



**UNITED STATES
NUCLEAR REGULATORY COMMISSION**
REGION IV
1600 E. LAMAR BLVD.
ARLINGTON, TX 76011-4511

June 20, 2014

Scott Cargaill, Radiation Safety Officer
Applus RTD USA, Inc.
6201 Knudson Drive
Bakersfield, CA 93308

SUBJECT: REQUEST FOR CONSENT TO INDIRECT LICENSE TRANSFER

Dear Mr. Cargill:

By letter received April 14, 2014, Applus RTD USA, Inc. (Applus) submitted to the U.S. Nuclear Regulatory Commission (NRC) a Request for Consent to the indirect License Transfer of NRC Materials License Number 04-29076-02. Based on the information you provided, we understand that as a result of a proposed initial public offering (IPO) between Applus Services, S.A. and institutional investors on various Spanish Stock Exchanges, control of Applus, may be subject to other shareholders. We further understand that this transfer will not result in any change to the licensed materials, persons using the license material, location of use of licensed material, or persons responsible for the licensee's radiation safety program.

Based on the above understandings we have no objection to the proposed IPO. Please note that you will need to notify us promptly, in writing, after the transaction has been finalized and include a signed copy of any agreement achieved from the IPO confirming completion of the transaction. With this information, we can issue an administrative amendment to your NRC license to reflect the transaction, if necessary. If this planned sale has not been consummated within 30 days of the date of this letter, please notify us in writing. Please contact Lizette Roldán-Otero, Ph.D. at 817-200-1596, or by e-mail lizette.rolدان@nrc.gov if you have any questions regarding this letter.

In accordance with 10 CFR 2.390 of the NRC's "Rules of Practice for Domestic Licensing Proceedings and Issuance of Orders," a copy of this letter will be available electronically for public inspection in the NRC Public Document Room or from the Publicly Available Records component of NRC's Agency wide Documents Access and Management System (ADMAS). ADMAS is accessible from the NRC website at <http://www.nrc.gov/reading-rm/adams.html>.

Sincerely,

A handwritten signature in black ink, appearing to read "Lizette Roldán-Otero". The signature is fluid and cursive, written in a professional style.

Lizette Roldán-Otero, Ph.D., Health Physicist
Nuclear Materials Safety Branch B

Docket No.: 030-38291
License No.: 04-29076-02
Control No.: 583698

**SAFETY EVALUATION REPORT
PROPOSED CHANGE OF CONTROL FOR BYPRODUCT MATERIALS LICENSE
NUMBER 04-29076-02**

DATE: June 20, 2014
DOCKET NO.: 030-38291
LICENSE NO.: 04-29076-02
LICENSEE: Applus RTD USA, Inc
6201 Knudsen Drive
Bakersfield, CA 93308

TECHNICAL REVIEWER: Lizette Roldán-Otero, Ph.D.

SUMMARY AND CONCLUSIONS

Applus RTD USA, Inc. a wholly owned subsidiary of Liberytown USA 2, Inc, and an indirect subsidiary of Applus Services, S.A. is authorized by NRC License 04-29076-02 for the possession and use of byproduct material for industrial radiography. The U.S. Nuclear Regulatory Commission (NRC) staff reviewed a request for consent to an indirect license transfer submitted by Applus RTD USA, Inc that will result from a an initial public offering (IPO) of its ordinary shares to institutional investors on various Spanish Stock Exchanges. Applus RTD USA, Inc. is a wholly owned subsidiary of Liberytown USA 2, Inc, and an indirect subsidiary of Applus Services, S.A. After the IPO, Applus RTD USA, Inc will remain unchanged in operating name and contact information. The indirect transfer of control is described in Agency Documents Access and Management System (ADAMS) accession number ML14115A183.

The request for consent was reviewed by NRC staff for an indirect change in control of a 10 CFR Part 30 license using the guidance in NUREG 1556, Volume 15, "Consolidated Guidance About Materials Licenses - Guidance About Changes of Control and About Bankruptcy Involving Byproduct, Source, or Special Nuclear Materials Licenses," dated November 2000. The NRC staff finds that the information submitted by Applus RTD USA, Inc sufficiently describes and documents the transaction and commitments made by Applus RTD USA, Inc.

As required by 10 CFR 30.34 and section 184 of the Atomic Energy Act of 1954, as amended (the Act), NRC staff has reviewed the application and finds that the proposed change in control is in accordance with the Act. The staff finds that, after the change of control, Applus RTD USA, Inc. will remain qualified to use byproduct material for the purpose requested, and will continue to have the equipment, facilities, and procedures needed to protect public health and safety, and promotes the security of licensed material.

SAFETY AND SECURITY REVIEW

According to data obtained from the NRC's Web-Based Licensing (WBL), Applus RTD USA, Inc. has been an NRC licensee since June 16, 2010. The NRC conducted a main office inspection of Applus RTD USA, Inc. on February 4, 2014, and no violations were identified during this inspection. The commitments made by Applus RTD USA, Inc. state that Applus RTD USA, Inc.:

- A. will not change the radiation safety officer listed in the NRC license;
- B. will not change the personnel involved in licensed activities;
- C. will not change the locations, facilities, and equipment authorized in the NRC license;
- D. will not change the radiation safety program authorized in the NRC license;
- E. will not change the organization's name listed in the NRC license; and
- F. will keep regulatory required surveillance records and decommissioning records.

Applus RDT USA, Inc. currently possesses an active NRC license for industrial radiography. Therefore, for security purposes, Applus RDT USA, Inc is considered a known entity following the guidance provided by the NRC's Office of Federal and State Materials and Environmental Management Programs (FSME) 'Checklist to provide a basis for confidence that radioactive materials will be used as specified on the license', September 3, 2008 revision. The purpose of this checklist is for the NRC to obtain reasonable assurance from new license applicants or NRC licensees transferring control of licensed activities that the licensed material will be used for its intended purpose and not for malevolent use.

Applus RTD USA, Inc. is not required to have decommissioning financial assurance based on the types and amount of material authorized in License No. 04-29076-02.

REGULATORY FRAMEWORK

Applus RTD USA, Inc. License No. 04-29076-02, was issued under 10 CFR Part 30, Rules of General Applicability to Domestic Licensing of Byproduct Material. The Commission is required by 10 CFR 30.34 to determine if the change of control is in accordance with the provisions of the Act and give its consent in writing.

10 CFR 30.34(b) states: "No license issued or granted pursuant to the regulations in this part and parts 31 through 36, and 39 nor any right under a license shall be transferred, assigned or in any manner disposed of, either voluntarily or involuntarily, directly or indirectly, through transfer of control of any license to any person, unless the Commission shall, after securing full information, find that the transfer is in accordance with the provisions of the Act and shall give its consent in writing."

As previously indicated, the staff evaluation is based on guidance in NUREG-1556, Volume 15. As discussed in NUREG-1556, Volume 15, NRC is generally using the term "change of control" rather than the statutory term "transfer" to describe the variety of events that could require prior notification and written consent of the NRC. The central issue is whether the

authority over the license has changed. Applus RTD USA, Inc request for consent describes an initial public offering (IPO) by Applus Services, S.A. to ordinary shares to institutional investors on various Spanish Stock Exchanges. Following the completion of the IPO, Applus RTD USA, Inc will continue to operate as Applus RTD USA, Inc. however it may be subject to other shareholders, as such, the transfer requires NRC consent.

DESCRIPTION OF TRANSACTION

The transaction is described in ADAMS accession number ML14115A183. After completion of IPO, Applus RTD USA, Inc. will continue as the licensee and remain in control of all licensed activities under Materials License No. 04-29076-02. The NRC staff finds that the request for consent adequately provides a complete and clear description of the transaction, and is consistent with the guidance provided in Appendix F of NUREG-1556, Volume 15.

TRANSFEREE'S COMMITMENT TO ABIDE BY THE TRANSFEROR'S COMMITMENTS

The NRC staff finds that the information submitted by Applus RTD USA, Inc. sufficiently describes and documents the commitments made by Applus RTD USA, Inc., and is consistent with the guidance in NUREG-1556, Volume 15.

ENVIRONMENTAL REVIEW

An environmental assessment for this action is not required since this action is categorically excluded under 10 CFR 51.22(c)(14)(xi).

CONCLUSION

The staff has reviewed the request for consent submitted by Applus RTD USA, Inc. with regard to an indirect change of control of byproduct materials license No. 04-29076-02 and approves the application pursuant to 10 CFR 30.34(b).

The submitted information sufficiently describes the transaction; documents the understanding of the license and commitments; demonstrates that personnel have the experience and training to properly implement and maintain the license and that they will maintain the existing records; And, in the future, will abide by all existing commitments to the license, consistent with the guidance in NUREG-1556, Volume 15.

Therefore, the staff concludes that the proposed change in control would not alter the previous findings, made under 10 CFR Part 30, that licensed operations will not be inimical to the common defense and security, or to the health and safety of the public.