NOTICE OF VIOLATION

United Medical Manufacturing Company
Indianapolis, Indiana

General License (10 CFR 31.5)
Docket No. 9990003

As a result of the letters dated October 22, 1996, and November 11, 1996 and in accordance with the "General Statement of Policy and Procedure for NRC Enforcement Actions," NUREG-1600, the following violations were identified.

10 CFR 31.5(c)(8) requires, in part, that any person who acquires, receives, possesses, uses or transfers byproduct material in a device pursuant to a general license shall, except as provided for in 10 CFR 31.5(c)(9), transfer or dispose of the device containing byproduct material only by transfer to persons holding a specific license pursuant 10 CFR Parts 30 and 32 or from an Agreement State to receive the device.

Contrary to the above, in March 1996, the licensee transferred (lost) two anti-static air guns containing approximately 10 millicuries (mCi) (370 MBq) of polonium-210 each, and this transfer was not made to a person holding a specific license pursuant to 10 CFR Parts 30 and 32 or from an Agreement State to receive the device.

This is a Severity Level IV violation (Supplement VI).

10 CFR 20.2201 (a)(1)(I) requires licensees to report by telephone, immediately after its occurrence becomes known to the licensee, any lost, stolen, or missing licensed material in an aggregate quantity equal to or greater than 1,000 times the quantity specified in Appendix C Part 20 under such circumstances that is appears to the licensee that an exposure could result to persons it unrestricted areas.

Contrary to the above, in March 1996, the licensee did not immediately report by telephone two lost anti-static air guns. Specifically, the anti-static air guns contained 10 mCi (370 MBq) of polonium-210 each.

This is a Severity Level IV violation (Supplement IV).

Pursuant to the provisions of 10 CFR 2.201, United Medical Manufacturing Company, is hereby required to submit a written statement or explanation to the U.S. Nuclear Regulatory Commission, ATTN: Document Control Desk, Washington, D.C. 20555, with a copy to the Regional Administrator, Region III, 801 Warrenville Road, Lisle, Illinois 60532-4351 within 30 days of the date of the letter transmitting this Notice of Violation (Notice). This reply should be clearly marked as a "Reply to a Notice of Violation" and should include for each violation: (1) the reason for the violation, or, if contested, the basis for disputing the violation, (2) the corrective steps that have been taken and the results achieved, (3) the corrective steps that will be taken to avoid further violations, and (4) the date when full compliance will be achieved. Your response may reference or include previous docketed correspondence, if the correspondence adequately addresses the required response. If an adequate reply is not received within the time specified in this Notice, an Order or a Demand for Information may be issued as to why the license should

not be modified, suspended, or revoked, or why such other action as may be proper should not be taken. Where good cause is shown, consideration will be given to extending the response time.

Because your response will be placed in the NRC Public Document Room (PDR), to the extent possible, it should not include any personal privacy, proprietary, or safeguards information so that it can be placed in the PDR without redaction. However, if you find it necessary to include such information, you should clearly indicate the specific information that you desire not to be placed in the PDR, and provide the legal basis to support your request for withholding the information from the public.

Dated at Lisle, Illinois
this 21st day of November 1996