

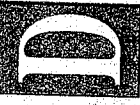
THE CINCINNATI ENQUIRER

# BUSINESS

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DAQ	ENQUIRER	T-BOND	YIELD
0.34	203.09	5.382	
3.73	+1.01	-0.067	
81%	+0.50%		



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# 2 indicted in securities scam

By Cliff Peale  
*The Cincinnati Enquirer*

Two former Northern Kentucky securities salesmen were indicted in Clermont County on Thursday on charges of defrauding mostly elderly investors of more than \$780,000 after promising "guaranteed" returns of up to 15 percent.

Greg Ballard faces 14 felony counts and Paul Suchanek faces 13 felony counts of securities violations that could bring each more than 100

years in prison if convicted on all counts, the Ohio Department of Insurance said.

The pair sold notes in Xenon Group, promising investments in "reverse mergers," the department said. But much of the money went to banks in Las Vegas, and there is little possibility of any recovery, said Robert Smith, chief of the department's fraud and enforcement section and special prosecutor

for the case in Clermont County.

After an 18-month investigation, the case is the first criminal indictment in a Tri-state scheme that also involved Wellington Bank and Trust, a Grenadian Bank operated by two other local men, John Brinker and Gary Bentz.

In June, a federal court in Indianapolis ordered Brinker and Bentz to repay \$17.4 million for their involvement in a

## Elderly investors defrauded of more than \$780,000

"prime bank" trading scheme. But a receiver in that case has not found significant funds, and Bentz's lawyer has said he cannot afford to pay.

Last year, Ballard and Suchanek each were fined \$4,000 by the Kentucky Division of Securities for selling unregistered securities, including notes issued by Wellington.

The sales of Wellington securities were not part of the

Thursday indictments, but Smith said regulators were treating the two companies as one investigation, which was continuing.

Ballard's attorney did not return phone calls seeking comment, and Smith said Suchanek is living in California.

Robert Williams of Independence said he bought \$150,000 worth of securities in Wellington and other companies through Ballard and Su-

chanek and their Fort Wright company, Global Financial Strategies. He had complained to the U.S. Securities and Exchange Commission and the FBI, and said he was happy with the indictment.

"For me, it's way past due," Williams said. "I was told ... that this was the absolute safest thing in the world, the same as going across, the street to the bank and getting a CD, except with a higher return."

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