STATE OF ALABAMA
ALABAMA SECURITIES COMMISSION

IN THE MATTER OF

DIVINE CAPITAL MARKETS, LLC
STEVEN W. CHAREST

RESPONDENTS

ADMINISTRATIVE ORDER

NO. CD-2006-0029

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 RESPONDENTS, without benefit of registration in the state of Alabama, has determined as follows:

RESPONDENTS

1. DIVINE CAPITAL MARKETS, LLC ("DIVINE"), Central Registration Depository (CRD) #118212, is represented to be a New York domiciled broker dealer with a business address of 39 Broadway, 36th Floor, New York, NY 10006. Commission records reflect that DIVINE is not registered as a broker dealer in the State of Alabama.

2. STEVEN W. CHAREST ("CHAREST"), CRD #2297411, is represented to be a broker dealer agent of DIVINE, with a business address of 39 Broadway, 36th Floor, New York, NY 10006. Commission records reflect that CHAREST is not registered as a broker-dealer agent or issuer agent in the State of Alabama.
3. On January 10, 2006, DIVINE submitted an application electronically via the CRD for registration as a broker-dealer in the state of Alabama.

4. On January 17, 2006, the Commission staff issued a deficiency letter to DIVINE requesting a statement concerning prior securities activity in the state of Alabama. On January 17, 2006, the Commission staff issued visitation letters to the following clearing firms as noted on DIVINE's Form BD: Goldman Sachs Execution and Clearing, LP; Merrill Lynch, Pierce, Fenner & Smith, Inc.; Citigroup Global Markets, Inc.; UBS Securities, LLC; Dresdner Kleinwort Wasserstein Securities, LLC; Lehman Brothers, Inc.; and Sterne Agee Capital Markets, Inc.

5. The Commission staff received correspondence dated January 24, 2006, from DIVINE's clearing firm Goldman Sachs Execution and Clearing, LP reflecting no clearing agreement arrangement with DIVINE.

6. On January 26, 2006, the Commission staff received a response from DIVINE's clearing firm Sterne Agee Capital Markets, Inc. reflecting brokerage accounts for a Mobile, Alabama resident and a Birmingham, Alabama resident. Documentation reflected that no securities transactions were executed by Sterne Agee Capital Markets, Inc. for the Mobile resident; however, confirmations were provided reflecting that DIVINE, through broker-dealer agent CHAREST, executed nine (9) securities transactions for the Birmingham resident from March 25, 2004 through July 26, 2004.

7. On February 1, 2006, the Commission staff received a response from DIVINE's clearing firm Dresdner Kleinwort Wasserstein Securities, LLC reflecting that no securities transactions had been executed on behalf of DIVINE for Alabama Investors. On February 1, 2006, the Commission staff received a response from DIVINE's clearing firm Lehman Brothers, Inc. reflecting that Lehman does not provide clearing services for DIVINE.
8. On February 7, 2006, the Commission staff received a response from DIVINE in regards to the deficiency letter dated January 17, 2006. Documentation reflected that DIVINE through the clearing firm, Merrill Lynch, executed twelve (12) securities transactions from February 8, 2005 through September 27, 2005 on behalf of the Birmingham resident. CHAREST was reflected as the broker dealer agent of record.

9. On February 10, 2006, the Commission staff received a response from DIVINE's clearing firm UBS Securities, LLC reflecting no Alabama clients for DIVINE. On February 16, 2006, the Commission staff received a response from DIVINE's clearing firm Citigroup Global Markets, Inc. reflecting that no securities transactions had been executed on behalf of DIVINE for Alabama investors.

9. On April 25, 2006, the Commission staff resent Merrill Lynch, Pierce, Fenner & Smith, Inc. a copy of the Commission's January 17, 2006 visitation letter. On May 15, 2006, Merrill Lynch provided a response to the Commission staff reflecting that 18 securities transactions were executed on behalf of the Birmingham resident from February 9, 2005 through April 20, 2006, and one securities transaction was executed on behalf of the Mobile resident on March 21, 2005.

CONCLUSIONS OF LAW

10. Pursuant to Code of Alabama, 1975, Section 8-6-3(a) it is unlawful for any person to transact securities business in the State of Alabama as a dealer or agent for securities unless properly registered under this Article. CHAREST, through DIVINE effected securities transactions for two Alabama residents without benefit of agent registration in the State of Alabama.

11. Pursuant to Code of Alabama, 1975, Section 8-6-3(a) it is unlawful for any dealer or issuer to employ an agent unless the agent is registered under this article. DIVINE employed CHAREST, an unregistered agent that executed securities transactions on behalf of two Alabama residents without benefit of agent registration in the State of Alabama.
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 RESPONDENTS DIVINE CAPITAL MARKETS, LLC and STEVEN W. CHAREST immediately CEASE AND DESIST from further offers or sales of any securities into, within or from the State of Alabama.

Entered at Montgomery, Alabama this the __1st__ day of __June__, 2006.

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

BY:

JOSEPH P. BORG
Director