



*Reliable...Responsive...Resourceful...Proactive*

July 17, 2020

Materials Inspection Branch  
Division of Nuclear Materials Safety  
US NRC Region IV  
Arlington, TX 76011

Attention: Roberto Torres

Re: Docket: 030-38754  
License: 15-29301-02

Dear Torres,

This letter is in response to your email dated July 16, 2020 regarding transfer of control.

The name DBI, LLC was not available for use in the State of Nebraska, therefore a name change is being requested for DBI Group, LLC. Statements made in previous communications regarding this matter remain the same.

Attached to this letter, please find an updated organization structure reflecting the registered name and the Certificate of Good Standing from the State of Nebraska.

If you have any questions regarding this matter, please do not hesitate to contact me, Jeff Hilfker, at (402) 613-7892.

Sincerely,



Jeffrey D. Hilfker

Lenexa, Kansas  
15440 W. 109<sup>th</sup> St.  
Lenexa, KS 66219  
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# STATE OF NEBRASKA

United States of America,     }  
State of Nebraska               }

Secretary of State  
State Capitol  
Lincoln, Nebraska

I, Robert B. Evnen, Secretary of State of the  
State of Nebraska, do hereby certify that

**DBI GROUP, LLC**

**was duly formed under the laws of Nebraska on July 7, 1992;**

**all fees, taxes, and penalties due under the Nebraska Uniform Limited  
Liability Company Act or other law to the Secretary of State have been paid;**

**the Company's most recent biennial report required by section 21-125 has  
been filed by the Secretary of State;**

**the Secretary of State has not administratively dissolved the company;**

**the Company has not delivered to the Secretary of State for filing a Statement  
of Dissolution;**

**a Statement of Termination has not been filed by the Secretary of State.**

*This certificate is not to be construed as an endorsement,  
recommendation, or notice of approval of the entity's financial  
condition or business activities and practices.*

In Testimony Whereof,

I have hereunto set my hand and  
affixed the Great Seal of the  
State of Nebraska on this date of

**July 17, 2020**

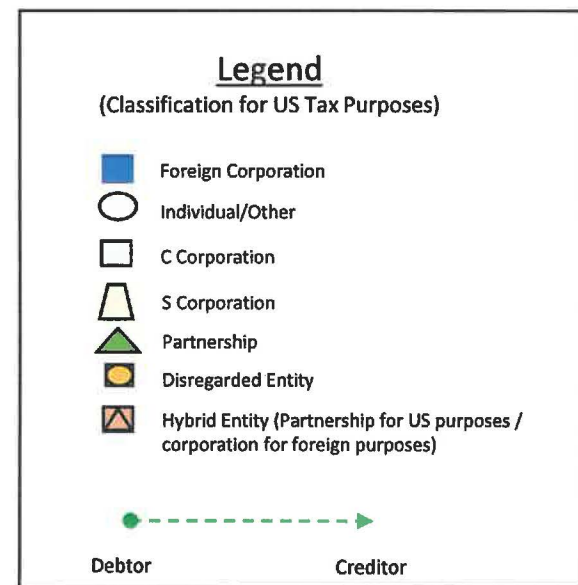
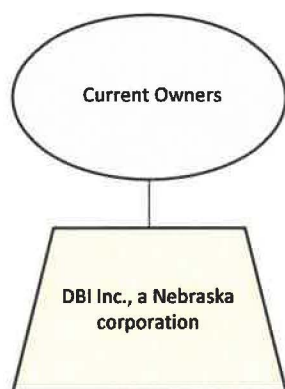


A handwritten signature in black ink, reading "Robert B. Evnen".

Secretary of State

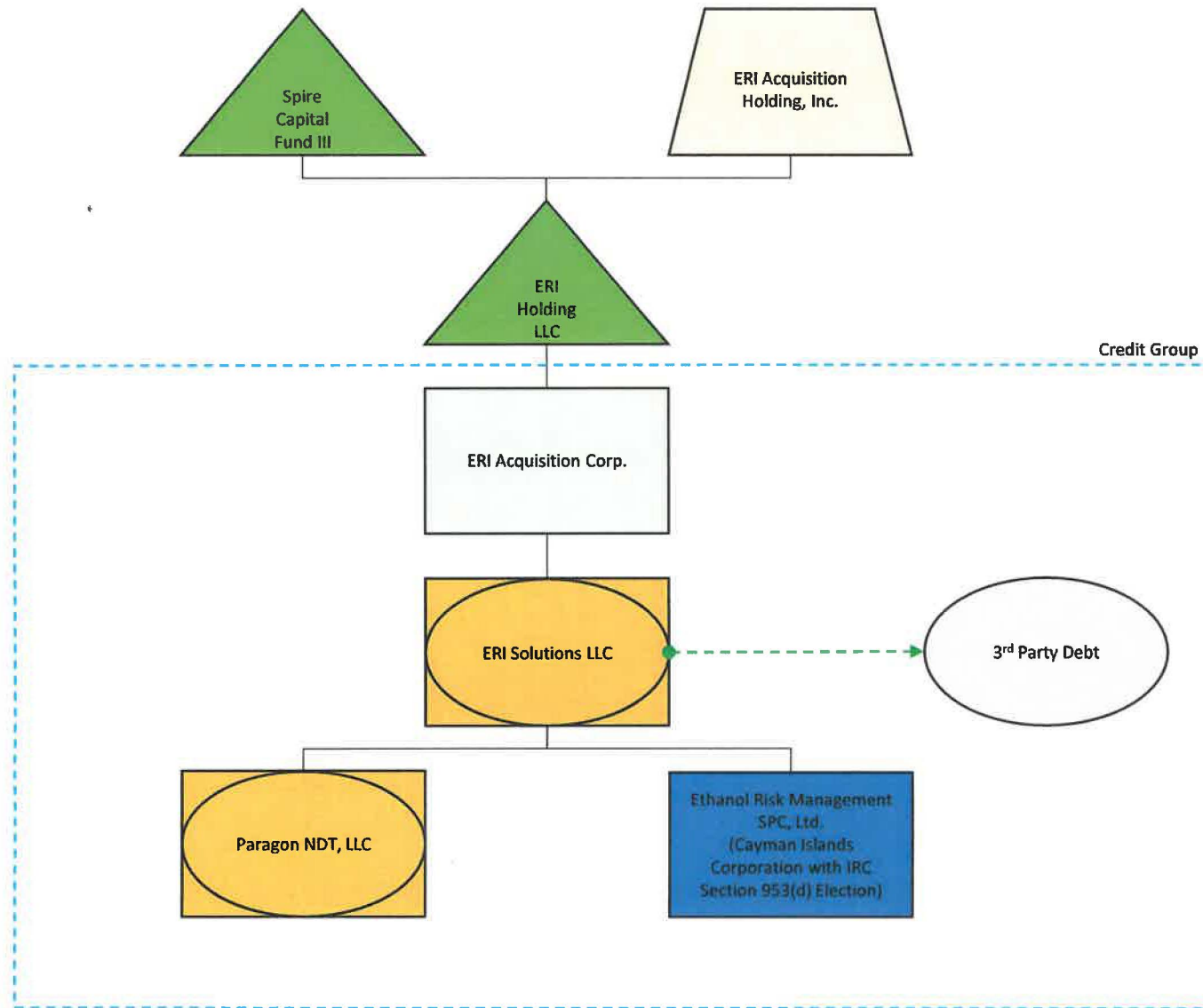
# Target Structure

DRAFT Work not completed | Subject to review and change



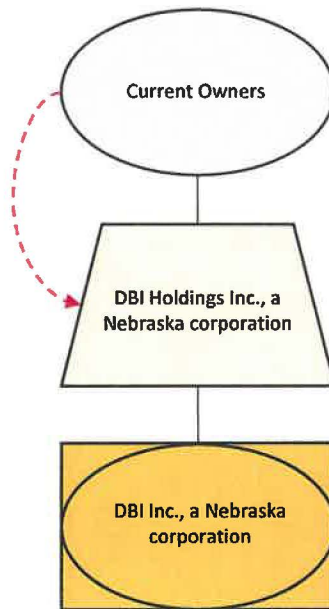
# Buyer Structure

DRAFT Work not completed | Subject to review and change



# LLC Dropdown

DRAFT Work not completed | Subject to review and change



## Proposed Step 1:

- Sellers incorporate a new corporation, DBI Holdings, Inc. ("DBI Holdings") and contribute the stock of DBI Inc. ("DBI") to it. DBI Holdings makes a protective S corporation election.
- DBI Holdings elects to classify DBI as a qualified subchapter S subsidiary ("QSub") for federal income tax purposes, effective the same date as the contribution.

## US Federal Income Tax Discussion:

- Pursuant to Revenue Ruling 2008-18, the contribution and subsequent election to classify DBI as a QSub should be characterized as a Section 368(a)(1)(F) reorganization.
- DBI's tax year will not terminate. DBI Holdings will need to obtain a new employer identification number and report DBI's activity on its federal income tax return going forward.

Only relevant entities depicted

# LLC Conversion

DRAFT Work not completed | Subject to review and change



## Proposed Step 2:

- DBI converts to an LLC pursuant to state law ("DBI Group, LLC").

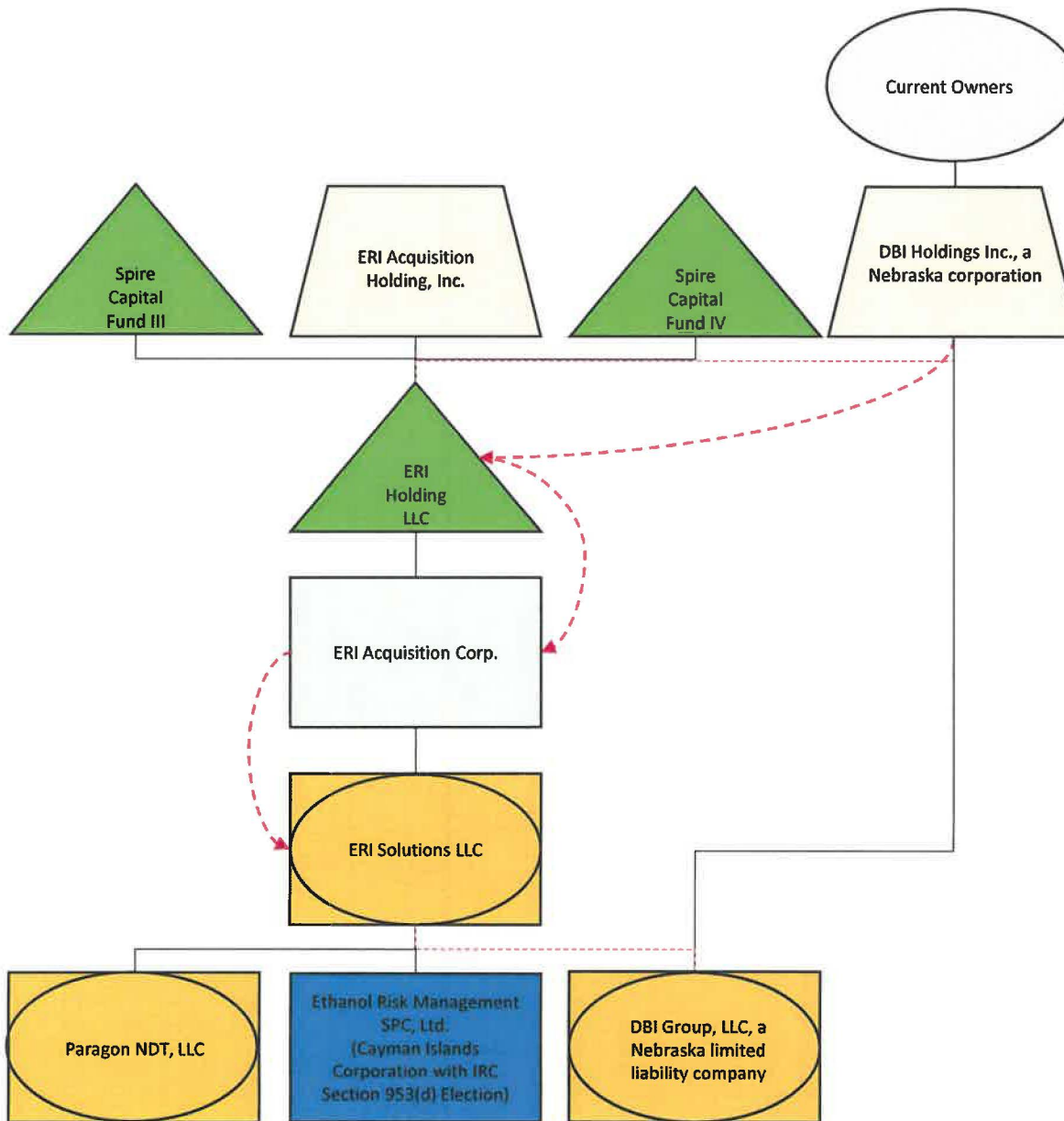
## US Federal Income Tax Discussion:

- None

Only relevant entities depicted

# Tax-Deferred Rollover

DRAFT Work not completed | Subject to review and change



## Proposed Step 4:

- DBI Holdings contributes **[21.4%]** of the membership interests of DBI Group, LLC to ERI Holdings, which are then contributed down to ERI Solutions.

## US Federal Income Tax Discussion:

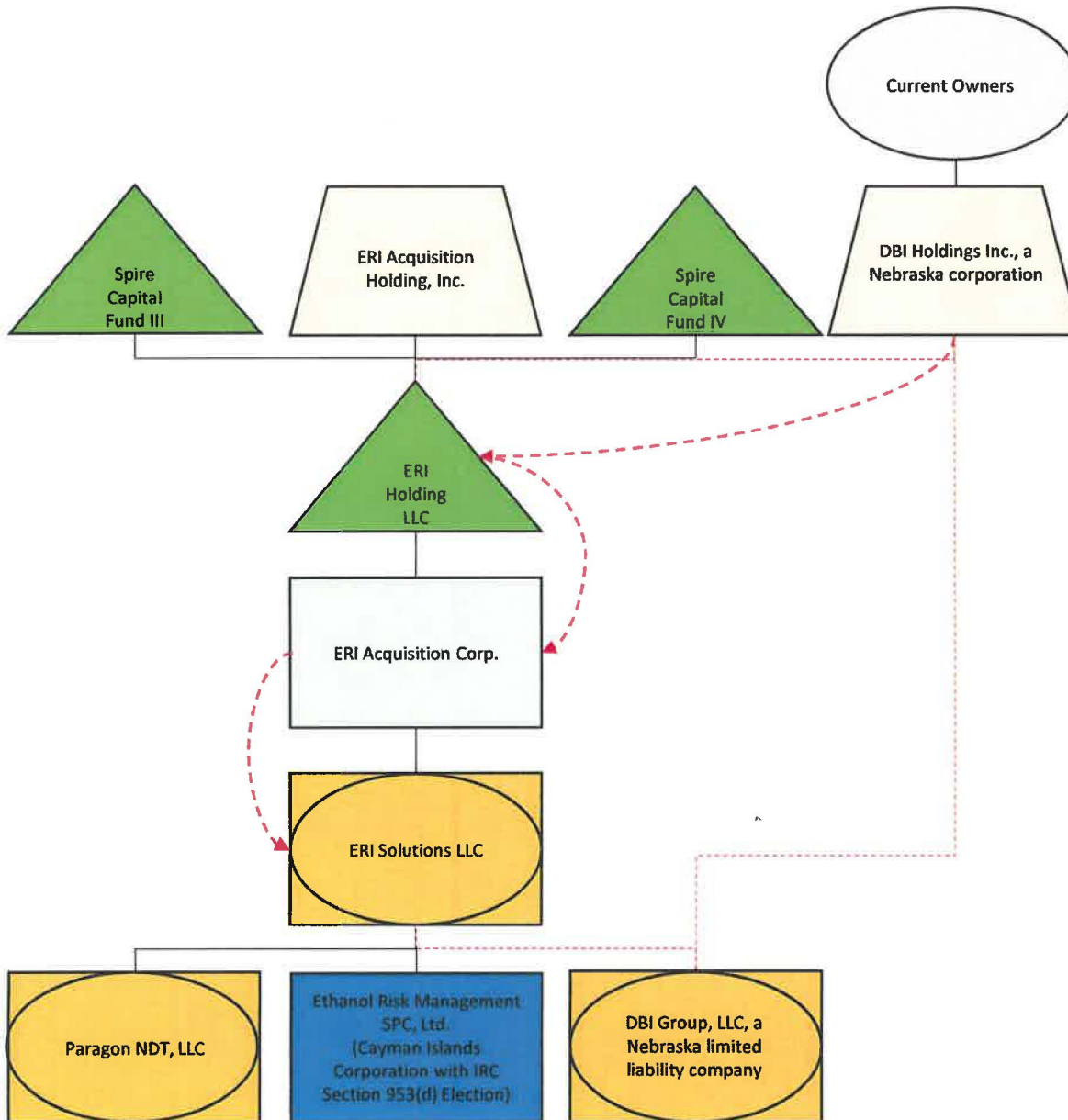
- The contribution of the DBI Group, LLC membership interests should be nontaxable.

Only relevant entities depicted



# Acquisition of DBI Group, LLC

DRAFT Work not completed | Subject to review and change



## Proposed Step 5:

- ERI Solutions purchases the remaining **[78.6%]** of the membership interests of DBI Group, LLC from DBI Holdings for **[\$X]**.

## US Federal Income Tax Discussion:

- The purchase by ERI Solutions of **[78.6%]** of the membership interests of DBI Group, LLC should be characterized as a purchase of **[78.6%]** of each asset of DBI Group, LLC.

Only relevant entities depicted



# Final Structure

DRAFT Work not completed | Subject to review and change

