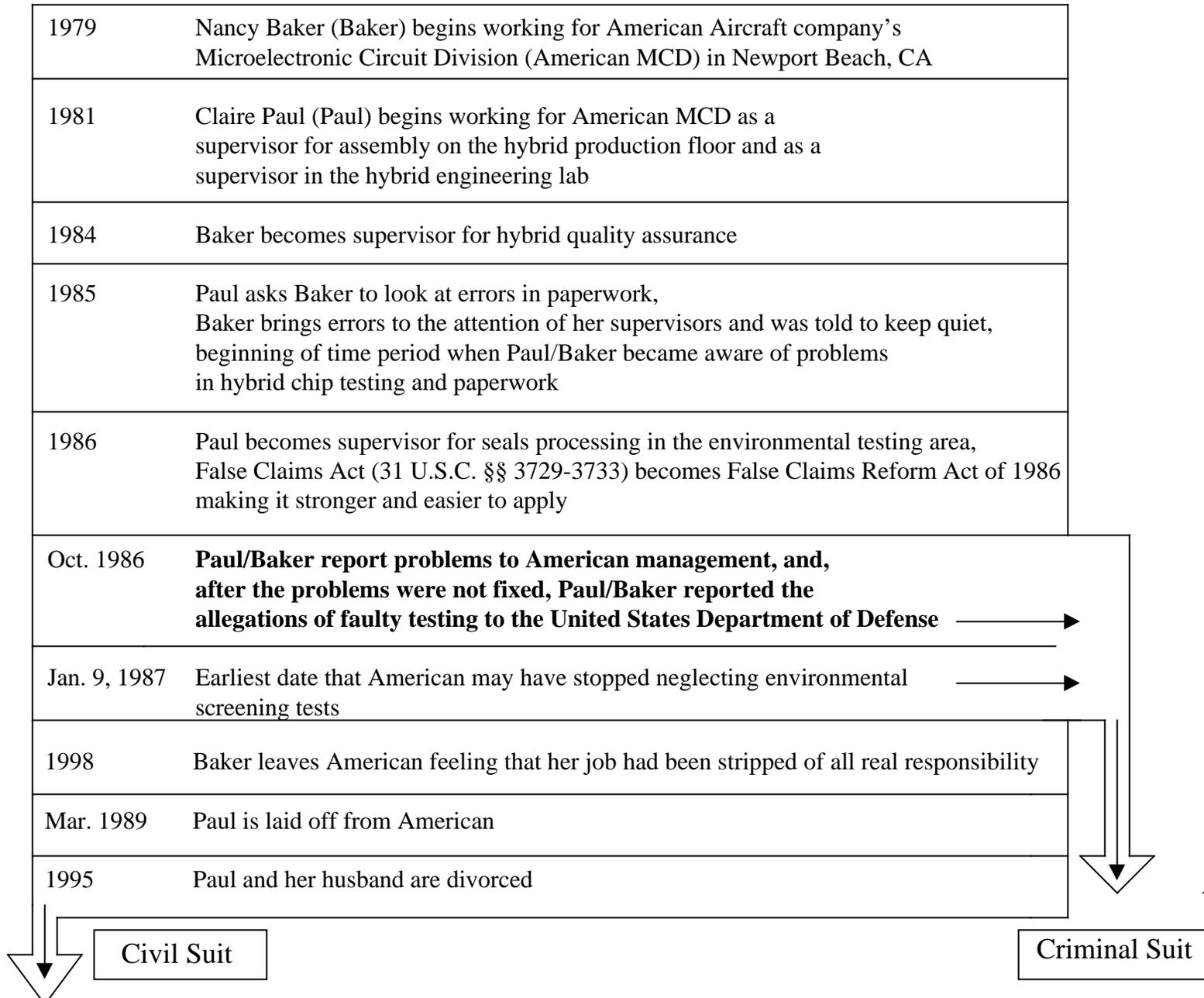


American Timeline



American Timeline: Civil Suit

United States of America, ex rel. Taxpayers Against Fraud, Nancy Ann Baker, and Claire Paul v. American Aircraft Company, Inc.

1990	Paul files wrongful discharge suit against American and a number of individual managers, which was eventually dropped in favor of the civil suit
May 29, 1990	Thinking the Government investigation was taking too much time, Paul/Baker file civil suit against American under False Claims reform Act of 1986 with the help of Taxpayers Against Fraud and Washington law firm Phillips & Cohen.
Dec. 1992	under provisions of the FCA, the U.S. Department of Justice Civil Division takes over the civil case
Sep. 10, 1996	American found guilty in civil trial, pay U.S. Government \$4,050,000 and each relator \$891,000 plus a separate payment of \$450,000 to cover attorney's fees, costs, and expenses

American Case: Criminal Suit

United States of America v. American Aircraft Co., and Tim Clark

Dec. 13, 1991	after a lengthy investigation, the U.S. Department of Defense charges American and Tim A. Clark (Clark) with a 51-count indictment accusing it of falsifying tests of microelectronic circuits (criminal suit)
Jun 15, 1992	American found guilty of conspiring to defraud the U.S. Government in criminal case, co-defendant Clark acquitted following 4-week trial, Paul/Baker called as witnesses in trial, American appeals
Oct. 29, 1992	American fined \$3.5 million in criminal trial decision
Dec. 2, 1993	Appellate court upholds 1992 criminal conviction and sentence, American appeal fails