



ENFORCEMENT AND INVESTOR PROTECTION DEPARTMENT

SEC ADVISORY March 8, 2017

The Commission has received information that an entity by the name of **BULLION BUYER LTD.** is operating in Baguio City organizing groups of people and inviting each coordinator to recruit other beneficiaries. Those recruited are asked to pay thirty pesos (php30.00) in exchange for receiving TEN THOUSAND PESOS (php10,000.00) per month through their Landbank ATM accounts for four (4) years and eleven (11) months starting February 2017. This also entitles them to a grant of FIVE HUNDRED THOUSAND PESOS (php500,000.00) for livelihood programs.

The public is hereby informed that **BULLION BUYER LTD.** is not registered with the Commission as a corporation or partnership. There being no primary license, it is not authorized to solicit investments which require a secondary license as provided under Sec. 8.1 of the Securities Regulation Code.




The law likewise prohibits any person from engaging in the buying or selling of securities in the Philippines as a broker or dealer or as a salesman or associated person of any broker or dealer unless registered as such with the Commission (Sec. 28, SRC).

Accordingly, those who invite or recruit or convince people to join or invest in the venture or offer investment contracts or securities to the public may be charged and 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].

In view thereof, the public is advised to STOP INVESTING in this kind of investment activity which may turn out to be a fraudulent investment scheme and to take the necessary precautions in dealing with the above-named entity and/or its representatives.

If you have invested money or were invited to invest in BULLION BUYER LTD., you may seek the assistance of the SEC - Extension Offices and/or Enforcement and Investor Protection Department (EIPD) of the Securities and Exchange Commission with office address at the North Wing Hall, Ground Floor, Secretariat Building, PICC Complex, Pasay City or you may call at telephone number 818-5476.

8 March 2017

	Republic of the Philippines Department of Education Cordillera Administrative Region Wangal, La Trinidad, Benguet	
		May 25, 2017
To : The Schools Division Superintendents All Divisions		
For information and wide dissemination.		
		 SORAYA T. FACULO OIC- Assistant Regional Director
DA/PAU		



SEC ADVISORY

The SECURITIES AND EXCHANGE COMMISSION ("Commission") has received reports that many individuals, particularly the "Five-Six MoneyLenders", engage in the business of lending without authority to do so in violation of the Lending Company Regulation Act of 2007.

Under the Lending Company Regulation Act of 2007, it is illegal to act as a lending company/investor unless registered with the Commission as a lending company. The said law mandates lending companies to organize only as corporations, making it illegal for individuals to engage in the business of lending without being registered as a corporation with the Commission and secure the required Certificate of Authority.

Section 12 of the Lending Company Regulation Act of 2007 provides that a fine of not less than Ten Thousand Pesos (P10,000.00) and not more than Fifty Thousand Pesos (P50,000.00) or imprisonment of not less than six (6) months but not more than ten years or both, at the discretion of the court, shall be imposed upon:

CA for lending
1. Any person who shall engage in the business of lending company without a validly subsisting authority to operate from the SEC;

2. The president, treasurer and other officers of the corporation including the managing officer thereof who shall knowingly or willingly:

a. Engage in the business of a lending company without a validly subsisting authority to operate from the SEC;

b. Hold themselves out to be a lending company, either through advertisement in whatever form, whether in its stationary, commercial paper or other document, or through other representations without authority;

c. Make use of a trade name or firm name containing the words "lending company" or "lending investor" or any other designation that would give the public the impression that it is engaged in the business of a lending company as defined in this Act without authority; and

d. Violate the provisions of this Act. x x x

Should you have any information regarding the individuals/entities engaging in lending business illegally, please call the Corporate Governance and Finance Department at telephone numbers 818-5476 or 818-5516 or report the same via the i-Message Mo of the Commission's website: www.sec.gov.ph.

Mandaluyong City, Philippines.



SEC ADVISORY

The **SECURITIES AND EXCHANGE COMMISSION** ("SEC") will allow SEC-registered lending companies without the required Certificate of Authority (CA) to apply for a CA provided that they apply for and secure it on or before **April 30, 2017**.

However, past violations for non/late submission of General Information Sheet (GIS) and Audited Financial Statements (AFS), which are required for all SEC-registered companies, will still be subject to payment of penalties. In addition, lending companies shall be required to submit GIS and AFS for the last two (2) years together with their application for CA.

Informal lenders against whom complaints for violation of Republic Act No. 9474 (RA 9474) and/or fraudulent, oppressive and illegal practices in lending to borrowers including those violating the Truth in Lending Act, charging unreasonable interests, fees or charges, employing harassment tactics in collecting from its borrowers, coercing borrowers to buy on credit or otherwise appliances or other items, filing criminal complaints against borrowers as a circumvention of the prohibition against imprisonment for non-payment of debt and similar other activities will be subject to investigation for possible prosecution for violation of the said and other laws and imposition of a **fine of not less than Ten Thousand Pesos (P10,000.00) and not more than Fifty Thousand Pesos (P50,000.00) or imprisonment of not less than six (6) months but not more than ten years or both, at the discretion of the court per Section 12 of the Lending Company Regulation Act of 2007.**

Should you have any information regarding individuals/entities engaging in lending business illegally, please call the Corporate Governance and Finance Department at telephone numbers 818-5476 or 818-5516 or report the same via the **i-Message Mo** of the Commission's website: www.sec.gov.ph.

Mandaluyong City, Philippines.



SEC ADVISORY
20 October 2016

FOREIGN EXCHANGE TRADING

The advisory is prompted by the complaints of retail investors who lost their moneys to forex trading.

The public is advised that TRADING OF COMMODITIES FUTURES CONTRACTS IN THE PHILIPPINES (including Foreign Exchange Trading as consistently held by the Commission) and the pertinent RULES ARE STILL SUSPENDED pursuant to Paragraph 4 of Rule II of the Amended Rules and Regulations implementing the Securities Regulation Code.

Based on the reports, huge amount of money has been invested (usually in US dollars) in forex trading corporations where investors opened margin accounts to enable them to trade in foreign currency. The so-called "experts" of the forex trading corporations execute foreign trade positions in behalf of the investors on the representation that investors shall gain profit as in the stock market.

It has to be reiterated that under Section 11 of the Securities Regulation Code "no person shall offer, sell or enter into commodity futures contract except in accordance with rules and regulations and orders of the Commission may prescribe in the public interest".

The investors should also take the cue from the ruling laid down in *Onapal v. Court of Appeals* (G.R. No. 90707, February 3, 1993) where the Supreme Court stated in this wise: "xxx The payments made under said contract were payments of difference in prices arising out of the rise or fall in the market price above or below the contract price thus making it purely gambling and declared null and void by law."

The public is encouraged to report to the Commission entities operating Foreign Exchange Trading and those acting as agents of these operators.

Our telephone numbers are: 584-6047; 584-7652

References: <http://www.bsp.gov.ph/publications/media.asp?id=1604>
<http://www.sec.gov.ph/wp-content/uploads/2015/11/2016AdvisoryAshokfx.pdf>
<http://www.sec.gov.ph/wp-content/uploads/2015/11/2015 SEC-Advisory Metistrade Inc.pdf>
<http://www.sec.gov.ph/wp-content/uploads/2016/10/2015 SEC CDO CASE No 04-15-016 Metistrade Inc.pdf>