
Indictments say man bilked 11 of \$800,000

By [Rob Modic](#)

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DAYTON | A Washington Twp. businessman faces 22 felonies stemming from the sale three years ago of more than \$800,000 in preferred stock to 11 investors in the Dayton area.

Edmund Burke Pearson, 34, is charged with seven counts of fraudulent acts or practices in the sale of securities valued at more than \$100,000, each count carrying a maximum 10-year prison sentence. The other 15 felonies are less serious.

The indictment, handed up Wednesday by a Montgomery County grand jury, said each offense occurred from February through May 2002.

The Ohio Division of Securities issued a notice order against Pearson on Dec. 13, alleging he sold investments unsuitable for an investor, failed to disclose material facts and committed securities fraud, the Ohio Department of Commerce said Friday.

The notice order alleges Pearson failed to provide investors a copy of the stock's private placement memorandum that said there were substantial restrictions on the transferability of the shares and that the stock involved a high degree of risk.

Pearson filed for Chapter 7 bankruptcy Dec. 18, court records show.

Pearson was president of a corporation that did business as Alexander Chase Securities, according to the Department of Commerce and court documents.

Alexander Chase Co. was one of more than a dozen companies founded by David W.

Svete.

Another company was LifeTime Capital Inc. of Miamisburg.

Svete was indicted with seven others last February in Pensacola, Fla., on charges they conspired through complex schemes to deprive LifeTime's investors of about \$20 million.

A receiver, H. Thomas Moran, has been appointed in connection with a lawsuit filed against LifeTime in U.S. District Court in Dayton.

Moran of Oklahoma City is seeking recovery on behalf of an estimated 4,000 investors, about one-fourth of them in Ohio.

The Pearson case was investigated jointly by the Montgomery County prosecutor's office and the Division of Securities, according to the Department of Commerce.

Pearson could not be reached for comment.



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