August 30, 2006 FOR IMMEDIATE RELEASE CONTACT PERSON:

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FORCE PROTECTION INDUSTRY AGREES TO SETTLE GOVERNMENT'S ALLEGATIONS FOR \$1,800,000.00

COLUMBIA, South Carolina ---- United States Attorney REGINALD I. LLOYD, stated today that FORCE PROTECTION INDUSTRY (Force) has agreed to pay the United States \$1,800,000 to resolve allegations brought forth in a *qui tam* complaint that it failed to advance payments to expedite production of armored vehicles for the United States Military. The case was filed in the United States District Court in South Carolina, by Justin Lucey, a Mt. Pleasant attorney on behalf of two former employees of Force, Perry Chomyn and Robin Swain, under the *qui tam* or whistleblower provisions of the False Claims Act.

The settlement resolves Force's potential liability under the False Claims Act arising from the whistleblowers' complaint. Under the *qui tam* statute, a private party, known as a "relator," can file an action on behalf of the United States and receive a portion of the recovery. The relators will receive \$315,000 as their share of the proceeds of the settlement. The relators also received an additional \$105,000 in attorney fees and settlement of their employment related claims.

Mr. Lloyd stated, "We are pleased to have been able to resolve this matter. The government greatly appreciates and applauds the conscientious efforts of whistleblowers like Mr. Chomyn and Mr. Swain who bring issues of fraud and abuse to the attention of the government."

The settlement is the culmination of a joint investigation involving investigators, attorneys and auditors from the United States Attorney's Office in Columbia and the Department of Justice in Washington, D.C. This case was handled by Assistant U.S. Attorneys Fran Trapp, Jennifer Aldrich and Department of Justice Trial Attorney Art Coulter. The case was investigated by the Department of Defense's Defense Criminal Investigative Service Office of the Defense Inspector General (DCIS), the Naval Criminal Investigative Service (NCIS) and the Army's Criminal Investigation Command's Major Procurement Fraud Unit (Army CID).