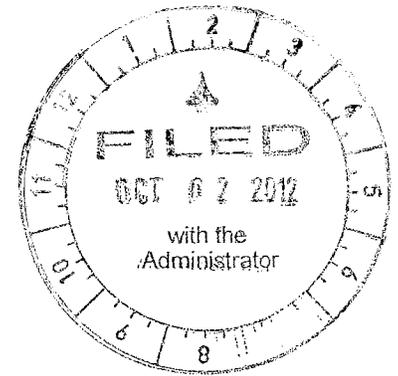


STATE OF OKLAHOMA  
DEPARTMENT OF SECURITIES  
THE FIRST NATIONAL CENTER  
120 NORTH ROBINSON, SUITE 860  
OKLAHOMA CITY, OKLAHOMA 73102



In the Matter of: Geary Securities, Inc., fka Capital West Securities, Inc.;  
Keith D. Geary; Norman Frager; and CEMP, LLC,

Respondents.

ODS File No. 09-141

**MOTION FOR BRIEFING AND ORAL ARGUMENT ON PENALTY PHASE**

COMES NOW the Respondent, Norman Frager (“Frager”), and respectfully submits the instant Motion for Briefing and Oral Argument on Penalty Phase (the “Motion”). In support hereof, Frager shows as follows:

1. On November 1, 2011, the Oklahoma Department of Securities (the “Department”) filed a Motion for Summary Decision against Frager. In this Motion for Summary Decision, the Department sought determinations that Frager had violated Rule 660:11-5-17 of the Rules of the Oklahoma Department of Securities (the “Oklahoma Rules”) by allowing Geary Securities, Inc. (“Geary Securities”) to fall below its net capital requirement pursuant to Rule 15c3-1 of the Rules of the Securities Exchange Commission (“SEC Rules). Specifically, the Department argued that Geary Securities fell below this net capital requirement in May 2009 and February 2010.

2. This Motion for Summary Decision was denied by the Hearing Officer by Order dated May 16, 2012.

3. On May 31, 2012, the Department filed its Motion for Reconsideration on Motion for Summary Decision (the “Motion for Reconsideration”). This Motion for Reconsideration sought reconsideration of the Hearing Officer’s ruling on the Motion for Summary Decision only insofar as it related to net capital violations occurring in February 2010.

4. Subsequently, on July 31, 2012, Frager filed his combined response to the Motion for Reconsideration and his own Cross-Motion for Summary Decision whereby he asked for a ruling in his favor on the claims for February 2010 net capital violations. Specifically, Frager showed that during February 2010, Geary Securities was subject to a \$100,000 net capital requirement instead of the \$250,000 net capital requirement argued by the Department. Furthermore, Frager showed that, during February 2010, Geary Securities net capital never fell below this \$100,000 level.

5. On Monday, September 17, 2012, the Hearing Officer entered an order granting the Department's Motion for Reconsideration and denying Frager's Cross-Motion for Summary Decision (the "Order").

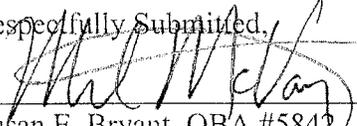
6. The Order did not set a penalty for the purported violation of Geary Securities' net capital requirements in February 2010.

7. Frager is unsure if the Hearing Officer intends to assess any penalty at this time or if he intends to wait until after the remaining claims at issue are disposed of at the final hearing.

8. In any event, Frager respectfully requests an opportunity to submit a brief and present oral argument as to what appropriate penalty, if any, may be imposed.

WHEREFORE, Frager prays that the Hearing Officer set a briefing schedule and allow oral argument regarding any potential penalty to be imposed against Frager for net capital violations by Geary Securities during February 2010.

Respectfully Submitted,

  
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*Attorneys for Respondent Norman Frager*

CERTIFICATE OF SERVICE

I hereby certify that on October <sup>2<sup>nd</sup></sup> ~~8~~, 2012, a copy of the foregoing document was served on the following via electronic mail:

***Hearing Officer:***

Mr. Bruce R. Kohl  
201 Camino del Norte  
Santa Fe, NM 87501  
e-mail: [bruce.koh109@gmail.com](mailto:bruce.koh109@gmail.com)

***Oklahoma Department of Securities***

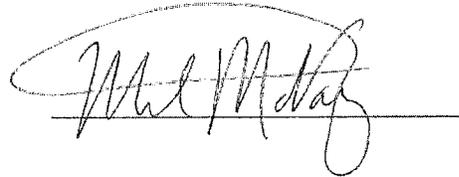
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A handwritten signature in black ink, appearing to read "Mel McGary", is written over a horizontal line.