



**NEWS RELEASE**

**For Immediate Release**

**March 14, 2014**

**STATE ALLEGES IDAHO FALLS PROMOTER FRAUDULENTLY SOLD CHARITABLE GIFT ANNUITIES**

Boise, Idaho . . . The Idaho Department of Finance today announced the filing of a civil securities lawsuit against Tony Scott Sellers of Idaho Falls.

The complaint alleges that Sellers violated Idaho's Uniform Securities Act when he sold \$4.6 million in charitable gift annuities (CGAs). A charitable gift annuity is a transaction wherein an individual "donates" cash, marketable securities and other sorts of assets to a charitable organization in exchange for fixed annuity payments. The transferred cash will be readily accessible to the charity organization while the individual annuitant will have to wait for the payments. The payments will last a lifetime in most cases.

The CGAs sold by Sellers and issued by an organization named We The People, Inc. of the United States, (We The People) were not registered or exempt from securities registration and Sellers was not licensed in any capacity to sell investments. The department alleges that Sellers misrepresented the investment by telling investors that the annuities were guaranteed by an insurance company and that the annuities had little or no risk. Additionally, the complaint states that Sellers failed to advise the 24 elderly investors that We The People had little or no operating history and that the company was originally formed to promote nuclear safety.

The complaint explains that the U.S. Securities and Exchange Commission filed a civil lawsuit against We The People and that all company assets have been turned over to a court-appointed receiver. Based on the information presented by the receiver, the department anticipates that Idaho investors will have some of their investment returned.

The State's lawsuit alleges that in 2006, Sellers was permanently enjoined from transacting securities business in Idaho. Based on Sellers' noncompliance with securities laws and the financial harm that he has caused to elderly investors, the Department of Finance seeks to enjoin Sellers from working in the financial services industry in Idaho for a period of five years. Additionally, the department seeks penalties of at least \$50,000.

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The Idaho Department of Finance reminds all investors that a legitimate securities salesperson must be properly licensed, and his or her firm must be registered with FINRA, the Securities and Exchange Commission, or a state securities regulator. Verify that your securities salesperson is properly licensed by contacting the Department at (208) 332-8004 or toll-free at (888) 346-3378. Press releases and a copy of the civil complaint can be found on the Internet at <http://finance.idaho.gov> or by contacting the Department.