



RECRG10930*13#08:02

14A Industrial Way
Atkinson, NH 03811 USA
Phone 603.458.2089
Fax 603.458.5632

Licensing Assistance Team
Division of Nuclear Materials Safety
U.S. Nuclear Regulatory Commission, Region I
475 Allendale Road
King of Prussia, PA 19406-1415

ARC Electronics would like to submit an application to transfer Exempt Distributio License 28-24004-01E. The business of exempt distribution of Kr-85 containing lighting products will be transferred from ARC Electronics to Nedap Inc. upon approval of both license transfers. Attached you will find documentation in the format of NUREG 1556 volume 8 Appendix F for transfer of license. In parallel we are submitting a similar transfer for Radioactive Materials License 474R issued by the state of New Hampshire. If there are any questions about the application please contact our RSO Jessica Vandewater at 603-458-2687 or our consultant Nasser Rashidifard at 603-778-2871 x240.

Sincerely,

A handwritten signature in black ink, appearing to read "Ken Sturgess", written over a white background.

Ken Sturgess,
President, Arc Electronics, Inc

Support Information for Transfer of NRC Exempt Distribution License 28-24004-01E

Prepared by

Radiation Safety & Control Services, Inc

*91 Portsmouth Avenue
Stratham, NH 03885-2468
1-800-525-8339
(603) 778-2871 (Outside USA)
www.radsafety.com*

May 13th 2013



1 Introduction

This submittal is formatted based on NUREG 1556 Volume 8 Appendix F: Information Needed for Transfer of Control Application. Each numbered item is matched to the corresponding question in the guidance document. This application is being submitted in parallel with an amendment to the State of New Hampshire Radiological Health section to transfer of possession license 474R.

2 The new name of the licensed organization. If there is no change, the licensee should so state.

The new entity will be known as Nedap Inc. registered in New Hampshire with Tax ID 46-2136213.

3 The new licensee contact and telephone number(s) to facilitate communications.

The following personnel can be contacted concerning licensing material

Jessica Vandewater (primary point of contact see section 4)
RSO, Office Manager
14A Industrial Way
Atkinson NH 03811
603-458-2089
Jessica.vandewater@nedap.com

Gerard Ezendam,
President Nedap Inc.
14A Industrial Way
Atkinson NH 03811
603-458-2089
Gerard.Ezendam@nedap.com

- 4 Any changes in personnel having control over licensed activities (e.g., officers of a corporation) and any changes in personnel named in the license such as radiation safety officer, Authorized users, or any other persons identified in previous license applications as responsible for radiation safety or use of licensed material. The licensee should include information concerning the qualifications, training, and responsibilities of new individuals.**

There will be no changes in staffing that will be involved in handling the radioactive material. Jessica Vandewater will remain as RSO and Robert Gibbs will remain as assistant RSO and authorized user. Certifying official for the new entity will be Gerard Ezendam, President of Nedap Inc. and Ken Sturgess President of ARC Electronics will no longer be affiliated with the entity upon approval of the transfers. Attachment 1 is a delegation of authority from Nedap Inc for the recognition of Jessica Vandewater as the RSO and authorizing her as the primary contact and granting authority to sign on behalf of the company for matters related to licensing and radioactive materials.

- 5 An indication of whether the transferor will remain in non-licensed business without the license.**

ARC Electronics will remain a registered business at 16 Peaslee Court in Hampstead NH and will continue to pursue other independent business opportunities that do not involve radioactive material.

- 6 A complete, clear description of the transaction, including any transfer of stocks or assets, mergers, etc., so that legal counsel is able, when necessary, to differentiate between name changes and transferring control.**

ARC Electronics was sponsored in 2011 by Nedap Inc. to provide a distribution channel into North America for QL Lighting Products that contain Kr-85. ARC Electronic has been operating under a DBA of Nedap North America for the sale and exempt distribution of these products. Currently Nedap Inc. has decided to incorporate in the United States in order to provide a greater presence to its QL Lighting Systems and well as other non-radioactive electronic products. As the Corporate sponsor of ARC Electronics, Nedap Inc. has decided to distribute the QL bulbs through its incorporated entity and compensate ARC Electronics for the remainder of the previously established contract for the distribution rights that is currently held by ARC Electronics. This will be executed as a take-

over of the existing business including personnel, facilities, licenses, and financial responsibilities from ARC Electronics. All activities conducted by ARC Electronics that are not related to possession or distribution of radioactive material will remain with ARC Electronics. Attachment 2 provides the agreement for transfer of business.

7 A complete description of any planned changes in organization, location, facility, equipment, or procedures (i.e., changes in operating or emergency procedures).

Currently ARC Electronics is registered at 16 Peaslee Court in Hampstead NH but operates office space at 14A Industrial Way in Atkinson NH. This office space was used to process orders, accounting, and conduct other business not involving the handling, storage, or distribution of radioactive material. This office will become the official registered address for Nedap Inc. and the delivery location for all correspondences. There will be no changes to any facilities, procedures, or personnel involved in handling radioactive material as a result of this transfer. All Radioactive Material will continue to reside, be handled, and distributed at the American Warehouse Facility at 8 Industrial Way in Hudson NH as per NH license 474R and NRC license 28-24004-01E. Robert Gibbs, President of American Warehouse, will continue to be an authorized user on the license to help facilitate the receipt and shipment of the lighting products. All storage locations and handling processes will not change. The updated Radiation Protection Manual and procedures that have been submitted to the State of New Hampshire to reflect the proposed change in ownership.

8 A detailed description of any changes in the use, possession, location, or storage of the licensed materials.

As described in section 7 there will be no changes in use, possession, location or storage of the licensed material.

The light bulbs containing the Kr-85 gas will have packaging identical to the current packaging in use with the exception that, upon approval, "Distributed by Nedap Inc. 14A Industrial Way Atkinson NH" will replace the current labeling indicating distribution by ARC Electronics. All other aspects will remain identical to the current product.

9 Any changes in organization, location, facilities, equipment, procedures, or personnel that would require a license amendment even without transferring control.

There are no changes in organization, location, facilities, equipment, procedures, or personnel that would require an amendment without transfer. Only the certifying official is to be changed to reflect the change in ownership.

10 An indication of whether all surveillance items and records (e.g., calibrations, leak tests, surveys, inventories, and accountability requirements) will be current at the time of transfer. Provide a description of the status of all surveillance requirements and records.

Upon approval of both transfers all surveillance items will be current and in good standing at time of transfer, these items include:

- Both the possession license for NH and the Exempt Distribution License for the NRC to be in good standing.
- Complete inventory list of all in stock product current.
- All records of material receipt and accompanying incoming surveys will be current.
- QA records from manufacturer.
- All annual distribution reports submitted the the NRC will be in good standing and on file.
- All distribution records from January 1st 2013 to approved transfer date will be provided in order to generate an annual distribution report submitted to the NRC by January 31st 2014.
- All survey instruments will have current calibrations and be ready for use.
- Annual radiation safety training and audit are scheduled to be completed prior to transfer and all open items closed.

11 Confirmation that all records concerning the safe and effective decommissioning of the facility, pursuant to 10 CFR 30.35(g), 40.36(f), 70.25(g), and 72.30(d); public dose; and waste disposal by release to sewers, incineration, radioactive material spills, and on-site burials, have been transferred to the new licensee, if licensed activities will continue at the same location, or to the NRC for license terminations.

The maximum allowable activity to be possessed by the radioactive materials license 474R is 200 mCi of Kr-85. The part 30 appendix B

quantity for Kr-85 is 100 microcuries therefore 10^5 times this quantity is 10 Curies, 500 times the maximum possession limit. Therefore no financial assurance is needed for decommissioning. Termination of license for possession will be done through the State of New Hampshire. To date there have been no releases to sewer, incineration, spills, or on site burials that would need to be documented as part of decommissioning.

12 A description of the status of the facility, specifically, the presence or absence of contamination should be documented. If contamination is present, will decontamination occur before transfer? If not, does the successor company agree to assume full liability for the decontamination of the facility or site?

Currently there is no contamination at the storage facility. Since the Kr-85 is a noble gas there is no risk for contamination from damage to the lighting products.

Prior to the transfer any remains of damaged lighting products will be surveyed and released as not containing any radioactive material. If any material is found to be radioactive waste an appropriate waste broker will be contacted to dispose of the material prior to transfer. Nedap Inc. agrees to assume all liability for decommissioning and decontamination of the facility in the event of license termination. All activities that would be needed for termination of license for the site will be done through the State of New Hampshire.

- 13 A description of any decontamination plans, including financial assurance arrangements of the transferee, as specified in 10 CFR 30.35, 40.36, and 70.25. Include information about how the transferee and transferor propose to divide the transferor's assets, and responsibility for any cleanup needed at the time of transfer.**

Currently the facility is free of contamination as the source material is in noble gas form and does not require any decontamination. ARC Electronics will assume any responsibility for any clean up, if needed, prior to transfer.

- 14 Confirmation that the transferee agrees to abide by all commitments and representations previously made to NRC by the transferor. These include, but are not limited to: maintaining decommissioning records required by 10 CFR 30.35(g); implementing decontamination activities and decommissioning of the site; and completing corrective actions for open inspection items and enforcement actions. With regard to contamination of facilities and equipment, the transferee should confirm, in writing, that it accepts full liability for the site, and should provide evidence of adequate resources to fund decommissioning; or the transferor should provide a commitment to decontaminate the facility before transferring control. With regard to open inspection items, etc., the transferee should confirm, in writing, that it accepts full responsibility for open inspection items and/or any resulting enforcement actions; or the transferee proposes alternative measures for meeting the requirements; or the transferor provides a commitment to close out all such actions with NRC before license transfer.**

Attachment 3 contains the commitment letter by Nedap Inc. for agreement with all statements and accepts all liability with regards to decontamination, open items, decommissioning, and all liability of the site from a radiological aspect.

- 15 Documentation that the transferor and transferee agree to transferring control of the licensed material and activity, and the conditions of transfer; and the transferee is made aware of all open inspection items and its responsibility for possible resulting enforcement actions.**

Attachment 3 contains the agreement between Nedap Inc. and ARC Electronics of the transfer.

16 A commitment by the transferee to abide by all constraints, conditions, requirements, representations, and commitments identified in the existing license. If not, the transferee must provide a description of its program, to ensure compliance with the license and regulations.

Attachment 2 contains a commitment in writing by Nedap Inc. to all constraints, conditions, requirements, representations, and commitments identified in the existing license.

Attachments:

1. Delegation of authority
2. Agreement of transfer
3. Contract for transfer of business

Delegation of authority

April 24 2013

To whom it may concern:

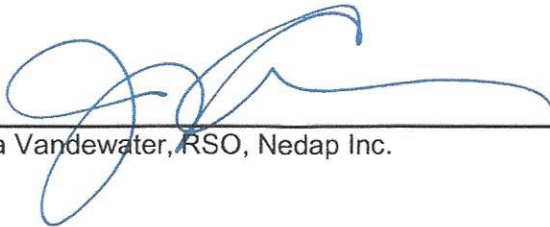
Nedap Inc. appoints Jessica Vandewater as Radiation Safety Officer for NH Radioactive Materials License 474R and Exempt Distribution License 28-24004-01E and are responsible for ensuring the safe use of radiation. You are responsible for managing the radiation protection program; identifying radiation protection problems; initiating, recommending, or providing corrective actions; verifying implementation of corrective actions; stopping unsafe activities; and ensuring compliance with regulations. You are hereby delegated the authority necessary by Nedap Inc. to meet those responsibilities, including prohibiting the use of byproduct material by employees who do not meet the necessary requirements and shutting down operations where justified by radiation safety. You are required to notify management of situations where staff are not cooperating and not addressing radiation safety issues. In addition, you are free to raise issues with the New Hampshire Radiological Health Section, US Nuclear Regulatory Commission or other regulating body at anytime.

In addition I grant you authority to sign and act on behalf of the company regarding all matters licensing and radioactive materials as well as be the primary point of contact for all correspondances.



Gerard Ezendam President, Nedap Inc.

I agree and accept the above listed responsibilities,



Jessica Vandewater, RSO, Nedap Inc.

Agreement of transfer



April 24 2013

Licensing Assistance Team
Division of Nuclear Materials Safety
U.S. Nuclear Regulatory Commission, Region I
475 Allendale Road
King of Prussia, PA 19406-1415

To whom it may concern:

Nedap Inc. agrees to abide by all commitments and representation previously made by Arc Electronics for the transfer of Radioactive Material License 474R issued by the state of NH and Exempt Distribution License 28-24004-01E issued by the USNRC. Including all requirements concerning, decontamination, open items, distribution, decommissioning, and all liability of the site from a radiological aspect.

In addition Nedap Inc. Commits to all constraints, conditions, requirements, representation, and commitments identified in ARC Electronic's Radioactive Material License 474R and Exempt Distribution License 28-24004-01E issued by the USNRC.

Gerard Ezendam, President, Nedap Inc.

CS

Contract for sale of business

May 2nd 2013

Transfer of Distribution Rights and Licensing.

ARC Electronics was sponsored in 2011 by Nedap Inc. to provide a distribution channel into North America for QL Lighting Products that contain Kr-85. ARC Electronic has been operating under a DBA of Nedap North America for the sale and distribution of these products. Currently Nedap Inc. has decided to incorporate in the United States in order to provide a greater presence to its QL Lighting Systems as well as other non-radioactive electronics products. As the Corporate sponsor of ARC Electronics, Nedap Inc. has decided to distribute the QL bulbs through its incorporated entity and compensate ARC Electronics for the remainder of the previously established contract for the distribution rights currently held by ARC Electronics. This will be executed as a take-over of the existing business including personnel, facilities, licenses, and financial responsibilities from ARC Electronics. The following terms and agreements regarding transfer of the NH radioactive material license and the NRC E-distribution license from ARC Electronics Inc. and Nedap Inc. are outlined and explained in the sections 1 thru 3 below.

1. Facilities

Facilities involved in this transfer of ownership include the office space rented at 14A Industrial Way, Atkinson NH and inventory storage space located at 8 Industrial Ave in Hudson NH.

a. Office Space

Office space residing at 14A Industrial Way in Atkinson NH will no longer be occupied by ARC Electronics Inc. after all transfers have occurred. The lease for this space will be transferred to Nedap Inc. through the Property Owner.

b. American Warehouse

The leased warehouse space at American Warehouse and the support from the staff will be transferred to Nedap Inc. from ARC Electronics Inc. All contractual conditions will remain and be honored by American Warehouse and Nedap Inc. Any scheduled renegotiations and renewals of contract will occur between Nedap Inc. and American Warehouse independent of ARC Electronics Inc.

2. Staffing and equipment

As part of the transfer, staffing and business related equipment will be transitioned at the time of transfer.

a. Staff

All employees of ARC Electronics Inc. will have the option of transitioning to Nedap Inc. with their current roles and responsibilities. Some have already opted to remain with Nedap Inc. to satisfy regulatory obligations while others will be provided the option at time of transfer. Financial matters will be private between Nedap Inc. and

an employee of ARC electronics and deemed out of scope of this agreement.

i. Radiation Safety Officer

Jessica Vandewater has already agreed to remain in her current roles as Office Manager and Radiation Safety Officer performing the same functions and having the same responsibilities employed with Nedap Inc. as with ARC Electronics. Support from Bob Gibbs as Assistant Radiation Safety Officer is committed by the American Warehouse lease agreement honored by both parties.

ii. Office Staff

Other office personnel includes: sales, accounting, and administrative assistants. These individuals can exercise an option to stay provided by Nedap Inc.

b. Equipment and Records

All Computers and other office equipment that was not provided by funding through Nedap Inc. and is owned by ARC Electronics Inc. will be negotiated as out of scope to this transfer. All copies of files pertinent to the following categories will be provided in both original hard copy and digital form, if available, to Nedap Inc.:

- Records of Sales
- Customer contacts and contract information
- Regulatory documents
- Correspondences with local, state, and federal agencies
- Calibrations of any equipment
- Personnel records of any individuals opting to remain with Nedap Inc.

Two radiation detection devices currently residing at the warehouse location will be transferred to Nedap Inc. as they are a requirement to meet all regulatory obligations for the possession and Distribution licenses. These devices will be in calibration at the time of the transfer.

3. Transfer of Licenses

ARC Electronics Inc. operates and distributes under two licenses issued for the possession and distribution of QL Lighting Products. Prior to Nedap Inc. assuming full control, both license transfers must be approved by their issuing bodies in order to be in regulatory compliance. Until such time, ARC Electronics Inc retains full control and responsibility of all radioactive materials regarding receipt, storage, handling, and distribution. After transfer approval by the NRC and the State of New Hampshire all control and responsibilities identified above will reside with Nedap Inc. All Financial

requirements for facilitating this transfer are the responsibility of Nedap Inc, this may include the following costs:

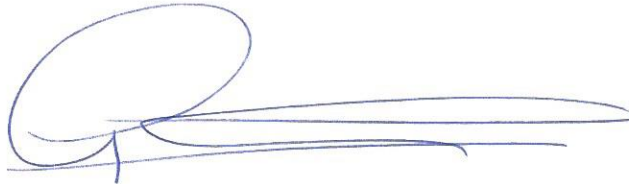
- Application and amendment fees
- Consulting Support
- Modifications to existing facilities if deemed necessary
- Additional training that may be needed
- Modifications to products that will be needed
- Waste disposal or decommissioning

a. NRC E-Distribution License

NRC E- Distribution License 28-24004-01E was issued to ARC Electronics Inc. for the exempt distribution of QL Lighting products containing trace amounts of Kr-85 within the United States. Upon approval by the NRC all commitments currently listed on the license and put forward in the amendment will be honored by Nedap Inc.

b. New Hampshire Possession License


Radioactive Material License number 474R issued by the State of New Hampshire grants the ability to possess QL Lighting products containing trace amounts of Kr-85 gas for the purpose of distribution in the United States. Upon approval by the state of New Hampshire all commitments currently listed on the license and put forward in the amendment will be honored by Nedap Inc.



Gerard Ezendam, President, Nedap Inc.

6/4/13

Date



Ken Sturgess, President, ARC Electronics Inc.

5/24/13

Date

ONLY VALID WITH SIGNED ADDITION - 1 PAGE

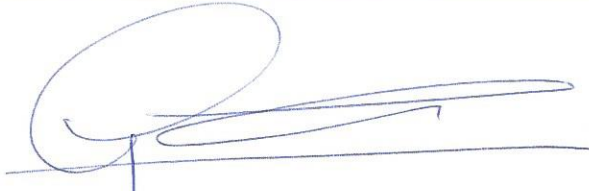




Addition to "Contract for sale of business" – dated May 2nd 2013

The following modifications will apply to the aforementioned contract, which will only be valid by substitution of the original text with the wording below:

Original	Changed to
{Introduction} This will be executed as a take-over of the existing business including personnel, facilities, licenses, and financial responsibilities from ARC	[to be deleted completely]
{2.a.} All employees of Arc Electronics Inc.	Employees of Arc Electronics Inc. nominated by Nedap
{2.a.ii} These individuals	Nominated individuals


_____ 6/4/13

Gerard Ezendam, President, Nedap Inc.

Date


_____ 9/20/13

Ken Sturgess, President, ARC Electronics Inc.

Date

Nedap Inc.
14A Industrial Way
Atkinson
NH 03811

T 603 458 2687
F 603 458 5632
E info@nedap.com
www.nedap.com

EIN 46-2136213
Citizens Bank
Account no. 3312299154
Routing no. 011500120