

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

IN THE MATTER OF
RAIN MAKER EQUITY ADVISORS, LLP. &)
PHILIP SVARTOIEN) CONSENT ORDER
)

In resolution of the above matter and in lieu of issuance of a Notice of Hearing and a formal hearing, the undersigned parties do hereby agree to the following:

PHILLIP SVARTOIEN ("SVARTOIEN") whose address of record is 900 E. 6th St., P.O. Box R, Freeman, SD 5702 is a partner of and sole registered investment advisor of RAIN MAKER EQUITY ADVISORS, LLP. ("RAIN MAKER") a registered investment advisor organization located in Freeman, SD;

SVARTOIEN AND RAIN MAKER, (hereafter jointly referred to as the "RESPONDENTS") are aware that the South Dakota Division of Insurance ("Division") has conducted an investigation into their Securities and Investment Advisory activities in South Dakota;

The Division has alleged the following:

- 1) The RESPONDENTS failed to send fee notices to clients in violation of ARSD 20:08:05:25;
- 2) The above-cited conduct may be grounds for the revocation or suspension of the RESPONDENTS registration and the issuance of a monetary penalty of up to \$10,000 per violation, pursuant to SDCL §§ 47-31B-412 and 47-31B-604;

The RESPONDENTS are aware of and understand the nature of the charges and have been informed that they have the right to notice, hearing, and appeal, and that by agreeing to and signing this Consent Order, agree to the waiver of these rights;

In return for the RESPONDENTS agreeing to the provisions of this Consent Order, the Division agrees not to proceed to a formal hearing and agrees that this Consent Order will constitute an informal disposition of this matter pursuant to SDCL § 1-26-20;

The RESPONDENTS agree to a monetary penalty in the amount of \$2,500 pursuant to SDCL §§ 58-4-28.1 and 47-31B-604, in lieu of contesting this matter formally; and

The RESPONDENTS further agree to conduct themselves in accordance with the securities laws and regulations of the State of South Dakota; and

The RESPONDENTS further agree that this Consent Order may be considered for the purpose of determining an appropriate sanction in any future actions with the Division for any violations of the laws or regulations of the State of South Dakota or for failing to abide by any order of the Director;


Wherefore, good cause appearing from the foregoing, it is hereby ORDERED that the RESPONDENTS will pay a monetary penalty in the amount of \$2,500 payable to "South Dakota Division of Insurance" for deposit in the general fund of the State of South Dakota; and it is further

ORDERED that the RESPONDENTS will abide by the agreements made by them in this Consent Order; and it is further

ORDERED that this consent order is necessary and appropriate in the public interest and for the protection of investors and is consistent with the purposes fairly intended by the policy and provisions of SDCL 47-31B; and it is further

ORDERED that the provisions of this Consent Order shall be effective from the date the Director signs this Order.

Dated at Pierre, South Dakota this 21st day of December, 2017.



Larry Deiter, Director
South Dakota Division of Insurance

The undersigned, on behalf of the RESPONDENTS, represents that they understand the terms of this Consent Order and the waiver of their due process rights and voluntarily enter into this Consent Order.

Dated this 21st day of December, 2017.



Signature of Authorized Representative

Philip Svartoeien

Printed Name

Partner / Advisor

Title