United States Nuclear Regulatory Commission Office of Public Affairs Washington, DC 20555 Phone 301-415-8200 Fax 301-415-2234 Internet:opa@nrc.gov

No. 99-261 December 9, 1999

THERMAL SCIENCE AGREES TO \$300,000 SETTLEMENT WITH NUCLEAR REGULATORY COMMISSION

The Nuclear Regulatory Commission today announced that Thermal Science, Inc. (TSI) of St. Louis has agreed to pay a \$300,000 settlement of an NRC enforcement action regarding the company's Thermo-Lag fire barrier products.

The settlement follows a series of measures taken by the NRC since it began considering enforcement action against TSI regarding the testing of the company's Thermo-Lag fire barrier.

NRC investigators found inconsistencies in the testing of Thermo-Lag products in test reports and other documents submitted by TSI.

Results of the NRC investigation were forwarded to the U.S. Department of Justice, which presented the matter to a grand jury that indicted TSI and its president, Mr. Rubin Feldman. But both the firm and its president were acquitted following a criminal trial that ended in August 1995.

In 1996, the NRC proceeded with a civil action, a proposed civil monetary penalty, alleging several violations of its regulations by TSI. TSI challenged the NRC's action in U.S. District Court on the grounds that (1) it constituted double jeopardy, and (2) NRC lacked authority to fine non-licensees. The District Court dismissed TSI's suit last year. TSI appealed, but the U.S. Court of Appeals denied a motion for a stay of NRC's administrative process.

TSI subsequently filed an answer to the NRC's enforcement action, denying any violations. Although the NRC believed TSI's arguments to be without merit, the parties agreed to settle the matter for \$300,000 in order to bring this longstanding issue to closure without further litigation.

A copy of the settlement is posted on the Internet at this address: http://www.nrc.gov/OE/rpr/ea95009.htm.