

JChaissonProcNPEm Resource

From: Vasquez, Michael
Sent: Monday, April 07, 2014 6:35 PM
To: Vegel, Anton; Howell, Linda; Campbell, Vivian; Browder, Rachel; Fuller, Karla; Thompson, James
Subject: RE: IA - More Information about Employer
Attachments: 2014-3-24-Change_Ownership.pdf

This afternoon, I checked with Branch B to see if we have a new license for Paramount NDT in North Dakota. It turns out that Paramount NDT is the company owned by the sons of Chuck Schaan of C&J NDT. By letter dated 3/24/2014 (attached), C&J NDT is transferring its license to Paramount NDT (change in ownership).

As I recall, the State of North Dakota revoked C&J's license and has banned Chuck Schaan.

From: Vasquez, Michael
Sent: Monday, April 07, 2014 5:23 PM
To: Vegel, Anton; Howell, Linda; Campbell, Vivian; Browder, Rachel; Fuller, Karla; Thompson, James
Subject: IA - Discussion with Consultant

This afternoon, James and I spoke with Laurie McGowen (consultant for Radiography industry). Laurie did not have nice things to say about her past dealings with Mr. Chaisson including how Chaisson left her a very angry voice mail message after the NRC's case involving TGR.

She confirmed that James Chaisson did contact her about training about 2 weeks ago. She said that she plans to conduct a 40-hr training class in Montana next week for Acuren. She said that if James wanted to attend, she would have to know very soon because Acuren would have to approve it (since she's going up there to teach a course for Acuren employees). She also said that Chaisson did send her a copy of the Order and asked if she could help him out.

She clarified that it was a 40-hr training course on radiography. It was not the 40-hr course for RSOs. She stated that she teaches the RSO course starting May 12 and that if Chaisson wants to take that course he can fly down to Houston where she plans to conduct the class.

As far as she knew at the time of our call, Chaisson had not signed up for either course.

Hearing Identifier: JChaisson_Proc_NonPublic
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Subject: RE: IA - More Information about Employer
Sent Date: 4/7/2014 6:35:07 PM
Received Date: 4/7/2014 6:35:09 PM
From: Vasquez, Michael

Created By: Michael.Vasquez@nrc.gov

Recipients:

"Veget, Anton" <Anton.Veget@nrc.gov>
Tracking Status: None
"Howell, Linda" <Linda.Howell@nrc.gov>
Tracking Status: None
"Campbell, Vivian" <Vivian.Campbell@nrc.gov>
Tracking Status: None
"Browder, Rachel" <Rachel.Browder@nrc.gov>
Tracking Status: None
"Fuller, Karla" <Karla.Fuller@nrc.gov>
Tracking Status: None
"Thompson, James" <James.Thompson@nrc.gov>
Tracking Status: None

Post Office: R4CLSTR01.nrc.gov

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MESSAGE	1789	4/7/2014 6:35:09 PM
2014-3-24-Change_Ownership.pdf		334640

Options

Priority: Standard
Return Notification: No
Reply Requested: No
Sensitivity: Normal
Expiration Date:
Recipients Received:



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March 24, 2013

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 A.7 Sensitive Internal
 Other: _____

Re: Application for Transfer of Control With Respect to C & J's NDT, Inc.'s NRC Radioactive Materials License No. 33-29238-01

Reviewer: 16172 Date: 3-26-2014

Dear Sir or Madam:

Please find enclosed for filing with the United States Nuclear Regulatory Commission (NRC) C & J's NDT, Inc.'s (C & J's) Application for Transfer of Control with respect to C & J's License No. 33-29238-01. C & J's is requesting NRC consent to the Application in connection with the sale of C & J's assets, excluding its radiographic cameras, to Paramount NDT, LLC (Paramount) effective December 31, 2012.

Effective December 31, 2012 a contract was entered into between C & J's and Paramount for the sale of C & J's assets to Paramount. This contract was the first stage of an ownership change of C & J's operations. At that time C & J's agreed to sell Paramount all of its assets, excluding its radiographic cameras containing sealed sources. C & J's retained responsibility at that time for administering the control, safekeeping, and administration of the Operating and Emergency Procedures related to the use of the radioactive materials.

A second contract has since been entered into between C & J's and Paramount for Paramount to purchase the radiographic cameras from C & J's, effective August 29, 2013, upon Paramount's receipt of its Radioactive Materials License from the State of North Dakota. With this purchase C & J's no longer controls any radioactive materials.

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This change in ownership has effectively changed all responsibilities associated with the control and administration of the Operating and Emergency Procedures in relation to the License from C & J's to Paramount. Paramount has separate ownership than that of C & J's, which will release all responsibility for control and administration of the constraints, conditions, requirements, representations, and commitments identified in the existing license from C & J's and its ownership group, upon approval of this Application. The responsibilities to be assumed by Paramount and its management, as well as the delegation of those duties, are detailed in the accompanying application.

The change in ownership is between family members, specifically Charles Schaan (C & J's) and his two sons Tim & Chris Schaan (Paramount). Tim and Chris have been an integral part of the management of C & J's over the last several years, as well as being named Officers of C & J's in mid-2012. They have adequate knowledge in the administration of the license requirements, which is detailed in the accompanying application. In addition, Charles has agreed to remain available as a Consultant for Paramount should there be any questions regarding any Operations or Safety Procedures, etc.

Due to the related party transfer and the sufficient knowledge of license requirements of the existing ownership, as well as the continued availability of previous ownership C & J's respectfully requests that the NRC consent to the Application and the transfer of control effective upon NRC Staff completing its review of said Application.

Thank You,

Chuck Schaan
President
C & J's NDT, Inc.



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701-258-3881

**Application of C & J's NDT, Inc. for consent to transfer of control
NRC License No. 33-29238-01**

1.0 New Licensee Name

Paramount NDT, LLC

2.0 Contact Information

Paramount NDT, LLC
8194 W Deer Valley Rd, Ste 106-273
Peoria, AZ 85382

Primary Contact

Christopher M. Schaan, President
Phone: 303-328-8742
cschaan@paramountndt.com

Secondary Contact

Timothy A. Schaan, Vice-President
Phone: 701-367-8844
Fax: 701-258-5411
tschaan@paramountndt.com

3.0 Changes in Personnel

Paramount NDT, LLC Corporate Officers

Christopher M. Schaan, President
Timothy A. Schaan, Vice-President & Secretary/Treasurer

Radiation Safety Officer

Christopher M. Schaan

Qualifications & Training

See Attachment A for a detail of the new proposed Radiation Safety Officer's qualifications and training.



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4.0 Transferor Intentions

C & J's NDT, Inc. will continue as a going concern for the foreseeable future until such time as the contract resulting in the sale of C & J's NDT's assets to Paramount NDT has been fully satisfied. However, C & J's will discontinue operations requiring the possession of a radioactive materials license.

5.0 Transaction Description

C & J's entered into a contract as of December 31, 2012 to sell its assets to Paramount NDT. A second contract was entered into on May 1, 2013 to sell Paramount its radiographic cameras at such time as Paramount received its Radioactive Materials License from North Dakota.

The contracts between C & J's and Paramount were entered into in order to begin facilitating the retirement process for Chuck Schaan, the President and owner of C & J's. Paramount is owned and managed by his two sons, who are also Officers and managers of C & J's. An organizational chart for both C & J's and Paramount can be found as Attachment B.

6.0 Organizational, Location, Facility, Equipment, & Procedure Changes

The transaction will result in the change of the organization holding the license as well as the officers of that organization. The organizational charts for both the transferor and transferee were previously referenced as Attachments B & C.

The transaction will result in the update of the correspondence address for all license related activities and for billing purposes to 8194 W Deer Valley Rd, Ste 106-273, Peoria, AZ 85382.

The transfer will also result a change in the location and facilities of the licensed materials to the current North Dakota licensed facility at 6761 Sterling Dr., Unit A, Bismarck, ND 58504 from the old facility at 6749 Sterling Dr., Unit J, Bismarck, ND 58504.

No changes will result from the transaction related to the equipment or procedures



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governed by the license.

7.0 Use, Possession, Location & Storage Changes

The transaction will not result in any changes in the use or possession of the licensed materials covered by the license.

The transaction will however result in the materials storage location of record being changed to 6761 Sterling Dr., Unit A, Bismarck, ND 58504

8.0 Changes Requiring License Amendments

The transaction will result in the change of the RSO assigned to administer the operating and emergency procedures. The new RSO was referenced in section 3.0 and his qualifications and training records as Attachment A.

9.0 Surveillance Items and Records Status

As required by the current license all records and surveillance items are kept current and will continue to be through the transition of the transfer of control request addressed through this application.

10.0 Decommissioning Requirements

Only sealed source material is covered under this license and therefore decommissioning records are excluded from this requirement.

11.0 Facility Status

At this time there has been no contamination found in the facility and the related storage location. Paramount NDT agrees to assume full liability for any future contamination findings resulting in cleanup needs.

12.0 Decontamination Plans

No decontamination plans exist at this time as no contamination has been found present in the facility requiring a plan.

13.0 Commitment to Abide by Transferor Commitments

Paramount NDT will continue to abide by all commitments contained in NRC



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License No. 33-29238-01. The notarized endorsement by Paramount NDT at the conclusion of this transfer of control application may be used as confirmation that Paramount NDT, LLC will abide by all constraints, license conditions, requirements, representations and commitments identified in and attributed to NRC License No. 33-29238-01.

14.0 Transfer of Control Agreement

The notarized endorsements by both the transferor and transferee at the conclusion of this application may be used as a binding agreement between both parties that both agree to the transfer of control of NRC License No. 33-29238-01, as is outlined in this application, and that the transferee has been made aware of all open inspection items and its responsibilities.

15.0 Transferee Commitment

The notarized endorsement by Paramount NDT as the transferee at the conclusion of this application may be used as a binding agreement to abide by all constraints, conditions, requirements, representations, and commitments identified in the existing license.


Transferor

Charles M. Schaan
President
C & J's NDT, Inc.


Transferee

Timothy A. Schaan
Vice President
Paramount NDT, LLC



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AFFIRMATION

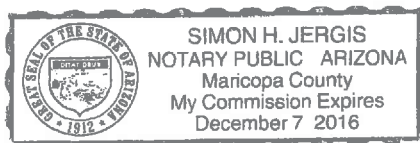
I, Charles M. Schaan, do hereby affirm that: (1) I am the President of C & J's NDT, Inc., (2) I am duly authorized to execute and file this certification on behalf of C & J's NDT, Inc., and (3) the statements set forth in the attached Application for Consent to Transfer of Control are true and correct to the best of my information, knowledge and belief.


 Charles M. Schaan

STATE OF ARIZONA)
) ss.
 County of MARICOPA)

On March 14th, 2014 before me, the subscriber, a Notary Public of the State of Arizona, personally appeared Charles M. Schaan, personally known to me (or proved to me on the basis of satisfactory evidence) to be the person whose name is subscribed to the within instrument and acknowledged to me that he executed the same in his authorized capacity, and that by his signature on the instrument the person, or the entity upon behalf of which the person acted, executed the instrument.

WITNESS my hand and official seal.




 Notary Public

My Commission Expires:

12/07/16



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AFFIRMATION

I, Timothy A. Schaan, do hereby affirm that: (1) I am the Vice President of Paramount NDT, LLC, (2) I am duly authorized to execute and file this certification on behalf of Paramount NDT, LLC, and (3) the statements set forth in the attached Application for Consent to Transfer of Control are true and correct to the best of my information, knowledge and belief.


 Timothy A. Schaan

STATE OF ARIZONA)
) ss.
 County of MARICOPA)

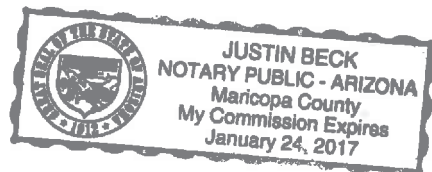
On March 24, 2014 before me, the subscriber, a Notary Public of the State of Arizona, personally appeared Timothy A. Schaan, personally known to me (or proved to me on the basis of satisfactory evidence) to be the person whose name is subscribed to the within instrument and acknowledged to me that he executed the same in his authorized capacity, and that by his signature on the instrument the person, or the entity upon behalf of which the person acted, executed the instrument.

WITNESS my hand and official seal.


 Notary Public

My Commission Expires:

1/24/17



№ 583477