

tampabay.com Know it now.

Seduced by prestige, bankers can fall hard

Temptation upends two promising lives.

By ABHI RAGHUNATHAN, Times Staff Writer

Published September 9, 2007

ST. PETERSBURG -- Ed Camejo arrived in Florida as a young immigrant during the Mariel Boatlift. Angelo Cappelli grew up behind a motel that his parents managed on Fourth Street N.

Despite such modest backgrounds, both men ascended in the banking world to prominent positions at two of the city's most respected financial institutions. They were regulars at charitable functions, fixtures on civic boards. Cappelli even ran as the Republican candidate for a state House seat and attracted significant backing. He was considered a future possibility for mayor.

But both men abused their positions of trust so they could live beyond their means, authorities say.

Camejo has pleaded guilty to grand theft and is serving a state prison sentence. At his sentencing, an attorney representing Northern Trust Bank said he had used his stolen money for exorbitant personal expenses such as ski trips and home improvements.

Cappelli faces charges of grand theft and perjury. Police say he stole money after he took out an \$880,000 loan to construct a 3,700-square-foot home in Placido Bayou.

The trappings of the rich seemingly enticed both men. Although arrests of bankers on such charges have been rare in the Tampa Bay area, the themes of temptation and sin are familiar to legal observers.

"I'm sure it's tempting when you see the lifestyles of the rich and famous up close and personal," said Patrick Taylor, the chief executive of Oversight Systems, an Atlanta company that makes software to detect financial fraud. "What you often find is that the people who've committed fraud have rationalized it to themselves."

A political comer

Cappelli, 37, had degrees from Fordham and Yale universities and a job as a wealth and investment adviser at SunTrust Bank. He had run for a state House seat and was considered a hot political prospect.

But last month, St. Petersburg police arrested Cappelli on grand theft and perjury charges. They said he stole \$110,500 from the trust account of a deceased SunTrust client.

Sgt. Kevin Smith, who oversees economic crime investigations for St. Petersburg police, said Cappelli admitted the crimes, saying he had taken the money to pay personal bills.

Last year, he and his wife, Michelle, took out a loan with SunTrust for \$880,000 and began building an almost 3,700-square-foot home in the Placido Bayou area of St. Petersburg, according to records. The took out an adjustable rate mortgage.

"He had trouble paying the bills," Smith said. "He had mentioned that the cost of the house became more expensive than he expected during the building."

Frank Louderback, an attorney representing Cappelli, said SunTrust had been fully reimbursed.

Cliff Stricklin, the first assistant U.S. attorney in Colorado who has prosecuted Enron among other high-profile

defendants, said that white-collar criminals often got into trouble because of their desire for more prestige.

"Generally, what I found -- especially in the corporate community -- is that it really isn't about a lifestyle they're trying to obtain," Stricklin said. "It's the significance of what that lifestyle represents."

In other words, getting a nicer house or a more expensive car shows everyone that you're more successful. That, Stricklin said, "can tempt people to take a risk."

Among local bankers, the arrests attracted attention because such cases are so rare, according to industry officials and law enforcement experts. Smith says he can't recall similar cases of high-profile bank fraud in the city.

"This is a rare, rare occurrence," said Alex Sanchez, the president and chief executive of the Florida Bankers Association. "Survey after survey done by independent sources says we have the trust of our customers. ... Without the trust of our customers, our industry would not exist."

Those who know Cappelli say they never thought he was capable of such an act.

"There was no indication at all," said Tony DiMatteo, the head of the Pinellas County Republican Party. "All my contacts with Angelo (showed) that he was a fine gentleman."

Those who know Camejo before his arrest say the same thing. Camejo had an easy charm and brought in enough clients to become a vice president at Northern Trust Bank while still in his 30s. He played a leading role in arts charities, becoming president of the Mahaffey Theatre Foundation.

But in March, Camejo, now 39, pleaded guilty to a grand theft charge. He was arrested after bank officials told police he had stolen money from a client account.

A full investigation revealed that Camejo stole \$1.2-million over eight years to go on ski trips, pay for home improvements and play the stock market.

At one hearing, Camejo said he was trying to uphold an image among St. Petersburg's elite.

"I just got in a vicious cycle to live up to a level that I just was not able to do with my wages," he said.

Camejo was sentenced to 30 months in state prison, followed by 12.5 years in community control. He will also have to pay back Northern Trust the money he stole.

It is difficult for bankers to take money from client accounts. Russell Hale, an attorney who works in the banking industry, said governmental oversight prevents most efforts to defraud banks.

"Every time we talk to bankers ... the theme I keep hearing is how highly regulated they are," said Hale, who works for the Orlando law firm Akerman Senterfitt.

Still, the lure of the lifestyles bankers are exposed to can be seductive.

"It's being exposed to people who have a lot of money and trying to live at that level," said Lucas Fleming, an attorney who represented Camejo.

According to a survey by SNL Financial, bank executives in the Southeast made a median annual salary of \$179,052 to \$283,171 in 2005, depending on their rank and seniority. Of course, wealth management divisions of banks like Northern Trust and SunTrust also manage millions of dollars in assets for clients who are far richer than executives.

In Camejo's case, getting away with his initial transgressions at first may have emboldened him to keep going.

"It (could have) started out as a series of small steps, a little bit of money to make a car payment, (and) the next thing you know it's ski trips and Learjets," said Taylor of Oversight systems. "You say to yourself, 'I'm a hardworking guy.'"

Times researchers Angie Drobnic Holan and Caryn Baird contributed to this report. Abhi Raghunathan can be reached

at araghunathan@sptimes.com or (727) 893-8472.

2007 • All Rights Reserved • St. Petersburg Times
490 First Avenue South • St. Petersburg, FL 33701 • 727-893-8111
[Contact the Times](#) | [Privacy Policy](#) | [Standard of Accuracy](#) | [Terms, Conditions & Copyright](#)