



UNITED STATES
NUCLEAR REGULATORY COMMISSION
WASHINGTON, DC 20555 - 0001

November 2, 2012

Herley Industries, Inc.
ATTN: Peter E. McGondel, RSO
10 Sonar Drive
Woburn, MA 01801

Dear Mr. McGondel:

Enclosed is Amendment No. 11 to Nuclear Regulatory Commission (NRC) exempt distribution License No. 20-13270-02E, referencing the purchase of Herley Industries, Inc., by Kratos Defense & Security Solutions, Inc. Your letters dated August 28, 2012, and October 1, 2012, indicated that control over licensed activities has not changed. These letters are incorporated as conditions F and G in your amended license. Please notify the NRC immediately if a transfer of control is expected.

Please review the enclosed documents carefully and be sure that you understand all the conditions. If there are any errors or questions, please contact me so that appropriate corrections and answers can be provided.

Please be advised that you must conduct your program involving radioactive materials in accordance with the conditions specified in your NRC license, representations made in your license application, and other rules, regulations, and orders of the U.S. Nuclear Regulatory Commission, now or hereafter in effect, to include the following:

1. Comply with applicable NRC regulations in 10 CFR Part 30, "Rules of General Applicability to Domestic Licensing of Byproduct Material"; 10 CFR Part 32, "Specific Domestic Licenses to Manufacture or Transfer Certain Items Containing Byproduct Material"; and other applicable regulations.
2. Distribute only those products containing radioactive material which are specifically authorized in your license.
3. Notify NRC in writing within 30 days of any change in mailing address.
4. Request and obtain appropriate amendments if you plan to change control or ownership of your organization, change locations of distribution of products containing radioactive material, or make any other changes in your program which are contrary to the license conditions or representations made in your license application and any supplemental correspondence with NRC.
5. Submit a complete renewal application or termination request at least 30 days before the expiration date on your license. You should receive a reminder notice approximately 90 days before the expiration date. Continued distribution of products containing radioactive material after your license expires is a violation of NRC regulations.

6. In accordance with 10 CFR 30.36, request termination of your license if you plan to permanently discontinue activities involving distribution of products containing radioactive material.

You will be periodically inspected by NRC. Failure to conduct your program in compliance with NRC regulations, license conditions, and representations made in your license application and supplemental correspondence with NRC may result in enforcement action(s) against you. This could include issuance of a notice of violation; proposed imposition of a civil penalty; or an order suspending, modifying, or revoking your license as specified in the "General Statement of Policy and Procedures for NRC Enforcement Actions," (NUREG-1600).

In accordance with 10 CFR 2.390 of NRC's "Rules of Practice," a copy of this letter will be available electronically for public inspection in NRC's Public Document Room or from the Publicly Available Records (PARS) component of NRC's document system (ADAMS). ADAMS is accessible from the NRC web site at <http://www.nrc.gov/NRC/ADAMS/index.html> (the Public Electronic Reading Room).

If you have any questions, please contact me at (301) 415-5477 or by electronic mail: richard.struckmeyer@nrc.gov.

Sincerely,

/RA/

Richard K. Struckmeyer
Licensing Branch
Division of Materials Safety and
State Agreements
Office of Federal and State Materials and
Environmental Management Programs

Docket No.: 030-04746
License No.: 20-13270-02E

Enclosure: Amendment No. 11

P McGondel

2

- 6. In accordance with 10 CFR 30.36, request termination of your license if you plan to permanently discontinue activities involving distribution of products containing radioactive material.

You will be periodically inspected by NRC. Failure to conduct your program in compliance with NRC regulations, license conditions, and representations made in your license application and supplemental correspondence with NRC may result in enforcement action(s) against you. This could include issuance of a notice of violation; proposed imposition of a civil penalty; or an order suspending, modifying, or revoking your license as specified in the "General Statement of Policy and Procedures for NRC Enforcement Actions," (NUREG-1600).

In accordance with 10 CFR 2.390 of NRC's "Rules of Practice," a copy of this letter will be available electronically for public inspection in NRC's Public Document Room or from the Publicly Available Records (PARS) component of NRC's document system (ADAMS). ADAMS is accessible from the NRC web site at <http://www.nrc.gov/NRC/ADAMS/index.html> (the Public Electronic Reading Room).

If you have any questions, please contact me at (301) 415-5477 or by electronic mail: richard.struckmeyer@nrc.gov.

Sincerely,
/RA/
 Richard K. Struckmeyer
 Licensing Branch
 Division of Materials Safety and
 State Agreements
 Office of Federal and State Materials and
 Environmental Management Programs

Docket No.: 030-04746
 License No.: 20-13270-02E

Enclosure: Amendment No. 11

DISTRIBUTION: JFoster TKime KButler JOHara RJones (Fees) RI/DNMS MSSA r/f

ML12263A104 (Pkg.)

OFC	FSME: MSSA			
NAME	R Struckmeyer			
DATE	11/02/12			

OFFICIAL RECORD COPY