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RECEIVED  
SEP 09 2021

September 7, 2021

DNMS

U.S. Nuclear Regulatory Commission – Region IV  
ATTN: Materials Licensing  
1600 East Lamar Boulevard  
Arlington, Texas 76011-4511

**SUBJECT:** Request for Consent to Transfer of Control for U.S. Nuclear Regulatory  
Commission Materials License Number 42-08456-02

To Whom This May Concern:

Century Inspection, Inc. ("Century") conducts industrial radiographic testing and inspection services under the U.S. Nuclear Regulatory Commission (the "NRC") Radioactive Materials License No. 42-08456-02 (the "License"). Pursuant to 10 C.F.R. §§ 30.34(b), and the Nuclear Regulatory Commission Consolidated Guidance About Materials Licenses, NUREG-1556 Volume 15 ("NRC Guidance"), licensees must notify NRC that they are undergoing a possible transfer of control for purposes of obtaining NRC consent to the transfer. Century's ultimate corporate parent, Rockwood Service Corporation ("Rockwood"), underwent an indirect change of control as part of a merger resulting in a change of majority ownership of Rockwood on December 20, 2019 (the "Transaction"). At the time of the Transaction, Rockwood and Century's immediate corporate parent, Acuren Inspection, Inc. ("Acuren"), sought the consent of the NRC and numerous Agreement States to the indirect change of control for Acuren's 30 licenses. Although Rockwood and Acuren undertook extensive efforts to ensure Acuren's Radioactive Materials Licenses received all appropriate approvals, both from the NRC<sup>1</sup> and relevant state authorities, an inadvertent oversight did not identify Century's License, which resulted in a failure to seek and obtain NRC's review and consent to the indirect change of control with respect to that License.<sup>2</sup> We therefore now seek the NRC's retroactive consent to the indirect change of control of Century's License that occurred as a result of the Transaction in December 2019.

Century holds the License in question in its own name. Century has its own management and operational staff who control and conduct the activities covered by the License, which has not materially changed since the Transaction. In addition, there have been no changes to Century's day-to-day activities or operations covered by the License since the Transaction. Further, Century continues to be wholly owned by the same corporate parent. However, a new Board of Directors and new Officers have been appointed, as discussed in greater detail below.

<sup>1</sup> As shown in Exhibits 1 and 2, Acuren timely sought and received the consent of NRC Region III in connection with the Transaction.

<sup>2</sup> The oversight came to the attention of Century during a subsequent inspection, as set forth in Notice of Violation dated July 20, 2021, Docket 03-06415.



Century was at the time of the Transaction, and continues to be, a wholly owned subsidiary of Acuren, and it conducts its own industrial radiographic testing and inspection services under its own License. Acuren was at the time of the Transaction, and continues to be, a wholly owned subsidiary of Rockwood, a holding company. The Transaction constituted a transfer of the majority of the equity ownership of Rockwood by its previous shareholders to a group of new investors. While the Transaction did result in new board members controlling Rockwood, the prior (and current) Chairman of Rockwood's Board of Directors continued on such Board. The Transaction was organized as a merger whereby a newly formed corporation, ASP Acuren Merger Sub, Inc. ("ASP Merger Sub"), was merged with and into Rockwood. The principal investors of ASP Merger Sub are funds managed by American Securities LLC ("American Securities"). American Securities is a New York-based private investment firm managing approximately \$23 billion of cumulative committed equity capital. American Securities is an actively engaged investor who works with management on strategic decisions, aspiring to build world-class companies by partnering with and providing resources to support existing management teams while allowing its investments to operate in a manner consistent with their prior practices. See <https://www.american-securities.com/> for more information.

*The structure and personnel associated with the day-to-day radioactive material licensing at Century did not change at the closing of the Transaction, nor has it changed since. While Century's officers and its Board of Directors have changed since the Transaction, all activities under the License, and the direction of the activities under the License, have historically been conducted by, and today are in the control of, Century and its management. The Transaction did not affect this long-standing operational principle, nor has it affected the management structure related to the activities carried out under the License that has developed at Century.*

Prior to the closing of the Transaction, Acuren gave notice to NRC of the impending Transaction and asked the NRC to review the notification as an application for transfer of control of the Acuren license and provide its consent to the Transaction pursuant to 10 C.F.R. §§ 30.34(b) and 40.46. That notice is enclosed for reference as **Exhibit 1**.<sup>3</sup> The NRC subsequently approved the proposed Transaction with respect to the Acuren license, and that approval is enclosed for reference as **Exhibit 2**. By submittal of this notification regarding the Transaction as to the Century License, Century now asks that the NRC review this notification and provide its post-closing consent to the same Transaction pursuant to 10 C.F.R. §§ 30.34(b) and 40.46. The information required to obtain consent to a transfer of control, as described in Appendix E of the NRC Guidance, is set forth below.

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<sup>3</sup> Because the Transaction has since closed, the information previously redacted as Trade Secrets is no longer confidential. Accordingly, Century has removed the designation from the letter to "withhold from public disclosure," and has not redacted the same information in this submittal. However, no other changes have been made to Exhibit 1.





1. Describe any planned changes in the organization, including but not limited to, transfer of stocks or assets and mergers, change in members on Board of Directors, etc. Provide the new licensee name, mailing address, and contact information, including phone numbers. Clearly identify when the amendment request is due to a name change only.

- A. Transaction. Prior to the Transaction, Century was a wholly-owned subsidiary of Acuren, and Acuren was a wholly-owned subsidiary of Rockwood. The Transaction involved upstream restructuring of the equity interests in Rockwood, Century's ultimate parent company. Today, Century remains a wholly-owned subsidiary of Acuren, and Acuren remains a wholly-owned subsidiary of Rockwood.

Rockwood was, prior to the Transaction, owned by a group of shareholders including an individual who currently serves as Chairman of Rockwood's Board of Directors. A transaction was undertaken in which a new group of investors invested in, and assumed majority ownership of, Rockwood. The aforementioned Chairman remained a substantial investor and continued on the Board of Directors controlling Rockwood, and remains in that position today.

Pursuant to an Agreement and Plan of Merger dated October 22, 2019, and closed on December 20, 2019, ASP Merger Sub, a subsidiary of ASP Acuren Intermediate Holdings, Inc. ("ASP Holdings"), was merged with and into Rockwood, with Rockwood surviving the merger. As part of that process, all issued and outstanding shares of stock in Rockwood were dissolved; at the same time, all issued and outstanding shares of stock in ASP Merger Sub were converted into shares of stock in post-merger Rockwood. At the end of the process, ASP Holdings became the new sole owner of Rockwood. Attached hereto as **Exhibit 3** is a diagram of the Transaction.<sup>4</sup>

Approximately 70% of the stock of Rockwood was previously owned or controlled by various passive investors. These passive investors collectively became the indirect owners of approximately 10-15% of the ownership interests in ASP Holdings following the Transaction.

The remaining approximately 30% of the stock of Rockwood was previously owned or controlled by the Chairman of the Board of Directors. He became the indirect owner of an approximately 10-15% ownership interest in ASP Holdings following the Transaction.

Following consummation of the Transaction, the remaining 70-80% of the ownership interest in ASP Holdings was held indirectly by investment funds

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<sup>4</sup> The diagram of the Transaction in Exhibit 3 is identical to the diagram of the Transaction that was included as an attachment to Exhibit 1, since they both describe the same transaction.



affiliated with American Securities. Century remained a wholly-owned subsidiary of Acuren, and Acuren remained a wholly-owned subsidiary of Rockwood, following the Transaction.

The officers of Rockwood remained the same at the closing of the Transaction. While the Board of Directors controlling Rockwood has changed since the Transaction, as noted previously, the current Chairman of the Board of Directors of Rockwood continued on the Board of Directors controlling Rockwood, and remains in that position today.

- B. Licensee.** Century is the current licensee under the License. Prior to the closing of the Transaction, Century was a wholly owned subsidiary of Acuren, and Acuren was a wholly owned subsidiary of Rockwood. Following the closing of the Transaction, Century remained a wholly-owned subsidiary of Acuren, and Acuren remained a wholly-owned subsidiary of Rockwood. *Century retained the same names, mailing addresses, and contact information following the Transaction and to the present day.*

Throughout the closing of the Transaction and to the present day, Century's headquarters, day-to-day management, corporate structure, key personnel, and licensed activities have remained the same. So too has Century's relationship with its ultimate parent, Rockwood. Since the Transaction, however, a new Board of Directors and new officers were appointed to Century. The vast majority of appointees were historically associated with Rockwood, Century's ultimate parent, prior to the Transaction, allowing for further consistency in policy and operations at Century.

Century recognizes the need to avoid foreign ownership, control, and domination of a licensed activity. As part of the appointments described above, two Canadian citizens were among those appointed to the Board of Directors and as officers of Century. Fiona Sutherland was appointed to the Board of Directors and as the Secretary of Century, and Talman Pizzey was appointed to the Board of Directors and as the President of Century. However, all other Directors and officers of Century remain United States Citizens. Moreover, both Ms. Sutherland and Mr. Pizzey were associated with Rockwood, Century's ultimate parent, prior to the Transaction. Prior to the Transaction Ms. Sutherland was already serving as the General Counsel of Rockwood, and remains in that capacity today; prior to the Transaction Mr. Pizzey had since 1998 served in varying management roles for Rockwood subsidiaries. Thus, although their roles in assisting with matters at Century have expanded, their presence on the Century Board of Directors does not materially change the makeup of the Rockwood corporate family in terms of foreign representation or oversight. Neither Ms. Sutherland nor Mr. Pizzey has any involvement in daily management or control of the materials covered by Century's license.





2. **Describe any changes in personnel or duties that relate to the licensed program. Include training and experience for new personnel and any changes in the training program.**

There have been no changes to personnel at Century relating to the License or associated with licensed activities, since the Transaction. Further, Century retained the same day-to-day management personnel in respect of the activities carried out under the License and reporting structure.

3. **Describe any changes in the location, facilities, equipment, radiation safety program, use, possession, waste management, or other procedures that relate to the licensed program.**

There have been no changes in the locations, facilities, equipment or procedures used for activities under the License since the Transaction.

4. **Describe the status of the licensee's facilities, equipment, and radiation safety program, including any known contamination and whether decontamination will occur prior to transfer. Include the status of calibrations, leak tests, area surveys, wipe tests, training, quality control, and related records.**

The status of Century's facilities, equipment, and radiation safety program were in compliance at the time of the Transaction, and are in compliance at this time following the corrective measures taken in response to the Notices of Violation. There is no known contamination of Century's facilities or equipment.

5. **If current decommissioning funding plans (DFP) will be changed as a result of the transfer, the revised DFP should be submitted. If other financial assurance documents will be changed as a result of the transfer, confirm that all financial assurance instruments associated with the license will be held in the transferee's name before the license is transferred, and as required by 10 CFR 30.35(f), the licensee must, within 30 days, submit financial instruments reflecting such changes.**

This item is not applicable. Century is not required to maintain decommissioning funding plans or provide financial assurance under the License.

6. **Confirm that all records concerning the safe and effective decommissioning of the facility will be transferred to the transferee or to NRC, as appropriate. These records include documentation of surveys of ambient radiation levels and fixed and/or removable contamination, including methods and sensitivity.**

Based on the nature of Century's licensed operations, decommissioning of facilities is not applicable.



7. **Confirm that both transferor and transferee agree to transferring control of the licensed material and activity, and the conditions of transfer, and that the transferee has been made aware of any open inspection items and its responsibility for possible resulting enforcement actions.**

Confirmed. Although due to the closing of the Transaction there are no transferor and transferee in the same positions at this time as they were pre-Transaction, both the licensee and its ultimate parent confirm their consent to the change in control of the licensed material and activity, the conditions of transfer, and responsibility for possible enforcement actions.

8. **Confirm that the transferee will abide by all constraints, conditions, requirements, representations, and commitments of the transferor or that the transferee will submit a complete description of the proposed licensed program.**

Confirmed.

9. **The transferee, in the case of fuel cycle facilities, shall provide documentation showing that it is financially qualified to conduct normal operations. The information can be in the form of income statements and balance sheet forecasts.**

This item is not applicable because Century does not hold a license for a fuel cycle facility.

As a result of the foregoing, Century asks that the NRC provide its consent to the Transaction pursuant to 10 C.F.R. §§ 30.34(b) and 40.46.

Thank you for your prompt assistance with this request. We plan to follow up on this submittal in the near future to see if the NRC may have questions on it. If you have any questions or require additional information about this notice in the meantime, please contact David A. Franchina of McGuireWoods LLP, 201 North Tryon Street, Suite 3000, Charlotte, NC 28202, who can be reached by phone at 704-343-2297, or email at [DFranchina@mcguirewoods.com](mailto:DFranchina@mcguirewoods.com).



Respectfully submitted,

A handwritten signature in blue ink, appearing to read "Keen Ritter", is positioned above the printed name.

Keenan W. Ritter  
Radiation Safety Officer  
Century Inspection, Inc.



I hereby confirm Rockwood's agreement with the statements made in numbered paragraph 7 of the above letter.

A handwritten signature in black ink, appearing to read "Fiona E. Sutherland".

Fiona E. Sutherland  
General Counsel, Vice President and Assistant Secretary  
Rockwood Service Corporation





**Acuren Inspection, Inc.**  
4566 Abrahamson Rd  
Duluth, MN 55811

Phone: 218-336-4668  
Cell: 262-649-7066

Materials Engineering & Testing

October 28, 2019

U.S. Nuclear Regulatory Commission – Region III  
ATTN: Materials Licensing  
2443 Warrenville Road Suite 210  
Lisle, IL 60532

**SUBJECT:** Request for Consent to Transfer of Control for U.S. Nuclear Regulatory  
Commission Materials License Number 22-27593-01

To Whom This May Concern:

Acuren Inspection, Inc. (“Acuren”) conducts industrial radiographic testing and inspection services under the U.S. Nuclear Regulatory Commission (the “NRC”) Radioactive Materials License No. 22-27593-01 (the “License”). Pursuant to 10 C.F.R. §§ 30.34(b), and the Nuclear Regulatory Commission Consolidated Guidance About Materials Licenses, NUREG-1556 Volume 15 (“NRC Guidance”), licensees must notify NRC that they are undergoing a possible transfer of control for purposes of obtaining NRC consent to the transfer. Accordingly, we are writing to provide notice to the NRC of an anticipated transaction (the “Transaction”) to allow the NRC to review and consent to the Transaction.

**Acuren respectfully requests that the NRC conduct an expedited review of this notice and provide a response as soon as is practicable.** The expedited review is necessary due to the timing associated with closing of the contemplated transaction involving Acuren’s parent company, Rockwood Services Corporation (“Rockwood”) as described below.

Acuren has been working harmoniously with the NRC for over 30 years as its business has grown. It values its relationship with the agency. Acuren believes it has been proactive on licensing matters, and it has made safety – particularly on licensing – a key corporate value.

Acuren holds the License in question in its name and in the name of several of its other brands (ADBA/WIT Pipeline, ADBA/TEI, ADBA/Acuren Pipeline, and ADBA/Lehigh Testing Laboratories). Acuren has its own management and operational staff who control and conduct the activities covered by the License, who will not change at the closing of the Transaction. In addition, there will be no changes to Acuren’s day-to-day activities or operations covered by the License as a result of the Transaction, nor will the Transaction result in changes to Acuren’s Board of Directors or officers. Further, upon closing of the Transaction, Acuren will continue to be wholly owned by the same corporate parent.

Acuren is a wholly owned subsidiary of Rockwood, a holding company. The Transaction contemplated is a transfer of the majority of the equity ownership of Rockwood by its current shareholders to a group of new investors. While there will be new board members controlling Rockwood at closing of the Transaction, the current Chairman of Rockwood's Board of Directors will continue on such Board, and the officers of Rockwood will remain unchanged. The Transaction will be organized as a merger – whereby a newly formed corporation, [ASP Acuren Merger Sub, Inc.] (“[ASP Merger Sub]”), will be merged with and into Rockwood. The principal investors of [ASP Merger Sub] are funds managed by [American Securities LLC] (“[American Securities]”). [American Securities] is a New York-based private investment firm managing approximately \$23 billion of cumulative committed equity capital. [American Securities] is an actively engaged investor who works with management on strategic decisions, aspiring to build world-class companies by partnering with and providing resources to support existing management teams while allowing its investments to operate in a manner consistent with their prior practices. See [<https://www.american-securities.com/>] for more information.

*The structure and personnel associated with the day-to-day radioactive material licensing at Acuren will not change at the closing of the Transaction, nor will Acuren's officers or its Board of Directors.* As described in this letter, all activities under the License, and the direction of the activities under the License, have historically been conducted by, and today are in the control of, Acuren and its management. The Transaction will not affect this long-standing operational principle, nor the management structure related to the activities carried out under the License that has developed at Acuren.

After reviewing the regulations and the NRC Guidance, it is unclear to Acuren if the Transaction will constitute a transfer of control. However, out of an abundance of caution, Acuren asks that NRC treat this notification as an application for transfer of control, and provide its consent to the Transaction pursuant to 10 C.F.R. §§ 30.34(b) and 40.46. The information required to obtain consent to a transfer of control, as described in Appendix E of the NRC Guidance, is set forth below.

**1. Describe any planned changes in the organization, including but not limited to, transfer of stocks or assets and mergers, change in members on Board of Directors, etc. Provide the new licensee name, mailing address, and contact information, including phone numbers. Clearly identify when the amendment request is due to a name change only.**

- A. Transaction. Acuren is a wholly-owned subsidiary of Rockwood. The Transaction involves upstream restructuring of the equity interests in Rockwood, Acuren's parent company. Acuren will remain wholly owned by Rockwood following the Transaction.

Rockwood is owned by a group of shareholders including an individual who currently serves as Chairman of Rockwood's Board of Directors. A transaction is being undertaken in which a new group of investors will invest in, and assume majority ownership of, Rockwood. The aforementioned Chairman will remain a

substantial investor and will continue on the Board of Directors controlling Rockwood at the closing of the Transaction.

Pursuant to an Agreement and Plan of Merger dated October 22, 2019,<sup>1</sup> [ASP Merger Sub], a subsidiary of [ASP Acuren Intermediate Holdings, Inc.] (“[ASP Holdings]”), will be merged with and into Rockwood, with Rockwood surviving the merger. As part of that process, all issued and outstanding shares of stock in Rockwood will be dissolved; at the same time, all issued and outstanding shares of stock in [ASP Merger Sub] will be converted into shares of stock in post-merger Rockwood. At the end of the process, [ASP Holdings] will be the new sole owner of Rockwood. Attached hereto as **Exhibit 1** is a diagram of the Transaction.

Approximately 70% of the stock of Rockwood is currently owned or controlled by various passive investors. These passive investors will collectively become the indirect owners of approximately 10-15% of the ownership interests in [ASP Holdings] following the Transaction.

The remaining approximately 30% of the stock of Rockwood is currently owned or controlled by the Chairman of the Board of Directors. He will become the indirect owner of an approximately 10-15% ownership interest in [ASP Holdings] following the Transaction.

Following consummation of the Transaction, the remaining 70-80% of the ownership interest in [ASP Holdings] will be held indirectly by investment funds affiliated with [American Securities]. Acuren will remain a wholly owned subsidiary of Rockwood following the Transaction.

The officers of Rockwood will remain the same at the closing of the Transaction. While the Board of Directors controlling Rockwood will be reconstituted in connection with the Transaction, as noted previously, the current Chairman of the Board of Directors of Rockwood will continue on the Board of Directors controlling Rockwood at the closing of the Transaction.

- B. Licensee.** Acuren is the current licensee under the License. Several Acuren brands are also listed in the license (ADBA/WIT Pipeline, ADBA/TEI, ADBA/Acuren Pipeline, and ADBA/Lehigh Testing Laboratories). As of the date of this notice and prior to the closing of the Transaction, Acuren is a wholly owned subsidiary of Rockwood. Following the approval of this notice by the NRC and the closing of the Transaction, Acuren will remain a wholly owned subsidiary of Rockwood. *Acuren, along with all of its direct and indirect subsidiaries, will retain the same names, mailing addresses, and contact information following the Transaction.*

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<sup>1</sup> Consummation of the Transaction, and the corresponding restructuring of ownership interests in Rockwood, will not occur until closing occurs under the terms of the Agreement and Plan of Merger.



The Transaction will not affect Acuren's management structure in regards to the activities carried out under the License, Acuren's officers, Acuren's Board of Directors, or Rockwood's role and authority as its sole owner.

- 2. Describe any changes in personnel or duties that relate to the licensed program. Include training and experience for new personnel and any changes in the training program.**

There will be no changes to personnel at Acuren relating to the License or associated with licensed activities, as a result of the Transaction. Further, Acuren will retain the same day-to-day management personnel in respect of the activities carried out under the License and reporting structure.

- 3. Describe any changes in the location, facilities, equipment, radiation safety program, use, possession, waste management, or other procedures that relate to the licensed program.**

There will be no changes in the locations, facilities, equipment or procedures used for activities under the License as a result of the Transaction.

- 4. Describe the status of the licensee's facilities, equipment, and radiation safety program, including any known contamination and whether decontamination will occur prior to transfer. Include the status of calibrations, leak tests, area surveys, wipe tests, training, quality control, and related records.**

The status of Acuren's facilities, equipment, and radiation safety program are currently in compliance. There is no known contamination of Acuren's facilities or equipment.

- 5. If current decommissioning funding plans (DFP) will be changed as a result of the transfer, the revised DFP should be submitted. If other financial assurance documents will be changed as a result of the transfer, confirm that all financial assurance instruments associated with the license will be held in the transferee's name before the license is transferred, and as required by 10 CFR 30.35(f), the licensee must, within 30 days, submit financial instruments reflecting such changes.**

This item is not applicable. Acuren is not required to maintain decommissioning funding plans or provide financial assurance under the License.

- 6. Confirm that all records concerning the safe and effective decommissioning of the facility will be transferred to the transferee or to NRC, as appropriate. These records include documentation of surveys of ambient radiation levels and fixed and/or removable contamination, including methods and sensitivity.**

Based on the nature of Acuren's licensed operations, decommissioning of facilities is not applicable.

7. **Confirm that both transferor and transferee agree to transferring control of the licensed material and activity, and the conditions of transfer, and that the transferee has been made aware of any open inspection items and its responsibility for possible resulting enforcement actions.**

Confirmed.

8. **Confirm that the transferee will abide by all constraints, conditions, requirements, representations, and commitments of the transferor or that the transferee will submit a complete description of the proposed licensed program.**

Confirmed.

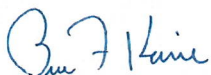
9. **The transferee, in the case of fuel cycle facilities, shall provide documentation showing that it is financially qualified to conduct normal operations. The information can be in the form of income statements and balance sheet forecasts.**

This item is not applicable because Acuren does not hold a license for a fuel cycle facility.

As a result of the foregoing, Acuren asks that the NRC provide its consent to the Transaction pursuant to 10 C.F.R. §§ 30.34(b) and 40.46.

Thank you for your prompt assistance with this request. We plan to follow up on this submittal in the near future to see if the NRC may have questions on it. If you have any questions or require additional information about this notice in the meantime, please contact David A. Franchina of McGuireWoods LLP, 201 North Tryon Street, Suite 3000, Charlotte, NC 28202, who can be reached by phone at 704-343-2297, or email at [DFranchina@mcguirewoods.com](mailto:DFranchina@mcguirewoods.com).

Respectfully submitted,



Bruce F. Karie  
Corporate Director of Radiation Safety  
Acuren Inspection, Inc./Transferor

Acknowledged by Transferee:

A large, stylized handwritten signature in black ink, which appears to read "Eric L. Schondorf". The signature is written over the printed name and title.

Eric L. Schondorf

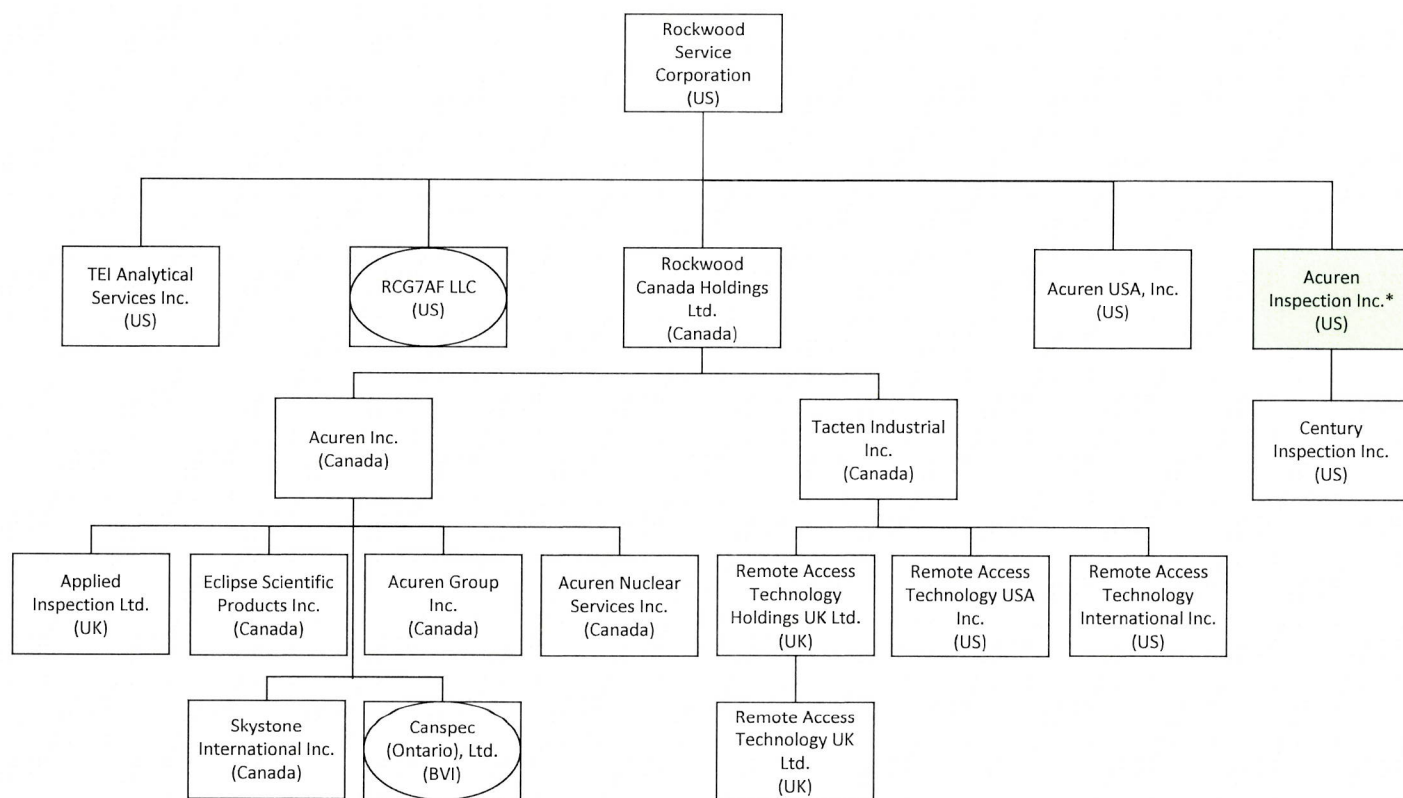
Vice President & Secretary

ASP Acuren Intermediate Holdings, Inc./Transferee



# Rockwood Service Corporation

## Pre-Merger Structure

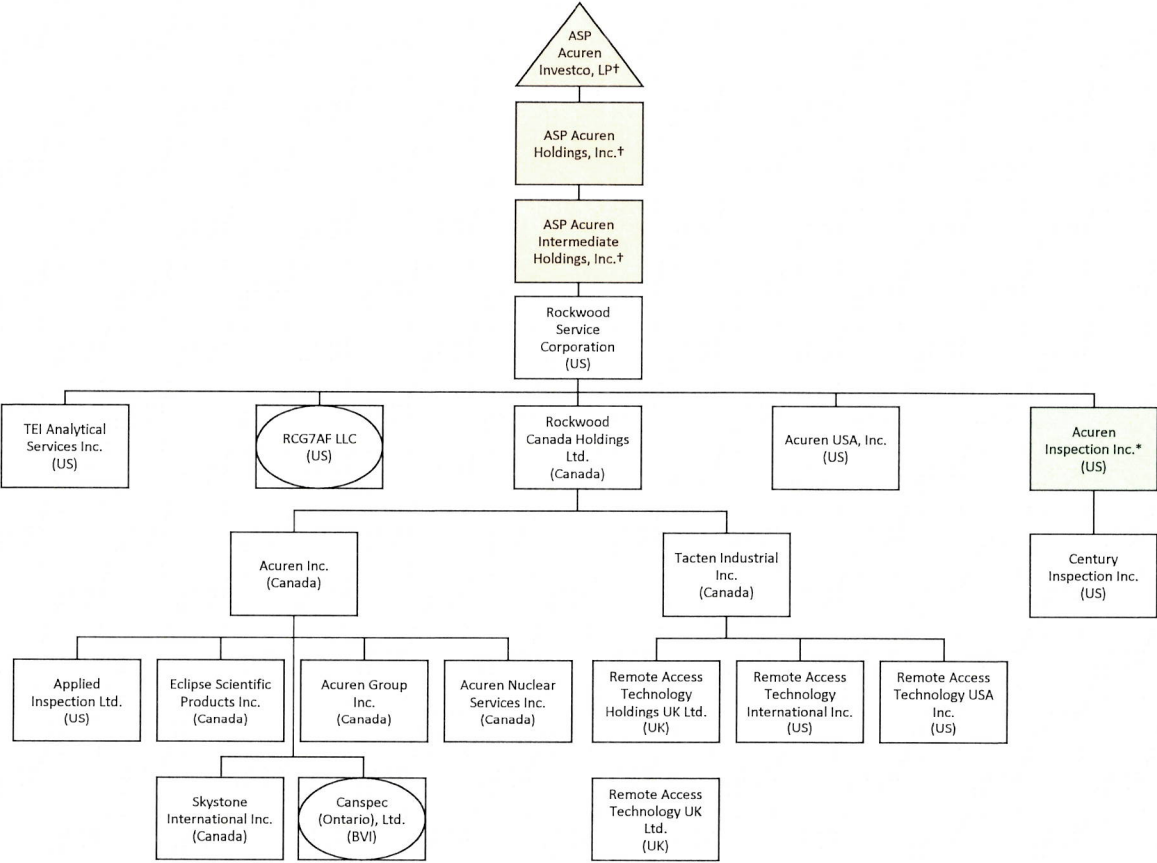


\*Licensee under U.S. Nuclear Regulatory Commission Radioactive Materials License No. 22-27593-01.

Exhibit 1

# Rockwood Service Corporation

## Post-Merger Structure



†American Securities purchaser entities.

\*Licensee under U.S. Nuclear Regulatory Commission Radioactive Materials License No. 22-27593-01.

Exhibit 1



**UNITED STATES  
NUCLEAR REGULATORY COMMISSION**

REGION III  
2443 WARRENVILLE RD. SUITE 210  
LISLE, IL 60532-4352

**FEB 11 2020**

Bruce F. Karie  
Radiation Safety Officer  
Acuren Inspection, Inc.  
ADBA/WIT Pipeline  
ADBA/TEI  
ADBA/Acuren Pipeline  
ADBA/Lehigh Testing Laboratories  
4566 Abrahamson Road  
Duluth, MN 55811

**SUBJECT: CONSENT TO INDIRECT CHANGE OF CONTROL FOR ACUREN INSPECTION, INC., NRC LICENSE NO. 22-27593-01**

Dear Mr. Karie:

By letter dated October 28, 2019, Acuren Inspection, Inc. submitted to the U. S. Nuclear Regulatory Commission (NRC) a Request for Consent to indirect Change of Control of NRC Material License No. 22-27593-01. The letter is available electronically from the Agencywide Documents Access and Management System (ADAMS) at Accession No. ML19302F502.

Based on the information provided, we understand that as a result of a proposed changes the majority of the equity ownership of Rockwood, a holding company, the parent company of Acuren Inspection, Inc., will be transferred from its current shareholders to a group of new investors. Therefore, the control of the licensee, Acuren Inspection, Inc., will indirectly be transferred from its current shareholders to the group of new investors. We further understand Acuren Inspection, Inc. will remain a wholly owned subsidiary of Rockwood and that this transfer will not result in any change to the licensee name, licensed materials, persons using licensed material, location of use of licensed material, or persons responsible for the licensee's radiation safety program.

Based on the above understandings and as more fully detailed in the attachment which documents the NRC staff's review of the request, we have no objection 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 merger agreement confirming completion of the transaction. With this information, we can issue an administrative amendment to your NRC license to reflect the transaction, if necessary. If this planned merger has not been consummated within 30 days of the date of this letter, please notify us in writing.

An environmental assessment for this action is not required, since this action is categorically excluded under Title 10 of the *Code of Federal Regulations* (CFR) Section 51.22(c).

In accordance with 10 CFR 2.390 of the NRC's "Rules of Practice and Procedure," a copy of this letter and its enclosure will be available electronically for public inspection in the NRC Public



B. Karie

-2-

Document Room or from the NRC's ADAMS, accessible from the NRC Web site at <http://www.nrc.gov/reading-rm/adams.html>.

If you have questions regarding this letter, please contact Frank Tran at 630-829-9623 or [frank.tran@nrc.gov](mailto:frank.tran@nrc.gov).

Sincerely,

A handwritten signature in black ink, appearing to read "Frank Tran", with a stylized flourish extending to the right.

Frank P. D. Tran  
Health Physicist

License No. 22-27593-01  
Docket No. 030-38913  
Control No.: 616854

Enclosure: As stated

**LICENSE TRANSFER EVALUATION REPORT  
PROPOSED CHANGE OF CONTROL FOR RADIOACTIVE MATERIALS LICENSE  
NUMBER 22-27593-01, ACUREN INSPECTION, INC.**

**DATE:** February 11, 2020

**DOCKET NO.:** 030-38913

**LICENSE NO.:** 22-27593-01

**LICENSEE:** Acuren Inspection, Inc.  
4566 Abrahamson Road  
Duluth, MN 55811

**TECHNICAL REVIEWER:** Frank Tran

**SUMMARY AND CONCLUSIONS**

Acuren Inspection, Inc. is authorized by NRC License 22-27593-01 for the possession and use of radioactive material for industrial radiographic operations. The U.S. Nuclear Regulatory Commission (NRC) staff reviewed a request for consent to an indirect change of control submitted by Acuren Inspection, Inc. that will result from a change in the owners of the majority equity ownership of Rockwood, a holding company, the parent company of Acuren Inspection, Inc. Rockwood will be controlled generally by a new group of investors. The indirect transfer of control is described in Agency Documents Access and Management System (ADAMS) accession number ML19302F502.

The request for consent was reviewed by NRC staff for indirect change in control of a 10 CFR Part 30 license 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," Revision 1 dated June 2016. The NRC staff finds that the information submitted by Acuren Inspection, Inc. sufficiently describes and documents the transaction and commitments made by Acuren Inspection, Inc.

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, Acuren Inspection, 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 promotes the security of licensed material.

**SAFETY AND SECURITY REVIEW**

According to data obtained from the NRC's Web-Based Licensing system (WBL), Acuren Inspection, Inc. has been an NRC licensee since May 24, 2016. The NRC conducted an onsite inspection of Acuren Inspection, Inc. on August 26, 2019, and no violations were identified during this inspection. The commitments made by Acuren Inspection, Inc. states that Acuren Inspection, Inc. (License No. 22-27593-01):

- A. will not change the Radiation Safety Officer listed in the NRC license;

- B. will not change the personnel involved in licensed activities;
- C. will not change the locations, facilities, and equipment authorized in the NRC license;
- D. will not change the radiation safety program authorized in the NRC license;
- E. will not change the organization's name listed in the NRC license; and
- F. will keep regulatory required surveillance records and decommissioning records.

Rockwood, a holding company, is the parent company of the Acuren Inspection, Inc. before and after the indirect transfer of control. In addition, Acuren Inspection, Inc. will continue to be the licensee after the transfer and continue directly controlling the license. Therefore, for security purposes Acuren Inspection, Inc. is considered a known entity following the guidance provided by the NRC's Office of Nuclear Material Safety and Safeguards (NMSS), "Checklist to Provide a Basis for Confidence that Radioactive Materials Will be Used as Specified on the Application" revised January 29, 2019. The purpose of this checklist 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.

Acuren Inspection, Inc. is not required to have decommissioning financial assurance based on the types and amount of material authorized in License No. 22-27593-01.

## **REGULATORY FRAMEWORK**

Acuren Inspection, Inc.'s License No. 22-27593-01, was issued under 10 CFR Part 30, Rules of General Applicability to Domestic Licensing of Byproduct Material. The Commission is required by 10 CFR 30.34 to determine if the change of control is in accordance with the provisions of the Act and give its consent in writing.

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, Revision 1. As discussed in NUREG-1556, Volume 15, Revision 1, 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. Acuren Inspection, Inc.'s request for consent describes an indirect change of control resulting from a change in the ownership of Rockwood, a holding company, the parent company of Acuren Inspection, Inc. Following the change of the owners of the majority of the equity ownership of Rockwood, there will be new board members for Rockwood's Board of Directors controlling Rockwood at closing of the proposed Transaction. Therefore, the control of the NRC license (22-27593-01) is indirectly be



transferred from Rockwood's current shareholders to a group of new investors and, as such, the transfer requires NRC consent.

## **DESCRIPTION OF TRANSACTION**

The transaction is described in ADAMS accession number ML19302F502. After completion of the changes in the ownership of Rockwood, the parent company of Acuren Inspection, Inc., Acuren Inspection, Inc. will continue as the licensee and remain in control of all licensed activities under Materials License No. 22-27593-01. 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 E of NUREG-1556, Volume 15, Revision 1.

## **TRANSFeree'S COMMITMENT TO ABIDE BY THE TRANSFEROR'S COMMITMENTS**

The NRC staff finds that the information submitted by Acuren Inspection, Inc. sufficiently describes and documents the commitments made by Acuren Inspection, Inc. and is consistent with the guidance in NUREG-1556, Volume 15, Revision 1.

## **ENVIRONMENTAL REVIEW**

An environmental assessment for this action is not required since this action is categorically excluded under 10 CFR 51.22(c)(14)(xi).

## **CONCLUSION**

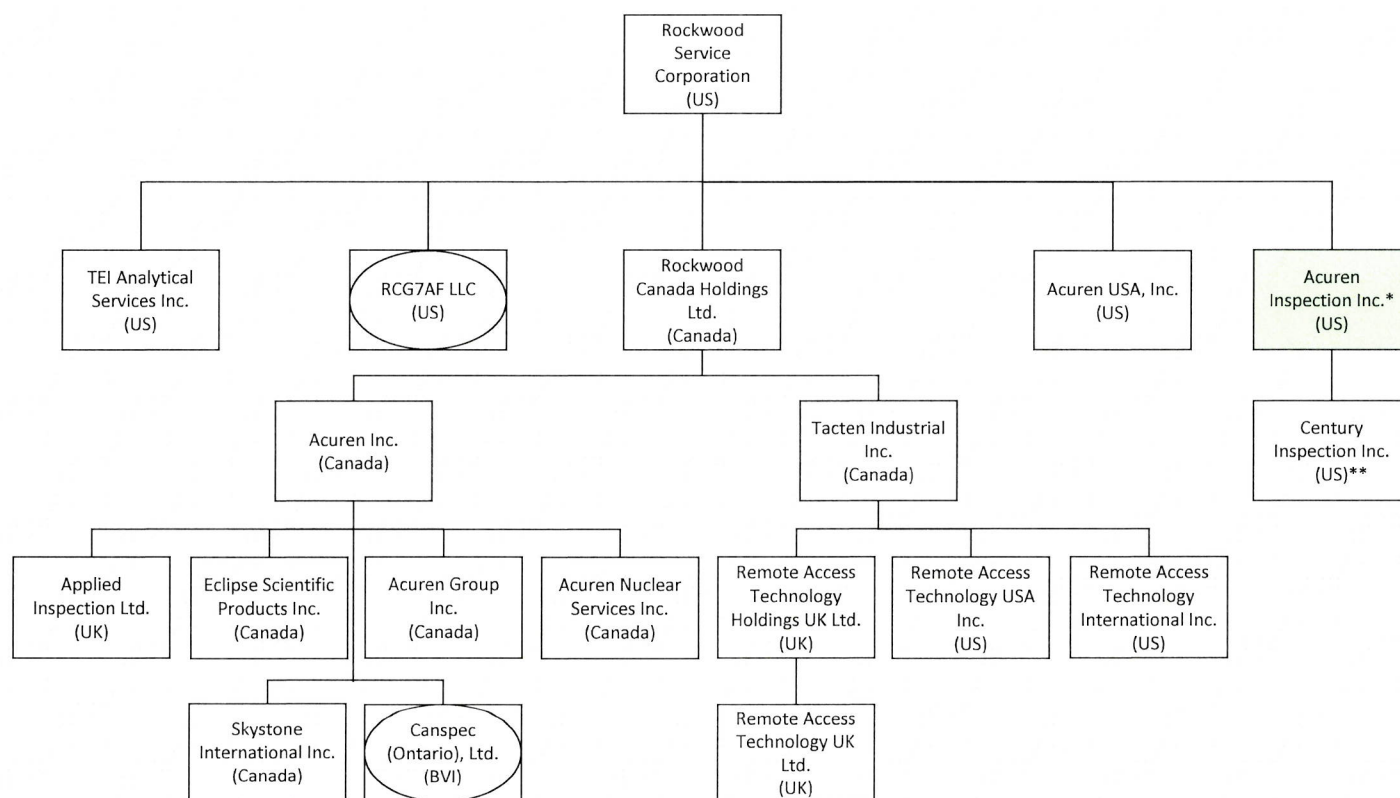
The staff has reviewed the request for consent submitted by Acuren Inspection, Inc. with regard to an indirect change of control of radioactive materials license No. 22-27593-01 and approves the application pursuant to 10 CFR 30.34(b).

The submitted information sufficiently describes the transaction; documents the understanding of the license 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, in the future, will abide by all existing commitments to the license, consistent with the guidance in NUREG-1556, Volume 15, Revision 1.

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.

## Rockwood Service Corporation

### Pre-Merger Structure



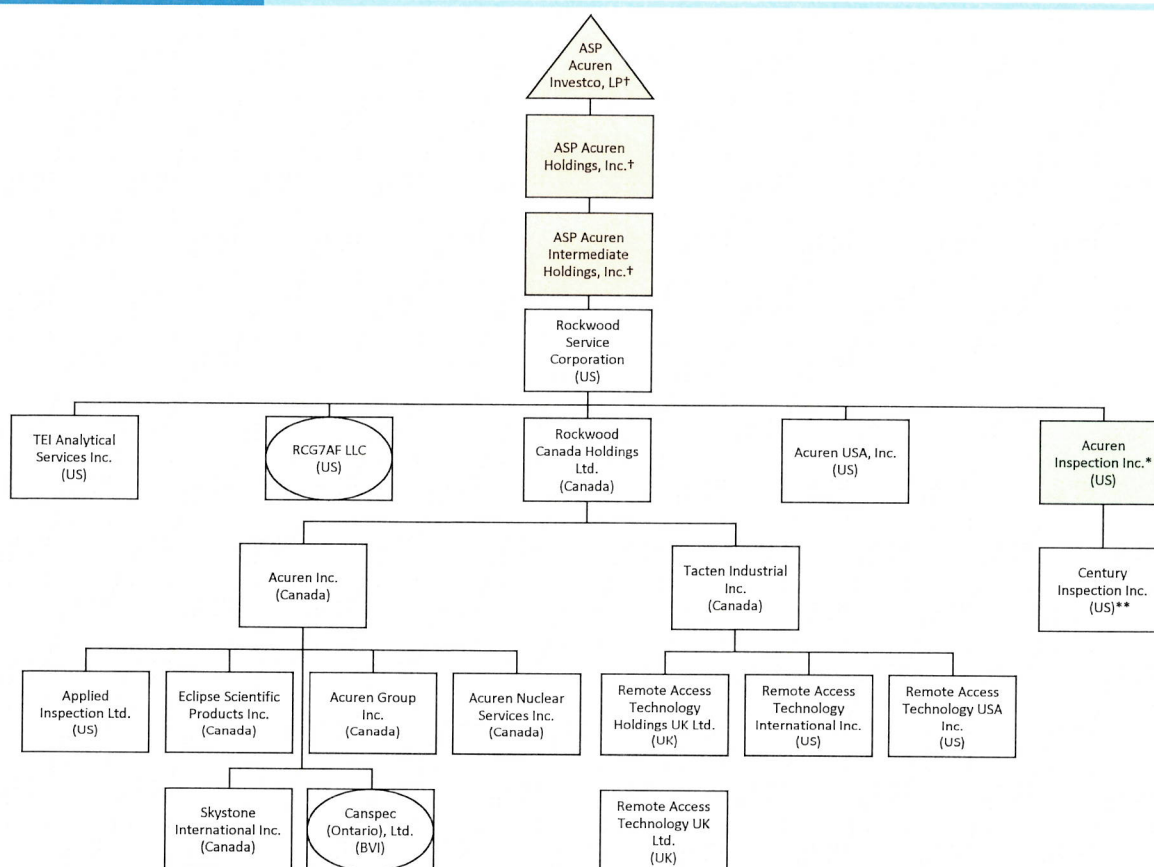
\*Licensee under U.S. Nuclear Regulatory Commission Radioactive Materials License No. 22-27593-01.

\*\*Licensee under U.S. Nuclear Regulatory Commission Radioactive Materials License No. 42-08456-02.

**Exhibit 3**

# Rockwood Service Corporation

## Post-Merger Structure



†American Securities purchaser entities.

\*Licensee under U.S. Nuclear Regulatory Commission Radioactive Materials License No. 22-27593-01.

\*\*Licensee under U.S. Nuclear Regulatory Commission Radioactive Materials License No. 42-08456-02.

Exhibit 3

ORIGIN ID: QWGA (704) 343-2000 DAVID A. FRANCHINA MCGUIRE WOODS LLP 201 NORTH TRYON ST SUITE 3000 CHARLOTTE, NC 28202 UNITED STATES US		SHIP DATE: 07SEP21 ACTWGT: 0.50 LB CAD: 253883505M/SX13600
<b>TO MATERIALS LICENSING</b> <b>U.S. NUCLEAR REGULATORY COMMISSION</b> <b>1600 E LAMAR BLVD</b> <b>ARLINGTON TX 76011</b> (817) 860-8100 REF: 2007049-0135 INV DEPT		<b>BILL SENDER</b>
56DJ3/169AFE4A		

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FOLD on this line and place in shipping pouch with **bar code and delivery address** visible

1. Fold the first printed page in half and use as the shipping label.
2. Place the label in a waybill pouch and affix it to your shipment so that the barcode portion of the label can be read and scanned.
3. Keep the second page as a receipt for your records. The receipt contains the terms and conditions of shipping and information useful for tracking your package.

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