

1 STATE OF ALASKA
2 DEPARTMENT OF COMMERCE AND ECONOMIC DEVELOPMENT
3 DIVISION OF BANKING, SECURITIES, AND CORPORATIONS
4 P.O. BOX 110807
5 JUNEAU, AK 99811-0807
6

7 In the Matter of:) ALASKA ORDER #96-04S
8 Loken Aviation, Inc.)
9 Craig Loken) CONSENT AGREEMENT
10 Aral Loken)
11 Inian, Inc.)
12 Lynden, Inc.)
13 Albert N. Ball, Sr.)

14 CONSENT AGREEMENT

- 15 1. Craig and Aral Loken conveyed 10,000 shares of Loken Aviation, Inc., stock to
16 Inian, Inc., and Inian, Inc., assigned 8,000 shares of Loken Aviation, Inc., to
17 Lynden, Inc., and 2,000 shares of Loken Aviation, Inc., to Albert N. Ball, Sr., all
18 without the benefit of registration under the Alaska Securities Act (the Act) at
19 AS 45.55.070 or exemption from such registration requirements of the Act.
- 20 2. The Division and the Respondents wish to settle these matters in a timely and
21 judicious manner. To that end, the Division and Respondents have executed a
22 Consent Agreement, and the Division hereby incorporates the attached two-page
23 document entitled "Consent Agreement" into this Order.
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26 3. The attached "Consent Agreement" contains the facts as agreed to by the Division
27 and the Respondents. In addition, the Respondents have submitted the attached
28 copy of an executed "Waiver of Recision (sic)," which the Division hereby
incorporates into this Order, and the Respondents have submitted a payment of

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\$80 in lieu of action by this Division pursuant to AS 45.55.920(c).

4. Assuming the completeness of the disclosures in the attached "Consent Agreement," the Division will not take administrative action with respect to the transactions described above.

5. Respondents, each and all, may request a hearing pursuant to AS 45.55.920(d). This Order will become final if a hearing is not requested within 15 days of receipt.

Issued at Juneau the 30th day of October 1995.

/s/ Willis F. Kirkpatrick

Willis F. Kirkpatrick
Administrator of Securities

Contact Person:

Franklin T. Elder
Securities Examiner
907-465-2521

CONSENT AGREEMENT

This Consent Agreement is made and entered into this ___ day of September, 1995, by and among the State of Alaska, Division of Banking & Securities (the "State"); Craig Loken; Aral Loken; Inian, Inc.; Lynden, Inc.; and Albert N. Ball, Sr. The members to this Agreement other than the State are referred to as the "Parties."

RECITALS

A. Craig and Aral Loken, residents of Alaska, organized Inian, Inc., an Alaska corporation ("Inian") and subscribed to the initial issuance of 10,000 shares (100% of its outstanding stock). A Notice of Exemption for the issuance of Inian stock was sent to the State of Alaska on June 12, 1995.

B. In consideration for the Inian stock, Craig and Aral Loken conveyed to Inian 10,000 shares (100% of the outstanding stock) of Loken Aviation, Inc., an Alaska corporation ("Loken").

C. Inian then assigned 8,000 shares of Loken stock to Lynden, Inc., a Washington corporation ("Lynden") and 2,000 shares of Loken stock to Albert N. Ball, Sr. ("Ball").

D. Lynden now holds eight percent (8%) and Ball twenty percent (20%) of Loken's outstanding stock. Craig and Aral Loken now each hold fifty percent (50%) of Inian's outstanding stock.

E. The Parties now recognize that while a Notice of Exemption for the issuance of the Inian stock was filed with the State of Alaska, the Parties neglected to file a Notice of Exemption for the transfer of the Loken stock from Craig and Aral Loken to Inian and subsequently from Inian to Lynden and Ball. The Parties believe that the transfers of Loken stock were exempt under A.S. 45.55.900(b)(5)(B).

F. The Parties have signed a Waiver of Recision document in which they acknowledged that they (i) had an opportunity to rescind the transactions, (ii) had declined to rescind the transactions, and (iii) waived any remaining right of recision that may have resulted from the omission to have filed a Notice of Exemption.

G. The Parties and the State now desire to enter into this Consent Agreement to set forth the terms under which the State will issue a "no action" letter related to the above described transactions.

THEREFORE, THE PARTIES AND THE STATE COVENANT AND AGREE AS FOLLOWS:

1. In exchange for (a) the payment of \$80 to the State; and (b) the filing with the State of (i) the Waiver of Recision, (ii) a notice of exemption for the Waiver of Recision, and (iii) a \$40 filing fee; the State agrees to issue a "no action" letter with respect to those stock transactions described above.

/s/ Craig Loken
Craig Loken

Dated: 9/25/95

/s/ Aral Loken
Aral Loken

Dated: 9/25/95

Inian, Inc.

By: /s/ Craig Loken
Its: President

Dated: 9/25/95

Lynden, Inc.

By: /s/ Richard A. Rogelo
Its: Exec. Vice Pres. / Sec. & Treas.

Dated: 9/27/95

/s/ Albert N. Ball, Sr.
Albert N. Ball, Sr.

Dated: 9/14/95

State of Alaska
Department of Commerce and
Economic Development
Division of Banking &
Securities

By: /s/ Willis F. Kirpatrick
Its: Administrator of Securities

Dated: 10/30/95