

CLIENT ALERT

Beware of Noncompliance With Price Reduction Clause Requirements

Apr. 16, 2009

A GSA Schedule contractor has agreed to a \$128 million settlement with the government - the largest Schedule settlement yet - in response to allegations that the company failed to comply with the Price Reduction Clause for eight-years-worth of sales under its Schedule contract. The allegations against NetApp Inc. arose from a GSA Industrial Funding Fee audit, which led to the filing of a qui tam False Claims Act case by the company's manager of procurement and intervention in the case by the government.

To learn more about GSA reviews and audits of Schedule contracts, as well as compliance with Schedule requirements, including the Price Reduction Clause, please consider attending our upcoming seminar: www.crowell.com/events/gsa/.

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

Marc F. Efron

Retired Partner – Washington, D.C.

Email: mefron@crowellretiredpartners.com