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N.H. SECURITIES BUREAU AND U.S. COMMODITY FUTURES TRADING COMMISSION PARTNER IN FRAUD CASE FEDERAL COURT IMPOSES OVER $20 MILLION IN FINES

CONCORD, NH (November 8, 2007) – The U.S. Commodity Futures Trading Commission (CFTC) and the New Hampshire Bureau of Securities Regulation announced today that a Federal Court in Florida has entered an order against Cromwell Financial Services Inc., settling charges that the company fraudulently solicited customers to purchase options on commodity futures contracts. The order also settles charges that company branch managers failed to diligently supervise Cromwell employees.

In addition, the order finds that, from at least January 1, 2002 through December 2003, using false and misleading sales presentations, Cromwell employees fraudulently solicited at least 900 members of the public to trade options on commodity futures contracts. Cromwell employee's made false and materially misleading statements and omissions to actual and prospective customers by exaggerating the magnitude and likelihood of potential profits and representing that their trade recommendations could result in large profits within short periods of time and downplaying the risks of loss from trading options on commodity futures contracts.

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In addition, company employees failing to advise customers that over 85 percent of Cromwell's customers lost money trading. Jeff Spill, Director of Enforcement for the Bureau, said a complaint from a New Hampshire resident prompted his staff to look into the company's operations and to follow up with the CFTC in Washington, D.C., the federal agency charged with regulating commodity futures trading. "We are very pleased a New Hampshire citizen came forward and brought these fraudulent practices to our attention," said Spill. "Fortunately we were able to co-operate effectively with federal regulators and they in turn discovered that hundreds of investors around the country had been similarly defrauded."

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