



NEWS RELEASE

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State financial regulator warns Oregonians about People in Profit System (PIPS)

(SALEM) The Department of Consumer and Business Services warns investors about the possible unlicensed sale of unregistered securities in various forms by People In Profit System (PIPS).

Oregonians should contact Rob Brunner, DCBS Division of Finance & Corporate Securities, (503) 947-7855, if anyone attempts to sell them interests in this investment, which the division believes may be a Ponzi scheme. PIPS' securities are not registered in Oregon and are sometimes referred to as "loans" by representatives of the company. Several states have issued cease-and-desist orders against PIPS and its promoters.

PIPS, which was started about 24 months ago, is allegedly run by Bryan Marsden, reportedly a British citizen, electrical engineer, and former facilities manager. Marsden has been living and working in Malaysia, but may be in Panama.

The first PIPS investors in this country sent money to a bank account in Malaysia, investigators say, having been promised returns of two percent a day. Potential investors were told that an investment of \$450 could return as much as \$8,800 or 5,000 percent in 24 months. The company has described its investments as involving real estate, foreign currency, stocks, commodities, bank debentures, and other ventures, although investigators have neither seen nor verified that investors have seen documents detailing their investments or the company.

Early investors reportedly received significant returns; however, later investors have reported problems accessing funds that are allegedly in their accounts, which is a typical pattern for Ponzi schemes that are beginning to fall apart.

Brunner, a DFCS investigator, said that he knows of several Oregonians who sent significant amounts overseas to PIPS. He fears there may be many more Oregon investors about whom the division does not know.

Some PIPS investors are apparently attempting to liquidate their PIPS balances or portfolios by offering to sell them to yet newer investors, said Brunner, which constitutes illegal sales of securities.

"Potential investors always look for profitable investments," said Floyd Lanter, DFCS administrator. "But wise investors immediately see red flags when told of astounding profits in the short term, if they'll just get on board right away. They don't invest a cent until they check out investments thoroughly. Their first step is an easy one: they call DFCS to find out if the securities are registered for sale in Oregon."

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