

****PHOTO AVAILABLE UPON REQUEST****

PAULSON INVESTMENT COMPANY, INC.'S WASHINGTON ASSET MANAGEMENT HIRES SARA LALANDE

BELLEVUE, Wash. – November 17, 2009 – [Washington Asset Management](#), an affiliate of [Paulson Investment Company](#), Inc., a wholly owned subsidiary of Paulson Capital Corp. (Nasdaq:PLCC), has hired experienced financial consultant Sara LaLande as a Vice President in the Bellevue, Washington office. Miss LaLande brings nearly a decade of expertise in financial services as well as a wealth of regional contacts. Sara joins the Washington Asset Management (WAM) office as a Vice President focusing on the 401k market.

“We feel very fortunate to have been chosen by Miss LaLande as the best place to continue to expand her practice,” said Brian DiJulio, Washington Asset Management CEO and owner. “Not only does she possess the skills to navigate difficult markets for her clients, she is also an outstanding member of the local community, making her the perfect candidate for a position with our firm. We look forward to having her as a part of the team for years to come.”

Miss LaLande has earned the title of Accredited Asset Management Specialist, secured her Series 7 and 66 licensing, and is licensed to sell Life, Disability and Long Term Care Insurance products. Miss LaLande is formerly of UBS Financial in the Bellevue, Washington office.

“Paulson Investment Company is proud to have Sara LaLande as a leader on our Bellevue team,” said Trent Davis, Chief Executive Officer of Paulson Investment Company, Inc. “Sara’s exceptional reputation and proven track record of excellence in client service make her an important addition to our force.”

“Washington Asset Management, together with Paulson Investment Company, Inc., has established a reputation for fulfilling their clients’ needs by implementing trusted investment strategies over a wide range of diverse products,” said Miss LaLande. “I am honored to join the successful WAM team as the next stage of my career.”

Sara will work out of the WAM Bellevue branch at 10657 Ne 2nd Street. She resides in Bellevue and is involved in a number of community organizations. As a native Washingtonian, Sara graduated from the prestigious University of Washington School of Business Administration in 1999. She received her MBA in Financial Management in 2003 from City University in Bellevue, Wa.

About Paulson Capital Corporation

Paulson Capital Corporation is the parent company to Paulson Investment Company, Inc. Headquartered in Portland, Oregon, Paulson Investment Company, Inc. is the Northwest's largest independent brokerage firm and a national leader in public offerings of small and emerging growth companies with capital needs of \$5 million to \$45 million. Founded by Chester “Chet” Paulson in 1970, it has managed or underwritten 164 securities offerings and has generated more than \$1.2 billion for client companies.

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INVESTMENT COMPANY, INC.

Member: FINRA/SIPC

With 41 branch offices throughout the country, Paulson Investment Company, Inc. (member FINRA/SIPC) aims to earn and build trust with retail and select institutional investors through highly customized financial portfolio management, diversified financial products and service offerings and effective administration and execution of investment strategies that specifically address individual risk tolerance levels. In addition, Paulson Investment Company, Inc.'s brokerage clients look to the firm for compelling new investment ideas in the small and emerging growth markets.

This release may contain "forward-looking statements" based on current expectations but involving known and unknown risks and uncertainties. Actual results of achievements may be materially different from those expressed or implied. The Company's plan and objectives are based on judgments with respect to future conditions in the securities markets as well as general assumptions regarding the economy and competitive environment in the securities industry, which can be volatile and out of our control. In particular, we make assumptions about our ability to complete corporate finance transactions and increase the volume and size of our securities trading operations, which are difficult or impossible to predict accurately and often beyond the control of the Company. Therefore, there can be no assurance that any forward-looking statement will prove to be accurate.

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