

Whistleblower and United States Attorney Achieves Settlement of Construction Fraud Action



Fri, Mar 15, 2013 7:00 AM EDT

NEW YORK, NY--(Marketwire - March 15, 2013) - Whistleblower Brian Aryai represented by Robert Sadowski of Sadowski Fischer PLLC and The United States Attorney for the Southern District of New York settled a False Claims Act *qui tam* case against Lend Lease (US) Construction LMB Inc. (formerly known as Bovis Lend Lease LMB Inc.) ("Lend Lease"). Lend Lease is an international construction company that worked on the Brooklyn Post Office, the World Trade Center Memorial and the former Deutsche Bank building at 130 Liberty Street.

According to the Complaint, from at least 1999 through June 2009, Lend Lease permitted union foremen to add to time sheets and paid to union foremen one or two hours per day of overtime, regardless of whether foremen actually worked those overtime hours. Lend Lease knew the time sheets were false because they reflected overtime hours that were not actually worked. Lend Lease also paid other sums to union foremen beyond the amount they were entitled to under applicable collective bargaining agreements and billed these amounts to federal agencies or other entities receiving federal funds. As a result, Lend Lease caused the United States to make additional payments beyond those required pursuant to contracts on federally funded projects.

Mr. Aryai was the former senior vice president of finance of Lend Lease. Mr. Aryai is a certified public accountant, certified fraud examiner, and a retired senior special agent of the United States Treasury Department, who is skilled in conducting forensic analysis and fraud investigations. In the course of his employment at Lend Lease, Mr. Aryai performed an investigation of fraudulent union payroll practices and confirmed that these practices were being undertaken by Lend Lease in connection with construction projects in the New York metropolitan area. Mr. Aryai first blew the whistle internally, expecting that Lend Lease would put a stop to the scheme. Instead, he was marginalized and realized that Lend Lease was covering up the fraud. He contacted federal authorities and then commenced this lawsuit. Subsequent to his discovery of this systemic fraudulent scheme and endemic corruption in the construction industry, Mr. Aryai and former Governor David A. Paterson founded Icon Compliance Services.

Mr. Aryai and Governor Paterson founded Icon Compliance Services and formed a team of professionals in the legal, construction, accounting, auditing and investigative fields to address the glaring paucity of genuinely credible monitoring organizations that are truly independent and are impervious to undue influence by the construction firms that retain them. Recent successful prosecutions are testimony to a long overdue change of direction in the abysmal state of construction monitoring.

Mr. Aryai's extensively publicized experience in discovering this construction fraud has been widely recognized, which resulted in the largest criminal settlement in the construction industry in the history of New York City.

Robert W. Sadowski of Sadowski Fischer PLLC represented Mr. Aryai. Mr. Sadowski stated that "Mr. Aryai acted courageously and is a tribute to those who will not tolerate the misuse of taxpayer dollars."

About Sadowski Fischer

Sadowski Fischer is a litigation boutique focusing in the prosecution of financial fraud, *Qui Tam (whistleblowing)*, complex commercial litigation, health care litigation, employment litigation, and bankruptcy litigation.