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For immediate release:
Dec. 23, 2009

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State proposes to revoke investment adviser license *Order alleges breach of fiduciary duties*

(Salem) — The Oregon Department of Consumer and Business Services (DCBS) is warning potential investors and seeking additional information about alleged violations of the Oregon Securities Law by an Albany investment firm and two of its employees.

DCBS is proposing to revoke the license of the company, Zurcrown, and two of its investment advisers, Randy A. Gray of Eugene and Scott A. Whitney of Albany, as well as assess \$23,000 in civil penalties. Zurcrown allegedly recommended securities to clients without determining whether the investments were suitable for the clients' unique situations. Other alleged violations include failing to maintain required business books and records and failing to adequately disclose Whitney and Gray's outside business activities.

DCBS issued a proposed order against Zurcrown, Gray, and Whitney this week, and the parties have the right to request a hearing.

"Investment advisers are obligated by law to consider their client's unique financial situation and make suitable recommendations," said David Tatman, administrator of DCBS's Division of Finance and Corporate Securities. "That did not happen here, and, while our investigation continues, we want to alert potential investors about this company's activities."

Tatman also urges anyone with information about the business activities of Zurcrown, Whitney, or Gray to contact investigator Ruth Johnson or examiner Diane Carney at 503-378-4140 or 1-866-814-9710.

The Division of Finance and Corporate Securities (DFCS) helps ensure that a wide range of financial products and services are available to Oregonians and protects consumers from financial fraud and abuse. It does that by licensing financial institutions and service providers, regulating the sale of securities in Oregon, investigating complaints and alleged violations of financial-service laws, and providing education and other resources to consumers. Visit www.dfcs.oregon.gov for tips and information to protect your investments or call 1-866-814-9710.

The Department of Consumer and Business Services is Oregon's largest business regulatory and consumer protection agency. For more information, visit www.dcbs.oregon.gov.

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