

# VMWare, Carahsoft pay \$75.5M to settle overcharging claims

June 30 2015

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VMware Inc. and Carahsoft Technology Corporation have agreed to pay \$75.5 million to settle claims they overcharged the government.

The settlement announced Tuesday by U.S. Attorney Dana Boente of the Eastern District of Virginia resolves allegations that the companies violated the False Claims Act.

VMware, a Delaware corporation headquartered in Palo Alto, California, specializes in computer virtualization software. Carahsoft, a Maryland corporation headquartered in Reston, Virginia, distributes information technology products to governments.

The settlement resolves allegations that VMware and Carahsoft made [false statements](#) allowing them to overcharge for VMware products and services under a Carahsoft contract from 2007 through 2013. Dane Smith, a former [vice president](#) of the Americas at VMware, filed the [civil lawsuit](#). His share of the recovery hasn't been determined.

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