

DENISE VOIGT CRAWFORD
SECURITIES COMMISSIONER



JOHN R. MORGAN
DEPUTY SECURITIES COMMISSIONER

BETH ANN BLACKWOOD
CHAIR

BRYAN K. BROWN
MEMBER

EDWARD ESCUDERO
MEMBER

DERRICK MITCHELL
MEMBER

E. WALLY KINNEY
MEMBER

Mail: P.O. BOX 13167
AUSTIN, TEXAS 78711-3167

Phone: (512) 305-8300
Facsimile: (512) 305-8310

Texas State Securities Board

208 E. 101h Street, 5th Floor
Austin, Texas 78701-2407
www.ssb.state.tx.us

SOAH DOCKET NO. 312-08-3532
SSB DOCKET NO. 08-IC03

IN THE MATTER OF
THE DEALER REGISTRATION OF
COSTA FINANCIAL SECURITIES, INC.

§
§
§

Order No. IC08-REV-10

TO: Andrew Costa, President
Costa Financial Securities, Inc. (CRD No. 45039)
6751 N. Federal Highway, Suite 100
Boca Raton, FL 33487

DEFAULT ORDER

Be it remembered that this is your OFFICIAL NOTICE of the issuance by the Securities Commissioner of the State of Texas ("Securities Commissioner") of a DEFAULT ORDER pursuant to Section 14 of The Securities Act, TEX. REV. CIV. STAT. ANN. art. 581-1 et seq. (Vernon 1964 & Supp. 2007) ("Texas Securities Act") and §105.8(a)(1) of the Rules and Regulations of the Texas State Securities Board, 7 Tex. Admin. Code Chapter 101 et seq. ("Board Rules").

The staff of the Inspections and Compliance Division of the Texas State Securities Board (the "Staff") has presented evidence sufficient for the Securities Commissioner to find that:

FINDINGS OF FACT

1. On June 27, 2008, a Notice of Hearing, SOAH DOCKET NO. 312-08-3532, SSB DOCKET NO. 08-IC03, (the "Notice") was mailed by certified mail to Costa Financial Securities, Inc. ("Respondent"), at its last known address, as filed with the Securities Commissioner.
2. The Staff requested the revocation of Respondent's dealer registration with the Securities Commissioner, setting forth the following matters in the Notice:
 - (a) Respondent is a Florida corporation whose last known business address, as filed with the Securities Commissioner, is 6751 N. Federal Highway, Suite 100, Boca Raton, FL 33487.

- (b) On or about April 19, 2007, Respondent registered with the Securities Commissioner as a securities dealer, which is currently effective.
 - (c) On or about February 21, 2008, pursuant to a Letter of Acceptance, Waiver and Consent, Respondent was expelled from membership with FINRA, a self-regulatory organization, for violation of NASD Rule 8210 and 2110 after refusing to provide requested information and documents related to an Enforcement investigation into the role of Respondent with respect to private placement offerings.
 - (d) Pursuant to Section 14.A(9)(b) of the Texas Securities Act, the Securities Commissioner may revoke a registration issued under the Act if the registrant is subject to an expulsion from membership in or association with a member of a self-regulatory organization.
5. Pursuant to § 105.8(a)(1) of the Board Rules, the Securities Commissioner may make an informal disposition of a contested case by default by issuing an order in which the relief requested in the notice of hearing is granted and the matters set forth in the notice are deemed admitted as true upon proof that the notice was mailed to Respondent by certified mail, to the Respondent's last known address as shown by records of the Agency, and that the Respondent failed to file a written response as provided in § 105.7 of the Board Rules.
 6. Respondent failed to file a written response as provided in § 105.7 of the Board Rules, after which time the Staff filed a motion to dismiss the contested case from the SOAH Docket pursuant to § 155.55(e) of the Rules of Practice and Procedures of SOAH, 1 Tex. Admin. Code Chapter 155 and § 105.8(a)(1) of the Board Rules.
 7. On or about July 28, 2008, Administrative Law Judge Gary W. Elkins, issued Order No. 1, Granting Dismissal and Canceling Hearing, SOAH Docket No. 312-08-3532, *In the Matter of the Dealer Registration of Costa Financial Securities, Inc.*, after Respondent failed to file a written response as provided in § 105.7 of the Board Rules. After finding that the Notice was proper and timely served on Respondent, His Honor granted the Staffs motion to dismiss.

CONCLUSIONS OF LAW

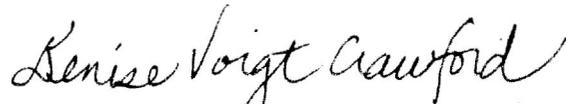
1. Pursuant to § 105.8(a)(1) of the Board Rules, the following matters set forth in the Notice are deemed admitted as true:
 - (a) Respondent is a Florida corporation whose last known business address, as filed with the Securities Commissioner, is 6751 N. Federal Highway, Suite 100, Boca Raton, FL 33487.
 - (b) On or about April 19, 2007, Respondent registered with the Securities Commissioner as a securities dealer, which is currently effective.

- (c) On or about February 21, 2008, pursuant to a Letter of Acceptance, Waiver and Consent, Respondent was expelled from membership with FINRA, a self-regulatory organization, for violation of NASD Rule 8210 and 2110 after refusing to provide requested information and documents related to an Enforcement investigation into the role of Respondent with respect to private placement offerings.
- (d) Pursuant to Section 14.A(9)(b) of the Texas Securities Act, the Securities Commissioner may revoke a registration issued under the Act if the registrant is subject to an expulsion from membership in or association with a member of a self-regulatory organization.
2. Pursuant to § 105.8(a)(1) of the Board Rules and Section 14 of the Texas Securities Act, the relief requested in the Notice is granted.

ORDER

It is therefore ORDERED that the dealer registration of Costa Financial Securities, Inc. is hereby REVOKED.

SIGNED AND ENTERED BY THE SECURITIES COMMISSIONER this 14th
day of August, 2008.


DENISE VOIGT CRAWFORD
Securities Commissioner