

From: "Roy A. Parker" <roy@royparker.org>
To: "Karen D Cyr" <kdc@nrc.gov>
Date: 5/26/04 10:40AM
Subject: Exempt Distribution

Ms Cyr:

Section 10 CFR 30.18(c) in essence requires an NRC exempt distribution license when an exempt quantity is "transferred" for "commercial distribution." This section and other similar sections of the NRC Regulations beg for a definition of "commercial distribution," and I have been unable to find such a definition.

For example: Company A, who is appropriately licensed for receipt, possession, use, manufacture, etc, but not exempt distribution, incorporates an exempt quantity into an item. Company A transfers this item containing an exempt quantity to Company B to perform a service on this item, not affecting the exempt quantity, say sterilization for example. Company B is not licensed whatsoever. Company A retains ownership of the item, but pays Company B a fee for their service. Company B after performing their service on the item may (1) return the item to Company A; (2) transfer the item to Company C, who is not license whatsoever; or (3) export the item. Company C is not charged for the item; and Company A may pay a fee to Company C for their services involving the item.

Is the above scenario permissible, in whole or in part? Would Company A be required to have an exempt distribution license? Is the transfer from Company A to Company B "commercial distribution?" Is the fee charged by Company B for their service a factor in determining "commercial distribution?"

The resolution of this issue is very urgent. Your interest and timely consideration is requested.

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Subject: Exempt Distribution
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From: "Roy A. Parker" <roy@royparker.org>

Created By: roy@royparker.org

Recipients

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MESSAGE	1602	05/26/04 10:38AM
Part.001	2021	
Roy A. Parker.vcf	449	
Mime.822	6043	

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Priority: Standard
Reply Requested: No
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