

March 26, 2003

AITEC USA, Inc.  
ATTN: Mr. Jim Kelly, Radiation Safety Officer  
4248 S. 76<sup>th</sup> E Avenue  
Tulsa, OK 74145

Dear Mr. Kelly:

I am responding to your February 19, 2003, letter requesting a waiver of the FY 2003 (AM1004-03) annual fee for License 35-27438-01. You stated in your February 19, 2003, letter that you allowed License 35-27438-01 to expire because you felt that was in the best interest of the company. You also stated that you filed for termination of License 35-27438-01 and transferred all licensed material to your State of Oklahoma license in order to avoid the FY 2003 annual fee. Your license was terminated on February 12, 2003, based on your November 20, 2002, request which was timely filed for purposes of receiving a prorated FY 2003 annual fee. Invoice AM1004-03 (\$13,700) was issued on December 9, 2002, for the FY 2003 annual fee for License 35-27438-01. As explained below, your waiver is denied and a reduced fee for FY 2003 is due and payable.

Neither your February 19, 2003, request for a waiver nor your November 20, 2002, request for termination of the license relieves you of the annual fee assessment for FY 2003. Invoice AM1004-03 was issued to AITEC for the assessment of the FY 2003 annual fee which is required under the NRC's 10 CFR 171 regulations and covers the period October 1, 2002, to September 30, 2003. Footnote 1 of 10 CFR 171.16 of the NRC's regulations provides that the annual fee is waived when a license is terminated prior to October 1 of each fiscal year. The FY 2003 annual fee is waived for those licensees who either permanently ceased licensed activities by September 30, 2002, or filed for termination of their licenses, or filed for possession only/storage only licenses prior to October 1, 2002. An amendment request filed after October 1 of each fiscal year to cancel a license does not cancel the annual fee invoice. As provided in 10 CFR 171.17, licenses for which termination requests are filed during the period October 1 through March 31 of the fiscal year are assessed one-half of the annual fee. Your November 20, 2002, request for cancellation of the license was not timely filed for purposes of avoiding the FY 2003 annual fee, but met the requirements for 50 percent proration. Therefore, annual fee Invoice AM1004-03 has been reissued reflecting a 50 percent proration of the annual fee (\$6,850), which is due and payable within 30 days of the invoice date to avoid late fees.

I am also enclosing NRC's small entity certification form (NRC Form 526) for fiscal year 2003. If you determine that AITEC meets NRC's small entity size standards, and so certify by completing and returning the form, the annual fee would be reduced accordingly for Invoice AM1004-03. The amount billed under AM1004-03 (\$6,850) reflects a 50 percent proration of the full annual fee for license fee Category 30; however, the small entity amount due for the invoice would be 50 percent of the amount shown on NRC Form 526 (FY 2003) for the size standard under which the company qualifies (either \$1,150 or \$250).

J. Kelly

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The NRC accepts credit cards (VISA, MasterCard, and Discover (NOVUS)), for payment of annual fees. If you wish to pay by credit card, complete the enclosed authorization form (NRC Form 629). If you have any payment questions, please contact Leah Tremper at 301-415-7347. If you have further questions concerning the annual fee, please contact Shirley Crutchfield at 301-415-6097.

Sincerely,

**/RA/**

Jesse L. Funches  
Chief Financial Officer

Enclosures: 1. 50 Percent Prorated  
Invoice AM1004-03  
2. NRC Form 526 (FY 2003)

J. Kelly

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The NRC accepts credit cards (VISA, MasterCard, and Discover (NOVUS)), for payment of annual fees. If you wish to pay by credit card, complete the enclosed authorization form (NRC Form 629). If you have any payment questions, please contact Leah Tremper at 301-415-7347. If you have further questions concerning the annual fee, please contact Shirley Crutchfield at 301-415-6097.

Sincerely,

**/RA/**

Jesse L. Funches  
Chief Financial Officer

- Enclosures: 1. 50 Percent Prorated  
 Invoice AM1004-03  
 2. NRC Form 526 (FY 2003)

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 Invoice AM1004-03  
 ADAMS 35-27438-01 03032831

ADAMS  Yes  No  
 Publicly Available

Initials   SAC    
 Non-Publicly Available  Sensitive  Non-Sensitive

\*See previous concurrence

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