

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

IN THE MATTER OF
SHERMAN BROTHERS
MANAGEMENT LIMITED, INC.

CED Case No. 01-2593

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CEASE AND DESIST ORDER

Subject of numerous complaints from its foreign investors/clients is SHERMAN BROTHERS MANAGEMENT LIMITED, INC. (SHERMAN), who claimed that they had been defrauded of their investments in foreign currency (US\$) in connection with its investment solicitation and foreign securities dealing/brokering activities.

Records show that subject corporation is duly registered with the Commission on December 29, 2000 per SEC Registration No. A-200018721, the purpose of which is primarily as follows, to wit:

“to engage in marketing consultancy to persons, firms, associations, corporations, partnerships and other entities necessary in meeting the objectives of the enterprise, such as product development, marketing promotions, advertising, corporate imaging and product launching and designs.”

Certification issued by the Market Regulation Department (MRD) of this Commission dated March 19, 2001 shows that subject corporation has not been issued any secondary license to act as broker/dealer in securities.

Likewise, subject corporation is not authorized to solicit investments from the public as its articles of incorporation as approved by the Commission do not show the inclusion of such business purpose.

As SHERMAN has not been issued a license to engage in the buying or selling of securities and considering the serious nature of the misrepresentation committed

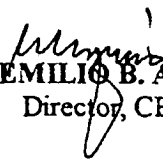
and the commission of "ultra vires" act, there is an urgent necessity to restrain or enjoin subject corporation from engaging in the business of broker/dealer in securities and in the authorized solicitation of investment in order to safeguard and protect the interest of the investing public in general.

WHEREFORE, pursuant to the power and authority vested to the Commission by law, SHERMAN BROTHERS MANAGEMENT LIMITED, INC., its officers/directors, agents, representatives and any or all persons claiming and acting under their authority are hereby ordered to CEASE AND DESIST from soliciting and/or accepting money for investment purposes and also from accepting orders to buy and sell shares of stock or other form of securities or otherwise engage in the business of a broker/dealer in securities.

In accordance with law, the above specified persons subject of this Cease and Desist Order, may, within five (5) days from receipt of this Order, file a formal request for the lifting thereof.

SO ORDERED.

City of Mandaluyong, Metro Manila, March 28, 2001.


ATTY. EMILIO B. AQUINO
Director, CED

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Republic of the Philippines
DEPARTMENT OF FINANCE
SECURITIES AND EXCHANGE COMMISSION
SEC Building, EDSA, Greenhills
Mandaluyong City, Metro Manila

Compliance and Enforcement Department

In the matter of
**SHERMAN BROTHERS MANAGEMENT
LIMITED, INC.**

CED CASE NO. 01-2593

X-----X

GREETINGS

JOSELITO J. DELA PAZ
7862-C St. Paul St., Pasong Tamo
Makati City

RHODA P. CAGALAWAN
45 Eucalyptus St., B.O. Sto. Nino
Western Bicutan, Taguig, Metro Manila

ISRAEL V. DE CASTRO
2458 Arrollano Avenue,
Singalong, Manila

NANETTE D. TEANO
137 Villa Gloria Subdivision
Pasig City

FE B. GONZALES
47 Bremen Street, Fairview
Quezon City

MARY EUNICE P. ABSIN
37 Bascom St., North Fairview
Quezon City

Sir:

Transmitted to you herewith is a copy of the CEASE AND DESIST ORDER of the Commission on the above-entitled case dated March 28, 2001.

Please acknowledge receipt hereof.

Mandaluyong City, Metro Manila, March 29, 2001.


LORENZA SOSITO-OBLIMAR
Records In-Charge

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