

DUPONT E I DE NEMOURS & CO
Form 11-K
June 28, 2002

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SECURITIES AND EXCHANGE COMMISSION
WASHINGTON, DC 20549

FORM 11-K

ANNUAL REPORT
PURSUANT TO SECTION 15(d) OF THE
SECURITIES AND EXCHANGE ACT OF 1934

FOR THE FISCAL YEAR ENDED DECEMBER 31, 2001

DUPONT FLOORING SYSTEMS, INC.
401(K) AND DUPONT RESIDENTIAL
FLOORING SYSTEMS, INC. 401(K) PLAN
(FULL TITLE OF THE PLAN)

DUPONT FLOORING SYSTEMS, INC.
175 TOWNPARK COMMONS - SUITE 400
KENNESAW, GEORGIA 30144
(NAME AND ADDRESS OF PRINCIPAL EXECUTIVE OFFICE OF ISSUER)

Pursuant to the requirements of the Securities and Exchange Act of 1934, DuPont Flooring Systems, Inc. has duly caused this Annual Report to be signed by the under signed hereunto duly authorized.

DuPont Flooring Systems 401(k)
Plan and DuPont Residential Flooring
Systems 401(k) Plan

Date: June 27, 2002

By /s/ Nancy Foreman

Nancy Foreman
Benefits Manager

DuPont Flooring Systems, Inc. 401(k) Plan and
DuPont Residential Flooring Systems, Inc. 401(k) Plan
Index

Financial Statements:

	Page
Report of Independent Accountants	1
Statements of Net Assets Available for Benefits as of December 31, 2001 and 2000	2

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Statements of Changes in Net Assets Available for Benefits
for the Years Ended December 31, 2001 and 2000 3

Notes to Financial Statements 4-9

Supplemental Schedule*:

Schedule I - Schedule of Assets (Held at End of Year) 10-11

- * Other supplemental schedules required by Section 2520-103.1 of the Department of Labor's Rules and Regulations for Reporting and Disclosure under the Employee Retirement Income Security Act of 1974 ("ERISA") have been omitted because they are not applicable.

Report of Independent Accountants

To the Participants and Administrator of
the DuPont Flooring Systems, Inc. 401(k) Plan and
DuPont Residential Flooring Systems, Inc. 401(k) Plan

In our opinion, the accompanying statements of net assets available for benefits and the related statements of changes in net assets available for benefits present fairly, in all material respects, the net assets available for benefits of the DuPont Flooring Systems, Inc. 401(k) Plan and DuPont Residential Flooring Systems, Inc. 401(k) Plan (the "Plan") at December 31, 2001 and 2000, and the changes in net assets available for benefits for the years then ended in conformity with accounting principles generally accepted in the United States of America. These financial statements are the responsibility of the Plan's management; our responsibility is to express an opinion on these financial statements based on our audits. We conducted our audits of these financial statements in accordance with auditing standards generally accepted in the United States of America, which require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements, assessing the accounting principles used and significant estimates made by management, and evaluating the overall financial statement presentation. We believe that our audits provide a reasonable basis for our opinion.

Our audits were conducted for the purpose of forming an opinion on the basic financial statements taken as a whole. The supplemental schedule of assets (held at end of year) is presented for the purpose of additional analysis and is not a required part of the basic financial statements but is supplementary information required by the Department of Labor's Rules and Regulations for Reporting and Disclosure under the Employee Retirement Income Security Act of 1974. This supplemental schedule is the responsibility of the Plan's management. The supplemental schedule has been subjected to the auditing procedures applied in the audits of the basic financial statements and, in our opinion, is fairly stated in all material respects in relation to the basic financial statements taken as a whole.

/s/ PricewaterhouseCoopers
Hartford, Connecticut

June 4, 2002

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DuPont Flooring Systems, Inc. 401(k) Plan and
 DuPont Residential Flooring Systems, Inc. 401(k) Plan
 Statements of Net Assets Available for Benefits

	December 31,	
	2001	2000
Assets		
Investments, at fair value	\$ 20,936,556	\$ 20,482,285
Net assets available for benefits	----- \$ 20,936,556 =====	----- \$ 20,482,285 =====

The accompanying notes are an integral part of these financial statements.

DuPont Flooring Systems, Inc. 401(k) Plan and
 DuPont Residential Flooring Systems, Inc. 401(k) Plan
 Statement of Changes in Net Assets Available for Benefits

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December

	2001
Additions to net assets attributed to:	
Investment income:	
Interest	\$ 282,831
Dividends	32,461
Net depreciation in fair value of investments	(2,398,334)

	(2,083,042)

Contributions:	
Employer	982,146
Employee	4,179,382

	5,161,528

Total additions	3,078,486

Deductions from net assets attributed to:	
Benefit payments	2,563,274
Transaction charge	21,941
Participant loans terminated due to withdrawal of participants	66,226

Total deductions	2,651,441
Change in forfeiture reserve, net	27,226

Net increase	454,271
Net assets available for benefits at beginning of year	20,482,285

Net assets available for benefits at end of year	\$ 20,936,556
	=====

The accompanying notes are an integral part of these financial statements.

3

DuPont Flooring Systems, Inc. 401(k) Plan and
 DuPont Residential Flooring Systems, Inc. 401(k) Plan
 Notes to Financial Statements

1. Description of Plan

The following description of the DuPont Flooring Systems, Inc. 401(k) Plan and DuPont Residential Flooring Systems, Inc. 401(k) Plan (the "Plan") provides only general information. Participants should refer to the Plan agreements for a more complete description of the Plan's provisions.

General

The Plan is a defined contribution plan established effective July 1, 1995 and most recently amended and restated July 26, 2001, retroactively effective January 1, 2001. Non-union employees of DuPont Flooring Systems, Inc. and DuPont Residential Flooring Systems, Inc.

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(collectively, the "Company") become eligible to participate upon completing 60 days of service and attaining the age of 21. Prior to January 1, 2001, employees became eligible to participate upon completing six months of service and attaining the age of 21. The Plan is subject to the provisions of ERISA.

Effective February 1, 2000, the Plan was amended to change the name from DuPont Commercial Flooring Systems Inc. 401(k) Plan and DuPont Residential Flooring Systems Inc. 401(k) Plan to DuPont Flooring Systems, Inc. 401(k) Plan and DuPont Residential Flooring Systems, Inc. 401(k) Plan.

Contributions

Participants may contribute an amount equal to not less than one percent nor more than 15 percent of their compensation for the contribution period. Participants direct the investment of their contributions into various investment options offered by the Plan. The Plan currently offers a general account, various pooled separate accounts and two Company common stock accounts as investment options for participants. Employee contributions are recorded in the period during which the Company makes payroll deductions from the participant's earnings.

Effective February 1, 2000, the Company will make a matching contribution equal to \$.30 for each \$1.00 contributed by a participant, up to a maximum of seven percent of the participant's compensation. Prior to February 1, 2000, the Company made a matching contribution in an amount equal to \$.20 for each \$1.00 contributed by a participant, up to a maximum of eight percent of the participant's compensation. The Company may also make discretionary qualified non-elective contributions. Matching Company contributions are recorded monthly. Discretionary qualified nonelective contributions, if any, are recorded annually.

The Conoco Class B Common Stock is an investment option of the Plan, initiated as a result of a prior stock exchange. Participants were given the option to exchange shares of DuPont Company common stock for an appropriate number of shares of Conoco Class B Common Stock. No additional shares of Conoco Class B Common Stock may be purchased by Plan participants through payroll deductions, fund transfers or the reinvestment of dividends. Dividends earned on Conoco Class B Common Stock are distributed pro rata to the investment options in participants' accounts based upon their current investment elections.

4

DuPont Flooring Systems, Inc. 401(k) Plan and
DuPont Residential Flooring Systems, Inc. 401(k) Plan
Notes to Financial Statements

Participant Accounts

Each participant's account is credited with the participant's contribution and allocation of the Company's contribution and Plan earnings. Earnings are allocated by fund based on the ratio of a participant's account invested in a particular fund to all participants' investments in that fund. The benefit to which a participant is entitled is the benefit that can be provided from the participant's vested account.

Vesting

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Participants are immediately vested in their own contributions and the Company's discretionary qualified non-elective contributions plus actual earnings thereon. Vesting in the Company's matching contribution portion of their accounts is based on years of service. A participant becomes 20 percent vested after one year of service, 40 percent after two years of service, 60 percent after three years of service, 80 percent after four years of service and 100 percent vested after five years of service. However, if an active participant dies prior to attaining the normal retirement age, the participant's account becomes 100 percent vested.

Benefit Payments

On termination of service, a participant may elect to receive either a lump-sum amount equal to the value of the vested portion of their account, a distribution in the form of an annuity, or installment payments. Distributions are subject to the applicable provisions of the Plan agreement. Benefit claims are recorded as expenses when they have been approved for payment and paid by the Plan.

Participant Loans

Participants may borrow up to a maximum of \$50,000 or 50 percent of the vested portion of their account balance, whichever is less. Loans are calculated on a fully amortized basis. A loan is collateralized by the balance in the participant's account and bears interest at a rate commensurate with market rates for similar loans, as defined (5.75% to 10.75% and 8.75% to 10.75% for the years ended December 31, 2001 and 2000, respectively).

Cash Equivalents

Contributions received prior to year end awaiting investment in the appropriate investment option at December 31, 2001 are invested in the CIGNA Guaranteed Short-Term Account (formerly "CIGNA Charter Guaranteed Short-Term Account"), which is stated at fair value.

2. Summary of Accounting Policies

Method of Accounting

The Plan's financial statements are prepared on the accrual basis of accounting. The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and changes therein. Actual results could differ from those estimates. Certain reclassifications have been made to the 2000 amounts to conform with current year presentation.

DuPont Flooring Systems, Inc. 401(k) Plan and
DuPont Residential Flooring Systems, Inc. 401(k) Plan
Notes to Financial Statements

Investment Valuation

Investments in the general account are non-fully benefit responsive and are stated at fair value. Investments in pooled separate accounts are stated at fair value, as determined by the unit value reported by Connecticut General

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Life Insurance Company ("CG Life"). Participant loans are stated at fair value. The Company common stock accounts are valued at their quoted market price.

3. Investments

Investments that represent five percent or more of the Plan's net assets are separately identified below.

	December 31,	
	2001	2000
CIGNA Guaranteed Income Fund/1/ interest rates, 4.95%; 5.25%	\$ 5,260,739	\$ 4,332,981
CIGNA Fidelity Advisor Growth Opportunities Fund units, 53,285; 51,298	2,836,341	3,238,437
CIGNA Fidelity Contrafund Fund units, 38,233; 37,033	2,909,166	3,259,988
CIGNA Growth & Income/Multi-Manager Fund/2/ units, 236,511; 239,337	2,613,445	3,077,868
CIGNA INVESCO Dynamics Fund units, 50,800; 34,391	1,154,187	1,168,276
CIGNA Lifetime40 Fund units, 107,031; 113,322	1,254,399	1,434,654
DuPont Company Common Stock shares, 27,314; N/A	1,161,128	N/A

/1/ formerly "CIGNA Charter Guaranteed Income Fund"

/2/ formerly "CIGNA Charter Growth & Income Fund"

6

DuPont Flooring Systems, Inc. 401(k) Plan and
DuPont Residential Flooring Systems, Inc. 401(k) Plan
Notes to Financial Statements

Investment Performance

During the years ended December 31, 2001 and 2000, the Plan's investments (including interest, dividends, realized gains and losses on investments bought and sold and unrealized gains and losses on investments held during the year) appreciated (depreciated) in value as follows:

	Years Ended December 31,	
	2001	2000
General Account:		
CIGNA Guaranteed Income Fund	\$ 234,533	\$ 202,257

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Pooled Separate Accounts:

CIGNA Fidelity Advisor Growth Opportunities Fund	(487,353)	(727,483)
CIGNA Fidelity Contrafund Fund	(430,379)	(268,277)
CIGNA Growth & Income/Multi-Manager Fund	(417,436)	(188,439)
CIGNA International Blend/Bank of Ireland Fund/3/	(131,242)	(66,513)
CIGNA INVESCO Dynamics Fund	(437,471)	(202,209)
CIGNA Janus Worldwide Fund	(232,364)	(208,305)
CIGNA Lifetime20 Fund	(9,691)	(1,684)
CIGNA Lifetime30 Fund	(5,364)	(461)
CIGNA Lifetime40 Fund	(99,422)	(19,635)
CIGNA Lifetime50 Fund	(2,094)	50
CIGNA Lifetime60 Fund	536	228
CIGNA S&P 500(R)Index Fund/4/	(78,096)	(53,739)
CIGNA TimesSquare Corporate Bond Fund/5/	30,944	10,791
	-----	-----
	(2,299,432)	(1,725,676)

Company Common Stock:

Conoco Class B Common Stock	11	(82,644)
DuPont Company Common Stock	(66,452)	337
	-----	-----
	(66,441)	(82,307)

Participant loans

48,298	42,708
-----	-----

Net decrease

\$ (2,083,042)	\$ (1,563,018)
=====	=====

- /3/ formerly "CIGNA Charter Foreign Stock II Fund"
- /4/ formerly "CIGNA Charter Large Company Stock Index Fund"
- /5/ formerly "CIGNA Charter Corporate Bond Fund"

DuPont Flooring Systems, Inc. 401(k) Plan and
 DuPont Residential Flooring Systems, Inc. 401(k) Plan
 Notes to Financial Statements

4. Investment Contracts with Insurance Company

The Plan participates in a contract with CG Life via an investment in the CIGNA Guaranteed Income Fund. CG Life commingles the assets of the CIGNA Guaranteed Income Fund with other assets. For the Plan's investment in the CIGNA Guaranteed Income Fund, the Plan is credited with interest at the interest rates specified in the contract which ranged from 5.25% to 4.95% and was 5.25% for the years ended December 31, 2001 and 2000, respectively, net of asset charges. CG Life prospectively guaranteed the interest rates credited for the CIGNA Guaranteed Income Fund for six months. As discussed in Note 2, the CIGNA Guaranteed Income Fund is included in the financial statements at fair value which, principally because of the periodic interest rate reset process, approximates contract value.

5. Related-Party Transactions

Plan assets include investments in funds managed by CG Life, an indirect

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wholly-owned subsidiary of CIGNA. CG Life is the Plan's trustee and as such, transactions with the trustee qualify as party-in-interest transactions, which are exempt from prohibited transaction rules. Personnel and facilities of the Company have been used to perform administrative functions for the Plan at no charge to the Plan. In addition, the Plan holds shares of DuPont Company Common Stock, the Plan Sponsor, which also qualifies as a party-in-interest. The Plan also holds shares of Conoco Class B Common Stock, a former wholly-owned subsidiary of the Plan sponsor, which also qualifies as a party-in-interest.

6. Plan Termination

Although it has not expressed any intent to do so, the Company has the right under the Plan to discontinue its contributions at any time and to terminate the Plan subject to the provisions of ERISA. In the event of Plan termination, participants will become 100 percent vested in their accounts.

7. Tax Status

The Company has adopted a CG Life prototype plan which has been determined by the Internal Revenue Service to be in accordance with applicable sections of the Internal Revenue Code ("IRC"). The Plan has not yet filed for an individual determination letter. However, the Plan administrator believes that the Plan is designed and is currently being operated in compliance with applicable requirements of the IRC. Therefore, no provision for income taxes has been included in the Plan's financial statements.

8

DuPont Flooring Systems, Inc. 401(k) Plan and
DuPont Residential Flooring Systems, Inc. 401(k) Plan
Notes to Financial Statements

8. Reconciliation of Plan Financial Statements to the Form 5500

Certain balances included on Schedule H (Part I and II) of the Annual Return/Report of Employee Benefit Plan (the "Form 5500") have been reclassified for purposes of presentation in these financial statements to provide additional disclosure.

9. Forfeitures

The net change in forfeiture reserve represents the net change in the available forfeiture reserve balance from the prior year plus the current year forfeitures generated net of forfeitures used. Forfeitures result from non-vested Company contributions remaining in the Plan for all terminated employees. Upon reaching the break-in-service requirement, as defined in the Plan agreement, forfeitures generated are added to the forfeiture reserve balance. The forfeiture reserve of \$118,578 and \$59,573 at December 31, 2001 and 2000, respectively, is available to offset Company contributions or pay Plan expenses, which would be otherwise payable by the Company, in accordance with the Plan agreement.

9

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DuPont Flooring Systems, Inc. 401(k) Plan and Supplemental Schedule
 DuPont Residential Flooring Systems, Inc. 401(k) Plan Schedule I
 Schedule H (Line 4i) Form 5500 - Schedule of Assets (Held at End of Year)
 December 31, 2001

(a)	(b) Identity of issue, borrower, lessor, or similar party	(c) Description of investment including maturity date, rate of interest, collateral, par or maturity value	(d) Cost	
*	Connecticut General Life Insurance Company	CIGNA Guaranteed Income Fund	N/A**	\$ 5
*	Connecticut General Life Insurance Company	CIGNA Fidelity Advisor Growth Opportunities Fund	N/A**	2
*	Connecticut General Life Insurance Company	CIGNA Fidelity Contrafund Fund	N/A**	2
*	Connecticut General Life Insurance Company	CIGNA Growth & Income/Multi-Manager Fund	N/A**	2
*	Connecticut General Life Insurance Company	CIGNA International Blend/Bank of Ireland Fund	N/A**	
*	Connecticut General Life Insurance Company	CIGNA INVESCO Dynamics Fund	N/A**	1
*	Connecticut General Life Insurance Company	CIGNA Janus Worldwide Fund	N/A**	
*	Connecticut General Life Insurance Company	CIGNA Lifetime20 Fund	N/A**	
*	Connecticut General Life Insurance Company	CIGNA Lifetime30 Fund	N/A**	
*	Connecticut General Life Insurance Company	CIGNA Lifetime40 Fund	N/A**	1

* Indicates an identified person known to be a party-in-interest to the Plan.

** Cost information has been omitted for participant directed investments.

DuPont Flooring Systems, Inc. 401(k) Plan and Supplemental Schedule
 DuPont Residential Flooring Systems, Inc. 401(k) Plan Schedule I
 Schedule H (Line 4i) Form 5500 - Schedule of Assets (Held at End of Year)
 December 31, 2001 (continued)

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(a)	(b) Identity of issue, borrower, lessor, or similar party	(c) Description of investment including maturity date, rate of interest, collateral, par or maturity value	(d) Cost	(e) Current value
*	Connecticut General Life Insurance Company	CIGNA Lifetime50 Fund	N/A**	\$ 49,42
*	Connecticut General Life Insurance Company	CIGNA Lifetime60 Fund	N/A**	23,14
*	Connecticut General Life Insurance Company	CIGNA S&P 500 (R) Index Fund	N/A**	734,39
*	Connecticut General Life Insurance Company	CIGNA TimesSquare Corporate Bond Fund	N/A**	430,56
*	National Financial Services Corporation	Conoco Class B Common Stock	N/A**	2,06
*	National Financial Services Corporation	DuPont Company Common Stock	N/A**	1,161,12
*	Plan Participants	Participant Loans	N/A**	770,54
*	Connecticut General Life Insurance Company	Cash Equivalents (CIGNA Guaranteed Short-Term Account)	N/A**	22
	Total			----- \$20,936,55 =====

* Indicates an identified person known to be a party-in-interest to the Plan.

** Cost information has been omitted for participant directed investments.