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**AIR FORCE CONTRACTOR AGREES TO PAY \$9.8 MILLION  
FOR SUBMISSION OF FALSE CLAIMS**

WASHINGTON, D.C. -- A company that was contracted to construct wings for the Air Force's B-1B Bomber today agreed to pay \$9.8 million dollars to the United States to settle allegations that it defrauded the government by inflating labor costs, the Department of Justice announced.

Frank W. Hunger, Assistant Attorney General for the Civil Division and Wendy H. Goggin, U.S. Attorney for the Middle District of Tennessee, said that Textron Aerostructures, a former subsidiary of Textron Inc. now known as The Aerostructures Corporation, inflated costs in its proposals for two subcontracts for the production of 82 wing sets for the B-1B Bomber.

The federal qui tam suit was filed under the False Claims Act in U.S. District Court in Nashville. It alleged that Textron Aerostructures fraudulently withheld information from negotiators regarding significant reductions in projected labor costs during production of the wings.

The original suit was filed by William F. Manier, a retired employee of Textron Aerostructures, alleging the submission of false claims for payment to the government by Textron Aerostructures. After an initial investigation, the U.S. decided to intervene under the qui tam provisions of the False Claims Act. Under the Act, Manier, known as the "relator", will receive \$1,764,000 from the proceeds of the government's recovery. Relators generally may receive between 15 and 25 percent of the recovery.

The Defense Criminal Investigative Service and the Air Force Office of Special Investigations investigated the allegations of this case for the Department of Justice. The settlement of the case was negotiated by Assistant United States Attorney Lee Deneke in Nashville and by Department of Justice Trial Attorney Stanley Alderson in Washington.

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