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UNISYS AGREES TO PAY $2.25 MILLION

Corporation Supplied Refurbished Computer Materials to Federal Agencies

WASHINGTON, D.C. -- Unisys Corporation has agreed to pay $2.25 million to settle allegations that it supplied refurbished, rather than new, computer materials to several federal agencies, the Department of Justice announced today.

Unisys, which is based in McLean, Va., today entered into a settlement agreement with the government and admitted to supplying various computer and related components that were re-worked or refurbished to various civilian and military agencies in the early 1990's. The materials did not conform to the contract agreements that required the company to provide new equipment. The market price for the refurbished or re-worked material was less than the price for new material which the United States paid.

Unisys disclosed the conduct under the Voluntary Disclosure Program to the United States Department of Defense Office of Inspector General, and an investigation was conducted by the Naval Criminal Investigative Service.

Assistant Attorney General Frank W. Hunger of the Civil Division said the affected agencies were the Air Force, Navy, Army and the U.S. Department of Commerce, each of which participated in the investigation and verified Unisys' disclosure.

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