
Award
NASD Dispute Resolution

In the Matter of the Arbitration Between:

Name of Claimant
Carol J. Beckham

Case Number: 01-04364

Names of Respondents

All-Tech Direct Inc., f/k/a
All-Tech Investment Group, Inc.
SWS Securities, Inc.,
Harvey I. Houtkin,
Brad H. Houtkin,
Vincent A. Esposito, and
Harry M. Lefkowitz

Hearing Site: Clayton, Missouri

REPRESENTATION OF PARTIES

For Carol J. Beckham hereinafter referred to as "Claimant": Michael J. Fagras, Esq., Lampin, Kell, Flach & Fagras, St. Peters, Missouri.

For SWS Securities, Inc. hereinafter referred to as a "Respondent": Will S. Montgomery, Esq., Jenkens & Gilchrist, Dallas, Texas.

For All-Tech Direct Inc., f/k/a All-Tech Investment Group, Inc., Vincent A. Esposito, and Harry M. Lefkowitz each of them hereinafter also referred to as a "Respondent": Robert Wayne Pearce, Esq., Robert Wayne Pearce, P.A., Boca Raton, Florida.

For Harvey I. Houtkin hereinafter also referred to as a "Respondent": Carole R. Bernstein, Esq., Westport, Connecticut.

CASE INFORMATION

Claimant Carol Beckham's Uniform Submission Agreement signed on: August 7, 2001
Statement of Claim filed on or about: August 8, 2001

Respondent SWS Securities, Inc. signed the Uniform Submission Agreement on: August 24, 2001.

Respondent All-Tech Direct, Inc., signed the Uniform Submission Agreement on: August 24, 2001.

Respondent Harvey I. Houtkin signed the Uniform Submission Agreement on: August 24, 2001.
Respondent Vincent A. Esposito signed the Uniform Submission Agreement on: August 24, 2001.

Respondent Harry M. Lefkowitz signed the Uniform Submission Agreement on: August 24, 2001.

Respondent SWS Securities, Inc.'s Motion to Dismiss and Answer filed on or about: October 5, 2001.

Respondents All-Tech Direct, Inc., Harvey I. Houtkin, Vincent A. Esposito, and Harry M. Lefkowitz's Joint Statement of Answer filed on or about: October 8, 2001.

CASE SUMMARY

Claimant asserted that the Respondents made false and misleading statements and false promises in connection with a day trading training program offered by an affiliate of All-Tech Direct, Inc. and the opening of a securities account at All-Tech Direct, Inc., which allegedly caused Claimant to engage in unsuitable day trading.

The Respondents denied the allegations of wrongdoing set forth in the Statement of Claim and set forth several affirmative defenses, *inter alia*: failure to state any claim upon which relief could be granted; estoppel; waiver; ratification; the damages were caused by intervening and superceding forces and were speculative; contributory/comparative negligence; and mitigation of damages.

RELIEF REQUESTED

Claimant requested an Award of compensatory damages in the amount of \$638,033, punitive damages in an amount of \$1,000,000, interest, costs and attorneys' fees.

Respondents requested the following: a dismissal of the Statement of Claim, with prejudice; that Claimant be assessed reasonable attorneys' fees and costs; that the Panel order the expungement of all references to this matter from Respondents' NASD Central Registration Depository ("CRD") records; and, such other relief deemed appropriate by the Panel.

OTHER ISSUES CONSIDERED AND DECIDED

On September 20, 2002, the Arbitration Panel entered an Order, granting Respondent SWS Securities Inc.'s Motion to Dismiss with prejudice.

On November 23, 2001, the Supreme Court of the State of New York entered an Order enjoining this arbitration proceeding against Brad Houtkin who was not subject to any alleged Arbitration Agreement with Claimant, and, as a result, Claimant dismissed her claims against Brad Houtkin.

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 original remains on file with NASD Dispute Resolution.

AWARD

After considering the pleadings, hearing Claimant's evidence and argument of counsel, the Arbitration Panel finds and has decided in full and final resolution of the issues submitted for determination, as follows:

1. All claims against Respondents All-Tech Direct Inc. f/k/a All-Tech Investment Group, Inc., Harvey I. Houtkin, Vincent A. Esposito, and Harry M. Lefkowitz were "without legal merit" and filed in "clear error" and are dismissed with prejudice.
2. The Panel recommends the expungement of all references to the above-captioned matter from the CRD records of Respondents All-Tech Direct Inc. f/k/a All-Tech Investment Group, Inc., Harvey I. Houtkin, Vincent A. Esposito, and Harry M. Lefkowitz, with the understanding that pursuant to NASD Notices to Members 99-09 and 99-54, said Respondents must obtain confirmation from a court of competent jurisdiction before the CRD will execute the expungement directive.
3. The parties shall each bear their own respective costs and expenses, including attorneys' fees.
4. 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 the following non-refundable filing fee:

Initial claim filing fee = \$ 500.00

Member Fees

Member fees are assessed to each member firm that is a party in these proceedings or to the member firm(s) that employed the associated person(s) at the time of the event(s) giving rise to the dispute. In this matter, the member firms are All-Tech Direct Inc., f/k/a All-Tech Investment Group, Inc., and SWS Securities, Inc.

All-Tech Direct Inc., f/k/a All-Tech Investment Group, Inc.

Member surcharge = \$ 2,500.00

Pre-hearing process fee = \$ 600.00

Hearing process fee = \$ 4,500.00

SWS Securities, Inc.

Member surcharge = \$ 2,500.00

Pre-hearing process fee = \$ 600.00

Hearing process fee = \$ 4,500.00

Adjournment Fees

Adjournments granted during these proceedings for which fees were assessed:

January 6-10, 2003, adjournment by All-tech Direct, Inc., f/k/a
All-Tech Investment Group, Inc.

= \$ 1,200.00

March 17-21, 2003, adjournment by All-tech Direct, Inc., f/k/a
All-Tech Investment Group, Inc.

= \$ 1,500.00

Forum Fees and Assessments

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

Three (3) Pre-hearing sessions with the Panel x \$1,200 = \$ 3,600.00

Pre-hearing conferences: May 2, 2002 1 session
September 4, 2002 1 session
November 19, 2002 1 session

Two (2) Hearing sessions x \$1,200 = \$ 2,400.00

Hearing Date: March 24, 2003 2 sessions

Total Forum Fees = \$ 6,000.00

The Panel has assessed one half of the forum fees incurred in this arbitration (\$3,000.00) solely to Claimant Carol J. Beckham, and one half (\$3,000.00) jointly and severally to Respondents All-Tech Direct Inc., f/k/a All-Tech Investment Group, Inc., Harvey I. Houtkin, Vincent A. Esposito, and Harry M. Lefkowitz.

Fee Summary

1. Claimant, Carol J. Beckham, is solely liable for:

Initial Filing Fee	= \$ 500.00
<u>Forum Fees</u>	= \$ 3,000.00
Total Fees	= \$ 3,500.00
<u>Less Payments</u>	= \$ 1,700.00
Balance Due to NASD Dispute Resolution	= \$ 1,800.00

2. Respondent, All-Tech Direct Inc., f/k/a All-Tech Investment Group, Inc., is solely liable for:

Adjournment Fees	= \$ 2,700.00
<u>Member Fees</u>	= \$ 7,600.00
Total Fees	= \$10,300.00
<u>Less payments</u>	= \$ 7,600.00
Balance Due to NASD Dispute Resolution	= \$ 2,700.00

3. Respondent, SWS Securities, Inc., is solely liable for:

<u>Member Fees</u>	= \$ 7,600.00
Total Fees	= \$ 7,600.00
<u>Less payments</u>	= \$ 7,600.00
Balance Due to NASD Dispute Resolution	= \$ 0.00

4. Respondents, All-Tech Direct Inc., f/k/a All-Tech Investment Group, Inc., Harvey I. Houtkin, Vincent A. Esposito, and Harry M. Lefkowitz, are jointly and severally liable for:

<u>Forum Fees</u>	= \$ 3,000.00
Total Fees	= \$ 3,000.00
<u>Less payments</u>	= \$ 0.00
Balance Due to NASD Dispute Resolution	= \$ 3,000.00


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

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ARBITRATION PANEL

<i>H. Todd Iveson, Esq.</i>	-	Public Arbitrator, Presiding Chair
<i>John E. Hoffman</i>	-	Public Arbitrator
<i>Dale W. Roth</i>	-	Non-Public Arbitrator

Concurring Arbitrators' Signatures



H. Todd Iveson, Esq.
 Public Arbitrator, Presiding Chair

5/8/03

 Signature Date

John E. Hoffman
 Public Arbitrator

 Signature Date

Dale W. Roth
 Non-Public Arbitrator

 Signature Date

Date of Service (For NASD-Dispute Resolution office use only)

ARBITRATION PANEL

H. Todd Iveson, Esq. - Public Arbitrator, Presiding Chair
John E. Hoffman - Public Arbitrator
Dale W. Roth - Non-Public Arbitrator

Concurring Arbitrators' Signatures

H. Todd Iveson, Esq.
Public Arbitrator, Presiding Chair

John E. Hoffman
John E. Hoffman
Public Arbitrator

Signature Date

5/13/03

Signature Date

RECEIVED
MAY 14 2003

Dale W. Roth
Non-Public Arbitrator

Signature Date

Date of Service (For NASD-Dispute Resolution office use only)

