

N.A.S.D. AWARD

NATIONAL ASSOCIATION OF SECURITIES DEALERS

In the Matter of the Arbitration Between

Name of Claimants

Irene C. Kline
Steven Kline
Christopher S. Kline

vs.

NASD #92-00452

Name of Respondent

First Investors Corp.

REPRESENTATION

For Claimants: Claimants represented themselves.

For Respondent: Stephen G. Topetres, Esq., Kirkpatrick & Lockhart,
Washington, D.C.

CASE INFORMATION

Statement of Claim filed: February 6, 1992

Claimants' Submission Agreement signed: January 24, 1992

Statement of Answer filed: April 20, 1992

Respondent's Submission Agreement signed: April 10, 1992

HEARING INFORMATION

Hearing Date/Sessions: October 8, 1992 - three sessions

Hearing Location: Seattle, Washington

CASE SUMMARY

This case arises from a dispute concerning a sale by an Oregon office of First Investors Corporation to customers temporarily and/or permanently resident in Oregon with an initial account address of the customers in Oregon.

Claimants alleged Respondent failed to disclose the risks of investment in a bond fund, the Fund for Income.

Respondent denied the allegations and asserted that complete disclosure regarding the investment's risk was made prior to purchase. Respondent further asserted that the claim is ineligible for arbitration because the transaction occurred in 1984, more than seven years before the Statement of Claim was filed with the National Association of Securities Dealers (NASD).

RELIEF REQUESTED

Claimants requested damages of \$25,412.93.

Respondent requested dismissal of all claims.

OTHER ISSUES CONSIDERED & DECIDED

At hearing, Respondent moved for dismissal of the claims pursuant to Section 15 of the Code of Arbitration Procedure. The panel denied the motion.

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. In either case, the parties have agreed to receive conformed copies of the Award while the originals remain on file with the NASD.

AWARD

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

1. Each and every claim of Claimants is dismissed.
2. The parties shall each bear their respective costs including attorney's fees.

OTHER COSTS

None.

FORUM FEES

Pursuant to Section 43(c) of the Code of Arbitration Procedure, the NASD shall retain the filing fee and hearing session fee previously deposited by Claimant.

ARBITRATION PANEL

Name

Public/Industry

Concurring Arbitrators' Signatures

Harry E. Jennings, Jr.

Public Arbitrator

Elwood C. Avery

Public Arbitrator

Peter G. Walker

Industry Arbitrator

Harry E. Jennings, Jr.

Elwood C. Avery

10/29/92

Peter G. Walker

Date of Decision: _____

Served Oct. 30, 1992