

UNITED STATES OF AMERICA
Before the
COMMODITY FUTURES TRADING COMMISSION

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2006 NOV 27 A 11: 16

JEANETTE I. CARLSON,
Complainant,

v.

UNIVERSAL FINANCIAL HOLDING CORP.;
WORLDWIDE COMMODITY CORP.;
SOUTH COAST COMMODITIES, INC.,
LARRY ALAN KAHN;
STEVEN LABELL;
HARVEY JAY FELNER; and
STUART F. SCHWARTZ,
Respondents.

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* CFTC Docket No. 06-R041

* Served via Fedex and fax

OFFICE OF PROCEEDINGS
PROCEEDINGS CLERK

DEFAULT ORDER

The failures by Larry Alan Kahn and Steven Labell to file answers to the complaint constitute defaults pursuant to CFTC rule 12.22. Similarly, the failure by Harvey Jay Felner, Stuart F. Schwartz, Universal Financial Holding Corporation, Worldwide Commodity Corporation, and South Coast Commodities, Incorporated to respond to the discovery order dated August 7, 2006, and to respond to the Default Notice dated October 5, 2006, supports the conclusion that they have ceased to participate in this proceeding, which is grounds for finding them in default pursuant to CFTC rules 12.201(c) and (f). The defaults by Larry Alan Kahn, Steven Labell, Harvey Jay Felner, Stuart F. Schwartz, South Coast Commodities, Worldwide Commodity Corporation, and Universal Financial Holding Corporation constitute admissions of the allegations in the complaint and waivers of any affirmative defenses. Accordingly, it is concluded:

- That Felner, Schwartz, Worldwide and South Coast defrauded Jeanette Carlson, during the solicitation and trading of her account, in violation of Section CFTC rule 33.10 and Section 4c(b) of the Commodity Exchange Act.
- That Worldwide and South Coast are liable for Felner's and Schwartz's fraud, pursuant to Section 2(a)(1)(B) of the Act.
- That Larry Alan Kahn and Steven Labell organized, and aided and abetted, the fraud by Felner, Schwartz, South Coast and Worldwide, in violation of Sections 4c(b), 13(a), and 13(b) of the Commodity Exchange Act.
- That Kahn and Labell failed to adequately supervise Felner, Schwartz, South Coast, and Worldwide, in violation of CFTC rule 166.3.
- That Universal is liable for the violations of Worldwide, and Worldwide's principals and agents, pursuant to its guarantee agreement, and that Universal failed to adequately supervise Worldwide in violation of CFTC rule 166.3.
- That the various violations by Larry Alan Kahn, Steven Labell, Harvey Jay Felner, Stuart F. Schwartz, South Coast Commodities, Worldwide Commodity Corporation, and Universal Financial Holding Corporation, separately and together, proximately caused \$16,670 in damages.

Accordingly, Larry Alan Kahn, Steven Labell, Harvey Jay Felner, Stuart F.

Schwartz, South Coast Commodities, Worldwide Commodity Corporation, and

Universal Financial Holding Corporation are ordered to pay to Jeanette Carlson

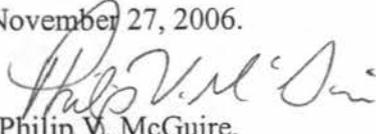
reparations of \$16,670, plus interest on that amount 5.03% compounded annually

from January 25, 2005, to the date of payment, plus \$125 in costs for the filing fee.

Liability is joint and several.

Any motion to vacate this default order must meet the appropriate standards set out in CFTC rule 12.24.

Dated November 27, 2006.



Philip V. McGuire,
Judgment Officer