



Republic of the Philippines
SECURITIES AND EXCHANGE COMMISSION
SEC Building, EDSA, Greenhills
Mandaluyong City



Compliance and Enforcement Department

IN THE MATTER OF
**GEI TRAINING & SERVICES
CENTER, INC.**

CED Case No. 01-2605

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CEASE AND DESIST ORDER

GEI Training & Services Center, Inc., hereinafter referred to as "GEI," is a duly registered domestic corporation under SEC Registration No. A200005445. It was registered with the Securities and Exchange Commission ("Commission") on May 3, 2000. Its primary and secondary purposes, as amended on October 2, 2000, are:

Primary Purpose:

"To promote, establish and operate training centers and/or institution in the field of marketing, management, economics, information technology, and other apprenticeable trades and occupations in which qualified and deserving persons may be taught, developed and trained in a well-rounded, theoretical and practical method including on the job training so as to instill in them the right sense of professionalism in the performance of their work; to conduct and sponsor other managerial, and human development courses/seminars as may be best suited to the current situation and needs of the Philippines and finally, to promote, establish, maintain and operate research centers, information and documentation facilities in the field of business administration, especially on economics, technology, training, labor relations and sociology.

"Provided, that the registration of the articles of incorporation shall not be construed as a grant of a permit to operate a technical school or any other educational institution."

Secondary Purpose:

"To engage in the research of vital issues affecting economic growth and development, both domestic and worldwide; compile, disseminate current and updated information through newsletters

and providing business views and expertise in being able to project and identify areas of investment both immediate and the short-term projections; engage in the sale of management advisory, compiled information and/or information network facilities.

“To operate as money changer or exchanging foreign currencies into domestic currency and vice versa, or other foreign currencies into another foreign currencies.”

The corporation is now the subject of an investigation brought about by the complaints formally lodged to the Commission's Compliance and Enforcement Department, as well as to the National Bureau of Investigation-NCR, by clients and employees of GEI alleging that the latter solicits money from prospective clients to be invested to foreign currency trading which, as promised by the corporation, will yield a profitable return at an average of 30% per month. The complainants further alleged that they in fact remitted money to GEI and were asked to infuse additional money whenever their investment would be in a “diminishing situation.”

The stated facts show that GEI is engaged in the trading of foreign currency futures contracts in behalf of clients without the necessary license from the Commission. Such is a direct violation of Section 11 of the Securities Regulation Code (SRC) and the related provisions of the Implementing Rules and Regulations of the SRC.

Further, the foregoing activity was undertaken by GEI despite the fact that it was established or organized primarily to establish training and research centers and secondarily to conduct economic researches and to operate as money changer or exchanging domestic and foreign currencies.

The certification issued by the Market Regulation Department of this Commission dated May 17, 2001 shows that the subject corporation was never licensed to engage in the futures trading.

Considering that GEI has not been issued a license to engage in the futures trading and in view of the serious nature of misrepresentation and commission of “ultra vires” act, there is an urgent necessity to restrain or enjoin the subject corporation from further engaging in futures trading in order to safeguard and protect the interest of the investing public in general.

WHEREFORE, pursuant to the power and authority vested to the Commission by law, GEI TRAINING & SERVICES CENTER, INC., its officers, directors, agents, representatives and any and all persons claiming and acting under their authority, are hereby ordered to immediately CEASE AND

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DESIST from further engaging in the solicitation of funds for foreign currency trading and operating as a foreign currency futures merchant/broker upon receipt of this Order.

In accordance with the provisions of Section 64.3 of Republic Act 8799, otherwise known as the Securities Regulation Code, the parties subject of this Cease and Desist Order may file a request for the lifting thereof within five (5) days from receipt hereof.

SO ORDERED.

Mandaluyong City, Metro Manila.

May 17, 2001.



JOSE TOMAS C. SYQUIA
Asst. Director