

For Immediate Release

Laux-Arnold Electric, Inc. Sanctioned for Failing to Provide Documents in Lawsuit

Fort Wayne, January 14, 2014: Judge Stanley Levine, Allen County Superior Court, sanctioned Laux-Arnold Electric, Inc. (L-A), for failing to turn over documents and failing to respond to other discovery. The sanction requires L-A to pay \$5,911.

The International Brotherhood of Electrical Workers, Local Union 305 (IBEW 305) filed a complaint on behalf of the State of Indiana against L-A for submitting false documents on construction projects paid for by the State. The Complaint alleges L-A attempted to avoid its wage payment obligations under the Common Construction Wage Act, by L-A dramatically over-reported the amount of fringe benefits it paid its employees.

Attorney for IBEW 305, Eli Baccus of Widman & Franklin, LLC, commented that *"Indiana's False Claim Act prohibits contractors from knowingly submitting false records, such as the value of the fringe benefits they provide, or the amount of money they pay, in order to get paid on a project funded in whole or part by the State of Indiana."* When asked about the sanctions imposed on L-A, Mr. Baccus said *"L-A has refused to provide documents for a long time in this case. In August they were ordered by the Court to produce documents within 60 days, and they ignored the Court's order. There is a price to pay when you ignore a judge."*

Representatives from IBEW 305 said that *"IBEW 305 fights to protect workers' rights even when those workers are not members of IBEW 305."*

Under state law, companies who knowingly submit false documents in order to be paid on State projects are subject to liability for up to three times the entire amount of money the State is damaged, a civil penalty of at least \$5,000 per claim, and attorneys' fees.

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