

Contact:
Jim Burns
Securities Bureau
(208) 332-8004

NEWS RELEASE

For Immediate Release

August 10, 2004

IDAHO DEPARTMENT OF FINANCE ISSUES CEASE & DESIST ORDER AGAINST PROMOTER FOR OFFERING INVESTMENTS IN A PRIME-BANK NOTE SCHEME

Boise, Idaho . . . Gavin Gee, Director of the Idaho Department of Finance announced the issuance of a Cease and Desist Order against Nampa resident Scott Alan Caisse. The Order includes an immediate prohibition against selling or offering to sell unregistered securities in or from Idaho without being properly registered under the Idaho Securities Act.

According to Gee, Caisse offered to sell to at least one Idaho resident an investment in an “International Bank Debenture Forfeiting Programs.” The Order alleges Caisse falsely represented that the investment was risk-free and would bring a guaranteed minimum return of 10% a month, with a more likely monthly return of 40%.

Gee stated that prime bank fraud first appeared in the early 1990’s and since 1996 has proliferated in the United States and abroad. Gee explained that prime bank scheme perpetrators often claim that legitimate financial instruments, such as notes, letters of credit, and debentures are secretly traded by the world’s top or “prime” banks and that the promoter has access to such a program. Additionally, the promoters will represent that prime bank investment programs are risk free investments that will generate extraordinarily high rates of return.

Gee noted that many prime bank schemes take on the look of a “Ponzi” scheme, where early investors are provided with “earnings” distributions, sometimes on a monthly basis. These early returns are provided to investors to generate confidence in the program, to entice additional larger investments by the investor and to act as a gateway to the referral of new investors into the program. As the scheme advances, new investor funds are used to make earnings, but not principle distributions,

NEWS RELEASE

August 10, 2004

Page 2 of 2

to earlier investors until the scheme collapses or the promoter determines to exit the fraud by disappearing with the pool of funds.

Gee warns investors that prime bank notes as described above DO NOT EXIST and encourages residents to contact the Idaho Department of Finance if they have been approached to invest in a prime bank note scheme.

◆◆◆

The Idaho Department of Finance cautions Idaho residents to make sure that the investments and investment professionals with whom they deal are registered. Department of Finance Press Releases and other information can be found on the Internet via the worldwide web at <http://idahofinance.com/> and may be obtained by contacting the Department at (208) 332-8004 or Idaho toll-free at 1-888-346-3378.