



Todd Treado
President, Beverly Microwave Division

Nuclear Regulatory Commission
Office of Nuclear Materials Safety and Safeguards
Mail Stop T8E18
11545 Rockville Pike
Rockville, MD 20852
Attention: Hipolito Gonzalez
hipolito.gonzalez@nrc.gov

VIA EMAIL AND OVERNIGHT MAIL

July 6, 2017

Re: License No. 20-02237-03E Transfer of Control Amendment Application

Dear Mr. Gonzalez:

Enclosed please find a Transfer of Control Amendment Application concerning the Beverly Microwave Division of Communications & Power Industries LLC's NRC License No. 20-02237-03E. This application is being submitted in connection with the acquisition of Communications & Power Industries LLC's indirect parent company by CPI Holdings, Inc., which is a controlled affiliate of Odyssey Investment Partners LLC. The licensed activities, including the facility, equipment, use, possession, location and storage of licensed materials and the personnel responsible for the licensed materials will not be changed or affected by this new corporate structure.

The parties plan to consummate the purchase as soon as practicable, with the intention to close within the next month subject to satisfaction of customary closing conditions. Your prompt attention to this matter would therefore be greatly appreciated.

If I can be of assistance with your review of the application, please feel free to contact me at 978-279-0458.

Sincerely,

A handwritten signature in black ink, appearing to read 'Todd Treado', is written over a white background.

Todd Treado

cc. richard.struckmeyer@nrc.gov

Information Needed for Transfer of Control Application Submitted in Connection with NRC License No. 20-02237-03E

NRC Region: Region 1

Contact: The contact for questions will be Molly Burger, Radiation Safety officer – (978) 279-0202. The contact for questions relating to the new corporate structure will be Todd Treado, BMD President – (978) 279-0458

Telephone: (978) 279-0202 and (978) 279-0458

Fax: (978) 279-0239

Information Needed for Transfer of Control

1. Describe any planned changes in the organization, including but not limited to, transfer of stocks or assets and mergers, change in members on Board of Directors, etc. Provide the new licensee name, mailing address, and contact information, including phone numbers. Clearly identify when the amendment request is due to a name change only.

The Beverly Microwave Division is owned by Communications & Power Industries LLC, and is the current licensee. Communications & Power Industries LLC is a wholly owned subsidiary of CPI International, Inc., which is, in turn, a wholly owned subsidiary of CPI International Holding Corp.

On June 30, 2017, CPI Holdings, Inc. entered into an agreement to purchase all of the outstanding stock of CPI International Holding Corp. CPI Holdings, Inc. is a controlled affiliate of Odyssey Investment Partners, LLC, a private equity firm.

Once the transaction is completed, the direct owner of the Beverly Microwave Division of Communications & Power Industries LLC will remain unchanged. Likewise, the owner of Communications & Power Industries LLC (i.e., CPI International, Inc.) will remain unchanged. However, the owner of CPI International Holding Corp. will become CPI Holdings, Inc.

The name, mailing address, and contact information will remain the Beverly Microwave Division of Communications & Power Industries LLC, located at 150 Sohier Road, Beverly MA 01915-5595. The contact for questions will be Molly Burger, Radiation Safety officer – (978) 279-0202. The contact for questions relating to the new corporate structure will be Todd Treado, BMD President – (978) 279-0458.

2. Describe any changes in personnel or duties that relate to the licensed program. Include training and experience for new personnel and any changes in the training program.

There will be no changes to the personnel or duties listed in the current license.

3. Describe any changes in the location, facilities, equipment, radiation safety program, use, possession, waste management, or other procedures that relate to the licensed program.

There are currently no planned changes in location, facilities, equipment, radiation safety program, use, possession, waste management, or other procedures that relate to the licensed program.

4. Describe the status of the licensee's facilities, equipment, and radiation safety program, including any known contamination and whether decontamination will occur prior to transfer. Include the status of calibrations, leak tests, area surveys, wipe tests, training, quality control, and related records.

All site contamination surveys are current, and there is no known contamination outside the restricted area where work with licensed material is performed.

Accordingly there is no plan to perform any decontamination other than weekly surveys and maintenance. Communication & Power Industries LLC accepts full liability for the decontamination of licensed materials at the facility or site. All surveillance items and records (e.g., calibrations, leak tests, area surveys, wipe tests, training, quality control, and related records) are current and will be current at the time of the transfer of control. All surveillance items and records will be maintained at the same location by the Beverly Microwave Division of Communications & Power Industries LLC.

5. If current decommissioning funding plans (DFP) will be changed as a result of the transfer, the revised DFP should be submitted. If other financial assurance documents will be changed as a result of the transfer, confirm that all financial assurance instruments associated with the license will be held in the transferee's name before the license is transferred, and as required by 10 CFR 30.35(f), the licensee must, within 30 days, submit financial instruments reflecting such changes.

The Beverly Microwave Division of Communications & Power Industries LLC's decommissioning Letter of Credit will be renewed in the amount of \$360,000. No changes to the financial assurance instrument will be required as a result of this transaction.

6. Confirm that all records concerning the safe and effective decommissioning of the facility will be transferred to the transferee or to the NRC, as appropriate. These records include documentation

of surveys of ambient radiation levels and fixed and/or removable contamination, including methods and sensitivity.

All records concerning the safe and effective decommissioning of the facility, including documentation of surveys of ambient radiation levels and fixed and/or removable contamination, including methods and sensitivity, will be maintained at the same location by the Beverly Microwave Division of Communications & Power Industries LLC.

7. Confirm that both transferor and transferee agree to transferring control of the licensed material and activity, and the conditions of transfer, and that the transferee has been made aware of any open inspection items and its responsibility for possible resulting enforcement actions.

As noted above, the licensed material will continue to be directly owned, and the licensed activity performed, by the Beverly Microwave Division of Communications & Power Industries LLC. Pursuant to Section 6.3(a) of the stock purchase agreement whereby CPI Holdings will acquire the stock of CPI International Holding Corp., the purchaser and seller agreed to use their reasonable best efforts to obtain all necessary consents, approvals and authorizations from governmental authorities and to make all necessary registrations and filings to obtain such consents, approvals and authorizations. This application by the Beverly Microwave Division of Communications & Power Industries LLC for approval of the indirect change of control is part of those efforts.

There are no known open radioactive materials inspection items or any resulting enforcement actions.

8. Confirm that the transferee will abide by all constraints, conditions, requirements, representations, and commitments of the transferor or that the transferee will submit a complete description of the proposed licensed program.

The Beverly Microwave Division and Communications & Power Industries LLC agree to abide by all commitments and representations previously made to NRC set forth in NRC License No. 20-02237-03E.

9. The transferee, in the case of fuel cycle facilities, shall provide documentation showing that it is financially qualified to conduct normal operations. The information can be in the form of income statements and balance sheet forecasts.

Not applicable as the transferee is not a fuel cycle facility.