



## ENFORCEMENT AND INVESTOR PROTECTION DEPARTMENT

### SEC ADVISORY

The Commission has received information that individuals or groups of persons representing **Extreme Hataw Enterprises** are enticing the public to invest in what is obviously a “**Ponzi Scheme**” in the guise of “**Online Paluwagan**” or “**Onpal**”. Based on report received from the public, Extreme Hataw Enterprises is an entity engaged in Online Paluwagan scheme in which potential members are required to give 300 pesos investment.

In its Facebook Account, **Extreme Hataw Enterprises** claimed that their operation is legitimate and have been in operation since 2015. They further announced that they are registered with the Department of Trade and Industry and was founded by Ms. Jenefer Lim Tuazon. In the same Facebook Account, **Extreme Hataw Enterprises** is inviting the public to join them, promising prospective members that they may become a cellphone load dealer for all networks and will have a lifetime income for only 300 pesos investment.

In the facebook account of one of the **Extreme Hataw Enterprises** associate, the latter is enticing the public to join the said entity with a promise of turning their 300 pesos investment into 10,000 pesos, subject to the following compensation plan, to wit:

1. 1 slot (Php 300 pay in) + 2 invites = Php 10,000.00 pay out;
2. 1 slot (Php 300 pay in) + 1 invite = Php 6,500.00 pay out;
3. 1 slot (Php 300 pay in) + 0 invite = Php 3,500.00 pay out

In the same Facebook Account, it was posted and announced that **Extreme Hataw Enterprises** is registered with the DTI and is the longest operating online paluwagan.

The public is hereby informed that **Extreme Hataw Enterprises** 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 investment as prescribed under Section 8 of the Securities Regulation Code (SRC).

Those who act as salesmen, brokers, dealers or agents of **Extreme Hataw Enterprises** in selling or convincing people to invest in the investment scheme being offered by **Extreme Hataw Enterprises** 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 imprisonment of Twenty One (21) years 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 prudence before investing in these kinds of activities and to take the necessary precaution in dealing with **Extreme Hataw Enterprises** 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 the guidance of the public.