

**SAFETY INSPECTION REPORT AND COMPLIANCE INSPECTION**

<p>1. LICENSEE/LOCATION INSPECTED:</p> <p>Sharp Electronics Corporation, Inc. 1 Sharp Plaza Mahwah, NJ 07495</p> <p>REPORT NUMBER(S) 12-01</p>	<p>2. NRC/REGIONAL OFFICE</p> <p>Region III U. S. Nuclear Regulatory Commission 2443 Warrenville Road, Suite 210 Lisle, IL 60532-4352</p>
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<p>3. DOCKET NUMBER(S)</p> <p>030-38465</p>	<p>4. LICENSE NUMBER(S)</p> <p>29-24002-01E</p>	<p>5. DATE(S) OF INSPECTION</p> <p>August 24, 2012</p>
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**LICENSEE:**

The inspection was an examination of the activities conducted under your license as they relate to radiation safety and to compliance with the Nuclear Regulatory Commission (NRC) rules and regulations and the conditions of your license. The inspection consisted of selective examinations of procedures and representative records, interviews with personnel, and observations by the inspector. The inspection findings are as follows:

- 1. Based on the inspection findings, no violations were identified.
- 2. Previous violation(s) closed.
- 3. The violation(s), specifically described to you by the inspector as non-cited violations, are not being cited because they were self-identified, non-repetitive, and corrective action was or is being taken, and the remaining criteria in the NRC Enforcement Policy, to exercise discretion, were satisfied.

Non-cited violation(s) were discussed involving the following requirement(s):

- 4. During this inspection, certain of your activities, as described below and/or attached, were in violation of NRC requirements and are being cited in accordance with NRC Enforcement Policy. This form is a NOTICE OF VIOLATION, which may be subject to posting in accordance with 10 CFR 19.11.  
(Violations and Corrective Actions)


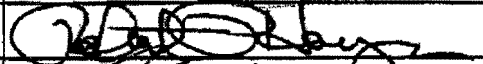

License Condition No. 12 of License No. 29-24002-01E requires the licensee to file periodic reports as specified in Section 32.16, Title 10 Code of Federal Regulations(CFR) Part 32.

10 CFR 32.16 requires: (a) each person licensed under § 32.14, to maintain records of all transfers and file a report with the Director of the Office of Federal and State Materials and Environmental Management Programs

Continued on NRC FORM 591M Part 2

**Statement of Corrective Actions**

I hereby state that, within 30 days, the actions described by me to the Inspector will be taken to correct the violations identified. This statement of corrective actions is made in accordance with the requirements of 10 CFR 2.201 (corrective steps already taken, corrective steps which will be taken, date when full compliance will be achieved). I understand that no further written response to NRC will be required, unless specifically requested.

TITLE	PRINTED NAME	SIGNATURE	DATE
LICENSEE'S REPRESENTATIVE	Alex Pellerito, Associate General Counsel		9/4/12
NRC INSPECTOR	Robert P. Hays		9/4/12
BRANCH CHIEF	Tamara E. Bloomer		9/5/12

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REPORT NUMBER(S) 12-01

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Region III  
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2443 Warrenville Road, Suite 210  
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(Continued)

by an appropriate method listed in § 30.6(a) of this chapter, including in the address: ATTN: Document Control Desk/ Exempt Distribution.

(1) The report must clearly identify the specific licensee submitting the report and include the license number of the specific licensee.

2) The report must indicate that the products are transferred for use under § 30.15 of this chapter, giving the specific paragraph designation, or equivalent regulations of an Agreement State.

(b) The report must include the following information on products transferred to other persons for use under § 30.15 or equivalent regulations of an Agreement State:

(1) A description or identification of the type of each product and the model number(s), if applicable;

(2) For each radionuclide in each type of product and each model number, if applicable, the total quantity of the radionuclide; and

(3) The number of units of each type of product transferred during the reporting period by model number, if applicable.

(c)(1) The licensee shall file the report, covering the preceding calendar year, on or before January 31 of each year. In its first report after December 17, 2007, the licensee shall separately include data for transfers in prior years not previously reported to the Commission.

(2) Licensees who permanently discontinue activities authorized by the license issued under § 32.14 shall file a report for the current calendar year within 30 days after ceasing distribution.

(d) If no transfers of byproduct material have been made under § 32.14 during the reporting period, the report must so indicate.

(e) The licensee shall maintain the record of a transfer for one year after the transfer is included in a report to the Commission.

Contrary to the above, the licensee has not submitted the annual report for transfers from October 5, 2011, to December 31, 2011, as required by 10 CFR 32.16(c)(1).

This is a Severity Level IV violation (Section 6.3).

The licensee's Associate General Counsel was not aware that a transfer report was required for the same calendar year as when the license was issued. The licensee's corrective actions for the violation include compiling and submitting the required report for the time period of October 5, 2011, to December 31, 2011, within 30 days. The licensee will ensure that future annual reports are submitted as required by 10 CFR 32.16.

**Docket File Information**  
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6. INSPECTION PROCEDURES USED  87134	7. INSPECTION FOCUS AREAS  03.01-03.07
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**SUPPLEMENTAL INSPECTION INFORMATION**

1. PROGRAM CODE(S)  03251	2. PRIORITY  5	3. LICENSEE CONTACT  Diane Hardy, Local RSO	4. TELEPHONE NUMBER  (630) 226-2718
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Main Office Inspection                      Next Inspection Date: 08/24/2017

Field Office Inspection    1300 Naperville Drive, Romeoville, Illinois

Temporary Job Site Inspection

**PROGRAM SCOPE**

Pursuant to Section 32.14, 10 CFR Part 32, "Specific Domestic Licenses to Manufacture or Transfer Certain Items Containing Byproduct Material"; the licensee is authorized to distribute krypton-85 contained in projector lamps to persons exempt from licensing pursuant to Section 30.15, 10 CFR Part 30, or equivalent provisions of the regulations of any Agreement State. The license does not authorize possession or use of licensed material, only to distribute products authorized by the licensee's State of Illinois radioactive material license. The licensee is authorized by the license to distribute products from one location in Illinois.

**Performance Observations**

This was the initial inspection of the licensee. During the inspection, the licensee's local RSO provided information pertaining to the projector lamps containing Kr-85 including product packaging and labelling. The licensee is required by 10 CFR 32.16 to file a report of transfers by January 31 of each year covering the preceding calendar year. The license was originally issued on October 5, 2011, however, the licensee failed to submit the transfer report for calendar year 2011, as required in Section 32.16, 10 CFR Part 32.

*RTM*