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NEWS RELEASE

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SECURITIES LAWSUIT FILED AGAINST BOISE STOCKBROKER

Gavin M. Gee, Director of the Idaho Department of Finance, announced the filing of a civil securities lawsuit today against Boise stockbroker Louise M. Schneider. The complaint was filed in Fourth District Court in Boise.

The lawsuit is the culmination of an investigation initiated by the Department in 1994 based upon the complaint of one of Schneider's customers. The six-count complaint alleges numerous violations of the Idaho Securities Act by Schneider between 1989 and 1996. Among the violations alleged by the Department are:

➢ Schneider offered and sold interests in an art inventory which she controlled which are investment contract securities. In connection with the offer and sale of these securities, Schneider made untrue statements of material fact and omitted to state material facts.

➢ Schneider offered and sold investment contract securities in violation of an antifraud provision of the Idaho Securities Act in that she engaged in acts, practices and courses of business which operated as a fraud or deceit upon other persons.

➢ Schneider transacted securities business in Idaho as a securities salesperson during periods when she was not licensed to do so.

➢ Schneider offered and sold investment contract securities in Idaho which were not registered under the Idaho Securities Act.

➢ Schneider failed to notify the Director of the Department of Finance of pleadings issued and filed against her.

➢ Schneider engaged in business activities, for which she received compensation, outside the scope of her regular employment, without providing prior written notice to her employing broker-dealer firm.

The Department's lawsuit asks the Court to find that there were violations of the Idaho Securities Act and it seeks an injunction from the Court prohibiting further violations by Schneider. The lawsuit also seeks a court order that Schneider repay investors.

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