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PRESS RELEASE
BURLINGTON, VERMONT March 2, 2012

UNITED STATES SETTLE WITH RAILROAD CONTRACTOR

The United States Attorney's Office announced today that it has entered into a settlement with Drummac, Inc. ("Drummac"), a Jacksonville, Florida based railroad contractor, resolving potential liability relating to the performance of Drummac's contractual obligations and payment arrangements with the National Railroad Passenger Corporation ("Amtrak") for service and maintenance of the Vermonter train in St. Albans, Vermont during the period of July 1, 2000 through December 31, 2009.

The settlement resolves an investigation into Drummac's practices with regard to the use of external power and shutting down the Vermonter train in St. Albans, Vermont while the train was sitting in the station overnight between arrival and departure.

The Government believes that it had good cause to initiate civil litigation under the False Claims Act against Drummac for submitting claims for payment despite not meeting the terms of its contract with the Government. The Government was prepared to contend that Drummac submitted claims for payment even though Drummac knew that the terms of its contract with Amtrak were not being met when the Vermonter train was not shut down and not connected to external power.

Drummac cooperated with the Government's investigation in this matter, disputed the Government's claim, and denied liability. Under the settlement agreement, Drummac paid the United States \$100,000 to resolve its potential civil liability.

The case was investigated by Amtrak's Office of Inspector General. Assistant United States Attorney Nikolas Kerest handled the matter for the United States. Drummac was represented by Martin Sitler, Esq., of Jacksonville, Florida.