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NH SECURITIES BUREAU: INFORMATION ON LGC INVESTIGATION IMPORTANT TO PUBLIC

Concord, NH (May 20, 2011) – The New Hampshire Bureau of Securities Regulation has rejected efforts by the Local Government Center to silence the Bureau as it continues its investigation of Local Government Center (LGC). This comes in response to an LGC letter demanding retraction of a recent statement by the Bureau. In that statement, the Bureau called on LGC to return upwards of \$100M to current and former LGC members.

“Since LGC’s recent attempt to curtail our investigation through legislation failed, they have gone on the offensive publicly in an apparent attempt to shut us down,” Wingate said. He added that the Bureau statement which LGC has demanded be retracted was based on information LGC has known for months.

Wingate noted that LGC’s recent legislative attempt to eliminate the Bureau’s authority provides a roadmap to the Bureau’s investigation. Among other things, the LGC’s legislative proposal would:

- Give the LGC unlimited authority to determine the amount of surplus, if any, to go back to local communities;
- Repeal the Bureau’s current investigative and enforcement authority over groups like LGC;
- Invent a previously-unknown entity, a “non-profit limited liability company,” in an attempt to legitimize a legally questionable corporate restructuring that took place in 2003.

“Clearly had this 11th hour legislation been enacted, it would have gutted our ability to root out the truth.” Wingate concluded, “LGC’s call for a retraction by the Bureau on this important public topic cannot be taken seriously.”

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