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NEWS RELEASE

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JUDGMENT ENTERED AGAINST OREGONIAN IN INVESTMENT SCHEME

Boise, IdahoGavin M. Gee, Director of the Idaho Department of Finance, today announced that the Honorable Joel D. Horton, District Judge in the Fourth District Court in Ada County, Idaho entered default judgment against Machlin Eugene Soderquist who conducted business as Brendon Marshall, Ltd.

The four-count lawsuit alleged that in August, 1993, Soderquist and co-defendant Marvin G. Pursinger, both of Portland, Oregon, contacted at least eight Idaho residents in an attempt to obtain investments in the Brendon Marshall investment offering. Brendon Marshall is an Oregon proprietorship which allegedly produced and marketed musical recordings.

Potential investors were informed that Brendon Marshall had access to undiscovered musicians, whose recordings would be sold in cassette form through vending machines. The complaint alleged that the defendants offered unregistered securities in the form of promissory notes with purported collateralized guarantees to persons in Idaho. Neither of the defendants was licensed as a broker-dealer or securities salesman, as is required under the Idaho Securities Act. The complaint also alleged that in connection with the offer of these securities, the defendants made misrepresentations and omitted to state material facts concerning the securities. At least two persons in Idaho each invested \$20,000 with the defendants.

The court's order finds that Soderquist violated the Idaho Securities Act and permanently enjoins him from engaging in future violations. The court further ordered that Soderquist repay investors for investments made, pay a civil penalty to the Department of \$10,000 and its costs, and restricts other business practices in Idaho.

The lawsuit continues against Marvin Pursinger.

The Idaho Department of Finance cautions all persons to invest in securities only with licensed securities professionals and only after carefully reviewing disclosure documents.

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