

UNITED STATES DISTRICT COURT
DISTRICT OF MINNESOTA

UNITED STATES OF AMERICA,)	
)	INFORMATION
Plaintiff,)	
)	(18 U.S.C. § 1341)
v.)	(18 U.S.C. § 2)
)	
TERENCE MICHAEL CLARKE,)	
)	
Defendant.)	

THE UNITED STATES ATTORNEY CHARGES THAT:

COUNT 1
(MAIL FRAUD)

1. Terence Michael Clarke, formerly a resident of Eden Prairie, Minnesota, was employed at Katun Corporation (Katun) from approximately 1978 until June 2000. He served as Katun's Chairman of the Board, Chief Executive Officer and President during that time.

2. Beginning in or about 1985 and continuing until about June 2000, in the State and District of Minnesota and elsewhere, the defendant,

TERENCE MICHAEL CLARKE,

did knowingly and intentionally aid and abet others at Katun in a scheme to defraud Xerox Corporation and obtain property by means of false and fraudulent pretenses, whereby Katun secretly provided, through the U.S. mail, more than 50 so-called "consulting payments" or bribes, totaling more than \$25,000, to Jack Lafferty and Steve Adams, both of whom were Xerox employees, in exchange for certain

Xerox pricing information, all without the knowledge of Lafferty's and Adams' superiors at Xerox and in violation of Xerox standards of conduct policies. During this same time period, defendant knew that Katun then used or provided the Xerox pricing information in connection with dealings with other business entities, all of which was unknown to Xerox.

3. On or about September 23, 1999, based in part on defendant's prior approval of certain of the above-referenced payments and for the purpose of executing the above-described scheme to defraud and obtain property by means of false and fraudulent pretenses, the defendant did knowingly aid and abet others at Katun to cause to be sent and delivered by mail according to the direction thereon by the United States Postal Service, Katun Corporation Check No. 72567, in the amount of \$500.00 to Steve Adams, 4404 Candelwood, Sylvania, Ohio, 43560.

All in violation of Title 18, United States Code, Sections 1341 and 2.

COUNT 2
(MAIL FRAUD)

4. Beginning in or about November 1999 and continuing until about April 2000, in the State and District of Minnesota and elsewhere, the defendant,

TERENCE MICHAEL CLARKE,

did knowingly and intentionally aid and abet others in a scheme to defraud various original equipment manufacturers (OEMs), such as

Toshiba USA, Inc., and obtain property by means of false and fraudulent pretenses, by authorizing Katun employees to acquire and use twelve \$900 Snap-on tool kits to obtain OEM competitive information, including confidential OEM passwords to secure, protected OEM websites. The OEM passwords, in turn, were used by Katun to obtain competitive information from the secure OEM websites, all without the knowledge or authorization of any OEM, and for purposes of commercial advantage to Katun.

5. On or about February 16, 2000, based in part on defendant's prior authorization to acquire and use \$900 Snap-on tool kits to obtain OEM competitive information, and for the purpose of executing the above-described scheme to defraud and obtain property by means of false and fraudulent pretenses, the defendant did knowingly aid and abet others at Katun to cause to be sent and delivered by commercial interstate carrier according to the direction thereon a Snap-on Apprentice Set tool kit, to John Artis, 7476 West B. Avenue, Kalamazoo, Michigan 49009.

All in violation of Title 18, United States Code, Sections 1341 and 2.

Respectfully submitted,

Dated: March 8, 2004

THOMAS B. HEFFELFINGER
United States Attorney

BY: HENRY J. SHEA
Assistant U.S. Attorney
Attorney ID Number 165384

