



ENFORCEMENT AND INVESTOR PROTECTION DEPARTMENT

SEC ADVISORY

The Commission has received information that a certain **JAPHET TABALE a.k.a. SIR JAPHET** is publicly inviting people to invest in his cacao business, particularly the **TABALE CACAO FARMS**. Part of the scheme being offered by Mr. Tabale is a promise of a guaranteed 100% return of capital and share to prospective investors.

Such invitation to invest which is publicly made through social media amounts to public offering of securities as defined under the 2015 Implementing Rules and Regulations (IRR) of the Securities Regulation Code (SRC), to wit:

***Rule 3.1.17** - "Public Offering is any offering of securities to the public or to anyone who will buy, whether solicited or unsolicited. Any solicitation or presentation of securities for sale through any of the following modes shall be presumed to be a public offering:*

- i. Publication in a newspaper, magazine or printed reading material which is distributed within the Philippines or any part thereof;*
- ii. Presentation in any public or commercial place;*
- iii. **Advertisement or announcement in any radio, telephone, electronic communications, information communication technology or any other forms of communication;** or*
- iv. Distribution and/or making available flyers, brochures or any offering material in a public or commercial place, or to prospective purchasers through the postal system, information communication technology and other means of information distribution." (Emphasis supplied.)*

Further, said IRR defines **solicitation** as the act of seeking or asking for business or information which includes the act of providing information about a security or investment product being offered for sale with the view of making another person a client or closing or bringing in a sale or purchase of security or investment product. The solicitor need not be a signatory to any contract relative to such offer or sale of the security.

The investment scheme being publicly offered through social media by Mr. Tabale are considered as **securities** as defined in Section 3, paragraph 3.1 of the SRC, as follows:

*"**SEC.3 Definition of Terms.** -- 3.1. "**Securities**" are shares, participation or interest in a corporation or in a commercial enterprise or profit-making venture and evidenced by a certificate, contract, instrument, whether written or electronic in character. It includes:*

xxx

*(b). **Investment contracts**, certificates of interest or participation in a profit sharing agreement, certificates of deposit for a future subscription;*

xxx." (Emphasis supplied)

The public is hereby warned that **JAPHET TABALE** and **TABALE CACAO FARMS** have not been issued licenses or permits to publicly offer or sell securities by the Securities and Exchange Commission (SEC). Section 8 of the SRC specifically provides that securities shall not be publicly offered for sale or distribution in the Philippines without a registration statement filed with and approved by the Commission.

Those who act as salesmen, brokers, dealers or agents in selling or convincing people to invest in Mr. Tabale's business including soliciting investments or recruiting investors through the internet may be held criminally liable under Section 28 of the SRC and penalized with a maximum fine of Five Million Pesos (Php5,000,000.00) or imprisonment of Twenty-One (21) years or both pursuant to Section 73 of the SRC (*SEC vs. Oudine Santos, G.R. No. 195542, 19 March 2014*).

Further, Mr. Tabale has indicated in his Facebook account that he was the former Branch Manager of KAPA COMMUNITY MINISTRY INTERNATIONAL INC. (KAPA) for Team Gensan. KAPA and its officers and agents have been charged by the Commission with violation of Sections 8, 26 and 28 of the SRC.

In view thereof, the public is hereby advised to **STOP INVESTING** in the investment scheme being offered by Mr. Tabale for his cacao business.

Should you have any information regarding the solicitation of **JAPHET TABALE** for **TABALE CACAO FARMS**, please call the Enforcement and Investor Protection Department at telephone number 818-6047.

For the guidance of the public.