

IN THE DISTRICT COURT OF OKLAHOMA COUNTY
STATE OF OKLAHOMA

FILED IN DISTRICT COURT
OKLAHOMA COUNTY

Oklahoma Department of Securities)
ex rel. Irving L. Faught,)
Administrator,)
)
Plaintiff,)
)
v.)
)
Larry Robert McDaniel,)
)
Defendant.)

DEC 22 2016

RICK WARREN
COURT CLERK

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Case No. CJ-2015-6867
Judge Barbara Swinton

**MOTION FOR SANCTIONS
AND BRIEF IN SUPPORT**

Plaintiff, Oklahoma Department of Securities *ex rel.* Irving L. Faught, Administrator, hereby moves this Court for an order imposing sanctions upon Defendant pursuant to 12 O.S. § 3237(E)(2), for the failure of Defendant to produce and/or permit the inspection and copying of documents as ordered by the Court on December 2, 2016. In support of the motion, Plaintiff submits the following.

In its Petition filed in this matter, Plaintiff alleges that Defendant violated the registration and anti-fraud provisions of the Oklahoma Uniform Securities Act of 2004, Okla. Stat. tit. 71, §§ 1-101 through 1-701 (2011), through a prolonged scheme of selling individual investors, he befriended in church, interests in non-existent oil and gas leases. Defendant was properly served with summons and a copy of the Petition on December 21, 2015. He filed his answer on February 22, 2016.

On September 16, 2016, Plaintiff served its *First Request for Production of Documents (Request for Production)* on Defendant. No response was received. On October 18, 2016, Plaintiff filed its *Motion to Compel* the production of all documents sought in the request. On

December 2, 2016, the Motion was granted and the Court ordered Defendant to comply with the Request for Production on or before December 12, 2016. No response has been received.

12 O.S. § 3237(E)(3) provides that when a party fails to serve a written response to a request for inspection the Court may make such orders as are just including those authorized under § 3237(B)(2)(b) and (c). Those provisions provide, respectively, that such orders may include:

(b) an order refusing to allow the disobedient party to support or oppose designated claims or defenses, or prohibiting him from introducing designated matters in evidence, [and]

(c) an order striking out pleadings or parts thereof [.]

Under the circumstances, Plaintiff submits that the appropriate and just sanction is to preclude Defendant from introducing any documentary evidence supporting or tending to support any defense or counterclaim asserted or filed in this action.

Respectfully,



Shaun M. Mullins (OBA #16869)
Gerri Kavanaugh (OBA # 16732)
Oklahoma Department of Securities
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(405) 280-7700
Attorneys for Plaintiff

NOTICE OF HEARING

THIS MATTER IS SET FOR HEARING ON THE 17th DAY OF
February, ²⁰¹⁷~~2016~~ AT 11:00 A.M. BEFORE THE
HONORABLE JUDGE Swinton.

CERTIFICATE OF SERVICE

I hereby certify that on the 22nd day of December 2016, a true and correct copy of the
above and foregoing instrument, was mailed to:

Larry Robert McDaniel
1315 Sooner Road
Oklahoma City, OK 73110

Larry Robert McDaniel
9940 Lookout Pointe
Edmond, OK 73034

Shirley Hull