

## Department of Justice

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**Alcatel-lucent Subsidiary Agrees to Pay U.S. \$4.2 Million to Settle False Claims Act Allegations***Related to \$250 Million Contract for 911 Emergency Response System in Iraq*

WASHINGTON – An Alcatel-Lucent subsidiary, Lucent Technologies World Services Inc. (LTWSI), has agreed to pay the United States \$4.2 million to settle False Claims Act allegations that it submitted misleading testing certifications to the Army in connection with the design, construction and modernization of Iraq's emergency communications system, the Department of Justice announced today. Alcatel-Lucent is a global telecommunications provider.

In March 2004, the U.S. Army awarded LTWSI a \$250 million contract to build the Advanced First Responder Network (AFRN), a 911 emergency response and first responder communications system designed to enable Iraqis to summon police, fire and medical assistance in emergencies. Today's settlement resolves allegations that LTWSI submitted claims for payment for equipment, services and contract performance award fees under the AFRN contract based upon inaccurate certifications that LTWSI, between January and July 2005, had performed and successfully completed certain testing of AFRN radio transmission sites, as well as validation of the network as a whole, to ensure the network's proper operation prior to acceptance by the United States and transfer to the Iraqi government.

"The integrity of our public contracting system is a matter of paramount concern to the Department of Justice, especially where contractors have been engaged to supply critical support for the work of stabilizing Iraq and Afghanistan," said Stuart F. Delery, Acting Assistant Attorney General for the Department of Justice's Civil Division. "The department will seek to recover losses to the American taxpayer when a contractor has claimed money to which it was not entitled."

"The United States must be able to count upon government contractors to seek payment only for services performed in conformance with their contractual obligations. That is particularly true of contractors performing work for the United States in 'hot spots' around the globe where verification of invoiced work can be both difficult and dangerous," said Jenny Durkan, the U.S. Attorney for the Western District of Washington. "LTWSI's internal procedures on the AFRN project clearly should have been more robust in this instance."

The settlement resolves a whistleblower suit filed under the False Claims Act in December 2008, by Geoffrey Willson, LTWSI's former contract manager for the project. The False Claims Act permits private parties to sue on behalf of the United States for submission of false claims to the government and to share in any recovery. Willson will receive \$758,000 as his statutory share of today's settlement.

This matter was handled jointly by the U.S. Attorney's Office for the Western District of Washington and the Department of Justice Civil Division's Commercial Litigation Branch in Washington, D.C. Investigative support was provided by the Department of Defense Inspector General's Seattle Resident Agency of the Defense Criminal Investigative Service. The Defense Contract Audit Agency and Army Criminal Investigation Command also provided investigative support.

The claims settled by this agreement are allegations only and do not constitute a determination of liability. The lawsuit is captioned *United States ex rel. Geoffrey K. Willson v. Alcatel-Lucent, a foreign corporation, et al.*, Docket No. C08-1812 (W.D.WA).