

STATE OF ALABAMA  
ALABAMA SECURITIES COMMISSION

IN THE MATTER OF: )  
 )  
PDI REAL ESTATE )  
WILLIAM D. PAUL ) ADMINISTRATIVE ORDER  
 ) NO. CD- 2004-0001  
RESPONDENTS )

CEASE AND DESIST ORDER

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 ("Act"), upon due consideration of the subject matter hereof, and having confirmed information of the offers for sale and/or sale of securities, into, within or from the state of Alabama, has determined as follows:

RESPONDENTS

1. PDI REAL ESTATE ("PDI") is an Alabama Corporation registered with the Alabama Secretary of State Office with a business address of 500 Arba Street, Montgomery, Alabama 36104.
2. WILLIAM D PAUL ("PAUL") is President of PDI with a business address of 500 Arba Street, Montgomery, Alabama 36104.

STATEMENT OF FACTS

3. The Alabama Securities Commission is in receipt of information disclosing that PDI sold an investment described as a "State" Ownership for \$10,000.00 to an Alabama resident. PDI offering documents further describe the investment opportunity as a "Silent Partner" venture. To be a PDI "State Owner" one was considered to be a "Passive" investor whom relied upon the managerial efforts of PDI to realize the represented 5% return on their \$10,000.00 investment.
4. The investor entered into an investment contract entitled a "Real Estate Owner Contractual Agreement" as referenced in paragraph 3 above. The contract promised to pay 5% of all dividends derived from the real estate transactions.

5. A review of the files of the Alabama Securities Commission revealed no record of registration, nor exemption from registration of the securities in question.

6. A review of the files of the Alabama Securities Commission disclosed no record of the registration of PDI or PAUL as a securities Dealer or Agent in the state of Alabama.

CONCLUSIONS OF LAW

7. The sale of securities by an unregistered Dealer or Agent in the state of Alabama is a violation of Section 8-6-3(a), Code of Alabama 1975.

8. The sale of unregistered securities by an Agent or Dealer in the state of Alabama is a violation of section 8-6-4, Code of Alabama 1975.

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

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

**ACCORDINGLY, IT IS HEREBY ORDERED** that RESPONDENTS immediately **CEASE AND DESIST** from further offers or sales of any security into, within or from the state of Alabama.

Entered at Montgomery, Alabama, this 7<sup>th</sup> day of January, 2004.



ALABAMA SECURITIES COMMISSION  
770 Washington Avenue, Suite 570  
Montgomery, AL 36130-4700  
(334) 242-2984

By

  
JOSEPH P. BORG

Director