

# CLIENT ALERT

## Contingency Contractor Beware

October 29, 2008

The Court of Federal Claims held in *Laudes Corp. v. U.S.* (Oct. 16, 2008) that, because no U.S. appropriated funds were involved, it lacked subject matter jurisdiction over an asserted \$10 million claim against the U.S. under a contract awarded by the Coalition Provisional Authority ("CPA") to provide supplies and support to the Baghdad Police Academy. While the DoJ conceded that, for purposes of the motion to dismiss, the CPA operated as a "United States entity," the contract identified payment from the Development Fund for Iraq ("DFI"), rather than from U.S. appropriated funds, leaving the contractor's remedy for non-payment in the legal system in Iraq after the CPA transferred authority over DFI-funded contracts to the Interim Government of Iraq.

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

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