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NEWS RELEASE

For Immediate Release

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Boise - Attorney General Al Lance and Idaho Department of Finance Director Gavin Gee have announced the first internet securities fraud prosecution in Idaho.

Duaine Quigley of Pocatello has been arrested and charged with 23 counts of securities fraud, loan fee fraud, non-sufficient funds checks, forgery and grand theft.

Lance and Gee said Quigley was charged after an extensive nine month cooperative investigation by the Attorney General's Complex Criminal Prosecutions Unit and the Department of Finance in cooperation with the Pocatello Police Department.

Six counts in the criminal complaint relate to the use of America Online and the internet. The Attorney General's complaint alleges Quigley used the internet to defraud investors of at least \$50,000. According to the complaint, Quigley used America Online to induce two victims to each invest \$25,000 in Quigley's video gaming business. The complaint alleges Quigley promised each a return of \$125,000 within two months but that Quigley actually intended to use the funds for a different purpose.

The remaining charges relate to various securities and bank loan fee scams that Quigley is accused of committing over the past two and a half years. The criminal complaint indicates losses to 11 victims exceeded \$108,000.

"The use of the internet is one of the newest mechanisms available to criminals hoping to prey on the otherwise unwary," Attorney General Al Lance said. "The technology behind the internet allows dishonest individuals to readily advertise their fraudulent scams to millions of potential victims."

The Attorney General went on to say that fraud on the internet, a growing problem in other states, is just beginning to appear in Idaho. "With this case, we hope to send the message that we are watching how the internet is being used. We also hope to deter this type of criminal activity by others."

The complaint was filed by Deputy Attorney General Dennis Charney in District Court in Pocatello.

Quigley was arrested and ordered held on a \$100,000 bond. A preliminary hearing has been scheduled for November 20 at 1:30 pm before Magistrate Judge Gaylen Box in Pocatello. A criminal complaint is not evidence. Defendants are presumed innocent unless and until proven guilty beyond a reasonable doubt in a court of law.

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