

NASD REGULATION, INC. - AWARD

In the Matter of the Arbitration Between

Name of Claimant

Worldco, LLC

Case No.
96-05066

Name of Respondent

Hayim Ashen Regensberg

REPRESENTATION

Claimant Worldco, LLC ("Claimant") was represented by Thomas McCabe, Esq. of the Law Offices of Thomas J. McCabe, New York, NY.

Hayim Ashen Regensberg ("Respondent") did not appear.

CASE INFORMATION

Claimant's Statement of Claim was filed on November 13, 1996.

Claimant's Uniform Submission Agreement was executed by John G. Miller, Chief Executive Officer of Worldco, LLC on November 13, 1996.

Respondent neither executed a uniform submission agreement nor submitted a statement of answer.

HEARING INFORMATION

Hearing Date/Session: December 3, 1997 - 1 session

Hearing Location: NASD Regulation, Inc., Office of Dispute Resolution, New York, NY.

CASE SUMMARY

Claimants alleged, among other things, that Respondent, who was a registered representative of Claimant, knew, or should have known, Claimant's policies and procedures for order entry and

execution. Claimant alleged that Respondent opened an account on behalf of his corporation, Certus. Claimant alleged that all registered representatives were required to enter all orders in stock, options and future's contracts at Claimant's order desk. Claimant asserted that Respondent, to avoid detection, entered orders in futures contracts for Certus directly with Claimant's clearing brokers. Claimant alleged that Respondent circumvented Claimant's order desk with the intent to conceal his trading from Claimant's management. Claimant alleged that Respondent established futures contracts which exposed the Certus account and Claimant to unreasonable risks and which ultimately caused Respondent's Certus account to sustain a deficit of \$72,000. Claimant alleged, that despite repeated demands, Respondent failed to pay the debit balance and that Claimant, in accordance with its clearing agreement with the clearing broker, paid on Certus' debit balance. Claimant alleged that Respondent is liable to Claimant for paying the clearing firm for Respondent's debit balance and that Respondent should reimburse Claimant for \$72,000 plus interest.

RELIEF REQUESTED

Claimant requested in its Statement of Claim an award of \$72,000 plus interest from February 1996, together with all costs associated with this arbitration and attorney's fees.

OTHER ISSUES CONSIDERED & DECIDED

Claimant has agreed that the Award in this matter may be executed in counterpart copies or that a handwritten, signed Award may be entered. In either case, Claimant has agreed to receive conformed copies of the Award while the original remains on file with NASD Regulation, Inc. ("NASD Regulation").

The Panel reviewed NASD Regulations attempts to serve Respondent and determined that Respondent had received due notice of this matter. Pursuant to the Code of Arbitration Procedures Rule 10201 and the bylaw of the NASD, Inc., the Panel exercised its jurisdiction over Respondent and he is bound by its rulings and determinations set forth herein.

AWARD

After considering the pleadings, the testimony and the evidence presented at the hearing, the undersigned arbitrators have decided in full and final resolution of the issues submitted for determination as follows:

1. Claimants' claim is denied in its entirety.

2. Claimant will bear its own costs, including attorneys' fees, except as forum fees are addressed below.
3. Any and all claims not specifically addressed herein are denied.

FORUM FEES

Pursuant to Rule 10205 of the Code of Arbitration Procedure, the following Forum Fees are assessed.

1 session x \$600.00 = \$600.00

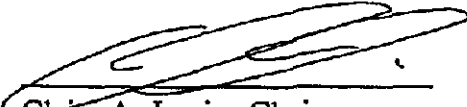
Forum fees are equally assessed between Claimant and Respondent so that the amount assessed against Claimant as a forum fee is \$300. Claimant deposited a hearing session fee of \$500 that it may use to offset its costs so that NASD Regulation will reimburse to Claimant the sum of \$300. Respondent is assessed a forum fee in the amount of \$300. \$600 (CL)
\$500 (SM)
~~\$200~~

Fees are payable to the National Association of Securities Dealers, Inc.

Date

Concurring Arbitrators' Signatures

January 7, 1998


Claim A. Levin, Chairman
Industry Arbitrator

Robina F. Asti, Panelist
Industry Arbitrator

Evan J. Charkes, Panelist
Industry Arbitrator

Worldco Award
Case No. 96-05066
Page 4

I, Chaim Levin, do hereby affirm, pursuant to Article 7507 of the Civil Procedure Law and Rules, that I am the individual described herein, who executed this instrument which is my Award.

Date Decision Served by NASD Regulation: January 21, 1998

2. Claimant will bear its own costs, including attorneys' fees, except as forum fees are addressed below.
3. Any and all claims not specifically addressed herein are denied.

FORUM FEES

Pursuant to Rule 10205 of the Code of Arbitration Procedure, the following Forum Fees are assessed.

1 session x \$600.00 = \$600.00

Forum fees are equally assessed between Claimant and Respondent so that the amount assessed against Claimant as a forum fee is \$300. Claimant deposited a hearing session fee of \$500 that it may use to offset its costs so that NASD Regulation will reimburse to Claimant the sum of \$300. Respondent is assessed a forum fee in the amount of \$300.

Fees are payable to the National Association of Securities Dealers, Inc.

Date

Concurring Arbitrators' Signatures

Claim A. Levin, Chairman
Industry Arbitrator

1/8/98

Robina F. Asti
Robina F. Asti, Panelist
Industry Arbitrator

Evan J. Charkes, Panelist
Industry Arbitrator

Worldco Award
Case No. 96-05066
Page 4

I, Roberta F. Gite, do hereby affirm, pursuant to Article 7507 of the Civil Procedure Law and Rules, that I am the individual described herein, who executed this instrument which is my Award.

Date Decision Served by NASD Regulation: January 31, 1998

2. Claimant will bear its own costs, including attorneys' fees, except as forum fees are addressed below.
3. Any and all claims not specifically addressed herein are denied.

FORUM FEES

Pursuant to Rule 10205 of the Code of Arbitration Procedure, the following Forum Fees are assessed.

1 session x \$600.00 = \$600.00

Forum fees are equally assessed between Claimant and Respondent so that the amount assessed against Claimant as a forum fee is \$300. Claimant deposited a hearing session fee of \$500 that it may use to offset its costs so that NASD Regulation will reimburse to Claimant the sum of \$300. Respondent is assessed a forum fee in the amount of \$300.

Fees are payable to the National Association of Securities Dealers, Inc.

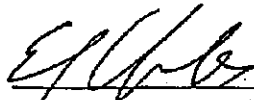
Date

Concurring Arbitrators' Signatures

Claim A. Levin, Chairman
Industry Arbitrator

Robina F. Asti, Panelist
Industry Arbitrator

1/9/98



Evan J. Charkes, Panelist
Industry Arbitrator

Worldco Award
Case No. 96-05066
Page 4

I, Evan J. Charles, do hereby affirm, pursuant to Article 7507 of the Civil Procedure Law and Rules, that I am the individual described herein, who executed this instrument which is my Award.

Date Decision Served by NASD Regulation January 21, 1998