

**FOR IMMEDIATE RELEASE
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**Seven Employee Whistleblowers and the United States Settle
False Claims Act Allegations Against The General Electric Company
For \$11,500,000.00**

The United States Department of Justice and the United States Attorney for the Western District of Kentucky have announced the settlement of United States ex rel. LeFan, et al. v. The General Electric Company, et al., a case brought by seven whistleblowers under the Qui Tam provisions of the United States False Claims Act. The settlement resolves the allegations of violations of the False Claims Act set out in a 115 page Civil Complaint which, although filed under seal, was made public as a result of the approval of the settlement by the United States District Judge, Joseph H. McKinley, Jr. The case has been pending in Owensboro, Kentucky since October, 2000.

The seven Whistle blowers, Dennis LeFan, Jason Gibson, Jeff Ashby, Elsworth Cranor, Harold Dilback, Keith Lax, and Connie Sue Orten Barnett, all work or worked in production jobs in GE's Turbine Airfoil Center of Excellence in Madisonville, Kentucky. The plant manufactures critical components for GE jet engines used in high performance military aircraft, vessels, and generators. The central allegation of the whistleblowers' complaint was that the manufacturing process at the plant was not properly controlled and, as a result, parts which had the potential of causing catastrophic losses, were shipped to United States Military for installation in its aircraft, ships, helicopters, and tanks, including the President's aircraft, Air Force One and Marine One.

The Complaint also included allegations that three of the seven whistleblowers had also been victims of unlawful retaliation as a result of their bringing the information to the attention of the Government. Those claims are not resolved by this settlement. The courage of the whistleblowers in coming forward, despite the risk of doing so, represents the integrity and concern of the whistleblowers for military personnel currently utilizing or traveling in high performance military aircraft.

The United States Department of Defense, after a thorough investigation, determined it should pursue the claims against General Electric for the conduct alleged by the whistleblowers. The whistleblower complaints were investigated by the Office of Defense Criminal Investigation Service; the Army Criminal Investigations Division, the Navy Criminal Investigation Service; the Air Force Office of Special Investigations, and the Defense Contract Audit Agency. The United States was represented by attorneys from the Civil Frauds Branch of the Department of Justice in Washington, D.C. and Assistant United States Attorneys in Louisville, Kentucky.

General Electric will also be required to pay legal fees incurred by the whistleblowers in an amount to be determined by Judge McKinley.