

BEFORE THE DIVISION OF INSURANCE
DEPARTMENT OF LABOR AND REGULATION
STATE OF SOUTH DAKOTA

IN THE MATTER OF)	
)	ORDER TO CEASE AND DESIST AND
CHARLES BALCOM AND)	IMPOSITION OF CIVIL PENALTY
CONSULTANTS, LTD.)	

The South Dakota Division of Insurance ("Division") finds the following regarding Charles Balcom and Consultants, LTD.:

1. Consultants, LTD. is a business located in Mitchell, SD that is not registered with the South Dakota Secretary of State;
2. Charles Balcom, whose last known address is P.O. Box 429, Mitchell, SD 57301, is the owner and operator of Consultants, LTD.;
3. Charles Balcom has never been registered as investment adviser in South Dakota and is not currently registered with the Division to act in that capacity;
4. SDCL § 47-31B-102 defines who is considered to be an investment adviser;
5. Charles Balcom has performed investment advisor activities through Consultants, LTD. for more than 50 years by his admission. Exhibits #1 and #2;
6. Charles Balcom, individually and through Consultants, LTD., has been acting as a unregistered investment adviser in South Dakota;
7. SDCL § 47-31B-403 states that it is unlawful for a person to transact business in this state as an investment adviser unless the person is either registered with the Division or exempt from registration;
8. Pursuant to SDCL § 47-31B-602, the Director may conduct public or private investigations within or outside of the state which the Director considers necessary or appropriate to determine compliance with Chapter 47-31B;
9. Pursuant to SDCL § 47-31B-604, if the director determines that a person has violated Chapter 47-31B, the director may issue an order directing the person to cease and desist from engaging in the act, practice, or course of business;
10. The above findings provide sufficient grounds for issuance of a cease and desist order in accordance with the provisions of SDCL § 47-31B-604;
11. Pursuant to SDCL § 47-31B-604(d), the Division may impose a civil penalty of up to \$10,000 per violation of Chapter 47-31B;

12. This order is necessary and appropriate in the public interest and for the protection of investors and are consistent with the policies and provisions of the South Dakota Uniform Securities Act, SDCL Chapter 47-31B.

THEREFORE, IT IS HEREBY ORDERED, pursuant to SDCL § 47-31B-604, that Charles Balcom and Consultants, LTD. and all officers, directors, brokers, agents, and employees thereof shall cease and desist from acting or offering to act as an investment advisor in the State of South Dakota until further order of the Director. Any willful violation of this Order is a Class 4 felony pursuant to SDCL § 47-31B-508(a). It is further;

ORDERED that, pursuant to SDCL § 47-31B-604(d), the Division hereby imposes a civil penalty of \$20,000 on Charles Balcom and Consultants, LTD. for the violations stated above.

NOTICE IS HERBY GIVEN pursuant to SDCL § 47-31B-604(b), that Charles Balcom and Consultants, LTD. and any officer, director, broker, agent, and employee thereof, may request a hearing regarding this matter. A hearing will be scheduled within fifteen days after the Division receives a request. At hearing, the above-referenced parties may appear in person or be represented by counsel pursuant to SDCL Chapter 1-26. If a request for a hearing is not received by the Division within 30 days after the above-referenced parties receive this order, then this order will become final.

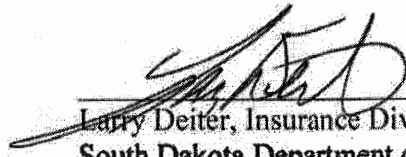
If a hearing is requested or ordered, the Director, after notice of and opportunity for hearing to each person subject to the order, may modify or vacate this Order or extend it until final determination.

If the amount in controversy exceeds \$2,500 or if a property right may be terminated, any party to the contested case may require the Division to use the Office of Hearing Examiners by giving notice to the Division no later than 10 days after service of a notice of hearing issued pursuant to § 1-26-17.

An administrative hearing is an adversary proceeding and any interested party has a right to be present at the hearing and to be represented by an attorney during the hearing. Due process rights will be forfeited if they are not exercised during the hearing. A default order may be issued against any party not appearing at the hearing. Any action taken at the hearing may be appealed to the Circuit Court and the Supreme Court pursuant to SDCL Chapter 1-26. Handicapped persons who wish to attend should contact the Division so the hearing can be held in a place readily accessible to them.

A person who is not an original party to a contested case and whose pecuniary interests would be directly affected by the Division's Order, may become a party to the hearing by intervention if timely application therefore is made to the Division, pursuant to SDCL § 1-26-17.1.

Dated at Pierre, South Dakota this 11 day of December, 2017.


Larry Deiter, Insurance Division Director
South Dakota Department of Labor & Regulation

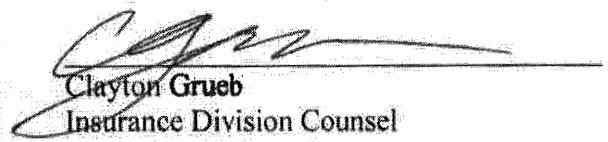
CERTIFICATE OF SERVICE

I, Clayton Grueb, the undersigned, do hereby certify that on the date shown below, a true and correct copy of the Notice of Hearing with respect to the above-entitled action was sent U.S. Certified Mail thereon, to the following:

Charles Balcom
P.O. Box 429
Mitchell, SD 57301

Consultants, LTD
P.O. Box 429
Mitchell, SD 57301

Dated at Pierre, South Dakota this 13 day of December, 2017.


Clayton Grueb
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South Dakota Dept. of Labor and Regulation
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