

FRIED, FRANK, HARRIS, SHRIVER & JACOBSON

A PARTNERSHIP INCLUDING PROFESSIONAL CORPORATIONS

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WASHINGTON, DC 20004 - 2505  
202 - 638 - 7000  
FAX - 202 - 638 - 7008

WRITER'S DIRECT LINE

October 1, 1990

**BY MESSENGER**

Mr. Charles J. Haughney  
Branch Chief  
Fuel Cycle Safety Branch  
Division of Industrial Safety  
Office of Nuclear Material Safety  
and Safeguards (NMSS)  
U.S. Nuclear Regulatory Commission  
1 White Flint North  
Washington, D.C. 20555

Re: License No. SUB-1357 (Docket No. 40-8724);  
Financial Assurances

Dear Mr. Haughney:

We have been advised that, on September 28, 1990, Sunbeam/Oster Company, Inc. ("SOC") acquired the capital stock of Chemetron Corporation, the holder of the above-referenced license, and then conveyed that capital stock to its wholly-owned subsidiary, NMGM, Inc. The acquisition of the Chemetron Corporation stock is the subject of your letter, dated September 11, 1990, to Mr. John Elwood of Allegheny International, Inc. (then the parent company of Chemetron Corporation), in which the NRC's consent to the acquisition by SOC and NMGM, Inc. is granted.

In accordance with Provision (3) of the letter of September 11, 1990, and pursuant to 10 C.F.R. §40.36, I transmit to you herewith facsimile copies of the following documents:

1. Chemetron Corporation Certification of Financial Assurance for decommissioning in the amount of \$750,000.

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Mr. Charles J. Haughney  
October 1, 1990  
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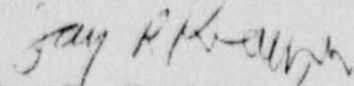
2. Letter from the Chief Executive Officer of Chemetron Corporation.
3. Letter from the Treasurer of SOC, Chemetron Corporation's indirect 100% parent company. (Note: One attachment, the Murray, Devine opinions, has not arrived at our office and will be supplied to the NRC promptly upon receipt.)
4. SOC's Parent Company Guarantee on behalf of Chemetron Corporation, in the amount of \$750,000, with Secretary's Certificate.
- 5.a. A Standby Trust Agreement between Chemetron Corporation and The Chase Manhattan Bank, N.A.
  - b. Trust Agreement Schedules
  - c. Specimen Certificate of Events
  - d. Certificate of Resolution
  - e. Acknowledgment (Executed version will be forwarded to NRC upon receipt)
  - f. Secretary's Certificate

Original versions of these documents are being sent to me. I expect to receive them tomorrow and will forward them to you upon receipt thereof.

With respect to Provision (2) of your letter of September 11 to Mr. Elwood, I have requested that an executed copy of the Asset Purchase Agreement between Allegheny International, Inc. and SOC be sent to me from New York, where the closing was held, so that I should receive it tomorrow. That document is quite lengthy, and so I did not ask that it be telecopied to me. When I receive a copy of the Asset Purchase Agreement, I will have it sent to you promptly.

If there are any questions concerning the enclosed documents, please call me at 202/639-7060. Thank you.

Sincerely yours,

  
Jay R. Kraemer

cc w/encl: K. McDaniel

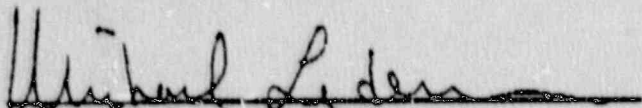
CERTIFICATION OF FINANCIAL ASSURANCE

Principal: Chemetron Corporation  
c/o Sunbeam/Oster Company, Inc.  
Two Oliver Plaza  
Pittsburgh, Pennsylvania 15222

NRC License Number SUB-1357, Amendment No. 1, Harvard & Bert  
Avenue Sites, Newburgh Heights, Ohio

Issued to: U.S. Nuclear Regulatory Commission

This is to certify that Chemetron Corporation is licensed to possess depleted uranium in the form of Uranium Oxide in the following amounts -- up to 2,000 kg, and that financial assurance in the amount prescribed by 10 CFR Part 40, \$750,000, has been obtained for the purpose of decommissioning.

  
Michael G. Loderman  
Chairman of the Board & President

[Corporate seal.]

September 28, 1990