

COUNT TWO

The United States Attorney further charges:

In and around September 1999, in the County of Erie, in the Western District of Pennsylvania and elsewhere, the defendant, JEFFREY K. UNDERWOOD, knowingly, willfully, and unlawfully would and did, directly and indirectly, falsify and cause to be falsified books, records, and accounts subject to Section 13(b)(2) of the Securities and Exchange Act of 1934 ("The Act"), namely books, records, and accounts of Rent-Way, Inc., (Rent-Way) an issuer with a class of securities registered pursuant to the Act, which Rent-Way was required to make and keep in reasonable detail, accurately and fairly reflecting the transactions and dispositions of the assets of Rent-Way and did direct employees at Rent-Way not to recognize various operational expenses in the proper fiscal period.

In violation of Title 15, United States Code, Sections 78m(b)(2)(A), 78m(b)(5) and 78ff and Title 17, Code of Federal Regulations, Section 240.13b2-1.

MARY BETH BUCHANAN
United States Attorney
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