

UNITED STATES
ATOMIC ENERGY COMMISSION
WASHINGTON 25, D. C.
SOURCE MATERIAL LICENSE

A-1

IN REPLY REFER TO:
CS:LC:ND

License No. R-132

MAEC
Rare Earths, Inc.
Box 488
Pompton Plains, N.J.

Att: Mr. Richard L. Stone

Gentlemen:

Pursuant to the Atomic Energy Act of 1946 and Section 40.21 of the Code of Federal Regulations, Title 10 - Atomic Energy, Chapter 1, Part 40 - Control of Source Material, and in view of the information contained in your application for license you are hereby authorized:

To receive possession of and title to unlimited quantities of raw source material (solely monazite sand) during the term of this license, from producers and distributors licensed by the Atomic Energy Commission, for processing only.

To transfer and deliver possession of and title to raw and refined source material, to any person licensed by the Atomic Energy Commission, within the limits of his license.

In transactions which are exports from the United States, each such transaction shall have prior authorization, regardless of quantity, which may be applied for on form AEC-7, in duplicate.

As a condition of issuance of this license, you are required to report your inventories, processing, and receipts and deliveries of raw and refined source material on form AEC-4, periodically, in accordance with the instructions on the form.

This license shall expire at 12:01 a.m., E.S.T., on April 1, 1955.

FOR THE ATOMIC ENERGY COMMISSION

Lyall Johnson
Chief, Licensing Controls Branch

Dated: April 1, 1954

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A-2

This document consists of ^{31 Pages} ~~25~~ ^{appended} pages. No. 7 of 11. Series A.

CONTRACT NO. AT(29-6)-993

THIS CONTRACT, entered into this 18th day of July, 1955, by and between the UNITED STATES OF AMERICA (hereinafter called the "Government") as represented by the UNITED STATES ATOMIC ENERGY COMMISSION (hereinafter called the "Commission") and RARE EARTHS, INC., a corporation organized under the laws of the State of New Jersey (hereinafter called the "Contractor").

WITNESSETH THAT:

WHEREAS, the Government desires to have the Contractor perform certain work and services as hereinafter provided; and

WHEREAS, the Contractor is willing to install the facilities to perform this work and to furnish the services upon the terms and conditions hereinafter stated; and

WHEREAS, this contract is authorized by law, including the Atomic Energy Act of 1954;

NOW, THEREFORE, the parties hereto do mutually agree as follows:

ARTICLE I - SCOPE OF THE WORK

- (1) The Commission agrees to deliver to the Contractor f.o.b. cars or trucks at a plant in Sewaren, New Jersey, or a plant in Baltimore, Maryland, designated by the Contractor, approximately 7,900 short tons of monazite at the rate of approximately 600 tons per month, beginning seven months after the first day of the month following the execution of the contract by the Commission, or such earlier date as is mutually agreeable to the Contractor and the Commission. In the event of delay in any delivery of monazite the Commission shall, if requested by the Contractor, make a determination of the delay occasioned the Contractor thereby and shall grant to the Contractor a reasonable extension of time in respect of performance of this contract.

The Government shall not be liable to the Contractor for damages or loss of profit by reason of any delay in delivery of monazite, except that in case of such delay, upon the written request of the Contractor an equitable adjustment shall be made in the delivery dates, or price or both, and in any other contractual provision affected thereby, in accordance with the procedures provided for in the article entitled "Changes."

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It is mutually agreed by the Commission and the Contractor that this contract is entered into on the assumption that the total amount of all monazite delivered by the Commission will contain the average ThO₂ content and the average Rare Earth Oxide content set forth in Appendix A and that in the event the average ThO₂ content and/or the average Rare Earth Oxide content of such monazite is less than the averages set forth in Appendix A an equitable adjustment will be made in the provisions of this contract relating to deliveries by the Contractor, guaranteed recoveries, and deductions for failure to deliver guaranteed recoveries. It is agreed that any containers used in furnishing monazite to the Contractor are, and shall remain, the property of the Government. The Contractor agrees to dispose of such containers as directed by the Contracting Officer. In the event that no instructions are received from the Contracting Officer within sixty (60) days of the date that each container is emptied, the Contractor may so advise the Commission and the Commission shall have 10 days to direct the disposition of the containers. If directions are not issued within this 10-day period, it shall be assumed that the containers have been abandoned and title to such containers shall pass to the Contractor.

- (2) The Contractor agrees to produce from the monazite furnished by the Commission crude thorium hydroxide and rare earths sodium sulfate conforming to the specifications set forth in Appendices C-3 and D-3 and to the guaranteed recoveries set forth in Article II - Specifications and Recovery.
- (3) The Contractor agrees to deliver the crude thorium hydroxide and rare earths sodium sulfate f.o.b. cars or trucks Contractor's plant where the monazite has been processed. Shipments shall be made by the Contractor in accordance with instructions of the Contracting Officer. Commission undertakes to give to Contractor shipping instructions at least one month in advance of anticipated deliveries of which it has been notified in writing. Unless otherwise authorized by the Contracting Officer crude thorium hydroxide shall be delivered in 44-gallon fibre drums with aluminum foil barrier construction to be in accordance with Consolidated Freight Classification 300 lb. net weight limit for shipment of thorium hydroxide, and rare earths sodium sulfate shall be delivered in 55-gallon steel drums meeting the following specifications: at least 18 gauge steel; full open head; bolted ring-type cover; corrosion resistant inner coating. The Contractor shall furnish all containers. Deliveries by the Contractor shall be commenced as early as practicable (but in no event later than the first day of the month which is twelve months after the first day of the month following execution of this contract by the Commission) and shall be continued in an approximately uniform manner, with final delivery not later than the date which is thirty months from the date which is the first day of the month following the execution of this contract by the Commission.

Commission agrees to pay the Contractor \$45.27 minus any adjustments as provided in the article of this contract entitled "Payments."

- (5) The Commission reserves the right to deliver to the Contractor prior to the first day of the month which is twenty-four months following the execution of this contract by the Commission up to 1,000 short tons of monazite in addition to that described in subsection 1 of this Article, and the Contractor agrees to process such additional monazite in accordance with the terms and conditions of this contract, except that the price is to be agreed upon; provided such monazite is received prior to such time.

ARTICLE II - SPECIFICATIONS AND RECOVERY

- (1) The crude thorium hydroxide delivered by the Contractor shall conform to the specifications set forth in Appendix D-3.
- (2) The Contractor agrees to recover and deliver as crude thorium hydroxide conforming to the specifications set forth in Appendix D-3 at least 95% of all the ThO_2 contained in the total amount of monazite furnished the Contractor, as determined pursuant to this contract and its appendices. The Contractor, at its option, may supplement the crude thorium hydroxide recovered from the monazite delivered by the Commission with crude thorium hydroxide obtained from other sources in order to deliver the percentage required by this section (2).
- (3) The rare earths sodium sulfate delivered by the Contractor shall conform to the specifications and the symbolic formula set forth in Appendix C-3.
- (4) The Contractor agrees to recover and deliver as rare earths sodium sulfate conforming to the specifications set forth in Appendix C-3 at least 95% of all the rare earths oxide contained in the total amount of monazite furnished the Contractor, as determined pursuant to this contract and its appendices. The Contractor, at its option, may supplement the rare earths sodium sulfate recovered from the monazite delivered by the Commission with rare earths sodium sulfate obtained from other sources in order to deliver the percentage required by this section (4).
- (5) If the Contractor recovers and delivers less than 85% of the rare earths oxide contained in the total amount of monazite furnished the Contractor, as determined pursuant to this Contract and its appendices,

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The Contractor agrees to obtain from the Commission and deliver to the Commission sufficient rare earths sodium sulfate conforming to the specifications set forth in Appendix C-3 to make deliveries equal 85% of the rare earths oxide contained in the total amount of monazite furnished the Contractor, as determined pursuant to this contract and its appendices.

ARTICLE III - WEIGHING, SAMPLING AND ANALYSING

- (1) All monazite, crude thorium hydroxide and rare earths sodium sulfate delivered under this contract shall be weighed, sampled, analysed and the moisture content determined in accordance with the methods set forth in the appendices to this contract, or in accordance with method mutually agreeable to the Commission and the Contractor, and at the expense of the Contractor except as otherwise provided in the appendices to this contract.
- (2) Unless otherwise authorized by the Contracting Officer all weighing and sampling of monazite, crude thorium hydroxide and rare earths sodium sulfate shall be performed in the presence of a duly authorized representative of the Commission.

ARTICLE IV - PAYMENTS

- (1) Each month (following a month when monazite is processed) the Contractor shall submit a properly certified invoice for monazite, processing of which was completed during the preceding month. A provisional payment, at the rate stipulated in Article I, of ninety percent (90%) of each properly certified invoice shall be made upon receipt of each invoice. After the amount withheld from such provisional payments equals \$100,000, future provisional payments at the rate stipulated in Article I, of one hundred percent (100%) of each properly certified invoice shall be made upon receipt of each invoice, except as provided in paragraph 2(d) of this article. The balance due, with adjustments as provided herein, shall be paid upon completion of deliveries required by this contract and upon completion of all weighing, sampling, moisture determination and analysis as provided in Article III hereof. Any overpayment, tentatively determined, or any overpayment, finally determined, shall be refunded forthwith by the Contractor or deducted from future payments as the Commission may direct.
- (2) Reports: Upon completion or termination of this contract, the Contractor shall submit with respect to performance during the entire contract period, a report on (i) the quantity of monazite processed, (ii) the ThO_2 and rare earths oxide content of monazite processed, as determined pursuant to the appendices of this contract, and (iii) the quantities of crude thorium hydroxide and rare earths sodium sulfate removed by processing monazite and delivered to the Commission. In addition to the above-described

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report; the Contractor shall deliver to the Commission at the end of the month following the first delivery of monazite to the Contractor and at the end of each succeeding three-month period, a report, on a cumulative basis from inception of the contract, furnishing similar information, adjusted for work in process at the end of the period covered.

(3) Adjustments:

(a) If upon completion of deliveries required by this contract the total quantity of ThO_2 contained in the crude thorium hydroxide delivered to the Commission is less than 95% of the total ThO_2 contained in the monazite delivered to the Contractor, a deduction will be made in accordance with the following schedule:

<u>Percent of ThO_2 Content of Monazite Recovered in Crude Thorium Hydroxide</u>	<u>Deduction Per Unrecovered Pound of ThO_2 Under 95% Contained in Monazite if Less than 95% is Recovered</u>
Less than 95% but not less than 94%	\$2.50
Less than 94% but not less than 93%	\$3.00
Less than 93% but not less than 92%	\$3.50
Less than 92% but not less than 91%	\$4.00
Less than 91% but not less than 90%	\$4.50
Less than 90%	\$5.00

The deduction provided above shall be made from any amounts otherwise due the Contractor and if such deduction exceed the amounts due the Contractor, the Contractor shall forthwith pay the difference to the Commission.

(b) If upon completion of deliveries required by this contract the total quantity of rare earths oxide contained in the rare earths sodium sulfate delivered to the Commission is less than 95% of the total rare earths oxide contained in the monazite

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accordance with the following schedule:

<u>Percent of Rare Earths Oxide Content of Monazite Recovered in Rare Earths Sodium Sulfate</u>	<u>Deductions For Unrecovered Pound of Rare Earths Oxide Under 95% contained in Monazite if Less than 95% is Recovered</u>
Less than 95% but not less than 94%	\$0.05
Less than 94% but not less than 93%	\$0.10
Less than 93% but not less than 92%	\$0.15
Less than 92% but not less than 91%	\$0.20
Less than 91% but not less than 90%	\$0.25
Less than 90% but not less than 85%	\$0.50

The deduction provided above shall be made from any amounts otherwise due the Contractor and if such deduction exceeds the amounts due the Contractor, the Contractor shall forthwith pay the difference to the Commission.

(c) In the event that any product delivered hereunder does not meet the specifications set forth in Appendices C-3 or D-3 of this contract the Commission may, in its discretion, accept such product at an appropriate reduction in price as may be agreed upon by the parties. If the parties fail to agree upon an appropriate reduction in price the Commission shall determine an appropriate reduction in price subject to the right of appeal by the Contractor pursuant to the article entitled "Disputes." The Commission shall pay promptly 90% of the price determined by it, which shall be on account of any price finally determined in the event of an appeal by the Contractor.

ARTICLE V - CHANGES

The Contracting Officer may at any time, by a written order, make changes in the general scope of this contract, in any one or more of the following: (i) method of shipment or packing; and (ii) place of delivery. If any such change causes an increase or decrease in the cost of, or the time required for, performance of this contract, an equitable adjustment shall be made promptly in the contract price or delivery schedule, or both, and the contract shall be modified in writing accordingly. Any claim by the Contractor for adjustment under this clause must be asserted within

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tion of change; Provided, however, That the Contracting Officer, if he decides that the facts justify such action, may receive and act upon any such claim asserted at any time prior to final payment under this contract. Failure to agree to any adjustment shall be a dispute concerning a question of fact within the meaning of the article of this contract entitled "Disputes." However, nothing in this article shall excuse the Contractor from proceeding with the contract as changed.

ARTICLE VI - DISPUTES

Except as otherwise provided in this contract, any dispute concerning a question of fact arising under this contract which is not disposed of by agreement shall be decided by the Contracting Officer, who shall reduce his decision to writing and mail or otherwise furnish a copy thereof to the Contractor. Within 30 days from the date of receipt of such copy, the Contractor may appeal by mailing or otherwise furnishing to the Contracting Officer a written appeal addressed to the Commission, and the decision of the Commission shall, unless determined by a court of competent jurisdiction to have been fraudulent, arbitrary, capricious, or so grossly erroneous as necessarily to imply bad faith, or not supported by substantial evidence, be final and conclusive: Provided, That, if no such appeal to the Commission is taken, the decision of the Contracting Officer shall be final and conclusive. In connection with any appeal proceeding under this clause, the Contractor shall be afforded an opportunity to be heard and to offer evidence in support of its appeal. Pending final decision of a dispute hereunder, the Contractor shall proceed diligently with the performance of the contract and in accordance with the Contracting Officer's decision.

ARTICLE VII - ASSIGNMENT

- (1) Subject to section (2) of this article, neither this contract nor any interest therein nor claim thereunder shall be assigned or transferred by the Contractor, except as expressly authorized in writing by the Contracting Officer.
- (2) Pursuant to the provisions of the Assignment of Claims Act of 1940 (31 U. S. Code 203, 41 U. S. Code 15), if this contract provides for payments aggregating \$1,000 or more, claims for moneys due or to become due the Contractor from the Government under this contract may be assigned to a bank, trust company, or other financing institution, including any Federal lending agency, and may thereafter be further assigned and reassigned to any such institution. Any such assignment or reassessment shall cover all amounts payable under this contract and not already paid, and shall not be made to more than one party,

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except that any such assignment or reassignment may be made to one party as agent or trustee for two or more parties participating in such financing. Notwithstanding any provision of this contract, payment to an assignee of any claim under this contract shall not be subject to reduction or set-off, to the extent provided in said Act as amended.

ARTICLE VIII - EXAMINATION OF RECORDS

- (1) The Contractor agrees that the Commission and the Comptroller General of the United States or any of their duly authorized representatives shall have access to and the right to examine any directly pertinent books, documents, papers, and records of the Contractor involving transactions related to this contract until the expiration of three years after final payment under this contract unless the Commission authorizes their prior disposition.
- (2) The Contractor further agrees to include in all his sub-contracts hereunder a provision to the effect that the subcontractor agrees that the Comptroller General of the United States or any of his duly authorized representatives shall have access to and the right to examine any directly pertinent books, documents, papers, and records of such subcontractor involving transactions related to the sub-contract until the expiration of three years after final payment under this contract unless the Commission authorizes their prior disposition. The term "subcontract" as used herein means any purchase order or agreement to perform all or any part of the work or to make or furnish any materials required for the performance of this contract, but does not include (i) purchase orders not exceeding \$1,000, (ii) subcontracts or purchase orders for public utility services at rates established for uniform applicability to the general public, or (iii) subcontracts or purchase orders for general inventory items not specifically identifiable with the work under this contract.
- (3) Nothing in this contract shall be deemed to preclude an audit by the General Accounting Office of any transaction under this contract.

ARTICLE IX - INSPECTION OF CONTRACTOR'S ACTIVITIES, REPORTS

- (1) The Commission shall have the right to inspect at reasonable times all activities of the Contractor arising in the course of the work under this contract.
- (2) The Contractor shall make such reports to the Commission with respect to the Contractor's activities under this contract as the Commission may reasonably require from time to time.

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ARTICLE X - SECURITY

- (1) Contractor's Duty to Safeguard Restricted Data and Other Classified Information. In the performance of the work under this contract the Contractor shall, in accordance with the Commission's security regulations and requirements, be responsible for safeguarding restricted data and other classified matter and protecting against sabotage, espionage, loss and theft, the classified documents, materials, equipment, processes, etc., as well as such other material of high intrinsic or strategic value as may be in the Contractor's possession in connection with performance of work under this contract. Except as otherwise expressly provided in the specifications the Contractor shall upon completion or termination of this contract transmit to the Commission any classified matter in the possession of the Contractor or any person under the Contractor's control in connection with performance of this contract.
- (2) Regulations. The Contractor agrees to conform to all security regulations and requirements of the Commission and the Commission agrees to reimburse the Contractor for all necessary and reasonable expenses incurred as a result of any changes in the security regulations and requirements relating to this contract.
- (3) Definition of Restricted Data. The term "Restricted Data," as used in this article, means all data concerning (1) design, manufacture or utilization of atomic weapons; (2) the production of special nuclear material; or (3) the use of special nuclear material in the production of energy, but shall not include data declassified or removed from the Restricted Data category pursuant to section 142 of the Atomic Energy Act of 1954.
- (4) Security Clearance of Personnel. Except as the Commission may authorize, in accordance with the Atomic Energy Act of 1954, the Contractor shall not permit any individual to have access to Restricted Data until the designated investigating agency shall have made an investigation and report to the Commission on the character, associations, and loyalty of such individual and the Commission shall have determined that permitting such person to have access to Restricted Data will not endanger the common defense and security. As used in this paragraph, the term "designated investigating agency" means the United States Civil Service Commission or the Federal Bureau of Investigation, or both, as determined pursuant to the provisions of the Atomic Energy Act of 1954.
- (5) Criminal Liability. It is understood that disclosure of Restricted Data and other classified information relating to the work or services ordered hereunder to any person not entitled to receive it, or failure to safeguard any Restricted Data or any top secret,

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secret, or confidential matter that may come to the Contractor or any person under the Contractor's control in connection with work under this contract, may subject the Contractor, his agents, employees, and subcontractors to criminal liability under the laws of the United States. (See the Atomic Energy Act of 1954, 68 Stat. 919. See also Title 18, U. S. C. Sec. 791-798 and Executive Order 10104 of February 1, 1950, 15 F.R. 597.)

- (6) Subcontracts and Purchase Orders. Except as otherwise authorized in writing by the Contracting Officer, the Contractor shall insert provisions similar to the foregoing in all subcontracts and purchase orders under this contract.

ARTICLE XI - SUBCONTRACTS

The Contractor shall not subcontract any part of the work it is obligated to perform under this contract except as authorized in writing by the Commission.

ARTICLE XII - LABOR

- (1) Eight Hour Laws

This contract, to the extent that it is of a character specified in the Eight-Hour Law of 1912 as amended (40 U. S. Code 324-326) and is not covered by the Walsh-Healey Public Contracts Act (41 U. S. Code 35-45), is subject to the following provisions and exceptions of said Eight-Hour Law of 1912 as amended, and to all other provisions and exceptions of said Law:

No laborer or mechanic doing any part of the work contemplated by this contract, in the employ of the Contractor or any subcontractor contracting for any part of the said work, shall be required or permitted to work more than eight hours in any one calendar day upon such work, except upon the condition that compensation is paid to such laborer or mechanic in accordance with the provisions of this clause. The wages of every such laborer and mechanic employed by the Contractor or any subcontractor engages in the performance of this contract shall be computed on a basic day rate of eight hours per day; and work in excess of eight hours per day is permitted only upon the condition that every such laborer and mechanic shall be compensated for all hours worked in excess of eight hours per day at not less than one and one-half times the basic rate of pay. For each violation of the requirement of this clause a penalty of five dollars shall be imposed upon the Contractor for each such laborer or mechanic for every calendar day in which such employee is required or permitted to labor more than eight hours upon said work without receiving compensation computed in accordance with this clause; and all penalties thus imposed shall be withheld for the use and benefit of the Government

(2) Walsh-Herley Public Contracts Act

To the extent that this contract is subject to the Walsh-Herley Public Contracts Act, as amended (41 U. S. Code 35-45), there are hereby incorporated by reference the representations and stipulations required by said Act and regulations issued thereunder by the Secretary of Labor, such representations and stipulations being subject to all applicable rulings and interpretations of the Secretary of Labor which are now or may hereafter be in effect.

(3) Convict Labor

In connection with the performance of work under this contract the Contractor shall not employ any person undergoing sentence of imprisonment at hard labor.

(4) Nondiscrimination

(a) In connection with the performance of work under this contract, the Contractor agrees not to discriminate against any employee or applicant for employment because of race, religion, color, or national origin. The aforesaid provision shall include, but not be limited to, the following: employment, upgrading, demotion, or transfer; recruitment or recruitment advertising; layoff or termination; rates of pay or other forms of compensation; and selection for training, including apprenticeship. The Contractor agrees to post hereafter in conspicuous places, available for employees and applicants for employment, notices to be provided by the Contracting Officer setting forth the provisions of the non-discrimination clause.

(b) The Contractor further agrees to insert the provisions of section (4)(a) above in all subcontracts hereunder, except subcontracts for standard commercial supplies or raw materials.

ARTICLE XIII - PATENTS

(1) Whenever any invention or discovery is made or conceived by the Contractor or its employees in the course of, in connection with, or under the terms of this contract, the Contractor shall furnish the Commission with complete information thereon; and the Commission shall have the sole power to determine whether or not and where a patent application shall be filed, and to determine the disposition of the title to and the rights under any application or patent that may result; provided, however, that the Contractor in any event, shall retain at least a sole (except as against the Government or its account), irrevocable, royalty-free license with the sole right

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to grant sublicenses, under said invention, discovery, application or patent, such license being limited to the manufacture, use, and sale for purposes other than use in the production or utilization of source material or values associated therewith, special nuclear material or atomic energy. Subject to the license retained by the Contractor, as provided in this paragraph, the judgment of the Commission on these matters shall be accepted as final; and the Contractor, for itself and for its employees, agrees that the inventor or inventors will execute all documents and do all things necessary or proper to carry out the judgment of the Commission.

- (2) No claim for pecuniary award or compensation under the provisions of the Atomic Energy Acts of 1946 and 1954 shall be asserted by the Contractor or its employees with respect to any invention or discovery made or conceived in the course of, in connection with, or under the terms of this contract.
- (3) Except as otherwise authorized in writing by the Commission the Contractor will obtain patent agreements to effectuate the purposes of paragraphs 1 and 2 of this article from all persons who perform any part of the work under this contract, except such clerical and manual labor personnel as will not have access to technical data.
- (4) Except as otherwise authorized in writing by the Commission, the Contractor will insert in all subcontracts provisions making this article applicable to the subcontractor and its employees.
- (5) Patent Indemnity

The Contractor agrees to indemnify the Government, its officers, agents, servants and employees against liability of any kind (including costs and expenses incurred) for the use of any invention or discovery and for the infringement of any Letters Patent (not including liability, arising pursuant to Section 183, Title 35, (1952) U.S. Code, prior to the issuance of Letters Patent) occurring in the performance of this contract.

ARTICLE XIV - TAXES

(1) Definitions

As used throughout this article, the following terms shall have the meanings set forth below:

- (a) The term "direct tax" means any tax or duty directly applicable to the completed supplies or services covered by this contract, or any other tax or duty from which the Contractor or this

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transaction is exempt. It includes any tax or duty directly applicable to the importation, production, processing, manufacture, construction, sale, or use of such supplies or services covered by this contract. The term does not include transportation taxes, unemployment compensation taxes, social security taxes, income taxes, excess-profits taxes, capital stock taxes, property taxes, and such other taxes as are not within the definition of the term "direct tax" as set forth above in this paragraph.

(b) The term "contract date" means the effective date of this contract if it is a negotiated contract, or the date set for the opening of bids if it is a contract entered into as a result of formal advertising.

(2) Federal Taxes.

Except as may be otherwise provided in this contract, the contract price includes all applicable Federal taxes in effect on the contract date.

(3) State or Local Taxes.

Except as may be otherwise provided in this contract, the contract price does not include any State or local direct tax in effect on the contract date.

(4) Evidence of Exemption.

The Commission agrees, upon request of the Contractor, to furnish a tax exemption certificate or other similar evidence of exemption with respect to any direct tax not included in the contract price pursuant to this article; and the Contractor agrees, in the event of the refusal of the applicable taxing authority to accept such evidence of exemption, (i) promptly to notify the Contracting Officer of such refusal, (ii) to cause the tax in question to be paid in such manner as to preserve all rights to refund thereof, and (iii) if so directed by the Contracting Officer, to take all necessary action, in cooperation with and for the benefit of the Government, to secure a refund of such tax (in which event the Commission agrees to reimburse the Contractor for any and all reasonable expenses incurred at its direction).

(5) Price Adjustment.

If, after the contract date, the Federal Government or any State or local government either (i) imposes or increases (or removes an exemption with respect to) any direct tax, or any tax directly applicable to the materials or components used in the

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manufacture or furnishing of the completed supplies or services covered by this contract, or (ii) refuses to accept the evidence of exemption, furnished under paragraph (4) hereof, with respect to any direct tax excluded from the contract price, and if under either (i) or (ii) the Contractor is obliged to and does pay or bear the burden of any such tax (and does not secure a refund thereof), the contract price shall be correspondingly increased. If, after the contract date, the Contractor is relieved in whole or in part from the payment or the burden of any direct tax included in the contract price, or any tax directly applicable to the materials or components used in the manufacture or furnishing of the completed supplies or services covered by this contract, the Contractor agrees promptly to notify the Contracting Officer of such relief, and the contract price shall be correspondingly decreased or the amount of such relief paid over to the Government. Invoices or vouchers covering any increase or decrease in contract price pursuant to the provisions of this paragraph shall state the amount thereof, as a separate added or deducted item, and shall identify the particular tax imposed, increased, eliminated, or decreased.

(6) Refund or Drawback

If any tax or duty has been included in the contract price or the price as adjusted under paragraph (5) of this article, and if the Contractor is entitled to a refund or drawback by reason of the export or re-export of supplies covered by this contract, or of materials or components used in the manufacture or furnishing of the completed supplies or services covered by this contract, the Contractor agrees that he will promptly notify the Contracting Officer thereof and that the amount of any such refund or drawback obtained will be paid over to the Government or credited against amounts due from the Government under this contract: Provided, however, That the Contractor shall not be required to apply for such refund or drawback unless so requested by the Contracting Officer.

ARTICLE XV - GOVERNMENT AGAINST CONTINGENT FEES

The Contractor warrants that no person or selling agency has been employed or retained to solicit or secure this contract upon an agreement or understanding for a commission, percentage, brokerage, or contingent fee, excepting bona fide employees or bona fide established commercial or selling agencies maintained by the Contractor for the purpose of securing business. For breach or violation of this warranty, the Government shall have the right to annul this contract without liability or in its discretion to deduct from the contract price or consideration the

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full amount of such commission, percentage, brokerage, or contingent fee.

ARTICLE XVI - OFFICIALS NOT TO BENEFIT

No member of or delegate to Congress, or resident commissioner, shall be admitted to any share or part of this contract, or to any benefit that may arise therefrom; but this provision shall not be construed to extend to this contract if made with a corporation for its general benefit.

ARTICLE XVII - BUY AMERICAN ACT

The Contractor agrees that there will be delivered under this contract only such unmanufactured articles, materials and supplies (which term "articles, materials and supplies" is hereinafter referred to in this clause as "supplies"), as have been mined or produced in the United States, and only such manufactured supplies as have been manufactured in the United States substantially all from supplies mined, produced or manufactured, as the case may be, in the United States. The foregoing provisions shall not apply (i) with respect to supplies exempted by the Commission from the application of the Buy American Act (41 U. S. C. 10a-4), (ii) with respect to supplies for use outside the United States, or (iii) with respect to supplies to be delivered under this contract which are of a class or kind determined by the Commission not to be mined, produced, or manufactured, as the case may be, in the United States in sufficient and reasonably available commercial quantities and of a satisfactory quality, or (iv) with respect to such supplies, from which the supplies to be delivered under this contract are manufactured, as are of a class or kind determined by the Commission not to be mined, produced, or manufactured, as the case may be, in the United States in sufficient and reasonably available commercial quantities and of a satisfactory quality, provided that this exception (iv) shall not permit delivery of supplies manufactured outside the United States if such supplies are manufactured in the United States in sufficient and reasonable available commercial quantities and of a satisfactory quality. The Commission confirms that the product, crude thorium hydroxide, to be delivered by the Contractor hereunder, and the monazite from which that product and rare earths is derived and the rare earths extracted from monazite furnished by the Commission, are excepted from the terms of the "Buy American Act."

ARTICLE XVII - PROPERTY

- (1) Title to monazite delivered to the Contractor and to all materials extracted under this contract from such monazite shall be in the Government and shall remain in the Government throughout the

performance of all work hereunder. The Contractor may without accountability to the Commission dispose of gangue and other residue and effluent as the work progresses by any means other than sale or transfer to others (or by sale or transfer to others if the same is approved by the Contracting Officer) or may use or sell or transfer the effluent in other operations or products of the Contractor. If the Commission shall request and a mutually satisfactory method is available, the Contractor shall recover and deliver to the Commission uranium values contained in the effluent provided the Commission shall compensate the Contractor by a mutually satisfactory processing fee.

- (2) The Contractor shall be liable for loss or destruction of or damage to Government-furnished property except where such loss, destruction, or damage is due to any excepted peril, as hereinafter defined; provided, further, that notwithstanding the foregoing the Contractor shall be liable where such loss, destruction, or damage is due to any excepted peril through failure of the Contractor to comply with paragraph 3 or through the wilful misconduct or lack of good faith on the part of the Contractor's managerial personnel, as hereinafter defined. The term "excepted perils" shall mean: Fire; lightning; windstorm; cyclone; tornado; hail; explosion; riot attending a strike; civil commotion; vandalism and malicious mischief; aircraft or objects falling therefrom; vehicles running on land or tracks (excluding vehicles owned or operated by the Contractor or any agent or employee of the Contractor); smoke; sprinkler leakage; earthquake or volcanic eruption; flood, meaning thereby rising of rivers or streams; enemy attack or any action by the military, navy, or air forces of the United States in resisting enemy attack.

The term "Contractor's managerial personnel" shall mean the Contractor's directors, officers and any of its managers, superintendents, or other equivalent representatives who have supervision or direction of

1. all or substantially all of the Contractor's business; or
2. all or substantially all of the Contractor's operation at any one plant or separate location at which the contract is being performed; or
3. a separate and complete major industrial operation in connection with the performance of the contract; or
4. a separate and complete major construction, alteration or repair operation in connection with the performance of the contract.

The Government, at its discretion, may repair or replace Government-furnished material that has been lost or destroyed for which the Contractor is not liable. If the Contractor is not liable under this subparagraph for the loss or destruction of Government-furnished property, the amount of such property lost or destroyed shall be deducted prior to computing any price adjustment pursuant to Article IV or prior to computing the minimum delivery of rare earths oxide pursuant to Article II (5).

- (3) The Contractor shall take all reasonable precautions, as directed by the Contracting Officer, or in the absence of such directions in accordance with sound industrial practice, to safeguard and protect Government property in the Contractor's possession or custody. Special measures shall be taken by the Contractor in the protection of and accounting for any classified or special materials involved in the performance of this contract, in accordance with the regulations and requirements of the Commission.

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- (4) Upon the happening of any loss or destruction, of or damage to Government-furnished property in the possession or custody of the Contractor, the Contractor shall immediately inform the Commission of the occasion and extent thereof, shall take all reasonable steps to protect the property remaining, and shall, except to the extent that the Contractor is relieved of liability in accordance with paragraph 2, repair or replace, if and as directed by the Contracting Officer, the lost, destroyed, or damaged Government-furnished property, but shall take no action prejudicial to the right of the Government to recover therefor from third parties and shall furnish to the Government on request all reasonable assistance in obtaining such recovery.

ARTICLE XIX - TERMINATION FOR DEFAULT

- (1) The Commission may, subject to the provisions of paragraph (2) below, by written Notice of Default to the Contractor terminate the whole or any part of this contract in any one of the following circumstances:
- (1) if the Contractor fails to make delivery of the supplies or to perform the services within the time specified herein or any extension thereof; or

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- (ii) if the Contractor fails to perform any of the other provisions of this contract, or so fails to make progress as to endanger performance of this contract in accordance with its terms, and in either of these two circumstances does not cure such failure within a period of 10 days (or such longer period as the Contracting Officer may authorize in writing) after receipt of notice from the Contracting Officer specifying such failure.
- (2) The Contractor shall not be liable for any damages or excess cost if any failure to perform the contract arises out of causes beyond the control and without the fault or negligence of the Contractor. Such causes include, but are not restricted to, acts of God or of the public enemy, acts of Government, fires, floods, epidemics, quarantine restrictions, strikes, freight embargoes, inability to obtain essential equipment or materials, unusually severe weather, and defaults of subcontractors due to any of such causes unless the Contracting Officer shall determine that the supplies or services to be furnished by the subcontractor were obtainable from other sources in sufficient time to permit the Contractor to meet the required delivery schedule.
- (3) In the event the Commission terminates this contract in whole or in part as provided in paragraph (1) of this article, the Commission may procure, upon such terms and in such manner as the Contracting Officer may deem appropriate, supplies or services similar to those so terminated, and the Contractor shall be liable to the Commission for any excess costs for such similar supplies or services, Provided, that the Contractor shall continue the performance of this contract to the extent not terminated under the provisions of this clause.
- (4) If this contract is terminated as provided in paragraph (1) of this clause, the Commission, in addition to any other rights provided in this clause, may require the Contractor to transfer title (if title is not in the Government) and deliver to the Commission, in the manner and to the extent directed by the Contracting Officer, (i) any completed supplies, and (ii) such partially completed supplies and materials, parts, tools, dies, jigs, fixtures, plans, drawings, information, and contract rights (hereinafter called "manufacturing materials") as the Contractor has specifically produced or specifically acquired for the performance of such part of this contract as has been terminated; and the Contractor shall, upon direction of the Contracting Officer, protect and preserve property in possession of the Contractor in which the Government has an interest. The Government shall pay to the Contractor the contract price for completed supplies delivered to and accepted by the Commission, and the amount agreed upon by the Contractor and the Contracting Officer for manufacturing materials delivered to and accepted by the Commission and for the protection and preservation of property. Failure to agree shall be a dispute concerning a question of fact within the meaning of the clause

of this contract entitled "Disputes."

- (5) If, after notice of termination of this contract under the provisions of paragraph (1) of this clause, it is determined that the failure to perform this contract is due to causes beyond the control and without the fault or negligence of the Contractor pursuant to the provisions of paragraph (2) of this clause, such Notice of Default shall be deemed to have been issued pursuant to the clause of this contract entitled "Termination for Convenience of the Government," and the rights and obligations of the parties hereto shall in such event be governed by such clause.
- (6) The rights and remedies of the Government provided in this article shall not be exclusive and are in addition to any other rights and remedies provided by law or under this contract.

ARTICLE XX - TERMINATION FOR CONVENIENCE OF THE GOVERNMENT - -

- (1) The Commission may at any time terminate performance of all or part of the work under this contract for the convenience of the Government, by written notice to the Contractor stating the ground for termination. Such termination shall be effective in the manner and upon the date specified in said notice and shall be without prejudice to any claims which the Government may have against the Contractor. Upon receipt of such notice, the Contractor shall, unless the notice directs otherwise -
- (a) complete processing of such monazite as is being processed at the time of the termination; immediately discontinue all other work and the placing of all orders for materials, facilities, and supplies in connection with the performance of this contract, except to the extent needed to complete processing of monazite in process as aforesaid;
 - (b) proceed to cancel promptly all existing orders and terminate all subcontracts insofar as such orders or subcontracts are related to this contract, except to the extent needed to complete processing of monazite in process as set forth in paragraph (a) above,
 - (c) assign to the Government in the manner and to the extent directed by the Commission all the right, title and interest of the Contractor under the terminated portion of the orders and subcontracts so terminated.
- (2) Upon such termination of performance of work under this contract for the convenience of the Government, full and complete settlement of all claims of the Contractor arising out of such termination

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shall be made as follows:

- (a) The Government shall reimburse the Contractor for such further expenditures made after the date of termination for the protection of Government property, for the cost to the Contractor of terminating subcontracts and canceling orders as required by Article XX, and for such legal and accounting services in connection with the settlement of this contract as are required or approved by the Commission.
- (b) The Contractor shall be paid, according to the contract terms, the unpaid balance for products delivered in accordance with the contract terms to the date of termination, and for such products which were in process at the time of termination and which were completed pursuant to paragraph 1 (a) of this article and delivered in accordance with the contract terms.
- (c) The Commission shall promptly reimburse the Contractor for the capital cost to the Contractor of machinery, equipment, installations and plant (all of which is collectively referred to as plant) provided specially for the purposes of this contract as certified by the Contractor and audited and approved by the Commission which approval will not be unreasonably withheld, or 1.9 million dollars, whichever is the lesser, as reduced by (a) the capital cost of the plant or 1.9 million dollars, whichever is the lesser, divided by 7900 multiplied by the number of tons of monazite completely processed by the Contractor and (b) the agreed value of such plant at the date of termination. Failure to agree will be considered a dispute within the meaning of Article VI. In lieu of the agreed value of the plant or of a portion thereof, there shall be substituted the net proceeds of sale of the plant or such portion thereof, less the cost of dismantling the plant or such portion thereof, if the Commission and Contractor agree on such sale and the terms thereof. The dollar figure in this paragraph (c) assumes that the plant will be located at Baltimore, Maryland. In the event the plant is located at Sewaren, New Jersey, the amount of 1.9 million dollars shall remain the same.
- (d) The obligation of the Government to make any of the payments required by this article shall be subject to any unsettled claims in connection with this contract which the Government may have against the Contractor.
- (e) Any other provisions of this contract to the contrary notwithstanding, the Contractor and the Commission may agree upon the whole or any part of the amount or amounts which the Contractor is to receive upon and in connection with any termination pursuant to this article. Any agreement so reached shall be evidenced by a supplemental agreement to

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this contract which shall be final and binding upon the parties with regard to their respective claims against each other concerning this contract except as therein otherwise expressly provided.

- (f) The foregoing provisions of this article shall in no way affect or limit the rights which the Government may have as the result of default by the Contractor under this contract.

ARTICLE XXI - DEFINITIONS

(1) As used in this contract:

- (a) The term "Contracting Officer" means the person executing this contract on behalf of the Government and includes his successors or any duly authorized representative of any such person.
- (b) The term "Commission" means the United States Atomic Energy Commission or any duly authorized representative thereof, including the Contracting Officer except for the purpose of deciding an appeal under the article entitled "Disputes."

IN WITNESS WHEREOF, the parties hereto have executed this contract as of the date and year first above written.

THE UNITED STATES OF AMERICA

BY: UNITED STATES ATOMIC ENERGY COMMISSION

Date of Signing by the Commission

July 18, 1955

James H. Johnson
Director, Division of Raw Materials

RARE EARTHS, INC.

Witnesses:

Peter J. Asaro, President R.E. BY: *Richard L. Stone* *Richard M. Mendel*

Peter J. Asaro, President R.E. TITLE: Vice Pres. Vice Pres.

Date of Signing by Rare Earths, Inc.

July 16, 1955

OFFICIAL USE ONLY

MONTHLY REPORT OF PROCESSORS OF URANIUM
AND THORIUM SOURCE MATERIALS

PURSUANT TO CODE OF FEDERAL REGULATIONS,
TITLE 10—ATOMIC ENERGY, PART 40—
CONTROL OF SOURCE MATERIAL

1. PROCESSOR'S NAME

A-3

Rare Earths, Inc.

ADDRESS

P.O. Box 488, Pompton Plains,

AEC LICENSE NO.

N.J.

R-132

2. REPORT FOR MONTH OF

November, 1955

To: U. S. Atomic Energy Commission,
P. O. Box 30, Ansonia Station,
New York 23, N. Y.

INSTRUCTIONS.—File two (2) copies of this report with the U. S. Atomic Energy Commission, P. O. Box 30, Ansonia Station, New York 23, N. Y., not later than 15 days after the end of each month in which you transferred, delivered, or held possession of or title to any source material. Inventory means all source material in your possession or to which you have title, regardless of location.

3. Summary of receipts, deliveries, and inventories of source material during the month. (The entries for "Receipts" and "Deliveries" below should be the totals of transfers of each grade of source material. List in block 5 on the reverse side each receipt form and delivery to others included in these totals.)

(i) Raw source material (excluding residues and tailings).

Figures are reported in Short Tons (Specify unit of measure).

DESCRIPTION OF RAW SOURCE MATERIAL AND URANIUM AND THORIUM CONTENT (a)	INVENTORY BEGINNING OF MONTH (b)	RECEIPTS FROM OWN PRODUCTION AND PURCHASES (c)	TOTAL (b) and (c) (d)	DELIVERIES TO:		INVENTORY END OF MONTH (g)
				Process (e)	Others (f)	
Monazite Sand	115.2	-	115.2	25	-	90.2

(ii) Residues and tailings.

Figures are reported in Lbs. ThO₂ (Specify unit of measure).

DESCRIPTION OF RAW SOURCE MATERIAL AND URANIUM AND THORIUM CONTENT (a)	INVENTORY BEGINNING OF MONTH (b)	RECEIPTS PROCESS (c)	FROM OTHERS (d)	TOTAL (b) and (c) and (d) (e)	DELIVERIES TO:		INVENTORY END OF MONTH (h)
					Process (f)	Others (g)	
Thorium Sludge	28,642	2,196	-	30,838	3,164		27,674

(iii) Refined source material.

Figures are reported in Lbs. ThO₂ (Specify unit of measure).

DESCRIPTION OF REFINED SOURCE MATERIAL AND URANIUM AND THORIUM CONTENT (a)	INVENTORY BEGINNING OF MONTH (b)	RECEIPTS PROCESS (c)	FROM OTHERS (d)	TOTAL (b) and (c) and (d) (e)	DELIVERIES TO:		INVENTORY END OF MONTH (A)
					Further Processing (f)	Others (g)	
Refining Process	5,974	3,164		9,138			9,269
Finished Stock	691					20	671

(iv) Source material in process.

Estimated uranium and thorium content in inventory.

At beginning of month 13,000 At end of month 9,700

MONTHLY REPORT OF PROCESSORS OF URANIUM
AND THORIUM SOURCE MATERIALS

PURSUANT TO DE OF FEDERAL REGULATIONS,
TITLE 10—ATOMIC ENERGY, PART 40—
CONTROL OF SOURCE MATERIAL

1. PROCESSOR'S NAME

Rare Earths, Inc.

ADDRESS

P.O. Box 488, Pompton Plains, NJ

AEC LICENSE NO.

R-132

2. REPORT FOR MONTH OF

December, 1955

To: U. S. Atomic Energy Commission,
P. O. Box 30, Ansonia Station,
New York 23, N. Y.

INSTRUCTIONS.—File two (2) copies of this report with the U. S. Atomic Energy Commission, P. O. Box 30, Ansonia Station, New York 23, N. Y., not later than 15 days after the end of each month in which you transferred, delivered, or held possession of or title to any source material. Inventory means all source material in your possession or to which you have title, regardless of location.

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(i) Raw source material (excluding residues and tailings).

Figures are reported in Short Tons (Specify unit of measure).

DESCRIPTION OF RAW SOURCE MATERIAL AND URANIUM AND THORIUM CONTENT (a)	INVENTORY BEGINNING OF MONTH (b)	RECEIPTS FROM OWN PRODUCTION AND PURCHASES (c)	TOTAL (b) and (c) (d)	DELIVERIES TO:		INVENTORY END OF MONTH (g)
				Process (e)	Others (f)	
Monazite	90.25	19.0	109.25	30		79.3

(ii) Residues and tailings.

Figures are reported in Lbs. ThO₂ (Specify unit of measure).

DESCRIPTION OF RAW SOURCE MATERIAL AND URANIUM AND THORIUM CONTENT (a)	INVENTORY BEGINNING OF MONTH (b)	RECEIPTS PROCESS (c)	FROM OTHERS (d)	TOTAL (b) and (c) and (d) (e)	DELIVERIES TO:		INVENTORY END OF MONTH (h)
					Process (f)	Others (g)	
Thorium Sludge	27,674	2,665		30,339	3,007		27,322

(iii) Refined source material.

Figures are reported in Lbs. ThO₂ (Specify unit of measure).

DESCRIPTION OF REFINED SOURCE MATERIAL AND URANIUM AND THORIUM CONTENT (a)	INVENTORY BEGINNING OF MONTH (b)	RECEIPTS PROCESS (c)	FROM OTHERS (d)	TOTAL (b) and (c) and (d) (e)	DELIVERIES TO:		INVENTORY END OF MONTH (h)
					Further Processing (f)	Others (g)	
Refining Process	9,269	3,007		12,276	5,850	517	5,909
Finished Stock	671	5,850		6,521	6,000	1	520

(iv) Source material in process.

Estimated uranium and thorium content in inventory.

At beginning of month 9,700 At end of month 5,600

MONTHLY REPORT OF PROCESSORS OF URANIUM
AND THORIUM SOURCE MATERIALS

PURSUANT TO CODE OF FEDERAL REGULATIONS,
TITLE 10—ATOMIC ENERGY, PART 40—
CONTROL OF SOURCE MATERIAL

1. PROCESSOR'S NAME

Rare Earths, Inc.

ADDRESS

P. O. Box 488, Pompton Plains, N. J.

AEC LICENSE NO.

R-132

2. REPORT FOR MONTH OF

January, 1956

To: U. S. Atomic Energy Commission,
P. O. Box 30, Ansonia Station,
New York 23, N. Y.

INSTRUCTIONS.—File two (2) copies of this report with the U. S. Atomic Energy Commission, P. O. Box 30, Ansonia Station, New York 23, N. Y., not later than 15 days after the end of each month in which you transferred, delivered, or held possession of or title to any source material. Inventory means all source material in your possession or to which you have title, regardless of location.

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(i) Raw source material (excluding residues and tailings).

Figures are reported in Short Tons (Specify unit of measure).

DESCRIPTION OF RAW SOURCE MATERIAL AND URANIUM AND THORIUM CONTENT (a)	INVENTORY BEGINNING OF MONTH (b)	RECEIPTS FROM OWN PRODUCTION AND PURCHASES (c)	TOTAL (b) and (c) (d)	DELIVERIES TO:		INVENTORY END OF MONTH (g)
				Process (e)	Others (f)	
Monazite	79.3	-	79.3	21.3		58

(ii) Residues and tailings.

Figures are reported in _____ (Specify unit of measure).

DESCRIPTION OF RAW SOURCE MATERIAL AND URANIUM AND THORIUM CONTENT (a)	INVENTORY BEGINNING OF MONTH (b)	RECEIPTS PROCESS (c)	FROM OTHERS (d)	TOTAL (b) and (c) and (d) (e)	DELIVERIES TO:		INVENTORY END OF MONTH (h)
					Process (f)	Others (g)	
Thorium Sludge	27,322	1963		29,285	1477		27,808

(iii) Refined source material.

Figures are reported in _____ (Specify unit of measure).

DESCRIPTION OF REFINED SOURCE MATERIAL AND URANIUM AND THORIUM CONTENT (a)	INVENTORY BEGINNING OF MONTH (b)	RECEIPTS PROCESS (c)	FROM OTHERS (d)	TOTAL (b) and (c) and (d) (e)	DELIVERIES TO:		INVENTORY END OF MONTH (h)
					Further Processing (f)	Others (g)	
Refining Process	5909	1477		7386			6774
Finished Stock	520		7246	7766		5	7761

(iv) Source material in process.

Estimated uranium and thorium content in inventory.

At beginning of month 5600 At end of month 2600

MONTHLY REPORT OF PROCESSORS OF URANIUM
AND THORIUM SOURCE MATERIALS

PURSUANT TO CODE OF FEDERAL REGULATIONS,
TITLE 10—ATOMIC ENERGY, PART 40—
CONTROL OF SOURCE MATERIAL

1. PROCESSOR'S NAME

Rare Earths, Inc.

A-6

ADDRESS

P. O. Box 488, Pompton Plains, NJ

AEC LICENSE NO.

R-132

2. REPORT FOR MONTH OF

February, 1956

To: U. S. Atomic Energy Commission,
P. O. Box 30, Ansonia Station,
New York 23, N. Y.

INSTRUCTIONS.—File two (2) copies of this report with the U. S. Atomic Energy Commission, P. O. Box 30, Ansonia Station, New York 23, N. Y., not later than 15 days after the end of each month in which you transferred, delivered, or held possession of or title to any source material. Inventory means all source material in your possession or to which you have title, regardless of location.

3. Summary of receipts, deliveries, and inventories of source material during the month. (The entries for "Receipts" and "Deliveries" below should be the totals of transfers of each grade of source material. List in block 5 on the reverse side each receipt for and delivery to others included in these totals.)

(i) Raw source material (excluding residues and tailings).

Figures are reported in Short Tons (Specify unit of measure).

DESCRIPTION OF RAW SOURCE MATERIAL AND URANIUM AND THORIUM CONTENT (a)	INVENTORY BEGINNING OF MONTH (b)	RECEIPTS FROM OWN PRODUCTION AND PURCHASES (c)	TOTAL (b) and (c) (d)	DELIVERIES TO:		INVENTORY END OF MONTH (g)
				Process (e)	Others (f)	
Monazite	58	28	86	22.5		53.5

(ii) Residues and tailings.

Figures are reported in Lbs. ThO₂ (Specify unit of measure).

DESCRIPTION OF RAW SOURCE MATERIAL AND URANIUM AND THORIUM CONTENT (a)	INVENTORY BEGINNING OF MONTH (b)	RECEIPTS FROM PROCESS (c)	FROM OTHERS (d)	TOTAL (b) and (c) and (d) (e)	DELIVERIES TO:		INVENTORY END OF MONTH (h)
					Process (f)	Others (g)	
Thorium Sludge	27,808	1,998	--	29,806	2,007		27,799

(iii) Refined source material.

Figures are reported in Lbs. ThO₂ (Specify unit of measure).

DESCRIPTION OF REFINED SOURCE MATERIAL AND URANIUM AND THORIUM CONTENT (a)	INVENTORY BEGINNING OF MONTH (b)	RECEIPTS FROM PROCESS (c)	FROM OTHERS (d)	TOTAL (b) and (c) and (d) (e)	DELIVERIES TO:		INVENTORY END OF MONTH (A)
					Further Processing (f)	Others (g)	
Refining Process	6,774	2,007		8,781	3,356		5,118
Finished Stock	7,761	3,356		11,117		2,000	9,117

(iv) Source material in process.

Estimated uranium and thorium content in inventory.

At beginning of month 2600 At end of month 4717

1. PROCESSOR'S NAME
Rare Earths, Inc.

ADDRESS
P.O. Box 488, Pompton Plains, N. J.

AEC LICENSE NO.
R - 132

2. REPORT FOR MONTH OF
March, 1956

MONTHLY REPORT OF PROCESSORS OF URANIUM AND THORIUM SOURCE MATERIALS

PURSUANT TO CODE OF FEDERAL REGULATIONS,
TITLE 10—ATOMIC ENERGY, PART 40—
CONTROL OF SOURCE MATERIAL

To: U. S. Atomic Energy Commission,
P. O. Box 30, Ansonia Station,
New York 23, N. Y.

INSTRUCTIONS.—File two (2) copies of this report with the U. S. Atomic Energy Commission, P. O. Box 30, Ansonia Station, New York 23, N. Y., not later than 15 days after the end of each month in which you transferred, delivered, or held possession of or title to any source material. Inventory means all source material in your possession or to which you have title, regardless of location.

3. Summary of receipts, deliveries, and inventories of source material during the month. (The entries for "Receipts" and "Deliveries" below should be the totals of transfers of each grade of source material. List in block 5 on the reverse side each receipt form and delivery to others included in these totals.)

(i) Raw source material (excluding residues and tailings).

Figures are reported in Short Tons (Specify unit of measure).

DESCRIPTION OF RAW SOURCE MATERIAL AND URANIUM AND THORIUM CONTENT (a)	INVENTORY BEGINNING OF MONTH (b)	RECEIPTS FROM OWN PRODUCTION AND PURCHASES (c)	TOTAL (b) and (c) (d)	DELIVERIES TO:		INVENTORY END OF MONTH (g)
				Process (e)	Others (f)	
Monazite	53.5	32.9	86.4	20		66.4

(ii) Residues and tailings.

Figures are reported in Lbs. ThO₂ (Specify unit of measure).

DESCRIPTION OF RAW SOURCE MATERIAL AND URANIUM AND THORIUM CONTENT (a)	INVENTORY BEGINNING OF MONTH (b)	RECEIPTS PROCESS (c)	FROM OTHERS (d)	TOTAL (b) and (c) and (d) (e)	DELIVERIES TO:		INVENTORY END OF MONTH (h)
					Process (f)	Others (g)	
Thorium Sludge	27,799	1,695	-	29,494	2,250		27,244

(iii) Refined source material.

Figures are reported in Lbs. ThO₂ (Specify unit of measure).

DESCRIPTION OF REFINED SOURCE MATERIAL AND URANIUM AND THORIUM CONTENT (a)	INVENTORY BEGINNING OF MONTH (b)	RECEIPTS PROCESS (c)	FROM OTHERS (d)	TOTAL (b) and (c) and (d) (e)	DELIVERIES TO:		INVENTORY END OF MONTH (h)
					Further Processing (f)	Others (g)	
Refining Process	5,118	2,250		7,368	4,092		2,934
Finished Stock	9,117	4,092		13,209		1,000	12,209

(iv) Source material in process.

Estimated uranium and thorium content in inventory.

At beginning of month 4,717 At end of month 7,748

MONTHLY REPORT OF PROCESSORS OF URANIUM
AND THORIUM SOURCE MATERIALS

PURSUANT TO CODE OF FEDERAL REGULATIONS,
TITLE 10—ATOMIC ENERGY, PART 40—
CONTROL OF SOURCE MATERIAL

To: U. S. Atomic Energy Commission,
P. O. Box 30, Ansonia Station,
New York 23, N. Y.

1. PROCESSOR'S NAME

RARE EARTHS, INC. A-8

ADDRESS

P.O. BOX 488, Pompton Plains, N. J.

AEC LICENSE NO.

R - 132

2. REPORT FOR MONTH OF

April, 1956

INSTRUCTIONS.—File two (2) copies of this report with the U. S. Atomic Energy Commission, P. O. Box 30, Ansonia Station, New York 23, N. Y., not later than 15 days after the end of each month in which you transferred, delivered, or held possession of or title to any source material. Inventory means all source material in your possession or to which you have title, regardless of location.

3. Summary of receipts, deliveries, and inventories of source material during the month. (The entries for "Receipts" and "Deliveries" below should be the totals of transfers of each grade of source material. List in block 5 on the reverse side each receipt form and delivery to others included in these totals.)

(i) Raw source material (excluding residues and tailings).

Figures are reported in Short Tons (Specify unit of measure).

DESCRIPTION OF RAW SOURCE MATERIAL AND URANIUM AND THORIUM CONTENT (a)	INVENTORY BEGINNING OF MONTH (b)	RECEIPTS FROM OWN PRODUCTION AND PURCHASES (c)	TOTAL (b) and (c) (d)	DELIVERIES TO:		INVENTORY END OF MONTH (e)
				Process (f)	Others (g)	
Monsazite	66.4	63.13	129.53	30		99.53

(ii) Residues and tailings.

Figures are reported in Lbs. ThO₂ (Specify unit of measure).

DESCRIPTION OF RAW SOURCE MATERIAL AND URANIUM AND THORIUM CONTENT (a)	INVENTORY BEGINNING OF MONTH (b)	RECEIPTS PROCESS (c)	FROM OTHERS (d)	TOTAL (b) and (c) and (d) (e)	DELIVERIES TO:		INVENTORY END OF MONTH (h)
					Process (f)	Others (g)	
Thorium Sludge	27,244	2,828		30,072	1,858		28,214

(iii) Refined source material.

Figures are reported in Lbs. ThO₂ (Specify unit of measure).

DESCRIPTION OF REFINED SOURCE MATERIAL AND URANIUM AND THORIUM CONTENT (a)	INVENTORY BEGINNING OF MONTH (b)	RECEIPTS PROCESS (c)	FROM OTHERS (d)	TOTAL (b) and (c) and (d) (e)	DELIVERIES TO:		INVENTORY END OF MONTH (h)
					Further Processing (f)	Others (g)	
Refining Process	2,934	1,858		4,792	1,737		3,055
Finished Stock	12,209	1,737		13,946		4,000	9,946

(iv) Source material in process.

Estimated uranium and thorium content in inventory.

At beginning of month 7,748 At end of month 9,143

