

CLIENT ALERT

"Any Degree of Fraud" Bars Contractor Claims

Oct.13.2014

In *Laguna Constr. Co.* (Oct. 7), the ASBCA denied a \$2.9 million claim for unpaid invoices because two of Laguna's employees had pled guilty to accepting subcontractor kickbacks under some, but not all, of the task orders under appeal. The Board imputed the fraud to the company and, applying the doctrine of "antecedent breach," held that the contractor's material breach excused the government's subsequent failure to pay for the completed and invoiced work.

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

Skye Mathieson

Counsel – Washington, D.C.

Phone: +1 202.624.2606

Email: smathieson@crowell.com