



NEWS RELEASE

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For Immediate Distribution

March 26, 2014

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O.C. Firm Pays \$500,000 to Resolve Allegations it Violated the Buy American Act by Selling Foreign-Made Medical Devices to Army

LOS ANGELES – Prosthetics supplier Ossur Americas, Inc. today paid the United States \$500,000 to resolve allegations that the Orange County company supplied the Army with hundreds of foreign-made prosthetic, bracing and support products –while falsely certifying that all of its products were manufactured in the United States as required by federal law and its contracts with the military.

Ossur, which is headquartered in Foothill Ranch, paid the money today pursuant to a settlement agreement that resolves allegations that it had violated the federal False Claims Act by falsely certifying compliance with the Buy American Act. The alleged conduct took place in 2005 and 2006 and involved prosthetic components for wounded soldiers.

The Buy American Act generally prohibits federal government agencies from purchasing foreign-made products, and Ossur's compliance with the Act was expressly required by its contracts with the Army.

Ossur became aware that it had made the prohibited sales in early 2006, and entered the Department of Defense's Voluntary Disclosure Program in December 2006. The government subsequently investigated Ossur's disclosure. In conjunction with Ossur's voluntary disclosure, the company instituted a series of compliance measures, including distribution of instruction sheets to sales representatives and training for management officials, to ensure future compliance with the Buy American Act.

This matter was investigated by the Defense Criminal Investigative Service.

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