

DATE: June 19, 2002

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FOR IMMEDIATE RELEASE

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Cease And Desist becomes Final Order

LINCOLN – As of June 14, 2002, a cease and desist order issued against True Wheel Bicycle Company of Omaha has become permanent.

The Nebraska Department of Banking and Finance alleges the company, located at 3606 South 61st Avenue Circle in Omaha, violated the Securities Act of Nebraska by offering notes to provide working capital for the company. The notes were not registered with state or federal agencies, as required. By offering the notes, the company was acting as a broker-dealer, according to the Nebraska Department of Banking and Finance. A broker-dealer is required to be licensed in order to offer securities.

The Order, originally issued May 22, 2002, orders True Wheel Bicycle Company; Douglas C. Johnson, of 31 Lakewood Villa, Council Bluffs, Iowa; and all affiliates, controlling persons, officers, directors, agents, employees, successors and any person or entity directly or indirectly controlled or organized on their behalf to cease and desist from selling securities and acting as a broker dealer. The respondents were given until June 13 to request a hearing date on the matter. As of 5 p.m. June 14, no hearing had been requested, and the Order is now final.

Any individual that has had dealings with this firm is encouraged to contact the Nebraska Bureau of Securities at 402-471-3445, or toll-free for Nebraska residents at 877-471-3445.

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