In the Matter of:

VersaTraction, Inc.,

Respondent. ODS File No. 17-033

STATE OF OKLAHOMA
DEPARTMENT OF SECURITIES
204 NORTH ROBINSON AVENUE, SUITE 400
OKLAHOMA CITY, OKLAHOMA 73102

FINAL ORDER TO CEASE AND DESIST

The Administrator of the Oklahoma Department of Securities ("Administrator" and "Department") issues this Order against VersaTraction, Inc. ("VersaTraction"), formerly known as Waxless Surfboard Systems, Inc. ("WSS") (collectively "Respondent") pursuant to §1-604 of the Oklahoma Uniform Securities Act of 2004 ("Act"), Okla. Stat. Ann. tit. 71, §§ 1-101 through 1-701 (2022). This Order is issued after Respondent received notice and opportunity for hearing and failed to respond. For purposes of this Order, the Administrator adopts the following findings of fact and conclusions of law.

Findings of Fact

1. VersaTraction is a California corporation that is purported to be in the business of manufacturing nonslip sports and safety products specifically for "wet or moist environments." VersaTraction is not, and has never been, registered under the Act in any capacity.

2. Beginning in January 2013, VersaTraction offered and sold a Promissory Note ("Note") to an elderly Oklahoma investor ("Investor"). The Note is not, and has never been, registered under the Act.

3. On March 4, 2013, Investor wired $125,000 to the bank account of VersaTraction/WSS held in San Clemente, California.

4. Jason Neu (Neu), the former CEO of VersaTraction/WSS, represented to Investors on behalf of VersaTraction, that the funds received from the Note were to be used by VersaTraction for a television commercial to promote its products. Neu is not, and has never been, registered under the Act in any capacity. Neu is now deceased.

5. Neu, on behalf of VersaTraction, entered into the $125,000 Note with Investor on March 15, 2013. The Note stated a maturity date of March 1, 2018. The Note promised the Investor a return of a 10% monthly revenue share of the gross monthly sales generated from direct responses to the television commercial.

6. Investor has not received the return of his principal investment amount or the promised return on his investment.
To the extent any of these Finding of Fact are more properly characterized as Conclusions of Law, they should be so considered.

**Conclusions of Law**

1. The Note is a security as defined by Section 1-102 of the Act.

2. VersaTraction offered and/or sold an unregistered security in the state of Oklahoma, in violation of Section 1-301 of the Act.

3. VersaTraction associated with an unregistered agent who transacted business in this state on its behalf, in violation of Section 1-402 of the Act.

4. VersaTraction by and through its representative made untrue statements of material fact and/or omitted to state material facts necessary in order to make the statements made, in light of the circumstances under which they were made, not misleading, in connection with the offer and/or sale of securities, in violation of Section 1-501 of the Act.

5. The Administrator has the authority to issue an order directing VersaTraction to cease and desist from engaging in a violation of the Act.

6. It is in the public interest to order VersaTraction to cease and desist from violating the Act.

To the extent any of these Conclusions of Law are more properly characterized as Findings of Fact, they should be so considered.

**Final Order**

IT IS HEREBY ORDERED (1) that Respondent cease and desist offering and/or selling unregistered securities and making untrue statements of material fact and/or omitting material facts in connection with the offer and/or sale of securities; and (2) that VersaTraction cease and desist associating with unregistered agents who transact business in this state on its behalf.

Witness my Hand and the official seal of the Oklahoma Department of Securities this 7th day of September 2022.

(SEAL)

MELANIE HALL, ADMINISTRATOR OF THE OKLAHOMA DEPARTMENT OF SECURITIES
CERTIFICATE OF MAILING

The undersigned hereby certifies that on the 7th day of September, 2022, a true and correct copy of the above and foregoing Final Order to Cease and Desist was mailed, by certified mail, return receipt requested, delivery restricted, with postage prepaid thereon, addressed to:

Mr. Richard Rudolph  
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[Signature]
Brenda London, Paralegal