

Award
NASD Dispute Resolution

In the Matter of the Arbitration Between:

Richard Klotz, (Claimant) vs. Electronic Trading Group, LLC, (Respondent)

and

Electronic Trading Group, LLC, (Claimant) vs. Richard Klotz, (Respondent)

Case Number: 00-01008(consolidated w/00-01492)

Hearing Site: New York, New York

REPRESENTATION OF PARTIES

Claimant, Richard Klotz ("Klotz"), hereinafter referred to as "Claimant", appeared *pro se*.

Respondent, Electronic Trading Group, LLC ("ETG"), hereinafter referred to as
"Respondent": Gregg Giaquinto, Esq., Electronic Trading Group, LLC, New York, NY.

CASE INFORMATION

00-01008

Statement of Claim filed by Klotz on or about: March 6, 2000.
Klotz signed the Uniform Submission Agreement: June 10, 2000.

ETG did not file a Statement of Answer or sign a Uniform Submission Agreement.

00-01492

Statement of Claim filed by ETG on or about: April 7, 2000.
ETG signed the Uniform Submission Agreement: February 22, 2000.

Statement of Answer and Counterclaim filed by Klotz on or about: November 14, 2000.
Klotz did not sign a Uniform Submission Agreement.

CASE SUMMARY

00-01008

Klotz asserted the following cause of action: unpaid compensation.

00-01492

ETG asserted the following causes of action: breach of Training, Confidential and Non-Solicitation and Non-Interference Agreement and breach of Operating Agreement.

Unless specifically admitted in his Answer, Klotz denied the allegations made in the Statement of Claim and asserted the following defenses: the Operating Agreement in question was terminated and ETG's alleged uniqueness and training was not unique in the industry.

RELIEF REQUESTED

00-01008

Klotz requested compensatory damages in the amount of \$8,371.65, plus punitive damages in the amount of \$20,000.00, attorneys' fees, witness and production fees, and case-related costs.

00-01492

ETG requested that the Panel:

- a. Determine that Klotz breached the Agreements in question;
- b. Award ETG the remainder of the training expenses, totaling \$10,628.35;
- c. Award ETG the costs of bringing this action including attorneys' fees; and
- d. Award ETG any additional relief that the Arbitrator deems just and proper.

Klotz sought to collect his "Class C" membership account in the amount of \$8,371.65.

OTHER ISSUES CONSIDERED AND DECIDED

The Panel decided to dismiss this arbitration in its entirety, without prejudice, due to the parties' failure to prosecute.

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

AWARD

After considering the pleadings, as well as the parties' failure to prosecute, the Panel has decided in full and final resolution of the issues submitted for determination as follows:

1. Klotz's claims are hereby dismissed in their entirety, without prejudice.
2. ETG's claims are hereby dismissed in their entirety, without prejudice.
3. All other requests for relief are hereby denied.

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 (00-01008)	= \$ 150.00
Initial claim filing fee (00-01492)	= \$ 750.00
Counterclaim filing fee (00-01492)	= \$ 75.00

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, Electronic Trading Group, LLC is a party.

Member surcharge (00-01008)	= \$ 600.00
Pre-hearing process fee (00-01008)	= \$ 600.00
Member surcharge (00-01492)	= \$ 400.00

Fee Summary

1. Klotz is solely liable for:

Initial Filing Fee (00-01008)	= \$ 150.00
Initial Filing Fee (00-01492)	= \$ 75.00
Total Fees	= \$ 225.00
Less payments	= \$ 750.00
Refund Due Klotz	= \$ 525.00

2. ETG is solely liable for:

Initial Filing Fee (00-01492)	= \$ 750.00
<u>Member Fees</u>	<u>= \$1,600.00</u>
Total Fees	= \$2,350.00
<u>Less payments</u>	<u>= \$2,650.00</u>
Refund Due ETG	= \$ 300.00

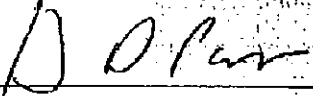
All balances are payable to NASD Dispute Resolution, and are due upon receipt pursuant to Rule 10330(g) of the Code.

ARBITRATION PANEL

Keely D. Parr, Esq.	-	Public Arbitrator, Presiding Chair
Costas Mallios	-	Public Arbitrator
Robina Fedora Asti	-	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.



Keely D. Parr, Esq.
Public Arbitrator, Presiding Chair

04-01-03

Signature Date

Costas Mallios
Public Arbitrator

Signature Date

Robina Fedora Asti
Non-Public Arbitrator

Signature Date

April 15, 2003

Date of Service (For NASD Dispute Resolution use only)

ARBITRATION PANEL

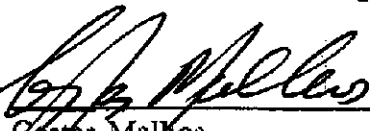
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Signature Date



Costas Mallios
Public Arbitrator

Signature Date

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Costas Mallios
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Non-Public Arbitrator

Signature Date

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