

April 15, 1987

William F. Weld, Esq.
Assistant Attorney General
Criminal Division
U.S. Department of Justice
P. O. Box
Ben Franklin Station
Washington, D.C. 20044-0887

Dear Mr. Weld:

The Office of Investigations (OI) will comply with your request to hold the OI investigation concerning activities at Advanced Medical Systems, Inc. (AMS) in abeyance until a criminal investigation has been completed. OI will, therefore, stop its investigation on this matter and provide an OI investigator to assist the Department in its investigation. In addition, we have coordinated with the NRC technical staff in order to obtain the requested services of an NRC inspector.

According to the NRC technical staff, the health and safety concerns currently identified do not pose an immediate threat to public health and safety. The NRC is continuing to assure that AMS is complying with Commission requirements to include the conditions associated with lifting the October 1986 suspension order. The agency is also currently moving to stay the civil proceedings until you have completed the criminal investigation of this matter. We will also coordinate the release of inspection reports concerning this matter to minimize the potential impact on the criminal investigation.

Notwithstanding the current status of the civil proceedings, should immediate health and safety concerns arise, the NRC technical staff may reconsider its view and may take regulatory action to suspend or modify the AMS license.

If there are any questions concerning this matter, please feel free to contact me or the OI staff.

Sincerely,

*Original signed by
Ben B. Hayes*

9404130368 940614
PDR FOIA
WENDLING93-236 PDR

Ben B. Hayes, Director
Office of Investigations

bcc: J. Fitzgerald, OGC
J. Lieberman, OGC

Distribution:

3-85-015
Reading
JSinclair
Reading(JW)

Ltr Weld/John

OI:
JSinclair:jw
4/1/87

OI:
RFortuna

OI:
BHayes
4-2-87

9404130368
A14