

**FOR IMMEDIATE RELEASE**

**April 26, 2004 2:30 p.m.**

**ATTORNEY GENERAL EXONERATES DALIUS AND GAS UP USA**

Following nearly one year of an extensive investigation into consumer complaints against GAS UP USA, INC and its founder, Eric Dalius, the Attorney General of the Commonwealth of Pennsylvania has exonerated both from any wrongdoing and has placed the blame on Patriot Bank and its President Rick Elko for the improper "freezing of consumers funds."

The parties were scheduled to proceed to a hearing today in Commonwealth Court in Harrisburg but, instead of testimony, Deputy Attorney General Michael F. Butler filed a document entitled "Agreement To Terminate Proceedings Affirmatively To Respondent/Defendant [Dalius and Gas Up USA]." The Agreement states in pertinent part that Dalius previously "vigorously denied" any allegations of impropriety when he answered the Petition For Contempt and Civil Actions filed on July 28, 2003. It also explains that the parties engaged in extensive discovery" to determine whether or not there was any legal basis for either filing." According to the Agreement, the investigation proved Dalius' original assertions that any harms suffered by consumers who dealt with GAS UP USA were, in fact, caused by Patriot Bank, not Gas UP USA. The final finding of the nine month \$20,000 Attorney General's investigation appears in the Fifth paragraph of the Twelve paragraph Agreement which provides:

As the consequence of that lengthy and exacting [investigatory] process, the Parties have determined that any injuries claimed to have been suffered by consumers appear to have been the direct and proximate result of the alleged acts or omissions of Patriot Bank and its officers, employees, agents or assigns. More particularly, any harms or inconveniences which may have been suffered by consumers appear to have been directly and proximately caused by Patriot Bank's improvident freezing of the accounts into which consumer funds were properly placed.

Most importantly for Gas Up USA and Dalius, the Agreement gives them additional ammunition in the pending lawsuit they have brought against Patriot Bank which claims that GAS UP suffered millions of dollars of losses as a result of the bank's unannounced and unlawful freezing of Gas Up's funds. The freeze completely halted GAS UP's business operations from December 23, 2002 to March 13, 2003. A Lehigh County Court of Common Pleas Judge has already determined that Patriot's acts were improper and entered an injunction on January 23, 2003 requiring Patriot to release more than one million dollars in funds it improperly froze. While the unfreezing of the funds allowed GAS UP to finally

process thousands of overdue consumer transactions, the company which was billed prior to the freeze as the fastest growing business in the direct marketing industry by Dr. Keith Laggos editor of the Network Marketing Business Journal, never recovered from the loss of consumer confidence, impatience and frustration which resulted from the freeze. As Dalius' attorney, John P. Karoly, Jr. said at the time, "In a direct marketing business sometimes even the smallest hiccup can topple an empire. Halting business operations of GAS UP for nearly three months was just disastrous to this burgeoning company. Patriot bears the full blame for their unlawful acts and we expect a jury to tell them as much."

The agreement with the Attorney General's Office also provides that Dalius and GAS UP will reimburse the Commonwealth \$20,000, the cost of the investigation which ultimately exonerated them. The agreement specifically provides that this amount is for reimbursement of the investigative "costs associated with determining that the cause of consumer claims were directly related to the freezing of consumer funds by Patriot Bank." In exchange, Dalius and GAS UP are assigned the right to recoup that \$20,000.00 directly from Patriot and its President, Elko in their pending lawsuit. "That's something we were more than happy to do," said Dalius. "This way, rather than passing that burden on to the taxpayers, we can collect the money directly from the wrongdoers, Patriot and Elko."

When asked for comment, Karoly stated, "This is another victory for the consumer against big business - the biggest, the banks which control a very large portion of the wealth in this nation. Up until now, they've felt that they were untouchable. They subscribe to the Nike school of thought, 'just do it.' We're one step closer to having them rethink that arrogant anti-consumer philosophy."

In response to a question about the time-consuming investigation his clients had to endure before they were finally exonerated, Karoly said "It was something we would rather not have gone through but, in the end, it proves that the Consumer Protection Bureau will go wherever the truth leads them. Deputy Attorney General Michael Butler has a reputation of being professional, fair and very thorough. He proved once again that he is an extremely valuable public servant. Anyone who has dealt with him knows that he has made a lot of personal financial sacrifices in order to represent the common people of Pennsylvania. I have the utmost respect for his ability and integrity. His actions here simply reaffirm my opinion."

The Patriot lawsuit is not yet scheduled for trial but, in all likelihood will commence sometime next summer.

John P. Karoly, Jr., Esquire

IN THE COMMONWEALTH COURT OF PENNSYLVANIA

Commonwealth of Pennsylvania :  
By Attorney General :  
D. Michael Fisher, :  
Plaintiff :

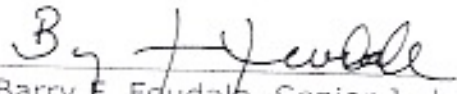
v. :

United States Marketing Enterprises, :  
Inc., Eric J. Dalius, Individually :  
its C. E. O., President & Owner, :  
Defendants :

No. 100 M.D. 2000

**ORDER**

NOW, April 26, 2004, the parties having agreed to terminate the above-captioned action in accordance with the terms of a settlement document attached hereto, the attached "agreement to terminate proceedings affirmatively to respondent/defendant" is hereby APPROVED and INCORPORATED as an order of this Court, and the above-captioned matter shall be marked settled, discontinued and ended with prejudice.

  
Barry F. Feudale, Senior Judge

*Certified from the Record*

APR 27 2004

and Order Exit

IN THE COMMONWEALTH COURT OF PENNSYLVANIA

Commonwealth of Pennsylvania  
By Attorney General  
D. Michael Fisher,  
Plaintiff

Commonwealth of Pennsylvania  
Acting By Attorney General  
D. Michael Fisher  
Plaintiff

v.

AND

United States Marketing Enterprises,  
Inc., Eric J. Dalius, Individually  
its C.E.O., President & Owner,  
Defendants

Gas Up USA, Inc., and  
Eric J. Dalius, Individually  
Defendants

NO 100 M.D. 2000

CIVIL DIVISION  
495 M.D. 2003

**AGREEMENT TO TERMINATE PROCEEDINGS  
AFFIRMATIVELY TO RESPONDENT / DEFENDANT**

THIS AGREEMENT is made and is effective as of the 26th day of April, 2004, by and between the Commonwealth of Pennsylvania, "Party of the First Part", and United States Marketing Enterprises, Inc., Eric J. Dalius, Individually and in its capacity as CEO President and Owner and Gas Up USA, Inc., collectively referred to as the "Party of the Second Part."

In consideration of the promises, covenants and agreements herein contained and other good and valuable legal consideration hereby acknowledged, the aforesaid Parties do hereby agree as follows:

1. On or about July 28, 2003 the Party of the First Part did file a "Petition For Contempt directing Sanctions and Forfeiture or Civil Penalties Against Eric J. Dalius, Individually." On or about October 31, 2003, the Respondent did file, "Eric J. Dalius' Answer To Petition For Contempt Directing Sanctions and Forfeiture or Civil Penalties Against him individually" in which Eric Dalius vigorously denied the pertinent allegations appearing in the Commonwealth's Petition.
2. On or about that same July 28, 2003, the Party of the First Part did also cause to be filed a "Complaint In Equity and Petition For A Permanent Injunction" against Gas Up USA, Inc., and Eric J. Dalius, Individually". In like fashion Gas Up USA, Inc.,

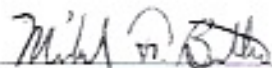
and Eric J. Dalius, Individually did file an Answer to the subject Complaint denying, in toto, the pertinent allegations appearing therein.

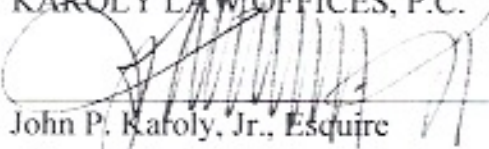
3. The former Petition was filed in the Commonwealth Court of Pennsylvania as a Civil Action In Equity at Number 100MD2000 and, the latter was filed in the same Court in its Civil Division at Number 495MD2003.
4. From shortly after the initial filing until the present time, the Parties have exchanged information and underlying documentation in an effort to determine whether or not there was any legal basis for either filing.
5. As the consequence of that lengthy and exacting process, the Parties have determined that any injuries claimed to have been suffered by consumers appear to have been the direct and proximate result of the alleged acts or omissions of Patriot Bank and its officers, employees, agents or assigns. More particularly, any harms or inconveniences which may have been suffered by consumers appear to have been directly and proximately caused by Patriot Bank's improvident freezing of the accounts into which consumer funds were properly placed.
6. On or about January 6, 2003 Eric J. Dalius, et al., filed a Civil Action against Patriot Bank Corporation, Patriot Bank and Rick Elko, Individually and as President of Patriot Bank Corporation and Patriot Bank at Number 2003-E-2 in the Court of Common Pleas of Lehigh County. Pursuant to that filing and as part of a Court of Common Pleas determinations following a Hearing, the Court did grant Gas Up USA, Eric J. Dalius, etc., an Injunction against the Defendants Patriot Bank Corporation, Patriot Bank and Rick Elko, Individually and as President of Patriot Bank Corporation and Patriot Bank, compelling them to release the monies improvidently held by them.
7. Plaintiffs Eric Dalius, Gas Up USA, etc., continue to pursue Patriot Bank, Patriot Bank Corporation, Patriot Bank and Rick Elko, Individually and as President of Patriot Bank Corporation and Patriot Bank for civil compensatory and punitive damages which are in addition to the injunctive relief already awarded by the Court.
8. Consequently and, in consideration of Eric J. Dalius' and Gas Up USA's ability to pursue and recoup compensation for the alleged harms which were occasioned by the acts or omissions of Patriot Bank and Patriot Bank Corporation, Patriot Bank and Rick Elko, Individually and as President of Patriot Bank Corporation and Patriot Bank, Gas Up USA, Inc., and Eric J. Dalius will pay to the Commonwealth of Pennsylvania the sum of \$20,000.00 which sum shall be paid for costs associated with determining that the cause of consumer claims were directly related to the freezing of consumers funds by Patriot Bank. In return for this cost reimbursement, the

Commonwealth does hereby assign to Eric J. Dalius and Gas Up USA the right to claim said sum as damages in the aforementioned Lehigh County lawsuit.

10. It is further agreed that the actions referred to in paragraphs 2 and 3 hereinbefore which were filed by the Commonwealth of Pennsylvania against United States Marketing Enterprises, Inc., and Eric J. Dalius Individually, its CEO, President and Owner and against Gas Up USA, Inc., and Eric J. Dalius, Individually, shall be dismissed with prejudice.
11. The Parties further agree that this Agreement shall be incorporated into a Court Order and shall be filed in each action (referred to in paragraphs numbers two and three hereinbefore) together with a Praecipe marking the said causes of action settled, discontinued and ended with prejudice.
12. Eric J. Dalius agrees to continue to abide by the provisions of the Unfair Trade Practices Act and Consumer Protection Law 73 P.S. §201 et. seq.

IN WITNESS WHEREOF the Parties hereto with full authority to bind the Commonwealth of Pennsylvania and the respective Principals and Corporate Entities referred to, do this 26<sup>th</sup> day of April, 2004, set their hands and seals.

BY:   
For Commonwealth of Pennsylvania  
Michael F. Butler, Deputy Attorney General  
Bureau of Consumer Protections  
Attorney for the Party of the First Part

KAROLY LAW OFFICES, P.C.  
BY:   
John P. Karoly, Jr., Esquire  
Attorney for the Party of the Second Part