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NEWS RELEASE

For Immediate Release

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DEPOSIT BROKER ORDERED TO CEASE VIOLATIONS California Firm Told To Halt Misleading Marketing Practices

Boise, Idaho . . . The Idaho Department of Finance issued a Cease and Desist Order against two individuals and their company ordering them to halt alleged marketing abuses. Prime Yield, Inc., Bruce Edward Carter and Darius "Darek" Zalewski are named in the Order. The firm, as well as both Carter and Zalewski, operate from Lake Forest, California. The Order alleges that representatives of Prime Yield, under the direction and control of Carter and Zalewski, offered and sold brokered certificates of deposit to Idaho investors and that violations of Idaho securities laws occurred in connection with these activities.

More specifically, the order alleges that the Respondents failed to inform investors:

- ▶ that Prime Yield, Inc. and Carter had been named in a Cease and Desist Order previously issued by the National Credit Union Administration (NCUA),
- ▶ of the specific terms and conditions of each instrument offered or sold,
- ▶ of the nature and types of compensation paid to the company and the salespersons associated with each transaction, and
- ▶ of the costs associated with any subsequent liquidation or transfer of the securities being offered.

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The Order also alleges that the Respondents made misrepresentations of information material to the investment transactions, including, representing to one investing institution that the security sold could be redeemed for principal plus interest after a six month holding period.

The Order a) prohibits Carter, Zalewski, Prime Yield, and their agents and representatives, from fraudulently offering and selling securities, b) orders that affected Idaho investors be repaid, and c) imposes a civil penalty in the amount of \$5,000.

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Department of Finance Press Releases and other information can be found on the Internet via the worldwide web at <http://www.state.id.us/finanace/dof.htm> and may be obtained by contacting the Department at (208) 332-8004 or Idaho toll-free at 1-888-346-3378.

