

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

IN THE MATTER OF
JEREMEY FROST

)
)

CONSENT ORDER AND
ORDER TO CEASE AND DESIST

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

JEREMEY FROST, whose last known address is P.O. Box 7, Onida, SD 57564, is a resident of South Dakota;

JEREMEY FROST is aware the South Dakota Division of Insurance (“Division”) has conducted an investigation of certain securities sales pursuant to SDCL § 47-31B-602, which authorizes public or private investigations within or outside of the state which the Director considers necessary or appropriate to determine compliance with Chapter 47-31B;

The Division alleges the following with regard to JEREMEY FROST:

1. JEREMEY FROST is or was a shareholder of a closely held business located in South Dakota and registered with the South Dakota Secretary of State;
2. JEREMEY FROST is registered by the National Futures Association as designated by the Commodities Futures Trading Commission, but does not have a broker dealer-registration pursuant to SDCL § SDCL 47-31B-401;
3. JEREMEY FROST acted as a broker-dealer pursuant to SDCL § 47-31B-102(4) in February 2020 regarding the purchase and resale of thousands of shares of the closely held business which were purchased by JEREMEY FROST and then immediately resold to other persons;
4. Pursuant to SDCL § 47-31B-401(a), it is unlawful for a person to transact business in this state as a broker-dealer unless the person is either registered with the Division or exempt from registration;
5. The above-cited conduct constitutes grounds for the Division to issue an Order to Cease and Desist securities activity in this State and seek the imposition of a monetary penalty of up to \$10,000 per violation pursuant to SDCL §§ 47-31B-401, 47-31B-602, and 47-31B-604;

JEREMEY FROST is aware of and understands the nature of the allegations and has been informed that he has the right to a Notice of Hearing, counsel, and appeal, and that by agreeing to sign this Consent Order, waives these rights;

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

By the execution of this Consent Order and the payment of a penalty pursuant to this Consent Order, JEREMEY FROST neither admits to nor denies any violations of the laws of the State of South Dakota, but waives the right to contest the allegations contained in this Consent Order;

JEREMEY FROST agrees to pay \$1,000 pursuant to SDCL §§ 47-31B-604(d) and to the entry of this Order to Cease and Desist in lieu of a hearing and Final Order;

JEREMEY FROST further agrees that this Consent Order may be considered for the purpose of determining the 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 pursuant to SDCL § 47-31B-604 that JEREMEY FROST shall cease and desist from acting or offering to act as a broker-dealer in the State of South Dakota without a broker-dealer registration, noting that any willful violation of this Order to Cease and Desist is a Class 4 Felony pursuant to SDCL § 47-31B-508(a); and it is further


ORDERED that JEREMEY FROST pay a monetary penalty of \$1,000 pursuant to SDCL § 47-31B-604, payable to "South Dakota Division of Insurance" to be submitted with this completed Consent Order for deposit in the general fund of the State of South Dakota; and it is further

ORDERED that JEREMEY FROST abide by the agreements made by him in this Consent Order; and it is further

ORDERED that 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; 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 7th day of October, 2020.

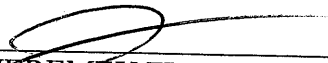


Larry Deiter, Director
South Dakota Division of Insurance

[Signature block of JEREMEY FROST follows]

I have read and understand the terms of this Consent Order and the waiver of my due process rights and voluntarily enter into this Consent Order.

Dated this 1st day of October, 2020.



JEREMY FROST