



**Penn Stainless Products, Inc.**

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**Radioactive Cobalt contamination of Stainless steel**

Dear Valued Customer:

In the past several months, shipments of stainless steel, which have been radioactively contaminated with Cobalt-60 entered the global supply chain. Some 150 tons has surfaced in Germany, but France and Sweden have also had this contaminated material cross their borders. Although there have been no reported instances of contaminated steel entering into the US so far, up to 50 shipments of contaminated goods were turned away at US ports in 2008.

The apparent sources of products contamination with Cobalt-60 shipped to several countries were the Indian companies BUNTS, LAXMI, SKM STEELS, VIPRAS CASTINGS and PRADEEP METALS LTD. The products are spread across a wide range of material forms, from stainless steel wire wool, to bars, valves, castings, and flat products. The common assumption is that the cobalt-60 entered the supply chain as medical or nuclear waste that was inadvertently mixed with clean scrap prior to melting. Whatever the origin, these reports underline the risks inherent in the global trade of metal and metal scrap.

In response to our customers inquires and given the potential risk to Penn Stainless Products we have instituted the following:

- a) The purchase of a Thermo Fisher Scientific RadEye PRD a radiation measurement device.
- b) Penn Stainless Products has performed a radiation survey of its buildings and grounds. The result of this survey was no material above background levels of radiation were detected.
- c) A radiation survey will be performed on a continual bases and results recorded.
- d) Obtaining letters from our principal suppliers that material supplied is free of radiation above background levels (examples attached).

If you have any questions, please contact our Quality Department.