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NEWS RELEASE

For Immediate Release

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FLORIDA COMPANY, NAMPA MAN SUED FOR SECURITIES VIOLATIONS

Boise, Idaho. . . . Gavin M. Gee, Director of the Idaho Department of Finance, today announced the filing of a civil securities lawsuit against a Florida company, First Lenders Indemnity Corporation, and a salesman for the company, Nick J. Androlewicz, Nampa, Idaho.

First Lenders was in the business of underwriting and purchasing retail automobile installment loan contracts. It issued promissory notes to investors allegedly secured by the automobile loans. Among the allegations in the complaint are that First Lenders and Androlewicz violated the anti-fraud provisions of the Idaho Securities Act by failing to tell investors that there were outstanding cease and desist orders against First Lenders issued by the states of Minnesota, Missouri and Kansas. The complaint also alleges that investors were told that the First Lenders notes were a safe, no risk investment yielding 10% to investors. First Lenders later filed for bankruptcy. The defendants are also alleged to have violated the registration provisions of the Act by offering and selling unregistered securities at a time when they were not licensed to do so. Seven Idaho investors are believed to have invested more than \$200,000 in the program. The State's lawsuit seeks an order from the court permanently enjoining the defendants from future violations of the securities laws. It also seeks rescission of all securities transactions that occurred in violation of the securities laws, civil penalties, and restrictions on future business activities in Idaho.

The Department of Finance encourages persons who have been solicited to invest in this program to contact the Department at (208) 332-8004 or toll free within Idaho at 1-888-346-3378.