

NOTICE OF VIOLATION

Transport Logistics International, Inc.
Fulton, MD

Docket Nos. 11005870/11005970
License Nos. XSNM3649/XSNM3704
EA-12-138

As a result of an inspection conducted at Transport Logistics International (TLI) on May 16, 2012, and communications from the NRC on and subsequent to January 30, 2012, and April 12, 2012, two violations of NRC requirements were identified. In accordance with the NRC Enforcement Policy, the violations are listed below:

- A. 10 CFR 110.5, "Licensing requirements," states: "Except as provided under subpart B of this part, no person may export any nuclear equipment or material listed in § 110.8 and § 110.9, or import any nuclear equipment or material listed in § 110.9a, unless authorized by a general or specific license issued under this part."

10 CFR 110.9(a), "List of Nuclear Material under NRC export licensing authority" identifies special nuclear material (SNM).

10 CFR 110.2, "Definitions," states: "SNM means plutonium, uranium-233 or uranium enriched above 0.711 percent by weight in the isotope uranium-235."

License No. XSNM3649 authorizes export of 90 grams of plutonium-239.

Contrary to the above, on November 23, 2010, TLI exceeded the limits of export license XSNM3649 by exporting 180 grams of plutonium, including 110 grams of fissile plutonium (plutonium-239 and plutonium-241), to Sweden, without appropriate license authorization. Exceptions provided under subpart B do not apply.

This is a Severity Level IV violation.

- B. 10 CFR 110.50(b)(3) states in part: "Unless a license specifically authorizes the export of certain foreign obligated nuclear material or equipment, a licensee may not ship such material or equipment until the Commission has issued an amendment to the license authorizing such shipment"

License No. XSNM3704 only authorizes export of Canadian obligated material.

Contrary to the above, on March 19, 2012, TLI exported foreign obligated nuclear material without either a license amendment or written approval from the Commission (the Office of International Programs). Specifically, TLI exported Australian obligated SNM to the Republic of Korea under XSNM3704, without the required license authorization.

This is a Severity Level IV violation.

Pursuant to the provisions of Title 10 of the Code of Federal Regulations (10 CFR) 2.201, TLI is hereby required to submit a written statement or explanation to the U.S. Nuclear Regulatory Commission, Attn: Document Control Desk, Washington, DC 20555-0001, with a copy to the Deputy Director, the Office of International Programs, within 30 days of the date of this Notice of Violation (Notice). This reply should be clearly marked as a "Reply to a Notice of Violation: EA-12-138" and should include for each violation: (1) the reason for the violation, or, if contested, the basis for disputing the violation or severity level; (2) the corrective steps that have been taken and the results achieved; (3) any additional corrective steps that will be taken; and (4) the date when full compliance will be or was achieved. Your response may reference or include previous docketed correspondence, if the correspondence adequately addresses the required response. If an adequate reply is not received within the time specified in this Notice, the NRC may issue an Order or a Demand for Information requiring you to explain why your license should not be modified, suspended, or revoked or why such other action as may be proper should not be taken. Where good cause is shown, consideration will be given to extending the response time.

If you contest this enforcement action, you should also provide a copy to the Director, Office of Enforcement, U. S. Nuclear Regulatory Commission, Washington, DC 20555-0001, within 30 days of the date of this letter, with the basis for your denial.

Any response will be made available electronically for public inspection in the NRC Public Document Room or from the NRCs document system (ADAMS), accessible from the NRC Web site at <http://www.nrc.gov/reading-rm/adams.html> . Therefore, to the extent possible, your response should not include any personal privacy, proprietary, or safeguards information so that it can be made available to the Public without redaction.

In accordance with 10 CFR 19.11, may be required to post this Notice within 2 working days of receipt.

Dated this 16th day of August , 2012