

STATE OF NEW JERSEY
BUREAU OF SECURITIES
P.O. Box 47029
Newark, New Jersey 07101
(973) 504-3600

IN THE MATTER OF: :

James Robert Pecoraro, :

CRD # 2440231 : DENIAL ORDER

: :

James Robert Pecoraro
6 Foxhunt Court
Huntington, NY 11743

J.P. Turner & Company, L.L.C.
1400 Old Country Road
Suite 414
Westbury, NY 11590

Pursuant to the authority granted to the Chief of the New Jersey Bureau of Securities (“Bureau”) by the Uniform Securities Law, as amended, L. 1997, c. 276, N.J.S.A. 49:3-47 et seq., (“Law”), more particularly, N.J.S.A. 49:3-58, and after careful review and due consideration of the Consent Order, Case No. XY 2004-001, accepted by the Securities Commissioner of the State of Colorado on November 16, 2004, the Bureau Chief has determined that the agent registration of James Pecoraro shall be **DENIED** for the reasons that follow:

1. James Pecoraro, residing at 6 Foxhunt Court, Huntington, NY 11743 has been registered with the Bureau as an agent of three different firms since 2000.
2. From January 5, 2000, through April 24, 2001, Pecoraro was registered in New Jersey as an agent of Ladenburg Capital Management, Inc. (CRD # 14623).
3. From September 10, 2004, through December 17, 2004, Pecoraro was registered

in New Jersey as an agent of LH Ross & Company, Inc. (CRD # 37920) under a supervisory agreement.

4. From April 24, 2001, through April 27, 2004, Pecoraro was registered in New Jersey as an agent of Harrison Securities, Inc. (CRD # 14103).

5. On July 10, 2006, Pecoraro filed an application with the Bureau to be registered as an agent of J.P. Turner & Company, LLC (CRD# 43177). Pecoraro's application is currently pending.

6. Pecoraro voluntarily signed a Stipulation for Consent Order ("Stipulation") before the Securities Commissioner of the State of Colorado on November 9, 2004. By entering into the Stipulation, Pecoraro neither admitted nor denied that any of the allegations or grounds in the Stipulation or Notice of Charges were true. Further, Pecoraro—by signing the Stipulation—agreed to the suspension of his Colorado license as a securities sales representative for a period of three years, ending on November 15, 2007. Pecoraro also agreed to never reapply for a license as a securities sales representative in Colorado. The Stipulation to Consent Order is incorporated by reference in the Colorado Consent Order, which is signed by the Securities Commissioner of the State of Colorado, dated November 16, 2004.

7. On December 6, 2005, the Securities Department of the State of Illinois issued a Summary Order of Denial in response to Pecoraro's Form U-4 application for registration as a securities salesperson in the State of Illinois. The Illinois order cited the sanctions and allegations from the Colorado Consent Order.

8. The Staff of the Division of Securities (the "Staff") of the State of Colorado alleges in the Notice of Charges that Pecoraro, as an employee of Harrison Securities, Inc. ("Harrison") from June 2002 until May 2003, engaged in unauthorized client trading, unsuitable

trading, securities fraud, and other deceptive sales practices. The Staff alleges that these practices led to significant monetary losses for clients and significant monetary gains for Harrison and its sales representatives, including Pecoraro.

9. The Staff also alleges in the Notice of Charges that Pecoraro, as a Harrison sales representative, solicited Colorado investors by means of “cold calling.” The Staff alleges that when a Harrison employee successfully solicited a new investor, the sale representative sent a partially completed new account form to the investor, containing misstatements of fact pertaining to the investors net worth, investment objectives, and risk tolerance.

10. The Staff alleges that Pecoraro, as a part of the Harrison sales team, misled new investors into opening margin accounts without proper written authorization. The Staff claims that Harrison failed to inform the investors why they received a margin account form and also failed to explain the risks involved in opening a margin account.

11. The Staff also alleges that Pecoraro frequently traded customer accounts without authorization. Pecoraro treated various client accounts like discretionary accounts, when in fact the client had not given authorization to Pecoraro or Harrison to trade securities without proper consent.

12. The Staff also claims that Pecoraro frequently carried out high-risk trading strategies—including both long and short selling—which involved multiple transactions during the course of one day. The Staff alleges that Pecoraro’s strategies were unsuitable for Harrison investors and their investment objectives.

13. The Consent Order temporarily suspends Pecoraro from acting as a security sales representative in the State of Colorado until November 15, 2007. Pecoraro also agreed to never reapply as a security sales representative in Colorado, which is the substantial equivalent to a

revocation. By signing the Consent Order, Pecoraro, pursuant to Colorado law, waived his rights: (1) to a formal hearing; (2) to be represented by counsel of his choice; (3) to present a defense through oral or documentary evidence; (4) to cross-examine witnesses at such hearing; and (5) to seek judicial review of the Consent Order.

PECORARO IS THE SUBJECT OF A LICENSE SUSPENSION ORDER
SUBSTANTIALLY EQUIVALENT TO AN ORDER OF DENIAL OF
AGENT REGISTRATION BY A STATE SECURITIES ADMINISTRATOR

N.J.S.A. 49:3-58(a)(1)
N.J.S.A. 49:3-58(a)(2)(vi)

14. The preceding paragraphs are incorporated by reference as though set forth verbatim herein.

15. Pursuant to N.J.S.A. 49:3-58(a):

The bureau chief may by order deny, suspend, or revoke any registration if he finds: (1) that the order is in the public interest; and (2) that the applicant or registrant ...(vi)...is the subject of an order entered within the past five years by any federal or state securities...administrator ...denying or revoking a securities...license or registration under federal or state securities...law, including, but not limited to registration as a broker-dealer, agent, investment adviser, investment adviser representative or issuer, or the substantial equivalent of those terms as defined in this act...;

16. As a result of the Colorado securities sale representative suspension agreement, and Pecoraro's agreement to not reapply, which is the substantial equivalent to a revocation, the Bureau has proper grounds to deny Pecoraro's registration as an agent pursuant to N.J.S.A. 49:3-58 (a)(2)(vi).

17. Based upon the foregoing and pursuant to N.J.S.A. 49:3-58 (a)(1), the denial of

Pecoraro's registration is in the public interest.

PECORARO IS THE SUBJECT OF A LICENSE SUSPENSION ORDER
FROM THE STATE OF COLORADO ALLEGING DISHONEST AND
UNETHICAL CONDUCT IN THE SECURITIES BUSINESS

N.J.S.A. 49:3-58(a)(1)
N.J.S.A. 49:3-58(a)(2)(vii)

18. The preceding paragraphs are incorporated by reference as though set forth verbatim herein.

19. Pursuant to N.J.S.A. 49:3-58(a)(2)(vii):

The bureau chief may by order deny, suspend, or revoke any registration if he finds: (2) that the applicant or registrant ...(vii) has engaged in dishonest or unethical practices in the securities...business, as may be defined by rule of the bureau chief

20. The allegations contained in the Colorado suspension order constituted both dishonest and unethical business practices and the Bureau has grounds to deny Pecoraro's registration as an agent pursuant to N.J.S.A. 49:3-58 (a)(2)(vii).

21. Based upon the foregoing and pursuant to N.J.S.A. 49:3-58 (a)(1) the denial of Pecoraro's registration is in the public interest.

CONCLUSION

For the reasons stated above, it is on this 31st DAY of August 2006 **ORDERED** that the agent registration of James Robert Pecoraro be **DENIED** pursuant to N.J.S.A. 49:3-58(a)(1), N.J.S.A. 49:3-58(a)(2)(vi) and N.J.S.A. 49:3-58(a)(2)(vii).


Franklin L. Widmann
Chief, Bureau of Securities

Dated: August 31, 2006

NOTICE OF RIGHT TO HEARING

Pursuant to the Uniform Securities Law (1997), N.J.S.A. 49:3-47 et seq., specifically, N.J.S.A. 49:3-58(c), the bureau chief shall entertain on no less than three days notice, a written application to lift the summary revocation on written application of the applicant or registrant and in connection therewith may, but need not, hold a hearing and hear testimony, but shall provide to the applicant or registrant a written statement of the reasons for the summary revocation.

This matter will be set down for a hearing if a written request for such a hearing is filed with the Bureau within 15 days after the respondent receives this Order. A request for a hearing must be accompanied by a written response, which addresses specifically each of the allegations set forth in the Order. A general denial is unacceptable. At any hearing involving this matter, an individual respondent may appear on his/her own behalf or be represented by an attorney.

Orders issued pursuant to this subsection to suspend or revoke any registration shall be subject to an application to vacate upon 10 days' notice, and a preliminary hearing on the order to suspend or revoke any registration shall be held in any event within 20 days after it is requested, and the filing of a motion to vacate the order shall toll the time for filing an answer and written request for a hearing.

If no hearing is requested, the Order shall be entered as a Final Order and will remain in effect until modified or vacated. If a hearing is held, the Bureau Chief shall affirm, vacate or modify the order in accord with the findings made at the hearing.

NOTICE OF OTHER ENFORCEMENT REMEDIES

You are advised that the Uniform Securities Law provides several enforcement remedies,

which are available to be exercised by the Bureau Chief, either alone or in combination. These remedies include, in addition to this action revoking your registration, the right to seek and obtain injunctive and ancillary relief in a civil enforcement action, N.J.S.A. 49:3-69, and the right to seek and obtain civil penalties in an administrative or civil action, N.J.S.A. 49:3-70.1.

You are further advised that the entry of the relief requested does not preclude the Bureau Chief from seeking and obtaining other enforcement remedies against you in connection with the claims made against you in this action.