

4. Respondents, Whitley and Vinje, are, and for all times relevant to this matter have been, the executive officers of LAS International, Ltd., sponsor of the LAS International 401(k) Profit Sharing and Retirement Plan (the Plan) which was administered by Alerus Financial, N.A., Trustee, d/b/a Alerus Retirement Solutions.
5. From 2004 to 2005, Respondents, in violation of their fiduciary duties, diverted funds deducted from employee paychecks for the purposes of 401(k) contributions, to the use of the company, without prior knowledge of the employees. Such activity violated federal law, and subjects the Respondents to potential civil and administrative penalties, and/or criminal charges. Respondents were aware that they were in violation of the law at least by mid 2005.
6. In October of 2005, Respondents filed an application with the North Dakota Securities Department for the registration of a LAS securities offering in North Dakota. The application contained an offering circular which is required to contain a summary of all material information relating to the securities offering. The application, and other materials submitted, were reviewed and approved by the Securities Department on November 14, 2005.
7. The offering circular did not contain any discussion of the diversion of employee 401(k) payroll deductions by the Respondents for company operating expenses in violation of their fiduciary duties, the violations of federal law, or the potential administrative, civil and criminal penalties that

could result from those violations. This information was material to the securities offering.

8. From November 14, 2005 thru May 19, 2006, Respondents engaged in 51 sales of securities in North Dakota, with respect to 45 individuals or couples. In connection with these transactions, Respondents provided the investors with a copy of the offering circular, which omitted any disclosure of the diversion of employee 401(k) payroll deductions by the Respondents for company operating expenses in violation of their fiduciary duties, the violations of federal law, or the potential administrative, civil and criminal penalties that could result from those violations, all of which was material to the securities offering.
9. Pursuant to N.D.C.C. § 10-04-15(1), no person may make a material false statement or omission in connection with any document required to be filed with the Securities Department. The offering circular, which omitted any disclosure of the diversion of employee 401(k) payroll deductions by the Respondents for company operating expenses in violation of their fiduciary duties, the violations of federal law, or the potential administrative, civil and criminal penalties that could result from those violations, was a document required to be filed with the Securities Department as part of the registration application and the information omitted from the offering circular was material to the offering. Respondents engaged in one violation of this provision.

10. Pursuant to N.D.C.C. § 10-04-15(2), no person may make a material false statement or omission in connection with any offer or sale of a security. The offering circular, which omitted any disclosure of the diversion of employee 401(k) payroll deductions by the Respondents for company operating expenses in violation of their fiduciary duties, the violations of federal law, or the potential administrative, civil and criminal penalties that could result from those violations, was a document provided to potential purchasers of LAS securities, and the information omitted from the offering circular was material to the offering. Respondents engaged in fifty-one (51) violations of this provision.
11. Pursuant to N.D.C.C. § 10-04-16 (1), the Securities Commissioner has the authority to Order that a person Cease and Desist from violations of the Securities Act, to rescind transactions made in violations of the Securities Act, and to assess civil penalties in an amount not to exceed \$10,000 for each violation of the Securities Act or a total of \$520,000.00 based on the violations described above.
12. This Order is issued in the public interest, and for the protection of investors.

NOW, THEREFORE, IT IS ORDERED, pursuant to N.D.C.C. § 10-04-16,
that:

1. Respondents shall not offer for sale and/or sell any security in North Dakota unless that security is registered or exempt from registration under N.D.C.C. Ch. 10-04.

2. Respondents shall not make any material false statement or omission in connection with any document required to be filed with the Securities Department.
3. Respondents shall not make any material false statement or omission in connection with any offer for sale or sale of any security in North Dakota.
4. Respondents are hereby assessed, jointly and severally, a civil penalty of Ten Thousand Four Hundred (\$10,400.00) Dollars based on the violations described above.

YOU ARE NOTIFIED that any willful violation of this order is a Class B Felony pursuant to Section 10-04-18(1) N.D.C.C. Pursuant to N.D.C.C. § 12.1-32-01(3), a Class B Felony is punishable by a \$10,000 fine and 10 years' imprisonment, with respect to a natural person. Pursuant to N.D.C.C. § 12.1-32-01.1(2), a Class B Felony is punishable by a \$35,000 fine with respect to an organization.

YOU ARE FURTHER NOTIFIED that, pursuant to N.D.C.C. § 12.1-09-03, a person is guilty of a criminal offense if he intentionally "alters, destroys, mutilates, conceals, or removes a record, document, or thing with intent to impair its verity or availability" in an official proceeding. As such, intentional destruction of any documents related to this matter may result in criminal prosecution.

NOTICE OF RIGHT TO REQUEST A HEARING

YOU ARE NOTIFIED that pursuant to N.D.C.C. § 10-04-12 you may request a hearing before the Securities Commissioner if such a request is made in

writing WITHIN FIFTEEN (15) DAYS AFTER THE RECEIPT OF THIS ORDER.

The Respondents have the right to be represented by legal counsel at the hearing.

IN TESTIMONY WHEREOF, witness my hand and seal this 25th day of
May, 2007.





Karen J. Tyler, Securities Commissioner
North Dakota Securities Department
600 East Boulevard Ave.
State Capitol – Fifth Floor
Bismarck, ND 58505-0510
(701) 328-2910

STATE OF NORTH DAKOTA

SECURITIES DEPARTMENT

In the Matter of LAS International, Ltd.;)	
Neil Whittey; and Syver Vinje;)	AFFIDAVIT OF SERVICE
)	BY MAIL
Respondents.)	

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I, Jacqui Ferderer, being first duly sworn, state that I am a citizen of the United States over the age of twenty-one years and not a party to or interested in the above-entitled proceeding.

On May 29, 2007, I deposited in the Central Mailing Bureau of the United States Post Office Department in the State Capitol in Bismarck, North Dakota, true and correct copies of the following document:


**ORDER FOR CIVIL PENALTY AND
NOTICE OF RIGHT TO REQUEST A HEARING**

A copy of the above document was securely enclosed in an envelope with postage duly prepaid, sent via certified mail, return receipt requested, addressed to each of the following:

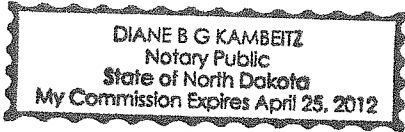
Syver Vinje
 LAS International, Ltd.
 Sr. Vice President & Chief Financial Officer
 216 North 23rd Street
 Bismarck, ND 58501

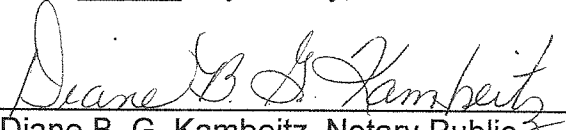
Neil Whittey
 LAS International, Ltd.
 President and Chief Executive Officer
 216 North 23rd Street
 Bismarck, ND 58501

To the best of my knowledge, information, and belief, the address given above is the actual mailing address for the party intended to be served or of the attorney representing that party.


Jacquie Ferderer

Subscribed and sworn to before me this 29th day of May, 2007.




Diane B. G. Kambeitz, Notary Public
Burleigh County, North Dakota
My commission expires 4/25/2012