

ALABAMA SECURITIES COMMISSION

770 WASHINGTON AVE, SUITE 570

MONTGOMERY, ALABAMA 36130-4700

Telephone: (334) 242-2984 or 1-800-222-1253. Fax: (334) 242-0240

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FOR IMMEDIATE RELEASE

MONTGOMERY, ALABAMA (March 24, 2003) - The Honorable Gary Alverson, District Attorney, 31st Judicial Circuit, Colbert County and the Honorable Joseph P. Borg, Director, Alabama Securities Commission announced that Dale and Shirley Graybill were arrested March 22, 2004 on two, 3 count indictments returned against them by the Grand Jury of Colbert County for Securities Fraud involving a company know as Memlock Systems. The Graybills were released on \$15,000 bond each.

The indictments allege that the Graybills sold unregistered securities (2 counts each person) described as an off-shore bank debenture trading program and employed a scheme to defraud investors (1 count each person) in violation of the Code of Alabama 1975. A review of the Commission registration files disclosed no record of the registration or exemption of any securities issued by Dale or Shirley Graybill or Memlock Systems in the State of Alabama.

Evidence for the indictment was a result of an investigation conducted by the Alabama Securities Commission, which started due to a complaint from a resident of Muscle Shoals, Alabama about a company known as Memlock Systems.

Memlock Systems was supposedly an offshore international business corporation located in the Turks and Caicos Islands. The investment funds from the Alabama residents and several other investors outside of Alabama were wire transferred to the Memlock Systems bank account located offshore. Alabama investors in the program did not receive any returns as represented.

Potential investors can contact the Alabama Securities Commission for inquiries regarding securities broker-dealers, agents, investment advisors, investment advisor representatives, financial planners, the registration status of securities, to report suspected fraud, or obtain consumer information:

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If you have questions or require more information contact:

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