License No. 30-23697-01E
EA 96-135

During an NRC investigation conducted between May 9, 1995 and March 22, 1996, violations of NRC requirements were identified. In accordance with the "General Statement of Policy and Procedure for NRC Enforcement Actions," NUREG-1600, the violations are listed below:

- A. License No. 30-23697-01E authorizes the licensee to distribute SRB Technologies, Inc., Model PRH-800/6/200 sealed light sources.

Contrary to the above, from June to August 1995, the licensee distributed tritium sealed light sources from a manufacturer not authorized in the license. (01013)

- B. License Condition 10 of License No. 30-23697-01E authorizes the licensee to distribute sealed light sources in specified gunsights and in specified configurations.

Contrary to the above, from July to September 1995, the licensee distributed tritium sealed light sources in configurations not specified or otherwise authorized in the license. (01023)

These violations represent a Severity Level III problem (Supplement VI).
Civil Penalty - \$7,500.

Pursuant to the provisions of 10 CFR 2.201, Innovative Weaponry, Inc., is hereby required to submit a written statement or explanation to the Director, Office of Enforcement, U.S. Nuclear Regulatory Commission, within 30 days of the date of this Notice of Violation and Proposed Imposition of Civil Penalty (Notice). This reply should be clearly marked as a "Reply to a Notice of Violation" and should include for each alleged violation: (1) admission or denial of the alleged violation, (2) the reasons for the violation if admitted, and if denied, the reasons why, (3) the corrective steps that have been taken and the results achieved, (4) the corrective steps that will be taken to avoid further violations, and (5) the date when full compliance will be achieved. If an adequate reply is not received within the time specified in this Notice, an order or a Demand for Information may be issued as to why the license should not be modified, suspended, or revoked or why such other action as may be proper should not be taken. Consideration may be given to expanding the response time for good cause shown. Under the authority of Section 182 of the Act, 42 U.S.C. 2232, this response shall be submitted under oath or affirmation.

Within the same time as provided for the response required above under 10 CFR 2.201, the Licensee may pay the civil penalty by letter addressed to the Director, Office of Enforcement, U.S. Nuclear Regulatory Commission, with a check, draft, money order, or electronic transfer payable to the Treasurer of the United States in the amount of the civil penalty proposed above, or the

Notice of Violation

- 2 -

cumulative amount of the civil penalties if more than one civil penalty is proposed, or may protest imposition of the civil penalty in whole or in part, by a written answer addressed to the Director, Office of Enforcement, U.S. Nuclear Regulatory Commission. Should the Licensee fail to answer within the time specified, an order imposing the civil penalty will be issued. Should the Licensee elect to file an answer in accordance with 10 CFR 2.205 protesting the civil penalty, in whole or in part, such answer should be clearly marked as an "Answer to a Notice of Violation" and may: (1) deny the violation(s) listed in this Notice, in whole or in part, (2) demonstrate extenuating circumstances, (3) show error in this Notice, or (4) show other reasons why the penalty should not be imposed. In addition to protesting the civil penalty in whole or in part, such answer may request remission or mitigation of the penalty.

In requesting mitigation of the proposed penalty, the factors addressed in Section VI.B.2 of the Enforcement Policy should be addressed. Any written answer in accordance with 10 CFR 2.205 should be set forth separately from the statement or explanation in reply pursuant to 10 CFR 2.201, but may incorporate parts of the 10 CFR 2.201 reply by specific reference (e.g., citing page and paragraph numbers) to avoid repetition. The attention of the Licensee is directed to the other provisions of 10 CFR 2.205, regarding the procedure for imposing a civil penalty.

Upon failure to pay any civil penalty due which subsequently has been determined in accordance with the applicable provisions of 10 CFR 2.205, this matter may be referred to the Attorney General, and the penalty, unless compromised, remitted, or mitigated, may be collected by civil action pursuant to Section 234c of the Act, 42 U.S.C. 2282c.

The response noted above (Reply to Notice of Violation, letter with payment of civil penalty, and Answer to a Notice of Violation) should be addressed to: James Lieberman, Director, Office of Enforcement, U.S. Nuclear Regulatory Commission, One White Flint North, 11555 Rockville Pike, Rockville, MD 20852-2738, with a copy to the Regional Administrator, U.S. Nuclear Regulatory Commission, Region IV.

Because your response will be placed in the NRC Public Document Room (PDR), to the extent possible, it should not include any personal privacy, proprietary, or safeguards information so that it can be placed in the PDR without redaction. However, if you find it necessary to include such information, you should clearly indicate the specific information that you desire not to be placed in the PDR, and provide the legal basis to support your request for withholding the information from the public.

Dated at Rockville, Maryland
this 5th day of May 1996

UNITED STATES
NUCLEAR REGULATORY COMMISSION

In the Matter of

Innovative Weaponry, Inc.
Albuquerque, New MexicoDocket No. 030-30266
License No. 30-23697-01E
EA 96-170CONFIRMATORY ORDER MODIFYING LICENSE
(EFFECTIVE IMMEDIATELY)

I

Innovative Weaponry, Inc. of Nevada, (IWI or Licensee) is the holder of NRC License No. 30-23697-01E issued by the Nuclear Regulatory Commission (NRC or Commission) pursuant to 10 CFR Part 30. The license authorizes the Licensee to distribute byproduct material (i.e., tritium) in gunsights as specified in the license. The license was transferred from IWI of New Mexico to IWI of Nevada on April 3, 1995. Although due to expire on June 30, 1993, the license has remained active based on a timely renewal application.

II

Based on its review of the results of an NRC investigation conducted from May 9, 1995, through March 22, 1996, the NRC identified the following apparent violations of IWI's license conditions: 1) IWI distributed tritium in gunsights not approved by the NRC and not specifically authorized on the license; and 2) IWI distributed tritium sources obtained from a manufacturer not authorized on the license. In addition, as indicated in a letter issued to IWI on April 17, 1996, it appeared that the violations were committed by the President and Executive Vice President of the company.

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9PP. These apparent violations and the concern that they were committed by the

President and Executive Vice President were discussed with IWI representatives

May 15 1996 13:08 NO.003 P.08

TEL: 501-504-5565

PLANS DIVISION

at a predecisional enforcement conference in Rockville, Maryland on April 23, 1996. The Licensee admitted that violations had occurred but denied that there was any intent to commit the violations. Notwithstanding the Licensee's position on intent, the NRC is concerned that the violations resulted from a lack of effective action to assure compliance with license requirements, despite IWI officials being aware that the NRC license contained limitations on what could and could not be distributed.

III

As a result of the NRC investigation, the NRC staff questioned whether it should have the requisite reasonable assurance that IWI will comply with agency requirements. At the predecisional enforcement conference and a meeting on the same date to discuss license amendment issues, the Licensee voluntarily committed to actions to address the NRC's concerns about its ability to conduct its activities in compliance with the license and applicable NRC requirements. The Licensee offered to develop the following ^{IMPLEMENTATION} plans and to submit them to the NRC for approval: 1) a training plan to assure that all IWI employees, including management, understand the NRC license and applicable NRC requirements; 2) an audit plan to assure compliance with requirements to be implemented by a third-party, independent auditor; and 3) development of written procedures to maintain accountability, control, and security of materials authorized by the NRC for distribution. The NRC has concluded that ~~implementation~~ ^{implementation} of these commitments, which are described in more detail below, would provide the necessary assurance that licensed activities will be in compliance with NRC requirements in the future.

I find that the Licensee's commitments set forth at the predecisional enforcement conference and licensing meetings conducted on April 23, 1996, are acceptable and necessary and conclude that with these commitments the public health, safety and interest are reasonably assured. In a telephone call on May 8, 1996, with Mr. James Tourtellotte, the Licensee's attorney, the Licensee agreed to this action. I have also determined, based on the Licensee's consent and on the significance of the conduct described above, that the public health and safety require that this Order be immediately effective.

IV

Accordingly, pursuant to sections 81, 161b, 161f, 161g, 182 and 186 of the Atomic Energy Act of 1954, as amended, and the Commission's regulations in 10 CFR 2.202 and 10 CFR Part 30, IT IS HEREBY ORDERED, EFFECTIVE IMMEDIATELY, THAT LICENSE NO. 30-23697-01E IS MODIFIED AS FOLLOWS:

1. The Licensee shall submit for NRC approval, within 30 days of the issuance of this Order, a training plan designed to assure that all IWI employees, including management, who are involved in activities that may affect compliance with the NRC license are familiar with the conditions and restrictions contained in the license, as well as with all other applicable NRC requirements. The training plan also shall provide for training in accountability, control, and security of licensed material in gunshots authorized by the NRC for distribution to persons exempt from licensing. The training plan shall provide for initial training of

all existing employees, including management, within 30 days of the issuance of this Order, training for new employees, including management, prior to their working with licensed materials, and annual refresher training thereafter.

- 2.a. The Licensee shall submit for NRC approval, within 30 days of the date of this Order, the name and qualifications of an independent auditor or auditors whom the Licensee proposes to conduct the audits described below and who are capable of conducting such audits to assure compliance with all NRC license conditions and requirements.
- b. The Licensee shall submit for NRC approval, within 30 days of the NRC's approval of the above auditor, an audit plan which shall provide for periodic audits to assure compliance with all NRC license conditions and requirements. The audit plan shall provide for an initial audit, followed by quarterly audits for a 1-year period, and semi-annual audits thereafter. The audit plan shall provide for audit reports to be issued to the Licensee and the NRC at the same time within 30 days of the completion of each audit. The audit report shall contain findings on the Licensee's state of compliance with NRC requirements and recommendations to achieve compliance if deficiencies are noted. The plan shall provide for the Licensee to respond in writing to all audit findings within 30 days of each audit report, with a copy to the NRC. The response shall state the actions taken by the licensee to address audit recommendations with which the Licensee agrees. For those

recommendations that the Licensee disputes, the Licensee shall provide the basis for dispute and any other action taken.

3. The Licensee shall develop and implement, within 30 days of the issuance of this Order, written procedures designed to maintain inventory and accountability of gunsights with sources authorized by the NRC for distribution to persons exempt from licensing.
4. Upon approval of the actions required under items 1 and 2 above, items 1 and 2.b shall be implemented until relaxed by the Regional Administrator, Region IV.
5. Requests for approval of the auditor, audit plan, training plan, and for changes of the approved auditor, changes to the audit plan, and to reports required to be submitted, shall be submitted to the Regional Administrator, Region IV, with a copy to the Director, Office of Nuclear Materials Safety and Safeguards.

The Regional Administrator, Region IV, may relax or rescind, in writing, any of the above conditions upon a showing by the Licensee of good cause.

V .

Any person adversely affected by this Confirmatory Order, other than the Licensee, may request a hearing within 20 days of its issuance. Where good cause is shown, consideration will be given to extending the time to request a

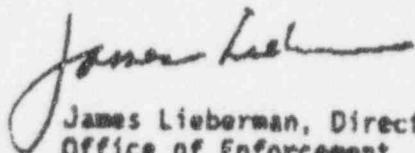
hearing. A request for extension of time must be made in writing to the Director, Office of Enforcement, U.S. Nuclear Regulatory Commission Washington, D.C. 20555, and include a statement of good cause for the extension. Any request for a hearing shall be submitted to the Secretary, U.S. Nuclear Regulatory Commission, ATTN: Chief, Docketing and Service Section, Washington, D.C. 20555. Copies also shall be sent to the Director, Office of Enforcement, U.S. Nuclear Regulatory Commission, Washington, D.C. 20555, to the Assistant General Counsel for Hearings and Enforcement at the same address, to the Regional Administrator, NRC Region IV, 611 Ryan Plaza Drive, Suite 400, Arlington, Texas 76011, and to the Licensee. If such a person requests a hearing, that person shall set forth with particularity the manner in which his interest is adversely affected by this Order and shall address the criteria set forth in 10 CFR 2.714(d).

If a hearing is requested by a person whose interest is adversely affected, the Commission will issue an Order designating the time and place of any hearing. If a hearing is held, the issue to be considered at such hearing shall be whether this Confirmatory Order should be sustained.

Pursuant to 10 CFR 2.202(c)(2)(i), any person other than the Licensee, adversely affected by the Order, may, in addition to demanding a hearing, at the time the answer is filed or sooner, move the presiding officer to set aside the immediate effectiveness of the Order on the ground that the Order, including the need for immediate effectiveness, is not based on adequate evidence but on mere suspicion, unfounded allegations, or error.

In the absence of any request for hearing, or written approval of an extension of time in which to request a hearing, the provisions specified in Section IV above shall be final 20 days from the date of this Order without further order or proceedings. If an extension of time for requesting a hearing has been approved, the provisions specified in Section IV shall be final when the extension expires if a hearing request has not been received. AN ANSWER OR A REQUEST FOR HEARING SHALL NOT STAY THE IMMEDIATE EFFECTIVENESS OF THIS ORDER.

FOR THE NUCLEAR REGULATORY COMMISSION



James Lieberman, Director
Office of Enforcement

Dated at Rockville, Maryland
this 5th day of May 1996

Innovative Weaponry, Inc.

DISTRIBUTION:

PUBLIC

SECY

CA

JTaylor, EDO (17G21)

MThompson, DEOS (17G21)

LChandler, OGC (15B18)

JGoldberg, OGC (15B18)

CPaperiello, NMSS (BA23)

DCool, NMSS (BF5)

LCamper, NMSS

SGreene, NMSS

Enforcement Coordinators

RI, RII, RIII

JGilliland, OPA (2G4)

Plchaus, OSP (3D23)

LNorton, OIG (5D28)

EJordan, AEOD (4D18)

GCaputo, OI (3E4)

LTromper, OC/LFDCB (9E10)

GCant, OE (7H5)

OE:EA (2) (7H5)

MUDDCS

RIV DISTRIBUTION:

LJCallan

SJCollins

GSanborn-EAF10

RWise

BHenderson

CHackney

WBrown

LWilliamson

RScarano-DCamberlain

LHowell

NMI&FCDB

FWenslowski

CCain

BSpitzberg

RIV Files

MIS Coordinator

Central Files

*telson
LH+GFB*

*LHobby
for LChandler & Camper*

*2. paid
for*

OE <i>Q</i>	RA:RIV <i>Q</i>	OGC <i>Q</i>	NMSS <i>Q</i>	<i>DE:EA</i>	D:OE
GCant	LJCallan	JGoldberg	DCool	<i>for</i>	JLieberman
05/8/96	05/8/96	05/10/96	05/8/96	05/11/96	05/11/96

*PG 2 of 2
LH+GFB*



UNITED STATES
NUCLEAR REGULATORY COMMISSION
WASHINGTON, D.C. 20555-0001

21st Century Technologies, Inc.
ATTN: Ms. Patricia Wilson
President
337 Eubank NE
Albuquerque, New Mexico 87123

Dear Ms. Wilson:

Enclosed is Amendment No. 05 renewing your Nuclear Regulatory Commission License No. 30-23697-01E in its entirety.

On May 8, 1996, Susan Greene of my staff, Geoffrey Cant of the Office of Enforcement, and I spoke with your counsel, Mr. James Tourtellotte, concerning the commitments outlined in our proposed Confirmatory Order and the pending license amendment. It was noted that this license amendment is being issued based on, and in conjunction with, commitments made by 21st Century Technologies, Inc. (previously known as IWI) during the predecisional enforcement conference and licensing meeting conducted on April 23, 1996. The proposed commitments in the Confirmatory Order were reviewed with, and substantially agreed upon by, Mr. Tourtellotte and, briefly, are as follows:

1. The Licensee will submit a training plan to assure that all IWI employees involved in activities associated with the NRC license are familiar with the license and its conditions, and with all applicable NRC regulations.
- 2.a. The Licensee will submit the name and qualifications of an independent third-party auditor to conduct audits.
- 2.b. The Licensee will submit an audit plan providing for periodic audits to assure compliance with all NRC license conditions and requirements.
3. The Licensee will develop and implement written procedures concerning the inventory and accountability of gunsights containing licensed material authorized by NRC for distribution.

These commitments, in detail, will be forwarded shortly under separate cover in the Confirmatory Order Modifying License No. 30-23697-01E.

Please review the enclosed license carefully and be sure that you understand all the conditions. If there are any errors or questions, please contact me so that appropriate corrections and answers can be provided.

Please be advised that you must conduct your program involving radioactive materials in accordance with the conditions specified in your NRC license, representations made in your license application, and other rules, regulations, and orders of the U.S. Nuclear Regulatory Commission, now or hereafter in effect, to include the following:

1. Comply with applicable NRC regulations in 10 CFR Part 30, "Rules of General Applicability to Domestic Licensing of Byproduct Material"; 10 CFR Part 32, "Specific Domestic Licenses to Manufacture or Transfer Certain Items Containing Byproduct Material"; and other applicable regulations.

NOTE: Licensees authorized to distribute or initially transfer products containing byproduct material must also possess a valid possession license issued either by NRC or an Agreement State(s) which authorizes possession and use of byproduct material.

2. Distribute only those products containing radioactive material which are specifically authorized in your license.
3. Notify NRC in writing within 30 days of any change in mailing address (no fee is required if the location of radioactive material remains the same).
4. Request and obtain appropriate amendments if you plan to change control or ownership of your organization, change points or locations of distribution of products containing radioactive material, or make any other changes in your program which are contrary to the license conditions or representations made in your license application and any supplemental correspondence with NRC. A license fee may be charged for the amendments if you are not in a fee-exempt category.
5. Submit a complete renewal application (with proper fee) or termination request (no fee required) at least 30 days before the expiration date on your license. You should receive a reminder notice approximately 90 days before the expiration date. Continued distribution of products containing radioactive material after your license expires is a violation of NRC regulations.
6. In accordance with 10 CFR 30.36, request termination of your license if you plan to permanently discontinue activities involving distribution of products containing radioactive material.

You will be periodically inspected by NRC. Failure to conduct your program in compliance with NRC regulations, license conditions, and representations made in your license application and supplemental correspondence with NRC may result in enforcement action(s) being taken against you. This could include issuance of a notice of violation; proposed imposition of a civil penalty; or

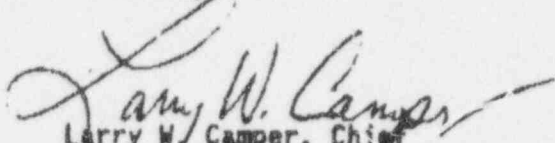
P. Wilson

-3-

an order suspending, modifying, or revoking your license as specified in NUREG-1600, "General Statement of Policy and Procedures for NRC Enforcement Actions," (60 FR 34381, June 30, 1995).

If you have any questions, please contact Ms. Susan Greene at (301) 415-7843.

Sincerely,


Larry W. Camper, Chief
Medical, Academic, and Commercial
Use Safety Branch
Division of Industrial and
Medical Nuclear Safety
Office of Nuclear Material Safety
and Safeguards

Docket No. 030-30266

Enclosure: Amendment No. 05

cc: Benito Garcia, Chief
Bureau of Hazardous and
Radioactive Materials
525 Camino de los Marquez
P.O. Box 26110
Santa Fe, New Mexico 87502

MATERIALS LICENSE

Amendment No. 05

Pursuant to the Atomic Energy Act of 1954, as amended; the Energy Reorganization Act of 1974 (Public Law 93-434), and Title 10, Code of Federal Regulations, Chapter I, Parts 20, 21, 32, 33, 34, 35, 36, 39, 40, and 70, and in reliance on statements and representations heretofore made by the licensee, a license is hereby issued authorizing the licensee to receive, acquire, possess, and transfer byproduct, source, and special nuclear material designated below; to use such material for the purposes and at the place(s) designated below; to deliver or transfer such material to persons authorized to receive it in accordance with the regulations of the applicable Part(s). This license shall be deemed to contain the conditions specified in Section 153 of the Atomic Energy Act of 1954, as amended, and is subject to all applicable rules, regulations, and orders of the Nuclear Regulatory Commission now or hereafter in effect and to any conditions specified below.

Licensee		In accordance with letter dated June 1, 1993, 3. License Number	
1. 21st Century Technologies, Inc.		30-23697-01E is renewed in its entirety to read as follows:	
2. 337 Eubank NE Albuquerque, New Mexico 87123		4. Expiration Date May 31, 2001	
		5. Docket or Reference No. 030-30266	
6. Byproduct, Source, and/or Special Nuclear Material	7. Chemical and/or Physical Form	8. Maximum Amount that Licensee May Possess at Any One Time Under This License	
A. Hydrogen-3	A. Sealed Light Sources (SRB Technologies, Inc. Model PRH-800/G/200, and Lumitec Models CL/1,5/4,85 and CL/0,95/3,3)	A. Not applicable. (See Condition 10)	

9. Authorized Use

Pursuant to Section 32.22, 10 CFR Part 32, the licensee is authorized to distribute only those luminous gunsights containing sealed light sources identified in Condition 7.A. above, whether or not mounted on a weapon, identified in Condition 10 of this license to persons exempt from the requirements for a license pursuant to Section 30.19, 10 CFR Part 30, or equivalent provisions of the regulations of any Agreement State.

CONDITIONS

10. The approved gunsights are limited to the following model designs and attachments as listed in Registration Certificate No. NR-365-D-101-E:

The Model CGF003 is a front "dot" sight designed for Colt pistols (see Attachments 3 and 14).

The Model CGR030 is a rear 2 "dot" or "bar" sight designed for Colt pistols (see Attachments 4, 12, and 13).

The Model GKF001 is a front "dot" sight designed for Glock pistols (see Attachments 5 and 14).

4610-30242
4PP- The Model GKR010 is a rear 2 "dot" or "bar" sight designed for Glock pistols (see Attachments 6, 12, and 13).

**MATERIALS LICENSE
SUPPLEMENTARY SHEET**

License number

Docket or Reference number

CONDITIONS

(Continued)

The Model SSF002 is a front "dot" sight designed for Sig-Sauer pistols (see Attachments 7 and 14).

The Model SSR020 is a rear 2 "dot" or "bar" sight designed for Sig-Sauer pistols (see Attachments 8, 12, and 13).

The Model SWF004 is a front "dot" sight designed for Smith and Wesson pistols (see Attachments 9 and 29).

The Model SWR040 is a rear 2 "dot" sight designed for Smith and Wesson pistols (see Attachments 10 and 29).

The Model SWR041 is a rear "bar" sight designed for Smith and Wesson pistols (see Attachments 11 and 28).

The Series 100 is a single "dot" front sight (see Attachment 17).

The Series 200 is a 2 "dot" rear sight (see Attachment 18).

The Series 300 is a single "bar" rear sight (see Attachment 19).

The Series 400 is a recessed, single "bar" rear sight (see Attachment 20).

The Series 500 is a 2 "bar" rear sight (see Attachment 21).

The Series 600 is a recessed, 2 "bar" rear sight (see Attachment 22).

The Series 700 is a 3 "bar" rear sight (see Attachment 23).

The Series 800 is a 3 "bar" rear sight (see Attachment 24).

The Series 900 is a 2 "dot," single "bar" rear sight (see Attachment 25).

Series 200 - 900 rear sights have a notch cut out for lining up the front sight in either of the two configurations shown in Attachment 26.

- 11.a. No "dot" or "bar" tritium light source listed in Condition 7.A. may contain more than 30 millicuries.
- 11.b. No combination of "dot" or "bar" tritium light source listed in Condition 7.A. or any set of sights distributed for use on a single weapon may contain more than 90 millicuries.
12. This license does not authorize possession or use of licensed material.

337 Eubank NE, Albuquerque, NM.

OTIS CORDON STREET OF ST. 6PM

5000-700-100-731

MOTOTATO CREDIT 12M

MATERIALS LICENSE
SUPPLEMENTARY SHEET

License Number

30-23697-01E

Booklet or Reference Number

03C-30266

Amendment No. 05

CONDITIONS

(Continued)

14. The licensee shall file periodic reports as specified in 10 CFR 32.25(c).
15. The licensee shall, in writing, inform the Director, Office of Nuclear Material Safety and Safeguards, at least 15 days before Mr. Barry Mowry becomes involved in any activity authorized pursuant to this license.
16. Except as specifically provided otherwise by this license, the licensee shall conduct its program in accordance with the statements, representations, and procedures contained in the documents, including any enclosures, listed below. The U.S. Nuclear Regulatory Commission's regulations shall govern unless the statements, representations, and procedures in the licensee's application and correspondence are more restrictive than the regulations.
 - A. Letter dated March 1, 1996;
 - B. Letter dated March 4, 1996;
 - C. Facsimile received February 29, 1996;
 - D. Facsimile received April 29, 1996; and
 - E. Registration Certificate No. NR-365-D-101-E

FOR THE U.S. NUCLEAR REGULATORY COMMISSION

DATE:

May 15, 1996

BY:

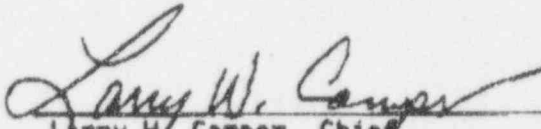

Larry W. Camper, Chief
Medical, Academic, and Commercial
Use Safety Branch
Division of Industrial and
Medical Nuclear Safety
Office of Nuclear Material Safety
and Safeguards
Washington, DC 20555

EXHIBIT 3

D/1

EXHIBIT 3



UNITED STATES
NUCLEAR REGULATORY COMMISSION
WASHINGTON, D. C. 20555

NOV 13 1991

MEMORANDUM FOR: Susan Greene, License Reviewer
Commercial Section, IMAB

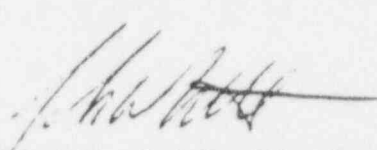
FROM: John W. Lubinski, Mechanical Engineer
Sealed Source Safety Section, IMAB

SUBJECT: DEVICE REVIEW REQUEST
INNOVATIVE WEAPONRY, INC.
CONTROL NO. - 021159
LICENSE NO. - 30-23697-01E

In response to your memorandum dated October 29, 1991, for the need of a SSD review associated with Innovative Weaponry's license amendment application, we have completed the SSD review (see enclosed registration certificate NR-365-D-101-E).

Please forward a copy of the certificate to the licensee with your completed action and have them notify us of any errors or omissions.

If you have any questions please call me at Ext 20689 or Mr. Steven Baggett at Ext 20542.


John W. Lubinski, Mechanical Engineer
Sealed Source Safety Section
Medical, Academic and Commercial
Use Safety Branch
Division of Industrial and
Medical Nuclear Safety

Enclosure: Registration Certificate NR-365-D-101-E
Application Package

cc: Glenda Jackson, LFMB

CASE NO. 4-93-022

EXHIBIT 3
PAGE 1 OF 22 PAGE(S)

9208050309 1P

Refer to 11/15/91

REGISTRY OF RADIOACTIVE SEALED SOURCES AND DEVICES
SAFETY EVALUATION OF DEVICE

NO.: NR-365-D-101-E

DATE: NOV 13 1991

PAGE 1 OF 4

DEVICE TYPE: Gun Sight

MODELS: RDI111, RBI010, SIC123, CGF003, CGR030, GKF001, GKR010,
SSF002, SSR020, SWF004, SWR040, SWR041

MANUFACTURER/DISTRIBUTOR: Innovative Weaponry, Inc.
337 Eubank NE
Albuquerque, NM 87123

SEALED SOURCE MODEL DESIGNATION: SRB Technologies, Inc.
Model PRH-800/G/200

ISOTOPE:

Hydrogen-3

MAXIMUM ACTIVITY:

90 millicuries per weapon
30 millicuries per source

LEAK TEST FREQUENCY: Not Required

PRINCIPAL USE: (W) Self-Luminous Applications

CUSTOM DEVICE: _____ YES _____ ☒ NO

CASE NO. 4 - 90 - 022

9501090100 22 pp

EXHIBIT 3
PAGE 2 OF 22 PAGE(S)

REGISTRY OF RADIOACTIVE SEALED SOURCES AND DEVICES
SAFETY EVALUATION OF DEVICE

NO.: NR-365-D-101-E

DATE: NOV 13 1991

PAGE 2 OF 4

DEVICE TYPE: Gun Sight

DESCRIPTION:

The Model RDI111 is a 2-dot night sight configuration which will be mounted in rear sights permanently fixed on weapons. The mounting will conform to drawing RDI111 (see attachment 1).

The Model RBI010 is a bar night sight configuration which will be mounted in rear sights permanently fixed on weapons. The mounting will conform to drawing RBI010 (see attachment 2).

The Model SIC123 is a dot night sight configuration. It will be mounted as either a single dot sight in front sights permanently fixed on weapons or as a 2-dot sight in rear sights permanently fixed on weapons. The mounting will conform to drawing SIC123 (see attachment 3). Innovative Weaponry, Inc. (IWI) will use the largest sleeve possible (i.e. of the three sizes listed on drawing SIC123) which will still meet the minimum sight material thickness requirement on the drawing.

IWI has submitted a list of weapons (manufacturer and model number) which incorporate permanently fixed sights to which IWI will attach the Models RDI111, RBI010, and SIC123 sight configurations. A copy of the list is shown in attachments 16 & 17.

The Model CGF003 is a front dot sight designed for Colt pistols. The sight conforms to drawing CGF003 (see attachment 4). The sight may be sold separate or attached to a weapon.

The Model CGR030 is a rear 2-dot or bar sight designed for Colt pistols. The sight conforms to drawing CGR030 (see attachment 5). The sight may be sold separate or attached to a weapon.

The Model GKF001 is a front dot sight designed for Glock pistols. The sight conforms to drawing GKF001 (see attachment 6). The sight may be sold separate or attached to a weapon.

The Model GKR010 is a rear 2-dot or bar sight designed for Glock pistols. The sight conforms to drawing GKR010 (see attachment 7). The sight may be sold separate or attached to a weapon.

REGISTRY OF RADIOACTIVE SEALED SOURCES AND DEVICES
SAFETY EVALUATION OF DEVICE

NO.: NR-365-D-101-E

DATE: NOV 13 1991

PAGE 3 OF 4

DEVICE TYPE: Gun Sight

DESCRIPTION (Cont.):

The Model SSF002 is a front dot sight designed for Sig-Sauer pistols. The sight conforms to drawing SSF002 (see attachment 8). The sight may be sold separate or attached to a weapon.

The Model SSR020 is a rear 2-dot or bar sight designed for Sig-Sauer pistols. The sight conforms to drawing SSR020 (see attachment 9). The sight may be sold separate or attached to a weapon.

The Model SWF004 is a front dot sight designed for Smith and Wesson pistols. The sight conforms to drawing SWF004 (see attachment 10). The sight may be sold separate or attached to a weapon.

The Model SWR040 is a rear 2-dot sight designed for Smith and Wesson pistols. The sight conforms to drawing SWR040 (see attachment 11). The sight may be sold separate or attached to a weapon.

The Model SWR041 is a rear bar sight designed for Smith and Wesson pistols. The sight conforms to drawing SWR041 (see attachment 12). The sight may be sold separate or attached to a weapon.

For drawings HRS001, HFS100, SWF004, and SWR040 which reference drawing SIC123, IWI will use the largest sleeve possible (i.e. of the three sizes listed on drawing SIC123) which will still meet the minimum sight material thickness requirement on drawings HRS001, HFS100, SWF004, and SWR040.

DIAGRAMS:

See attachments 1-17.

EXHIBIT 3

PAGE 4 OF 22 PAGE(S)

CASE NO. 4 - 95 - 022

REGISTRY OF RADIOACTIVE SEALED SOURCES AND DEVICES
SAFETY EVALUATION OF DEVICE

NO.: NR-365-D-101-E

DATE: NOV 13 1991

PAGE 4 OF 4

DEVICE TYPE: Gun Sight

LABELING:

Models CGF003, CGR030, GKF001, GKR010, SSF002, SSR020, SWF004, SWR040, and SWR-041 will be stamped with H3 (isotope) and P.T (manufacturer's logo).

Models RDI111, RBI010, and SIC123, which are mounted to sights permanently fixed on weapons, will either have the sight (if possible) or the frame of the weapon, as close to the sight as possible, stamped with H3 (isotope) and P.T (manufacturer logo).

REFERENCES:

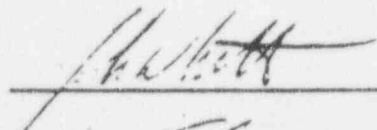
The following supporting documents for the gun sights are hereby incorporated by reference and are made a part of this registry document.

- IWI's letters dated November 7, 1991, November 6, 1991, November 4, 1991, October 24, 1991, and August 8, 1991, with enclosures thereto.
- Information received from IWI on August 28, 1991, entitled "Innovative Weaponry Inc. response to NRC question: #1 - #16."

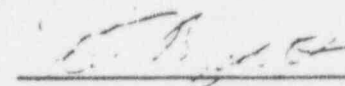
ISSUING AGENCY:

U.S. Nuclear Regulatory Commission

Date: NOV 13 1991

Reviewer: 

Date: NOV 13 1991

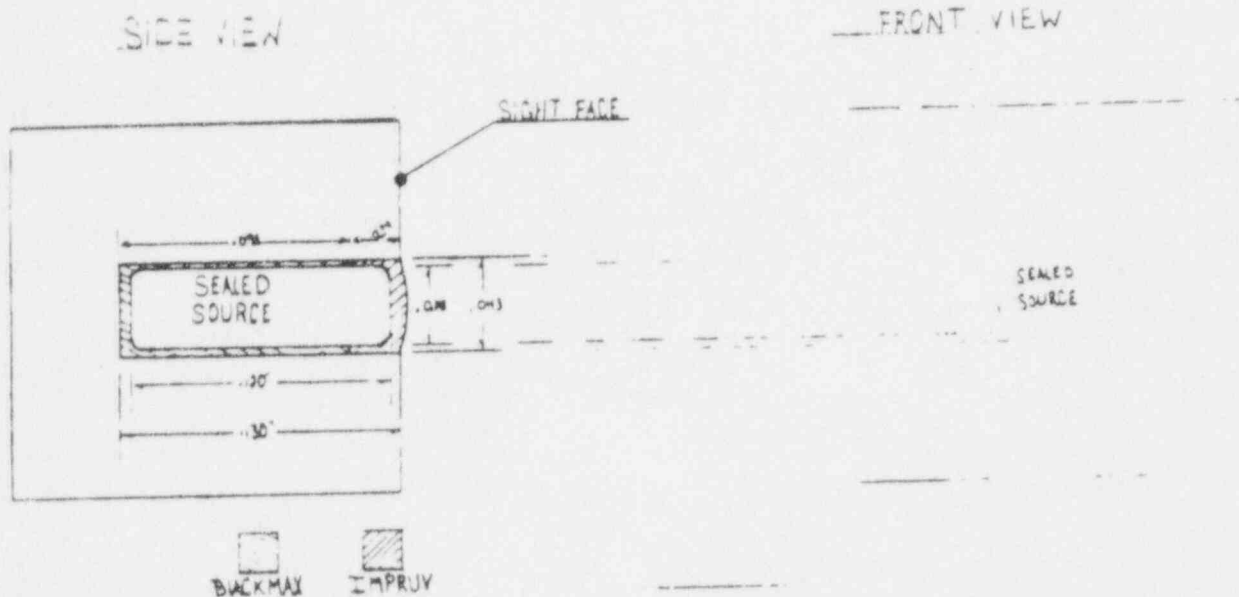
Concurrence: 

REGISTRY OF RADIOACTIVE SEALED SOURCES AND DEVICES
SAFETY EVALUATION OF DEVICE

NO.: NR-365-D-101-E

DATE: NOV 13 1991

ATTACHMENT 1



DRAWING NOT TO SCALE

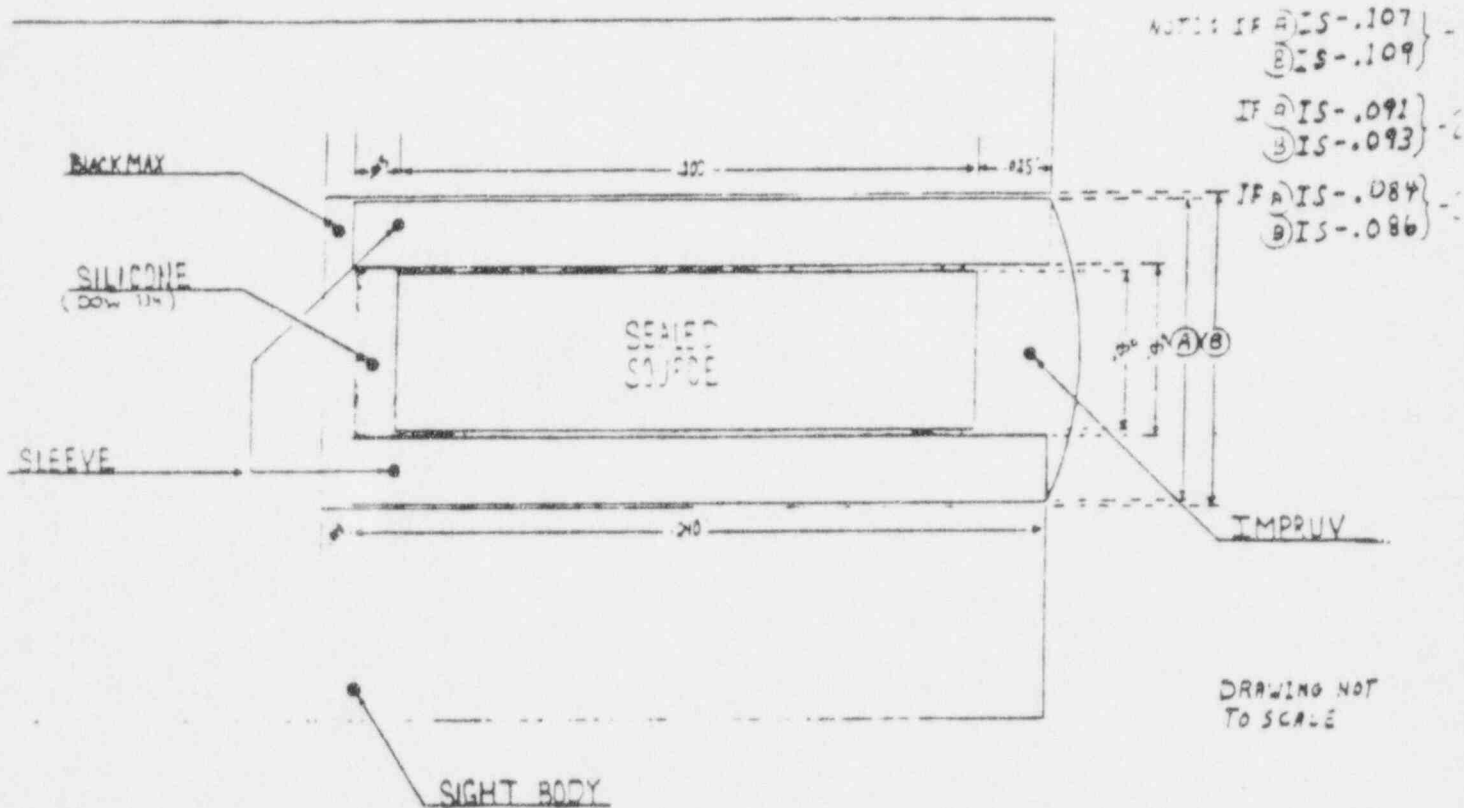
DRAWING NO.- RDI 111	SEALED SOURCE INSTALLATION	SEALED SOURCE MANUFACTURER: SAUNERS-ROE DEVELOPMENTS, LIMITED
PROPERTY OF: INNOVATIVE WEAPONRY, INC. 337 EUBANK N.E. ALBUQUERQUE, N.M. 87123 USA	TOLERANCES: ALL $\pm .0005$ MINIMUM STEEL WALL THICKNESS: .018	FOR: 'DOT' NIGHT SIGHT

REGISTRY OF RADIOACTIVE SEALED SOURCES AND DEVICES
SAFETY EVALUATION OF DEVICE

NO.: NR-365-D-101-E

DATE: NOV 18 1991

ATTACHMENT 3



DRAWING NO: SIC123	SEALED SOURCE INSERT	SEALED SOURCE MANUFACTURER: SAMNDERS-ROE DEVELOPMENTS, LIMITED
PROPERTY OF: INNOVATIVE WEAPONRY, INC. 337 EUBANK NE. ALBUQUERQUE, NM. 87123 USA	TOLERANCES: ALL $\pm .0005$ MINIMUM STEEL WALL THICKNESS: .018	FOR: 'DOT' NIGHT SIGHT

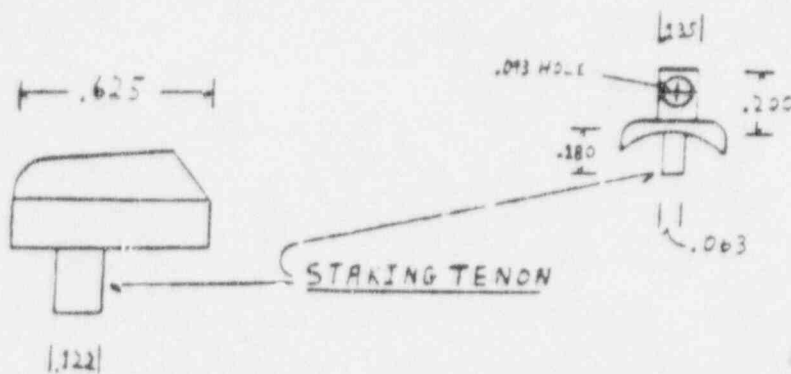
REGISTRY OF RADIOACTIVE SEALED SOURCES AND DEVICES
SAFETY EVALUATION OF DEVICE

NO.: NR-365-D-101-E

DATE: NOV 13 1991

ATTACHMENT 4

[DRAWING NOT TO SCALE]



NOTE: FOR ALL OTHER TOLERANCES,
DIMENSIONS, AND SPECIFICATIONS,
REFER TO DRAWING NO. - WFS100

DRAWING NO: CGF003	FRONT SIGHT	MATERIAL: 4130 STEEL
PROPERTY OF: INNOVATIVE WEAPONS, INC. 337 E. MAIN ST. FLEXINGTON, N.J. 08839	FINISH: - BEVEL-H-T SURFACE - BLACK OXIDE	FOR: COLT PISTOL MODELS - GOV'T. 1911-A1, COMMANDER, OFFICER MODEL

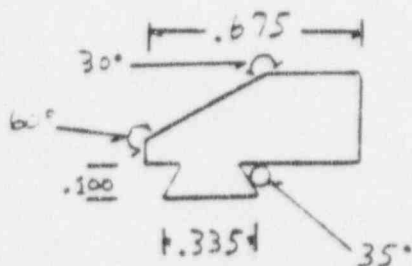
REGISTRY OF RADIOACTIVE SEALED SOURCES AND DEVICES
SAFETY EVALUATION OF DEVICE

NO.: NR-365-D-101-E

DATE: NOV 13 1991

ATTACHMENT 5

[DRAWING NOT TO SCALE]



NOTE: FOR ALL OTHER
TOLERANCES, DIMENSIONS,
AND SPECIFICATIONS,
REFER TO DRAWING NO.-
-HRS001 + HRS002

DRAWING NO: CGR030	REAR SIGHT	MATERIAL: 4130 STEEL
PROPERTY OF: INNOVATIVE WEAPONS, INC. 337 EUBANK N.E. ALBUQUERQUE, N.M. 87123 USA	FINISH: - BEADBLAST SURFACE - BLACK OXIDE	FOR: COLT PISTOL MODELS - GOV'T. 1911-A1, COMMANDER, OFFICER MODEL

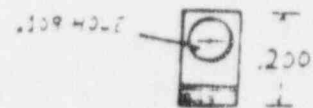
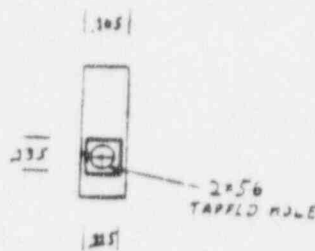
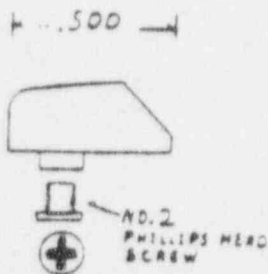
REGISTRY OF RADIOACTIVE SEALED SOURCES AND DEVICES
SAFETY EVALUATION OF DEVICE

NO.: NR-365-D-101-E

DATE: NOV 13 1991

ATTACHMENT 6

[DRAWING NOT TO SCALE]



NOTE: FOR ALL OTHER
TOLERANCES, DIMENSIONS,
AND SPECIFICATIONS,
REFER TO DRAWING
NO.-H7S100

DRAWING NO: GKFD01	FRONT VIEW	MATERIAL: 4130 STEEL
PROPERTY OF: INNOVATIVE WEAPONS, INC. 337 EUBANK NE ALEXANDRIA, NM 87123 USA	FINISH: - BEADBLAST SURFACE - BLACK OXIDE	FOR: GLOCK PISTOL MODELS-17, 19, 20, 21, 22, 23

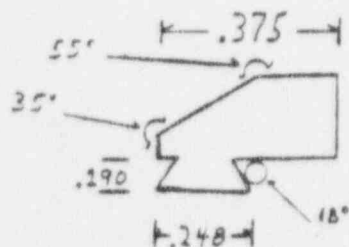
REGISTRY OF RADIOACTIVE SEALED SOURCES AND DEVICES
SAFETY EVALUATION OF DEVICE

NO.: NR-365-D-101-E

DATE: NOV 18 1991

ATTACHMENT 7

[DRAWING NOT TO SCALE]



NOTE: FOR ALL OTHER
TOLERANCES, DIMENSIONS,
AND SPECIFICATIONS,
REFER TO DRAWING NO-
-HRS001 • HRS002

DRAWING NO: GKRD10	REAR SIGHT	MATERIAL: 4130 STEEL
PROPERTY OF: INTEGRITY OF WEAPONRY, INC. 307 EUBANK AVE. FLORENCE, ALABAMA 36633	FINISH: - BEAD BLAST SURFACE - BLACK OXIDE	FOR: GLOCK PISTOL MODELS - 17, 19, 20, 21, 22, 23

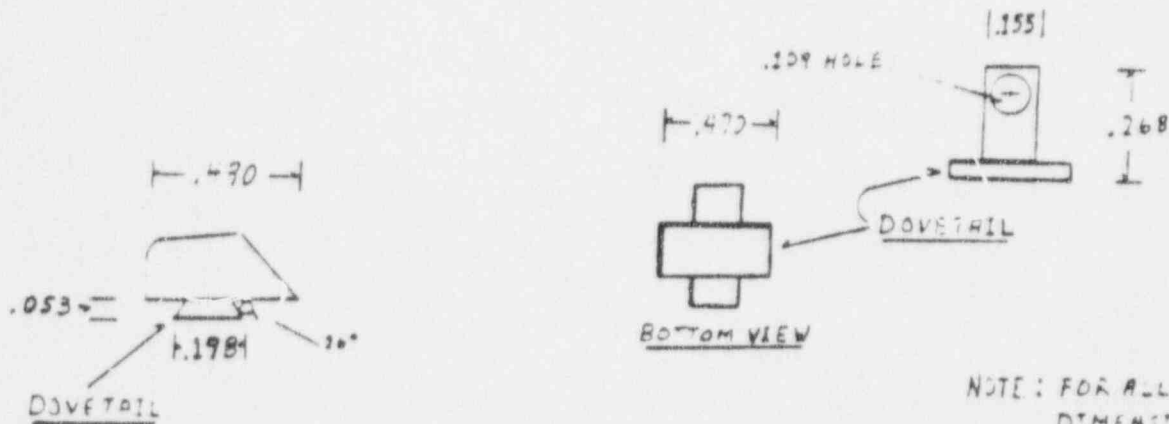
REGISTRY OF RADIOACTIVE SEALED SOURCES AND DEVICES
SAFETY EVALUATION OF DEVICE

NO.: NR-365-D-101-E

DATE: NOV 13 1991

ATTACHMENT 8

[DRAWING NOT TO SCALE]



NOTE: FOR ALL OTHER TOLERANCES,
DIMENSIONS, AND SPECIFICATIONS
REFER TO DRAWING NO.-HFS100

DRAWING NO: SSF002	FRONT SIGHT	MATERIAL: 4130 STEEL
PROPERTY OF: INNOVATIVE WEAPONRY, INC. 337 EUSANK ME. ALBUQUERQUE, N.M. 87123 USA	FINISH: - BEADBLAST SURFACE - BLACK OXIDE	FOR: SIG-SAUER PISTOL MODELS - P220, P226, P228, P229

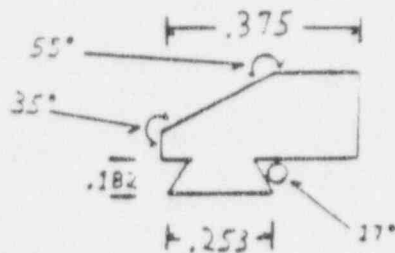
REGISTRY OF RADIOACTIVE SEALED SOURCES AND DEVICES
SAFETY EVALUATION OF DEVICE

NO.: NR-365-D-101-E

DATE: OCT 18 1991

ATTACHMENT 2

[DRAWING NOT TO SCALE]



NOTE: FOR ALL OTHER
TOLERANCES, DIMENSIONS,
AND SPECIFICATIONS,
REFER TO DRAWING NO.-
-HRS001 + HRS002

DRAWING NO: SSR020	REAR SIGHT	MATERIAL: 4130 STEEL
PROPERTY OF: INNOVATIVE WEAPONRY, INC. 3371 LEBANON AVE. ALBANY, NY 12212 104	FINISH: - BEADBLAST SURFACE - BLACK OXIDE	FOR: SIG-SAUER PISTOL MODELS - P220, P226, P228, P229

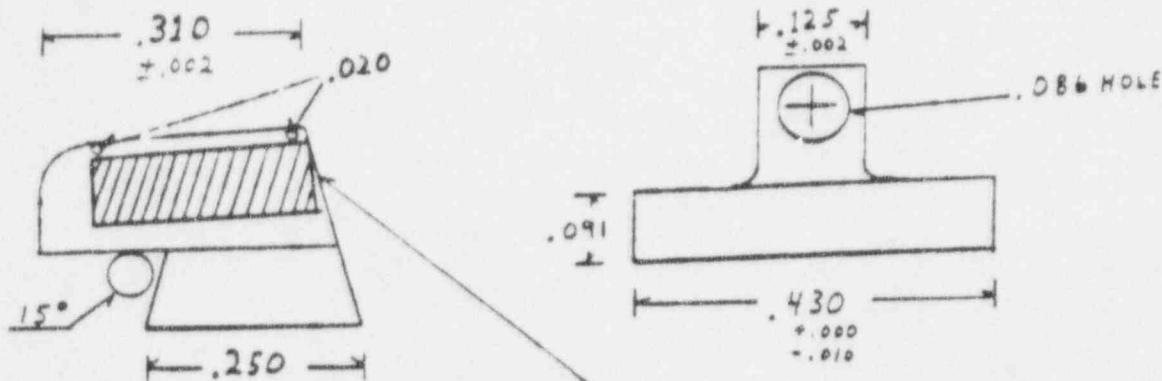
REGISTRY OF RADIOACTIVE SEALED SOURCES AND DEVICES
SAFETY EVALUATION OF DEVICE

NO.: NR-365-D-101-E

DATE: NOV 18 1991

ATTACHMENT 10

[DRAWING NOT TO SCALE]



NOTE: SEALED SOURCE.
FOR DIMENSIONS, SPECIFICATIONS,
AND TOLERANCES REFER TO
DRAWING NO. - SIC123

DRAWING NO: SWF004	FRONT SIGHT	MATERIAL: STEEL (CAST-HEAT TREATED)
PROPERTY OF: INNOVATIVE WEAPONRY, INC. 337 EUBANK NE ALBUQUERQUE, N.M. 87123 USA	SIGHT MANUFACTURED BY: SMITH AND WESSON FACTORY TOLERANCE ALL ± .001 UNLESS OTHERWISE STATED	FOR: SMITH AND WESSON PISTOL MODELS - 3904, 3925, 3906, 5904, 5905, 5906, 6904, 6906, 4006, 4026, 4046, 4013, 4014, 4053, 4054, 1006, 1016, 1026, 1046, 1066, 1076, 1086, 4506, 4516, 4526, 4546, 4566, 4576, 4586 3913, 3914, 6924

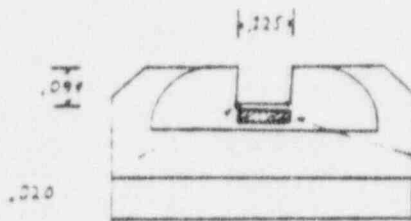
REGISTRY OF RADIOACTIVE SEALED SOURCES AND DEVICES
SAFETY EVALUATION OF DEVICE

NO.: NR-365-D-101-E

DATE: NOV 13 1991

ATTACHMENT 12

[DRAWING NOT TO SCALE]



SLIT DIMENSION - REFLECT TO
DRAWING NO. - RB1010

SUPPLEMENT TO:

DRAWING NO - SWR0

ALL SPECIFICATIONS,
DIMENSIONS, AND
TOLERANCES ARE SAME
UNLESS OTHERWISE
STATED

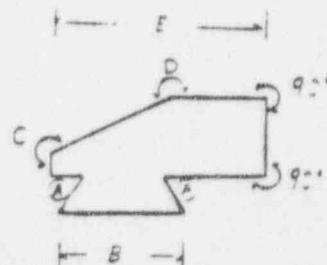
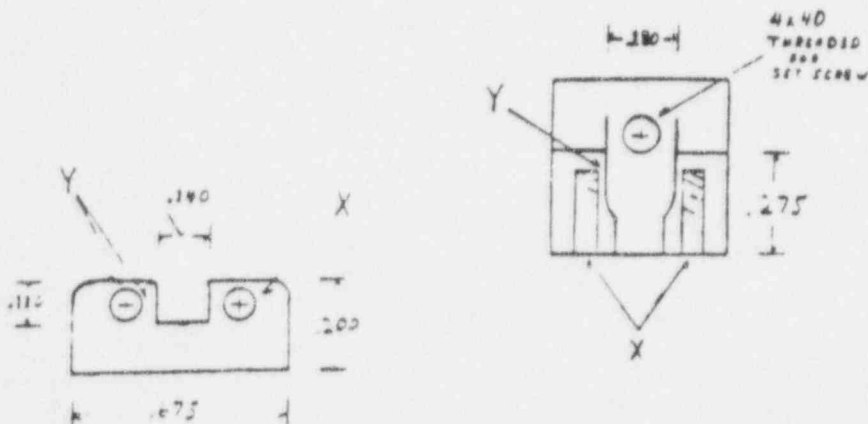
DRAWING NO: SWR041	REAR SIGHT	
PROPERTY OF: INNOVATIVE WEAPONRY INC. 337 EUBANK ME. ALBUQUERQUE, N.M. 87123 USA		FOR: 'BAR' NIGHT SIGHT

REGISTRY OF RADIOACTIVE SEALED SOURCES AND DEVICES
SAFETY EVALUATION OF DEVICE

NO.: NR-365-D-101-E

DATE: NOV 18 1991

ATTACHMENT 13



X: HOLE DIMENSION - REFER
TO DRAWING NO. SIC123-A RD111

DRAWING NOT
TO SCALE

Y: DIMENSION DEPENDS ON
HOLE DIMENSION. MINIMUM
ALLOWED = .0182 .0005

DIMENSION - A, B, C, D
NOTE: THESE LENGTHS AND
ANGLES VARY TO
CONFORM TO EACH
MODEL OF HANDGUN

DRAWING NO.- HRS001	REAR SIGHT	MATERIAL: 4130 STEEL	CODES REFER TO NOTATIONS
PROPERTY OF: INNOVATIVE WEAPONS, INC. 337 EUSAN NE ALBUQUERQUE, NM 87123 USA	TOLERANCES: ALL ± .001 UNLESS OTHERWISE STATED MINIMUM STEEL WALL THICKNESS: .018	FINISH: - BEADBLAST SURFACE - BLACK OXIDE	FOR: '2-DOT' NIGHT SIGHT

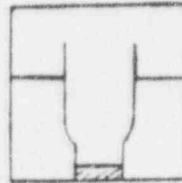
REGISTRY OF RADIOACTIVE SEALED SOURCES AND DEVICES
SAFETY EVALUATION OF DEVICE

NO.: NR-365-D-101-E

DATE: NOV 18 1991

ATTACHMENT 14

DRAWING NOT
TO SCALE



=.025

SLOT DIMENSION- REFERTO
DRAWING NO.- RBI 010

SUPPLEMENT TO
DRAWING NO.-
HRS001

ALL DIMENSIONS ARE THE
SAME UNLESS STATED
OTHERWISE.

DRAWING NO. - HRS002	REAR SIGHT	
PROPERTY OF: INNOVATIVE WEAPONRY, INC. 337 E. 2ND AVE. ALBUQUERQUE, N.M. 87123 USA		FOR: 'BAR' NIGHT SIGHT

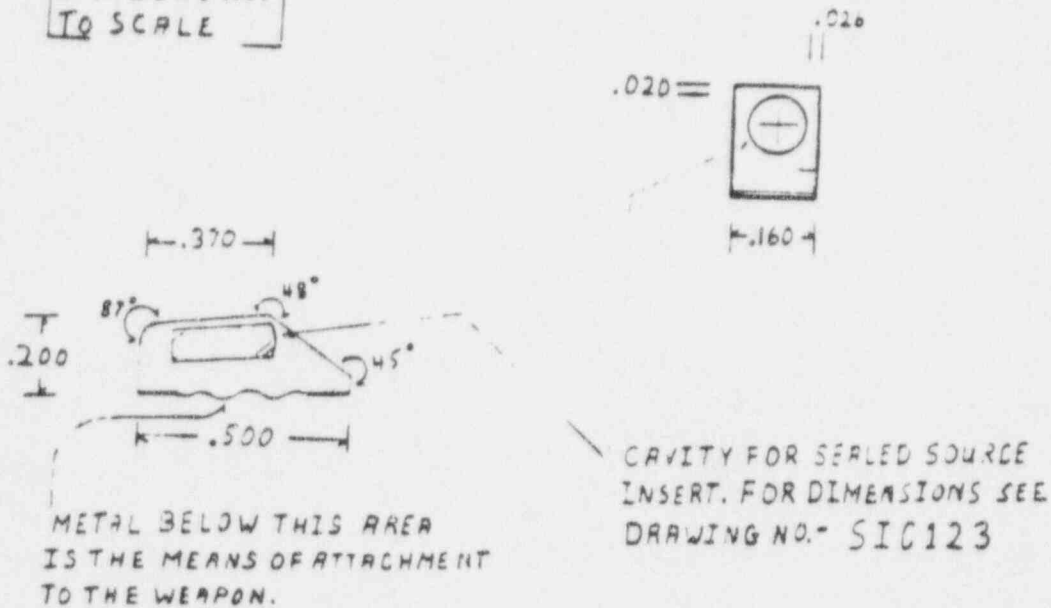
REGISTRY OF RADIOACTIVE SEALED SOURCES AND DEVICES
SAFETY EVALUATION OF DEVICE

NO.: NR-365-D-101-E

DATE: NOV 13 1991

ATTACHMENT 15

DRAWING NOT
TO SCALE



DRAWING NO. - HFS100	FRONT SIGHT	MATERIAL: 4130 STEEL	
PROPERTY OF: INNOVATIVE WEAPONRY, INC. 337 EUBANK NE. ALBUQUERQUE, N.M. 87123 USA	TOLERANCES: ALL ± .001 UNLESS OTHERWISE STATED MINIMUM STEEL WALL THICKNESS: .018 ±	FINISH: - BEADBLAST SURFACE - BLACK OXIDE	FOR: 'DOT' NIGHT SIGHT

REGISTRY OF RADIOACTIVE SEALED SOURCES AND DEVICES
SAFETY EVALUATION OF DEVICE

NO.: NR-365-D-101-E

DATE: NOV 18 1991

ATTACHMENT 16

Weapon, manufacturer & model designation number to follow:

Smith & Wesson Fixed and adjustable sighted revolvers:

Model No: [J Frame] 31, 34, 36, 37, 38, 40, 42, 49, 60,
63, 640, 643, 649 [K Frame] 10, 13, 15, 17, 19, 64, 65, 66
[L Frame] 581, 681, 586, 686, [N Frame] 25, 27, 29, 57,
629, 681, 657.

Smith & Wesson Semi-Automatic pistols:

Model No: 39, 41, 59, 422, 459, 439, 469, 645.

Colt Fixed and adjustable sighted revolvers:

Model Name: Python, King Cobra, Anaconda, Trooper,
Peacemaker, Agent, Detective Special, Cobra, Lawman.

Charter Arms Fixed and adjustable sighted revolvers:

Model Name: Bulldog Tracker, Pathfinder, Bulldog, Bulldog
Pug, Police Bulldog, Off-Duty, Undercover.

Taurus Fixed and adjustable sighted revolvers:

Model No: 65, 66, 73, 76, 80, 82, 83, 85, 85CH, 86, 94,
96, 669, 689.

Taurus Semi-Automatic Pistols:

Model No: PT22, PT25, PT50, PT92, PT92C, PT99, PT100.

REGISTRY OF RADIOACTIVE SEALED SOURCES AND DEVICES
SAFETY EVALUATION OF DEVICE

NO.: NR-365-D-101-E

DATE: NOV 15 1991

ATTACHMENT 17

Ruger Fixed and adjustable sighted revolvers:

Model Name: Blackhawk, Redhawk, Super Blackhawk, Super
Redhawk, Super Single Six, Security Six, GP-100, SP-101,
Ruger Semi-Automatic Pistols:

Model No: P-89, P-90.

Beretta Semi-Automatic fixed sighted pistols:

Model No: 84, 85, 86, 87, 92F, 92FC.

Walther Fixed Semi-Automatic sighted pistols:

Model No: PP, P5, PPK, PPK/S, TPH, P-38, P-88.

Remington Shotgun Rifle Sights:

Model No: 870RS, 100RS.

Benelli Shotgun Sights:

Model No: Super 90, 121.

Heckler & Koch Rifle:

Model No: 91, 93, MP-5, SP-89.

Colt Rifle:

Model No: AR-15, M16.

EXHIBIT 6

D/2

EXHIBIT 6

January 23, 1995

Innovative Weaponry, Inc.
ATTN: Mr. Kenneth Wilson
337 Eubank, NE
Albuquerque, NM 87123

SUBJECT: APPLICATION TO TRANSFER LICENSE NO. 30-23697-01E

Dear Mr. Wilson:

I am responding to your two letters dated November 28, 1994, requesting the transfer of ownership of Innovative Weaponry, Inc. (IWI), and changes to NRC License No. 30-23697-01E. IWI's license authorizes the distribution of luminous gunsights to persons exempt from licensing pursuant to 10 CFR 30.19. In reviewing your requests, we find that it will be necessary for you to submit additional information in order to continue our review. The issues of question concern the transfer of ownership in Section A and the license renewal and proposed changes to the license in Section B.

SECTION A

1. You stated that license ownership will be transferred from Innovative Weaponry, Inc. of New Mexico to Innovative Weaponry, Inc. of Nevada. However, the licensee holder is Innovative Weaponry, Inc. It is not clear whether Innovative Weaponry, Inc. of Nevada and Innovative Weaponry, Inc. of New Mexico are entities different from Innovative Weaponry, Inc. If they are different entities, will Innovative Weaponry, Inc. continue to exist? What is the relationship between Innovative Weaponry, Inc. of Nevada and Innovative Weaponry, Inc. of New Mexico to the license holder, Innovative Weaponry, Inc. and to the First National Holding Corporation?
2. You confirm that the organization, location, facilities, equipment and procedures have all remained intact and that there are no changes in the use, possession, or storage of the licensed material. At this time, IWI is only authorized to distribute from the Eubank, New Mexico facility. If Innovative Weaponry, Inc. of Nevada is indeed a separate entity, will licensed activities be conducted in or products distributed from locations in Nevada?

Please note that if activities are to be performed in Nevada, Innovative Weaponry, Inc. will need to obtain a possession license from the State of Nevada, and amend the distribution license to add these locations.

If Nevada is the mailing address for the license, NRC will change the distribution license number to reflect the new State address. Please explain the connection between the current license address, and the new name with the addition of Nevada. If applicable, submit a copy of the possession license from Nevada.

3. After the proposed transfer occurs, will Mr. Barry Mowry have any legal or beneficial ownership interest, direct or indirect, in Innovative Weaponry, Inc. of New Mexico, Innovative Weaponry, Inc. of Nevada, or any related entity? If so, describe the nature and amount of the legal or beneficial interest, specifically identifying the percentage Mr. Mowry will hold of any class of equity, or debt interest, and whether the interest is a voting interest or otherwise provides Mr. Mowry any right, or power with respect to the management or operation of the licensee. Please address whether the information provided in response to the above is different from that given in the Plan of Reorganization (dated 8/26/94, and modified 11/14/94) filed in Case No. 11-02-13242MA in the U.S. Bankruptcy Court for the District of New Mexico involving the licensee, and if different, explain the difference.
4. Your August 26, 1994, Debtor's Disclosure Statement to Second Plan of Reorganization says that Mr. Mowry will be President of IWI after acquisition, as well as Director of the Board. The November 14, 1994, Addendum to Disclosure Statement states that: "Mr. Mowry may serve as a consultant." Describe the areas and capacity in which Mr. Mowry would act as a consultant. You should also describe any, and all positions to be filled by Mr. Mowry, both present and future; as well as, any positions occupied by family members of Mr. Mowry (i.e. parent, spouse or children). Address whether the information provided in response to the above is different from that given in the Plan of Reorganization (dated 8/26/94, and modified 11/14/94) filed in Case No. 11-02-13242MA in the U.S. Bankruptcy Court for the District of New Mexico involving the licensee, and if different, explain the difference.
5. In the context of the Bankruptcy proceeding identified in Question 3, above, describe the current relationship among Mr. Mowry, the U.S. Trustee (Mr. Ron Andazola), the debtor in possession, and the current officers of the Licensee.
6. Ms. Patricia Wilson submitted the application to transfer the license from Innovative Weaponry, Inc. of New Mexico to Innovative Weaponry, Inc. of Nevada. The application itself, however, indicated that Ms. Wilson is an Officer of Innovative Weaponry, Inc. of Nevada. Did Ms. Wilson have authority to submit the application to transfer the license on behalf of the transferor, IWI, and if so, in what capacity?

If Mr. Wilson was not an Officer of IWI, with authority to submit the application, please have such an officer, e.g., President of IWI, verify or resubmit the application.

7. Innovative Weaponry, Inc. of Nevada should be made aware by IWI, as licensee, of all open inspection items concerning the license, and its responsibility for possible resulting enforcement actions. Innovative Weaponry, Inc. of Nevada should provide NRC with written confirmation acknowledging the receipt of this information, as well as a commitment to the responsibilities therein.
8. Has IWI's possession license, issued by the State of New Mexico, been transferred, or terminated and reissued under a separate entity? If so, please submit a copy of the transferred or reissued license. If not, indicate when the licensee expects that the license will be transferred or reissued.

SECTION B

In order to create an up-to-date license file and to incorporate any new information from the transfer of ownership, a complete application concerning the distribution activities and products must be submitted for review. Therefore, please review the distribution program and previous applications, and submit a complete application concerning the current distribution activities. This application will supersede all previously submitted information. Your submission should specifically include the following:

1. Item 3 of your November 28, 1994, letter requests a change of the license to an "all encompassing license, regardless of exterior shape or design" with the authorization to include other manufacturers sights provided certain tolerances are maintained.

Basic models may be registered as a "series" with a list describing the differences between the models in that series. For example, a Series 100 model (rear 2-dot sight) is registered to include any rear 2-dot sight that meets the minimum and maximum tolerances, and dimensions, and includes the required labelling. This series may include several different methods of attachment (screw, dovetail, etc.). Several different models may be authorized as part of the 100 Series; however, only one device review would be required for the basic Series 100 model.

As part of your submission, all models currently listed on the license that are part of a series should be designated as such. Your submission should contain the product information outlined in Sections 32.22, 32.23, and 32.24 of 10 CFR Part 32, as well as a description of the differences between the models within a series and detailed engineering drawings of each basic series model. Information previously submitted does not need to be resubmitted, but may be referenced instead.

Please note that the June 1, 1993, renewal application submitted by Mr. Mowry requested the addition of the HRS 001, HRS 002 and HFS 100 sights to be added to the license. It was incorrectly stated that these models are listed in the Registry of Radioactive Sealed Sources, No. NR-365-D-101-E. The device review of these models was not completed; therefore, these models are not authorized on the license. If you wish these models to be included on the registration sheet and license, you should submit the product information as outlined above.

2. Change request No. 3, of the renewal application requested the addition of six different manufacturer's logos as authorized for labelling purposes. Section 32.22(a)(2)(x), requires that the label or marking of each unit contain the identification of the manufacturer or initial transferor of the product, and the byproduct material in the product. Therefore, as these companies are not the manufacturers or distributors of the products authorized under IWI's license, their logos cannot be approved as meeting the requirements for labelling. However, there is no restriction to adding these logos to the existing labelling containing the IWI information.
3. Describe the quality control (QC) procedures in place to verify that the devices are manufactured and labelled according to information submitted to the NRC and the quality assurance (QA) criteria each device is required to meet before distribution to persons exempt from licensing.
4. Your November 28, 1994, letter requested authorization for mobile facilities owned and operated under the auspices of IWI. In order to evaluate this request, we must have additional information. IWI is currently authorized to distribute night sights mounted in permanently fixed sights and removable gunsights (kits). Will the mobile facilities be installing night sights into permanently mounted gunsights, distributing the gunsight kits, or both? If the intent is to install night sights or gunsights in mobile facilities, this activity would require authorization by your possession license as well. Please indicate if you have amended (submit a copy of the amended license), or are requesting amendment of your possession license for this activity. Additionally, describe the mobile facilities (i.e. offices, customer sites or vans). Describe your proposed implementation of the labelling and QA program with the specific QC procedures.

Our review of your request will continue upon receipt of the above information. Please reply within 30 days, in duplicate, under the signature of an Officer of IWI, and reference mail Control No. 021537. If you have any questions regarding the information requested in Section A, please call

Mr. Kenneth Wilson

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counsel for the Staff, Robert Weisman at (301) 415-1696. In Mr. Weisman's absence, please call Catherine Marco at (301) 415-3052. For questions concerning Section B, you may call Susan Greene of my staff at (301) 415-7843.

Sincerely,

15

Margaret V. Federline, Chief
Medical, Academic, and Commercial
Use Safety Branch
Division of Industrial and
Medical Nuclear Safety
Office of Nuclear Material Safety
and Safeguards

DISTRIBUTION NMSS r/f IMAB R/F IMNS Central File NRC File Center
G:\DEFIWI.SLG License.30-23697-01E RWeisman, OGC

OFC	IMAB <i>C</i>	IMAB <i>C</i>	IMAB	SCDB <i>C</i>	IMNS	IMNS <i>C</i>
NAME	SGreene	JPiccone	MFederline	RBaer	EWBrach	CPaperiello
DATE	01/19/95	01/19/95	01/19/95	01/19/95	01/ /95	01/23/95

OFC	OGC	OGC <i>Bordenick</i>	OGC					
NAME	CMarco	BBordenick	JMoore					
DATE	01/ /95	01/ /95	01/ /95					

C=COPY E=COVER/ENCLOSURE N=NO COPY OFFICIAL RECORD COPY

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EXHIBIT 6
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EXHIBIT 9

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EXHIBIT 9

April 3, 1995

Innovative Weaponry, Inc. of Nevada
ATTN: Ms. Patricia Wilson
Executive Vice President
337 Eubank NE
Albuquerque, New Mexico 87123

Dear Ms. Wilson:

Enclosed is Amendment No. 04 amending NRC License No. 30-23697-01E in its entirety. Please note that this amendment transfers the license, but does not relate to the application to renew the license, which is a separate matter. Our review of your renewal request will continue upon receipt of the information requested during our recent meeting with Mr. Ken Wilson on February 22, 1995.

As we discussed, this amendment contains a condition requiring IWI to notify the NRC in writing at least 15 days prior to Mr. Barry Mowry becoming involved in any activity authorized by this license.

Please review the enclosed document carefully and be sure that you understand all the conditions. If there are any errors or questions, please contact me so that appropriate corrections and answers can be provided.

Please be advised that you must conduct your program involving radioactive materials in accordance with the conditions specified in your NRC license, representations made in your license application, and other rules, regulations, and orders of the U.S. Nuclear Regulatory Commission, now or hereafter in effect, to include the following:

1. Comply with applicable NRC regulations in 10 CFR Part 30, "Rules of General Applicability to Domestic Licensing of Byproduct Material"; 10 CFR Part 32, "Specific Domestic Licenses to Manufacture or Transfer Certain Items Containing Byproduct Material"; and other applicable regulations.

Note: Licensees authorized to distribute or initially transfer products containing byproduct material must be authorized for possession and use of byproduct material by a valid possession license through either NRC or an Agreement State(s).

2. Distribute only those products containing radioactive material in the configurations specifically authorized in License Condition No. 10.

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9609050235 2 PP

EXHIBIT 9

PAGE 1 OF 5 PAGE(S)

1-11-95 to NMSS

3. Notify NRC in writing within 30 days of any change in mailing address (no fee is required if the location of radioactive material remains the same).
4. Notify NRC and obtain an amendment, if appropriate, if you plan to change control or ownership of your organization, change locations of distribution of products containing radioactive material, or make any other changes in your program which are contrary to the license conditions or representations made in your license application and any supplemental correspondence with NRC. A license fee may be charged for the amendment if you are not in a fee-exempt category.
5. Submit a complete renewal application, with proper fee, or termination request, no fee required, at least 30 days before the expiration date on your license. You should receive a reminder notice approximately 90 days before the expiration date. Continued distribution of products containing radioactive material after your license expires is a violation of NRC regulations.
6. In accordance with 10 CFR 30.36, request termination of your license if you plan to permanently discontinue activities involving radioactive material.

You will be periodically inspected by NRC. Failure to conduct your program in compliance with NRC regulations, license conditions, and representations made in your license application and supplemental correspondence with NRC may result in enforcement action(s) against you. This could include issuance of a notice of violation; imposition of a civil penalty; or an order suspending, modifying, or revoking your license as specified in the General Statement of Policy and Procedure for NRC Enforcement Actions, 10 CFR Part 2, Appendix C.

If you have any questions, you may contact me at (301) 415-7843.

DISTRIBUTION:

License File 30-23697-01E
 NMSS r/f
 IMNS Central File
 SGreene
 JCWang
 LWCamper
 Region IV

Sincerely,

Original signed by:

Joseph C. Wang/for
 Susan L. Greene
 Medical, Academic, and Commercial
 Use Safety Branch
 Division of Industrial and
 Medical Nuclear Safety
 Office of Nuclear Material Safety
 and Safeguards

Docket No. 030-30266

Enclosure: Amendment No. 04
 DOCUMENT NAME: G:\IWICVR.SLG

C = COVER

E = COVER & ENCLOSURE
 OFFICIAL RECORD COPY

IMAB:NMSS
 SLGreene:cjb
 04/3/95

IMAB:NMSS
 JCWang
 04/3/95

C/IMAB:NMSS
 LWCamper
 04/3/95

N = ~~NEED~~ BY

PAGE 2 OF 5 PAGE(S)

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MATERIALS LICENSE

Amendment No. 04

Pursuant to the Atomic Energy Act of 1954, as amended, the Energy Reorganization Act of 1974 (Public Law 93-438), and Title 10, Code of Federal Regulations, Chapter I, Parts 30, 31, 32, 33, 34, 35, 39, 40 and 70, and in reliance on statements and representations heretofore made by the licensee, a license is hereby issued authorizing the licensee to receive, acquire, possess, and transfer byproduct, source, and special nuclear material designated below; to use such material for the purpose(s) and at the place(s) designated below; to deliver or transfer such material to persons authorized to receive it in accordance with the regulations of the applicable Part(s). This license shall be deemed to contain the conditions specified in Section 183 of the Atomic Energy Act of 1954, as amended, and is subject to all applicable rules, regulations and orders of the Nuclear Regulatory Commission now or hereafter in effect and to any conditions specified below.

Licensee

1. Innovative Weaponry, Inc.
of Nevada
2. 337 Eubank NE
Albuquerque, New Mexico 87123

In accordance with letter dated
November 28, 1994,

3. License number

30-23697-01E is amended in
its entirety to read as follows:

4. Expiration date June 30, 1993 (deemed timely)

5. Docket or
Reference No 030-302666. Byproduct, source, and/or
special nuclear material7. Chemical and/or physical
form8. Maximum amount that licensee
may possess at any one time
under this license

A. Hydrogen-3

A. Sealed Light Sources
(SRB Technologies, Inc.
Model PRH-800/G/200)

A. Not applicable.
(See Condition 10)

9. Authorized Use

Pursuant to Section 32.22, 10 CFR Part 31, the licensee is authorized to distribute luminous gunsights, or weapons containing luminous gunsights, as specified in Condition 10 of this license to persons exempt from the requirements for a license pursuant to Section 30.19, 10 CFR Part 30, or equivalent provisions of the regulations of any Agreement State.

CONDITIONS

10. Each luminous gunsight shall not contain more than 30 millicuries per source. Individual weapons shall not contain more than 90 millicuries total.
 - A. The following apply to weapons identified in letter dated November 4, 1991, where the licensee has mounted the sources onto the weapons:
 1. Model RDI111 2-dot night sight configuration mounted in permanently fixed rear sights.
 2. Model RBI010 bar night sight configuration mounted in permanently fixed rear sights.
 3. Model SIC123 dot night sight configuration mounted as either a single dot sight in permanently fixed front sights or as a 2-dot sight in permanently fixed rear sights.

EXHIBIT 9

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PAGE 3 OF 5 PAGE(S)

MATERIALS LICENSE
SUPPLEMENTARY SHEET

License Number 30-23697-01E

Docket or Reference Number 030-30266

Amendment No. 04

CONDITIONS

(Continued)

B. The following apply to removable sights manufactured by the licensee:

1. Model CGF003 front dot sight designed for Colt pistols sold separately or attached to weapons.
2. Model CGR030 rear 2-dot or bar sight designed for Colt pistols sold separately or attached to weapons.
3. Model GKF001 front dot sight designed for Glock pistols sold separately or attached to weapons.
4. Model GKR010 rear 2-dot or bar sight designed for Glock pistols sold separately or attached to weapons.
5. Model SSF002 front dot sight designed for Sig-Sauer pistols sold separately or attached to weapons.
6. Model SSR020 rear 2-dot or bar sight designed Sig-Sauer pistols sold separately or attached to weapons.

C. The following apply to removable sights manufactured by the original equipment manufacturer:

1. Model SWF004 front dot sight designed for Smith and Wesson pistols sold separately or attached to weapons.
2. Model SWR040 rear 2-dot sight designed for Smith and Wesson pistols sold separately or attached to weapons.
3. Model SWR041 rear bar sight designed for Smith and Wesson pistols sold separately or attached to weapons.

11. This license does not authorize possession or use of licensed material.
12. Licensed material shall be distributed only from the licensee's facility located at 337 Eubank NE, Albuquerque, NM.
13. The licensee shall file periodic reports as specified in 10 CFR 32.25(c).
14. Models CGF003, CGR030, GKF001, GKR010, SSF002, SSR020, SWF004, SWR040, and SWR041 will be stamped with the isotope and the manufacturer's logo.

Models RDI111, RBI010, and SIC123 will have the sight stamped with the isotope and the manufacturer's logo or, if the sight cannot be stamped, then the frame of the weapon will be stamped with the isotope and manufacturer's logo as close to the sight as possible.

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EXHIBIT 9
PAGE 4 OF 5 PAGE(S)

**MATERIALS LICENSE
SUPPLEMENTARY SHEET**

License Number

30-23697-01E

Docket or Reference Number

030-30266

Amendment No. 04

CONDITIONS

(Continued)

15. The licensee shall ensure that when a weapon must be labelled (rather than the sight), that the attachment of the sight to the weapon complies with the criteria as described in the letter dated October 24, 1991.
16. The licensee shall, in writing, inform the Director, Office of Nuclear Material Safety and Safeguards, at least 15 days before Mr. Barry Mowry becomes involved in any activity authorized pursuant to this license.
17. Except as specifically provided otherwise by this license, the licensee shall conduct its program in accordance with the statements, representations, and procedures contained in the documents, including any enclosures, listed below. The U.S. Nuclear Regulatory Commission's regulations shall govern unless the statements, representations, and procedures in the licensee's application and correspondence are more restrictive than the regulations.
 - A. Letter dated October 8, 1987;
 - B. Letter dated March 24, 1988;
 - C. Letter dated April 25, 1988;
 - D. Letter dated September 28, 1988;
 - E. Letter dated July 25, 1990;
 - F. Letter dated April 17, 1991;
 - G. Letter dated August 8, 1991;
 - H. Letter dated October 24, 1991;
 - I. Letter dated November 4, 1991;
 - J. Letter dated November 6, 1991;
 - K. Letter dated November 7, 1991;
 - L. Documents received on August 28, 1991;
 - M. Letter dated November 28, 1994; and
 - N. Letter dated February 20, 1995.

FOR THE U.S. NUCLEAR REGULATORY COMMISSION

DATE: April 3, 1995

BY: Joseph C. Wang

Joseph C. Wang
Medical, Academic, and Commercial
Use Safety Branch
Division of Industrial and
Medical Nuclear Safety
Office of Nuclear Material Safety
and Safeguards
Washington, DC 20555

CASE NO. 4 - 95 - 022

EXHIBIT 9

PAGE 5 OF 5 PAGE(S)

EXHIBIT 11

o/s

EXHIBIT 11



UNITED STATES
NUCLEAR REGULATORY COMMISSION

WASHINGTON, D.C. 20555-0001

November 16, 1995

Mr. Bruce Morgan Casner, President
Morgan Casner Associates, Inc.
1332 Independence Avenue, SE
Washington, DC 20003-2365

Dear Mr. Casner:

This is in response to Innovative Weaponry Incorporated's (IWI) application, delivered by you to our office on October 26, 1995, and subsequent letters, requesting amendment to registration certificate NR-0365-D-101-E to add additional products and sealed sources. A review of your application indicates a number of areas to be deficient and/or unclear. In order to continue the review, please address/provide the following:

- 1) It is unclear in the application exactly what products are being requested for review and approval. You had previously indicated that the application would request only the addition of alternate sources for use in the currently approved products. This is further supported by the Title Sheet and Summary Data which indicate that the application is only for review and approval of sealed sources in the currently approved devices. However, the application further indicates that addition of the Models 100 Series, 200 Series, and 300 Series devices is included as part of the request. The application indicates that these devices are only redesignations of currently approved products, but the drawings provided indicate differences between these devices and the currently approved devices. In addition, the Title Sheet of the application indicates the amendment request is to add the Model PRH-800/G/200 sealed source as approved for use in these devices, where the Summary Data indicates the models CL/1,5/4,85 and CL/0,95/3,3 are the sources requested for review and approval. Please clarify these issues and specify exactly what sources and/or devices you are requesting to be reviewed and approved.
- 2) Two drawings of the sealed sources were submitted. It is unclear what the differences between these drawings are and why the two separate drawings were submitted. Please clarify this issue. The drawings also do not include the tolerances for the dimensions indicated in the drawings. In addition, the text of the application indicated that the sources are pressurized with tritium and sealed by a laser technique. However, there is no indication as to the value to which the sources will be pressurized, and details of the sealing method were not provided. Please ensure that sufficient details of the design and construction of the sealed sources are provided so that an adequate safety review may be performed.
- 3) Please clarify the maximum activity that is being requested for the sources and the devices. Several references to the maximum activity are not consistent in the application and in some cases the maximum activity is not consistent with the currently approved devices.

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Refer to NRC

- 4) The prototype testing data submitted are insufficient to perform an adequate evaluation. Prototype testing data submitted must include sufficient information to determine if the sources would be able to maintain their integrity when subjected to normal and severe conditions of handling, storage, use, and disposal. This data would typically include complete information on the test procedures, conditions of the test, basis for selecting a particular test and how the test relates to a normal or severe condition of use, test results and evaluation, pass/fail criteria, retesting performed, and any design changes required as a result of the outcome of the test. Please provide additional detailed information on the prototype testing performed.

Please provide the justification for not performing prototype testing for impact, thermal shock, reduced pressure, and vibration for these sealed sources and/or devices containing the sources. Our experience is that these types of products would also be subjected to these conditions during use.

- 5) The information submitted for the Quality Assurance and Control (QA/QC) program is insufficient to perform an adequate review. Please indicate if the QA/QC program submitted is in addition to the QA/QC information previously approved, or if it is intended to replace the currently approved program. In addition, indicate what products will be covered by this program and submit details of the QA/QC program that include a more in-depth description of the procedures to be followed and the pass/fail criteria applied. It is unclear in many areas of the QA/QC program submitted how the product's quality and conformance to design specifications will be assured. Also, the QA/QC program for the manufacturer of the sealed sources was not addressed. Please provide information on the manufacturer's QA/QC program and audit checks IWI will perform to ensure the manufacturer's program remains sufficient. Please refer to Regulatory Guide 6.9, previously provided to you, for further guidance in these areas. In particular, Appendix C of this document contains guidance specific to manufacturers and distributors of products intended for distribution to persons exempt from licensing.
- 6) Throughout the application, you make reference to the lack of a requirement for leak testing of the sealed sources. Although periodic leak testing is not required, the distributor of a gas source must ensure that at the time of distribution the product is not leaking. Please indicate your process or procedure that will provide this assurance.
- 7) Although the application indicates that the applicant is IWI, and you have provided a letter indicating that IWI authorizes all correspondence to go through you, there is nothing in the application that indicates IWI is committing to the information and representations contained in the application. This is typically in the form of a signed statement from an authorized IWI employee, or representative designated by IWI as able to make commitments for IWI, indicating that IWI is the applicant and that IWI has committed to the information and representations contained in the application. Please provide this commitment from IWI.

B. Casner

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- 8) A number of inconsistencies and/or errors were noted throughout the application. Please ensure all statements, referenced values and data are consistent throughout the application.
- 9) If your application is intended to include a request for approval of additional gun sights as the Models 100 Series, 200 Series, and 300 Series, please submit complete design, construction and use information for these devices as well. The information provided for these devices is insufficient to perform an adequate safety evaluation.

Please forward the issues listed above to IWI for response. Given the scope and technical nature of these issues, you may wish to recommend to IWI that they utilize the services of a consultant familiar with these types of issues (engineering, health physics, regulatory policy, etc.) when preparing a response.

We look forward to receiving the requested information as soon as possible. If you have any questions, please call me at (301) 415-5847.

Sincerely,

original signed by:

Douglas A. Broadus, Mechanical Engineer
Sealed Source Safety Section
Source Containment and
Devices Branch
Division of Industrial and
Medical Nuclear Safety
Office of Nuclear Materials Safety
and Safeguards

cc: Innovative Weaponry Incorporated
337 Eubank N.E.
Albuquerque, NM 87123

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EXHIBIT 20



UNITED STATES
NUCLEAR REGULATORY COMMISSION

WASHINGTON, D.C. 20555-0001

August 15, 1995

MEMORANDUM TO: Patricia Santiago, Section Leader
Commercial Section, IMNS

FROM: John W. Lubinski, Mechanical Engineer
Sealed Source Safety Section, IMNS *[Signature]*

SUBJECT: INNOVATIVE WEAPONRY, INC.

As requested, I have compared the information submitted by Innovative Weaponry, Inc., in support of registration certificate NH-365-D-101-E, with the information submitted with Virginia Van Cleave's August 3, 1995, memorandum. It appears that the gun sight designs included with Ms. Van Cleave's memorandum do not meet the statements and representations contained in the request for registration dated August 8, 1991, and subsequent letters submitted in support of the request, nor the provisions of the registration dated November 13, 1991.

If you have any additional questions, please contact me at 415-7868 or Mr. Steven Baggett at 415-7273.

Enclosure:
Virginia Van Cleave's August 3, 1995, Memorandum

cc: Virginia Van Cleave, RIV

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