

From: [Destiny Watson](#)
To: [Jones, Andrea](#)
Cc: [Eric Carroll](#)
Subject: [External_Sender] AMENDMENT AND NAME CHANGE OF NRC LICENSE XMAT427
Date: Wednesday, January 04, 2017 5:47:28 PM
Attachments: [image003.png](#)
[AMENDNRC.pdf](#)
[NRCLETTER.pdf](#)

Good afternoon Andrea I hope you enjoyed your vacation. I just wanted to let you know that we have spoken with Airgas and attached are the documents we are sending out today by FedEx tracking#**778100877311** for the amendment and name change to their license.

I have also included the letter in response to the letter we received from the NRC with signatures from Airgas and Shipping International. All of these documents are coming to you today, please let me know if you need anything else, thank you.

Best Regards,
Destiny Watson
General Manager and Licensed Customs Broker



Shipping International, Inc.
17721 Highway 59 N,
Humble TX 77396
T: 281-540-7447
F: 281-540-7455
C: CELL:713-876-4457
FMC#4640 IATA#01-1-9245/0

All business is undertaken subject to the Terms and Conditions of the National Customs Brokers & Forwarders Association of America, Inc. (Revised 7/09)

Please note that all carriers utilized have limited liability, therefore we recommend that goods are insured. Insurance quotations are available upon request.

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Deputy Director
US Nuclear Regulatory Commission
11555 Rockville Pike
Rockville, Md 20852

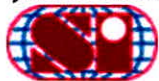
RE: AMENDMENT NAME CHANGE AND
INDIRECT TRANSFER OF OWNERSHIP OF
NRC LICENSE XMAT427

This is an application for Commission approval of both a direct and indirect transfer. With NRC form 7 Amending the name from Airgas Specialty Gases, Inc., to Airgas USA, LLC. and an additional supplemental detailing that change and additionally requesting an indirect transfer of ownership due to the merger of the parent company Airgas, Inc merging with the foreign corporation Air Liquide (Euronext Paris: AI), a public company in France.

We have also enclosed a copy of the merger disclosure and the chart. If any questions or additional information needed, please advise to my office at

Destiny.Watson@shippingintl.com and we will provide.

*Best Regards,
Destiny Watson
General Manager*



*Shipping International, Inc.
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Humble TX 77396
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Destiny Watson

Airgas, Inc is carrying out a restructuring of its operating companies. Currently, Airgas, Inc. is the owner and parent company of Airgas Specialty Gases, Inc., a Texas corporation ("ASG") who holds an NRC license number XMAT427, for exporting :2H2, DEUTERIUM GAS, ISOTOPE OF HYDROGEN to CHINA. Airgas, Inc. also owns Airgas USA, LLC, a Delaware limited liability company ("Airgas USA"). Effective April 1, 2016, Airgas, Inc. has merged Airgas Specialty Gases, Inc., into Airgas USA LLC. Airgas, Inc. and will remain the sole member (owner) of Airgas USA LLC Attached amendment on form C7 covers this transfer.

Airgas Specialty Gases, Inc., was no longer a separate legal entity as of April 1, 2016 and thereby ceased to exist legally on April 1, 2016 and all of the business and operations of Airgas Specialty Gases, Inc., are carried out by Airgas USA, LLC. As of April 1, 2016 .

The restructuring is illustrated on separate page:

Additionally, Airgas, Inc, has been merged with – L'Air Liquide, S.A. (Air Liquide) (Euronext Paris: AI), A public company in France on May 23 per the attached announcement and therefor additionally wishes to make an indirect transfer of ownership of licenses from the wholly owned subsidiary Airgas Specialty Gases, Inc to the newly formed Airgas Airgas USA, LLC to the new merged company with Air Liquide which will still go under the name of Airgas, Inc. AL Acquisition Corporation no longer exists as of May 23, 2016. The other companies that were part of Air Liquide prior to the merger; American Air Liquide Holdings, Inc. and L'Air Liquide, S.A. continue to exist along with American Air Liquide, Inc and Cobra Holdings, Ag. which are illustrated in the parent chain as Indirect and direct Subsidiaries in the attached.

Air Liquide International S.A. is a direct subsidiary of L'Air Liquide, S.A. and American Air Liquide Holdings, Inc. is an indirect subsidiary of L'Air Liquide, S.A.

The diagram attached shows all companies in the parent chain between L'Air Liquide, S.A. and Airgas USA, LLC (Licensee).

There will be no change in personnel facilities equipment or procedures and the status of the surveillance programs will remain the same.

All records will be kept in the same facilities and transferee will abide by all constraints, conditions and requirements of the licensed program. No shipments under this license have taken place

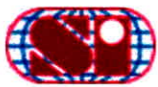
since the Merger with Air Liquide and we will await approval of the transfer before any shipments resume.

Shipping International, Inc. will remain the forwarder and will work under a new power of attorney signed by Airgas USA LLC and all parties including the entity that gained control of the XMAT427 license, will abide by all constraints, conditions, requirements, representations and commitments identified in or attributed to the license, or describe the new program that will be used to comply with the license and all applicable regulations.

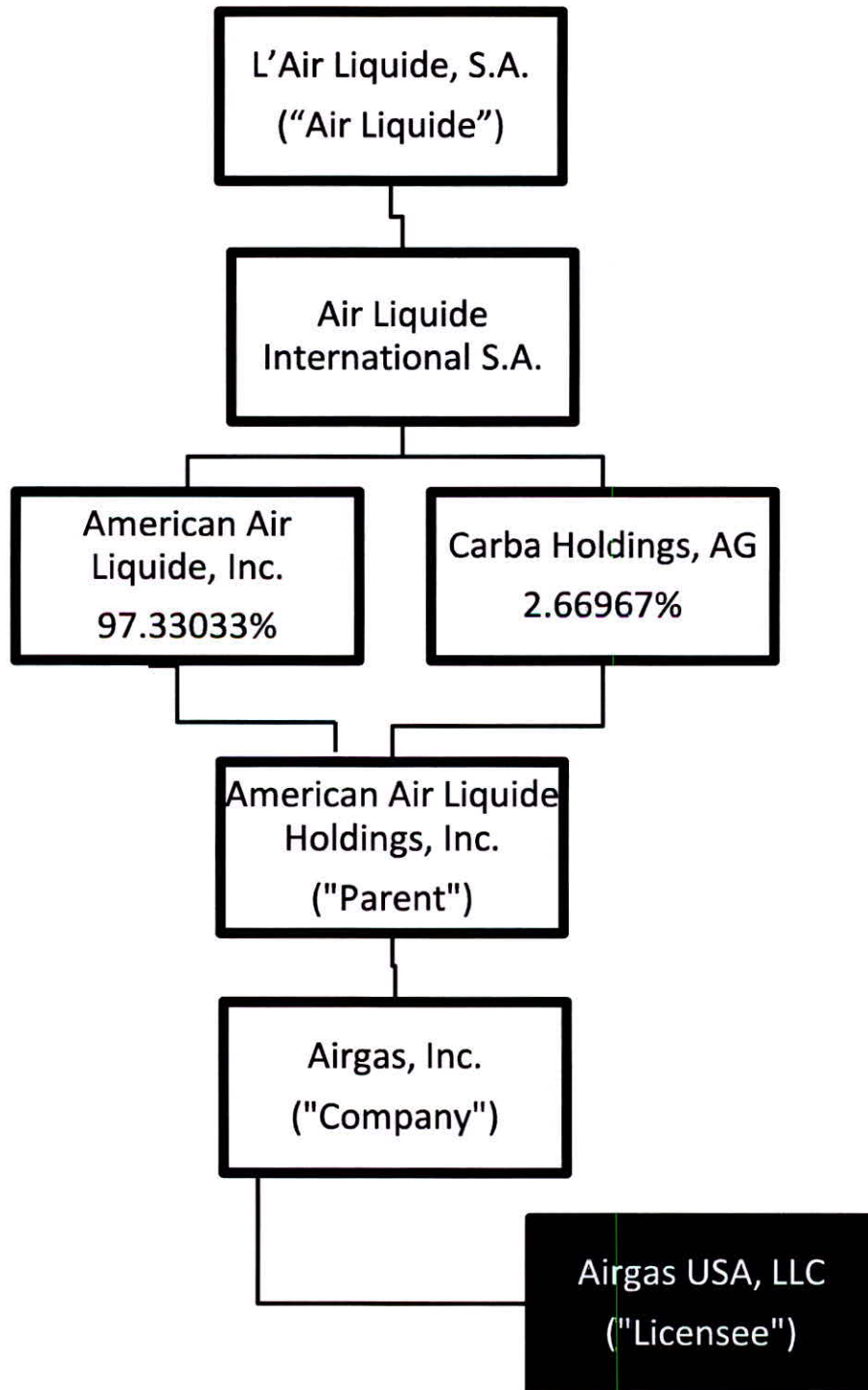
Best Regards,

Destiny Watson

General Manager



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Humble TX 77396
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SHIPPING INTERNATIONAL

17721 Highway 59 North □ Humble, TX 77396

Via FEDERAL EXPRESS_

January 3, 2017

Director, Office of International Programs
U.S. Nuclear Regulatory Commission,
Washington, DC 20555-0001

Re: Reply to Notice of Violation (EA-16-167)

Dear: Sir/Madam:

On behalf of Airgas USA, LLC, successor by merger to Airgas Specialty Gases, Inc. ("Airgas"), and its agent Shipping International, Inc. please accept the attached Reply to Reply to Notice of Violation (EA-16-167).

If you should have any questions with respect to the attached please contact Eric Carroll, Shipping International, eric@shippingintl.com, with copy to John Penland, Dir. Product Procurement, Airgas, John.Penland@Airgas.com.

Thank you for your attention and cooperation.

Sincerely,

Eric Carroll, Shipping International

John Penland, Dir. Product Procurement, Airgas

cc: Peter Habighorst, Chief, Export Controls & Nonproliferation Branch (w/encl.) (via FEDERAL EXPRESS_)

Bill Russo, V. P., Airgas (w/encl.) (via email)

Robert Hecht, Deputy General Counsel, Airgas (w/encl.) (via email)

Airgas Specialty Gases, Inc.

REPLY TO NOTICE OF VIOLATION (EA-16-167)

Introduction & Background

Below is the response of Airgas Specialty Gases, Inc. ("ASG") to the Notice of Violation (EA-16-167) ("NOV") issued by the U.S. Nuclear Regulatory Commission ("NRC") dated December 5, 2016, and the two (2) violations noted therein.

For ease of reading, each Violation cited is repeated below in full as it appeared in the NOV, and the response of ASG immediately follows.

The circumstances giving rise to the asserted violations arise from two separate events. The first was that on April 1, 2016 ASG was merged into an affiliated company, Airgas USA, LLC, with Airgas USA, LLC being the surviving entity. At the time, both ASG and Airgas USA, LLC were subsidiaries of Airgas, Inc., the publically traded parent company.

The second event was on May 23, 2016, Airgas, Inc. and all of its subsidiaries were acquired by L'Air Liquide, S.A. ("Air Liquide")¹. The May 23, 2016 closing of the foregoing occurred following, inter alia, shareholder approval, approval by the U.S. Treasury, Committee on Foreign Investment in the United States (CFIUS) and approval by the U.S. Federal Trade Commission ("FTC"). The last approval obtained was that of the FTC, which was given on Friday, May 13, 2016. The transaction documents required that closing occur within five (5) business days thereafter, on Monday, May 23, 2016.

Violations

Violation A

A. Title 10 of the Code of Federal Regulations (10 CFR) Section 110.50(d) states that a "specific license may be transferred, disposed of or assigned to another person only with the approval of the Commission by license amendment." Section 184 of the Atomic Energy Act (AEA) of 1954, as amended (42 U.S.C. § 2234), states, in part, that no NRC license shall be transferred, 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 this Act, and shall give its consent in writing. Contrary to the above, on April 1, 2016, NRC export license XMAT 427 was effectively transferred to another entity without the prior approval of the Commission by license amendment. Specifically, on April 1, 2016, Airgas Specialty Gases ceased to exist and its specific license was effectively transferred to Airgas USA, LLC, without the prior approval of the Commission by a license amendment.

ASG Response

On April 1, 2016 ASG did merge with and into Airgas USA, LLC, with Airgas USA, LLC as the surviving entity. ASG was the holder of NRC Export License XMAT427. The

¹ In the transaction, Air Liquide formed a Delaware acquisition corporation which was merged with and into Airgas, Inc. with Airgas, Inc. surviving the merger. As a result, Airgas, Inc., and its direct and indirect subsidiaries (e.g., including ASG and Airgas USA, LLC), became wholly owned indirect subsidiaries of Air Liquide.

Corrective Measures Completed

No export shipments will take place under License XMAT427 until written approval has been received from the Commission. A completed application has been submitted and is pending before the Commission for review and approval.

Airgas USA, LLC's agent Shipping International advises that it has incorporated into its procedures, according to ISO:9001, to only accept and act upon written approvals from the Commission and follow the strict guidelines of the 10 CFR with special reference to section 110.50 (d) and part 2.390 in accordance with the AGENCY RULES OF PRACTICE AND PROCEDURE along with the Atomic Energy Act (AEA) of 1954 as Amended with special reference to Section 184 for any actions concerning NRC licensing or shipments done within the jurisdiction of the Nuclear Regulatory Commission.

Additional Corrective Actions

As noted, no export shipments will take place under License XMAT427 until written approval has been received from the Commission.

Full Compliance

Airgas USA, LLC will achieve full upon approval of the pending application before the Commission.