



UNITED STATES
NUCLEAR REGULATORY COMMISSION
REGION III
2443 WARRENVILLE ROAD, SUITE 210
LISLE, ILLINOIS 60532-4352

Laura Speer Smith, M.S.
Radiation Safety Officer
Cats Radio - Iodine Treatment Centers
70 Gallup St.
Mount Clemens, MI 48043

APR 10 2019

Dear Ms. Smith:

This refers to the application dated March 13, 2019, ("the application") received in our offices on March 18, 2019, and which reached me on or about March 25, 2019. The application was signed by Steven J. Bailey, DVM, who is unknown to us. It requested a change of mailing address, that Dr. Bailey stated NRC had been notified of previously on 2/2/19; and two corrections to the license.

In an email I sent to you and Dr. Bailey on April 8, 2019, I asked if this mailing address change was related to a change in ownership. I also stated that we have not received a notification from you on February 2, 2019, and we do not know what you are referring to.

On Wednesday, April 10, 2019, you sent me an email indicating that this was a change in ownership situation and you'd like to discuss it with me in a telephone call. As I write this letter on April 10, 2019, we are trying to schedule that call via email.

In the meantime, it is important that you and Dr. Bailey fully understand this situation, which appears to indicate that this license is in violation of 10 CFR 30.34(b). If Dr. Bailey is the new owner of this license, then he is responsible for this license.

NRC has been requiring prior written consent for changes of ownership and control since at least 1989, as you will see from the Information Notice below.

Here is some additional information to help facilitate your understanding:

Please refer to NUREG 1556 Vol. 15, Rev. 1, "Consolidated Guidance About Materials Licenses: Guidance About Changes of Control and About Bankruptcy Involving Byproduct, Source, or Special Nuclear Materials Licenses, Final Report (NUREG-1556, Volume 15, Revision 1), published June 2016, including, but not necessarily limited to, section 5 in the front of the book; Appendix C, which describes direct and indirect transfers and sample transactions; and Appendices D and E.

There is a new version of NUREG 1556 Vol. 7, Rev. 1, "Consolidated Guidance About Materials Licenses: Program-Specific Guidance About Academic, Research and Development, and Other Licenses of Limited Scope, Including Electron Capture Devices and X-Ray Fluorescence Analyzers (NUREG-1556, Volume 7, Revision 1)," that was published in February 2018.

Here are links to both of these volumes:

<https://www.nrc.gov/docs/ML1618/ML16181A003.pdf>

<https://www.nrc.gov/reading-rm/doc-collections/nuregs/staff/sr1556/v7/>

In Vol. 7, Rev. 1, please see sections 9 and 9.1 on "Timely Notification of Transfer of Control" and Appendix D on "Guidance for Laboratory Animal and Veterinary Medicine Uses."

I copied and pasted sections 9 and 9.1 as follows:

"9 LICENSE AMENDMENTS AND RENEWALS

It is the licensee's obligation to keep the license current. If any of the information provided in the original application is to be modified or changed, the licensee must submit an application for a license amendment before the change takes place. The change is not in effect until the amendment has been issued. Also, to continue the license after its expiration date, the licensee must submit an application for a license renewal at least 30 days before the expiration date refer to Title 10 of the Code of Federal Regulations (10 CFR) 10 CFR 2.109(a), 10 CFR 30.36(a), 10 CFR 40.42(a), 10 CFR 70.38(a)].

Applicants for license amendment or renewal should do the following:

- Use the most recent guidance in preparing an amendment or renewal request.
- Submit either an U.S. Nuclear Regulatory Commission (NRC) Form 313 or a letter requesting amendment or renewal.

- Provide the license number and docket number.
- For renewals, provide a complete and up-to-date application including all required program elements outlined in Appendix B or C of this NUREG, as applicable. Training documentation for personnel currently listed on the license does not need to be submitted as part of the renewal application.

9.1 Timely Notification of Transfer of Control

Regulations: 10 CFR 30.34(b), 10 CFR 40.46, 10 CFR 70.36.

Criteria: Licensees must provide all supporting information and obtain the NRC's prior, written consent before transferring control of the license, also referred to as a "change of ownership" or "transferring the license."

Discussion: Transferring control may be the result of mergers, buyouts, or majority stock transfers. Although it is not the NRC's intent to interfere with the business decisions of licensees, it is necessary for licensees to obtain prior NRC written consent to ensure the following:

- Radioactive materials are possessed, used, or controlled only by persons who have valid NRC licenses or Agreement State licenses.
- Materials are properly handled and secured.
- Persons using these materials are capable, competent, and committed to implementing appropriate radiological controls.

- Adequate financial assurance is provided for compliance with the applicable NRC requirements, if required.
- A clear chain of custody is established to identify who is responsible for disposition of records and licensed material.
- The transferee has the financial resources to decommission the license, if necessary.
- Public health and safety are not compromised by the use of such materials.

Response from Applicant: No response is required from an applicant for a new license. However, current licensees should refer to 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," for more information about transfer of control (e.g., ownership).

Reference: For further information, see Regulatory Issue Summary (RIS) 2014-08, Rev. 1, "Regulatory Requirements for Transfer of Control (Change of Ownership) of Specific Materials Licensees," dated May 5, 2016. This RIS can also be found on the NRC's Generic Communications Web page under "Regulatory Issue Summaries":
[http://www.nrc.gov/readingrm/doc-collections/gen-comm/.](http://www.nrc.gov/readingrm/doc-collections/gen-comm/)"

The excerpts I underlined above in section 9.1 are pertinent but the entirety of these sections apply to this situation.

Much of this Guidance document is also relevant to future licensing correspondence so please refer to it often and use it to prepare licensing requests for us.

The following is a Regulatory Issue Summary (RIS) from 2014 and 2016 on this subject:

<https://www.nrc.gov/docs/ML1518/ML15181A223.pdf>

This is a link to Information Notice (IN) 89-25, originally sent to all NRC licensees in 1989 and again in 1994:

<https://www.nrc.gov/reading-rm/doc-collections/gen-comm/info-notices/1989/in89025r1.html>

This is a link to our public website where changes of ownership and control are posted for public comment and transparency:

<https://www.nrc.gov/about-nrc/regulatory/adjudicatory/hearing-license-applications.html#top>

Please prepare a written response to my attention at the above address no later than April 17, 2019. Please address it as "additional information to Control no. is 611635. The fastest and most reliable way to transmit the response is to fax only one completed, currently dated and signed copy to (630) 515-1078.

Please do not email it to me and/or send it via regular mail. Never send us more than one response by any means of transmission as this practice introduces unnecessary errors and delays in processing.

The response must contain only publicly releasable information as we will have to post your response for comment on our public website for 30 days.

In preparing your response, please also be reminded of the provisions in 10 CFR 30.9(a), "Completeness and accuracy of information,"..."(a) Information provided to the Commission by an applicant for a license or by a licensee or information required by statute or by the Commission's regulations, orders, or license conditions to be maintained by the applicant or the licensee shall be complete and accurate in all material respects."

If you have any questions or comments please contact me at either (800) 829-9500, ext. 9841 or (630) 829-9841. My fax number is (630) 515-1078. My email address is colleen.casey@nrc.gov.

In accordance with 10 CFR 2.390 of the NRC's "Rules of Practice," a copy of this letter will be available electronically for public inspection in the NRC Public Document Room or from the NRC's Agencywide Documents Access and Management System (ADAMS), accessible from the NRC Web site at <http://www.nrc.gov/reading-rm/adams.html>.

Sincerely,



Colleen Carol Casey
Materials Licensing Branch

License No. 21-26539-01
Docket No. 030-33367

Control No. 611635 |