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**DEPARTMENT OF COMMERCE,
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Press Release

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Alaskans recover lost investments

Juneau, Alaska – The Alaska Division of Banking and Securities has finalized settlements with top financial firms that reimburse investors and bring \$1.65 million to state coffers. The settlements are a result of a nationwide effort by a task force of lead states and the North American Securities Administrators Association (NASAA) to recover money lost in auction rate securities transactions.

Auction rate securities (ARS) represent a specialized corner of the bond market. Investors were told by brokers and investment advisors that ARS were just as good as cash and as safe as any money market investment. But in February 2008, the ARS market began to unravel when about 1,000 auctions failed, leaving investors holding ARS instruments that could not be sold.

"This is great news for Alaskans and for the state," said Susan Bell, commissioner of the Department of Commerce, Community, and Economic Development, which oversees the Division of Banking and Securities. "I applaud the Division of Banking and Securities for standing up for investors. Protecting consumers from this kind of financial scheme is part of the Commerce mission."

Under the terms of the settlements, some of the biggest names on Wall Street were required to buy back the auction rate securities at par. In addition, the firms agreed to pay pro-rata amounts to each of the 50 states. The settlements also provide for a "special arbitration procedure" that may be used by customers seeking to recover consequential damages from their investments in ARS beyond their initial value.

Banc of America Securities, Citigroup, Credit Suisse, Deutsche Bank, Goldman Sachs, JP Morgan, Merrill Lynch, Morgan Stanley, Royal Bank of Canada, Stifel, Nicolaus & Company Inc., TD Ameritrade, UBS, Wachovia and Wells Fargo were the firms involved in the settlement. Affected investors included individuals, small companies and associations, as well as large institutional investors and agencies across the country.

Investors who have ARS-related disputes with their brokerage firms also may pursue those claims through the standard arbitration process governed by the Financial Industry

Regulatory Authority, the industry's self-regulating body. For more information on "special arbitration procedures," affected investors may visit the ARS Arbitration Information Center at the North American Securities Administrators Association website, www.nasaa.org/ars.

NASAA is the oldest international organization devoted to investor protection. Its membership consists of the securities administrators in the 50 states, the District of Columbia, Puerto Rico, the U.S. Virgin Islands, Canada and Mexico.