

# Government Contracting Abroad: Beware Compliance Risks



A recent settlement by a private defense and government contracting company should put government contractors on notice of the corruption risks and the potentially severe consequences of FCPA violations, writes Fatema Merchant of Sheppard, Mullin, Richter & Hampton.

She describes how *IAP Worldwide Services Inc.*, a private defense and government contracting company, agreed to pay \$7.1 million to settle criminal charges of the U.S. Foreign Corrupt Practices Act (FCPA) related to bribing Kuwaiti government officials to secure a Kuwaiti government contract.

And on the same day IAP's Former Vice President of Special Projects and Programs also pleaded guilty to FCPA charges.

"For U.S. government contractors, the opportunities to provide services and expertise to foreign governments are lucrative, but this enforcement action also highlights the risks associated with obtaining such contracts," Merchant writes.

**Read the article.**