

Award
NASD Dispute Resolution

In the Matter of the Arbitration Between:

Name of the Claimant

Frederick J. Peet, Jr.

Case Number: 02-06670

Name of the Respondents

Vincent C. Ficci and
DuPont Securities Group, Inc.

Hearing Site: St. Louis, Missouri

NATURE OF DISPUTE

Customer vs. Member Firm and Associated Person

REPRESENTATION OF PARTIES

Steven W. Koslovsky, Esq. of the Law Offices of Steven Koslovsky, located in Maryland Heights, Missouri represented Claimant, Frederick J. Peet, Jr., hereinafter referred to as "Claimant."

Sheldon Gopstein of the Law Office of Sheldon Gopstein, located in New York, New York, filed an appearance for Respondent, DuPont Securities Group, Inc. ("DuPont"). On or about May 19, 2004, Mr. Gopstein withdrew his representation, and no subsequent counsel appeared for DuPont Securities.

Respondent Vincent C. Ficci appeared *pro se* in this matter.

CASE INFORMATION

Statement of Claim filed by Claimant on or about November 5, 2002. Claimant, Frederick J. Peet, Jr. signed the Uniform Submission Agreement on or about November 5, 2002.

Statement of Answer filed by Respondent, DuPont Securities Group, Inc. on August 19, 2003. Respondent, DuPont Securities Group, Inc. signed the Uniform Submission Agreement on July 3, 2003.

Respondent, Vincent C. Ficci, did submit an Answer and did not sign the Uniform Submission Agreement.

CASE SUMMARY

Claimant asserted the following causes of action: misrepresentations, unauthorized trading, breach of fiduciary duty, failure to supervise, negligence and violation of Missouri Securities Act. The causes of action relate to shares in Investment Technology Group, Inc. ("ITG") stocks, which Claimant asserted that Respondents negligently traded and purchased without his authorization.

Unless specifically admitted in its Answer, Respondent, DuPont Securities Group, Inc. denied the allegations made in the Statement of Claim and asserted the following defenses:

1. The claims asserted in the Statement of Claim are entirely without merit and should be dismissed.
2. The Statement of Claim fails to state a claim upon which relief may be granted.
3. The Claimant failed to mitigate his alleged damages.
4. The Claimant's claims are barred by the principles of waiver, estoppel, ratification, fraud, unclean hands and/or the Statute of Frauds.
5. If any damage or loss was sustained by the Claimant, said damage or loss was caused or contributed to by Claimant's own actions, inactions, fault, neglect and lack of due diligence.
6. Exemplary or punitive damages and attorneys' fees are beyond the scope of this proceeding and may not be awarded. The Respondent declines to submit these issues to arbitration.
7. None of the individual Respondents have any personal liability to the Claimant whatsoever.

RELIEF REQUESTED

Claimant requested:

Compensatory Damages	\$100,000.00
Punitive Damages	\$400,000.00
Interest	unspecified
Attorneys' Fees	unspecified
Other Costs	unspecified
Other Monetary/Non-Monetary Relief if any:	unspecified

Respondent, DuPont Securities Group, Inc., requested that the Statement of Claim be dismissed in its entirety.

OTHER ISSUES CONSIDERED AND DECIDED

On or about April 27, 2004, NASD received notice of bankruptcy from Respondent Vincent C. Ficci. As a consequence, any and all claims asserted against Respondent Ficci are stayed.

Respondent DuPont Securities Group, Inc. did not appear at the hearing of this matter. Upon review of the file and the representations made by/on behalf of the Claimant, the undersigned

arbitrators (the "Panel") determined that Respondent, DuPont Securities Group, Inc. received due notice of the hearing, and that arbitration of the matter would proceed without said Respondent present, in accordance with the NASD Code of Arbitration Procedure (the "Code").

The Claimant agreed that the Award in this matter may be executed in counterpart copies or that a handwritten, signed Award may be entered.

AWARD

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

1. Respondent, DuPont Securities Group, Inc., is solely liable for and shall pay to Claimant, Frederick J. Peet, Jr. the sum of \$35,913.00 as compensatory damages, plus interest at the rate of 9% per annum to accrue from November 3, 2000 until the date the Award is paid in full.
2. Respondent, DuPont Securities Group, Inc., is solely liable for and shall pay to Claimant, Frederick J. Peet, Jr. the sum of \$15,000.00 as punitive damages. In deciding to award punitive damages, the Panel considered the pleadings filed by counsel, as well as the argument presented on behalf of Claimant, and determined that authority existed for an award of punitive damages to the Claimant.
3. Respondent, DuPont Securities Group, Inc., is solely liable for and shall pay to Claimant, Frederick J. Peet, Jr., the sum of \$300.00 as reimbursement of the NASD Dispute Resolution non-refundable filing fee.
4. Parties shall bear their own costs, including attorney's fees, except as specified herein.

FEES

Pursuant to the Code, the following fees are assessed:

Filing Fees

NASD Dispute Resolution will retain or collect the non-refundable filing fees for each claim:

Initial claim filing fee	= \$ 300.00
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Member Fees

Member fees are assessed to each member firm that is a party in these proceedings or to the member firm that employed the associated person at the time of the events giving rise to the dispute. Accordingly, DuPont Securities Group, Inc. is a party and is assessed the following fees:

Member surcharge	= \$1,700.00
Pre-hearing process fee	= \$ 750.00
Hearing process fee	= \$2,750.00

Adjournment Fees

Adjournments granted during these proceedings for which fees were assessed:

January 27-29, 2004, adjournment by Respondent DuPont Securities = \$1,125.00 (waived by Panel)

Forum Fees and Assessments

The Panel has assessed forum fees for each session conducted. A session is any meeting between the parties and the arbitrators, including a pre-hearing conference with the arbitrators, that lasts four (4) hours or less. Fees associated with these proceedings are:

Two (2) Pre-hearing sessions with Panel @ \$1,125.00	= \$2,250.00
Pre-hearing conferences: September 2, 2003 1 session	
January 14, 2004 1 session	
One (1) Hearing sessions @ \$1,125.00	= \$1,125.00
Hearing Date: June 29, 2004 1 session	
<hr/> Total Forum Fees	<hr/> = \$3,375.00

1. The Panel has assessed 100% of the total forum fees in the amount of \$3,375.00 solely to Respondent, DuPont Securities Group, Inc.

Fee Summary

1. Claimant, Frederick J. Peet, Jr. is solely liable for:	
Initial Filing Fee	= \$ 300.00
Less payments	= \$1,425.00
Refund Due from NASD Dispute Resolution	= \$1,125.00
2. Respondent, DuPont Securities Group, Inc. is solely liable for:	
Member Fees	= \$5,200.00
Forum Fees	= \$3,375.00
Total Fees	= \$8,575.00
Less payments	= \$6,450.00
Balance Due NASD Dispute Resolution	= \$2,125.00

All balances are payable to NASD Dispute Resolution and are due upon receipt pursuant to Rule 10330(g) of the Code.

ARBITRATION PANEL

Bruce S. Feldacker, Esq.	-	Public Arbitrator, Presiding Chairperson
Leah M. Blak-Teitelbaum, Esq.	-	Public Arbitrator
Mark E. Kessinger	-	Non-Public Arbitrator

Concurring Arbitrators' Signatures

Bruce S. Feldacker, Esq.
Public Arbitrator, Presiding Chairperson

7/2/04
Signature Date

Leah M. Balk-Teitelbaum, Esq.
Public Arbitrator

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Signature Date

Mark E. Kessinger
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Date of Service (For NASD Dispute Resolution office use only)

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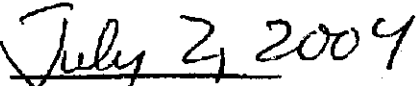
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