

**STATE OF ALABAMA
ALABAMA SECURITIES COMMISSION**

IN THE MATTER OF)	
)	
DAVID A. COSTELLO, JR)	ADMINISTRATIVE ORDER
)	
<u>RESPONDENT</u>)	NO. CD-2006-0026

CEASE AND DESIST

The Alabama Securities Commission ("Commission"), having the power to administer and provide for the enforcement of all provisions of Title 8, Chapter 6, Code of Alabama 1975, the Alabama Securities Act, upon due consideration of the subject matter hereof and having confirmed information of the offer for sale and/or sale of securities, into, within or from the state of Alabama, by RESPONDENT, without benefit of registration in the state of Alabama, has determined as follows:

RESPONDENT

1. DAVID A. COSTELLO, JR ("COSTELLO") Central Registration Depository (CRD) #2512678, is represented to be registered as an investment adviser representative in the State of Tennessee with PFM Advisors CRD#109780, with a business address of 3322 West End Avenue, Suite 406, Nashville, TN 37203 and a residential address of 182 Riverwood Drive, Franklin, TN 37069. Commission records reflect that Costello is not registered as a broker dealer or issuer agent in the State of Alabama.

STATEMENT OF FACTS

2. On January 4, 2006, BOULDIN CORPORATION (BOULDIN), a Tennessee issuer, submitted a notice filing pursuant to Rule 506 of Regulation D to the Alabama

Securities Commission in order to sell common and preferred shares and convertible securities debentures. On January 11, 2006, the Commission staff issued a deficiency letter to BOULDIN in which BOULDIN was requested to identify the Alabama registered broker/dealer.

3. On January 17, 2006, the Commission staff received a response from Ms. Jean M. Brock, General Counsel for BOULDIN, reflecting that no Alabama registered broker dealer was involved in the offering in the State of Alabama. The response reflected that BOULDIN engaged COSTELLO to assist BOULDIN in locating potential purchasers and that COSTELLO advised that he was not a registered broker dealer in the State of Alabama.

4. On January 23, 2006, a member of the Commission staff spoke to Ms. Brock via telephone regarding the response of January 17, 2006. Ms. Brock stated COSTELLO had transacted securities business in the State of Alabama and received commission. Ms. Brock was requested to provide to the Commission staff in writing detailed information about the purchasers i.e. name, address, trade date, number of shares, cost and commission received.

5. On January 27, 2006, the Commission staff received documentation from Ms. Brock that COSTELLO did not actively seek any investors in the State of Alabama but as a result of the recommendation from two of COSTELLO's clients in Tennessee who are relatives of the purchasers, COSTELLO was contacted by the purchasers resulting in the sale of shares by BOULDIN to two Alabama investors on November 15, 2004, September 27, 2005 and July 14, 2005. COSTELLO was paid a total of \$4,250 in commission.

6. On January 27, 2006, a review of Commission records reflected that COSTELLO was never registered as a broker dealer agent, restricted agent or investment advisor representative in the State of Alabama.

CONCLUSION OF LAW

7. Pursuant to Code of Alabama, 1975, Section 8-6-3(a) it is unlawful for any person to transact business in the State of Alabama as a dealer or agent for securities

unless properly registered. COSTELLO, without benefit of broker dealer agent or issuer agent registration, provided two Alabama residents information concerning a securities offering by BOULDIN which resulted in sells by BOULDIN to the Alabama investors.

This Order is appropriate in the public interest for the protection of investors and consistent with the purposes of the Alabama Securities Act.

Further, this Order does not prevent the Commission from seeking such other civil or criminal remedies that are available to it under the Alabama Securities Act.

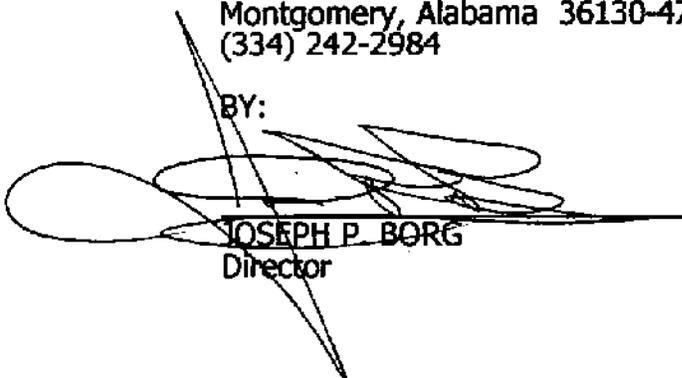
IT IS HEREBY ORDERED that RESPONDENT, DAVID A. COSTELLO, JR. CEASE AND DESIST from assisting in further offers or sales of any securities into, within or from the State of Alabama.

Entered at Montgomery, Alabama this the 13th day of June,
2006.



ALABAMA SECURITIES COMMISSION
770 Washington Street, Suite 570
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(334) 242-2984

BY:


JOSEPH P. BORG
Director