

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



In the Matter of:

Gregory Carl Gunn (CRD No. 1225789),

Respondent.

ODS File No. 10-027

NOTICE OF SERVICE ON THE ADMINISTRATOR
AND
AFFIDAVIT OF COMPLIANCE

STATE OF OKLAHOMA)
) ss.
COUNTY OF OKLAHOMA)

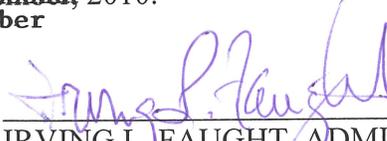
The undersigned affiant, of lawful age, being first duly sworn upon oath deposes and states:

1. That he is the Administrator of the Oklahoma Department of Securities (“Administrator”).
2. That a copy of the *Notice of Opportunity for Hearing* (“Notice”) with *Enforcement Division Recommendation* (“Recommendation”) attached was delivered to Affiant in the office of the Administrator pursuant to Section 1-611 of the Oklahoma Uniform Securities Act (“Act”), Okla. Stat. tit. 71, §§ 1-101 through 1-701 (Supp. 2009).
3. That the Administrator has received service of process on behalf of Respondent, pursuant to Section 1-611 of the Act.
4. That a copy of the *Notice*, with the *Recommendation* attached, and a copy of this *Notice of Service on the Administrator and Affidavit of Compliance* are being sent this 4th day of October, 2010, by certified mail, return receipt requested, delivery restricted to addressee, to the last known address of Respondent, in compliance with Section 1-611 of the Act.
5. That this Affidavit of Compliance is declared filed of record as of the date set forth below in compliance with Section 1-611 of the Act.

FURTHER AFFIANT SAYETH NOT.

Dated this 4th day of ~~September~~
October, 2010.

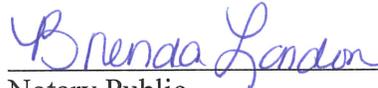
(SEAL)



IRVING L. FAUGHT, ADMINISTRATOR OF THE
OKLAHOMA DEPARTMENT OF SECURITIES

Subscribed and sworn to before me this 4th day of ~~September~~
October, 2010.

(SEAL)



Notary Public

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



In the Matter of:

Gregory Carl Gunn (CRD No. 1225789),

Respondent.

ODS File No. 10-027

NOTICE OF OPPORTUNITY FOR HEARING

1. Pursuant to Section 1-602 of the Oklahoma Uniform Securities Act of 2004 (“Act”), Okla. Stat. tit. 71, §§ 1-101 through 1-701 (Supp. 2009), the Enforcement Division of the Oklahoma Department of Securities (“Department”) conducted an investigation into the activities of Gregory Carl Gunn (“Respondent”), in connection with the offer and/or sale of securities in and/or from Oklahoma.

2. On the 27th day of September, 2010, the attached Enforcement Division Recommendation (“Recommendation”) was left in the office of the Administrator of the Oklahoma Department of Securities (“Administrator”).

3. Pursuant to 660:2-9-1 of the Rules of the Oklahoma Securities Commission and the Administrator of the Department of Securities (as amended July 1, 2007) (“Rules”) and Section 1-411 of the Act, the Administrator hereby gives notice to Respondent of his obligation to file an answer and his right to request a hearing to show why an order based on the Recommendation should not be issued.

4. The answer must be in writing and received by the Administrator within fifteen (15) days after service of this Notice. As required by 660:2-9-2 of the Rules, the answer shall indicate whether Respondent requests a hearing and shall specifically admit or deny each allegation contained in the Recommendation or state that Respondent does not have, and is unable to obtain, sufficient information to admit or deny each allegation.

5. Failure to file an answer in compliance with 660:2-9-2 of the Rules, to include a request for a hearing as provided for herein, shall result in the issuance of an order barring Respondent from future registration under the Act in any capacity, barring Respondent from association with a broker-dealer or investment adviser in any capacity, and/or imposing such other sanctions as appropriate and authorized by law, pursuant to Section 1-411 of the Act and 660:2-9-2 of the Rules.

6. Upon receipt of a written request, pursuant to 660:2-9-2 of the Rules, a hearing on the Recommendation shall be promptly scheduled or a written order denying hearing shall be issued.

7. Notice of the date, time and location of the hearing shall be given to Respondent not less than forty-five (45) days in advance thereof, pursuant to 660:2-9-2 of the Rules.

Witness my Hand and the Official Seal of the Oklahoma Department of Securities this 4th day of ~~September~~
October, 2010.

(SEAL)



IRVING L. FAUGHT, ADMINISTRATOR OF THE
OKLAHOMA DEPARTMENT OF SECURITIES

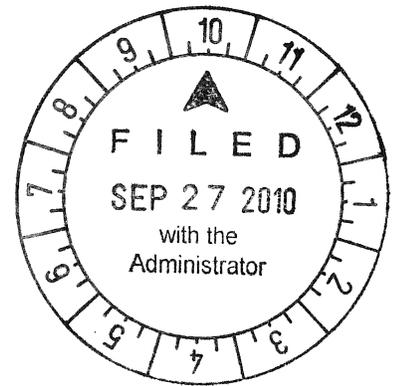
CERTIFICATE OF MAILING

The undersigned hereby certifies that on the 4th day of October, 2010, a true and correct copy of the above and foregoing *Notice of Opportunity for Hearing* and the *Enforcement Division Recommendation* were mailed by certified mail, return receipt requested, delivery restricted, with postage prepaid thereon, addressed to:

Gregory Carl Gunn
6703 Acorn Dr.
Oklahoma City, OK 73151

Brenda London
Brenda London, Paralegal

STATE OF OKLAHOMA
DEPARTMENT OF SECURITIES
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OKLAHOMA CITY, OKLAHOMA 73102



In the Matter of:

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Respondent.

ODS File No. 10-027

ENFORCEMENT DIVISION RECOMMENDATION

Pursuant to Section 1-602 of the Oklahoma Uniform Securities Act of 2004 (“Act”), Okla. Stat. tit. 71, §§ 1-101 through 1-701 (Supp. 2009), the Enforcement Division of the Oklahoma Department of Securities (“Department”) conducted an investigation into the activities of Gregory Carl Gunn (“Respondent”), in connection with the offer and/or sale of securities in and/or from Oklahoma. Based thereon, the Enforcement Division submits the following Findings of Fact, Authorities, and Conclusions of Law to the Administrator of the Department (“Administrator”) in support of sanctions against Respondent.

Findings of Fact

1. Respondent was registered as a broker-dealer agent and investment adviser representative under the Act until he was permitted to resign in September 2010. Respondent had been registered with PFS Investments Inc. since July 1999.
2. On June 17, 2008, a civil complaint was filed by the Securities and Exchange Commission (SEC) against Respondent and other defendants. The complaint alleged that Respondent violated Section 10(b) of the Securities Exchange Act of 1934 (Exchange Act) and Rule 10b-5 promulgated thereunder by engaging in insider trading in the securities of Aviall, Inc.
3. After trial on the allegations, a jury returned a verdict finding that Respondent violated Section 10(b) of the Exchange Act and Rule 10b-5.
4. On September 8, 2010, a *Final Judgment Against Gregory Carl Gunn* was entered by the court. The order finds that, “Respondent be permanently restrained and enjoined from violating, directly or indirectly, Section 10(b) of the Exchange Act and Rule 10b-5 promulgated thereunder, by using any means of instrumentality of interstate commerce, or of the mails, or of any facility of any national securities exchange, in connection with the purchase or sale of any security[.]”
5. Respondent Gunn was further ordered to pay disgorgement and a civil penalty.

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

Authorities

1. Section 1-102 of the Act provides in pertinent part:

2. "Agent" means an individual, other than a broker-dealer, who represents a broker-dealer in effecting or attempting to effect purchases or sales of securities or represents an issuer in effecting or attempting to effect purchases or sales of the issuer's securities. A partner, officer, or director of a broker-dealer or issuer, or an individual having a similar status or performing similar functions is an agent only if the individual otherwise comes within the term. The term does not include an individual excluded by rule adopted or order issued under this act.

2. Section 1-411 of the Act provides in pertinent part:

B. If the Administrator finds that the order issued is in the public interest and subsection D of this section authorizes the action an order issued under this act may revoke, suspend, condition, or limit the registration of a registrant and if the registrant is a broker-dealer or investment adviser, any partner, officer, or director, any person having a similar status or performing similar functions, or any person directly or indirectly controlling the broker-dealer or investment adviser.

* * *

C. If the Administrator finds that the order is in the public interest and paragraphs 1 through 6, 8, 9, 10, 12 or 13 of subsection D of this section authorizes the action, an order under this act may censure, impose a bar, impose a civil penalty in an amount not to exceed a maximum of Five Thousand Dollars (\$5,000.00) for a single violation or Two Hundred Fifty Thousand Dollars (\$250,000.00) for multiple violations on a registrant, and/or recover the costs of the investigation from a registrant and if the registrant is a broker-dealer or investment adviser, from any partner, officer, or director, any person having a similar function or any person directly or indirectly controlling the broker-dealer or investment adviser.

D. A person may be disciplined under subsections A through C of this section if the person:

* * *

4. Is enjoined or restrained by a court of competent jurisdiction in an action instituted by the Administrator under this act or a

predecessor act, a state, the Securities and Exchange Commission, or the United States from engaging in or continuing an act, practice, or course of business involving an aspect of a business involving securities, commodities, investments, franchises, insurance, banking, or finance[.]

Conclusions of Law

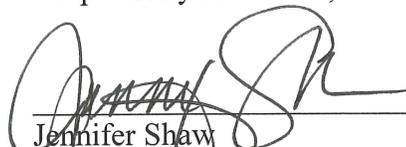
1. Respondent, in an action brought by the SEC, was enjoined and restrained from violating provisions of the Exchange Act and Rule 10b-5.
2. The Administrator is authorized to bar Respondent, pursuant to Section 1-411 of the Act.
3. It is in the public interest for the Administrator to bar Respondent from future registration under the Act in any capacity, and to bar Respondent from association with a broker-dealer and/or investment adviser in any capacity.

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

WHEREFORE, it is recommended that the Administrator issue an order barring Respondent from future registration under the Act in any capacity, barring Respondent from association with a broker-dealer or investment adviser in any capacity, and/or imposing such other sanctions as appropriate and authorized by law.

Dated this 27th day of September, 2010.

Respectfully submitted,



Jennifer Shaw
Enforcement Attorney
Oklahoma Department of Securities
120 North Robinson, Suite 860
Oklahoma City, OK 73102
Telephone: (405) 280-7700
Facsimile: (405) 280-7742