

THE DANGER OF STOPPING WORK WITHOUT A VALID REASON

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Government contractors should beware of stopping work on a contract, without a valid reason, which might include but not be limited to a Stop Work Order (FAR 52.242-15), Suspension of Work (FAR 52.242-14) or Delay of Work (FAR 52.242-17) issued by the Contracting Officer (the “CO”). One contractor found out the hard way, see *Wild Hare Haulers, LLC*, ASBCA Nos. 64442 and 64443, June 26, 2026. Wild Hare failed to win its claim for \$55,000 in damages as well as its appeal of the government’s termination for cause (default).

Here is the timeline:

- On December 16, 2024, Fort Gordon, Georgia solicited proposals for 60 months of laundry services and dry cleaning services at the Fort, using a Firm Fixed Price per piece/item with an Indefinite Delivery and Indefinite Quantity (“IDIQ”) contract.
- On Jan. 17, 2025, Wild Hare proposed to perform 60 months of laundry service for a “max amount” of \$1,478,427 and 60 months of dry cleaning for a “max amount” of \$30,758. The proposal included a pricing worksheet providing dollar amounts for listed laundry and dry cleaning items, and stated that the offeror took “no exception to the requirements of the performance work statement (“PWS”).
- On Feb. 24, 2025, the CO approved a “Release of Award” to White Hare. On Feb. 26, 2026, the government sent to White Hare an unsigned document proposing 60 months of laundry service not to exceed \$24,640 for a total Firm Price of \$1,478,427 and 60 months of dry cleaning at a monthly price “not to exceed \$513” for a total Firm price of \$30,758 with a minimum of 10,00 pieces. This document includes the PWC and Wild Hare’s pricing worksheet. White Hare signed this document and returned it to the CO.
- On Feb. 27, 2025, the CO subsequent sent another document, signed by the CO, to Wild Hare proposing 59 months of laundry service, however Wild Hare did not sign that document.
- On March 14, 2025, the CO issued a task order for 11 months of laundry and dry cleaning service. The task order provided funding for two months and stated it was in accordance with the PWS
- On April 1, 2025, Wild Hare began performing laundry and dry cleaning services at Fort Gordon. Then, there ensued a disagreement between the parties regarding whether the contract provided for per-piece pricing (government position) or per-month pricing (as Wild Hare contended).
- On May 21, 2025 Wild Hare informed the CO that “services have ended,” stopped providing services at Fort Gordon, and turned in the keys to the government facility it was using.
- On May 23, 2025, a second CO advised Wild Hare that the Government “may consider a termination for convenience.”
- On July 23, 2025, the second CO advised Wild Hare that “the Government intends to terminate for default.”
- On August 7, 2025, the original CO and the second CO separately informed Wild Hare that that the contract would be terminated for convenience of the government.

- On December 18, 2025, the second CO issued a termination for cause (default notice) on this commercial services contract.
- On Sept. 7, 2025, Wild Hare submitted a claim to the CO for \$54,870, which was deemed denied. White Hare appealed both the denial of its claim and the termination of the contract for cause.

The Armed Services Board (“Board”) held that the February 26, 2025 document that the CO sent to Wild Hare, which Wild Hare had signed, formed a written contract even though the CO had not signed it. (Formal execution of a contract document is not essential to formation of a federal procurement contract, citing *Data Gen. Corp*, ASBCA No. 21875, 79-2 BCA at 69,831). This document stated that Wild Hare agreed to provide services for 60 months and to be paid according to its pricing worksheet. The government says it owes Wild Hare \$3,772 pursuant to the per piece rates, and the Board sustained that amount of the claim, plus interest owed.

Regarding the termination for cause, Wild Hare asserted that the CO had already (in August 2025) terminated the contract for convenience by informing the contractor that it would be terminated for convenience. However, the CO had advised in July 2025 that the “government intends to terminate for default.” Wild Hare defaulted by walking off the job in less than two months into a five year contract. Wild Hare asserted that it did so because, in its opinion, available contract funding was running out. Instead of suspending performance until the government provided more money, Wild Hare simply stopped performance and ended performance for good on May 21, 2025. Wild Hare never relied to its detriment on the government back-and-forth regarding whether the termination would be for convenience or default, and the Board ruled that the Termination for Cause stands.

Takeaway. Unless you have a valid reason for stopping work (and walking away from a job as Wild Hare did) it is dangerous to leave the job site and stop providing the services. This is essentially a contractor default, and the result is likely to be either termination for default (if a noncommercial contract) or a termination for cause (for a commercial items contract such as this).

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