

**IN ARBITRATION
UNDER CHAPTER XVIII OF THE RULES
OF THE CHICAGO BOARD OPTIONS EXCHANGE, INCORPORATED**

In The Matter Of)	
)	
)	
JTL Investments, LLC and)	
New Millennium Global)	
Investments, LLC,)	
)	
Claimants)	DECISION
)	
v.)	File No. 01M006
)	
Marios K. Sinapoglou,)	
)	
Respondent.)	
)	

Representation

For Claimants:	Jeffrey Schulman, Wolin & Rosen, Ltd., Chicago, Illinois
For Respondent:	Robert E. Lewin, Chicago, Illinois

Pleadings

Statement of Claim and Submission Agreement, filed on or about:	December 7, 2001
Answer and Submission Agreement, filed on or about:	January 24, 2002

Hearing

The named parties appeared at the hearing sessions specified below, and had full opportunity to present arguments and evidence.

<u>Date(s)</u>	<u>No. of Sessions</u>	<u>Location</u>
May 13, 2002	1	Chicago, Illinois

Summary of Issues

On December 7, 2001, JTL Investments, LLC and New Millennium Global Investments, LLC ("Claimants") filed a Statement of Claim against Marios K. Sinapoglou ("Respondent") for breach of contract. Claimants assert that the parties entered into an operating agreement for MKS Associates, LLC on September 21, 1998 ("Agreement") that was binding until September 20, 2002. Claimants further assert that under the Agreement Respondent agreed to manage MKS, Claimants agreed to provide 100% of the investment capital, and that Respondent agreed not to compete with Claimants until September 20, 2002 in the event that Respondent withdrew from MKS prior to termination. Among other things, Claimants allege that Respondent withdrew from MKS at the end of November 2000, that Respondent has been trading on the floor of the Chicago Board Options Exchange, Incorporated ("CBOE" or "Exchange") since August 2001, and that by trading options on the CBOE, Respondent is in direct

competition with Claimants in violation of the Agreement. Claimants seek damages against Respondent for breach of contract in the amount of \$116,034.80.

Respondent asserts that the non-compete agreement contracted in the Agreement is vague, ambiguous, and unreasonable, and that Claimants have no proper basis for relief, among other things. At the hearing, Respondent entered a counterclaim for attorney's fees.

Award*

After due deliberation and consideration of the hearing testimony, documentary evidence, and other submissions of the parties, the undersigned arbitrators, in full and final resolution of all issues in controversy, award as follows:

1. The panel finds in favor of the Respondent. There was no breach of contract.
2. Each party is responsible for its own attorney's fees.
3. Respondent shall pay to Claimants the amount of \$750 in forum fees, as set forth below.

Forum Fees

Pursuant to Exchange Rule 18.33, the Arbitrators assess the following forum fees:

Initial Filing Fee – Claim	\$ 750
Hearing Session Fees (1 x \$750)	<u>750</u>
Total	\$1,500

1. Responsibility for the forum fees, totaling \$1,500, is assessed equally between the parties.
2. The Exchange shall retain the non-refundable filing fee in the amount of \$750 and the hearing session deposit in the amount of \$750 previously submitted by Claimants.
3. Respondent shall pay to Claimants the total amount of \$750 for fees previously deposited by Claimants.

/s/ Peter C. Guth
Peter C. Guth, Chair and Industry Arbitrator

May 21, 2002
Date

/s/ Theodoric Flemister
Theodoric Flemister, Industry Arbitrator

May 21, 2002
Date

/s/ Donald F. Pratl
Donald F. Pratl, Industry Arbitrator

May 21, 2002
Date

* Pursuant to CBOE Rule 18.31, all monetary awards shall be paid within thirty (30) days of receipt unless a motion to vacate has been filed with a court of competent jurisdiction.