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DOCKET NO. 70-90

BAKER & CO., INC.

REFINERS & WORKERS OF

GOLD

PLATINUM

SILVER

30 CHURCH STREET
NEW YORK 7

55 EAST WASHINGTON ST.
CHICAGO 2

113 ASTOR STREET

NEWARK 5, N. J.

CABLE ADDRESS "BAKER" NEWARK

760 MARKET ST.
SAN FRANCISCO 2

1111 WILSHIRE BLVD.
LOS ANGELES

March 25, 1957

DOCKETED
U.S.A.E.C.

U. S. Atomic Energy Commission
Washington 25, D. C.

Att: Mr. Lyall Johnson, Chief
Division of Civilian Application

JPS
DOCKET OFFICER

Gentlemen:

Subject: Application for Special Nuclear Material
License - Docket No. 70-90

We have your letter dated March 18, 1957, requesting additional information concerning our pilot plant for the cold processing of enriched uranium scrap. We are now developing the technical information that you require describing the procedures, facilities, equipment and safety measures. Pending the completion of this work, we would like to reply separately as regard Paragraph (b), the financial qualifications of Baker & Co., Inc.

We will, of course, assume full financial responsibility for the use, consumption, or loss of special nuclear material in our possession for treatment. We visualize this special nuclear material as coming to us from both the Atomic Energy Commission and its contractors directly, and from licensees who will have leased the special nuclear material from the Commission. The maximum amount of special nuclear material which we will possess at any time we anticipate to be (b)(4)

Assuming that the (b)(4) the Dollar value is on the order (b)(4) E24

Attached hereto are the original and two photostatic copies of a Certificate of Insurance which states that any material in our possession is insured against any loss to the extent of (b)(4) Insurance to the extent of (b)(4) is in effect covering any material in transit, consigned to Baker & Co., Inc., or shipped by Baker & Co., Inc., until received by the consignee. The only exception relates to war risks.

We consider this to be ample protection against loss for those for whom

- 1 - Information in this record was deleted
in accordance with the Freedom of Information
Act, exemptions
FOIA-2008-0314 H/3 9/3

FOREIGN BRANCHES : LONDON
TOKYO JOHANNESBURG

TORONTO
MILAN

MONTREAL
COPENHAGEN

PARIS
MELBOURNE
RIO DE JANEIRO

BOGOTA
ZURICH

BAKER & CO., INC.

U. S. Atomic Energy Commission

March 25, 1957

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we are performing scrap recovery services. In our precious metals business we perform a similar scrap refining service. The insurance policy against which the enclosed certificate is issued provides insurance protection for customer owned platinum which we treat and store in amounts many times the ^{(b)(4)} figure estimated now as the maximum value of the special nuclear material which we will have in our possession.

You will recall that in our application of February 18, 1957, we stated that Baker & Co., Inc. does not make public an annual profit and loss balance sheet. We did point out, however, that Baker & Co., Inc. is accorded the highest Dun & Bradstreet rating, namely, AAA 1. In order that you may have additional information concerning the financial stability of Baker & Co., Inc. we have obtained a statement from the Guaranty Trust Company of New York, our principal bank. The original and two photostatic copies of the statement are likewise attached.

With regard to your request for information concerning our plan for financing the construction and operation of the facility, we advise you that the cost of the pilot plant is approximately ^{(b)(4)} and that it is virtually complete. The pilot plant is intended initially to operate on depleted and normal uranium under Source Material License No. C-3387. Our ability to finance the pilot plant is without question and we point to the Guaranty Trust Company statement that our working capital is in excess of ^{(b)(4)}

We consider the Certificate of Insurance and the statement prepared by the Guaranty Trust Company to be substantially in accord with your requirements concerning financial responsibility in applying for a special nuclear material license.

Within the next few days, we will provide you with the remaining information which you requested in your March 18 letter.

Very truly yours,

BAKER & CO., INC.


C. R. Berghern

CRB:mz

ENGELHARD