

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

In The Matter Of)	
)	
Wagner Stott Clearing Corp.,)	
)	
Claimant,)	
)	
v.)	File No. 94 M 07
)	
Johann B. Garovi and)	
Johann B. Garovi, Inc.,)	
)	
Respondents.)	
)	

Representation

For Claimant(s): Peter R. Sonderby, Chicago Illinois
For Respondent(s): None

Pleadings

Statement of Claim filed on or about: July 29, 1994
Answer filed on or about: No Answer was filed by Respondents.

Hearing

Wagner Stott Clearing Corp. ("Claimant") appeared at a hearing, which consisted of one (1) session on March 2, 1995 in Chicago, Illinois, and had full opportunity to present arguments and evidence. Johann B. Garovi and Johann B. Garovi, Inc., ("Respondents") failed to appear at the hearing. Pursuant to Chicago Board Options Exchange ("Exchange") Rule 18.19, the Arbitrators found that Respondents were duly noticed of the hearing by certified mail, dated February 6, 1995, and determined to proceed with the hearing.

Summary of Issues

The captioned controversy involves a deficit balance in Respondents' trading account with Claimant. Claimant alleges that on January 10, 1994, Respondents incurred a debit in their account totaling \$134,158.93, primarily resulting from transactions in January OEX calls. Claimant asserts that Respondents voluntarily paid \$120,000.00 against the debit balance on January 24, 1994, and have refused and continue to refuse to pay the remaining balance of \$14,158.93.

Relief Requested

Claimant requests an award against Respondents in the amount of \$15,306.23, which represents the deficit balance plus accrued interest through the date of filing this arbitration, plus additional interest and the costs and expenses of collection, including attorneys' fees.

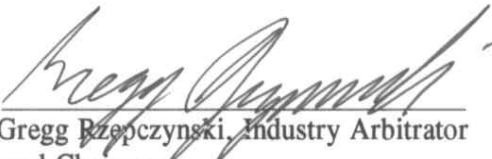
Other Issues Resolved

The Arbitrators verified that the Statement of Claim was properly served on Respondents via Certified Mail, dated August 8, 1994, in accordance with Exchange Rule 18.15. In addition to the service of the Statement of Claim and the notice of hearing mentioned above, the Arbitrators noted that Respondents were advised by the Director of Arbitration of the forthcoming appointment of arbitrators and selection of the hearing date via Certified Mail, dated January 18, 1995.

Award*

After due deliberation and consideration of the hearing testimony, documentary evidence, and other submissions of the Claimant, the undersigned Arbitrators, in full and final resolution of the matter in controversy, award as follows:

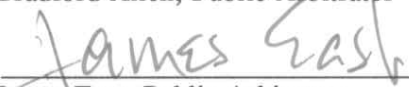
1. Respondents are jointly and severally liable for and shall pay to Claimant the total amount of \$17,006.99, which represents \$14,158.93 in compensatory damages, plus \$1,748.06 interest and \$1,100.00 in forum fees.
2. No award is rendered for the costs and expenses of collection, including attorneys' fees.
3. Pursuant to Exchange Rule 18.33, the Arbitrators assess forum fees in the total amount of \$1,100.00. The Exchange shall retain the non-refundable filing fee in the amount of \$500.00 and the hearing session deposit in the amount of \$600.00 previously submitted by Claimant.


Gregg Rzepczynski, Industry Arbitrator
and Chairman

3/30/95
Date


Bradford Allen, Public Arbitrator

April 11, 1995
Date


James East, Public Arbitrator

4/8/95
Date