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OFFICIAL INFORMATION RELEASE

Fraud Alert: Holding Funds And High Returns

Re: Lending Money To "Holding Funds" Or "Holding Companies" For High Monthly Interest Returns

Provo, Ut. – October 27, 2006 – This information release is written to address the practice of FranklinSquires' clients and/or students loaning money to "Holding Funds" or "Holding Companies."

It has come to our attention, through recently published discussions on the Galt's Gulch Online website, that individuals are spreading inaccurate information related to the concept of investing money with The Equity Mill™, "Holding Funds" and or "Holding Companies."

These online discussions are largely based on rumor, inaccurate assumptions and misinformation—resulting in the operation of deception. Therefore, in the interest of clarifying all misunderstandings on the subject of "Holding Funds," "Holding Companies" and investing with FranklinSquires or any of its portfolio companies, the following questions are addressed below.

1. What are the investment opportunities with FranklinSquires?
2. What is a "Holding Fund" or "Holding Company"?
3. How can a "Holding Fund" or a "Holding Company" pay such high interest returns (1-10% a month)? Is this legitimate?
4. What is Founders Capital, LLC and its relation to FranklinSquires?
5. What company does FranklinSquires endorse/recommend that I invest with?

Question #1: What are the investment opportunities with FranklinSquires?

There are no investment opportunities of any kind with FranklinSquires. There is not nor has there been in the past a program where individuals are invited or allowed to invest in FranklinSquires. Individuals suggesting otherwise are either mistaken or engaged in deceiving others for their own supposed benefit.

This question derives mostly from individuals who have never been students of an education company within the FranklinSquires portfolio. Confusion and rumors among novice students of FranklinSquires

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University (a FranklinSquires company) most likely stem from the fact that FranklinSquires has participated in developing education curriculums for many organizations; most notably FranklinSquires University.

A popular class developed by FranklinSquires founder and CEO entitled "How to Earn 3 to 5 Percent a Month on your Cash" is not a solicitation nor does it cover specific investment advice. It has always been offered only as part of a larger curriculum and taught in the context of a principle-based approach to pursuing prosperity.

An individual mistakenly believing that they have invested money with FranklinSquires have either been deceived by someone or have been less than diligent in their own stewardship by not paying close attention to the details, gathering facts and ensuring clarification on key elements of the investment.

Question #2: What is a "Holding Fund" or "Holding Company"?

In the class "How to Earn 3-5 Percent a Month on your Cash" taught at FranklinSquires University, individuals learn possible approaches to investing—including private, short-term and bridge capital investments. Often the investment context is restricted to real estate.

The class has been referred to as the "Holding Fund" or "Holding Company" because individuals are taught that prior to conducting any business it is prudent to set aside their own money in a holding fund in preparation for use in investments. A holding fund is also sometimes referred to as a wealth coordination account. A holding company in this context is simply a business set up by a student to manage their holding fund or wealth coordination account. In order to be a wise steward over their resources, students are often encouraged to consider setting up their own business entities when venturing into the business of investing.

Individuals interested in participating in this education can contact FranklinSquires University. However, there should be no misunderstanding. Participation in this education does not entitle or enable a student to invest with FranklinSquires nor is this class an endorsement of any particular company, product or entity.

Question #3: How can a holding fund or a holding company pay such high interest returns (1-5 percent a month)? Is this legitimate?

The answer to this question is primarily taught through participation in the education programs offered by FranklinSquires' portfolio companies (most notably the FranklinSquires University). All education programs officially endorsed by FranklinSquires have the warranty that if key questions related to a program's subject matter are not answered or if a student feels as if they did not receive the expected value, a refund of tuition is provided to the student.

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Question #4: What is Founders Capital, LLC and its relation to FranklinSquires?

Founders Capital, LLC is a successful autonomous business separate from FranklinSquires. It was formed originally as a private holding company in partnership between Mr. Claud R. Koerber and Mr. H. "Les" McGuire. Although FranklinSquires possesses ownership interest, Founders Capital is not FranklinSquires; rather, it is a FranklinSquires company.

Although Founders Capital, LLC is a physical manifestation of Mr. Koerber and Mr. McGuire's teachings, no formal relationship exists between the students of FranklinSquires and the clients of Founders Capital, LLC. Furthermore, there is no general agreement between the two entities to create any such relationship. Founders Capital does not seek, accept or allow students, clients, referrals or individuals derived from any other source to invest in its company.

Question #5: What company does FranklinSquires endorse/recommend that I invest with?

While there are many students and private companies that have learned the possibilities associated with holding companies, holding funds and wealth accumulation accounts, FranklinSquires does not endorse, guarantee, recommend or otherwise support any specific company, product or investment; neither does it solicit or accept any investment.

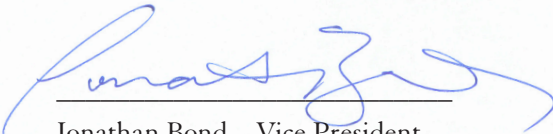
Those who think they are "putting money in a holding fund or holding company," without understanding a) the relevant risks involved b) the process of value creation by the particular business, venture, scheme, etc. and c) the principled exchange(s) upon which the value creation is based are practicing the art of gambling.

In response to the question above, FranklinSquires founder and CEO Claud R. Koerber commented: "Although I and my associates have often discussed investment-related information, nothing in any of our discussions, teachings, lectures, etc., is now or has been in the past a recommendation to purchase, sell, hold any security or other investment or to pursue any investment style or strategy. Our teachings and comments have focused on principles, using techniques as illustrations. We have repeatedly taught that anyone seeking investment advice would do well to first invest in their own education. I have been involved in regularly and thoroughly teaching that the "do it yourself" approach to life (particularly investing) is not a virtue by itself; it is not the same as being self-reliant. Those seeking financial advice should seek education first and then consult with principle-based financial advisors, accountants or attorneys regarding their individual, unique circumstances and desires."

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If there ever has been occasion where clients or students have been given strategy related advice as an endorsement of a particular product, investment or offering, this advice has been in direct contradiction to the values, ethics and mission of FranklinSquires.



Jonathan Bond – Vice President