

UNITED STATES OF AMERICA
BEFORE THE
SECURITIES AND EXCHANGE COMMISSION

IN THE MATTER OF THE APPLICATION OF

**DNA BRANDS, INC. (DNAX) AND ZA
GROUP, INC. (ZAAG)
SHAREHOLDERS**

FOR REVIEW OF ACTION TAKEN BY

FINRA

APPLICATION FOR REVIEW

FINRA has improperly weaponized its Rule 6490 ministerial verification process, inflicting profound and actionable harm upon the shareholders of DNA Brands, Inc. (DNAX) and ZA Group, Inc. (ZAAG) by constructively denying their lawful, state-effective corporate restructurings for months on end. This application challenges FINRA's arbitrary and capricious conduct: an abuse of its delegated authority that has transformed a narrow documentation rule into an unchecked, de facto veto, used solely to block the Companies' reverse stock splits, name change, and symbol change based on the distant, settled enforcement history of a single noteholder, Stephen M. Hicks, rather than any issuer-level defect. FINRA's prolonged and unjustified inaction—nearly sixteen months for ZAAG and ten months for DNAX—has nullified state corporate law, frozen capital structures, created immense market confusion, and deprived innocent public shareholders of their right to a timely, reviewable administrative decision, demanding immediate Commission intervention to fulfill the investor-protection mandate of the Exchange Act.

Despite ZAAG and DNAX providing extensive documentation and transfer-agent readiness confirmations throughout 2024, FINRA circumvented a final, reviewable decision and instead issued Rule 6490(d)(3) deficiency notices. For ZAAG, this occurred on July 18, 2025, with FINRA expressly invoking historical SEC enforcement against Stephen M. Hicks and Trillium in declining to process the reverse split, name change, and symbol change. For DNAX, this occurred on August 1, 2025, with FINRA also invoking Hicks/Trillium, further asserting that, upon full note conversion, beneficial ownership could approximate 17%, or 690,677,089 shares. FINRA set a seven-day appeal window and required a \$4,000 fee.

While FINRA has given itself broad discretion under Rule 6490, the Shareholders contend that FINRA disregarded the facts and best interests of ZAAG and DNAX shareholders

by not processing their Company-Related Actions in a timely manner. ZAAG initiated its Rule 6490 filing on March 22, 2024, with an anticipated effective date of April 5, 2024. DNAX initiated its Rule 6490 application on [date needed: I couldn't find it in the docs? Maybe I am missing it. Will check again before final draft. Leaving until confer with Nick], with an anticipated effective date of October 9, 2024.

Despite these ministerial notices, FINRA did not issue timely, reviewable approvals. Instead, after months-long verification exchanges, FINRA issued Rule 6490(d)(3) deficiency determinations; for ZAAG, on July 18, 2025, and for DNAX, on August 1, 2025. FINRA's failure to act on ZAAG's Corporate Actions for roughly sixteen months, and similar failure to act on DNAX's Corporate Actions for roughly [X] months, obstructed the business of both Companies to the detriment of all Shareholders involved.

FINRA refused to exercise its discretion within Rule 6490's framework, instead choosing to release (d)(3) letters grounded in nothing other than third-party enforcement history. In doing so, FINRA exceeded the scope of authority Congress envisioned for an SRO. FINRA's actions in this case are arbitrary and capricious under the Exchange Act. Further, these extended delays created market confusion, and deprived the Shareholders of meaningful Commission review.

I. The Shareholders' Standing to Seek Review

The Shareholders of ZA Group, Inc. (ZAAG) and DNA Brands, Inc. (DNAX) possess unquestionable standing to seek Commission review under Section 19(d)(1) of the Exchange Act. FINRA's protracted failure to timely process the Rule 6490 Company-Related Actions, culminating in baseless Rule 6490(d)(3) deficiency determinations, constitutes a constructive denial that has inflicted concrete and redressable harm upon these investors. Specifically, FINRA's actions have:

- Created and sustained market confusion and regulatory uncertainty. * Deprived shareholders of a timely, merits-based, and reviewable decision, effectively shielding FINRA's overreach from oversight. * Imposed substantial economic harm by freezing lawful capital restructurings and depressing share values.
- Raised profound constitutional and structural concerns by subjecting investors to an indefinite and non-substantive administrative process.

Commission oversight is required to correct FINRA's arbitrary misuse of authority, protect investor interests, and ensure SRO conduct remains consistent with the Exchange Act's mandate to maintain fair and efficient markets.

II. Request for relief

The Shareholders respectfully and urgently request that the Commission intervene to resolve this unprecedented abuse of delegated authority. The Commission must find that FINRA's prolonged, multi-month delay and subsequent reliance on Rule 6490(d)(3)—based solely on a third-party's historical enforcement record rather than any issuer-level defect—constitutes an arbitrary, capricious, and constructive denial of the Corporate Actions, in direct contravention of Rule 6490's narrow, ministerial verification function. To provide immediate relief and remedy the due process violations endured here, the Shareholders request that the Commission either order FINRA to promptly vacate the deficiency determinations and issue a final, reviewable decision within 30 days, or, alternatively, reverse the denial and grant the Corporate Actions as legally effective under state law. Finally, to prevent FINRA from perpetually shielding its regulatory overreach from meaningful governmental supervision, the Commission must examine the structural and constitutional implications of this delay under the private nondelegation doctrine and impose clear, mandatory processing timelines and a "deemed

processed" backstop for Rule 6490 to protect all future investors from suffering such unreasonable and protracted harm.

III. Conclusion

The record is unambiguous: in both the ZAAG and DNAX issues, FINRA's aggressive slow-walking of ministerial Rule 6490 notifications has created a troubling pattern of unreasonable delay and constructive denial, impacting both Companies for a considerable period. FINRA's prolonged inaction and subsequent deficiency determinations—based solely on a creditor's settled, historical enforcement history rather than any issuer-level defect—have inflicted tangible and ongoing harm on public shareholders by:

- Nullifying state corporate law and creating debilitating market confusion.
- Depressing share values and thwarting time-sensitive business initiatives.
- Raising significant due process and constitutional concerns regarding the proper delegation of regulatory authority to a private entity.

The Commission must act decisively to correct this systemic overreach, ensuring that FINRA fulfills its ministerial duties under Rule 6490 in a timely manner and remains subject to the appropriate governmental oversight mandated by the Exchange Act.

The Shareholders hereby request Oral Argument. The applicants may be served through their attorney, whose address is below.

Dated: December 12, 2025

/s/ Nicolas Morgan
Nicolas Morgan
INVESTOR CHOICE ADVOCATES
NETWORK
453 South Spring Street
Suite 400
Los Angeles, CA 90013
Attorney for ZA Group, Inc. and DNA
Brands, Inc. Shareholders