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## NEWS RELEASE

**For Immediate Release**

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### **BOISE PROMOTER SETTLES STATE SECURITIES LAWSUIT Nathan “Nate” Ward Pyles Ordered to Repay Over \$9 Million**

The Ada County District Court has awarded the Department of Finance a \$9,574,708.24 judgment against Nathan “Nate” Ward Pyles of Meridian for alleged violations of the Idaho Uniform Securities Act involving Pyles’ real estate development business, Shiloh Management Services, Inc.

Pyles a) admitted to registration violations of the Idaho Uniform Securities Act, b) agreed to be permanently enjoined from issuing, offering or selling securities in Idaho, c) agreed to the entry of a money judgment to be used for restitution payments to investors affected by his fund-raising activities, and d) admitted to the State’s allegations of misrepresentations and omissions.

The stipulation resolves a civil lawsuit filed in Fourth District Court by the Idaho Department of Finance against Pyles and Shiloh Management Services, Inc. The State alleged that Pyles’ activities constituted the offer and sale of securities related to Shiloh Management Services, Inc.

According to the complaint filed by the Department of Finance, Pyles, doing business as Shiloh, allegedly raised at least \$28,769,325 from 55 investors, 37 of whom were Idaho residents, and falsely led many investors to believe that they would have first or second position liens on properties owned by Pyles and Shiloh. Pyles also was alleged to have defrauded investors by making various misrepresentations about the investment while omitting important disclosures such as:

- Multiple investor liens would be stacked on a single property,
- Investor liens would exceed of the value of the property,
- Investment proceeds would not be used for the property upon which the investor was given a lien, and
- Shiloh was insolvent and owed several millions dollars to creditors.

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*Department of Finance press releases, a copy of the civil complaint, settlement documents, and other information can be found on the Internet at <http://finance.idaho.gov> or may be obtained by contacting the Department at (208)-332-8000 or Idaho toll-free at 1-888-346-3378.*