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THURSDAY, AUGUST 2, 2001

(202) 514-2007

WWW.USDOJ.GOV

TDD (202) 514-1888

UNISYS CORPORATION TO PAY MORE THAN $1.4 MILLION
FOR FALSE CLAIMS TO UNITED STATES

WASHINGTON, DC Unisys Corporation, an information and technology company, has agreed to pay the United States $1,430,000 to settle claims that it failed to disclose information to the government during 1990 contract negotiations, the Justice Department announced today.

In 1990, the Air Force awarded the Blue Bell, Pennsylvania-based firm a contract to build a radar system, known as the North Warning System. The contract price was negotiated by Unisys and the Air Force.

The Justice Department alleged that Unisys had violated the False Claims Act by failing to disclose during contract negotiations that it was considering saving money by subcontracting certain quality control work to a company called ASR Corporation. Ultimately, Unisys did subcontract work on the North Warning contract to ASR Corporation, although Unisys maintains that it did not make its final decision to do so until after the contract had been awarded.

"Contractors who enter into negotiated contracts with the government are required to provide the government with accurate and complete information," said Acting Assistant Attorney General Stuart Schiffer. "If they fail to do so, the Department of Justice will vigorously pursue our available civil remedies."

The government's investigation was conducted jointly by the Civil Division of the Department of Justice and the United States Attorney's Office for the Eastern District of New York.

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