

**Award
NASD Dispute Resolution**

In the Matter of the Arbitration Between:

Name of the Claimant
Fabiola Romero

Case Number: 03-06437

Name of the Respondents
Jefferson Pilot Securities Corporation and
Andrew P. Weis

Hearing Site: Albuquerque, New Mexico

NATURE OF DISPUTE

Customer vs. Member Firm and Associated Person

REPRESENTATION OF PARTIES

Bill Panagakos, Esq. of The Panagakos Law Firm, P.C., located in Santa Fe, New Mexico, represented Claimant, Fabiola Romero ("Romero"), hereinafter referred to as "Claimant."

Thomas Outler, Esq. of the law firm Rodey, Dickason, Sloan, Akin & Robb, P.A., located in Albuquerque, New Mexico represented the Respondent, Jefferson Pilot Securities Corporation ("Jefferson Pilot"), hereinafter referred to as "Respondent."

Andrew P. Weis did not file an Appearance in this matter.

CASE INFORMATION

Statement of Claim was filed on or about August 22, 2003. Claimant Romero signed the Uniform Submission Agreement on August 20, 2003.

Statement of Answer and Cross-Claim was filed by Respondent, Jefferson Pilot Securities, on or about November 20, 2003. Respondent Jefferson Pilot signed the Uniform Submission Agreement on October 17, 2003.

Respondent, Andrew P. Weis, did not file an Answer to the Statement of Claim and did not submit a Uniform Submission Agreement.

CASE SUMMARY

Claimant asserted the following causes of action: breach of contract, negligence, failure to supervise, breach of fiduciary duty, misrepresentations, omission of facts and suitability. The causes of action relate to investments in ATEL Capital Equipment Fund VIII, L.L.C., Yucatan Investment Corporation, Office Tower Internet Seattle 2, LLP, Office Tower Internet Denver, LLP, Office Tower Denver 2 LLP, Office Tower Internet 11, LLP, Alliance Leasing Corporation, and World Case Providers, LLC. Claimant asserted that these investments were unsuitable to Claimant's needs and objectives.

Unless specifically admitted in its Answer, Respondent Jefferson Pilot denied the allegations made in the Statement of Claim and asserted the following defenses:

1. Some or all of Claimant's claims may be barred by the applicable statutes of limitation or Section 10304 of the NASD Code of Arbitration Procedures.
2. Claimant's claims may be limited or barred by contract.
3. Claimant affirmatively assumed the risk of any loss.
4. By her actions, Claimant consented to and ratified any of the investments made.
5. Jefferson Pilot's actions with respect to Claimant were always in good faith and without malice or improper motive, and Jefferson Pilot did not, directly or indirectly, induce any alleged wrongful conduct of Mr. Weis.
6. Mr. Weis was an independent contractor and Jefferson Pilot is therefore not responsible for his tortuous conduct, if any.
7. Claimant failed to mitigate any of her damages, which may exist.
8. Claimant was provided all information necessary to make informed choices, and if Claimant failed to become knowledgeable regarding her investments, then Claimant was negligent, and her negligence should reduce or bar the claims asserted.
9. Claimant's claims are barred by the equitable doctrines of waiver, consent, estoppel, or laches.
10. Jefferson Pilot is only responsible for its pro rata share of any losses suffered by Claimant, if any, which can be attributed to the fault of Jefferson Pilot.
11. Any of Claimant's losses were the result of market conditions, and not from any alleged wrongful conduct.

RELIEF REQUESTED

Claimant requested \$360,000.00 in compensatory damages; \$1,000,000.00 in punitive damages; treble damages, interest, cost, attorney's fees; and other relief the Panel deems appropriate.

Respondent Jefferson Pilot requested that all claims against Jefferson Pilot be dismissed, or if Jefferson Pilot is found to be vicariously liable for any of the alleged wrongful conduct of Mr. Weis, the Jefferson Pilot is entitled to contribution from and indemnification by Respondent Weis for any amounts associated with any acts of Mr. Weis that were not authorized by Jefferson Pilot.

OTHER ISSUES CONSIDERED AND DECIDED

Upon review of the file and the representations made by counsel on behalf of the Claimant, the undersigned arbitrators (the "Panel") determined that Respondent Andrew P. Weis was not properly served with the Statement of Claim, and that arbitration of the matter would proceed without said Respondent present, in accordance with the NASD Code of Arbitration Procedure (the "Code").

The parties agreed that the Award in this matter may be executed in counterpart copies or that a handwritten, signed Award may be entered.

AWARD

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

1. Respondent Jefferson Pilot is solely liable for and shall pay to Claimant Fabiola Romero the sum of \$243,200.00 as compensatory damages. If Award is not paid within thirty (30) days from the date the Award is served, then interest of 15% is to accrue from thirty (30) days until Award is paid in full.
2. Respondent Jefferson Pilot is solely liable for and shall pay to Claimant Fabiola Romero the amount of \$3,500.00 as and for payment of expert's cost and travel expenses.
3. Because Respondent Andrew P. Weis was not properly served with the Statement of Claim, all claims and cross-claims against Respondent Weis is dismissed without prejudice.
4. Parties shall bear their own costs, including attorneys' fees, except as specified herein.
5. Any and all relief not specifically addressed herein, including punitive damages, is denied.

FEES

Pursuant to the Code, the following fees are assessed:

Filing Fees

NASD Dispute Resolution will retain or collect the non-refundable filing fees for each claim:

Initial claim filing fee	= \$ 500.00
Cross-Claim filing fee	= \$ 2,000.00

Member Fees

Member fees are assessed to each member firm that is a party in these proceedings or to the member firm that employed the associated person at the time of the events giving rise to the dispute. Accordingly, Jefferson Pilot Securities Corporation is a party to this proceeding.

Member surcharge	= \$ 2,800.00
Pre-hearing process fee	= \$ 750.00
Hearing process fee	= \$ 5,000.00

Forum Fees and Assessments

The Panel has assessed forum fees for each session conducted. A session is any meeting between the parties and the arbitrators, including a pre-hearing conference with the arbitrators, that lasts four (4) hours or less. Fees associated with these proceedings are:

One (1) Pre-hearing session with Panel @ \$1,200.00 = \$1,200.00

Pre-hearing conference: May 14, 2004 1 session

Six (6) Hearing sessions @ \$1,200.00 = \$7,200.00

Hearing Dates: September 21, 2004 2 sessions

September 22, 2004 2 sessions

September 23, 2004 2 sessions

Total Forum Fees = \$8,400.00

The Panel assessed 100% of the total forum fees in the amount of \$8,400.00 solely to Jefferson Pilot Securities Corporation.

FEE SUMMARY

1. Claimant, Fabiola Romero, is solely liable for:

Initial Filing Fee = \$ 500.00

Less payments = \$ 1,700.00

Refund Due from NASD Dispute Resolution = \$ 1,200.00

2. Respondent, Jefferson Pilot Securities Corporation, is solely liable for:

Member Fees = \$ 8,550.00

Cross-Claim Filing Fee = \$ 2,000.00

Forum Fees = \$ 8,400.00

Total Fees = \$18,950.00

Less payments = \$10,050.00

Balance Due NASD Dispute Resolution = \$ 8,900.00

All balances are payable to NASD Dispute Resolution and are due upon receipt pursuant to Rule 10330(g) of the Code.

ARBITRATION PANEL

Peter J. Broullire, III, Esq.	-	Public Arbitrator, Presiding Chairperson
Sanford C. Cox, Jr., Esq.	-	Public Arbitrator
Kenneth R. Johnston	-	Non-Public Arbitrator

Concurring Arbitrators' Signatures

Peter J. Broullire, III, Esq.
Public Arbitrator, Presiding Chairperson

10/4/04
Signature Date

Sanford C. Cox, Jr., Esq.
Public Arbitrator

10/6/04
Signature Date

Kenneth R. Johnston
Non-Public Arbitrator

10/4/04
Signature Date

10/4/04
Date of Service (For NASD Dispute Resolution office use only)

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Kenneth R. Johnston

- Public Arbitrator, Presiding Chairperson
- Public Arbitrator
- Non-Public Arbitrator

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Peter J. Broullre, III, Esq.
Public Arbitrator, Presiding Chairperson

10/14/04
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Public Arbitrator

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