

SECURITIES AND EXCHANGE COMMISSION

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OFFICE OF THE SECRETARY

In the Matter of the Application of

METATRON, INC.

For Review of Action Taken by FINRA (Case No. CAS-61096-S6J8F6)

APPLICATION FOR REVIEW OF FINRA ACTION

3-18567

Metatron, Inc. ("MRNJ") submits this application to appeal the decision of a subcommittee of FINRA's Uniform Practice Code Committee (the "Subcommittee"), which affirmed the Department of Operations' (the "Department") denial of MRNJ's requested "corporate action" pursuant to FINRA Rule 6490(d)(3)(2) (the "FINRA Rule") because of its failure to file 12 periodic Quarterly and Annual Reports between March 2006 and December 2008 (the "2006-2008 Reports").

The Department's deficiency determination should be reversed because the specific grounds on which the Department based its denial do not exist in fact. The Subcommittee stated that:

"the Department may decline to process a corporation action if, 'the issuer is not current in its reporting requirements, if applicable, to the [Securities and Exchange Commission] or other regulatory authority.'"

Since 2009, MRNJ has adopted and has been following the Alternate Reporting Standards of the OTC Markets Group Inc. (the "OTC"). MRNJ has filed all required reports with the OTC; thus, is deemed "current in its reporting requirements" to its regulatory authority. Prior to that, MRNJ filed periodic reports with the Securities and Exchange Commission (the "SEC") pursuant to the Securities Exchange Act of 1934, as amended (the "Exchange Act"), until it filed a Form 15 with the SEC in April 2009. MRNJ's failure to file certain periodic reports while subject to the Exchange Act is the alleged basis for the Department's deficiency determination under the FINRA Rule.

In May 2014, MRNJ filed a Form 1-A with the SEC in connection with a Regulation A offering, which was reviewed by the SEC and subject to numerous comment letters. Regulation A is unavailable to issuers that are subject to Sections 13 or 15(d) of the Exchange Act immediately prior

to the offering. 17 C.F.R. §230.251. MRNJ believed that the filing of the Form 15 terminated its reporting obligations under the Exchange Act; thus, it was eligible to conduct a Regulation A offering. Presumably SEC staff agreed because, in its comment letters, it did not raise any concerns regarding the lack of availability of Regulation A to MRNJ (generally) or its filing of the Form 15 (specifically), and similarly did not raise any concerns regarding the 2006-2008 Reports or that MRNJ otherwise needed to generate and file the 2006-2008 Reports that predated, by a decade, MRNJ's corporate action. Furthermore, MRNJ also informed the Subcommittee that it spoke with Andrew Mew, Supervising Assistant Accountant in the SEC's Office of Transportation & Leisure, who informally advised MRNJ that his group concluded that MRNJ had no duty to file the 2006-2008 Reports, which conclusion, he advised, was informally echoed by SEC staff in the Office of Services-Computer Processing & Data Preparation. The SEC's Regulation A-related actions and indirect statements support the conclusion that the grounds on which the Department based its denial do not exist.

Further, the FINRA Rule's plain language does not support the Department's deficiency determination. The plain language of a statute or regulation is the first thing to look to when interpreting statutes. See King v. Burwell, 135 S. Ct. 2480, 2489 (2015). Statutes should be construed so that no clause, sentence, or word shall be superfluous, void, or insignificant. See United States v. Ballinger, 395 F.3d 1218, 1236 (11th Cir. 2005) (quotations and citations omitted). The inclusion of "if applicable" and "or" in the FINRA Rule lends support to MRNJ's interpretation – the FINRA Rule does not require MRNJ to be current in its reporting requirements to the SEC *and* the OTC, but instead only to the applicable reporting authority. MRNJ has no reporting obligations to the SEC. Instead its sole reporting obligation is to the OTC, with which it is current. Thus, MRNJ did not trigger the FINRA Rule, which is required for the Department's deficiency determination. For these reasons, MRNJ respectfully requests that the SEC reverse the Department's denial and order the Department to process MRNJ's corporate action.

K u D July 26, 2018
partner, Baker & Hostetler LLP

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CERTIFICATE OF SERVICE

I, Alissa K. Lugo, a partner of the law firm of Baker & Hostetler LLP located at 200 South Orange Avenue, Suite 2300, Orlando, Florida 32801 hereby certify that on the 27th day of June, 2018, I caused to be served an original and three true copies of an Application for Review of FINRA Action, a Notice of Appearance (Randolf W. Katz), a Notice of Appearance (Alissa K. Lugo), and this Certificate of Service to the Securities and Exchange Commission, Office of the Secretary, Attention Brent Fields, 100 F. Street, NE, Room 10915, Washington, DC 20549, and a true and complete copy of such package via overnight mail upon the following party entitled to notice:

Jante C. Turner
FINRA – Office of General Counsel
1735 K Street, NW
Washington, DC 20006



Alissa K. Lugo