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Department of Justice

Office of Public Affairs

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Aircraft Parts Foundry Agrees to Settle False Claims Act Allegations of Failure to Conduct Testing and Falsified Test Results

WDC Acquisitions LLC d/b/a Wellman Dynamics located in Creston, Iowa, will pay \$500,000 to resolve alleged violations of the False Claims Act for failing to conduct contractually required testing and falsifying test results for parts used in military aircraft, the Justice Department announced today.

Wellman manufactures large metal castings that it supplies to prime defense contractors, including Bell Helicopter, Textron, Sikorsky Aircraft and the Boeing Company, for use in the UH-1Y, AH-1Z, AH-64 Apache, V22 Osprey and UH-60 Black Hawk programs.

The United States alleged that, between 2014 and 2021, Wellman failed to conduct required metallurgic and other tests on the castings, including tensile strength testing, destructive testing, microstructure analysis, hot isostatic testing and salt fog testing, and falsely certified results of tests that had not been performed. The settlement was based on an analysis of the company's ability to pay.

"Proper testing is critical for ensuring the proper performance of the equipment that is provided to our men and women in uniform" said Principal Deputy Assistant Attorney General Brian M. Boynton, head of the Justice Department's Civil Division. "We will hold accountable those who knowingly falsify or fail to conduct required tests and put our military at risk."

"It is imperative that our defense contractors and subcontractors provide the high-quality and properly tested products the military needs," said Acting U.S. Attorney Timothy Duax for the Northern District of Iowa. "We are proud to work tirelessly with our partners to ensure that this is the case."

The settlement includes the resolution of claims brought under the *qui tam* or whistleblower provisions of the False Claims Act by Wellman employee Bradley Keller. Under those provisions, a private party can file a lawsuit on behalf of the United States and receive a portion of any recovery. Keller will receive \$90,000. The *qui tam* case is captioned *United States ex rel. Bradley Keller v. WDC Acquisitions*, LLC *d/b/a Wellman Dynamics and Trive Capital Management LLC* (S.D. Iowa No. 20-CV-100-LTS-MAR).

This matter was investigated by the Civil Division's Commercial Litigation Branch (Fraud Section), the U.S. Attorney's Office for the Northern District of Iowa and the Defense Criminal Investigative Service. The investigation was handled by Senior Trial Counsel Alicia J. Bentley of the Civil Division and Assistant U.S. Attorney Matthew Gillespie.

The claims resolved by the settlement are allegations only and there has been no determination of liability.

Attachment(s):

<u>Download Settlement Agreement</u>

Topic(s):

False Claims Act Financial Fraud Component(s):
Civil Division

Press Release Number:

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