

UNITED STATES OF AMERICA
Before the
COMMODITY FUTURES TRADING COMMISSION

DANIEL J. CORBETT

v.

MARSHA ELEANOR FRIEDMAN,
DEBRAH GAIL aka GAIL EISENBERG,
UNIVERSAL FINANCIAL HOLDING CORP.
and WORLDWIDE COMMODITY
CORPORATION

CFTC Docket No. 05-2022

ORDER PURSUANT TO
DELEGATED AUTHORITY

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Complainant Daniel Corbett ("Corbett") filed a reparation complaint against Marsha Friedman ("Friedman") and Deborah Gail aka Gail Eisenberg ("Gail"); their employer, introducing broker Worldwide Commodity Corp. ("Worldwide"); and Worldwide's guarantor futures commission merchant, Universal Financial Holding Corp. ("Universal"). The initial decision found Friedman and Gail liable to Corbett, but dismissed all claims against the corporate respondents. The decision held that Corbett's allegations of vicarious liability against Worldwide and Universal, alleged for the first time in his prehearing memorandum, were raised too late in the case to provide fair notice to respondents. The decision limited Corbett's case against these respondents to the failure to supervise claim alleged in his complaint, and found that claim unproved. *Corbett v. Friedman*, [Current Transfer Binder] Comm. Fut. L. Rep. (CCH) ¶ 30,779 (I.D. Feb. 25, 2008).

Gail and Friedman timely appealed the initial decision, but failed to perfect their appeals by filing briefs. The Commission, by delegated authority, nevertheless retained the case on its appellate docket to consider whether Worldwide and Universal were put on notice of their potential vicarious liability simply by virtue of being named as respondents in Corbett's complaint. Order Pursuant to Delegated Authority (June 6, 2008).

Upon further consideration, the Commission declines to reach this issue. Under Regulation 12.401(f), the Commission has discretion to “consider sua sponte any issues arising from the record [of a reparation appeal] . . . or limit the issues to those presented . . . in the briefs.” Gail and Friedman abandoned their appeals and complainant sought no review from the initial decision. In view of the parties’ acceptance of the initial decision, the Commission has determined that the better course of action is not to expend resources to address the vicarious liability issues.

The initial decision shall become final upon issuance of this order.

IT IS SO ORDERED.¹



Laura M. Richards
Deputy General Counsel
Commodity Futures Trading Commission

Dated: August 1, 2008

¹ By the Commission pursuant to delegated authority. 17 C.F.R. § 12.408(a)(6).