

THE OBSERVER



Monthly Publication

Volume 4 | Publication 38

Reporting Accurate and Objective Information Based on Facts, not Agenda-Setting Theories

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4:44 AM EST | September 19, 2011

\$cams, \$chemes & \$tocks

Hall of Shame

Part II

[\(Part I\)](#)

[294 gold bars](#), millions in cash, a fleet of autos, and a blue Lamborghini Murcielago (\$430,923.94) that can only be described as 'neckbreakin' were the rewards of a Panamanian incorporated [Ponzi scheme](#) with Floridian involvement by a company called [Evolution Market Group](#) (EMG) d/b/a Finanzas Forex.

According to promoter-investor [Vargas](#), there was so much wealth available that he was willing to share his good fortune with strangers like you! According to Vargas, he had earned \$8 million dollars in 8 months and would earn additional funds for each person he recruited.

Pyramid schemes within the financial sector are called Ponzi schemes. The formula for a Ponzi is quite simplistic. The funds from the new investors are used to pay off previous investors, but the juggling of funds and the ever present greed is a built-in terminator. Friends, family and the public are unsuspecting targets, but the [fundamental human motivator](#) is our need to belong and have interaction with others whom we feel care about our welfare. American Psychological Association, Inc. The need to belong: Desire for interpersonal attachments as a [fundamental human motivation](#). By [Roy F. Baumeister and Mark R. Leary](#).

By inviting others, we help to eliminate the emotional impact of the eventual financial loss. Ponzi's are nefarious social programs operated by people who have earned their position in the Hall of Shame.

"To those who see the victimization of others, as an avenue to wealth, take notice", [Holder warned](#). "If you fabricate a financial statement, if you propagate an investment scheme, if you are complicit in an act of financial fraud, [you are writing your ticket to jail](#)." Holder also stated that Palm Beach was ground zero for Bernard Madoff's \$65 billion Ponzi scheme.

[Tom Petters](#) of Minnesota, [Louis J. Pearlman](#), [Scott W. Rothstein](#) and DMG creator(s) [David Eduardo Helmut Murcia Guzmán](#) are notorious. Another person of interest is [Allen Stanford](#).

I am of the belief that con men think deception using a cozenage has degrees of truth, thus [perjury](#) has become pervasive in our society. What the public perceives as truth is tweaked and massaged intensely by the con men/women so the reality is masked. Fraudsters count on verbal advertising hype and are confident the embarrassment of victimization will ensure silence.

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Could it be that involving someone else to take a chance with you helps to alleviate the emotional stress of the gamble? Does a con man need to control others . . . does he/she feel subservient to the average population? Is it really all about greed or is it the need to prove themselves to family members and society? Lavish lifestyles including pumped bank accounts often in tax haven off-shore locations, an array of vehicles, numerous real estate properties, access to illegal substances and an un-prejudicial victimization of anyone are key ingredients to a pyramid and Ponzi scheme.

Ponzi schemes [can shake a government's economy](#) as reported in Colombia. Masses of people were expecting the promised funds [to improve their lives](#) and rescue them from poverty.

For more information regarding frauds, \$cams and \$chemes visit the [FBI website](#). Don't be an 'unfed' [pigeon](#).

Suggested Additional Reading:

US-Canada [Cross-Border Fraud Complaints 2010](#)

[Protecting Your Child's Personal Information at School](#)

CS/HB 5005 [Deregulation of Professions and Occupations](#)

The [Encyclopedia of Scams](#)

[Terminology](#) used in Scams