

**UNITED STATES OF AMERICA
Before the
SECURITIES AND EXCHANGE COMMISSION**

**SECURITIES EXCHANGE ACT OF 1934
Release No. 56630 / October 9, 2007**

**ADMINISTRATIVE PROCEEDING
File No. 3-10373**

In the Matter of

**BEARCAT, INC.,
D&D SECURITIES, INC.,
SALVATORE DIAMBROSIO,
PETER FINEBERG,
SETH DIAMOND,
NICHOLAS DICICCO and
DOMINIC DICICCO,**

Respondents.

**ORDER MAKING FINDINGS AND
IMPOSING REMEDIAL SANCTIONS AND
A CEASE-AND-DESIST ORDER PURSUANT
TO SECTIONS 15(b), 19(h) AND 21C OF THE
SECURITIES EXCHANGE ACT OF 1934 AS
TO RESPONDENTS BEARCAT, INC., D&D
SECURITIES, INC., PETER FINEBERG,
SETH DIAMOND, NICHOLAS DICICCO and
DOMINIC DICICCO**

I.

The Securities and Exchange Commission (“Commission”) deems it appropriate and in the public interest to make the following findings and to impose the following sanctions in these public administrative and cease-and-desist proceedings previously instituted pursuant to Section 8A of the Securities Act of 1933 (“Securities Act”) and Sections 15(b), 19(h) and 21C of the Securities Exchange Act of 1934 ("Exchange Act").¹

II.

In anticipation of the issuance of this Order Making Findings and Imposing Remedial Sanctions and a Cease-and-Desist Order Pursuant to Sections 15(b), 19(h) and 21C of the Securities Exchange Act of 1934 (“Order”), Respondents Bearcat, Inc., Peter Fineberg, Seth Diamond, D&D Securities, Inc., Nicholas DiCicco, and Dominic DiCicco (collectively, “Settling Respondents”) have submitted Offers of Settlement (the “Offers”) which the Commission has determined to accept. Solely for the purpose of these proceedings and any other proceedings brought by or on behalf of the Commission, or to which the Commission is a party, and without admitting or denying the findings herein, except as to the Commission’s jurisdiction over each of

¹ An Order Instituting Proceedings in this matter was issued by the Commission on December 5, 2000.

them and the subject matter of these proceedings, which are admitted, the Settling Respondents have consented to the entry of this Order, as set forth below.

III.

On the basis of this Order and the Settling Respondents' Offers, the Commission finds as follows:

1. Bearcat, Inc. ("Bearcat") is a broker-dealer registered with the Commission pursuant to Section 15(b) of the Exchange Act since 1995. At all times relevant hereto, Bearcat was a member of the Philadelphia Stock Exchange ("PHLX") operating as a registered options and stock trading firm. Bearcat is owned by Seth Diamond ("Diamond") and Peter Fineberg ("Fineberg").

2. D&D Securities, Inc. ("D&D") is a broker-dealer registered with the Commission pursuant to Section 15(b) of the Exchange Act since 1992. D&D is a member of the PHLX and a floor broker. D&D is owned by Dominic DiCicco and Nicholas DiCicco (collectively, the "DiCiccos"). At all times relevant hereto, D&D had a clearing agreement with another registered broker-dealer that provided flip execution services for D&D's stock execution business ("D&D's clearing broker"). At all times relevant hereto, D&D's stock execution business was conducted by Salvatore DiAmbrosio ("DiAmbrosio"), who was hired by D&D in 1995. The stock execution business conducted by DiAmbrosio was operated independently of D&D's other options floor brokerage business, which was conducted at other locations on the PHLX Options Floor.

3. Salvatore DiAmbrosio was employed as a stock execution clerk at D&D from 1995 to approximately September 1999. As an execution clerk, DiAmbrosio entered trades as directed by his customers, but did not have the discretionary authority to initiate trades on their behalf. Contemporaneous with his employment at D&D, DiAmbrosio was also secretly associated with Bearcat as an unregistered trader. Neither Nicholas DiCicco nor Dominic DiCicco knew that DiAmbrosio was working for Bearcat until September 1999.

4. Seth Diamond is a partner and principal of Bearcat. At all times relevant hereto, he was a trader at the PHLX and one of DiAmbrosio's supervisors at Bearcat.

5. Peter Fineberg is a partner and principal of Bearcat. At all times relevant hereto, he was a trader at the PHLX and DiAmbrosio's other supervisor at Bearcat.

6. Nicholas DiCicco is a partner of D&D and was one of DiAmbrosio's supervisors at D&D. Nicholas DiCicco has worked as a registered representative and/or a trader at the PHLX since at least 1984. He is the brother of Dominic DiCicco.

7. Dominic DiCicco is a partner of D&D and was DiAmbrosio's other supervisor at D&D. He is the brother of Nicholas DiCicco.

Related Entity

8. Binary Traders, Inc. (“Binary”), the victim in the case, was, at all times relevant to these proceedings, a broker-dealer registered with the Commission pursuant to Section 15(b) of the Exchange Act, and a member of the PHLX, operating as a floor specialist in equities and index options. DiAmbrosio introduced Binary as a customer to D&D and executed almost all of Binary’s stock transactions since at least 1995 to September 1999.

DiAmbrosio’s Scheme

9. As more fully described below, from at least April 1999 to September 1999, DiAmbrosio executed an unauthorized trading scheme causing almost \$2.2 million in losses to Binary. He directed proceeds from this fraud to two accounts over which he exercised either full or partial control: an error account opened by D&D’s clearing broker for D&D (the “D&D error account”) and a trading account at Bearcat. D&D’s clearing broker opened the D&D error account for DiAmbrosio to use in correcting errors, which occurred in the course of his executing orders for his customers.

10. DiAmbrosio conducted his trading scheme by executing unauthorized cross-trades between Binary’s trading accounts and either the D&D error account or his trading account at Bearcat. Cross-trades are executed by a broker-dealer on behalf of two customers where one customer places an order to buy a block of shares and another customer, at the same time, places an order to sell the exact same number of shares. Rather than have each customer go out on the open market to buy or sell the stock, the broker-dealer transfers or “crosses” the stock from one customer account into the other customer account.

11. In essence, DiAmbrosio entered a pair of unauthorized cross-trades where: (1) in the first cross-trade, Binary bought a large block of stock at an artificially high price either from the D&D error account or from the Bearcat account; and (2) shortly thereafter, many times less than a minute later, in a second cross-trade, Binary sold back the exact same large block of stock at an artificially lower price to the same account from which Binary had just bought the stock (*i.e.*, either the D&D error account or the Bearcat account). The result was an immediate gain to either the D&D error account or the Bearcat account and an immediate loss to Binary.

12. Similarly, DiAmbrosio also caused Binary to initiate the paired cross-trade by first selling a block of stock at a low price and then buying it back at a higher price moments later. The result of this type of paired cross-trade (which began with Binary selling as opposed to buying) was the same--Binary took an immediate cash loss on the transaction.

13. By way of example, DiAmbrosio entered a pair of cross-trades on April 29, 1999 between Binary and the D&D error account:

- a. At 14:40:23, DiAmbrosio entered a buy order for Binary for 4,000 shares of a company (“XYZ Company”) at \$111.00 per share;

- b. At 14:40:45, he entered a sell order for the D&D error account for 4,000 shares of XYZ Company at \$111.00 and executed the cross-trade with Binary;
- c. At 14:41:11, he entered a sell order from Binary for 4,000 shares of XYZ Company at \$107.00; and
- d. At 14:41:29, he entered a buy order for the D&D error account for 4,000 shares of XYZ Company at \$107.00 and executed another cross-trade with Binary.
- e. Therefore, in the span of 66 seconds, Binary lost \$16,000 on this transaction and the D&D error account gained \$16,000.

14. Likewise, DiAmbrosio followed the same pattern for cross-trades between Binary and the Bearcat account.

15. By executing 79 of these paired cross-trades from April 1999 to September 1999, Binary suffered losses of almost \$2.2 million while the D&D error account and the Bearcat account realized \$1,071,500 and \$1,112,562, respectively, for a combined gain of almost \$2.2 million. DiAmbrosio shared the profits in the D&D error account with the DiCiccos, the principals of D&D, and the profits in the Bearcat account with Diamond and Fineberg, the principals of Bearcat. DiAmbrosio's compensation from D&D was based solely upon the net amount of money received each month from D&D's clearing broker, who determined the amount of the gains or losses in the D&D error account that was included in the monthly payment to D&D.

16. No order tickets were created for any of these paired cross-trades related to DiAmbrosio's trading. In addition, order tickets that were created to record other transactions he made in his capacity as a trader for Bearcat were not maintained by Bearcat.

17. The use of cross-trades was critical to DiAmbrosio's scheme. First, by coding these trades as cross-trades, DiAmbrosio was able to execute the trades at prices he set, which were different than the current market price. To maximize the profits on each pair of cross-trades, he generally executed them at prices between the high and the low prices for the stock up until the time he entered the trades. Further, DiAmbrosio's use of cross-trades was critical because it enabled him to direct which account was on the winning side of these transactions. Therefore, by directing the trades to the D&D error account or the Bearcat account, he was able to share in the profits generated in those accounts as a result of these unauthorized transactions.

18. On March 10, 2005, DiAmbrosio was convicted of 10 counts of wire fraud, following a trial held in the United States District Court for the Eastern District of Pennsylvania. The indictment in that case was based, essentially, on the same facts underlying this administrative proceeding. See United States v. DiAmbrosio, 04-CR-66-1 (E.D. Pa.).

19. On February 15, 2006, Administrative Law Judge Robert G. Mahony granted the Division of Enforcement's motion for partial summary disposition against DiAmbrosio and issued an order: (a) finding that DiAmbrosio willfully violated Section 17(a) of the Securities Act,

Section 10(b) of the Exchange Act, and Rule 10b-5 thereunder; (b) requiring DiAmbrosio to cease and desist from committing or causing any violations of Section 17(a) of the Securities Act, Section 10(b) of the Exchange Act, and Exchange Act Rule 10b-5 thereunder; (c) barring DiAmbrosio from associating with any broker or dealer; and (d) requiring DiAmbrosio to disgorge \$869,946, plus prejudgment interest. See In the Matter of Bearcat, Inc., et al., Initial Decision Rel. No. 306 (Feb. 15, 2006), 2006 SEC LEXIS 359.

Bearcat's Role in the Scheme

20. Bearcat played a critical role in the success of DiAmbrosio's scheme. Fineberg and Diamond hired DiAmbrosio as a trader even though they knew that he was affiliated with D&D at the time. PHLX Rule 793 requires that when an individual works for two different firms, both firms must consent to the arrangement in writing and such dual affiliation be filed with the PHLX. However, Bearcat never sought D&D's approval or even told D&D of this arrangement. Further, Bearcat never registered DiAmbrosio with the firm as a trader in accordance with PHLX Rule 604.

21. Fineberg and Diamond knew or were reckless in not knowing of Bearcat's violations of these rules. First, Fineberg had served on the PHLX rules committee and either knew or was reckless in not knowing of these rules. Further, Fineberg and Diamond made a concerted effort to conceal DiAmbrosio's employment at Bearcat, which indicates that they knew the relationship was improper. These efforts included: (i) conspiring with DiAmbrosio not to disclose to D&D that DiAmbrosio worked for Bearcat; (ii) instructing other Bearcat employees that DiAmbrosio's relationship with Bearcat was not to be disclosed to anyone outside of the firm; (iii) paying DiAmbrosio's salary in cash and classifying him as an independent contractor, even though every other trader at Bearcat was paid by check and classified as an employee; (iv) not filing a Form U-4 showing DiAmbrosio's association with the firm; (v) directing that DiAmbrosio conduct all of his trading through Bearcat's house account rather than giving him his own account like every other trader at Bearcat; and (vi) discarding order tickets for DiAmbrosio's trades.

Bearcat's, Fineberg's and Diamond's Failure to Supervise DiAmbrosio

22. While at Bearcat, DiAmbrosio operated in an environment devoid of reasonable supervision. First, Bearcat did not have any written supervisory or compliance procedures and did not conduct any initial or periodic supervisory or compliance training programs in order to prevent and detect DiAmbrosio's fraud.

23. Second, Fineberg and Diamond did not undertake any meaningful compliance review of DiAmbrosio's trades. In this regard, despite their knowledge that DiAmbrosio had access to confidential trading information of other PHLX members through his employment at D&D, they failed to establish any procedures or conduct any review of his trading in order to prevent and detect DiAmbrosio's fraud.

24. Third, Fineberg and Diamond failed to react to visible red flags of misconduct, including the fact that DiAmbrosio was trading unusually large blocks of stock at unusually large

and favorable price swings. These trades exposed Bearcat to significant risks of loss, but Diamond or Fineberg failed to exercise increased supervisory oversight.

D&D's and the DiCiccos' Failure to Supervise DiAmbrosio

25. D&D and the DiCiccos failed reasonably to supervise DiAmbrosio under the circumstances. D&D and the DiCiccos did not have reasonable written supervisory procedures, nor a system for applying such procedures to supervise the types of businesses in which they engaged; nor did they discharge their duties in connection with such supervision to prevent and detect, insofar as practicable, DiAmbrosio's violations of applicable securities laws and regulations. D&D's written supervisory procedures were unreasonable and no separate system of follow-up or review was conducted to prevent or detect DiAmbrosio's fraud.

26. Each month Dominic DiCicco received a package from D&D's clearing broker which included a one page summary sheet with a check representing D&D's net share of the commissions generated the prior month. At first, the package included a monthly commission analysis report, but this report was discontinued after the first four or five months of DiAmbrosio's employment with D&D. Dominic DiCicco asked DiAmbrosio about the report but, based upon DiAmbrosio's representation that it was unnecessary, Dominic DiCicco did not review or maintain a copy of the report. D&D also asked its clearing broker to stop sending the commission analysis report, which it did.

27. D&D did not have reasonable supervisory procedures to detect that DiAmbrosio was using the D&D error account as a trading account, and the DiCiccos failed reasonably to investigate red flags suggestive of DiAmbrosio's misconduct. D&D's oversight of DiAmbrosio consisted of periodic visits by Nicholas DiCicco and Dominic DiCicco to DiAmbrosio's post throughout the day to check generally if there were any problems. On several occasions, representatives from D&D's clearing broker contacted D&D by telephone and expressed concerns about the nature and extent of the activity in the error account opened for D&D. Nicholas DiCicco and/or Dominic DiCicco questioned DiAmbrosio after D&D's clearing broker expressed its concerns. DiAmbrosio provided explanations to the DiCiccos that were accepted by D&D's clearing broker. However, despite the contacts from its clearing broker, D&D and the DiCiccos did not change or enhance the firm's supervision of DiAmbrosio or independently monitor his trades, and the DiCiccos failed to undertake a meaningful investigation of this suspicious activity.

Violations

28. Based on the above-described conduct:

- a. Bearcat, a registered broker-dealer, willfully violated Section 15(b) of the Exchange Act and Rule 15b7-1 thereunder by allowing DiAmbrosio, who was associated with it, to effect or be involved in effecting securities transactions without being registered or approved in accordance with the standards of training, experience, competence, and other qualification standards established by the rules

of any national securities exchange or national securities association of which such broker-dealer is a member;

- b. Fineberg and Diamond willfully aided and abetted and caused violations of Section 15(b) of the Exchange Act and Rule 15b7-1 thereunder, as cited above;
- c. Bearcat willfully violated Section 17(a) of the Exchange Act and Rules 17a-3 and 17a-4, thereunder, by failing to make and keep certain records required of broker-dealers;
- d. Fineberg and Diamond willfully aided and abetted and caused violations of Section 17(a) of the Exchange Act and Rules 17a-3 and 17a-4, thereunder, as cited above;
- e. Bearcat, Fineberg and Diamond failed reasonably to supervise DiAmbrosio, within the meaning of Section 15(b)(4)(E) of the Exchange Act, with a view to preventing DiAmbrosio's violations of Section 17(a) of the Securities Act, Section 10(b) of the Exchange Act and Rule 10b-5, thereunder; and
- f. D&D and the DiCiccos failed reasonably to supervise DiAmbrosio, within the meaning of Section 15(b)(4)(E) of the Exchange Act, with a view to preventing DiAmbrosio's violations of Section 17(a) of the Securities Act, Section 10(b) of the Exchange Act and Rule 10b-5, thereunder.

Related Proceedings

29. On August 14, 2000, the PHLX instituted a disciplinary action against the respondents named herein based, essentially, on the same facts underlying this administrative proceeding. On June 19, 2002, the PHLX's Business Conduct Committee ("Business Conduct Committee") issued a decision finding: (1) violations of Section 10(b) of the Exchange Act and Rule 10b-5 thereunder, and various PHLX rules, by respondents Bearcat, Diamond and Fineberg (collectively, "Bearcat respondents"), and DiAmbrosio; and (2) violations of Sections 15 and 17 of the Exchange Act and Rules 15c3-1, 17a-5 and 17a-11 thereunder, and various PHLX rules, by D&D, Dominic DiCicco and Nicholas DiCicco (collectively, "D&D respondents"). In its order, the Business Conduct Committee also imposed the following sanctions on the respondents:

- a. DiAmbrosio was (1) censured, (2) fined \$1,000,000, and (3) permanently barred from membership or participation on the PHLX or association with a PHLX member organization or participant organization;
- b. Bearcat, Fineberg and Diamond were jointly and severally fined \$500,000; Fineberg and Diamond were each suspended from membership or participation on the PHLX or association with a PHLX member organization or participant

- organization for a period of six months; and Bearcat was suspended from membership or participation with the PHLX for a period of six months;
- c. Prior to readmission to membership on the PHLX, the Bearcat respondents must certify to the PHLX that they have complied with all the terms and conditions of the PHLX order, including the payment of all fines and serving the relevant suspension;
 - d. The D&D respondents were (1) censured, (2) jointly and severally fined \$500,000, and (3) prohibited from conducting a stock execution business for a period of one year, and required to receive the prior approval of the PHLX in order to conduct a stock execution business at any time thereafter.

30. On July 29, 2002, both the Bearcat respondents and the D&D respondents appealed the decision of the Business Conduct Committee to the PHLX's Board of Governors ("Board of Governors"). The PHLX also filed an appeal of the decision with its Board of Governors. On December 13, 2002, the Board of Governors affirmed the decision of the Business Conduct Committee and the sanctions it imposed, except that the Board of Governors found that the Business Conduct Committee had erred in not ordering the respondents to disgorge the illicit gains generated through their conduct. See Decision of the Board of Governors of the Philadelphia Stock Exchange, Enf. No. 00-11 (Dec. 13, 2002). In January 2003, the D&D respondents, Bearcat and Diamond each appealed the Board of Governors' decision to the Commission.

31. On April 11, 2003, the National Association of Securities Dealers ("NASD") rendered a decision in an arbitration case brought by Binary against the respondents herein, as well as two other entities that provided clearing services for Bearcat, based, essentially, on the same facts underlying this administrative proceeding. NASD Dispute Resolution Arbitration Number 00-01738. In that decision, the NASD held, among other things, that:

- a. DiAmbrosio and D&D are jointly and severally liable to Binary for compensatory damages of \$792,957;
- b. DiAmbrosio and Bearcat are jointly and severally liable to Binary for compensatory damages of \$592,126; and
- c. DiAmbrosio is solely liable to Binary for compensatory damages of \$1,385,083.

On May 14, 2003, 2003, D&D Securities appealed the NASD's decision to the United States District Court for the Eastern District of Pennsylvania.

32. In December 2003, the D&D respondents offered to resolve the PHLX and NASD matters and subsequently withdrew both their appeal to the Commission of the Board of Governors' decision, as well as D&D's appeal of the NASD arbitration decision. On February 9, 2004, an advisory committee of the Board of Governors issued a Supplemental Decision on behalf of the Board of Governors finding that the disgorgement ordered against the respondents in the NASD arbitration was adequate and ordering no further disgorgement. See Supplemental Decision

of Advisory Committee on Appeal Under Authority Granted by the Board of Governors of the Philadelphia Stock Exchange, Enf. No. 00-11 (Feb. 9, 2004).

33. On March 8, 2004, the Commission issued an Order sustaining the disciplinary action taken by the PHLX against Bearcat, Diamond and Fineberg. See Order Sustaining Disciplinary Action Taken By National Securities Exchange, Exchange Act Release No. 49375 (March 8, 2004).

34. The D&D respondents have timely paid in full the \$500,000 fine imposed on them by the PHLX, and D&D has paid in full the \$792,957 in damages ordered by the NASD.

Undertakings

35. The D&D respondents undertake:

- a. to retain, within 45 days of the date of entry of the Order, at their own expense, the services of an Independent Consultant not unacceptable to the staff of the Commission, to (i) review D&D's supervisory policies and procedures as they relate to preventing violations of Section 17(a) of the Securities Act, Section 10(b) of the Exchange Act and Rule 10b-5, thereunder; (ii) review D&D's policies and procedures as they relate to D&D's compliance with Section 15(b) of the Exchange Act; and (iii) review D&D's system for applying its supervisory and other policies and procedures as they relate to preventing and detecting violations of Section 17(a) of the Securities Act, Sections 10(b) and 15(b) of the Exchange Act and Rule 10b-5 thereunder.
- b. to require the Independent Consultant, at the conclusion of the review, which in no event shall be more than 120 days after the entry of the Order, to submit a Report to the D&D respondents and the Commission's staff. The report shall address the issues described in paragraph 35(a) of these undertakings and shall include a description of the review performed, the conclusions reached, the Independent Consultant's recommendations for changes or improvements to the policies, procedures, and practices of D&D, and a procedure for implementing the recommended changes or improvements to such policies, procedures, and practices.
- c. to adopt, implement, and maintain all policies, procedures, and practices recommended in the Report of the Independent Consultant. As to any of the Independent Consultant's recommendations about which the D&D respondents and the Independent Consultant do not agree, such parties shall attempt in good faith to reach agreement within 180 days of the date of the entry of the Order. In the event that the D&D respondents and the Independent Consultant are unable to agree on an alternative proposal acceptable to the Commission's staff, the D&D respondents will abide by the determinations of the Independent Consultant with regard thereto and adopt those recommendations deemed appropriate by the Independent Consultant. Within ninety (90) days of the Commission staff's receipt of the

Independent Consultant's Report, the D&D respondents shall submit an affidavit to the Commission staff stating that it has implemented any and all actions recommended by the Independent Consultant or required by the Commission staff, or explaining the circumstances under which it has not implemented such actions.

- d. to cooperate fully with the Independent Consultant in its review, including making such information and documents available as the Independent Consultant may reasonably request, and by permitting and requiring D&D's employees and agents to supply such information and documents as the Independent Consultant may reasonably request.
- e. that, in order to ensure the independence of the Independent Consultant, the D&D respondents (i) shall not have the authority to terminate the Independent Consultant without the prior written approval of the Commission's staff; (ii) shall compensate the Independent Consultant, and persons engaged to assist the Independent Consultant, for services rendered pursuant to the Order at their reasonable and customary rates; (iii) shall not be in and shall not have an attorney-client privilege relationship with the Independent Consultant and shall not seek to invoke the attorney-client or any other doctrine or privilege to prevent the Independent Consultant from transmitting information, reports, or documents to the Commission or the Commission's staff.
- f. to require the Independent Consultant to enter into an agreement that provides that, for the period of engagement and for a period of two years from completion of the engagement, the Independent Consultant shall not enter into any employment, consultant, attorney-client, auditing, or other professional relationship, directly or indirectly, with any of the D&D respondents, or any of their present or former affiliates, directors, officers or employees. The agreement will also provide that the Independent Consultant will require that any firm with which he/she is affiliated or of which he/she is a member, and any person engaged to assist the Independent Consultant in performance of his/her duties under this Order shall not, without prior written consent of the Commission's staff, enter into any employment, consultant, attorney-client, auditing or other professional relationship, directly or indirectly, with the D&D respondents, or any of their present or former affiliates, directors, officers or employees for the period of the engagement and for a period of two years after the engagement.

IV.

In view of the foregoing, the Commission deems it appropriate, in the public interest, and for the protection of investors to impose the sanctions agreed to in the Settling Respondents' Offers.

In determining whether to accept the Offers submitted by the Bearcat respondents, the Commission has considered the findings of the Business Conduct Committee referred to in

paragraph 29, the sanctions imposed on the Bearcat respondents by the Business Conduct Committee as set forth in paragraph 29, and the damages ordered against the Bearcat respondents by the NASD as set forth in paragraph 31.

In determining whether to accept the Offers submitted by the D&D respondents, the Commission has considered the findings of the Business Conduct Committee referred to in paragraph 29, the sanctions imposed on the D&D respondents by the Business Conduct Committee as set forth in paragraph 29, the damages ordered against the D&D respondents by the NASD as set forth in paragraph 31, the payment of the PHLX fine by the D&D respondents as set forth in paragraph 34, D&D's payment of damages as set forth in paragraph 34, and the undertakings set forth in paragraph 35.

Accordingly, pursuant to Sections 15(b), 19(h) and 21C of the Exchange Act, it is hereby ORDERED that:

- A. Pursuant to Section 15(b) of the Exchange Act, the registration of Bearcat, Inc. is revoked.
- B. Respondent Peter Fineberg is barred from association with any broker or dealer.
- C. Respondent Peter Fineberg shall cease and desist from causing any violations and any future violations of Sections 15(b) and 17(a) of the Exchange Act and Rules 15b7-1, 17a-3 and 17a-4 thereunder.
- D. Respondent Seth Diamond is barred from association with any broker or dealer.
- E. Respondent Seth Diamond shall cease and desist from causing any violations and any future violations of Sections 15(b) and 17(a) of the Exchange Act and Rules 15b7-1, 17a-3 and 17a-4 thereunder.
- F. Respondent D&D Securities, Inc. is censured.
- G. Respondent D&D Securities, Inc. shall comply with the undertakings enumerated in paragraph 35 above.
- H. Respondent Nicholas DiCicco is censured.
- I. Respondent Nicholas DiCicco shall comply with the undertakings enumerated in paragraph 35 above.
- J. Respondent Dominic DiCicco is censured.
- K. Respondent Dominic DiCicco shall comply with the undertakings enumerated in paragraph 35 above.

L. For good cause shown, the Commission's staff may extend any of the procedural deadlines set forth in paragraph 35 above.

M. Any reapplication for association by Respondents Fineberg or Diamond will be subject to the applicable laws and regulations governing the reentry process, and reentry may be conditioned upon a number of factors, including, but not limited to, the satisfaction of any or all of the following: (a) any disgorgement ordered against the Respondent, whether or not the Commission has fully or partially waived payment of such disgorgement; (b) any arbitration award related to the conduct that served as the basis for the Commission order; (c) any self-regulatory organization arbitration award to a customer, whether or not related to the conduct that served as the basis for the Commission order; and (d) any restitution order by a self-regulatory organization, whether or not related to the conduct that served as the basis for the Commission order.

By the Commission.

Nancy M. Morris
Secretary