



UNITED STATES  
NUCLEAR REGULATORY COMMISSION  
REGION I  
2100 RENAISSANCE BOULEVARD, SUITE 100  
KING OF PRUSSIA, PA 19406-2713

December 21, 2015

Docket Nos. 03030788  
03030793  
Control Nos. 589390  
589391

License Nos. 54-28275-01  
54-28275-02MD

Jackie Kavanagh  
Senior Manager  
Nordion (Canada) Inc.  
447 March Road  
Ottawa, ON K2K1X8  
Canada

SUBJECT: NORDION (CANADA) INC., CONSENT TO TRANSFER LICENSE, CONTROL  
NOS. 589390 AND 589391

Dear Ms. Kavanagh:

By letter dated November 19, 2015, Nordion (Canada) Inc. requested written consent by the U.S. Nuclear Regulatory Commission (NRC) to a proposed indirect transfer of control of the above licenses. The proposed indirect transfer of control would be a result of corporation restructuring. Nordion's ultimate parent company, Sterigenics-Nordion Topco, LLC (Topoco) is not changing as a result of the proposed corporate reorganization. Currently, Nordion (Canada) Inc. is a wholly-owned subsidiary of 8921903 Canada Inc. 8921903 Canada Inc. is a wholly-owned subsidiary of STHI Holding Corp. STHI Holding Corp. also wholly-owns Sterigenics Holdings LLC, which wholly-owns Sterigenics International LLC. Sterigenics International LLC will form Dutch CV, a Dutch limited partnership. The Dutch limited partnership will wholly-own DEROSS Holding BV which will incorporate two new entities called NEW BV1 and NEW BV2. Shares of 8921903 Canada Inc. will pass from STHI through Sterigenics Holdings LLC, Sterigenics International LLC, Dutch CV, DEROSS, to New BV 2 in exchange for capital, partnership interest, or share premium. We understand that this transfer will not result in any change to the licensee's name, personnel having control over licensed activities, surveillance records, use of licensed material, or location or possession of licensed material.

Based on the above understandings, and as more fully detailed in the enclosed NRC staff's Safety Evaluation Report, which documents the NRC staff's safety review of the request, the NRC consents to the proposed transfer. Please note that you will need to notify us promptly, in writing, after the transaction has been finalized and include a signed copy of the sale agreement confirming completion of the transaction. With this information, we can issue an administrative amendment to your NRC licenses to reflect the transaction, if necessary. Please notify the NRC in writing, if this planned sale has not been consummated within 30 days of the date of this letter or this consent may be deemed null and void. Please contact Dennis Lawyer at 610-337-5366, or by e-mail [dennis.lawyer@nrc.gov](mailto:dennis.lawyer@nrc.gov) if you have any questions regarding this letter.

J. Kavanagh

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Based on the above understandings, the NRC consents to the proposed indirect transfer of control of NRC Materials License Nos. 54-28275-01 and 54-28275-02MD. Future changes in the licensee's name, licensed use, licensed materials, licensed location, or persons responsible for licensed material require submission of a request to amend the license. NRC approval must be received prior to implementation of the proposed change.

In accordance with 10 CFR 2.390 of the NRC's "Agency Rules of Practice and Procedure," 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 Agencywide Documents Access and Management System (ADAMS). ADAMS is accessible from the NRC website at <http://www.nrc.gov/reading-rm/adams.html>.

Thank you for your cooperation in this matter.

Sincerely,

***Original signed by Dennis R. Lawyer***

Dennis R. Lawyer  
Health Physicist  
Commercial, Industrial, R&D and Academic  
Branch  
Division of Nuclear Materials Safety

Enclosure: Safety Evaluation Report

cc:

Philip Danks, Radiation Safety Officer  
Luc Desgagne, Senior Licensing Coordinator  
Richard Wassenaar, Senior Manager

DOCUMENT NAME: G:\WordDocs\Current\Lic Cvr Letter\L54-28275-01.589390.doc

**SUNSI Review Complete: DLawyer**

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DATE	11/24/2015		12/15/2015		12/21/2015		

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**SAFETY EVALUATION REPORT  
PROPOSED CHANGE OF CONTROL FOR NRC BYPRODUCT MATERIALS LICENSE  
NUMBERS 54-28275-01 and 54-28275-02MD, NORDION  
(CANADA) INC.**

**DATE:** December 21, 2015

**DOCKET NOS.:** 030-30788 and 030-30793

**LICENSE NOS.:** 54-28275-01 and 54-28275-02MD

**LICENSEE:** Nordion (Canada) Inc.  
447 March Road, Ottawa, Ontario, Canada K2K 1X8

**TECHNICAL REVIEWER:** Dennis Lawyer

**SUMMARY AND CONCLUSIONS**

Nordion (Canada) Inc. holds two byproduct materials licenses issued by U. S. Nuclear Regulatory Commission (NRC). Under NRC Materials License 54-28275-01, Nordion (Canada) Inc. is authorized to possess and use byproduct material for purposes of distribution of sources to authorized persons and servicing of irradiators at temporary job sites in the NRC's areas of regulatory jurisdiction. They are authorized by NRC Materials License No. 54-28275-02MD to distribute byproduct material from 447 March Road, Ottawa, Ontario, Canada and 4004 Wesbrook Mall, Vancouver, British Columbia, Canada to authorized licensees in the United States.

By letter dated November 19, 2015, Agencywide Documents Access and Management System (ADAMS) Accession Number ML15324A179, Nordion (Canada) Inc. (Nordion) requested the NRC's consent to an indirect transfer of control of the above licenses. Nordion's ultimate parent company, Sterigenics-Nordion Topco, LLC (Topoco) is not changing as a result of the proposed corporate reorganization. Currently, Nordion (Canada) Inc. is a wholly-owned subsidiary of 8921903 Canada Inc. 8921903 Canada Inc. is a wholly-owned subsidiary of STHI Holding Corp. STHI Holding Corp. also wholly-owns Sterigenics Holdings LLC, which wholly-owns Sterigenics International LLC. Sterigenics International LLC will form Dutch CV, a Dutch limited partnership. The Dutch limited partnership will wholly-own DEROSS Holding BV which will incorporate two new entities called NEW BV1 and NEW BV2. Shares of 8921903 will pass from STHI through Sterigenics Holdings LLC, Sterigenics International LLC, Dutch CV, DEROSS, to New BV 2 in exchange for capital, partnership interest, or share premium.

The request for consent was reviewed by NRC staff for an indirect change in control of two 10 CFR Part 30 licenses 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 Nordion sufficiently describes and documents the transaction and commitments made by Nordion.

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, Nordion (Canada)

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 promote the security of licensed material.

## **SAFETY AND SECURITY REVIEW**

According to data obtained from the NRC's Licensing Tracking System (LTS), Nordion (Canada) Inc. has been an NRC licensee since March 6, 1989. The NRC conducted a main office inspection of Nordion (Canada) Inc. on September 15, 2015, NRC Materials License No. 54-28275-01, and 54-28275-02MD, and no violations were identified during this inspection. The commitments made by Nordion state that under the proposed transaction there are no plans to change:

- A. the radiation safety officer listed in the NRC licenses;
- B. the personnel involved in licensed activities;
- C. the locations, facilities, and equipment authorized in the NRC licenses;
- D. the radiation safety program authorized in the NRC licenses;
- E. the organization's name listed in the NRC licenses; or
- F. the maintenance of required surveillance records and decommissioning records.

Topoco, the ultimate parent company for Nordion, holds subsidiaries which possess material licenses issued by the following Agreement States: New Jersey, California, Arkansas, Texas, Illinois, Florida, and North Carolina. These Agreement State licenses authorize the irradiation of materials. Therefore, for security purposes, Topoco. 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 aspect of the review 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, which Topoco's qualification as a known entity provides.

Nordion (Canada) Inc. is not required to have decommissioning financial assurance based on the types and amount of material authorized in NRC Materials License Nos. 54-28275-01 or 54-28275-02MD.

## **REGULATORY FRAMEWORK**

Section 184 of the Atomic Energy Act of 1954, as amended, prohibits the transfer of control of any license unless the Commission finds that the transfer is in accordance with the Act and consents to the transfer in writing.

Nordion (Canada) Inc.'s NRC Materials License Nos. 54-28275-01 and 54-28275-02MD, were issued under 10 CFR Part 30, "Rules of General Applicability to Domestic Licensing of Byproduct Material."

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. Nordion's request for consent describes an indirect change of control of the NRC licenses held by Nordion (Canada) Inc., resulting from a planned sale of 8832528 Canada Inc., which is a wholly-owned subsidiary of STHI Holding Corp. Following the completion of the merger, 8832528 Canada, Inc. will become a direct subsidiary of New BV 2, and an indirect, wholly-owned subsidiary of STHI Holding Corp. and, as such, the transfer requires NRC consent.

#### **DESCRIPTION OF TRANSACTION**

The transaction is described in ADAMS accession number ML15324A179. After completion of the merger, Nordion (Canada) Inc. will continue as the licensee and remain in control of all licensed activities under NRC Materials License Nos. 54-28275-01 and 54-28275-02MD. As discussed above, 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 Nordion sufficiently describes and documents the commitments made by Nordion (Canada) 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)(21).

## CONCLUSION

The NRC staff has reviewed the request for consent submitted by Nordion with regard to an indirect change of control of NRC Materials License Nos. 54-28275-01 and 54-28275-02MD, and, pursuant to 10 CFR 30.34(b), consents to the proposed indirect transfer of control.

The submitted information sufficiently describes the transaction; documents the understanding of the licenses 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, that in the future, the licensee and its parent companies will abide by all existing commitments in 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.