



UNITED STATES
NUCLEAR REGULATORY COMMISSION
WASHINGTON, D.C. 20555-0001

June 21, 2018

Rapiscan Systems, Inc.
ATTN: Mershad A. Shahabidin
2805 Columbia Street
Torrance, CA 90503

SUBJECT: RAPISCAN SYSTEMS, INC., AMENDMENT OF EXEMPT DISTRIBUTION LICENSE 04-24011-01E AND ISSUANCE OF SEALED SOURCE AND DEVICE REGISTRATION CERTIFICATE NR-1267-D-103-E

Dear Mr. Shahabidin:

In response to your request dated December 28, 2017, enclosed are U.S. Nuclear Regulatory Commission (NRC) Exempt Distribution License No. 04-24011-01E (Enclosure 1) and Sealed Source and Device Registration NR-1267-D-103-E (Enclosure 2), in response to the notification of transfer of control of Morpho Detection, LLC's exempt distribution license 20-23904-01E and Sealed Source and Device Registration Certificate NR-0399-A-101-E. Please review the enclosed documents carefully to ensure that you understand all the conditions. If there are any errors or questions, please contact me so that appropriate corrections or answers can be provided.

You must distribute the products in accordance with the statements and representations contained in your application, with enclosures thereto, and the information set out in your license and registration certificate, if applicable. As a general rule, you must request and obtain an amendment to the license before you make changes or modifications to the information submitted to obtain them. You are also obligated to notify us promptly in writing should you decide to no longer distribute the product.

You must conduct your program involving radioactive materials in accordance with the conditions specified in your NRC license, representations made in your license application, and other rules, regulations, and orders of the NRC, now or hereafter in effect, to include the following:

1. Comply with applicable NRC regulations in Title 10 of the *Code of Federal Regulations* (10 CFR) Part 30, "Rules of General Applicability to domestic Licensing of Byproduct Material"; 10 CFR Part 32, "Specific Domestic Licenses to Manufacture or Transfer Certain Items Containing Byproduct Material"; and other applicable regulations.

NOTE: Licensees authorized to distribute or initially transfer products containing byproduct material must also possess a valid possession license issued either by NRC or an Agreement State(s) which authorizes possession and use of byproduct material.

2. Distribute only those products containing radioactive material which are specifically authorized in your license.
3. Notify NRC in writing within 30 days of any change in mailing address.

4. In accordance with 10 CFR 30.33, 30.34 and 30.38, you must file appropriate documentation with the NRC prior to any changes to your organization; change in locations of distribution of products containing radioactive material, facilities, equipment, procedures; change in the contact person or the person responsible for the quality assurance program for licensed activities; or any other changes in your program which are contrary to the license conditions or representations made in your license application and any supplemental correspondence with the NRC.
5. Submit a complete renewal application or termination request at least 30 days before the expiration date on your license. You should receive a reminder notice approximately 60 days before the expiration date. Continued distribution of products containing radioactive material after your license expires is a violation of NRC regulations.
6. In accordance with 10 CFR 30.36, request termination of your license if you plan to permanently discontinue activities involving distribution of products containing radioactive material.

You will be periodically inspected by NRC. Failure to conduct your program in compliance with NRC regulations, license conditions, and representations made in your license application and supplemental correspondence with NRC may result in enforcement action(s) against you. This could include issuance of a notice of violation; proposed imposition of a civil penalty; or an order suspending, modifying, or revoking your license as specified in the "General Statement of Policy and Procedures for NRC Enforcement Actions" (NUREG-1600).

Please be aware that, as a holder of an NRC license, you may be subject to the NRC's annual fees in accordance with 10 CFR Part 171. If you have any questions concerning the fee requirements, please contact the Accounts Receivable Branch at (301) 415-7554.

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 Web site at <http://www.nrc.gov/reading-rm/adams.html>.

M. Shahabidin

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If you have any questions regarding your exempt distribution license, you may contact me at (301) 415-7640, or by e-mail at Shirley.Xu@nrc.gov. Any correspondence regarding your exempt distribution license should reference mail control number 602707. Any questions regarding your sealed source and device registration certificate should be directed to Celimar Valentin-Rodriguez at (301) 415-7124, or by e-mail at Celimar.Valentin-Rodriguez@nrc.gov.

Sincerely,

/RA/

Shirley S. Xu
Materials Safety Licensing Branch
Division of Materials Safety, Security, State,
and Rulemaking Programs
Office of Nuclear Material Safety
and Safeguards

Docket No. 030-38542
Mail Control No. 602707

Enclosures:

1. License No. 04-24011-01E
2. Certificate No. NR-1267-D-103-E

RAPISCAN SYSTEMS, INC., AMENDMENT OF EXEMPT DISTRIBUTION LICENSE
04-24011-01E AND ISSUANCE OF SEALED SOURCE AND DEVICE REGISTRATION
CERTIFICATE NR-1267-D-103-E

Date: June 21, 2018

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OFC	MSST/MSLB	MSST/MSLB	MSST/MSLB	MSST/MSLB	MSST/MSLB
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DATE	6/20/18	6/20/18	6/20/18	6/20/18	6/21/18

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