

June 14, 2001

MEMORANDUM TO: Jesse L. Funches
Chief Financial Officer

FROM: Anthony C. Rossi, Acting Director R/A
Division of Accounting and Finance
Office of the Chief Financial Officer

SUBJECT: REQUEST FOR APPROVAL TO TERMINATE COLLECTION
ACTION ON MATERIALS ANNUAL FEE (WRITE-OFF NO. 2001-20)

The License Fee and Accounts Receivable Branch has been attempting to collect the unpaid delinquent debt of IDS Intelligent Detect Systems, Inc. (IDS), for Materials Annual Fee Invoice AM0717-01. The Ontario Superior Court of Justice has approved an application to appoint Ernst & Young, Inc. as receiver and manager of all assets, property and undertakings of IDS. Ernst & Young, Inc. is empowered to continue operating the business of IDS while conducting a search for potential buyers. Since the former licensee is insolvent, the Division of Accounting and Finance recommends that collection activity for this invoice be terminated and the debt be written off. This recommendation is consistent with 10 CFR 15.55(a) which states that collection activity may be terminated when it becomes clear that NRC cannot collect or enforce collection from the debtor having due regard for the judicial remedies available to the NRC, the debtor's future financial prospects, and the exemptions available to the debtor under State and Federal law (e.g., receivership). The amount recommended to be written off is \$3,192.00. We will request that the licensee provide a taxpayer ID number and we will issue a 1099C to the IRS with a copy to the debtor. Also, we have sent a copy of the invoice to Ernst & Young.

APPROVED:

R/A

Jesse L. Funches
Chief Financial Officer

6/15/01

Date

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Chief Financial Officer

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APPROVED:

Jesse L. Funches
Chief Financial Officer
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Date

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