



NEWS RELEASE

For Immediate Release

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STATE SUES EAGLE INVESTMENT PROMOTER OF ALLEGED AFFINITY FRAUD *Penalties & Restitution Sought Against Wayne N. Beckley*

Boise, Idaho . . . The Idaho Department of Finance has filed a securities civil lawsuit in Ada County against Wayne N. Beckley of Eagle. The complaint cites violations of the registration and anti-fraud provisions of the Idaho Uniform Securities Act.

The department alleges that Beckley obtained nearly \$800,000 from at least ten Idahoans and promised 12-percent interest payments and a possible doubling of investment principal while misrepresenting and omitting important disclosures to investors. More specifically, the suit alleges that Beckley:

1. Misrepresented that the investment was risk free or virtually risk free,
2. Misrepresented to some investors that their funds would be secured by real estate in a second lien position recorded with the county
3. Failed to inform investors that some of the funds raised would be used to pay Beckley's personal expenses and to pay returns to earlier investors, and
4. Failed to provide any financial disclosures about his business operations.

The complaint further states that "Beckley's investment scheme is characterized as an affinity fraud, because most of the investors Beckley solicited knew Beckley through work. Beckley presented himself as a successful businessman and investor who had much experience and success investing in real estate projects. Developing this persona helped Beckley persuade investors to give him their money."

The lawsuit seeks restitution for investors, penalties of \$45,000 and a permanent injunction prohibiting Beckley from offering securities in Idaho in the future.

Investors are reminded to contact the Department of Finance to check whether promoters and their investment offerings are properly qualified in Idaho. The lawsuit can be found on the Internet at <http://finance.idaho.gov/civilactions.aspx> or may be obtained by contacting the department at (208) 332-8004 or Idaho toll-free at 1-888-346-3378.

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