Document 1296

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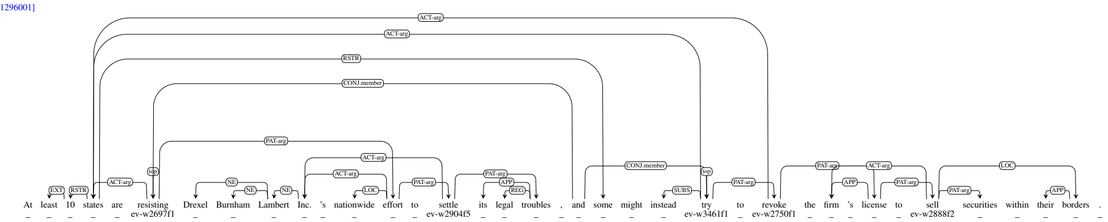

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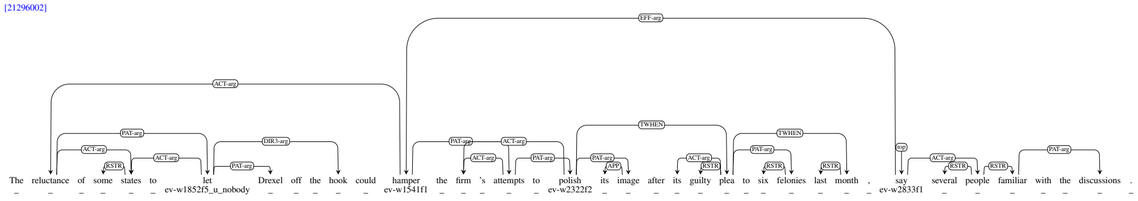

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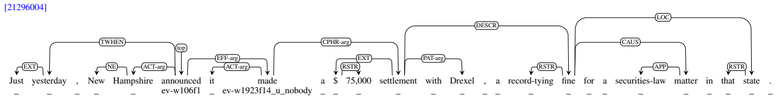

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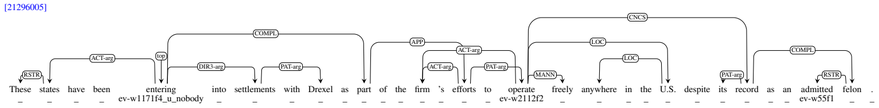

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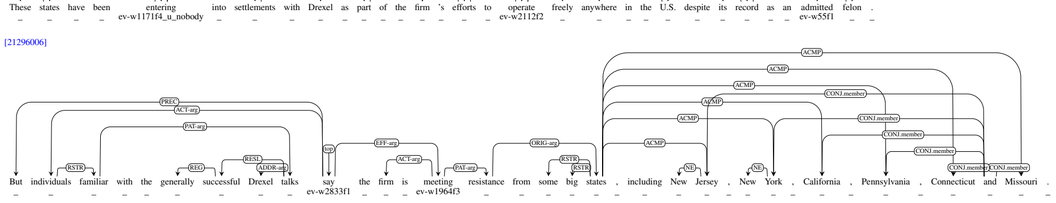

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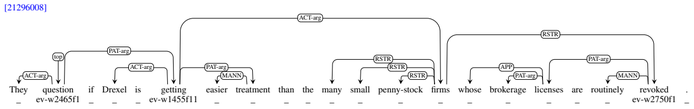

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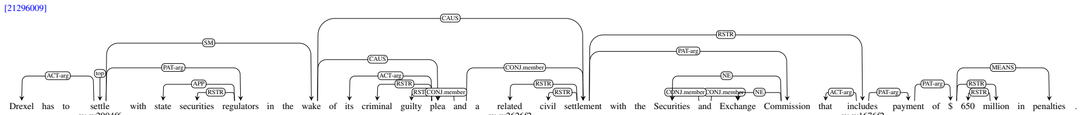

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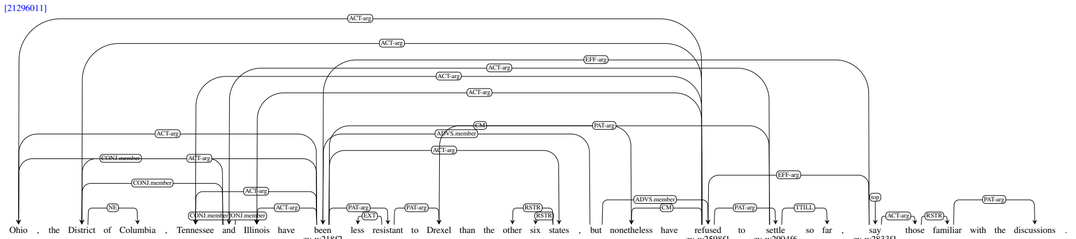

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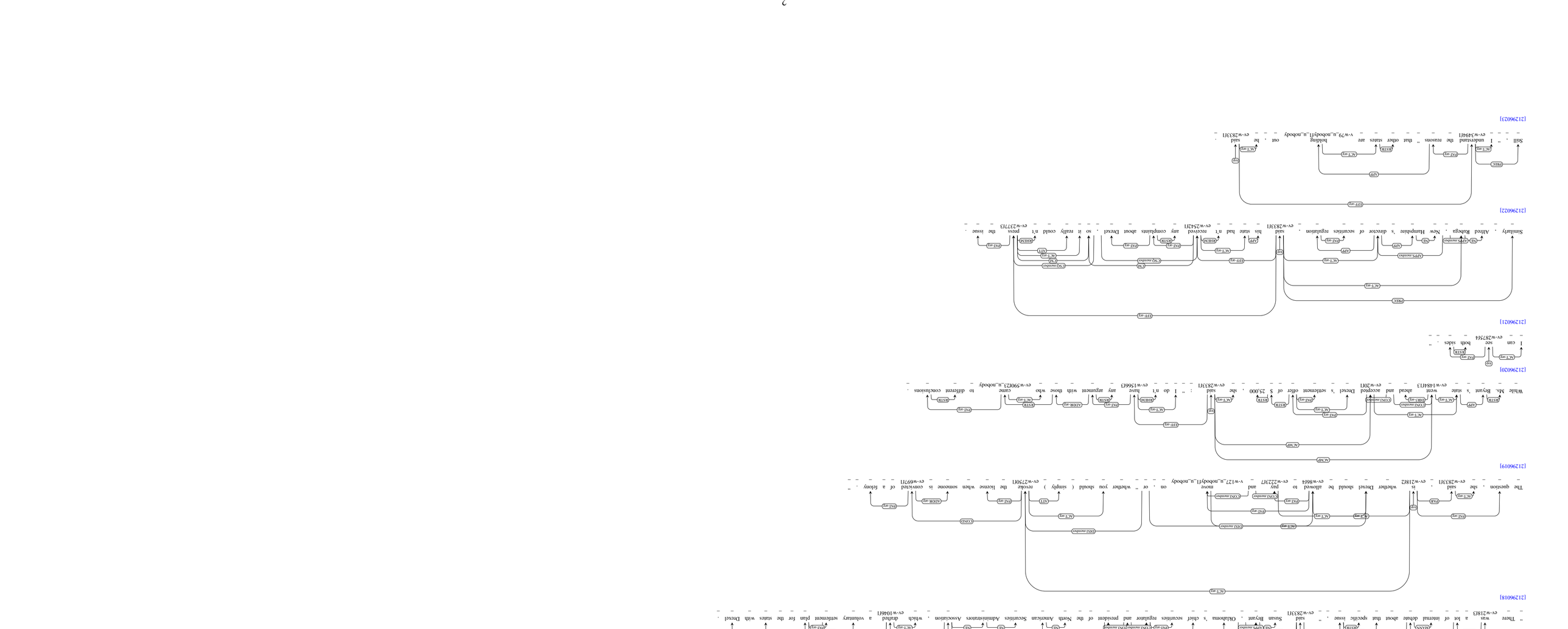
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[21296023]

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 . ”
_ _ _ _ _ _ _ _ ev-w2833f1 _ _ _ _ _ ev-w3363f1 _ _ _ ev-w2833f1 _ _ _ _ _ _ _ _ _ _ _ _ _ _ _ _ ev-w1906f5 _ _ _ _

[21296025]

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 .
_ _ ev-w2833f1 _ _ _ _ _ _ _ ev-w2223f7 _ _ _ _ _ _ _ ev-w1239f1 _ ev-w2226f1 _ _ _ _ _ _ _ _

[21296026]

By the end of this week , Drexel should have another three to four settlements , Mr. Cohen said .
_ _ _ _ _ _ _ _ _ ev-w1566f3 _ _ _ _ _ _ _ _ ev-w2833f1 _

[21296028]

That total would be important for Drexel .
_ _ _ ev-w218f2 _ _ _ _

[21296029]

The investment bank has previously announced that as part of its punishment it would create an independent foundation to promote ethical behavior in the securities industry .
_ _ _ _ _ ev-w106f1 _ _ _ _ _ _ _ _ ev-w750f1 _ _ _ _ ev-w2409f1 _ _ _ _ _ _ _

[21296030]

A proviso to that promise is that a minimum of 35 states reach settlement agreements before next Tuesday .
_ _ _ _ _ ev-w218f2 _ _ _ _ _ _ ev-w2510f1 _ _ _ _ _ _

[21296031]

There are , according to several securities commissioners , at least 16 states that are either close to settlements with Drexel or who do n’t appear opposed to settling .
_ ev-w218f3 _ _ _ _ _ _ _ _ _ _ _ _ ev-w218f2 _ _ _ _ _ _ _ _ _ _ ev-w115f3_u_nobody ev-w2114f1 _ ev-w2904f6 _

[21296032]

Drexel ’s proposed state fines have been based on a state ’s population and on the size of Drexel ’s business in the state .
_ _ ev-w2417f1 _ _ _ _ ev-w211f2 _ _ _ _ _ _ _ _ _ _ _ _ _ _ _ _ _

[21296033]

New Jersey , for example , was asked to accept $ 300,000 , but refused .
_ _ _ _ _ _ _ ev-w141f1 _ ev-w20f1 _ _ _ _ ev-w2598f1 _

[21296034]

The state is n’t ruling out revoking Drexel ’s brokerage license .
_ _ _ _ ev-w2802f1 _ ev-w2750f1 _ _ _ _ _

[21296035]

The state can also bar Drexel as an investment adviser .
_ _ _ _ ev-w202f2 _ _ _ _ _ _

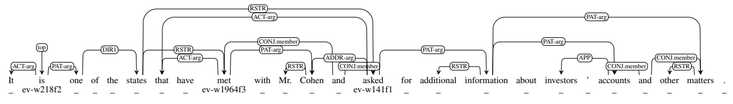
[21296036]

State officials wo n’t describe their position in detail , but James McLelland Smith , state securities chief , said : “ We really are still looking at it and have informed (Drexel) that the proposal is really not sufficient for settlement . ”
_ _ _ _ ev-w894f2 _ _ _ _ _ _ _ _ _ _ _ _ _ _ ev-w2833f1 _ _ _ _ _ _ ev-w1899f11 _ _ _ _ ev-w1696f1 _ _ _ _ _ _ ev-w218f2 _ _ _ _ _ _ _

[21296037]

Connecticut already has issued a “ notice of intent ” to revoke Drexel ’s brokerage license .
_ _ _ ev-w1762f1 _ _ _ _ _ _ _ ev-w2750f1 _ _ _ _ _

[21296038]



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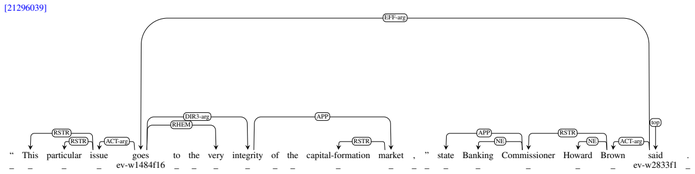

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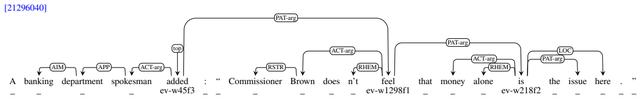

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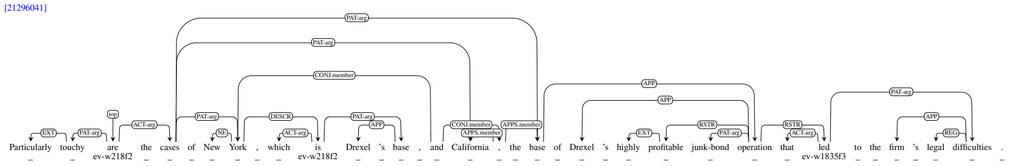

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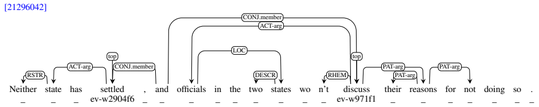

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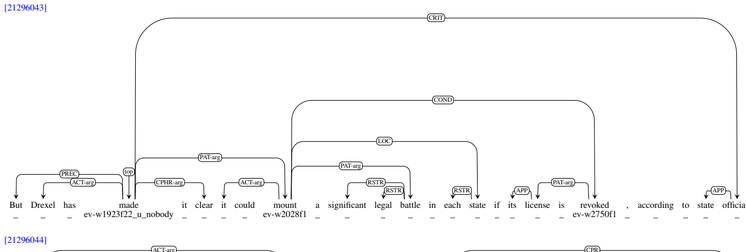

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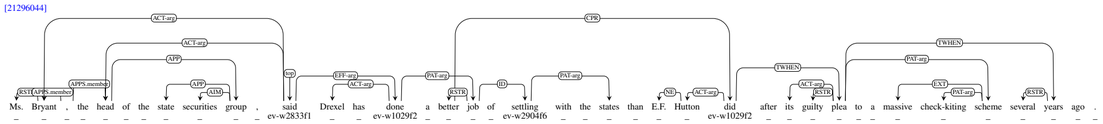

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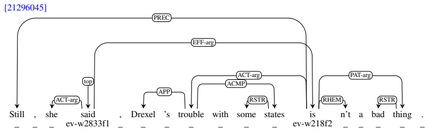

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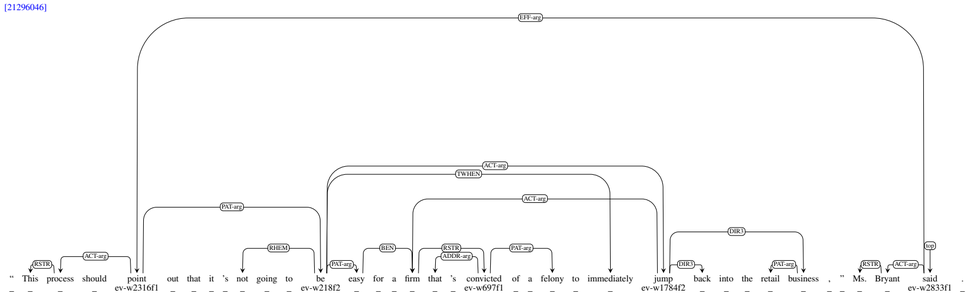

[21296047]