

Award
NASD Dispute Resolution

In the Matter of the Arbitration Between:

Name of the Claimant
Michael Weinberg

Case Number: 04-04029

Names of the Respondents
Cardinal Capital Management, Inc.
Joseph Quattrochi

Hearing Site: Baltimore, MD

Nature of the Dispute: Customer vs. Terminated Member and Associated Person.

REPRESENTATION OF PARTIES

Claimant Michael Weinberg ("Claimant") was represented by Dan Brecher, Esq., Law Offices of Dan Brecher, New York, New York.

Respondent Cardinal Capital Management, Inc. ("Cardinal Capital") was represented by Alan P. Fraade, Esq., Mintz & Fraade, P.C., New York, New York. Cardinal Capital did not appear at the hearing.

Respondent Joseph Quattrochi ("Quattrochi") was not represented by counsel and did not appear at the hearing.

CASE INFORMATION

Statement of Claim filed on June 4, 2004.

Claimant signed the Uniform Submission Agreement on June 1, 2004.

Statement of Answer and Cross Claim filed by Respondent Cardinal Capital on October 8, 2004. A representative of Respondent Cardinal Capital executed the Uniform Submission Agreement on December 28, 2004.

Respondent Quattrochi did not file a Statement of Answer or Uniform Submission Agreement. Claimant submitted a post-hearing Memorandum of Law Regarding the Authority of the Arbitration Panel (the "Panel") to Award Reasonable Attorneys' Fees on May 31, 2005.

CASE SUMMARY

Claimant asserted the following causes of action, among others: common law and statutory fraud, fraudulent misrepresentation, unauthorized transactions, improper guarantee against losses, violation of NASD Rule 2330(f), breach of contract, breach of fiduciary duty, and failure to supervise. The causes of action relate to the purchase of shares in Jaguar Investments, Inc., Essential Reality, Inc., and Bauer Partnership, Inc.

Unless specifically admitted in its Answer, Respondent Cardinal Capital denied the allegations made in the Statement of Claim and asserted the following defenses, among others: the

Statement of Claim fails to state a claim upon which relief can be granted, voluntary assumption of the risk, failure to exercise due diligence, ratification, failure to mitigate damages, and contributory negligence.

In its Cross Claim Respondent Cardinal Capital alleged that, if Claimant had suffered any loss, it was directly and proximately caused by Cross Respondent Quattrochi.

RELIEF REQUESTED

Claimant in his Statement of Claim requested:

Compensatory Damages	\$114,641.00
Punitive Damages	amount unspecified
Attorneys' Fees	amount unspecified
Other Costs	amount unspecified

Claimant also requested interest at the rate of 9% from April 11, 2003 until the date the award is paid in full.

Respondent Cardinal Capital in its Statement of Answer requested that the Statement of Claim be dismissed in its entirety and that it be awarded attorneys' fees and costs.

In its Cross Claim Respondent Cardinal Capital requested that if it were found liable, Respondent Quattrochi should indemnify it against any loss.

OTHER ISSUES CONSIDERED AND DECIDED

Upon review of the file and the representations made on behalf of the Claimant, the undersigned Panel determined that Respondent Quattrochi has been properly served with the Statement of Claim and accompanying service letter via first class mail on June 14, 2004 and that arbitration of the matter would proceed without said Respondent present, in accordance with the NASD Code of Arbitration Procedure (the "Code").

Respondent Cardinal Capital did not appear at the hearing.

AWARD

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

1. Respondents Cardinal Capital and Quattrochi are jointly and severally liable to and shall pay to Claimant compensatory damages in the amount of \$63,934.50, plus interest at 4.5% on that amount. Interest shall be calculated on a simple basis and shall accrue from June 4, 2004 through the date the Award is paid in full;

2. Respondent Quattrochi is liable to and shall pay to Claimant compensatory damages in the amount of \$50,357.50 plus interest at 4.5% on that amount. Interest shall be calculated on a simple basis and shall accrue from June 4, 2004 through the date the Award is paid in full;
3. The Panel denied Respondent Cardinal Capital's Cross-Claim in its entirety;
4. Respondents Cardinal Capital and Quattrochi are jointly and severally liable to and shall pay to Respondents attorneys' fees in the amount of \$20,000.00. Authority for granting of attorneys' fees derives from New York law;
5. The parties shall bear their respective costs, except as Fees are specifically addressed below; and
6. Any and all relief not specifically addressed herein, including punitive damages, is denied in its entirety.

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
Cross claim filing fee	= \$1,000.00

Member Fees

Member fees are assessed to each member firm that is a party in these proceedings or to the member firms that employed the associated person(s) at the time of the events giving rise to the dispute. Accordingly, Cardinal Capital is a party.

Member surcharge	= \$1,700.00
Pre-hearing process fee	= \$ 750.00
Hearing process fee	= \$2,750.00
Total Member Fees	= \$5,200.00

Forum Fees and Assessments

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

Two (2) Pre-hearing sessions with a single arbitrator @ \$450.00	= \$ 900.00
Pre-hearing conferences: March 3, 2005 1 session	
March 30, 2005 1 session	

One (1) Pre-hearing session with Panel @ \$1,125.00	= \$1,125.00
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Pre-hearing conferences: December 21, 2004 1 session

One (1) Hearing session @ \$1,125.00 = \$1,125.00

Hearing Date: May 17, 2005 1 session

Total Forum Fees = \$3,150.00

1. The Panel has assessed 3,150.00 of the forum fees jointly and severally to Respondents.

FEES SUMMARY

1. Claimant is assessed and shall pay the following fees:

Initial Filing Fee = \$ 300.00

Total Fees = \$ 300.00

Less payments = \$1,425.00

Refund Due Claimant = \$1,125.00

2. Respondent Cardinal Capital is assessed and shall pay the following fees:

Filing Fee = \$1,000.00

Member Fees = \$5,200.00

Total Fees = \$6,200.00

Less payments = \$4,575.00

Balance Due NASD Dispute Resolution = \$1,625.00

3. Respondents are jointly and severally assessed and shall pay the following fees:

Forum Fees = \$3,150.00

Total Fees = \$3,150.00

Less payments = \$ 00.00

Balance Due NASD Dispute Resolution = \$3,150.00

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

ARBITRATION PANEL

Gerald Scher, Esq.

John Joseph Hentschel

Richard Compisi

- Public Arbitrator, Presiding Chairperson
- Public Arbitrator, Panelist
- Non-Public Arbitrator, Panelist

ATTN - Pat Coulson
Case #
04-04029
WRINKLES V
CARDINAL/Archdiocese

Concurring Arbitrators' Signatures



Gerald Scher, Esq.
Public Arbitrator, Presiding Chairperson

6/10/05
Signature Date

John Joseph Hentschel
Public Arbitrator, Panelist

Signature Date

Richard Compisi
Non-Public Arbitrator, Panelist

Signature Date

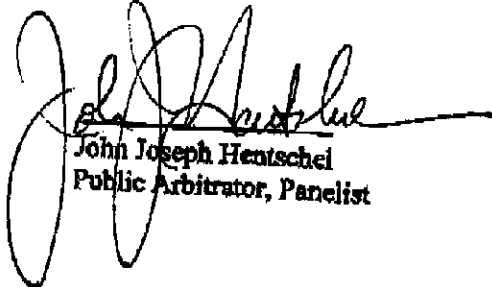
6/13/05
Date of Service (For NASD Dispute Resolution office use only)

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Gerald Soher, Esq.
Public Arbitrator, Presiding Chairperson

Signature Date


John Joseph Hentschel
Public Arbitrator, Panelist

6/13/05
Signature Date

Richard Compisi
Non-Public Arbitrator, Panelist

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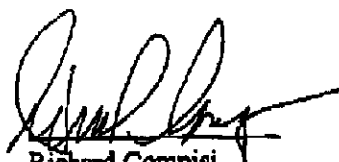
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