

ADMINISTRATIVE PROCEEDING
File No. 3-17603

Colorado-Based Marijuana Company and CEO Settle Fraud Charges

September 30, 2016 – The Securities and Exchange Commission today announced that Colorado-based Rainbow International, Corp., a/k/a Raintree Brands Incorporated (“Rainbow International”), and its CEO, Donald R. Corn, agreed to settle fraud charges relating to several false or misleading statements they made about Rainbow International’s purported operations in the marijuana industry.

An SEC investigation found that, from May 5, 2014 to September 4, 2014, Rainbow International and Corn claimed that Rainbow International had acquired cannabidiol, a chemical derived from hemp plants, and that the company maintained a working relationship with over twenty companies wanting to acquire its cannabidiol. That claim was false; Rainbow International had not acquired cannabidiol and did not have a relationship with any company wanting to acquire its cannabidiol. Rainbow International and Corn also falsely claimed that Rainbow International was developing topical products, that it was generating rental revenues, and that Corn had invested significantly more personal funds in the company than he actually had.

The SEC’s order instituting a settled administrative proceeding finds that Rainbow International and Corn violated the antifraud provisions of the Securities Act of 1933 and the Securities Exchange Act of 1934. Without admitting or denying the SEC’s findings, Rainbow International and Corn consented to a cease-and-desist order. The order also imposes an officer and director bar and a penny stock bar on Corn. In a separate order, the SEC temporarily suspended trading in Rainbow International stock.

The SEC’s investigation was conducted by Laura Ordaz of the Denver Regional Office with assistance from Judy Bizu, and was supervised by Laura Metcalfe, Kurt Gottschall, and Julie Lutz. The SEC appreciates the assistance of the Financial Industry Regulatory Authority (FINRA).

See also: [Order](#)