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Texas State Securities Board

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SOAH DOCKET NO. 312-05-0554 SSB DOCKET NO. 04-IC01

IN THE MATTER OF THE
DEALER REGISTRATION OF
DUPONT SECURITIES GROUP, INC.

§
§
§

Order No. IC04-REV-20

TO: David W. Parsons, President
Dupont Securities Group, Inc. (CRD # 42305)
42 Broadway, 11th Floor
New York, NY 10004

DEFAULT ORDER

Be it remembered that this is your OFFICIAL NOTICE of the issuance by the Securities Commissioner of the State of Texas ("Securities Commissioner") of a DEFAULT ORDER pursuant to Sections 14.A(9)(a) and 14.A(9)(b) of The Securities Act, TEX. REV. CIV. STAT. ANN. art. 581-1 et seq. (Vernon 1964 & Supp. 2004-2005) ("Texas Securities Act") and §§ 105.8(a)(1) and 105.8(a)(2) of the Rules and Regulations of the Texas State Securities Board, 7 Tex. Admin. Code Chapter 101 et seq. ("Board Rules").

The staff of the Inspections and Compliance Division of the Texas State Securities Board (the "Staff") has presented evidence sufficient for the Securities Commissioner to find that:

FINDINGS OF FACT

1. On or about September 24, 2004, Notice of Hearing, SOAH DOCKET NO. 312-05-0554, SSB DOCKET NO. 04-IC01 (the "Notice") was mailed by certified mail to Dupont Securities Group, Inc. ("Respondent") last known address, as filed with the Securities Commissioner.
2. The Staff requested the REVOCATION of Respondent's registration with the Securities Commissioner, setting forth the following matters in the Notice:
 - (i) Respondent is a New York corporation with its last address, as filed with the Securities Commissioner, at 42 Broadway, 11th Floor, New York, New York 10004.

- (ii) On or about May 23, 1997, Respondent registered with the Securities Commissioner as a securities dealer, which is currently effective.
 - (iii) On or about July 2, 2004, Respondent was expelled from membership in the NASD, a self-regulatory organization, and is a basis for the revocation of Respondent's registration as a dealer with the Securities Commissioner pursuant to Section 14.A(9)(b) of the Texas Securities Act.
 - (iv) On or about August 16, 2004, the State of New Mexico, Securities Division, entered, after notice and opportunity for hearing, an order revoking Respondent's license as a dealer and is a basis for the revocation of Respondent's registration as a dealer with the Securities Commissioner pursuant to Section 14.A(9)(a) of the Texas Securities Act.
3. Pursuant to Sections 14.A(9)(a) and 14.A(9)(b) of the Texas Securities Act, the Securities Commissioner may revoke the registration of Respondent, a registered securities dealer, if Respondent is the subject of either of the following orders that are currently effective and were issued within the last five (5) years: (a) an order by the securities agency of any state, entered after notice and opportunity for hearing, revoking the Respondent's license as dealer, or (b) an order of expulsion from membership in a self-regulatory organization, respectively.
 4. Pursuant to §§ 105.8(a)(1) and 105.8(a)(2) of the Board Rules, the Securities Commissioner may make an informal disposition of a contested case by default by issuing an order in which the relief requested in the notice of hearing is granted and the matters set forth in the notice are deemed admitted as true upon proof that the notice was mailed to Respondent by certified mail, to the Respondent's last known address as shown by records of the Agency, and that Respondent has failed to: (1) file a written response to the Notice; or (2) appear in person or through legal representation on the day and at the time set for the hearing of the case, whether or not a written response has been filed.
 5. On or about October 25, 2004 a hearing (the "Hearing") was held at the State Office of Administrative Hearings ("SOAH") for the purpose of determining whether the registration of Respondent with the Securities Commissioner should be REVOKED.
 6. Respondent failed to appear in person or through legal representation at the hearing, at which time the Staff filed a motion with SOAH to dismiss the contested case from the SOAH Docket without prejudice, pursuant to § 155.55(d)(2) of the Rules of Practice and Procedure of SOAH, 1 Tex. Admin. Code Chapter 155 ("SOAH Rules") and §§ 105.8(a)(1) and 105.8(a)(2) of the Board Rules.
 7. On or about October 25, 2004, Administrative Law Judge, Steven M. Rivas, issued Order No. 1, Dismissing Case from SOAH Docket, SOAH Docket No. 312-05-0554, *In The Matter Of The Dealer Registration Of Dupont Securities Group, Inc.*, finding that Respondent failed to appear at the Hearing and that the Staff's motion for dismissal to proceed with an informal disposition had merit.

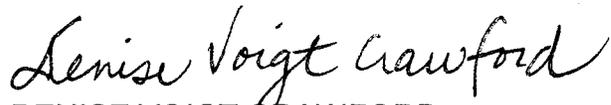
CONCLUSIONS OF LAW

1. Pursuant to §§ 105.8(a)(1) and 105.8(a)(2) of the Board Rules the following matters set forth in the Notice are deemed admitted as true:
 - (i) Respondent is a New York corporation with its last address, as filed with the Securities Commissioner, at 42 Broadway, 11th Floor, New York, New York 10004.
 - (ii) On or about May 23, 1997, Respondent registered with the Securities Commissioner as a securities dealer, which is currently effective.
 - (iii) On or about July 2, 2004, Respondent was expelled from membership in the NASD, a self-regulatory organization, and is a basis for the revocation of Respondent's registration as a dealer with the Securities Commissioner pursuant to Section 14.A(9)(b) of the Texas Securities Act.
 - (iv) On or about August 16, 2004, the State of New Mexico, Securities Division, entered after notice and opportunity for hearing, an order revoking Respondent's license as a dealer and is a basis for the revocation of Respondent's registration as a dealer with the Securities Commissioner pursuant to Section 14.A(9)(a) of the Texas Securities Act.
2. Pursuant to §§ 105.8(a)(1) and 105.8(a)(2) of the Board Rules, the relief requested in the Notice is granted.
3. Pursuant to Sections 14.A(9)(a) and 14.A(9)(b) of the Texas Securities Act, the foregoing orders constitute bases for the issuance of an order revoking the registration of a registered securities dealer.

ORDER

1. It is therefore ORDERED that the securities dealer registration of Dupont Securities Group, Inc. is hereby REVOKED.

SIGNED AND ENTERED BY THE SECURITIES COMMISSIONER this 24th day of November, 2004.


DENISE VOIGT CRAWFORD
Securities Commissioner