



UNITED STATES  
NUCLEAR REGULATORY COMMISSION  
WASHINGTON, D.C. 20555-0001

September 27, 2018

EA-18-033

Ms. Beverly Shin  
Senior Director, Associate General Counsel  
Harman International Industries, Incorporated  
8500 Balboa Blvd  
Northridge, CA 91329

SUBJECT: HARMAN INTERNATIONAL INDUSTRIES, INC. - CONFIRMATORY ORDER

Dear Ms. Shin:

The enclosed Confirmatory Order is being issued to Harman International Industries, Inc. (Harman) as a result of a successful Alternative Dispute Resolution (ADR) mediation session. The enclosed commitments were made as part of a settlement agreement between Harman and the U.S. Nuclear Regulatory Commission (NRC). The settlement agreement concerns violations of NRC requirements, as identified in our letter dated June 7, 2018, transmitting three apparent violations of Title 10 of the *Code of Federal Regulations* (10 CFR) to Harman (Agencywide Documents Access and Management System (ADAMS) Accession No. ML18135A423).

Our June 7, 2018, letter included three apparent violations: (1) initially transferring, for sale or distribution, lamps containing krypton-85 without an NRC license for such activity pursuant to 10 CFR sections 30.3(a), 30.15(a)(8)(iv), and 32.14; (2) possession of material (krypton-85) without an NRC license for such activity pursuant to 10 CFR 30.3; and (3) importing material (krypton-85) into the United States without an NRC or Agreement State license for possession of the material containing byproduct material pursuant to 10 CFR 110.5, 110.9a, 110.20(a), and 110.27(a). Along with offering Harman the option to request a Pre-decisional Enforcement Conference (PEC), NRC also provided Harman the opportunity to request ADR with the NRC. In response to our June 7, 2018 letter, Harman requested ADR to address the apparent violations.

A mediation session was held on August 16, 2018, and a preliminary settlement agreement was reached. The elements of that agreement, formulated and agreed to at the mediation session, are incorporated in the enclosed Confirmatory Order (Enclosure 1). The Confirmatory Order confirms the commitments made as part of the preliminary settlement agreement.

In light of the significant corrective actions Harman has taken, the additional actions Harman committed to take, as described in the Confirmatory Order (Enclosure 1), and the agreed upon civil penalty, the NRC will not pursue further action regarding the apparent violations discussed in the NRC's letter dated June 7, 2018. The NRC is satisfied that its concerns will be addressed by making Harman's commitments legally binding through a Confirmatory Order. As evidenced by the signed "Consent and Hearing Waiver Form" (Enclosure 2), dated September 21, 2018, Harman agreed to the issuance of this Confirmatory Order.

Pursuant to Section 223 of the Atomic Energy Act of 1954, as amended, any person who willfully violates, attempts to violate, or conspires to violate, any provision of this Confirmatory Order shall be subject to criminal prosecution, as set forth in that section. Violation of this Confirmatory Order may also subject the person to civil monetary penalties.

Apart from the actions required by the enclosed Confirmatory Order, you are not required to respond to this letter. However, if you choose to provide a response, please provide it to me within 30 days. Your response should be addressed to the Director, Office of Enforcement, and a separate copy should be provided to the NRC Document Control Desk by either (1) U.S. Postal Service at U.S. Nuclear Regulatory Commission, Washington, DC 20555-0001 or (2) courier, express mail, or expedited delivery to U.S. Nuclear Regulatory Commission, One White Flint North, 11555 Rockville Pike, Rockville, MD 20852-2738. Should you have questions concerning the enclosed Confirmatory Order, please contact Mr. Hipolito Gonzalez, Branch Chief, Materials Safety Licensing Branch, Division of Materials Safety, Security, State and Tribal Programs, Office of Nuclear Material Safety and Safeguards, at (301) 415-5637.

In accordance with 10 CFR 2.390 of the NRC's "Agency Rules of Practice and Procedure," a copy of this letter and its enclosures will be made available electronically for public inspection in ADAMS, accessible from the NRC Web site at <http://www.nrc.gov/reading-rm/adams.html>. To the extent possible, your response should not include any personal privacy, proprietary, or safeguards information so that it can be made available to the Public without redaction.

Sincerely,

*/RA/*

Anne T. Boland, Director  
Office of Enforcement

Docket: 030-39071  
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Enclosures:

1. Confirmatory Order
2. Consent and Hearing Waiver Form

cc:  
State of California

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 DATE: 9/27/2018

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ADAMS Package Accession No.: ML18241A193

Cover Letter: ML18241A194

Confirmatory Order: ML18241A222

Consent and Hearing Waiver Form: ML18241A229

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\*see previous

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