

UNITED STATES OF AMERICA
Before the
SECURITIES AND EXCHANGE COMMISSION

SECURITIES ACT OF 1933
Release No. 10226 / September 30, 2016

SECURITIES EXCHANGE ACT OF 1934
Release No. 79002 / September 30, 2016

ADMINISTRATIVE PROCEEDING
File No. 3-17603

In the Matter of

RAINBOW
INTERNATIONAL, CORP.
(a/k/a Raintree Brands
Incorporated) and DONALD
R. CORN

Respondents.

**ORDER INSTITUTING ADMINISTRATIVE
AND CEASE-AND-DESIST PROCEEDINGS,
PURSUANT TO SECTION 8A OF THE
SECURITIES ACT OF 1933 AND SECTIONS
15(b) AND 21C OF THE SECURITIES
EXCHANGE ACT OF 1934, MAKING
FINDINGS, AND IMPOSING REMEDIAL
SANCTIONS AND A CEASE-AND-DESIST
ORDER**

I.

The Securities and Exchange Commission (“Commission”) deems it appropriate and in the public interest that public administrative and cease-and-desist proceedings be, and hereby are, instituted pursuant to Section 8A of the Securities Act of 1933 (“Securities Act”) and Sections 15(b) and 21C of the Securities Exchange Act of 1934 (“Exchange Act”) against Rainbow International, Corp., also known as Raintree Brands Incorporated, (“Rainbow International”) and Donald R. Corn (“Corn”) (collectively, “Respondents”).

II.

In anticipation of the institution of these proceedings, Respondents have submitted Offers of Settlement (the “Offers”) which the Commission has determined to accept. Solely for the purpose of these proceedings and any other proceedings brought by or on behalf of the Commission, or to which the Commission is a party, and without admitting or denying the findings

herein, except as to the Commission's jurisdiction over them and the subject matter of these proceedings, which are admitted, Respondents consent to the entry of this Order Instituting Administrative And Cease-and-Desist Proceedings, Pursuant to Section 8A of the Securities Act of 1933 and Sections 15(b) and 21C of the Securities Exchange Act of 1934, Making Findings, and Imposing Remedial Sanctions and a Cease-and-Desist Order ("Order"), as set forth below.

III.

On the basis of this Order and Respondents' Offers, the Commission finds that:

Summary

These proceedings arise out of Rainbow International's false or misleading statements concerning the company's operations in its Commission filings and offering materials during the period from May 5, 2014 to September 4, 2014. Among other things, the company claimed that it 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. However, Rainbow International had not acquired cannabidiol and did not have a relationship with any company wanting to acquire its cannabidiol. The company also falsely claimed that it was developing topical products, that it was generating rental revenues, and that Donald Corn, its Chief Executive Officer, had invested significantly more personal funds in the company than he actually had. In addition, in connection with the company's offering, Corn misappropriated the \$20,000 raised from investors, using most of this money for personal expenses contrary to the representations in Rainbow International's offering materials. Corn signed all of the company's filings containing false or misleading statements, and he was responsible for their content and the company's offering materials.

Respondents

1. Rainbow International, Corp. (a/k/a Raintree Brands Incorporated) is a Nevada corporation, currently in default, with its principal place of business in Centennial, Colorado. Rainbow International registered the offering of two million shares of common stock with the Commission pursuant to a Form S-1 registration statement that went effective on September 14, 2011. At the time, Rainbow International claimed its primary business was the distribution of Bohemian crystal. In August 2012, Rainbow International announced that its business changed to the acquisition and exploration of mining properties. On May 5, 2014, the company announced that its business changed again to focus on investing in the commercial production of hemp cannabidiol and related products. Rainbow International filed periodic reports, including Forms 10-K and 10-Q, with the Commission pursuant to Section 15(d) of the Exchange Act and related rules thereunder. Rainbow International's stock is a penny stock and is quoted on the OTC Link, which is operated by OTC Markets Group Inc.

2. Donald R. Corn, age 66, is a resident of Centennial, Colorado. Corn is the Chief Executive Officer of Rainbow International. Corn participated in an offering of Rainbow International, Corp. stock.

Background

3. Rainbow International announced in a Form 8-K filed on May 5, 2014 that, as of May 1, 2014, Corn became the sole officer and director of the company.

4. The next week, on May 12, 2014, Rainbow International announced in a Form 8-K that it planned on “investing in the commercial production of hemp cannabidiol (“CBD”), investing in CBD-related products and profitable CBD market niches.”

5. Rainbow International and Corn sought to raise \$25 million to further the company’s purported operations. Pursuant to a Private Placement Memorandum (“PPM”), Rainbow International offered 2500 units that each consisted of 1 secured convertible debenture. Each unit was priced at \$10,000. Corn prepared the PPM and provided it to prospective investors.

False or Misleading Statements Concerning Rainbow International’s Operations

6. Rainbow International’s May 12, 2014 Form 8-K stated that the company had acquired several large sources of CBD from the European Union, from which it could import bulk CBDs. Rainbow International also included this statement in its PPM provided to prospective investors. This statement was false or misleading because the company had not acquired any CBD or CBD sources.

7. In addition, the Form 8-K filed on May 12, 2014 stated that Rainbow International “presently has acquired a working relationship with over 20 companies wanting to acquire its bulk CBDs.” Rainbow International also included this statement in its PPM provided to prospective investors. This statement was false or misleading because the company did not have bulk CBDs, and it did not have a working relationship with any companies wanting to acquire the product.

8. Finally, the Form 8-K filed on May 12, 2014 stated that Rainbow International was in the process of developing two topical products, CB Derm and CB Drops. Rainbow International also included this statement in its PPM provided to prospective investors. This statement was false or misleading because the company had not begun any process of developing topical products and had no funds to engage in any such development.

9. On September 4, 2014, Rainbow International filed a Form 8-K stating that on May 1, 2014 the company entered into an oral agreement with Corn to purchase a company Corn controlled. Rainbow International stated that Corn’s company owned and leased land to be used for growing hemp crops and generated \$1000 per month in rental revenue. Finally, Rainbow International claimed that, as a result of the acquisition of Corn’s company, it received between \$2,200 and \$3000 in rental revenue per month and was “no longer a shell company as defined by Rule 12b-2 of the Exchange Act as the Company can no longer be considered to have no or nominal operations and no or nominal assets.” These statements were false or misleading because

the company controlled by Corn did not own any property and did not earn income from property it leased.

10. Corn signed all of Rainbow International's filings with the Commission during the relevant period.

False or Misleading Statements Concerning Corn's Investments

11. In a Form 8-K filed on May 5, 2014, Rainbow International stated that Corn used personal funds to purchase common shares of Rainbow International common stock for \$25,000. This statement was false because Corn did not pay any money to obtain the Rainbow International stock.

12. On May 5, 2014, Corn falsely represented to an investor that he had personally invested over \$186,000 in the company, including a substantial down payment to purchase land that the company planned to use to grow hemp seeds. This statement was false. Although Corn made a \$5000 down payment for a future purchase of land, he did not invest any other personal funds in the company. Rainbow International and/or Corn never completed the purchase of the land.

Misappropriation of Investor Funds

13. Rainbow International's PPM falsely stated that Rainbow International would use proceeds of its offering to fund the company's operations. Rainbow International raised \$20,000 from two investors in its offering. Corn deposited the funds into a bank account he controlled. Contrary to the PPM's statements about the use of offering funds, Corn misappropriated the funds, using the majority for his personal expenses. Rainbow International and Corn did not disclose their actual use of the offering proceeds.

Violations

14. As a result of the conduct described above, Respondents willfully violated Section 17(a)(2) of the Securities Act, which prohibits obtaining money or property by means of a misstatement or omission in the offer or sale of securities, and Section 10(b) of the Exchange Act and Rule 10b-5(b) thereunder, which prohibit the making of untrue statements of material fact or misleading omissions in connection with the purchase or sale of securities.

Disgorgement and Civil Penalties

15. Respondent Rainbow International has submitted a sworn Statement of Financial Condition dated March 25, 2016 and other evidence and has asserted its inability to pay a civil penalty.

16. Respondent Corn has submitted a sworn Statement of Financial Condition dated March 25, 2016 and other evidence and has asserted his inability to pay disgorgement plus prejudgment interest and a civil penalty.

IV.

In view of the foregoing, the Commission deems it appropriate and in the public interest to impose the sanctions agreed to in Respondents' Offers.

Accordingly, pursuant to Section 8A of the Securities Act and Sections 15(b) and 21C of the Exchange Act, it is hereby ORDERED that:

A. Respondents Rainbow International and Corn cease and desist from committing or causing any violations and any future violations of Section 17(a)(2) of the Securities Act, Section 10(b) of the Exchange Act and Rule 10b-5(b) thereunder.

B. Respondent Corn be, and hereby is:

prohibited from acting as an officer or director of any issuer that has a class of securities registered pursuant to Section 12 of the Exchange Act or that is required to file reports pursuant to Section 15(d) of the Exchange Act; and

barred from participating in any offering of a penny stock, including: acting as a promoter, finder, consultant, agent or other person who engages in activities with a broker, dealer or issuer for purposes of the issuance or trading in any penny stock, or inducing or attempting to induce the purchase or sale of any penny stock.

C. Based upon Respondent Rainbow International's sworn representations in its Statement of Financial Condition dated March 25, 2016 and other documents submitted to the Commission, the Commission is not imposing a penalty against Rainbow International.

D. Respondent Corn shall, within 10 days of the entry of this Order, pay disgorgement of \$20,000 and prejudgment interest of \$1,268.47, but payment of such amount is waived based upon Respondent's sworn representations in his Statement of Financial Condition dated March 25, 2016 and other documents submitted to the Commission. Based upon Respondent Corn's sworn representations in his Statement of Financial Condition dated March 25, 2016 and other documents submitted to the Commission, the Commission is not imposing a penalty against Respondent Corn.

E. The Division of Enforcement ("Division") may, at any time following the entry of this Order, petition the Commission to: (1) reopen this matter to consider whether Respondents provided accurate and complete financial information at the time such representations were made; and (2) seek an order directing payment of disgorgement and pre-judgment interest and; (3) seek an order directing payment of the maximum civil penalty allowable under the law. No other issue

shall be considered in connection with this petition other than whether the financial information provided by Respondents was fraudulent, misleading, inaccurate, or incomplete in any material respect. Respondents may not, by way of defense to any such petition: (1) contest the findings in this Order; (2) assert that payment of disgorgement and interest and a penalty should not be ordered; (3) contest the amount of disgorgement and interest and imposition of the maximum penalty allowable under the law to be ordered; or (4) assert any defense to liability or remedy, including, but not limited to, any statute of limitations defense.

By the Commission.

Brent J. Fields
Secretary