



UNITED STATES  
**NUCLEAR REGULATORY COMMISSION**  
REGION I  
475 ALLENDALE ROAD  
KING OF PRUSSIA, PENNSYLVANIA 19406-1415

August 3, 2005

Docket No. 07003061

License No. SNM-1982

James Lynch  
Director of Engineering & Development  
Imaging and Sensing Technology (IST)  
Sensing Systems Group  
300 IST Center  
Horseheads, NY 14845

SUBJECT: RETURN OF FINANCIAL ASSURANCE MECHANISMS

Dear Mr. Lynch:

When you possessed special nuclear material in excess of a critical mass, an NRC license and financial assurance were required. Your financial assurance consisted of a Standby Trust Agreement dated May 31, 2002, a Letter of Credit dated February 13, 1995 as amended November 20, 2001. However, when you decreased your possession limits to that below a critical mass, the NRC transferred your license to New York, in accordance with the Agreement that New York reached with the NRC when they became an Agreement State. Since you no longer possess an NRC license, the enclosed original financial assurance documents are being returned to you. You may terminate the Letter of Credit with the JP Morgan Chase Bank at this time. If you have any questions regarding this matter, please contact Kathy Modes, of my staff, at (610) 337-5251.

Sincerely,

***Original signed by John D. Kinneman***

John D. Kinneman, Chief  
Materials Security and Industrial Branch  
Division of Nuclear Materials Safety

Enclosures:

1. Standby Trust Agreement dated May 31, 2002 (ML021580184)
2. Letter of Credit dated February 13, 1995 (ML052130494)
3. Amended Letter of Credit dated November 20, 2001 (ML013310498)

cc:

Kurt DeWalt, Radiation Safety Officer

**Certified Mail**  
**Return Receipt Requested**

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**SISP Review Complete: K. D. Modes**

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NAME	KModes/KAD		JKinneman/JDK					
DATE	08/03/2005		8/3/2005					

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