ARLINGTON, Va. September 13, 2017 – PAE has reached a settlement with the Department of Justice to resolve a lawsuit brought under the False Claims Act. The allegations centered around whether PAE followed all of the government’s procedures when hiring employees.

PAE believes that the Company’s actions were fully consistent with the contract requirements and that no false claims were submitted to the government. The invoices submitted to the government were based on a recruiting process that was proposed to and accepted by the government, and through which successful candidates were identified and deployed. The invoices specifically identified the names of those employees for whom the lawsuit alleges that requisite notice was not made. The employees whose background investigations were allegedly inadequate were not involved in any security incidents or injuries. The services called for under the contract were provided in full.

Although PAE strongly disagrees with the lawsuit’s allegations and the government’s position in this matter -- and in the settlement agreement specifically denies any illegal or improper conduct -- PAE has chosen to resolve the lawsuit for $5 million because it makes sense to do so as a business decision, to avoid the distraction that this four year old dispute has imposed on current operations and the cost of future litigation.

PAE is proud of its high ethical standards and devotes extensive efforts to ensuring that it complies fully with its contractual obligations. PAE is diligent in training its employees on ethical obligations and to voice any concerns through management or to its Ethics & Compliance Office. PAE’s Ethics & Compliance Office investigates every such claim.

PAE is a leading provider of enduring support for the essential missions of the U.S. government, its allied partners and international organizations. With over 60 years of experience, PAE supports the execution of complex and critical missions by providing global logistics and stability operations, technical services and national security solutions to customers around the world. PAE has a workforce of approximately 20,000 people in over 60 countries on all seven continents and is headquartered in Arlington, Va.

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