



For Immediate Release
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Paul Kratochvill Sentenced to Five Years in Prison

(COLUMBUS, Ohio) - Paul Kratochvill, 39, of Meadville, Pennsylvania, was sentenced Monday by Judge Vincent Culotta in the Lake County Court of Common Pleas to five years in prison and ordered to pay \$174,000 to his victims. The sentence comes after Kratochvill was convicted after a jury trial that ended June 27 of two counts of securing writings by deception, both second-degree felonies.

Kratochvill was indicted by a Lake County grand jury Oct. 26, 2018, after an investigation by the Ohio Department of Commerce's Division of Securities, the Ohio Attorney General's Office of Criminal Investigation, and the Eastlake Police Department.

The indictment alleged Kratochvill solicited three individuals to invest \$318,000 with him in the financial markets in return for monthly annuitized payments to the investors. The indictment further alleged Kratochvill did not purchase annuities on behalf of the investors. Instead, he invested their money in high-risk, exchange-traded funds, causing them to lose a substantial amount of their investment. Kratochvill was never licensed as a securities dealer, salesperson, or investment adviser representative in Ohio.

This case was prosecuted by the Office of the Lake County Prosecutor Charles E. Coulson, and presented by Lisa Neroda and Nick Giegerich, assistant prosecuting attorneys.

Before investing, potential investors are encouraged to call the Division of Securities' Investor Protection Hotline at 1-877-683-7841 to ask:

- Is the brokerage firm and salesperson licensed to sell securities in Ohio?
- Have any enforcement actions been taken against them?
- Has the security been properly registered with the Division of Securities?

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