



# AEROTEST OPERATIONS, INC.

3455 FOSTORIA WAY • SAN RAMON, CA 94583 • (925) 866-1212 • FAX (925) 866-1716

July 10, 2018

ATTENTION: Document Control Desk  
U.S. Nuclear Regulatory Commission  
White Flint North  
11555 Rockville Pike  
Rockville, MD 20852-2738

AEROTEST RADIOGRAPHY AND RESEARCH REACTOR  
DOCKET NO. 50-228/LICENSE NO. R-98.

SUBJECT: AEROTEST OPERATIONS, INC. — IRREVOCABLE STANDBY LETTER OF  
CREDIT FOR THE AEROTEST RADIOGRAPHY AND RESEARCH REACTOR

Ladies and Gentlemen:

I formally request 120 day extension beyond the initial response deadline given for responding to NRC Letter (ML18054A077) dated March 8, 2018. The letter identifies two apparent substantive differences between Aerotest's irrevocable standby letter of credit, dated July 14, 2017, and RG 1.159 and requests Aerotest to explain how it will conform to RG 1.159. The proposed changes by Aerotest were submitted to Bank of the West (BoW) for their acceptance and corrective action.

Aerotest's recently received alternative text for the LOC proposed by BoW; I determined that their response concerning insolvency notification to the applicant and beneficiary was not adequate. A follow up revision (referencing RG1.159 Appendix A-5) was resubmitted to BoW and is currently under review.

The suggested second point to be incorporated into our letter of credit is about notification of the viability of BoW. It is understood that the applicant or beneficiary will not benefit (relocate or draw funds) from BoW's insolvency/bankruptcy. For improved clarification of timely notification, the word "immediate" is being replaced with the phrase "within 30 days". (The word "immediate" is defined in the Dodd-Frank Act as "within 30 days")

Possible language for Point 2: "We shall give notice within 30 days to the applicant and the US NRC of any notice received or action filed alleging (1) the insolvency or bankruptcy of the financial institution or (2) any violations of regulatory requirements that could result in suspension or revocation of the bank's charter or license to do business. We also shall give notice if we, for any reason, become unable to fulfill our obligation under the letter of credit."

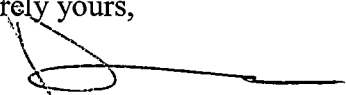
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NRR

I am still awaiting BoW acceptance or alternate language. In the event they cannot accept the terms as needed, a second banking institution has already agreed to the terms and is preparing a LOC if an institutional change is necessary.

Should you have any questions or require additional information regarding this submission, please contact AO President David M. Slaughter, Ph.D. at (801) 631 5919 or [dmsraven@gmail.com](mailto:dmsraven@gmail.com)

I declare under penalty of perjury that the statements above are correct and truthful.

Sincerely yours,



David M. Slaughter, Ph.D.  
President and Reactor Admin.  
Aerotest Operations, Inc.