

APR 18 1990

Docket No. 030-07022

The Welt Group, Inc.
ATTN: Messrs Andrew and Bruce Welt
4 Rocky Heights Road
Morris Plains, New Jersey 07950

Dear Messrs. Welt,

This responds to your March 7, 1990 memorandum to Mr. John White posing two questions regarding your interest in Radiation Technology, Incorporated (RTI). You subsequently asked another question in a telephone conversation with Ms. Marlene Taylor on March 9, 1990.

License Condition 11E in the license issued to RTI, Inc. specifically reads:

"Neither Martin Welt, PhD., William Jouris, nor Thomas Powell shall perform any services for Radiation Technology, Incorporated, as an officer, employee or consultant and Radiation Technology, Incorporated, must comply with the other conditions regarding Dr. Welt described in Item A on pages 2 and 3 of Radiation Technology's July 18, 1986, Answer to Immediately Effective Order Suspending Licenses."

Item A. of RTI's July 18, 1986 Answer specifically states:

"A. Dr. Martin Welt

1. Dr. Welt has resigned his position as Chief Executive Officer, Chairman of the Board, and as a Director of RTI.

2. Dr. Welt's stock is being placed in a voting trust with an independent trustee(s) to be voted in accordance with the direction of the majority of the Board of Directors. Dr. Welt may sell such stock or portions thereof in accordance with applicable laws and regulations.

3. Dr. Welt will become a consultant to RTI with regard to irradiation research and development. As such a consultant, he will have no involvement in the operation of the Rockaway plant, its licensed materials, or any other NRC licensed facility. He will further have no involvement in matters relating to compliance with NRC rules, regulations,

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or procedures or with respect to state agencies in "Agreement States" possessing similar authority to that of the NRC, or with respect to any other governmental agency with regulatory authority over RTI.

4. Dr. Welt's office as a consultant will be located away from the Rockaway plant.

5. All employees of the Rockaway facility are being informed of Dr. Welt's resignation and of his consultancy position having no authority pertaining to the Rockaway plant or NRC/state compliance as described above."

Your first question was: What would be the response of the NRC if Martin Welt was elected by RTI's shareholders to serve as a member of the Board of Directors?

License Condition 11E clearly precludes Martin Welt, Ph.D. from performing any services for RTI, except as outlined in Item A. Therefore, the license condition precludes Dr. Welt's service to RTI as a member of the Board of Directors.

Your second question was: What would be the response of the NRC if any individual, directly or indirectly, related to Martin Welt, was elected or appointed to any such positions of RTI?


Only Martin Welt and the other two named individuals are precluded from performing any services for RTI. There are no specific prohibitions against election or appointment of individuals related to Martin Welt.

Your third question was: Were there any NRC regulations prohibiting the Welt family from voting their stock in RTI?

There are no NRC regulations which would prohibit the Welt family from voting their stock. The NRC is aware of an August, 1986, Shareholders Voting Agreement affecting RTI and members of the Welt family. That agreement gave an irrevocable proxy to the Board of Directors to vote the shares for a period of five years. If a stock vote were to be used to place Dr. Welt in a position at RTI, contrary to the clear prohibition of License Condition 11E, the NRC would take appropriate enforcement action.

These responses are based upon the existing license issued to RTI and License Condition 11E. If RTI believes that changes in its license are appropriate, it should submit a request for license amendment.

Sincerely,


Lee H. Bittenhausen, Chief
Nuclear Materials Safety Branch

cc:
Radiation Technology, Inc.