



N.A.S.D. AWARD

Arbitration

NATIONAL ASSOCIATION OF SECURITIES DEALERS

National Association of
Securities Dealers, Inc.
NASD Financial Center
33 Whitehall Street
New York, New York 10004

In the Matter of the Arbitration Between

Name of Claimant(s)

Carman Richard & Jeannette Roy

90-01831

Name of Respondent(s)

First Investors Corporation

Heard before the Arbitration Panel:

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Name

Public/Industry

Robert Seaman, Esq.

Public/Chairman

Henry H. Balter

Public/Panelist

Louis Green

Industry/Panelist

REPRESENTATION

Claimants, Carman Richard and Jeannette Roy were Pro Se.

Respondents, First Investors Corporation, was represented by Nanette A. King, Esq. of First Investors Corporation.

CASE SUMMARY

This matter was initiated by a Statement of Claim filed with the National Association of Securities Dealers, Inc. ("NASD") on June 28, 1990. Claimants, alleged that they were placed in investments which exposed them to undue risk of principal loss because the assets of First Investors Income Fund were invested primarily in "Junk Bonds".

In a Statement of Answer filed with the NASD on November 5, 1990 Respondent, First Investors Corporation denied liability and claimed that the risk of the investment was fully explained to Claimants verbally as well as in prospectuses received by Claimants. Respondents also asserted that Claimants were primarily interested in obtaining a high yield.

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RELIEF REQUESTED

Claimants requested an award in the amount of \$43,571.00.

Respondent requested Dismissal of the Claim.

AWARD

On May 20, 1991 in New York City, during a hearing lasting two (2) sessions, the undersigned arbitrators heard the controversy between the parties as set forth in submissions to arbitration signed by Claimants, Carmen Richard and Jeannette Roy, on June 22, 1990 and by David D. Grayson on behalf of Respondent, First Investors Corporation, on November 20, 1990. After considering the pleadings, the testimony, and the evidence presented at the hearing, the arbitrators have decided in full and final resolution of the issues submitted for determination as follows:

(The parties have agreed that the Award in this matter may be executed in counterpart copies or that a handwritten, signed Award be entered. In either case, the parties have agreed to receive conformed copies of the Award while the originals remain on file with the NASD).

1. All Claims of the Claimant, Carmen Richard, are denied;
2. Respondent, First Investors Corporation, shall pay to Claimant, Jeannette Roy, the sum of Ten Thousand Dollars and no cents (\$10,000.00) plus interest from the date of this Award at the rate of 9% per annum;
3. The Parties shall each bear their respective costs, including attorneys' fees;
4. Pursuant to Section 43 of the Code of Arbitration Procedure, the NASD, Inc. shall retain the \$520.00 filing fee previously deposited by the Claimant;

FORUM FEES

Pursuant to Section 43c of the Code of Arbitration Procedure, the following Forum Fees are assessed.

Respondent, First Investors Corporation, is assessed \$400.00 in forum fees.

Fees are payable to the National Association of Securities Dealers, Inc.

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Concurring Arbitrators' Signature

/s/

Robert Seaman, Esq.

/s/

Henry H. Balter

/s/

Louis Green

Date of Decision July 1, 1991