



STATE OF IDAHO
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NEWS RELEASE

FOR IMMEDIATE RELEASE

July 29, 2004

STATE FINANCE DEPARTMENT ORDERS PROMOTERS OF PHONY CREDIT UNION SCAM TO CEASE AND DESIST

BOISE, IDAHO - Gavin Gee, Director of the Idaho Department of Finance today issued a Cease and Desist Order against individuals fraudulently using the name of a credit union to solicit consumer loans.

The Order identifies Cassandra Henry and other unknown persons as having attempted to place an ad in an Idaho newspaper that stated United Savings Credit Union would assist consumers in getting out of debt. They also submitted to the newspaper a phony Idaho business license registration supposedly issued by the Department of Finance to United Savings Credit Union, a purported business located at a Nampa, Idaho address.

Gee stated: "The name 'United Savings Credit Union' is being used by these persons to perpetrate a fraud upon Idaho consumers. Although United Savings Credit Union is a legitimate credit union operating in North Dakota, it has not been approved to operate in Idaho, has not applied for, or been issued a business license by the Department, and is in no way connected to this fraud. This is apparently an attempt by these individuals to obtain either personal information or unlawful advance-fees from Idaho consumers, or otherwise illegally part Idahoans from their money. The

license is phony, the address listed belongs to a mobile home park in Nampa, and they even used the wrong name of the Department.”

Recently, many state financial service regulators have reported similar instances of phony credit unions seeking to defraud consumers. The National Association of State Credit Union Supervisors is providing valuable assistance to state regulators in an effort to combat this growing scam.

“Unfortunately, because these companies are stealing the names of legitimate credit unions, consumers are given a false sense of security in providing money and information to them,” said Gee. A number of state, federal and Canadian law enforcement agencies and regulators are also joining forces to investigate and prosecute the scam.

Gee applauded the efforts of The Idaho Statesman in alerting the Department to the scam. “Employees of this newspaper promptly called the Department when they questioned the validity of the ad. Without the watchful actions of these individuals, numerous consumers could have been bilked of their money. We very much appreciate the actions they took to protect Idaho consumers; they went the extra mile to bring this to our attention,” Gee said.

Anyone who questions the authenticity of a company or individual who offers to loan money should contact the Department of Finance at 208-332-8000, or toll-free in Idaho at 1-888-346-3378.

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Department of Finance press releases and other information are available on the Internet via the world wide web at <http://www.idahofinance.com> and may be obtained by contacting the Department at (208) 332-8000, or toll-free in Idaho at 1-888-346-3378.