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FOR IMMEDIATE RELEASE

**128 Count Indictment For Investment Fraud Filed Against Former Investment Adviser
Approximately \$1,000,000 in Investments Missing**

State v. John Schmidt, 2018-CR-4108

DAYTON, OH (12/27/2018) – Prosecuting Attorney Mat Heck, Jr. announced today that **JOHN GREGORY SCHMIDT**, 67, of Bellbrook, has been indicted on 128 felony counts related to securities fraud from his work as a financial advisor.

The defendant operated Schmidt Investment Strategies Group on Paragon Road in Washington Township, while employed by Wells Fargo Advisors Financial since 2006. During this time, the defendant stole money from investment accounts in order to cover for stolen money in other investor's accounts – a "Ponzi" scheme. The defendant also created and falsified financial statements to investors in an effort to cover for the missing investments. In addition, the defendant sold securities without the knowledge or authorization of the investors and the defendant received commissions on those transactions of nearly a quarter-million dollars.

After the Ohio Department of Insurance noticed irregularities in the defendant's activity, a lengthy investigation was conducted by the Ohio Department of Insurance and the Ohio Department of Commerce. In addition, a federal civil lawsuit has been filed by the Securities and Exchange Commission.

Today, the Montgomery County Grand Jury indicted the defendant on:

- 124 counts of Forgery
- Two counts of Theft From an Elderly or Disabled Adult >\$150,000
- One count of Telecommunications Fraud >\$150,000 but <\$1,000,000
- One count of Fraud or Deceit by Investment Advisor >\$150,000

Prosecutor Heck continued, "For years, this defendant defrauded a number of investors, many of them elderly or with dementia. He had to keep stealing from more investors in order to cover for the thefts from other investors."

A warrant has been issued for the arrest of the defendant. He is scheduled to be arraigned on Thursday, January 10, 2019, at 8:30 a.m.

Prosecutor Heck added, "If you believe you have been victimized by this defendant and have not been in contact with an investigator, please call my Consumer Fraud Unit at 937-225-4747."

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