



# Bangko Sentral ng Pilipinas

## OFFICE OF THE DEPUTY GOVERNOR SUPERVISION AND EXAMINATION SECTOR

CIRCULAR LETTER NO. CL- 2007 - 043


To : **All Banks and Non-Bank Financial Institutions  
Under BSP Supervision**

Subject : **Anti-Money Laundering Council (AMLC)  
Resolution No. 68 dated 1 August 2007**

Investment firms with websites [www.smfund.com](http://www.smfund.com) and [www.francswiss.biz](http://www.francswiss.biz), [www.eaindex.com](http://www.eaindex.com) and [www.globalamerika.biz](http://www.globalamerika.biz), among others are reportedly engaged in internet-based Ponzi-like investment or pyramid schemes. They allegedly lure prospective investors with very high returns of up to 4.8% daily interest for a minimum investment of US\$1,000.00. They encourage their members to recruit downline investors and earn additional 10% referral fee from each downline investment. These programs normally exist for a period of time and appear to be religiously paying their investors. Thereafter, they will quickly disappear, leaving the investors, particularly those in the downlines, empty handed. The firms' websites become inaccessible. The losing investors cannot run after the program managers who are either unknown or whose names and addresses, if mentioned in their websites, are usually fictitious.

Pursuant to Anti-Money Laundering Council Resolution No. 68 dated 1 August 2007, you are hereby warned against said internet-based Ponzi-like investment or pyramid schemes offering high-yield investment programs (HYIPs) to the public and required to post a copy of the attached warning in conspicuous places in your head office, branches and other offices.

For your guidance and strict implementation.

  
MA. CORAZON J. GUERRERO  
Sector-in-Charge

4 September 2007

Att: A/S

PANANALAPING MATATAG, BANSANG PANATAG



## ***Anti-Money Laundering Council***

Bangko Sentral ng Pilipinas Complex  
Manila, Philippines

# **WARNING**

The public is hereby warned against internet-based Ponzi-like investment or pyramid schemes offering high-yield investment programs (HYIPs) to the public.

Investors are lured into these programs because of the promise of huge returns of up to 4.8% daily interest. The program managers of these HYIPs encourage their members to recruit downline investors and earn additional 10% referral fee from each downline investment. These programs normally exist for a period of time and appear to be religiously paying their investors. Thereafter, they will quickly disappear, leaving the investors, particularly those in the downlines, empty handed. The programs' websites become inaccessible. The losing investors cannot run after the program managers who are either unknown or whose names and addresses, if mentioned in their websites, are usually fictitious.

**DO NOT BE FOOLED  
BY THESE INTERNET-BASED PONZI-LIKE INVESTMENT  
SCHEMES**

Please report immediately any offer of investment made by persons or entities using the aforementioned modus operandi to:

**The Anti-Money Laundering Council Secretariat**  
5/F EDPC Building, Bangko Sentral ng Pilipinas Complex,  
corner A. Mabini and P. Ocampo Sts., Malate, Manila  
Tel. Nos. 523-4421 or 536-7358, Fax No. 524-6085  
<http://www.amlc.gov.ph>



**Anti-Money Laundering Council**  
Bangko Sentral ng Pilipinas Complex  
Manila, Philippines

**RESOLUTION NO. 68**  
**Series of 2007**

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Verification reveals that the aforementioned firms are not registered with the Securities and Exchange Commission (SEC) or the Bangko Sentral ng Pilipinas (BSP).

Recently, an AMLC Warning against these illegal investment schemes was posted in the AMLC Website and published in newspapers of general circulation. In addition, this Council deems it necessary to circularize the said Warning to all the covered institutions.

Accordingly, this Council resolved to circularize, thru the Supervising Authorities, the AMLC Warning to all the covered institutions and require the posting thereof in conspicuous places in their offices and branches.

1 August 2007, Manila, Philippines.

**AMANDO M. TETANGCO, JR.**  
Chairman  
(Governor, Bangko Sentral ng Pilipinas)

**FE B. BARIN**

Member  
(Chairperson, Securities and Exchange Commission)

**EVANGELINE CRISOSTOMO-ESCOBILLO**

Member  
(Commissioner, Insurance Commission)