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District of Maryland

FOR IMMEDIATE RELEASE

Wednesday, December 28, 2016

**Defense Contractor Agrees to \$4.535 Million Settlement
for Alleged False Claim Act Violations**

**Allegedly Submitted False and Inflated Invoices for Work Performed at Joint
Base Andrews**

Baltimore, Maryland – Advanced C4 Solutions, Inc. agreed today to pay \$4.535 million to the United States to settle allegations that it submitted inflated invoices to the government for work performed at Joint Base Andrews.

The settlement was announced by United States Attorney for the District of Maryland Rod J. Rosenstein; Brigadier General Keith M. Givens, Commander Air Force Office of Special Investigations (OSI); Special Agent in Charge Robert Craig of the Defense Criminal Investigative Service - Mid-Atlantic Field Office (DCIS); and U.S. Small Business Administration Inspector General Peggy E. Gustafson.

"Federal authorities will vigorously investigate and prosecute defense contractors that cheat the government," said U.S. Attorney Rod J. Rosenstein. "The Justice Department works closely with defense agencies to safeguard taxpayer dollars."

Advanced C4 Solutions, Inc. (the "Company") is a Florida-based company that was operating as a certified "small business" under Section 8(a) of the Small Business Act. On June 10, 2010, the Company was awarded a contract, DO27, to supply project management and labor services for an Air Force technology project. The contract was awarded by the U.S. Navy's Space and Warfare Systems Command ("SPAWAR"), which was administering the contract in support of the United States Air Force. Among other things, DO 27 required the Company to design, construct, and implement certain local area network and wide area network systems that would be utilized by Air Force personnel and other components of the U.S. Armed Forces on Joint Base Andrews in Maryland. The DO 27 contract required the Company to accurately provide invoices to the United States for work performed under the DO 27 contract, including work by subcontractors.

Labor costs were required to be billed according to the job classifications set forth in the contract and the number of labor hours worked by personnel at each job classification. The DO 27 contract also provided that the Company could only utilize pre-approved subcontractors. Pursuant to this provision, the Company entered into subcontractor agreements with several entities, one of which was Superior Communication Solutions, Inc. ("SCSI").

Advanced C4 Solutions and its subcontractors began work under the DO 27 Contract in June 2010. Andrew Bennett was the Company's project manager who was tasked with overseeing the work performed by the Company and its subcontractors under the DO 27 contract. In this capacity, he was responsible for verifying the accuracy of all invoices submitted by subcontractors to the Company and, in turn, all the invoices submitted by the Company to SPAWAR.

The settlement resolves allegations that Bennett, while an employee of the Company, knew that SCSI created false invoices that charged for labor hours that were not actually worked, and charged the United States at job classification rates for personnel that did not have the requisite credentials to be billed at those rates, and yet submitted those SCSI invoices to the government for payment anyway. SPAWAR subsequently paid these invoices not knowing they were false.

In related cases, Andrew Bennett, age 52, of Tampa Florida, James T. Shank, age 68, of Perry, Georgia, and a third individual were indicted on federal criminal charges related to their actions in this matter. Bennett and Shank pled guilty to conspiracy to commit wire fraud for their conduct related to the DO 27 contract. The third defendant is scheduled for trial beginning on January 30, 2017.

United States Attorney Rod J. Rosenstein commended Air Force OSI, DCIS, and SBA for their work in the investigation. Mr. Rosenstein thanked Assistant U.S. Attorney Jason D. Medinger who handled this case.

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