



NEWS RELEASE

For Immediate Release

STATE FINANCE DEPARTMENT ISSUES CEASE AND DESIST ORDER IN IRAQI CURRENCY INVESTMENT PROGRAM

Boise, Idaho . . . The Idaho Department of Finance has issued a Summary Cease and Desist Order to Jack Lee Smiley of Coeur d'Alene, Idaho. The Order, issued Thursday, pertains to an Iraqi currency investment program being promoted by Mr. Smiley.

The Department found that Mr. Smiley offered and sold interests in foreign currency investments in violation of the Idaho Commodities Act. According to the order, Mr. Smiley is soliciting investors in the Coeur d'Alene and Spokane areas to invest in a joint venture program that will allegedly purchase Iraqi dinars from a source in Iraq. The Idaho Commodity Code defines currency as a commodity and regulates the offer and sale of commodities in Idaho.

The order alleges that Mr. Smiley represented to investors that he could purchase Iraqi dinars for them and that the investors would realize at least 33 times their investment amount when the currency hits the world markets in August of 2005. Mr. Smiley allegedly told investors that he guaranteed that they would not lose any of their money, and that he would handle all aspects of the deal including storage of the currency at a bank in Coeur d'Alene. Mr. Smiley purportedly failed to make adequate disclosures regarding the risks associated with investing in foreign currencies, failed to disclose the financial condition of the program, and failed to disclose to investors that he was not qualified under the Idaho Commodity Code to offer or sell any commodity under any commodity contract or option.

Mr. Smiley is ordered to cease and desist from violations of the Idaho Commodity Act.

The Department warns investors to be aware of the serious risks involved with investments in foreign currencies particularly when it involves unstable countries. Risks include volatile exchange rates, thin or non-existent markets, financial instability, and uncontrolled government monetary policy, as well as more typical fraud issues like counterfeit currency, sham deals and misuse of investment proceeds.

The Idaho Department of Finance cautions all investors to investigate before investing.

Department of Finance press releases and other information are available on the Internet via the world wide web at <http://finance.state.id.us> and may be obtained by contacting the Department at (208) 332-8000, or toll-free in Idaho at 1-888-346-3378.

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