

N.A.S.D. AWARD**NATIONAL ASSOCIATION OF SECURITIES DEALERS**

**National Association of
Securities Dealers, Inc.**
NASD Financial Center
33 Whitehall Street
New York, N.Y. 10004
FAX (212) 858-4389

In the Matter of the Arbitration Between

Name of Claimant

Irma Petersen

90-02373

Name of Respondent

First Investors Corporation

REPRESENTATION

For Claimant: Joseph Matticola, Executor of the Estate of Irma Petersen.

For Respondent: Lisa Ferneau, Esq. of the law firm of Kirkpatrick & Lockhart.

CASE INFORMATION

Statement of Claim filed: October 29, 1990.

Claimant's Submission Agreement signed on: November 20, 1990.

Statement of Answer filed by Respondent First Investors, Corp. on: March 7, 1991.

Respondent First Investors, Corp.'s Submission Agreement signed on: March 4, 1991.

Motion to Dismiss filed by Respondent First Investors, Corp. on: March 30, 1992.

Response to Motion to Dismiss filed by Claimant on: May 11, 1992.

HEARING INFORMATION

Hearing Dates/Sessions: May 14, 1992, One Session

Hearing Location: NASD offices located in New York City, New York.

CASE SUMMARY

Irma Petersen originally filed the claim; however, on March 22, 1991 Claimant Irma Petersen died. The executor of Claimant Irma Petersen's estate, Joseph Matticola, succeeded the claim. Claimant alleged that on January 28, 1990 she requested her representative Edward Otto of Financial Network Investment Corp. to liquidate all her shares with First Investors, Corp. and exchange them with shares in AIG Life Insurance Corp. Variable Life, and she submitted all the necessary documents as confirmed by AIG Life Insurance Corp. Claimant further alleged that more than one month later she called Respondent First Investors, Corp. and found that the money was not transferred to AIG Life Insurance Corp. but placed in an interest bearing account of 6 1/2% and the reason given by First Investors Corp. was that the paperwork was improper; however, calls to AIG Life Insurance Co. indicated the paperwork was indeed correct. Claimant further alleged that on May 31, 1990 First Investors, Corp. released the money to AIG Life Insurance Co. and during the period from January 28, 1990 to May 31, 1991 Claimant lost her normal monthly return and other money due to her because of the delay caused by First Investors, Corp.

Respondent maintained that the liquidation and transfer of Claimant's shares were done properly and timely in accordance with Respondent's policies and procedures and as required by Internal Revenue Service Regulations. Respondent filed a motion to dismiss which requested the matter to be dismissed because the successor Claimant Joseph Matticola, administrator of Irma Petersen's Estate, failed to provide Respondent with a list of witnesses and documents, failed to respond to Respondent's Request for Documents and Information and failed to provide any support for the pending claim. In his response to the Motion to Dismiss, successor Claimant maintained he did exchange documents, documents were not exchanged in a timely procedure because of successor Claimant's hospitalization and that a dismissal was not warranted.

RELIEF REQUESTED

Claimant requested compensatory damages in the amount of \$16,177.54.

Respondent requested that the claims against it be dismissed in their entirety.

AWARD

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

1. All claims by the Claimant be and hereby are dismissed in their entirety.

STATE OF: New York
COUNTY OF: New York

S.S.:

On this 9th day of June, 1992, before me personally appeared Harry Weiss known and known to me to be the individual described in and who executed the foregoing instrument and be duly acknowledged to me that he executed the same.

Lawrence Cooperman

LAWRENCE COOPERMAN
Notary Public, State of New York
No. 4965115
Qualified in Suffolk County
Commission Expires April 18, 1994

2. Each party shall bear their respective costs including attorneys' fees.

FORUM FEES

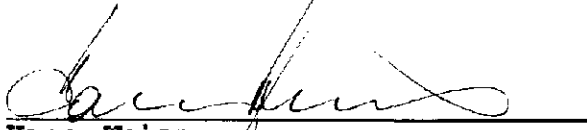
Pursuant to Section 43c of the Code of Arbitration Procedure, the following Forum Fees are assessed.

\$400.00 X 1 Session = \$400.00 minus hearing session
deposit of \$400.00 = \$0. net amount due.

The NASD shall retain the \$400.00 hearing session deposit and \$100.00 claim filing fee previously deposited by the Claimant.

The Respondent be and hereby is liable and shall pay to the Claimant the sum of \$250.00 as reimbursement for the fees paid.

ARBITRATOR SIGNATURE


Harry Weiss
Public Arbitrator

Date of Decision: June 10, 1992