



SEC ADVISORY

The Commission has received information that an individual or group of persons representing an entity named **FRIEND\$HIP/FRIEND\$HIP PHILIPPINES** are enticing the public to invest their money in the said entity with the promise of high monetary rewards or profits.

Information gathered from online sources and reports from the public show that **FRIEND\$HIP/FRIEND\$HIP PHILIPPINES** entices the public to invest by offering an online business with a minimum investment, also called as the subscription fee, of \$7.99 or Php385.00 and a promise of earning \$1.00 per successful referral in the “1st level down to the 5th level generational network globally.” Said subscription fee may be paid using PayPal, banking system, visa card or bitcoin. Below are screenshots of Facebook (FB) posts showing its offer:

EARN \$10,000 In 4 weeks program!!! POWER OF 10!!!			
	YOU		COMMISSION
1ST WEEK	10	X \$1	\$10 / MO.
2ND WEEK	100	X \$1	\$100 / MO.
3RD WEEK	1,000	X \$1	\$1,000 / MO.
4TH WEEK	10,000	X \$1	\$10,000 / MO.
5TH WEEK	100,000	X \$1	\$100,000 / MO.
	TOTAL		\$111,110 / MO.

Further, FB posts and promotional videos claimed that **FRIEND\$HIP** is a social media platform that aims to empower subscribers to earn money by sharing through a referral program. It offers a social media networking, telecommunication and residual income by sharing their revenue to their subscribers equally. The referral can be unlimited and one can earn up to \$10,000.00 in a 4-week program.

In addition to the suscription plan worth \$7.99 or Php385.00, **FRIEND\$HIP** has recently launched its 2nd investment option: the subscription plan with landing page at \$11.00 or Php935.00. This plan offers earning of \$1.00 per successful referral up to 5th generation AND \$1.00 per purchased landing page up to the 5th level. Said landing page contains everything about **FRIEND\$HIP** such as the company profile, video tutorials and testimonies.

FRIEND\$HIP is said to be an American company with business address at #319 Neptune Avenue, Jersey City, New Jersey, USA. It is allegedly being headed by its CEO and President, **RODNELIO “RON” CHANG CAPUA**, as shown in various FB posts.

The public is hereby informed that **FRIEND\$HIP/FRIEND\$HIP PHILIPPINES** is not registered with the Commission and is **not authorized to solicit investments** from the public, not having secured prior registration and/or license to sell securities or solicit investments as prescribed under Section 8 of the Securities Regulation Code (SRC).

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.

Those who act as salesmen, brokers, dealers or agents of the said entity in selling or convincing people to invest in the investment scheme it is being offered 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*).

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 caution in dealing with any individual or group of persons soliciting investments for and on behalf of **FRIEND\$HIP/FRIEND\$HIP PHILIPPINES**. The public is further advised **NOT TO INVEST** or to **STOP INVESTING** in the investment scheme being offered by the subject entity or its representatives.

Should you have any information regarding the operation of the subject entity, please call the Enforcement and Investor Protection Department (EIPD) at telephone number 8818-6047 or email at epd@sec.gov.ph or visit the EIPD at Ground Floor, North Wing Hall, Secretariat Building, PICC Complex, Pasay City.

For the guidance of the public.

Pasay City, 07 May 2020.