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## **NEWS RELEASE**

For Immediate Release

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### **JUDGMENT ENTERED AGAINST CHILDREN'S TV PROGRAMING COMPANY IN SECURITIES SUIT**

Boise, Idaho . . .The Idaho Department of Finance announced today that the Honorable George D. Carey, District Judge of the Fourth Judicial Court in Boise, entered a judgment of permanent injunction against several firms and an individual in an action brought by the Department under the Idaho Securities Act. The defendants are: KidZtime TV, Inc., a Colorado corporation located in Columbus, Ohio; Capital Funding & Financial Group, a Colorado corporation located in Lakewood, Colorado; Tri-State Marketing, Inc., a telemarketing company located in San Diego, California; and Diane Puliafico, a securities salesman who resides in San Diego, California. KidZtime TV is a television network which distributes children's programming through local affiliates.

The five-count complaint had alleged that the defendants solicited Idaho residents to purchase investment interests in broadcast affiliates of KidZtime TV. Investors were told that the investment would pay annual dividends of 21% to 40% of the amount invested, and that the investment would appreciate between 61% and 243% within a 3 to 5 year period.

The lawsuit also alleged that neither the securities nor the selling entities were registered in Idaho, that material misrepresentations and omissions were made in the course of soliciting Idaho investors, and that the defendants engaged in a scheme to avoid the securities registration requirements of the law.

The Court's Order permanently enjoins the defendants from engaging in violations of the Idaho Securities Act and limits the defendants future business activities in Idaho. The Order also requires the defendants to offer to refund all investments received from Idaho investors.

Before investing, the Department urges Idaho residents to check out investments and investment professionals by contacting the Department toll-free at 1-888-346-3378.

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