



Corporate Headquarters
P.O. Box 840
Valley Forge, PA, 19482-0840

October 20, 2014

U.S. NRC Region III
Attn: Materials Licensing Branch
2443 Warrenville Road
Suite 210
Lisle, IL 60532-4352

RE: Notice regarding Radioactive Materials License No. 24-32814-01; Docket No. 030-38381 at: PQ Corporation, 4238 Geraldine Ave, St. Louis, MO 63115

Dear Sir or Madam:

This letter serves as notification to the U.S. Nuclear Regulatory Commission, Region III ("NRC"), that a parent holding company of radioactive materials licensee PQ Corporation is expected to gain a new minority owner through a stock purchase transaction. The proposed transaction (i) will not change the structure, name, business identification number or management of the current licensed entity, PQ Corporation, (ii) will not change the Radiation Safety Officer or other day-to-day personnel or operations associated with the licensed material, (iii) will occur only at the level of a holding company that is an indirect owner of the licensee, and (iv) will result in the current owners retaining over 50% share ownership in such holding company. For these reasons, PQ Corporation believes that the proposed transaction will not involve a "transfer" or "change" of control of the license under 10 CFR 30.34(b) or under NUREG-1556 vol. 15, nor will the transaction require any amendment to the current license. PQ Corporation hereby requests that NRC review the details of the proposed transaction set forth below and either confirm that no agency consent is necessary in advance of the transaction, or provide consent to any "transfer of control" it may find from execution of the transaction.

PQ Corporation maintains a radioactive materials license covering two sealed sources at its facility located at 4238 Geraldine Ave, St. Louis, MO 63115 (the "Facility"). PQ Corporation is wholly owned by "CPQ Midco I Corporation," which in turn is wholly owned by the holding company "PQ Holdings Inc." PQ Holdings Inc. is currently owned by three shareholder groups: (1) "CPQ Holdings LLC," a wholly-owned subsidiary of the Carlyle Group, a private equity firm, with approximately 52% ownership of PQ Holdings Inc.'s shares; (2) "INEOS Investments Partnership," with approximately 35% ownership; and (3) management shareholders, with approximately 13% ownership.

The proposed transaction, in its essence, involves one private equity investor's disposition of its shares in a holding company that is an indirect owner of the licensee to another private equity investor and an existing shareholder. Specifically, CPQ Holdings LLC will sell approximately 45% of the shares of PQ Holdings Inc. to a group comprised of three affiliates of CCMP Capital Partners, a private equity firm, collectively referred to as "CCMP Capital." It is

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anticipated that CPQ Holdings LLC will sell the remainder of its shares of PQ Holdings Inc. (approximately 7% of PQ Holdings Inc.'s shares) to INEOS Investments Partnership. It is also anticipated that the existing management shareholders will sell approximately 2% of PQ Holdings Inc.'s shares to CCMP Capital. Following completion of the transaction, the shares of PQ Holdings, Inc. will be owned as follows: (1) CCMP Capital, approximately 47%; (2) INEOS Investments Partnership, approximately 42%; and (3) management shareholders, approximately 11%. Therefore, two of the three current ownership groups will continue to collectively own a majority of the shares of PQ Holdings Inc. and will retain control of the entity after the proposed transaction.

The only consequence of the proposed transaction is a change in the composition of the investors in an indirect owner of PQ Corporation. PQ Corporation's senior management will remain in place, and will continue to manage the company in accordance with current practices after the closing of the transaction. There will be no changes to day-to-day operations or the personnel associated with the licensed material following the proposed transaction. The name and business identification number of the licensed entity, PQ Corporation, will remain the same, as will the designated contact person associated with the licensee. No changes will be made with respect to any personnel having control over licensed activities, nor will the transaction result in changes to the radiation safety officer named on the license or authorized users. There will be no changes to the location, equipment, storage, and procedures for use of the sources at the Facility registered under the license. As there will be no changes to the name or organization of the Facility or PQ Corporation, all surveillance and other maintenance records will be retained by the same entity and personnel. For all of these reasons, PQ Corporation believes that the proposed transaction will not result in any "change" or "transfer of control" of the license pursuant to 10 CFR 30.34(b) or any other NRC regulations or guidelines.

In the event that NRC believes the circumstances described above constitute a "transfer of control," PQ Corporation warrants that all surveillance records, including documentation of prior calibrations, leak testing, radiation surveys and equipment inventories, are current and will remain current at the time of closing of the transaction. In addition, pursuant to the Stock Purchase Agreement dated September 11, 2014 by and among the parties to the transaction, all entities currently or prospectively associated with the license shall continue to agree to abide by all commitments and requirements under the license, and that any new entities shall be made aware of any open inspection items should they arise.

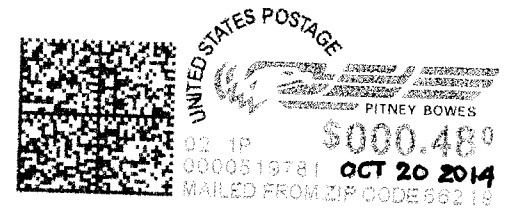
Should NRC find that a "transfer of control" will occur following the proposed transaction, PQ Corporation requests that NRC consent to the transaction. In addition, due to the time-sensitive nature of the transaction, we ask that NRC conduct its review and issue a response as soon as possible.

PQ Corporation

By: 
Name: William J. Sichko, Jr.
Title: Vice President and Secretary

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