



## CONSULATE GENERAL OF THE REPUBLIC OF THE PHILIPPINES CHICAGO

**PUBLIC ADVISORY NO. 15-2019**

### **SEC ADVISORIES ON THE PROLIFERATION OF ONLINE INVESTMENT SCAMS**

The Philippine Consulate General in Chicago informs the business community and the Filipino-American community in the U.S. Midwest that the **Philippine Securities and Exchange Commission (SEC)**, through the Department of Foreign Affairs Office of the Undersecretary for International Economic Relations, has issued the attached advisories regarding illegal investment-taking activities, in the light of the **recent proliferation of alleged investment scams/schemes online**.

The advisories, which are also posted on the SEC website, warn the public about illegal investment-taking activities and urge the public to be more cautious when engaging in investment activities. The attached SEC advisories identify entities that are not authorized to solicit investments from the public, and provide tips on how to avoid investment scams.

Should you have information regarding the operation of the identified entities, please contact the SEC Enforcement and Protection Department at telephone numbers +632-818-6337 and +632-818-5324, or email the Consulate at [economic.pcg@gmail.com](mailto:economic.pcg@gmail.com).

**16 July 2019**



**LIST OF SEC ADVISORIES FOR THE YEAR 2019**

	Name of Entity	Date Posted in the SEC Website
1	BROILERPRENEUR CORPORATION	31 May 2019
2	ADA FARM AGRI VENTURES ("ADA FARM")	31 May 2019
3	MGA BUSINESS ENTERPRISES	31 May 2019
4	COOPHUB MULTIMEDIA SERVICES	31 May 2019
5	JOGLE INNOVATIVE MARKETING	31 May 2019
6	GRAPPLER	31 May 2019
7	SHERPAN	31 May 2019
8	BCT MARKETING/BCT MOTORCYCLE AND CAR TRADING	31 May 2019
9	RTM/RTM PHARMACY AND GENERAL MERCHANDISE	31 May 2019
10	DIAMOND MARKETING	31 May 2019
11	FUSION MARKETING	31 May 2019
12	FMARKET	31 May 2019
13	GIRFUND	31 May 2019
14	VIBEARN	31 May 2019
15	ONEPRO	31 May 2019
16	BCC/BCC COSMETICS TRADING	31 May 2019
17	UNLISHOP COMPENSATION PLAN MARKETING	31 May 2019
18	VUCC	31 May 2019
19	BITRAIN	31 May 2019
20	TCOIN	31 May 2019
21	CROWD ROYALS	31 May 2019
22	NERMIE MARKETING/NERMIE HEALTH AND BEAUTY PRODUCTS TRADING	31 May 2019
23	EVER ARM ANY MARKETING	31 May 2019
24	GLOBAL DREAM ZION	29 May 2019
25	RIGEN MARKETING ("RIGEN")	24 May 2019
26	LDT AGRO INDUSTRIAL HUB CORPORATION ("LDT"), in partnership with NUTRIWEALTH MULTIPURPOSE COOPERATIVE ("NMPC") now VCM-NW CORPORATION ("VCM-NW")	08 May 2019
27	DV BOER FARM CORPORATION	30 April 2019
28	ALMAMICO (Alabel-Maasim Small Scale Mining Cooperative)/ALAMCO (Alabel-Maasim Credit Cooperative)	30 April 2019
29	KAPA-COMMUNITY MINISTRY INTERNATIONAL, INC. (KAPA)	11 March 2019
30	UNITY WEALTH MARKETING/UWEALTH PREMIUM/UNITYWEALTH 100	07 March 2019
31	NORTH EAST LUZON FOUNDATION, INC.	31 January 2019
32	PAYSBOOK E-COMMERCE SYSTEM CORPORATION	09 January 2019
33	ANGEL INVESTOR GROUP, INC.	04 January 2019



## SEC ADVISORY

The Commission has received information that individuals or groups of persons representing **BROILERPRENEUR CORPORATION** doing business under the name **BroilerPRENEUR** are enticing the public to invest in the said entity online and through their website <https://www.broilerpreneur.com/>.

Per records of the Securities and Exchange Commission, **BROILERPRENEUR CORPORATION** is registered in the Commission's database as a stock corporation with company registration no. **CS201908435**. It was issued its certificate of incorporation on 27 May 2019. Its primary purpose To engage in, conduct and carry on the business of consumer services, production, buying, selling, distributing, direct selling, and online marketing at wholesale and retail of chix, chicken and other related products.

However, **BROILERPRENEUR CORPORATION** is not authorized to solicit investments from the public as the above-mentioned corporation did not secure prior registration and/or license to solicit investment from the commission as prescribed under Section 8 of the Securities Regulation Code.

Accordingly, **BROILERPRENEUR CORPORATION** is engaged in the poultry business employing the "farm to fork concept of broiler" and promises to the public 100% guaranteed return of investment. The business concept runs for 60 days and divided as follows:

- 3 Days for the buying of chicks;
- 45 Days breeding; and
- 12 Days dressing plant and selling.

= Total of 60 days.

The said investment scheme is illustrated below:

CAPITAL	AFTER 2 MOS.	AFTER 4 MOS.	AFTER 6 MOS.	AFTER 12 MOS.
1,000	2,000	4,000	6,000	12,000
5,000	10,000	20,000	30,000	60,000
50,000	100,000	200,000	300,000	600,000
500,000	1,000,000	2,000,000	3,000,000	6,000,000
1,000,000	2,000,000	4,000,000	6,000,000	12,000,000
5,000,000	10,000,000	20,000,000	30,000,000	60,000,000

Where the scheme involves the sale of securities to the public, the Securities Regulation Code (SRC) requires that the issuing person and/or entity must be a registered corporation with SEC, the said securities offered are duly registered and that the appropriate license and/or permit to sell securities to the public are issued to the corporation and/or its agents, pursuant to the provisions of section 8 and 28 of the SRC.

The public is hereby advised to exercise caution in investing their money in these types of schemes which may turn out to be **Fraudulent Investment Schemes**, involving the sale of unregistered securities.

Those who act as salesman, broker or agents of **BROILERPRENUER CORPORATION** in selling or convincing people to invest in the investment scheme being offered, including solicitations or recruitment may likewise be prosecuted and held criminally liable under Section 28 of the SRC and penalized with a maximum fine of Five Million Pesos (P5,000,000) or imprisonment of Twenty One (21) years or both pursuant to Section 73 of the SRC.

Likewise, those who sell or offer securities the public, may be held criminally liable or accordingly sanctioned or penalized pursuant to the Supreme Court Decision in the case of Securities and Exchange Commission (SEC) Vs. Oudine Santos (G.R. No. 195542, 19 March 2014).

Should you have any information regarding the operations of the subject corporation, please call the Enforcement and Investor Protection Department at telephone numbers (02)818-6337 and (02)818- 5324.

For the guidance of the public.



**Securities and  
Exchange  
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PHILIPPINES

## **SEC ADVISORY**

The Commission has received information that individuals or group of persons representing **ADA FARM AGRI VENTURES ("ADA FARM")** are enticing the public to invest in the said entity.

Based on the information gathered by the Commission, **ADA FARM** entices the public to invest by purchasing a minimum of ten (10) chicks worth Php500.00 with a guaranteed profit of 80% in 60 days.

The public is hereby informed that while **ADA FARM** is not registered with the Commission as a corporation or partnership and is **NOT** authorize to offer, solicit, sell or distribute any investment/securities. Such activities require a Secondary License from the Commission and the securities or investment product should likewise be registered with the SEC before they can be offered or sold to the public under Sections 8 and 12 of the Securities Regulation Code (SRC).

Consequently, those who act as salesmen, brokers, dealers or agents of **ADA FARM** in selling or convincing people to invest in the investment scheme including solicitations or recruitment through the internet may likewise be prosecuted and held criminally liable under Section 28 of the SRC and penalized with a maximum fine of Five Million pesos (P5,000,000.00) or maximum penalty of Twenty One (21) years imprisonment or both pursuant to Section 73 of the SRC.

Accordingly, those who invite or recruit other people to join or invest in this venture or offer contracts or securities to the public may be held liable or accordingly sanctioned or penalized in accordance with the Supreme Court decision in the case of SEC vs. Oudine Santos (G.R. No. 195542, 19 March 2014)

Furthermore, the names of all those involved will be reported to the Bureau of Internal Revenue (BIR) so that the appropriate penalties and/or taxes be correspondingly assessed.

In view thereof, the public is hereby advised to exercise caution before investing in these kinds of activities and to take the necessary precaution in dealing with **ADA FARM** or its representatives.

Should you have any information regarding the operation of the subject entity, please call the Enforcement and Investor Protection Department at telephone numbers (02) 818-6337 and (02) 818-6047.

For guidance of the public.



## **SEC ADVISORY**

The Commission has received information that individuals or group of persons representing various unregistered investment entities are enticing the public to invest their money in high-earning products.

The Commission is issuing this Advisory to help Investors be better aware of fraudulent investment schemes that may involve social media.

Investors are increasingly turning to social media including Facebook, Youtube, Twitter, LinkedIn and other online networks for information about investing.

Some examples of investment companies that are soliciting investments through the use of Social Media are as follows:

- 1) **MGA BUSINESS ENTERPRISES**
- 2) **COOPHUB MULTIMEDIA SERVICES**
- 3) **JOGLE INNOVATIVE MARKETING**
- 4) **GLOBAL DREAM ZION**
- 5) **GRAPPLER**
- 6) **SHERPAN**
- 7) **BCT MARKETING/BCT MOTORCYCLE AND CAR TRADING**
- 8) **RTM/RTM PHARMACY AND GENERAL MERCHANDISE**
- 9) **DIAMOND MARKETING**
- 10) **FUSION MARKETING**
- 11) **FMARKET**
- 12) **CIRFUND**
- 13) **VIBEARN**
- 14) **ONEPRO**
- 15) **BCC/BCC COSMETICS TRADING**
- 16) **UNLISHOP COMPENSATION PLAN MARKETING**
- 17) **VUCC**
- 18) **BITRAIN**
- 19) **TCOIN**
- 20) **CROWD ROYALS**
- 21) **ADA FARM AGRI VENTURE**
- 22) **NERMIE MARKETING/NERMIE HEALTH AND BEAUTY PRODUCTS TRADING**

The schemes that may be employed by the above-mentioned entities are described below:

- 1) They offer their investment contracts in the corresponding Facebook pages or secret Facebook groups and chatroom, Youtube etc;
- 2) They offer unrealistic return on investments ranging from 10% to 400% per month;
- 3) They require their interested investors to pay their initial investments by depositing their money to a specific bank account, Coins.Ph account, GCash, through a money remittance company and through face-to-payment with one of the entity's agents;
- 4) The investor shall then send through a private message a copy of the proof of the deposit to the offeror who shall send his confirmation after validation;
- 5) They usually deliver payouts through the above-mentioned methods; and
- 6) They usually claim that they invest their funds in forex, bitcoin and other cryptocurrencies to justify their earning capacity.

This investment scheme ordinarily collapses as fast as they are created while leaving its investors behind and unable to recoup their investments.

The public is hereby informed that such investment schemes, whether with the use of money or cryptocurrencies, are considered as securities subject to the regulatory authority of this Commission. The recruitment of investor members under the guise of sponsoring a person into the system is likewise considered a form of investment solicitation or a sale of securities. The offering or sale of securities to the public without a permit or license from the Commission is a violation of Section 8.1 of the Securities Regulation Code.

Thus, any person who, directly or indirectly, in connection with the purchase or sale of any securities, (1) employ any device, scheme, or artifice to defraud, (2) obtain money or property by means of any untrue statement made, in light of the circumstances under which they were made, not misleading; or (3) engage in any act, transaction, practice or course of business which operates or would operate as a fraud or deceit upon any person shall likewise be prosecuted and held criminally liable under Section 26 of the Securities Regulation Code and penalized accordingly pursuant to Section 73 of the SRC.

#### **Tips to Help Avoid Investment Scam**

Lookout for these **Common "Red Flags"**:

**It sounds too good to be true.** Any investments that sounds too good to be true probably is. Any investment opportunity that claims you'll receive substantially more than that could be highly risky – or be an outright fraud. Be extremely wary of claims on a website that an investment will make "INCREDIBLE GAINS" or has "HUGE UPSIDE AND ALMOST NO RISK!"

**The promise of "guaranteed" returns.** Every investment entails some level of risk, which is reflected in the rate of return you can expect to receive. If your investment is 100% safe, you'll most likely get a low return. Most fraudsters spend a lot of time trying to convince investors that extremely high returns are guaranteed or that the investment is a can't miss opportunity."

**Pressure to buy RIGHT NOW.** Don't be pressured or rushed into buying an investment before you have a chance to think about - and investigate - the "opportunity". Be especially skeptical of investments that are pitched as "once-in-a-lifetime" opportunities, particularly when the promoter bases the recommendation on "inside" or confidential information.

Investors who learn of investing opportunities should always be on the lookout for fraud. If you have a question or concern about an investment, or think you have encountered fraud please contact the Enforcement and Investor Protection Department at telephone numbers (02)818-6337 and (02)818- 5324.

For the guidance of the public.





## SEC ADVISORY

The Commission has received information that individuals or group of persons allegedly connected with an entity named **EVER ARM ANY MARKETING** are enticing the public to invest their money in high-earning products.

Based on the reports, the said entity offers to the public an investment with *"500% return of investment in less than a month"* based on the principal amount invested.

The public is hereby informed that **EVER ARM ANY MARKETING** is not registered with the Commission as a corporation or partnership and is not authorized to solicit investments from the public as it has not secured prior registration and/or license from the Commission to solicit investments as prescribed under Section 8 of the Securities Regulation Code (SRC). Those who act as salesmen, brokers, dealers or agents of **EVER ARM ANY MARKETING** in selling or convincing people to invest in the investment scheme being offered by **EVER ARM ANY MARKETING** including solicitations or recruitment through the internet may likewise be prosecuted and held criminally liable under Section 28 of the SRC and penalized with a maximum fine of Five Million pesos (P5,000,000.00) or a maximum penalty of Twenty One (21) years imprisonment or both pursuant to Section 73 of the SRC.

Accordingly, those who invite or recruit other people to join or invest in this venture or offer investment contracts or securities to the public may be held criminally liable or accordingly sanctioned or penalized in accordance with the Supreme Court decision in the case of SEC vs. Oudine Santos (G.R. No. 195542, 19 March 2014).

Furthermore, the names of all those involved will be reported to the Bureau of Internal Revenue (BIR) so that the appropriate penalties and/or taxes be correspondingly assessed.

In view thereof, the public is hereby advised to exercise prudence before investing in these kinds of activities and to take the necessary precaution in dealing with **EVER ARM ANY MARKETING**.

Should you have any information regarding the operation of the subject entity, please call the Enforcement and Investor Protection Department at telephone numbers 818-6047.

For the guidance of the public.



### SEC ADVISORY

The Commission has received information that a group of persons allegedly connected with an entity named **GLOBAL DREAM ZION** are soliciting investments from the public.

Based on reports, the said entity offers to the public an investment with high returns of 20% - 30% interest rate per month based on the principal amount invested.

The public is hereby informed that **GLOBAL DREAM ZION** is not registered with the Commission as a corporation or partnership and is not authorized to solicit investments from the public as it has not secured prior registration and/or license from the Commission to solicit investments as prescribed under Section 8 of the Securities Regulation Code (SRC).

Those who act as salesmen, brokers, dealers or agents of **GLOBAL DREAM ZION** in selling or convincing people to invest in the investment scheme being offered by **GLOBAL DREAM ZION** including solicitations or recruitment through the internet may likewise be prosecuted and held criminally liable under Section 28 of the SRC and penalized with a maximum fine of Five Million pesos (P5,000,000.00) or a maximum penalty of Twenty One (21) years imprisonment or both pursuant to Section 73 of the SRC.

Accordingly, those who invite or recruit other people to join or invest in this venture or offer investment contracts or securities to the public may be held criminally liable or accordingly sanctioned or penalized in accordance with the Supreme Court decision in the case of SEC vs. Oudine Santos (G.R. No. 195542, 19 March 2014).

Furthermore, the names of all those involved will be reported to the Bureau of Internal Revenue (BIR) so that the appropriate penalties and/or taxes be correspondingly assessed.

In view thereof, the public is hereby advised to exercise prudence before investing in these kinds of activities and to take the necessary precaution in dealing with **GLOBAL DREAM ZION**.

Should you have any information regarding the operation of the subject entity, please call the Enforcement and Investor Protection Department at telephone numbers 818-6047.

For the guidance of the public. 28 May 2019.



## SEC ADVISORY

The Commission has received information that individuals or groups of persons representing **RIGEN MARKETING ("RIGEN")** are enticing the public to invest in the said entity online and through walk-in solicitations.

Accordingly, **RIGEN** is a new startup company based in Tagum City, Davao Del Norte and has expanded to other provinces of Davao Oriental, Occidental, Davao Del Sur, General Santos City, and other neighboring cities and municipalities.

Verily, its aim is "to help the financial needs of individuals by providing a concrete system allowing ordinary people to have solid additional income".

Based on the information gathered by the Commission, **RIGEN** is engaged in soliciting investments and promises to the public a **guaranteed return of 400%** in just 30 days less or more.

The said invest scheme is illustrated below:

INVESTMENT	RETURN/INCOME 400%	REGISTRATION FEE
5K	Turns - 20k	150
10K	Turns - 40k	300
15K	Turns - 60k	450
20K	Turns - 80k	600
25K	Turns - 100k	750
30K	Turns - 120k	900
40K	Turns - 160k	1200
50K	Turns - 200k	1500

Allegedly, **RIGEN** is operated by personalities who are said to be "BIG PLAYERS" in FOREX and CRYPTO-CURRENCY Trading and duly licensed in Singapore.

Where the scheme involves the sale of securities to the public, SRC requires that the issuing person and/or entity must be a registered corporation with SEC, the said securities offered are duly registered and that the appropriate license and/or permit to sell securities to the public are issued to the corporation and/or its agents, pursuant to the provisions of section 8 and 28 of the SRC.

The public is hereby advised to exercise caution in investing their money in these types of schemes which may also turn out to be **Fraudulent Investment Schemes**, involving the sale of unregistered securities.

Those who act as salesman, broker or agents of **RIGEN** in selling or convincing people to invest in the investment scheme being offered, including solicitations or recruitment may likewise

be prosecuted and held criminally liable under Section 28 of the SRC and penalized with a maximum fine of Five Million Pesos (P5,000,000) or imprisonment of Twenty One (21) years or both pursuant to Section 73 of the SRC.

Likewise, those who sell or offer securities the public, may be held criminally liable or accordingly sanctioned or penalized pursuant to the Supreme Court Decision in the case of Securities and Exchange Commission (SEC) Vs. Oudine Santos (G.R. No. 195542, 19 March 2014).

Should you have any information regarding the operations of the subject entities, please call the Enforcement and Investor Protection Department at telephone numbers (02)818-6337 and (02)818- 5324.

For the guidance of the public.



## SEC ADVISORY

The Securities and Exchange Commission has received information that individuals or group of persons representing LDT AGRO INDUSTRIAL HUB CORPORATION ("LDT") through its president ARMANDO G. GABRIEL, in partnership with NUTRIWEALTH MULTIPURPOSE COOPERATIVE ("NMPC") now VCM-NW Corporation ("VCM-NW"), using other names such as VALUE CHAIN METHODOLOGY ("VCM"), VCM Network, VCM Network Livelihood Support Association ("VCM-LSA"), all which were founded by JAY C. GALANG, is offering investment online to the public through "THE BNP CLIENT PROJECT" via Facebook account also named THE BNP Client Project.

Per records of the Securities and Exchange Commission, LDT is registered in the Commission's database as a stock corporation with company registration no. CS201820040. It was issued its certificate of incorporation on 12 September 2018. Its primary purpose is to develop, manage, own, lease and operate agriculture-related facilities, rice milling, processing, distribution, wholesale, trading and other related services.

On the other hand, VCM-NW is registered in the Commission's database as a stock corporation with company registration no. CS201820903. It was issued its certificate of incorporation on 20 September 2018. Its primary purpose is to develop, manage, own, lease, and operate agricultural lands, farms, pasture lands, ranches, fishponds, fish pens, foreshore lands, and similar fishing rights or concessions, including fish culture; to engage in the planting and cultivation of all crops, orchards, groves, and all types of agricultural or farm products; to engage in raising, breeding, cross-breeding and pasturing of cows, goats, carabaos, pigs, chickens, and other similar stocks, and in general to undertake or carry on all kinds of studies, experiments, cultivation, storage and trading in all kinds of agricultural, livestock, and fishery products and its by products, including distribution of these products through wholesale and retail trade.

However, LDT and VCM-NW are not authorized to solicit investments from the public as the above-mentioned corporations did not secure prior registration and/or license to solicit investment from the commission as prescribed under Section 8 of the Securities Regulation Code.

Based on information gathered, BNP stands for BIONUTRIGREEN PROCEDURE and CLIENT stands for Convergence for Linking Investors and ENTerprises. THE BNP CLIENT PROJECT is under the leadership of LDT and VCM-NW, conceptualized as its flagship program which adheres to the vision: "*Empower the Filipino Farmers and make High Quality Rice Available to all*".

The investment scheme is described as follows:

- 1) In joining LDT's so-called advocacy, the investor fills out a Contract of Agreement termed as *Purchase Agreement* with a lock in period of 5 years and a corresponding Non-Disclosure Agreement.

For easy reference, we quote the pertinent provision of the purchase agreement to wit:

"xxx

**3.) The Client agrees with the following conditions:**

- a) The amount paid will be locked-in for a five year commitment with corresponding incentive;
- b) The amount paid will receive 10% interest on its 1<sup>st</sup> year as incentive;
- c) The amount paid will receive 15% interest on its 2<sup>nd</sup> year as incentive;
- d) The amount paid will receive 20% interest on its 3<sup>rd</sup> year as incentive;
- e) The amount paid will receive 25% interest on its 4<sup>th</sup> year as incentive;
- f) The amount paid will receive 30% interest on its 5<sup>th</sup> year as incentive.

xxx"

2) In filling out the Purchase Agreement, the Investor has **(3) Three Options** to choose from:

**a) Option A: All Rice & No Cash Back**

Here, the investor gets the corresponding cavans of rice for the money paid.

PURCHASE AMOUNT	NUMBER OF CAVANS OF RICE	TOTAL CAVANS OF RICE
10,000	9	9
20,000	18	18
30,000	27	27
40,000	36	36
50,000	45	45
100,000	90	90
500,000	451	451
1,000,000	901	901

**b) Option B: Rice & Reward**

Here, the purchase amount paid relative to the purchase agreement will be returned as a reward plus the corresponding pre-purchased rice.

PURCHASE AMOUNT	NUMBER OF CAVANS OF RICE	RICE & REWARD
10,000	6	10K + 6 cavans
20,000	11	20k + 11 cavans
30,000	17	30k + 17 cavans
40,000	23	40k + 23 cavans
50,000	28	50k + 28 cavans
100,000	56	100k + 56 cavans
500,000	281	500k + 281 cavans
1,000,000	564	1M + 564 cavans

**c) Option C: All Cash**

Here, the money paid by investors relative to the purchase agreement is doubled in 5 years. Allegedly, this option arose from the situation that certain individuals are not interested with having Rice, yet wishes to participate in LDT's ADVOCACY. These investors are called by LDT as Angel Investors.

PURCHASE AMOUNT	REWARD
10,000	20,000
20,000	40,000
30,000	60,000
40,000	80,000
50,000	100,000
100,000	200,000
500,000	1,000,000
1,000,000	2,000,000

- 3) After filling out the documents, the investor pays the purchase amount to LDT's Bank Account. The investor then sends the scanned deposit slip together with the documents to LDT.
- 4) LDT then transmits back to the investor the notarized documents within 7 working days.
- 5) In summary, LDT collects payments from investors through **THE BNP CLIENT PROJECT**. The investors purchase the rice at its Farm Gate Value. Thereafter, LDT finances their Farmer-Client's Farm cost up to year end. LDT buys the Farmer-Client's produce higher than its prevailing farm gate value. LDT gives its investors High Quality Rice at a very affordable price plus an option to earn 100% interest as reward.

Accordingly, the public is hereby warned that such investment schemes are considered as *investment contracts* under the definition of securities in the SRC and subject to the regulatory authority of this Commission. The offering or sale of securities to the public without a permit or license from the Commission is a violation of Section 8.1. of the Securities Regulation Code (SRC).

Since this scheme involves the sale of securities to the public, the SRC requires that the said securities offered are duly registered and that the appropriate license and/or permit to sell securities to the public are issued to the corporation and/or its agents, pursuant to the provisions of Section 8 of the SRC.

Likewise, those who act as salesmen, brokers, dealers or agents of these companies in selling or convincing people to invest in the investment scheme being offered by LDT and VCM-NW including solicitations and recruitment through internet may likewise be prosecuted and held criminally liable under Section 28 of the Securities Regulation Code and penalized with a maximum fine of Five Million Pesos (P5,000,000.00) or penalty of twenty-one (21) years of imprisonment or both pursuant to Section 73 of the SRC.

Therefore, those who invite or recruit other people to join or invest in this venture or offer investment contracts or securities to the public may be held criminally liable or accordingly sanctioned or penalized in accordance with the Supreme Court decision in the case of SEC vs. Oudine Santos (G.R. No. 195542, March 19, 2014).

Furthermore, the names of all those involved will be reported to the Bureau of Internal Revenue (BIR) so that the appropriate penalties and/or taxes be correspondingly assessed.

In view thereof, the public is hereby advised to exercise caution before investing in these kinds of activities and to take the necessary precaution in dealing with **LDT AGRO INDUSTRIAL HUB Corporation** and **VCM-NW Corporation** or its representatives.

Information as to whether these securities are registered or not may be sought from the SEC's Corporate and Finance Department, or Market and Securities Regulation Department through telephone numbers (02)818-6103 and (02)818-5703 respectively.

The Commission urges anyone who has knowledge or information about any business transaction involving these securities or investment opportunities to report such activity so that appropriate actions could be taken through the Enforcement and Investor Protection Department at (02)818-6337 or (02)818-6047.

For the guidance of the public.

3 May 2019.





Securities and  
Exchange  
Commission  
PHILIPPINES

## SEC ADVISORY

The Commission has received information that individuals or group of persons representing **DV BOER FARM CORPORATION (DV Boer)** are enticing the public to invest in the said entity online and through walk-in solicitations.

Based on the information communicated and gathered by the Commission, **DV Boer** is engaged in soliciting investments where an investor may invest in the following "*Pa-iwi* Programs":

- **Goat Dairy *Pa-iwi* Program**
  - a. A 36-month *Pa-iwi*
  - b. Costs Php160,000.00.
  - c. 15 heads of goats shall be purchased for the investor
  - d. With the following payouts:
    - i. 12<sup>th</sup> month for Php22,500
    - ii. 20<sup>th</sup> month for Php45,000
    - iii. 28<sup>th</sup> month for Php45,000
    - iv. 36<sup>th</sup> month for Php45,000
    - v. Thereafter, a salvage value of Php75,000
  - e. A total of 15% interest per annum.
  
- **Goat Meat *Pa-iwi* Program**
  - a. A 35-month *Pa-iwi*
  - b. Costs Php160,000
  - c. 15 heads of goats shall be purchased for the investor
  - d. The payouts will be received on the following:
    - i. 11<sup>th</sup> month for Php22,500
    - ii. 19<sup>th</sup> month for Php45,000
    - iii. 27<sup>th</sup> month for Php45,000
    - iv. 35<sup>th</sup> month for Php45,000
    - v. Thereafter, a salvage value of Php75,000
  - e. A total of 15% interest per annum.
  
- **Chicken Breeding Program**
  - a. A 18-Month *Pa-iwi*
  - b. Costs Php100,000
  - c. 100 heads of chicken shall be purchased for the investor
  - d. The payout will be received at the 18<sup>th</sup> month in the amount of Php20,000 and thereafter, a salvage value of Php100,000.
  - e. A total of 20% interest per annum.
  
- **Cattle Affinuer Program**
  - a. A 1-year *Pa-iwi*
  - b. Costs Php1,000,000
  - c. 40 head of cows shall be purchased for the investor
  - d. The payouts will be received on the 13<sup>th</sup> month in the amount of Php150,000.
  - e. A return of 15% per annum.

- **Dairy Cattle Breeding *Pa-iwi* Program**
  - a. A 3-year *pa-iwi*
  - b. Costs Php2,060,000.
  - c. 5 heads of the cows shall be purchased for the investor
  - d. With the following payouts:
    - i. 12<sup>th</sup> month for Php600,000
    - ii. 24<sup>th</sup> month for Php600,000
    - iii. 36<sup>th</sup> month for Php600,000
    - iv. Thereafter, a salvage value of the Php2,000,000
  - e. A return of 30% per annum
  
- **Rabbit *Pa-iwi* Program**
  - a. A 1-year *pa-iwi* program.
  - b. Cost Php10,000.00.
  - c. 3 heads of rabbits shall be purchased for the investor.
  - d. The payout shall be received at the end of the 1-year period in the amount of Php900.
  - e. Thereafter, the salvage value of Php10,000 is also returned by DV Boer to the investor.
  - f. A return of 9% per annum.

Allegedly, the money invested will be used to fund the company's diverse businesses "Pa-iwi Programs" carried out by DV Boer or its sub farms.

The public is hereby informed that **DV BOER FARM CORPORATION** is registered with the Commission **ONLY** as a corporation under the Corporation Code of the Philippines but is **NOT** authorized to offer, solicit, sell or distribute any investment/securities. Such activities require a Secondary License from the Commission and the securities or investment product should likewise be registered with SEC before they can be offered or sold to the public under Sections 8 and 12 of the Securities Regulation Code (SRC).

Consequently, those who act as salesmen, brokers, dealers or agents of **DV BOER FARM CORPORATION** in selling or convincing people to invest in the investment scheme including solicitations or recruitment through the internet may likewise be prosecuted and held criminally liable under Section 28 of the Securities Regulation Code and penalized with a maximum fine of Five Million pesos (P5,000,000.00) or penalty of Twenty One (21) years imprisonment or both pursuant to Section 73 of the SRC.

Accordingly, those who invite or recruit other people to join or invest in this venture or offer contracts or securities to the public may be held liable or accordingly sanctioned or penalized in accordance with the Supreme Court decision in the case of SEC vs. Oudine Santos (G.R. No. 195542, March 19, 2014).

Furthermore, the names of all those involved will be reported to the Bureau of Internal Revenue (BIR) so that the appropriate penalties and/or taxes be correspondingly assessed.

In view thereof, the public is hereby advised to exercise caution before investing in these kinds of activities and to take the necessary precaution in dealing with **DV BOER FARM CORP.** or its representatives.

Should you have any information regarding the operation of the subject entity, please call the Enforcement and Investor Protection Department at telephone numbers 818-6337.

For guidance of the public..



## SEC ADVISORY

The public is hereby warned concerning the investment taking activities of ALMAMICO/ALAMCCO.

ALMAMICO/ALAMCCO is enticing the public to become their member through an investment opportunity. The scheme is to offer 35% interest per month of the invested money, a promised interest rate that is too high to sustain their claims that every member will receive as long as the cooperative operates.

Per verification, ALMAMICO (Alabel-Maasim Small Scale Mining Cooperative)/ALAMCCO (Alabel-Maasim Credit Cooperative) is **NEITHER** registered as a corporation **NOR** as a partnership. Thus, **NOT** being registered with this Commission as a corporation nor as a partnership, it is with more reason that they are **NOT** allowed to offer, solicit, sell or distribute any investment/securities from the public as the same requires a secondary license for such activity.

As we always keep on reminding the public, such investment opportunities are in the nature of investment contracts, which in turn are considered as securities subject to the regulatory authority of this Commission. The offering or sale of securities to the public without a permit or license from the Commission is a violation of Section 8.1 of the Securities Regulation Code (SRC).

We **REITERATE** that, those who act as salesman, brokers, dealers or agents of ALMAMICO/ALAMCCO in selling or convincing people to invest in the investment scheme being offered by ALMAMICO /ALAMCCO including solicitation or recruitment through the internet may likewise be prosecuted and held criminally liable under Section 28 of the Securities Regulation Code (SRC) and penalized with a maximum fine of Five Million pesos (P5,000,000.00) or penalty of Twenty One (21) years imprisonment or both pursuant to Section 73 of the SRC.

Accordingly, those who invite or recruit other people to join or invest in this venture or offer contracts or securities to the public may be held liable or accordingly sanctioned or penalized in accordance with the Supreme Court decision in the case of SEC vs. Oudine Santos (G.R. No. 195542, March 19, 2014).

In view thereof, the public is hereby advised to exercise caution before investing in these kinds of activities and to take the necessary precaution in dealing with ALMAMICO/ALAMCCO or its representatives.

Should you have any information regarding the operation of the subject entity please call the Enforcement and Investor Protection Department at telephone numbers 818-6337 and 818-5324.

For guidance of the public.



## SEC ADVISORY

This Commission has received reports that there is a circulating YOUTUBE video featuring the alleged news stating, *among others*, that KAPA PADAYON has obtained a Temporary Restraining Order (TRO) against the CEASE & DESIST ORDER (CDO) issued by the SEC against KAPA-COMMUNITY MINISTRY INTERNATIONAL, INC. (KAPA) and its allied entities.

To set the record straight, the application for issuance of a TRO filed by KAPA before Branch 58 of the Regional Trial Court, General Santos City, was DENIED by the Honorable Presiding Judge JOYCE KHO MIRABUENO in the ORDER dated 01 March 2019, the pertinent portion of which reads, as follows:

"Thus, we find that in the present petition, the Regional Trial Court of General Santos cannot properly issue a 72-hour-TRO to stop the implementation of a SEC Advisory (Annex A) and a SEC Cease and Desist Order (Annex B).

WHEREFORE, premises considered, the prayer for the issuance of a 72-hour-TRO is DENIED. The Office of the Clerk of Court of the Regional Trial Court is directed to comply with the procedure in Section 5 of Rule 58 of the Rules of Court on Preliminary Injunction, and to serve a copy of this order upon petitioner, through counsel.

SO ORDERED."

It must be stressed that the CDO issued by the SEC against KAPA, remains effective and still valid. Hence, the public is hereby warned to be cautious in dealing with the above-mentioned KAPA and its allied entities, particularly in investing their money with said entities.

The public is hereby advised to call the Enforcement and Investor Protection Department at telephone nos. (02) 818-6337 or (02) 818-5324 for any inquiries/clarifications and updates on this matter.

Pasay City, March 8, 2019.

RECEIVED  
MAR 04 2019  
BY: [Signature]

Republic of the Philippines  
REGIONAL TRIAL COURT  
11th Judicial Region  
Branch 58  
General Santos City

RTC-Br. 58 GENERAL SANTOS CITY  
MAR 04 2019  
**RELEASED**  
BY: [Signature] TIME: 1:50 PM

Office of the Vice-Executive Judge

KAPA-COMMUNITY MINISTRY  
INTERNATIONAL, INC., REPRESENTED BY  
PASTOR JOEL A. APOLINARIO  
Petitioner,

SPECIAL CIVIL CASE NO. 18-806  
-for-

-versus-

SECURITIES AND EXCHANGE COMMISSION,  
Respondent.

Injunction with Application for  
Issuance of a 72-Hour  
Restraining Order, a Temporary  
Restraining Order and/or a Writ  
of Preliminary Injunction

x-----x

x-----x

ORDER

This case for Injunction with Application for Issuance of a 72-Hour Restraining Order, a Temporary Restraining Order and/or a Writ of Preliminary Injunction was referred this Friday afternoon to the Office of the Vice-Executive Judge, because the Executive Judge is on Official Business in Cagayan De Oro City.

For immediate resolution, in accordance with Section 5 of Rule 58 of the Rules of Court on Preliminary Injunction, is the petitioner's prayer for the issuance of a 72-hour Temporary Restraining Order (TRO), quoted below:

*"Upon the filing of the instant Petition, a 72-hour TRO be issued against respondent SEC enjoining it from implementing the Assailed Advisory and the Assailed CDO".*

The **PETITION**: Petitioner KAPA-COMMUNITY MINISTRY INTERNATIONAL, INC., (petitioner / KAPA) is represented by PASTOR JOEL A. APOLINARIO (Pastor Apolinario). Respondent is the Securities and Exchange Commission (SEC), a government agency.

Petitioner prayed for the Court to issue a 72-hour TRO, prior to the granting of a TRO and a writ of preliminary injunction, and eventually, a permanent injunction, to stop the SEC from implementing the Assailed Advisory (Annex A) and the Assailed CDO (Annex B).

According to petitioner, it has established its clear and unmistakable right *in esse*, which is the constitutional right to the free exercise of religion. The issuances of the SEC, which petitioner sought to be subject of injunction, are violative of petitioner's exercise of freedom of religion. Freedom of religion includes the right of the religious organization to receive donations from its members so that it could propagate its religious mission to provide for and support the needs of the members, and continue with its charitable activities. This grave injury consists of the violation of its constitutional right to free exercise of religion. If the SEC issuances are implemented, the petitioner, as a religious

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organization relying on the generosity of its members to sustain its activities and maintain its existence would in effect be abolished by the SEC.

To summarize, petitioner stated: First, it has a clear and unmistakable right to be protected, the right to religious freedom. Second, this right is directly threatened by the impending implementation of assailed SEC issuances. Third, the invasion of the right is material and substantial. Fourth, there is an urgent necessity for the preliminary injunction to prevent serious and irreparable damage.

Attached to the petition are Annexes A and B. Annex A is a SEC Advisory dated October 3, 2018, consisting of two pages. The 6<sup>th</sup> paragraph in the first page states:

"In view thereof, the public is advised to STOP INVESTING in this kind of investment activity and to take the necessary precautions in dealing with the above-named entity and/or its representatives."

Portions of the second page of Annex A gave the general public the addresses of the SEC Davao and Cagayan De Oro Extension Offices where persons can seek assistance. Quoted herein, including the emphasis, is the final paragraph in the second page:

"For further reference, on 08 March 2017, the Commission issued an ADVISORY on KAPPA (KABUS PADATOON) founded by a certain MR. JOEL APOLINARIO collecting investments with a promise that 30% of one's investment will be paid back every month until forever. The public was advised to STOP INVESTING in these kinds of investment activities and to take the necessary precaution in dealing with the said entity and/or its representatives which can be viewed at the Commission's website at [www.sec.gov.ph](http://www.sec.gov.ph)."

Annex B is a CEASE AND DESIST ORDER (CDO) dated 14 February 2019 in SEC Admin. Case. No. 02-19-181. Pertinent sections of the dispositive portion of this 15-page CDO, with emphasis, are quoted below:

"WHEREFORE, premises considered, KAPA COMMUNITY MINISTRY INTERNATIONAL, INC., KAPA KABUS PADATUON (ENRICH THE POOR), KAPA / KAPPA (KABUS PADATOON) KAPACO CONVENIENCE STORE AND GENERAL MERCHANDISE, KAPA WORLDWIDE MINISTRY, and/or Mr. JOEL APOLINARIO, their partners, officers, directors, agents, representatives, conduits, assigns and ANY AND ALL PERSONS CLAIMING AND ACTING FOR AND IN THEIR BEHALF are hereby ordered to IMMEDIATELY CEASE AND DESIST UNDER PAIN OF CONTEMPT, from engaging in activities of selling and/or offering for sale securities in the form of investment contracts in the guise of a donation or any other forms of the same nature as discussed above."

Xxxx.

Xxxx.

"The Enforcement and Investor Protection Department is hereby directed to: (1) serve this Order to KAPA COMMUNITY MINISTRY INTERNATIONAL, INC., its President, General Manager, Corporate Secretary, Treasurer, In-House Counsel or partners; and 2) post copies of

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the Order at the entrance of the main office and/or branches, if any, of KAPA COMMUNITY MINISTRY INTERNATIONAL, INC."

"Let a copy of this Order be also posted in the Commission's website, published in a national newspaper of general circulation and furnished to the Company Registration and Monitoring Department, the Corporate Governance and Finance Department and the Economic Research and Information Department for their information and appropriate action."

"The EIPD is further directed to submit a formal compliance report, by way of a pleading, to the Commission *En Banc* within five (5) days from receipt of this Cease and Desist Order."

"In accordance with the provisions of Sec. 64.3 of SRC and Sec. 4-3 of the 2016 Rules of Procedure of the Commission, the parties subject of the Cease and Desist Order may file a request for the lifting thereof within five (5) days from receipt hereof."

There is an ISSUE that needs to be resolved first: In the petition at hand, can the Regional Trial Court of General Santos City properly issue a 72-hour-TRO to stop the implementation of the issuances of the Securities and Exchange Commission, namely: SEC Advisory (SEC Advisory) dated October 3, 2018 and CEASE AND DESIST ORDER (CDO) dated 14 February 2019 in SEC Admin. Case. No. 02-19-181?

#### PRELIMINARY FINDINGS & EVALUATION OF THE COURT:

Petitioner stated that: "Respondent SEC has already issued the Assailed Advisory and is poised to implement the Assailed CDO if no 72-hour Restraining Order, TRO and writ of preliminary injunction are issued by the Honorable Court." A reading of the SEC Advisory dated October 3, 2018 shows that the public was ADVISED "to STOP INVESTING in these kinds of investment activities and to take the necessary precaution in dealing with the said entity and/or its representatives which can be viewed at the Commission's website at [www.sec.gov.ph](http://www.sec.gov.ph)."

This Advisory does not appear to have any mode of implementation that needs to be restrained. The general public was advised to stop investing, but other than this exhortation to the general public, there does not appear to be any positive action that the SEC needs to do to "implement" this advise. If petitioner want this SEC Advisory recalled or set aside, its legal remedy lies with the SEC, and not with the Regional Trial Court.

Petitioner stated that it submitted to the SEC, letters dated 22 October, 24 October, 15 November, 17 December 2018; and 31 January 2019, and presented proof that it is a religious organization which does not solicit money from the public with a promise of return on investment. According to petitioner, despite these letters and proof, the SEC issued the CDO.

The Court finds that the assailed CDO has provided how a legal remedy may be availed: "In accordance with the provisions of Sec. 64.3 of SRC and Sec. 4-3 of the 2016 Rules of Procedure of the Commission, the parties subject of the Cease and Desist Order may file a request for the lifting thereof within five (5) days from receipt hereof." /

Section 64 of Republic Act No. 8799, The Securities Regulation Code, refers to a Cease and Desist Order. Section 64.3 specifically provides what can be done by a person or entity upon whom a CDO had been issued:

*"64.3. Any person against whom a cease and desist order was issued may, within five (5) days from receipt of the order, file a formal request for a lifting thereof. Said request shall be set for hearing by the Commission not later than fifteen (15) days from its filing and the resolution thereof shall be made not later than ten (10) days from the termination of the hearing. If the Commission fails to resolve the request within the time herein prescribed, the cease and desist order shall automatically be lifted."*

There is nothing in the petition to show that this remedy with the SEC itself has been availed by petitioner. The petitioner, if facing "extreme urgency", appears to have a remedy with the SEC because: "If the Commission fails to resolve the request within the time herein prescribed, the cease and desist order shall automatically be lifted."

In the case of *SEC, et al. vs. CJH Development Corporation, et al. (G.R. No. 210316, November 28, 2016)*, the Supreme Court had shown that the 2006 Rules of Procedure of the SEC provided the legal remedies for a party subject of a CDO. Although this case does not fall squarely with the present petition, and this Court clearly sees that the present petition is not one wherein petitioner is appealing the SEC Advisory or the CDO, it would appear that relief from the CDO issued by the SEC may be had with the SEC, and not with the Regional Trial Court.

Thus, we find that in the present petition, the Regional Trial Court of General Santos cannot properly issue a 72-hour-TRO to stop the implementation of a SEC Advisory (Annex A) and a SEC Cease and Desist Order (Annex B).

WHEREFORE, premises considered, the prayer for the issuance of a 72-hour-TRO is DENIED. The Office of the Clerk of Court of the Regional Trial Court is directed to comply with the procedure in Section 5 of Rule 58 of the Rules of Court on Preliminary Injunction, and to serve a copy of this Order upon petitioner, through counsel.

SO ORDERED.

General Santos City, Philippines. 01 March 2019.

  
JOYDE KHO MIRABUENO  
Judge

JOKM: Serve copies to:

1. SEDALAW, Attys. Archivald F. De Mata, Myra Jennifer D. Jaud-Fetizanan, & Julius Rey Custodio, Suite 1107, 11<sup>th</sup> Floor, Tektite East Tower, Philippine Stock Exchange Centre, Exchange Road, Ortigas Center, Pasig City
2. Securities and Exchange Commission (SEC), PICC Secretariat Bldg., Roxas Blvd., Pasay City
3. The Clerk of Court, RTC-OCC, Hall of Justice, Lagao, General Santos City





## SEC ADVISORY

The Commission has received numerous reports regarding the activities of an entity named **Unity Wealth Marketing**, which is also using the names **UWealth Premium** and **Unitywealth 100**.

In its Facebook Account, **Unity Wealth Marketing/UWealth Premium/Unitywealth 100** claimed that its operation is legitimate since it is registered with the Department of Trade and Industry (DTI). The entity is owned and operated by **Mr. Anthony Tiongco Mendoza** who illustrated in his promotional videos posted in his FB account and in Unity Wealth FB Account the following ways of earning money by joining the company:

1. **Sponsorship Bonus;**
2. **Indirect Bonus;**
3. **Infinity Pass-up Bonus; and**
4. **Unilevel Bonus.**

The public is hereby informed that **Unity Wealth Marketing/UWealth Premium/Unitywealth 100** is not registered with the Commission as a corporation or partnership and is not authorized to solicit investments from the public, not having secured prior registration and/or license to solicit investments as prescribed under Section 8 of the Securities Regulation Code (SRC).

Those who act as salesmen, brokers, dealers or agents of **Unity Wealth Marketing/UWealth Premium/Unitywealth 100** in selling and convincing people to invest in the investment scheme being offered by the said entity including doing solicitations or recruitment through the internet may likewise be prosecuted and held criminally liable under Section 28 of the SRC and penalized with a maximum fine of FIVE MILLION PESOS (Php5,000,000.00) or a maximum penalty of TWENTY ONE (21) years imprisonment or BOTH pursuant to Section 73 of the SRC.

In view thereof, the public is hereby advised to exercise self-restraint from investing their hard earned money into such high-yield, high-risk investment scheme and to take the necessary precaution in dealing with individuals representing the above-named entity.

Should you have any information regarding the operation of the subject entity, you may contact our **Enforcement and Investor Protection Department (EIPD)** at telephone numbers (02) 818-6337 or (02) 818-5476 or visit EIPD at North Wing Hall, Ground Floor, Secretariat Bldg., PICC Complex, Pasay City.

Pasay City, March 05, 2019



ENFORCEMENT & INVESTOR PROTECTION DEPARTMENT

**UPDATED ADVISORY ON  
NORTH EAST LUZON FOUNDATION, INC.**

18 January 2019

On June 4, 2013, the Securities and Exchange Commission (SEC) issued an ADVISORY which was prompted by information received from the public that certain individuals and/or groups of persons have been representing to the public that **NORTH EAST LUZON FOUNDATION, INC.** is still operating as a corporation.

Recently, a report was received by the Commission that certain individuals and/or groups of persons has been soliciting funds for the meetings of NELFI.

In this regard, the Commission reiterates its previous ADVISORY informing the public that the Certificate of Registration of **NORTH EAST LUZON FOUNDATION, INC.** has been **REVOKED** by the Securities and Exchange Commission in its Decision dated August 26, 2010.

The public is advised to exercise extreme caution in dealing with any individuals representing **NORTH EAST LUZON FOUNDATION, INC.** and urges anyone who has knowledge or information about any operation or transaction involving said company to report such activity immediately to the Commission so that appropriate measures can be taken.

The public is further informed that certain entities may have been registered using the name **NORTH EAST LUZON FOUNDATION** or variations thereof with the **Cooperative Development Authority (CDA)**. In this connection, inquiries or reports as to the legality of the activities of said cooperatives should be addressed to the CDA.

**Enforcement & Investor Protection Department**  
Securities and Exchange Commission  
Ground Floor, North Wing, PICC Secretariat Building, PICC Complex, Pasay City  
(02) 818-6337 or (02) 818-6047  
epd@sec.gov.ph



**ENFORCEMENT AND INVESTOR PROTECTION DEPARTMENT**

**UPDATED ADVISORY ON PAYSBOOK E-COMMERCE SYSTEM CO. LTD  
AND PAYSBOOK E-COMMERCE SYSTEM CORPORATION**

The Department has received information that last November 2018, **PAYSBOOK E-COMMERCE SYSTEM CO. LTD** (Hereafter "Partnership") dissolved its partnership and has caused the registration of a corporation called **PAYSBOOK E-COMMERCE SYSTEM CORPORATION** (Hereafter "Corporation").

Per records of the Securities and Exchange Commission (Hereafter "Commission"), the Partnership is registered in the Commission's database as a partnership with the primary purpose of engaging in the following businesses: e-commerce system services, online selling, online advertising services, franchising business, website development and customized online system development. Likewise, the Corporation was registered in the Commission's database as a corporation having the same primary purpose.

However, both the Partnership and the Corporation (collectively "**PAYSBOOK**") are **not authorized to solicit investments from the public** as the above-mentioned entities **did not secure prior registration and/or license to solicit investments nor have they applied for the issuance of any secondary license** from the Commission as prescribed under Section 8 of the Securities Regulation Code.

The Department has also received information that the members and affiliates of **PAYSBOOK** have circulated in a popular social media website numerous photos of its officers appearing before this Department implying all of the company's issues with the Commission have already been settled. Moreover, we also received information that some officers, members and affiliates have been circulating a photo of its Certificate of Incorporation as proof of the legitimacy of its operations.

To date, the Department has not issued any order lifting the 01 August 2018 Advisory (hereafter "Advisory") on **PAYSBOOK E-COMMERCE SYSTEM CO. LTD**, finding no sufficient ground or justification to lift the same. Thus, the general public is hereby informed that the Advisory **REMAINS VALID AND IN EFFECT**. In the said Advisory, **PAYSBOOK's** scheme was presented as follows:

*"Based on information gathered by the Commission, **PAYSBOOK** entices the public to invest by selling online account activation codes for participation in its platform to allegedly earn by simply logging in and out of the website and recruiting other individuals to join the investment scheme. The entire investment scheme is described in detail as follows:*

1. The investor is required to create a **PAYSBOOK** account in their website: <https://paysbook.co/auth/register?id={username of offeror}>;
2. The investor will then be brought to a registration page where he will be asked to fill in his First Name, Last Name, Username, E-mail Address, Password and Mobile Number;
3. By simply accomplishing the registration process, an investor earns **Php300.00**. To fully maximize profits, an activation code needs to be purchased from an upline or recruiter by paying a one-time fee of **Php1,000.00**;
4. After an activation code is purchased and entered into the system, a **PAYSBOOK** account owner can earn the following:
  - a. Sign-in Reward – as explained earlier, an investor who opens an account earns **Php300.00** by simply signing-up on the **PAYSBOOK** platform;
  - b. Log-in Reward – pertains to the reward earned amounting to **Php50.00** for simply logging-in to the platform. An investor is limited to two logins per day for up to six days to earn a total potential log-in reward of **Php600.00**;
  - c. Log-out Reward - pertains to the reward earned amounting to **Php50.00** for simply logging-out from the platform. An investor is limited to two logouts per day for up to six days to earn a total potential log-out reward of **Php600.00**;
  - d. Posting Reward – **INDIGEN COINS** are earned for every post, comment, share or like to the investor's **PAYSBOOK** social media account. An investor shall earn **0.025 INDIGEN COIN** for every like, share or comment made and **0.050 INDIGEN COIN** for every post made in social media;
  - e. Direct Commission – The investor is entitled to a direct commission amounting to **Php100.00** for every person who is recruited, whether directly or indirectly through his downlines, and who subsequently activates his account for maximum of fifteen (15) recruits or account activations or a maximum commission of **Php1,500.00**;
  - f. Matching Commission – The investor is entitled to a matching commission amounting to **Php100.00** for every pair recruited, whether directly or indirectly through his downlines, and activated on the left and right side of his recruitment pyramid for up to forty (40) pairs matched per day or a maximum commission of **Php4,000.00** per day;
  - g. Leveling Commission – The investor is entitled to a levelling commission amounting to **Php400.00** for filling every level or layer of his recruitment pyramid with downlines, recruited either directly or indirectly through his downlines, for up to the tenth level or layer or a maximum of **Php40,000.00** for all levels or layers.”

Moreover, since the operation of the Corporation, despite having a separate and distinct juridical personality, is a mere continuation and extension of the actual operations of the dissolved Partnership, the Advisory is hereby extended to apply to **PAYSBOOK E-COMMERCE SYSTEM CORPORATION**.

To reiterate the contents of the Advisory, the general public is hereby warned that all investment schemes are subject to the regulatory authority of this Commission. The recruitment of investor members under the guise of sponsoring a person into the system or platform is likewise considered a form of investment solicitation or a sale of securities. The offering or sale

of securities to the public without a permit or license from the Commission is a violation of Section 8.1 of the Securities Regulation Code (SRC).

If a scheme involves the sale of securities to the public, the SRC requires that the said securities offered are duly registered and that the appropriate license and/or permit to sell securities to the public are issued to the corporation and/or its agents, pursuant to the provisions of Section 8 of the SRC.

Likewise, those who act as salesmen, brokers, dealers or agents of these companies in selling or convincing people to invest in any unregistered investment scheme, including solicitations and recruitment through the internet, may likewise be prosecuted and held criminally liable under Section 28 of the Securities Regulation Code and **penalized with a maximum fine of Five Million pesos (P5,000,000.00) or penalty of twenty-one (21) years of imprisonment or both pursuant to Section 73 of the SRC.**

Accordingly, those who invite or recruit other people to join or invest in this venture or offer investment contracts or securities to the public may be held criminally liable or accordingly sanctioned or penalized in accordance with the Supreme Court decision in the case of *SEC vs. Oudine Santos* (G.R. No. 195542, March 19, 2014).

Furthermore, the names of all those involved will be reported to the Bureau of Internal Revenue (BIR) so that the appropriate penalties and/or taxes be correspondingly assessed.

In view thereof, the public is hereby advised to exercise caution before investing in these kinds of activities and to take the necessary precaution in dealing with the aforementioned entities.

We are encouraging anyone who has any information about or complaints against the said entities to personally visit or communicate with the Department at the Enforcement and Investor Protection Department, Ground Floor, North Wing, Secretariat Building, PICC Complex, Roxas Boulevard, Metro Manila.

Kindly bring or send all relevant documents which would substantiate your claim including but not limited to the following: (1) copy of the contract; (2) any brochure, pamphlet, flier or proof of advertisement of the offer of securities; (3) printed screenshots showing any offering, solicitation or sale of securities; (4) videos which you may have taken as proof of the sale or offering of securities; and (5) any other evidence proving the conduct of offering of securities. It is highly advised that you give us a call before visiting to ensure that the handling personnel is present to entertain you. For inquiries, call us at (02)818-6337 or (02)818-6047.

For the guidance of the public.

8 January 2019.



ENFORCEMENT AND INVESTOR PROTECTION DEPARTMENT

**SEC ADVISORY**

The Commission has received information that individuals or group of persons representing **ANGEL INVESTOR GROUP, INC.** are enticing the public to invest in the said entity online or through the internet.

Based on the information gathered by the Commission, **ANGEL INVESTOR GROUP, INC.** is engaged in soliciting investments where an investor can receive 100% profit after one (1) month plus 1,500 bonus share.

The public is hereby informed that **ANGEL INVESTOR GROUP, INC.** is registered with the Commission as a corporation in the year 2000 but is **NOT** authorized to offer, solicit, sell or distribute any investment/securities. Such activities require a Secondary License from the Commission and the securities or investment product should likewise be registered with SEC before they can be offered or sold to the public under Sections 8 and 12 of the Securities Regulation Code (SRC).

Consequently, those who act as salesmen, brokers, dealers or agents of **ANGEL INVESTOR GROUP, INC.** in selling or convincing people to invest in the investment scheme including solicitations or recruitment through the internet may likewise be prosecuted and held criminally liable under Section 28 of the Securities Regulation Code and penalized with a maximum fine of Five Million pesos (P5,000,000.00) or penalty of Twenty One (21) years imprisonment or both pursuant to Section 73 of the SRC.

Accordingly, those who invite or recruit other people to join or invest in this venture or offer contracts or securities to the public may be held liable or accordingly sanctioned or penalized in accordance with the Supreme Court decision in the case of *SEC vs. Oudlne Santos* (G.R. No. 195542, March 19, 2014).

Furthermore, the names of all those involved will be reported to the Bureau of Internal Revenue (BIR) so that the appropriate penalties and/or taxes be correspondingly assessed.

In view thereof, the public is hereby advised to exercise caution before investing in these kinds of activities and to take the necessary precaution in dealing with **ANGEL INVESTOR GROUP, INC.** or its representatives.

Should you have any information regarding the operation of the subject entity, please call the Enforcement and Investor Protection Department at telephone numbers 818-6047.

For guidance of the public.