

**UNITED STATES OF AMERICA**  
**Before the**  
**SECURITIES AND EXCHANGE COMMISSION**

**SECURITIES EXCHANGE ACT OF 1934**  
**Release No. 63114 / October 15, 2010**

**ADMINISTRATIVE PROCEEDING**  
**File No. 3-14089**

**In the Matter of**

**GREGORY C. GUNN,**

**Respondent.**

**ORDER INSTITUTING**  
**ADMINISTRATIVE PROCEEDINGS**  
**PURSUANT TO SECTION 15(b) OF THE**  
**SECURITIES EXCHANGE ACT OF 1934,**  
**MAKING FINDINGS, AND IMPOSING**  
**REMEDIAL SANCTIONS**

**I.**

The Securities and Exchange Commission (“Commission”) deems it appropriate and in the public interest that public administrative proceedings be, and hereby are, instituted pursuant to Section 15(b) of the Securities Exchange Act of 1934 (“Exchange Act”) against Gregory C. Gunn (“Gunn” or “Respondent”).

**II.**

In anticipation of the institution of these proceedings, Respondent has submitted an Offer of Settlement (the “Offer”) which the Commission has determined to accept. Solely for the purpose of these proceedings and any other proceedings brought by or on behalf of the Commission, or to which the Commission is a party, and without admitting or denying the findings herein, except as to the Commission’s jurisdiction over him and the subject matter of these proceedings, and the findings contained in Section III.1 through III.3 below, which are admitted, Respondent consents to the entry of this Order Instituting Administrative Proceedings Pursuant to Section 15(b) of the Securities Exchange Act of 1934, Making Findings, and Imposing Remedial Sanctions (“Order”), as set forth below.

### III.

On the basis of this Order and Respondent's Offer, the Commission finds that:

1. Gunn, age 50, was a registered representative with Primerica Financial Services Investments, a division of CitiGroup, from October 1983 until September 2010. Gunn holds the following FINRA licenses: Investment Company Products/Variable Contracts Limited Representative (Series 6), Investment Company Products/Variable Contracts Limited Principal (Series 26), and Uniform Securities Agent State Law (Series 63).

2. On September 8, 2010, following a jury verdict finding Gunn liable for violating the federal securities laws, a final judgment was entered against Gunn, permanently enjoining him from future violations of Section 10(b) of the Exchange Act and Rule 10b-5 thereunder, in the civil action entitled Securities and Exchange Commission v. Gregory Carl Gunn, Civil Action Number 3:08-CV-1013-G, in the United States District Court for the Northern District of Texas, Dallas Division. The Court further ordered Gunn to pay disgorgement in the amount of \$108,587.87, plus prejudgment interest thereon in the amount of \$31,195.10, and a civil penalty in the amount of \$50,000.

3. The Commission's complaint alleged that Gunn, while in possession of material, non-public information engaged in illegal insider trading in the securities of Aviall, Inc. ("Aviall"). The complaint further alleged that a warehouse employee acquired material, non-public information about the acquisition of Aviall by the Boeing Corporation ("Boeing") and tipped Gunn's brother with the information, who subsequently tipped the information to Gunn. While in possession of this information, Gunn liquidated his entire portfolio of "blue chip" securities and used the proceeds to purchase \$110,487.16 of Aviall securities, consisting of \$75,512.97 of Aviall common stock and \$34,974.19 of Aviall call options, between April 17, 2006, and April 28, 2006. On May 1, 2006, Boeing publicly announced the impending acquisition of Aviall and on the same day Gunn liquidated all of his Aviall holdings and realized profits of \$108,587.87.

### IV.

In view of the foregoing, the Commission deems it appropriate and in the public interest to impose the sanctions agreed to in Respondent Gunn's Offer.

Accordingly, it is hereby ORDERED:

Pursuant to Section 15(b)(6) of the Exchange Act that Respondent Gunn be, and hereby is barred from association with any broker or dealer;

Any reapplication for association by the Respondent will be subject to the applicable laws and regulations governing the reentry process, and reentry may be conditioned upon a number of factors, including, but not limited to, the satisfaction of any or all of the following: (a) any disgorgement ordered against the Respondent, whether or not the Commission has fully or partially waived payment of such disgorgement; (b) any arbitration award related to the conduct that served

as the basis for the Commission order; (c) any self-regulatory organization arbitration award to a customer, whether or not related to the conduct that served as the basis for the Commission order; and (d) any restitution order by a self-regulatory organization, whether or not related to the conduct that served as the basis for the Commission order.

For the Commission, by its Secretary, pursuant to delegated authority.

Elizabeth M. Murphy  
Secretary

Service List

Rule 141 of the Commission's Rules of Practice provides that the Secretary, or another duly authorized officer of the Commission, shall serve a copy of the Order Instituting Administrative Proceedings Pursuant to Section 15(b) of the Securities Exchange Act of 1934, Making Findings, and Imposing Remedial Sanctions ("Order") on the Respondent and his legal agent.

The attached Order has been sent to the following parties and other persons entitled to notice:

Honorable Brenda P. Murray  
Chief Administrative Law Judge  
Securities and Exchange Commission  
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