

Stipulated Award
NASD Dispute Resolution

In the Matter of the Arbitration Between:

Timothy J. Foley, Individually, Carol A. Foley, Individually, Timothy J. Foley and Carol A. Foley JTWROS (Claimant) v. Michael DeVito and Cadaret, Grant & Co. (Respondents)

Case Number: 04-00605

Hearing Site: New York, New York

Nature of the Dispute: Customers vs. Associated Person and Member

REPRESENTATION OF PARTIES

Claimants Timothy J. Foley, Individually (T. Foley), Carol A. Foley, Individually (C. Foley), and Timothy J. Foley and Carol A. Foley ("the Foleys") JTWROS hereinafter collectively referred to as "Claimants": Matthew D. Pardy, Esq., Kim, Smith & Pardy P.A, Orlando, FL.

Respondents Michael DeVito ("DeVito") and Cadaret, Grant & Co. ("Cadaret") hereinafter collectively referred to as "Respondents": Andrew W. Davitt, Esq., Marshall, Dennehey, Warner, Coleman & Goffin, PC, Philadelphia, PA.

CASE INFORMATION

Statement of Claim filed on or about: January 19, 2004.

Claimant T. Foley signed the Uniform Submission Agreement: July 24, 2003.

Claimant C. Foley signed the Uniform Submission Agreement: July 24, 2003.

Claimants the Foleys signed the Uniform Submission Agreement: July 24, 2003.

Joint Statement of Answer, Motion to Dismiss, and Motion for More Specific Statement of Claim filed by Respondents on or about: May 7, 2004.

Respondent DeVito signed the Uniform Submission Agreement: April 26, 2004.

Respondent Cadaret signed the Uniform Submission Agreement: June 9, 2004.

CASE SUMMARY

Claimants asserted the following causes of action: suitability, breach of fiduciary duty, violation for Section 10(b) of the Exchange Act and Rule 10B-5, common law fraud, failure to supervise, control person liability pursuant to respondent superior, violation of SRO Rules, states laws, negligence, breach of contract, omissions and misrepresentations.

The causes of action relate to Oppenheimer Funds such as: Oppenheimer Global Growth and Income, Total Return and Main Street Growth and Income Fund; Putnam Funds such as: Growth

Fund, Global Equity Fund, Investors Fund, Growth Opportunities Fund; MFS Funds such as Mass Investor Growth Stock Fund; and Davis Funds such as the Davis New York Venture Fund Unless specifically admitted in their Answer, Respondents DeVito and Cadaret denied the allegations of wrongdoing set forth in the Statement of Claim and asserted various defenses.

RELIEF REQUESTED

Claimants requested: compensatory damages in the amount of \$298,268.10, punitive damages in the amount of \$150,000.00, interest, disgorgement of all commissions, fees and other charges paid by Claimant, attorneys' fees, costs and expenses of this proceeding and such other and further relief as the Panel deems just and proper.

Cadaret requested that (a) the Motion to Dismiss be addressed at the outset; and (b) the case as to Cadaret be dismissed, with prejudice, with all fees and costs assessed to Claimants.

DeVito requested that the case be dismissed with prejudice with all fees and costs assessed to Claimants; that all references to these matters be ordered expunged from his CRD record; that the Motion to Dismiss is not granted at the outset and that Claimants be required to file a More Specific Statement of Claim in compliance with NASD Code of Arbitration Procedure, which includes that Claimants set forth all relevant facts and attach all relevant documents to the Amended Statement of Claim.

OTHER ISSUES CONSIDERED AND DECIDED

On or about January 20, 2005, Claimant withdrew, with prejudice, all claims against Respondent Cadaret.

On or about March 14, 2005, the parties notified NASD that they entered into a settlement agreement.

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

AWARD

The parties entered into an agreement to present to the Panel a Stipulated Award. Now, in lieu of a hearing and upon motion of both parties for an entry of an award, the written stipulation thereto, the Panel grants the motion and enters this award granting the following relief:

1. The Panel recommends the expungement of all reference to the above captioned arbitration from Respondent Michael DeVito's registration records maintained by the NASD Central

Registration Depository ("CRD"), with the understanding that pursuant to NASD Notices to Members 99-09 and 99-54, Respondent Michael DeVito must obtain confirmation from a court of competent jurisdiction before the CRD will execute the expungement directive.

2. Any and all relief not specifically addressed herein, including punitive damages, is denied

FEES

Pursuant to the Code, the following fees are assessed:

Filing Fees

NASD Dispute Resolution, Inc. 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. In this matter, the member firm Cadaret, Grant & Co. is a party.

Member Surcharge	= \$ 1,700.00
Pre-Hearing Process Fee	= \$ 750.00
<u>Hearing Process Fee</u>	<u>= \$ 2,750.00</u>
Total Member Fees	= \$ 5,200.00

Forum Fees and Assessments

The Panel assesses forum fees for each hearing session conducted. A hearing 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. Forum fees associated with these proceedings are:

(1) Pre-hearing conference session with the Panel @ \$1,125.00/session	= \$ 1,125.00
Pre-hearing conference: July 19, 2004	1 session

Total Forum Fees	= \$ 1,125.00
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1. The Panel assessed \$562.50 of the forum fees jointly and severally against Claimants.
2. The Panel assessed \$562.50 of the forum fees jointly and severally against Respondents.

Fee Summary

1. Claimants are jointly and severally liable for:

Initial Filing Fee	= \$ 300.00
Forum Fees	= \$ 562.50
Total Fees	= \$ 862.50
Less payments	= \$ 1,425.00
Refund Due Claimants	= \$ 562.50

2. Respondent Cadaret is solely liable for:

Member Fees	= \$ 5,200.00
Total Fees	= \$ 5,200.00
Less payments	= \$ 5,200.00
Balance Due NASD Dispute Resolution	= \$ 0.00

3. Respondents Cadaret and DeVito are jointly and severally liable for:

Forum Fees	= \$ 562.50
Total Fees	= \$ 562.50
Less payments	= \$ 0.00
Balance Due NASD Dispute Resolution	= \$ 562.50

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

NASD Dispute Resolution

In the Matter of the Arbitration Between:

Name of the Claimant(s)

Case Number: 04-00605

TIMOTHY J. FOLEY, Individually,
CAROL A. FOLEY, Individually and
TIMOTHY J. FOLEY and
CAROL A. FOLEY, JT/WROS

Name of the Respondent(s)

Hearing Site: Philadelphia, PA

MICHAEL DEVITO
And CADARET GRANT & CO.

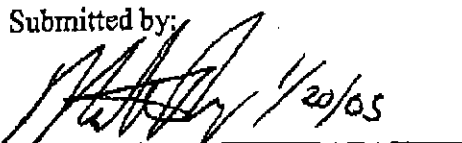
STIPULATION

Claimants and Respondents, through their undersigned counsel, agree and aver as follows:

1. The above-referenced Parties request that all references on Michael DeVito's U-4 or any other regulatory filings that refer or relate to a customer complaint or Arbitration filed by Claimants shall be expunged and permanently erased from Michael DeVito's regulatory records.
2. The above-referenced Parties agree, if necessary for the purposes of the expungement process, to the entry of a Stipulated Award.
3. Claimants by counsel do not object to Respondent Michael DeVito's request for expungement and will assist in securing same.

Dated this 20th day of JANUARY, 2005.

Submitted by:


Matthew D. Pardy, Esquire
Attorney for Claimants
Timothy J. Foley and Carol A. Foley

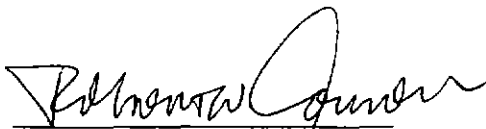

Andrew W. Davitt, Esquire
Attorney for Named Respondents

ARBITRATION PANEL

Robert W. Cockren, Esq.	-	Public Arbitrator, Presiding Chair
Beth Bird Pocker, Esq.	-	Public Arbitrator
Thomas M. Amadio	-	Non-Public Arbitrator

Concurring Arbitrators' Signatures

I, the undersigned arbitrator, do hereby affirm, pursuant to Article 7507 of the Civil Practice Law and Rules, that I am the individual described herein and who executed this instrument, which is my award.



Robert W. Cockren, Esq.
Public Arbitrator, Presiding Chair

Jan 14, 2006
Signature Date

Beth Bird Pocker, Esq.
Public Arbitrator

Signature Date

Thomas M. Amadio
Non-Public Arbitrator

Signature Date

January 27, 2006
Date of Service (For NASD office use only)

ARBITRATION PANEL


Robert W. Cockren, Esq.	-	Public Arbitrator, Presiding Chair
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Robert W. Cockren, Esq.
Public Arbitrator, Presiding Chair

Signature Date



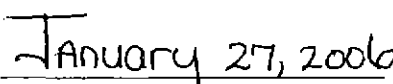
Beth Bird Pocker, Esq.
Public Arbitrator



Signature Date

Thomas M. Amadio
Non-Public Arbitrator

Signature Date



Date of Service (For NASD office use only)

ARBITRATION PANEL

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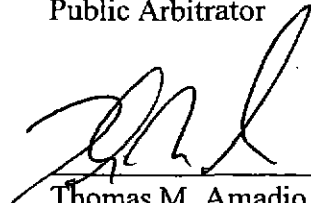
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Robert W. Cockren, Esq.
Public Arbitrator, Presiding Chair

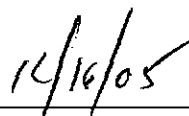
Signature Date

Beth Bird Pocker, Esq.
Public Arbitrator

Signature Date



Thomas M. Amadio
Non-Public Arbitrator



Signature Date

January 27, 2006
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