

Prosecutors: Man's scam bilked relatives

By Hilary Saperstein
Staff writer

Most of the victims in a half-million dollar securities scam, allegedly committed by a suburban Boca Raton man, were relatives and friends of the the defendant, prosecutors charged.

Anthony J. Pecoraro, 45, of 4898 SW 25th 25th Way, was arrested Wednesday on five counts each of sale of unregistered securities, grand theft, sale of securities by an unregistered broker and fraud in

connection with sale of securities or investments.

The state comptroller's office filed civil charges stemming from the criminal suit against Pecoraro and padlocked his business, the Shepherd Mortgage Corp., at the Boca Bank building, 7000 W. Glades Rd., on Wednesday. They froze his assets until the investigation is completed.

He turned himself into sheriff's deputies late Wednesday and was released on \$15,000 bond.

According to arrest records,

Pecoraro defrauded at least 16 people — primarily family and friends — out of \$580,000. He allegedly sold unregistered stocks, bonds, futures and shares in several trusts, but transferred about \$40,000 a month from investors' money to cover losses of another business.

Pecoraro promised investors an annual return of 12 percent on the trusts, and did make payments on a monthly basis, according to the affidavit. He declined to comment.

However, his attorney, Kenneth

Lipman, said his client had no criminal intent.

"He had every intention of paying them back. Every cent. These are his relatives," he said, adding that the comptroller's office should not have frozen his assets and those of his wife.

"It would be unusual to do to a major drug dealer. In this case it's extraordinary. He has no access to his money to buy his family breakfast the next day."

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Records show that Pecoraro had sent promissory notes to the people whom he made investments for, assuring them that he would pay them back.

One of Pecoraro's companies, Shepherd Financial Group, was involuntarily dissolved on Nov. 4 by the state's corporation division after he failed to turn in annual reports. It was opened in July 1987.

Investigators from the comptroller's office discovered Pecoraro's investment scheme after a routine examination of his business records. After first saying that he was registered to sell and offer securities and investments, he later recanted his statement, records show.

He told investigators the money investors gave him were loans.

The investors, however, said they never told Pecoraro their money was to be used as personal loans, rather they thought they were buying legitimate securities.