



ENFORCEMENT AND INVESTOR PROTECTION DEPARTMENT

SEC ADVISORY

This Advisory is prompted by inquiries received by the Securities and Exchange Commission (“SEC”) from the public on whether or not **LAO RAZON TRADING** and/or **LAO RAZON MARKETING**, headed by its President, **John Luis Razon**, is registered with the SEC and on information gathered by the Commission through postings on the internet where LAO RAZON TRADING and/or LAO RAZON MARKETING promises 30% up to 500% compounding income within a one (1) month to six (6) month period upon giving an initial investment of at least Five Hundred Pesos (Php 500.00) to as high as Five Million Pesos (Php5,000,000.00).

As posted online, **LAO RAZON TRADING** and/or **LAO RAZON MARKETING** offers a number of package types or compensation packages, *to wit*:

BUY RICE • SELL RICE • EARN BONUS

RICE TRADING PROGRAM

PACKAGE	PRODUCT: ORGANIC RICE	1 MONTH	3 MONTHS	INCENTIVES FOR 3 MOS.	6 MONTHS	INCENTIVES FOR 6 MOS.
P500	1KG	P650	P1,098.5	1 KG RICE	P2,413.40	2 KG OF RICE
P5,000	10KG	P6,500	P10,985	10 KG RICE	P24,134	20 KG OF RICE
P50,000	100 KG <small>WITH INSURANCE</small>	P65,000	P109,850	1 SMARTPHONE	P241,340	1 HI-END SMART PHONE
P500,000	1,000 KG <small>WITH INSURANCE</small>	P650,000	P1,098,500	1 LAPTOP	P2,413,404	1 HI-END LAPTOP
P5,000,000	10,000 KG <small>WITH INSURANCE</small>	P6,500,000	P10,0985,000	1 CAR	P24,134,045	1 SUV

In addition, their members under the **HYBRID BOOSTER PROGRAM PROMOTIONS** may also earn as much as Twenty-eight Thousand pesos (Php 28,000.00) with minimum purchase of Two Thousand pesos (Php 2,000.00) worth of products plus five percent (5%) direct referral commission and one percent (1%) interest referral commission bonus according to the group’s performance or with every purchase made as shown in the table posted online. *To wit*:

HOW IT WORKS?

₱2,000 ACCOUNT ACTIVATION WITH PROPER PURCHASE

YOU

5%
Direct Dealer

1%
1st Level Distributor

1%
2nd Level Distributor

x1 = ₱2,000
x3 = ₱3,000
x10 = ₱20,000
TOTAL ₱28,000

Earn as much as ₱28,000 with minimum product purchase of ₱2,000 plus 5% direct referral commission and 1% indirect referral commission bonus according to your group performance or with every purchase they availed. To avail this opportunity, just purchase a product and be part of our Hybrid Booster Program Promotions.

And lastly, members can also receive rewards such as laptops, motorcycles, sedan cars, SUV vehicles, sports cars and house and lots under the **HYBRID BOOSTER MULTIPLIER INCENTIVES** as posted online.

Hybrid Booster Multiplier Incentives

Table 1 - x14
Table 2 - x28
Table 3 - x42
Table 4 - Incentives

Laptop - ₱2,000 Motor-Regular - ₱5,000 NMAX - ₱10,000

Sedan - ₱50,000 SUV - ₱100K SPORTS CAR - ₱500K House and Lot - 1 million

Without invite? No Problem! Company will buy back your product after 100 days!

Accordingly, the scheme of **LAO RAZON TRADING** and/or **LAO RAZON MARKETING** involves the offering and sale of securities, in the form of investment contracts, to the public.

Therefore, the said offer and sale of securities must be duly registered with the Commission and that the concerned corporation and/or its agents must have appropriate registration and/or license to sell such securities to the public in accordance with Section 8 of the Securities Regulation Code (SRC).

However, **LAO RAZON TRADING** and/or **LAO RAZON MARKETING** are **NOT REGISTERED** as a corporation or partnership with the Commission and have **NO SECONDARY LICENSE** to solicit, accept or take investments/placements from the public nor to issue investment contracts and other forms of securities defined under Section 3 of the Securities Regulation Code (SRC) since it has not secured prior registration and/or license from the Commission as prescribed under Sections 8 and 28 of the Securities Regulation Code.

Hence, those who act as salesmen, brokers, dealers or agents or claim to act as such for **LAO RAZON TRADING** and/or **LAO RAZON MARKETING** in selling or convincing people to invest in the investment scheme being offered by said entity including solicitations and recruitment through the internet may be prosecuted and held criminally liable under Section 28 of the SRC and penalized with a maximum fine of Five Million pesos (Php 5,000,000.00) or penalty of Twenty-one (21) years of imprisonment or both pursuant to Section 73 of the SRC.

Also, those who invite or recruit others to join or invest in such venture or offer investment contracts or securities to the public may incur criminal liability, or otherwise be sanctioned or penalized accordingly as held by the Supreme Court in the case of Securities and Exchange Commission vs. Oudine Santos (G.R. No. 195542, 19 March 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.

Everyone is reminded that aside from the strict penalties imposed by the Commission for violations of the Securities Regulation Code, the Revised Corporation Code, and such other rules and regulation it enforces, the **Bayanihan to Heal as One Act (Republic Act No. 11469)** also punishes those participating in cyber incidents that make use or take advantage of the current crisis situation to prey on the public through scams, phishing, fraudulent emails, or other similar acts.

In view thereof, the **public is advised NOT TO INVEST** or **STOP INVESTING** in any scheme offered by **LAO RAZON TRADING** and/or **LAO RAZON MARKETING** and exercise caution in dealing with any individuals or group of persons soliciting investments or recruiting investors for and on behalf of said entities.

Thus, the public is encouraged to make a conscious effort before making or placing their investments in any investment scheme offered by said entities especially during these difficult times.

Should you have any information regarding any investment solicitation by any individuals or group of individuals representing **LAO RAZON TRADING** and/or **LAO RAZON MARKETING**, please email your report to the Enforcement and Investor Protection Department (EIPD) at epd@sec.gov.ph

For the guidance of the public.

Pasay City. 06 April 2020.