

CLIENT ALERT

Payback: Federal Circuit Requires Government to Reimburse under WWII-Era Indemnification Clauses

May.15.2014

In *Shell Oil Co. v. United States*, No. 2013-5051, 2014 WL 1661493 (Fed. Cir. Apr. 28, 2014), the Federal Circuit held that the Government must indemnify WWII-era contractors for CERCLA costs incurred as a result of environmental damage arising out of certain contracts to provide aviation gasoline (avgas) required for the war effort, under the plain language of the "Taxes" clauses in the avgas contracts. The decision, which reversed the Court of Federal Claims (discussed [here](#)), may encourage other contractors to seek Government contract-based indemnification under similar contract provisions such as "hold harmless" clauses in facilities contracts cases ([Ford](#) and [DuPont](#)) and indemnification clauses authorized under [Public Law 85-804](#) (also discussed [here](#), [here](#), and [here](#)).

For more information, please contact the professional(s) listed below, or your regular Crowell & Moring contact.

Stephen J. McBrady

Partner – Washington, D.C.
Phone: +1 202.624.2547
Email: smcbrady@crowell.com

Jonathan M. Baker

Partner – Washington, D.C.
Phone: +1 202.624.2641
Email: jbaker@crowell.com

Thomas P. Humphrey

Senior Counsel – Washington, D.C.
Phone: +1 202.624.2633
Email: thumphrey@crowell.com

Robert J. Sneckenberg

Counsel – Washington, D.C.
Phone: +1 202.624.2874
Email: rsneckenberg@crowell.com