

19539/BD

**STATE OF MINNESOTA
COMMISSIONER OF COMMERCE**

In the Matter of
Silacon Corp. and Charles G. Nutter

CONSENT ORDER

TO: Charles Nutter
3216 Leyland Trail
Woodbury, MN 55125

Commissioner of Commerce Mike Rothman (hereinafter "Commissioner") has determined as follows:

1. The Commissioner has advised Silacon Corp. and Charles G. Nutter and its employees, agents, officers and directors (hereinafter "Respondents") that he is prepared to commence formal action pursuant to Minn. Stat. § 45.027, subd. 5 (2010) against Respondents based on allegations that Respondents failed to properly register its securities in accordance with Minn. Stat. §§ 80A.49 and 80A.53 (2010) prior to offering the sale of securities within the State.

2. Respondents acknowledge that they has been advised of their rights to a hearing in this matter, to present argument to the Commissioner and to appeal from any adverse determination after a hearing, and Respondents hereby expressly waive those rights.

Respondents further acknowledge that they have been represented by legal counsel throughout these proceedings, or have been advised of their right to be represented by legal counsel, which right they hereby waive.

3. Respondents have agreed to informal disposition of this matter without a hearing as provided under Minn. Stat. § 14.59 (2010) and Minn. R. 1400.5900 (2011).

4. The following Order is in the public interest.

NOW, THEREFORE, IT IS HEREBY ORDERED, that pursuant to Minn. Stat. § 45.027, subd. 5 (2010) Respondents Silacon Corp. and Charles Nutter and its employees, agents, officers and directors shall cease and desist from offering or selling in the State of Minnesota the above-described or any other securities until registration requirements (including rescission) have been satisfied and compliance with Minn. Stat. Ch. 80A (2010) has been achieved or until further Order of the Commissioner.

IT IS FURTHER ORDERED, that Respondents Silacon Corp. and Charles Nutter, jointly and severally, shall pay a civil penalty of \$35,000. Of that \$35,000, \$27,500 shall be stayed for a period of one (1) year. If Respondents have made restitution within that year to Russell Anderson in the amount of \$35,000, the stay shall become permanent. The remaining \$7,500.00 civil penalty is due and payable upon execution of this Order.

IT IS FURTHER ORDERED, that Respondents Silacon Corp. and Charles Nutter acknowledge that the civil penalty and/or any resulting judgment arising from this Order is non-dischargeable in any bankruptcy proceeding. See 11 U.S.C. 523(a)(7) (2010) (“A discharge under section 727, 1141, 1228(a), 1228(b), or 1328(b) of this title does not discharge an individual debtor from any debt . . . to the extent such debt is for a fine, penalty, or forfeiture payable to and for the benefit of a governmental unit, and is not compensation for actual pecuniary loss, other than a tax penalty . . .”).

IT IS FURTHER ORDERED that pursuant to Minn. Stat. § 16D.17 (2010), the Commissioner may file and enforce the civil penalty imposed by this Order as a judgment

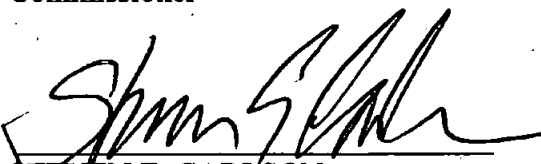
against Respondents in district court without further notice or additional proceedings. In addition, pursuant to Minn. Stat. § 16D.13 (2010), Respondents are hereby notified that 30 days after the date of this Consent Order, simple interest computed in accordance with Minn. Stat. § 16D.13, subd. 2 (2010) will begin to accrue on the civil penalty imposed against Respondent.

This Order shall be effective upon signature by or on behalf of the Commissioner.

Dated: June 29, 2012

MIKE ROTHMAN
Commissioner

By:


STEVEN E. CARLSON
Deputy Commissioner

85 Seventh Place East, Suite 500
St. Paul, Minnesota 55101
Telephone: (651) 296-2488

RECEIVED

JUN 19 2012

CONSENT TO ENTRY OF ORDER

MAILROOM

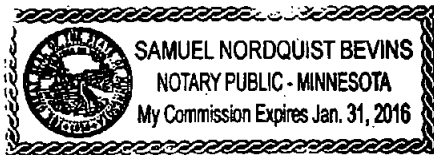
The undersigned, Charles G. Nutter, states that he has read the foregoing Consent Order; that he knows and fully understands its contents and effect; that he has been advised of his right to a hearing in this matter; that he has been represented by legal counsel in this matter, or has been advised of his right to be represented by legal counsel; and that he consents to entry of this Order by the Commissioner. The Department also expressly reserves any and all rights to take additional action should further violations be found. It is further understood that this Consent Order constitutes the entire settlement agreement between the parties, there being no other promises or agreements, either express or implied.

Charles G. Nutter
Charles G. Nutter

STATE OF MN
COUNTY OF Washington

Signed or attested before me on June 15th, 2012 (date)
by Charles Nutter (name(s) of person(s)).

(stamp)



[Signature]
(Signature of notary officer)
Title (and Rank) Notary Public
My Commission expires: 1/31/16

CONSENT TO ENTRY OF ORDER

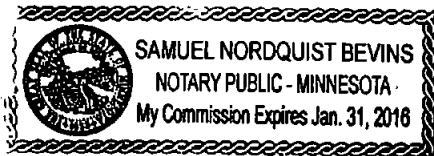
The undersigned, acting individually and on behalf of Silacon Corp., states that he has read the foregoing Consent Order; that he knows and fully understands its contents and effect; that he is authorized to execute this Consent to Entry of Order on behalf of Respondent; that he has been advised of Respondent's right to a hearing; that Respondent has been represented by legal counsel in this matter; or that he has been advised of Respondent's right to be represented by legal counsel and that he has waived this right; and that he consents to entry of this Order by the Commissioner of Commerce. It is further expressly understood that this Order constitutes the entire settlement agreement between the parties hereto, there being no other promises or agreements, either express or implied.

By: Charles J. Nutter, CEO
Its: CBO

STATE OF MA
COUNTY OF Washington

This instrument was acknowledged before me on June 13, 2012 (date) by Charles Nutter
(name(s) of person(s)) as CEO (type of authority, e.g., officer, trustee, etc.) of
Silacon Corporation (name of party on behalf of whom the instrument was executed).

(stamp)



[Signature]
(Signature of notary officer)
Notary Public
Title (and Rank)
My commission expires: 1/31/16