

From: [Jones, Andrea](#)
To: [Savoy, Joanne](#)
Subject: FW: 200414 XSOU8842 resubmitted Southern Ionics Minerals amendment & possible violation report
Date: Monday, May 04, 2020 2:13:09 PM

From: Jones, Andrea
Sent: Monday, April 20, 2020 1:45 PM
To: 'Renner, James' <james.renner@chemours.com>; Savoy, Joanne <Joanne.Savoy@nrc.gov>
Cc: Chimood, Jane <Jane.Chimood@nrc.gov>; csimmons csimmonslaw.com <csimmons@csimmonslaw.com>
Subject: RE: 200414 XSOU8842 resubmitted Southern Ionics Minerals amendment & possible violation report

Dear Mr. Renner,

Thank you for your comprehensive response. I've reviewed the materials and discussed with other senior colleagues in the office. It appears that an indirect transfer of control occurred in August 2019. After the buyout, SIMS no longer existed as an NRC licensee, as the company was transferred to Chemours. Thus export license XSOU8842 issued to SIMS, was no longer valid. Did SIMS export any source material to China after the August buyout? If so, can you give me those dates and the amount of material exported.

Section 10 CFR 110.5 states, in part, that no person may export any nuclear equipment or material listed in 10 CFR 110.9, unless authorized by a general or specific license issued under 10 CFR Part 110. The list in 10 CFR 110.9 includes source material.

While you are gathering the export information, I will consult with the State Department on your amendment for the name change. Separately, I will also need to discuss potential enforcement actions regarding any exports after the buyout and that apparent failure to notify the Commission of the transfer of control before the transaction with our Offices of Enforcement and General Counsel.

From: Renner, James <james.renner@chemours.com>
Sent: Tuesday, April 14, 2020 12:00 PM
To: Savoy, Joanne <Joanne.Savoy@nrc.gov>; Jones, Andrea <Andrea.Jones2@nrc.gov>
Cc: Chimood, Jane <Jane.Chimood@nrc.gov>; Skeen, David <David.Skeen@nrc.gov>; Habighorst, Peter <Peter.Habighorst@nrc.gov>; csimmons csimmonslaw.com <csimmons@csimmonslaw.com>
Subject: [External_Sender] 200414 XSOU8842 resubmitted Southern Ionics Minerals amendment & possible violation report

Hello Joanne and Andrea, After considering your comments regarding the purchase of Southern Ionics Minerals by Chemours I am submitting a revised letter and supporting information related to:

- Amending Export License XSOU8842 to change the name of the licensee from Southern Ionics Minerals, LLC to The Chemours Company FC, LLC. Form 7 remains the same as previously submitted (name change), but our letter acknowledges that having Chemours as SIM's new

parent company could be considered a change of identity and/or transfer of control.

- Self-reporting a possible violation of NRC regulations resulting from our continued export of rare earth mineral sand under License XSOU8842 after the sale of SIM, LLC to Chemours in August 2019. The letter explains our belief that we were compliant with our Export License. Additionally, following our phone conversation we ceased further exports including recalling the rail shipment that was in transit.

We request that NRC expedite review of the Licensee name change and issue an amended license quickly so that we may resume exports in order to meet customer commitments. However, we understand that careful review by your office and possibly the Office of General Counsel is appropriate. Additionally, we hope that review of the amendment application by the State Department Office of Non-Proliferation is not necessary because there has been no change in the intermediate or foreign consignees, except to remove some inactive consignees from the license.

We appreciate your attention to this matter and are prepared to respond quickly to any requests for additional information.

Mr. Skeen and Mr. Habighorst – I have cc'd you on this email at the request of Andrea Jones.

Sincerely, Jim Renner



[James F. Renner, P.G.](#)

Manager of Environmental Stewardship

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