



HBM Virginia LLC

9621 South Pines Road
Warrenton, VA 20186

HBM Virginia LLC, 9621 South Pines Rd, Warrenton, VA 20186

Nuclear Regulatory Commission
Director of the Office of Federal and State Materials
and Environmental Management Programs
ATTN: Document Control Desk/Exempt Distribution

Washington, D.C. 20555-001

RE: Compliance with 10 CFR 32.12 reporting requirements,
License No 45-23954-02E; VDH License No VA-513-08
Material transfer report for calendar year 2008

Ladies and Gentlemen:

We have transferred byproduct material for use under 10 CFR 30.14 and equivalent regulations of the state of Virginia according to our licenses. We would like to report material transfer during the 2008 calendar year as follows:

- (1) Only finished gemstones which do not require cutting, grinding, or polishing after irradiation have been distributed according to our licenses.
- (2) All material was in the possession of BCS Stones GmbH, Im Spielberg 6, 55296 Harxheim, Germany, at the time the byproduct material was introduced.

In the appendix please find a list of all transferred material, their specific activity and their respective total activity, which we submit as confidential under 10 CFR 2390 (a) (4).

Sincerely,

Martin Zimmermann
General Manager

HBM Virginia LLC is
licensed by the
US Nuclear Regulatory Commission
for import and exempt distribution
License No 45-23954-01
License No 45-23954-02E



Member of BCS Zimmermann Group

FSME03

AFFIDAVIT of Martin Zimmermann, HBM Virginia LLC

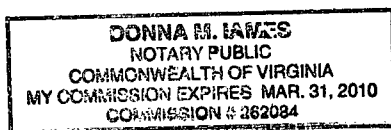
I, Martin Zimmermann, depose and state the following:

- A. This affidavit pertains to the document entitled **"Material Transfer Report"**.
- B. With regard to the NRC license application of HBM Virginia LLC I, Martin Zimmermann, hold the following positions: General Manager of HBM Virginia LLC, general manager of HBM Nevada LLC, the sole owner of HBM Virginia LLC.
- C. Our proposal to withhold the information is based on 10 CFR 2.390(a)(4): Trade secrets and commercial information of HBM Virginia or trade secrets and commercial information submitted to HBM Virginia as confidential, proprietary or privileged information.
- D. The disclosure of this document will result in the following harm to HBM Virginia and our business partners.
 - The document contains commercial information on our production volume and specific technical details of our products. This information is not available even to our customers and suppliers.
 - Our processes have been developed based on 30 years of experience by our business partners. Substantial know-how and development cost lead to our trade secrets. If our competition learns about specific radioactivity and total radioactivity or total volume that we have distributed they will have the opportunity to design their own processes around our data and thereby to substantially reduce their development cost for similar processes. The competition would be able to reduce their expenditure of resources and be able to offer the same product or process at lower cost. This would create an unfair advantage for our competition.
- E. We have divided the information contained in our Material Transfer Report into two parts: 1) The cover letter. The contents of which may be published as necessary. 2) We have placed all confidential information into separate appendix. We have made an effort to declare only that information confidential as we deem absolutely necessary. Confidential documents are labeled according to 10 CFR 2.390(b)(i). Due to this separation of confidential information we consider the complete document with all pages proprietary and confidential and would like to withhold it from publication.

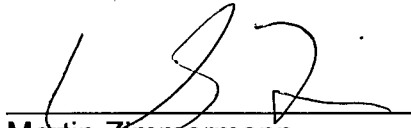
Further we declare according to 10 CFR 2.390(b)(iii)

- (i) The information contained in this document is held confidential by us. We require our employees, management, suppliers and customers to sign confidentiality agreements if they need access to this information.
- (ii) The document discloses commercial information on our production volume and data about our products. The description and submission to the NRC of these trade secrets is necessary in order to comply with 10 CFR 32.12.
- (iii) We have submitted the documents labeled as confidential and proprietary according to 10 CFR(b)(i).
- (iv) The information is not available in public sources. Even if some of our processes could be considered state of the art, it is still confidential and proprietary which of such processes we actually apply.
- (v) The public disclosure of the information sought to be withheld will create irreparable damage to HBM Virginia and our business partners:
 - The document contains commercial information on our production volume and specific technical details of our products. Knowledge of such details enables competitors to offer cheaper processes and give them unwanted inside into our secrets.
 - Our processes have been developed based on 30 years of experience by our business partners. Substantial know-how and development cost lead to our trade secrets. If our competition learns about our secret processes they will have the opportunity to either copy our ideas or to substantially reduce their development cost for similar processes. The competition would be able to reduce their expenditure of resources and be able to offer the same product or process at lower cost. This would create an unfair advantage for our competition.
 - The information will allow our competition to easily replicate our processes where we have spent several years of development and introduced know-how of up to 30 years at our business partner BCS Stones GmbH.

Accordingly, for all of the above reasons, HBM Virginia LLC requests to withhold the said document according to 10 CFR 2.390.



Sworn to before me this
16th day of January


Martin Zimmermann

COUNTY/CITY OF Stafford
COMMONWEALTH OF Virginia
The foregoing instrument was acknowledged
before me this 16 day of January, 2009
by Martin Zimmermann
(name of person seeking acknowledgement)

AFFIDAVIT of Martin Zimmermann

My Commission Expires 31, March 2010

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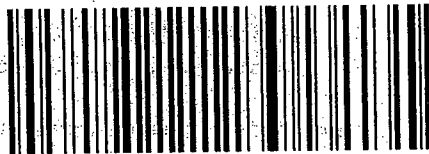


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