FOR IMMEDIATE RELEASE

June 2, 2005

Former Hunt Valve Official Ordered to Pay \$4.1 Million in Restitution and Sentenced to 33 Months in Prison

The Office of the Inspector General (OIG) of the Department of Defense (DoD) announced today that on June 2, 2004, Wayne Aldrich, ex-Quality Assurance Manager, Hunt Valve Company, Inc. (Hunt Valve), Salem, OH, was sentenced by United States District Court Judge Lesley Wells, Northern District of Ohio. Aldrich was sentenced to thirty three months imprisonment, ordered to pay \$4.1 million in restitution, three years supervised probation after his release and ordered to pay a \$100 special assessment fee. The sentencing was the result of a Bill of Information and guilty plea, charging Aldrich with one count of conspiracy to defraud the U.S. and obtain money by means of false or fraudulent representations.

Hunt Valve is a major supplier of valves and valve parts to the U.S. Navy. These valves are used in Level I/SUBSAFE and non-Level I applications. Hunt Valve also marketed valves under the brand names of Union Flonetics, WAECO Valves, Morland Valves and PJ Valves. From 1993 to 2003, Hunt Valve sold approximately 40,000 valves to the Navy or prime contractors of which approximately 15,000 were Level 1/SUBSAFE.

Hunt Valve supplied valves directly to the Navy and to prime contractors of the Department of Defense. The company also sold spare valves and valve parts directly to the government through the Naval Inventory Control Point (NAVICP), Mechanicsburg, PA and the Defense Supply Center Columbus (DSCC), Columbus, OH. These valves are used on five Navy programs including Seawolf class submarines, Virginia class submarines, AEGIS class Arleigh Burke guided missile destroyers, nuclear-powered aircraft carriers and the amphibious transport dock. Hunt Valve also supplied valves to the Department of Energy and the United States Enrichment Corporation, a certificate of the Nuclear Regulatory Commission. These valves are used on containers that store and transport uranium hexafluoride (UF6) and depleted uranium hexafluoride (DUF6).

Aldrich worked for Hunt Valve from April 1980 until he resigned in May 2001. Aldrich was the Quality Assurance Manager from April 1992 until he resigned. The investigation disclosed that from approximately April 1992 to May 2001, Aldrich and other co-conspirators altered and created false documentation and delivered or caused the

delivery of valves that failed to conform to physical and contractual requirements mandated by the U.S. Government. Aldrich used scanners, computers and facsimile machines to alter vendor certifications by changing revision dates, adding signatures and adding or changing test results; falsified Hunt Valve certifications indicating non-destructive testing (NDT) was performed when he knew it had not been; permitted non-certified personnel to perform NDT inspections; and manufactured or repaired valves using unapproved and improper techniques and procedures. As a result of Aldrich's actions a sample of the valves supplied by Hunt Valve were tested by the U.S. Navy and their shipbuilders at cost of over \$4 million.

The investigation was conducted jointly by the Defense Criminal Investigative Service (the criminal investigative arm of the OIG DoD), Naval Criminal Investigative Service, Department of Energy Office of Inspector General, and Nuclear Regulatory Commission Office of Investigations. The prosecution is being handled by Assistant U.S. Attorney Richard H. Blake, Northern District of Ohio, Cleveland, OH.

The point of contact regarding this press release is Richard Zott, Special Agent in Charge, Central Field Office. SAC Zott may be contacted at (314) 539-2172.

To report suspected fraud, waste, and abuse and other criminal activity within DoD programs, contact the Defense Hotline toll-free at (800) 424-9098, e-mail: hotline@dodig.osd.mil/, or visit them on the World Wide Web at http://www.dodig.osd.mil/hotline/.