

**BEFORE THE SECURITIES COMMISSIONER
OF THE STATE OF KANSAS**

In the matter of:)
)
)
Gary D. Carty,)
StreamTraX Visual Communication Technologies Inc.,)
and GreaTraX, LLC.)
)
Respondents.)
_____)

Docket No. 10 E 022
KSC No. 2007-5274

A proceeding pursuant to K.S.A. 17-12a604(a)

**NOTICE OF INTENT TO INVOKE ADMINISTRATIVE SANCTIONS AND
STIPULATION FOR CONSENT ORDER**

This proceeding follows an investigation conducted by the Office of the Securities Commissioner of Kansas. As a result of this investigation, beginning on or about March 12, 2007, the following occurred:

Allegations of Fact

1. Respondent StreamTraX Visual Communication Technologies, Inc. (StreamTraX), formerly GreaTraX, LLC (GreaTrax), is a corporation with a last known business address of 1720 Lark Lane, Wichita, Kansas 67212.
2. Respondent, Gary D. Carty is the founder and president of Respondent StreamTrax, with a last known residential address of [REDACTED].
3. From May 2003 until July 2005, Respondent Carty offered and sold membership interests in GreaTraX to raise capital to develop and market computer data compression technology that included digital rights management and video communications.
4. During this time period, Respondents offered and sold membership interests to many investors while maintaining the business in Wichita, Kansas.

5. The GreaTraX membership interests were later converted to stock at a ratio of one-to-one after the May 23, 2005 incorporation of StreamTraX. A total of 147 investors invested with the defendant at least \$2.2 million.
6. Special Investigator David Kennedy of the Office of the Securities Commissioner interviewed Respondent Carty several times. Carty verbally confirmed to Investigator Kennedy these sales of securities to all the investors and provided copies of business records to verify investor holdings in both GreaTraX and StreamTraX.
7. Investigation by the Office of the Kansas Securities Commissioner discovered that Respondent did not register the GreaTraX securities offering with the Commissioner.

Allegations of Law

8. K.S.A. 17-1252(j) provides that membership interests of a limited liability company are securities for purposes of the Kansas Securities act.
9. K.S.A. 17-1255 requires that any securities being offered or sold in this state be registered with the Office of the Kansas Securities Commissioner.

IT IS, THEREFORE, STIPULATED AND AGREED by and between Respondents Gary D. Carty, StreamTraX, and GreaTraX and the staff of the Office of the Kansas Securities Commissioner that:

1. The attached Consent Order may be issued by the Securities Commissioner of Kansas without further proceedings;
2. The attached Consent Order shall constitute neither an admission nor a denial that the allegations serving as a basis for the Consent Order are true;

3. Respondents Gary D. Carty, StreamTraX, and GreaTraX waive their right to any hearing prior to the issuance of the attached Consent Order on the basis of the allegations herein contained;
4. Respondents Gary D. Carty, StreamTraX, and GreaTraX agree to cease and desist from violations of the Kansas Uniform Securities Act;
5. Respondents Gary D. Carty, StreamTraX, and GreaTraX agree to pay restitution in the amount determined in *State v. Gary D. Carty*, Sedgwick County Case No. 09 CR 604. Any monies paid in by Respondents and credited to Sedgwick County, Kansas, criminal case 09 CR 604, shall be credited to Respondents in this matter and satisfy their obligation to pay such restitution hereunder. Those investors listed in the Order of Restitution in the criminal case shall constitute the individuals due restitution in this matter. See Attachment 1;
6. Respondents Gary D. Carty, StreamTraX, and GreaTraX are barred from association with any broker-dealer or investment adviser registered in this state; and
7. The Office of the Kansas Securities Commissioner shall take no further action regarding the violations alleged herein unless new information of a material nature that was not known and could not reasonably have been known at the time of execution of this Stipulation is discovered.

Approved:

/s/ Gary D. Carty
Gary D. Carty
On behalf of Respondents StreamTraX, and GreaTraX and
as an individual

May 21, 2010
Date

This instrument was signed before me on this ____ day of _____, 2010, by Gary D. Carty on behalf of Respondents StreamTraX, and GreaTraX and as an individual.

(seal)

/s/ Suzette R. Adamson
Notary Public

My appointment expires: September 21, 2010

Office of the Securities Commissioner of Kansas:

/s/ Scott M. Schultz
Scott M. Schultz #16629
Associate General Counsel

May 21, 2010
Date