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File No. 0008-0002

March 14, 2002

37-00030-02
030-05980
- MS-16
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VIA FEDERAL EXPRESS

Marie Miller
United States Nuclear Regulatory Commission
Region 1
475 Allendale Road
King of Prussia, PA 19406-1415

Re: Safety Light Corporation
Establishment of Second Trust/Escrow Fund

Dear Ms. Miller:

I write pursuant to our February 25, 2002 conversation regarding the establishment of a second NRC-Administered Trust/Escrow Fund consisting of the first party insurance proceeds recovered by Safety Light Corporation ("Safety Light") in the litigation initiated by Allendale Insurance Company ("Allendale"). During the course of that conversation, we discussed the possibility of simply depositing the remaining insurance proceeds into the original NRC-Administered Trust Fund, due to the amount involved and the costs associated with establishing and maintaining a second trust fund. After speaking with our client, I indicated to you in a phone message later that same day that this would be agreeable.

This agreement, however, would require a formal waiver of certain clauses of the Settlement Agreement between Safety Light and the NRC. As previously indicated by Safety Light, we interpret Paragraphs 2 and 8 of the Settlement Agreement, when read in conjunction, to require the establishment of a second, separate trust or escrow fund in which to deposit the proceeds of any insurance litigation. Therefore, despite the fact that both Safety Light and the NRC are in agreement that such a separate fund is not necessary at this point, this language requires us to obtain a formal waiver.

We would be happy to prepare this waiver, unless you indicate that your office would prefer to do so. Please advise us as to the format you would prefer this agreement to take. We will then prepare it and forward it to you or Mr. Brad Fewell, Esq.

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for review. Upon execution of this waiver, we will arrange for a wire transfer of the remaining insurance proceeds.

During our conversation, we also discussed the amount of counsel fees incurred in the Allendale litigation and deducted from the insurance proceeds. We indicated to you how we determined the ultimate amount deducted and that we would be willing to provide the NRC with further information to substantiate these calculations. Unless the NRC indicates otherwise, we will assume that the information provided during this conversation was sufficient and that you require no further information on this issue.

Finally, given our discourse regarding the confidential nature of the Allendale settlement, we are requesting return of the documents provided in anticipation of the establishment of a second trust fund (namely the draft "Form of Trust" and the attachments thereto). As we indicated, any information beyond the fact of the settlement with Allendale and the amount involved must be kept confidential. Return of these documents will help to ensure that such confidential information will not be inadvertently disclosed.

I look forward to the return of these documents and to hearing from you regarding the form and execution of the waiver discussed above so that we may complete the wire transfer. Should you require any other information, or wish to discuss the matter further, please do not hesitate to contact me.

Very truly yours,

ROBERTSON, FREILICH, BRUNO & COHEN, LLC

By: Kerry Ann McArdle
Kerry Ann McArdle, Esq.

KAM

cc: Mr. Brad Fewell, Esq.
Mr. Ronald Bellamy