

## CLIENT ALERT

### Don't Want a Setoff? Better Say It

July 13, 2010

In *Global Ship Sys., Inc. v Dept. of Homeland Sec'y* (CBCA June 25, 2010), the board held that a settlement payment owed by the government could be offset against a debt owed by the contractor on a separate contract, even though the settlement agreement expressly required the CO to "request" that the payment be made to Global's designated bank account. More explicit language is required to overcome the government's general right of offset. For more information, please contact the professional(s) listed below, or your regular Crowell & Moring contact.

**Brian Tully McLaughlin**

Partner – Washington, D.C.

Phone: +1.202.624.2628

Email: [bmclaughlin@crowell.com](mailto:bmclaughlin@crowell.com)