

Giftgng Club? Run the Other Way! In Fact, Run and Watch this New Video: What about Giftgng Clubs?

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A giftgng club usually begins unintentionally between friends, family and neighbors. Unlike the traditional pyramid scheme, giftgng clubs are not promoted as an investment by fraudulent financial advisers. Giftgng clubs are usually home-grown. Those involved believe that they are genuinely helping one another. However, there is no exchange of merchandise and someone always ends up on the losing end.

Those who join usually do so by investing anywhere from \$2,000 to \$5,000 and then recruiting others to join. As more people join beneath them, their "investment" grows. Cash flow is passed from new recruits to those higher up in the pyramid. Those at the top of the giftgng club pyramid usually leave with roughly eight times the amount they originally invested, while those on the bottom lose their money as new recruits decline and cash ceases to drive the pyramid. All giftgng clubs eventually die because they run out of people (and therefore cash) to continue to "feed" the pyramid.

Unfortunately, and to the surprise of the founders and participants, they are engaged in an unintentional cash, pyramid, headhunting, recruitment scheme. Such practices violate consumer protection laws and criminal laws in most states. And also, unfortunately, the end-

game sometimes is a criminal prosecution for the participants, all of whom might be your next door neighbors and “charismatic” people under most circumstances. Basic greed has blinded their judgment, however, and the price to pay is often very expensive.

Watch the video: [What about Gifting Clubs?](#)

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