



24 May 2019

SEC FLAGS RIGEN INVESTMENT SCHEME

The Securities and Exchange Commission (SEC) has issued an advisory against Rigen Marketing, advising the public to take caution in investing in the company online and through walk-in solicitations.

In the advisory released on May 24, the Commission flagged Rigen's operations, where members of the public are enticed to invest with a promise of a guaranteed 400% return in just a month or so.

For an investment of P5,000 and a registration fee of P150, for instance, Rigen promises a P20,000 return. Meanwhile, an investment of P50,000 and a registration fee of P1,500 could earn P200,000.

"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," the SEC noted.

Under Section 8 of Republic Act No. 8799, or the Securities Regulation Code (SRC), securities shall not be sold or offered for sale or distribution without a registration statement duly filed and approved by the Commission.

Section 28 further states that no person shall engage in the business of buying or selling securities in the Philippines as a broker or dealer, or act as a salesman, or an associated person of any broker or dealer unless registered with the SEC.

In this light, those acting as salesman, broker or agent of Rigen may be prosecuted and held criminally liable. They may also face a maximum fine of P5 million or imprisonment of 21 years or both, pursuant to Section 73 of the SRC.

Those who sell or offer securities to the public may likewise be held criminally liable or accordingly sanctioned or penalized pursuant to the decision of the Supreme Court in the case of SEC vs. Oudine Santos.

On its website, Rigen describes itself as a "new startup company base in Tagum City which aim to help the financial needs of individuals by providing a concrete system allowing ordinary people to have solid additional income."

The company is allegedly operated by personalities who are supposedly "big players" in foreign exchange and cryptocurrency trading, and duly licensed in Singapore.

The Commission also received reports that Rigen's operations extend to Davao Oriental, Davao Occidental, Davao Del Sur, General Santos City and other neighboring cities and municipalities.

Earlier this month, the Davao City Anti-Scam Unit issued a cease and desist order against Rigen for operating without a business permit.

The public is encouraged to forward any information about Rigen's operations to the Commission by calling its Enforcement and Investor Protection Department at telephone numbers (02) 818-6337 or (02) 818-5324.

The SEC has flagged at least six new companies for engaging in unauthorized investment-taking schemes since the start of the year, as it continues to champion the protection of the investing public.

The Commission earlier issued advisories against Angel Investor Group, Inc.; Unity Wealth Marketing, also known as UWealth Premium and Unitywealth 100; ALMAMICO (Alabel-Maasim Small Scale Mining Cooperative/ ALAMCO (Alabel0Maasim Credit Cooperative); DV Boer Farm Corporation; and LDT Agro Industrial Hub Corporation/ VCM-NW Corporation.

The Commission also renewed or updated its advisories against Paysbook E-Commerce System Co. Ltd.; North East Luzon Foundation, Inc. and Kapa-Community Ministry International, Inc.

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