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Still if nothing else, a revoked brokerage license could be a burden because it must be disclosed in many of the transactions in which Drexel could be involved.

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Securities regulators praise Drexel for its energetic effort, led by government-approved general counsel Saul S. Cohen, to settle its legal problems with the states.

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But they disagree about the message these settlements give to the public.

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"There was a lot of internal debate about that specific issue," said Susan Bryant, Oklahoma's chief securities regulator and president of the North American Securities Administrators Association, which drafted a voluntary settlement plan for the states with Drexel.

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The question, she said, is whether Drexel should be allowed to pay and move on, or "whether you should (simply) revoke the license when someone is convicted of a felony."

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While Ms. Bryant's state went ahead and accepted Drexel's settlement offer of \$25,000, she said: "I do n't have any argument with those who came to different conclusions."

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I can see both sides.

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Similarly, Alfred Rubega, New Hampshire's director of securities regulation, said his state had n't received any complaints about Drexel, so it really could n't press the issue.

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Still, "I understand the reasons" that other states are holding out, he said.

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Mr. Cohen, the Drexel general counsel, said, "I do n't think, as we say in investment banking, that 'by the end of the day,' we'll be losing any licenses."

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Mr. Cohen said more than \$2.8 million has been paid to 26 states and that Drexel still expects to pay out a total of \$11.5 million.

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