

Greed Makes Ponzi Schemes Popular and Easy to Pull Off



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July 2009

Robert Allen Stanford, the sole shareholder of the Houston-based Stanford Financial Group is being charged with defrauding investors who purchased approximately \$7 billion in certificates of deposit administered by Stanford International Bank, an offshore bank located on the island of Antigua.

Charges against Stanford, along with four other individuals, include conspiracy to commit mail fraud, mail fraud and securities fraud, wire fraud, obstructing an investigation by the Securities and Exchange Commission (SEC), and conspiracy to commit money laundering.

If people would just stick to the golden rule "If it sounds too good to be true, it probably is" these ponzi schemes wouldn't get off the ground. Generally speaking people want something for nothing; everyone is looking for the big payoff. People all around the world buy into these schemes because they believe they are entitled to a bigger payday, it doesn't matter that they haven't earned it they just believe they deserve something more then the next guy.

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