



April 12, 2024

Booma Venkataraman
Branch Chief
Materials Safety and Licensing Branch
Office of Nuclear Material Safety and Safeguards
U.S. Nuclear Regulatory Commission

RE: Email dated April 9, 2024

Dear Ms. Venkataraman,

This communication is in response to your email dated April 9, 2024.

In January of 2021, CZ-USA was a subsidiary of CZ-US Holdings, Inc. In May of 2021 CZ-US Holdings, Inc. acquired Colt Holding Company, LLC, the parent company of Colt's Manufacturing Company LLC ("Colt"). In July of 2022, CZ-US Holdings, Inc. changed its name to Colt CZ Group North America Inc ("CCZGNA"). CZ-USA and Colt are now sister companies under the common ownership of CCZGNA. There have been no significant changes in leadership since the issuance of CZ-USA's exempt distribution license in January of 2023.

At the time of submission of the request for amendment, CZ-USA was anticipating to maintain control of the materials (devices) listed on its exempt distribution license, and to simply add Colt as a distribution location. However, your email has prompted us to reconsider the control of materials in regard to the structure CCZGNA and its subsidiaries.

CCZGNA now desires for Colt to hold the NRC exempt distribution license. So, in regard to the distribution license, it is the intent of CZ-USA to transfer control of licensed materials and activities to Colt upon approval of this amendment request. While Colt will be the primary holder of the exempt distribution license and SSD, CZ-USA will maintain its possession license from the State of Kansas. CZ-USA will continue to be a distribution location.

I, Dan Spencer, will remain the contact person for regulatory purposes for both CZ-USA and Colt. I may be reached at dan@cz-usa.com or 913-413-1795.

Mr. Aaron Shahandeh, who was serving as RSO for CZ-USA, has left the company. Mr. Timothy Brandon of Diligistics, LLC is serving as CZ-USA's interim RSO.



David Olson, a Colt employee, will be appointed as RSO of Colt once he has completed RSO training and has been approved by NRC Region I. In addition to being responsible for the Colt possession license, Mr. Olson will also become responsible for the exempt distribution license and SSD.

No changes have been made to CZ-USA's radiation safety program or reporting structure. Colt's radiation safety program is new and currently being implemented.

Colt recently received their possession license from NRC Region I with the caveat that no materials are allowed to be possessed until the site's RSO has completed his RSO training and is approved as stated above. This is expected to happen within the next few weeks.

Once Colt is granted permission to hold materials, CZ-USA will transfer:

1. Weapons with tritium sights installed, which have been imported
2. Tritium sights not installed on weapons, which have been imported

I note that CZ-USA may also continue to possess sights containing tritium that have been initially distributed from US manufacturers to CZ-USA as exempt devices.

It is CCZGNA's desire for Colt to be the importer and distributor of weapons with tritium sights installed and tritium sights manufactured outside the US. I, Dan Spencer, am General Counsel and Corporate Secretary of CCZGNA and its subsidiaries and have oversight of both CZ-USA and Colt in regard to compliance and radiation safety.

Once approved, Colt will be primary distribution location at its West Hartford, CT facility.

Since both companies are wholly owned subsidiaries of CCZGNA, they will share files regarding the radiation safety records at each facility. These files will be located on a network drive and be accessible to both sites.

Both CZ-USA and Colt agree to the transfer of control of licensed material and activity, and to the Conditions of Transfer below.

Conditions of transfer:

- CZ-USA will transfer materials to Colt
- Colt will receive licensed materials from CZ-USA
- Colt will be responsible for importing weapons with tritium sights installed from CZUB and any tritium sights that are not installed from manufacturers outside the US upon approval of the amendment

COLT CZGROUP

- CZ-USA will provide distribution records to Colt, which will be include in annual exempt distribution reports
- Colt will be responsible for filing annual exempt distribution reports
- Each company will ensure that annual reviews of its Radiation Safety Program and implementation are conducted
- Records required by the radiation safety programs at each company will be kept on a shared network folder, which is shared between CZ-USA and Colt.
- Colt will abide by all of the conditions of the current exempt distribution license (15-35680-01E) and SSD for the gun sights (NR-1509-D-101-E); this will include periodic audits of vendors outside the US, namely CZUB and mb microtec.

In regard to the SSD, (number NR-1509-D-101-E) the role of manufacturers, specifically, Meprolight and Kummer, and other companies involved, specifically, Česká zbrojovka a.s. (aka "CZUB") and mb-microtec ag will not change.

There are also no changes to the sight families or model designs.

The QA manuals vary between Colt and CZ-USA, but are similar enough to provide congruency between the companies. A copy of Colt's QA Manual, Supplier Quality Manual, and ISO certificate are included with this response.

In regard to contamination levels, since only completed devices have been handled at CZ-USA, contamination levels are well within acceptable limits. Therefore no decommissioning is required.

Should you have further questions, please contact me.

Sincerely,



Dan Spencer
General Counsel & Corporate Secretary