

IN THE UNITED STATES DISTRICT COURT FOR THE
EASTERN DISTRICT OF VIRGINIA

Alexandria Division

UNITED STATES OF AMERICA)	
)	
v.)	CRIMINAL NO. 1:04CR498
)	
DALE L. BOETH)	Count 1 - 18 U.S.C. Section 371
)	(Conspiracy to commit securities fraud)
Defendant)	

CRIMINAL INFORMATION

COUNT 1

THE UNITED STATES ATTORNEY CHARGES THAT:

At all times material to this Information or as specified below:

1. From in or about December 2000 to in or about June 2001, in the Eastern District of Virginia and elsewhere, DALE L. BOETH and his co-conspirators knowingly and unlawfully combined, conspired, confederated, and agreed with each other to commit the following offense of securities fraud against the United States:
 - a. directly or indirectly, by the use of means and instrumentalities of interstate commerce, and of the mails and of facilities of national securities exchanges, to (a) employ devices, schemes, and artifices to defraud, (b) make untrue statements of

material facts and omit to state material facts necessary in order to make the statements made, in the light of the circumstances under which they were made, not misleading, and (c) engage in acts, practices, and courses of business which would operate as a fraud and deceit upon persons, in connection with the purchase and sale of PurchasePro.com ("PurchasePro") securities, all in violation of Title 15, United States Code, Sections 78j(b) and 78ff, and Title 17, Code of Federal Regulations, Section 240.10b-5.

2. It was part of the conspiracy that BOETH and certain of his co-conspirators falsely inflated the revenue reported by PurchasePro to the public and in its filings with the United States Securities and Exchange Commission for PurchasePro's fourth quarter of 2000 and first quarter of 2001 by a material amount. This goal was achieved, in part, because BOETH and certain of his co-conspirators caused PurchasePro to record approximately \$3.65 million in revenue associated with a fraudulent contract between PurchasePro and a major media company headquartered in the United States ("Media Company") relating to the integration of auction functionality into the Media Company's internet marketplace for small businesses.

3. In furtherance of the conspiracy and in order to accomplish its objects, BOETH and his co-conspirators, committed or caused to be committed the following overt act, among others, within the Eastern District of Virginia and elsewhere:

a. a confirmation letter dated April 10, 2001 to be mailed by regular United States Postal Service mail on or about April 13, 2001 from Las Vegas, Nevada to the offices of the Media Company in Dulles, Virginia. The letter sought, among other things, written confirmation from the Media Company relating to a \$3.65 million contract which PurchasePro improperly recognized as revenue in the first quarter of 2001 and reported to the investing public as revenue on or about April 26, 2001.

(All in violation of Title 18, United States Code, Section 371.)

Respectfully submitted,

PAUL J. MCNULTY
UNITED STATES ATTORNEY

By: _____
Dana J. Boente
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By: _____
Charles F. Connolly
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By: _____
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