

S E C ADVISORY

Based on the information gathered by the Commission, a number of individuals or group of persons claiming to represent **MR LIFESTYLE E-COMM COMPANY (Formerly: DON HERALDO MR.LIFESTYLE E-COMM COMPANY)** [MR LIFESTYLE for brevity] headed by Mr. Reynaldo Tuazon a.k.a. Rey Tesoro, are enticing the public to invest their money in said entity.



As posted online, MR. LIFESTYLE is offering investments to the public under the guise of e-commerce by availing any of the following packages:





Significantly, a member may earn:

- **Php840,000.00 per month, or Php1,050,000.00 in 35 days for a premium package in just one of the company's ways to earn: "Sales Match Bonus"**

The company has ten (10) ways to earn, to wit:

1. Retail Profit where member shall earn from 30% to 50% by direct selling of the company's products;
2. Direct Sales Bonus where members shall earn the following bonus according to the package availed of his newly recruited member:

Package	Bonus
Trial	Php500.00
Starter	Php1,000.00
Premium	Php3,000.00

Note: The bonus shall be credited to the company's "Shopping Wallet" that shall be eventually be used in the purchase of company's products.

3. Sales Match Bonus where a member shall earn the following according to the package availed of his newly recruited member, provided that he shall directly recruit at least two (2) persons for both Trial and Starter Package, and four (4) persons for Premium Package. The subsequent recruits need not be a direct recruit.

Package	Sales Match Bonus	Maximum Bonus per day
Trial	Php1,500.00	Php4,500.00 (maximum of 3 pairs)
Starter	Php3,000.00	Php9,000.00 (maximum of 3 pairs)
Premium	Php6,000.00	Php30,000.00 (maximum of 5 pairs)

Note: For the 5th pair in the premium package, the Sales Match Bonus is converted into products.

Further, below are the company's so-called "maximum capping" as part of the company's safety measure. In Trial and Starter, the company has an automatic upgrade where payment thereof shall be deducted from the member's sales match bonus equivalent to 10% for every pair. However, in Premium package, whenever Php200,000.00 has been hit, it shall be automatically reactivated for continuous earning.

Package	Maximum Capping
Trial	Php50,000.00
Starter	Php100,000.00
Premium	Php200,000.00



4. Redundant Binary where a member may earn income below whenever the points in the left and right structure matches through the repeat orders of the downlines since there is an equivalent point value per every product or through the points earned in the package availed of by the newly recruited, or the combination thereof.

Package	Points	Equivalent Peso Value
Trial	750	Php1,500.00
Starter	1,500	Php3,000.00
Premium	3,000	Php6,000.00

5. Premium Cycle Bonus where a premium member hits the maximum earning of Php200,000.00, his account shall “cycle” or go back to zero, however, the existing downlines’ subsequent activities (such as upgrade, product purchase, or new recruits) shall entitle the member to continue earning.

Note: The company has a one account policy, however, for premium account that has gone through the “cycle,” the company shall give two (2) free premium accounts.

6. Unilevel Bonus where a member shall earn from the repeat product order of his downlines: 4% for 1st to 5th level, 5% for 6th to 10th level, and 6% from 11th to 15th level of the equivalent peso value of each product.

7. Rank Advancement Bonus where a member shall be promoted which entails cash bonus.

Total Accumulated Matched Points	Position	Cash Bonus
200,000	Silver Director	Php20,000.00
400,000	Gold Director	Php30,000.00
(not revealed)	Platinum Director	Php50,000.00
1,000,000	Diamond Director	Php100,000.00

8. **Profit Sharing** where a promoted member shall earn proportionately according to the shares below given by the company based on the **equivalent peso value of the 10% total company sales MONTHLY.**

Position	No. of shares
Silver Director	10 shares
Gold Director	20 shares
Platinum	30 shares
Diamond	50 shares



9. Diamond Lifestyle Reward where Diamond Directors shall divide equally among themselves the **5% of the equivalent peso value of the company's MONTHLY income.**

Note: Being a diamond director is immutable.

10. Diamond Directors shall be reserved Php200,000.00 by the company for the downpayment of either a car or a house.

The aforementioned schemes involve the sale of securities to the public, the Securities Regulation Code (SRC) requires that these securities are duly registered and that the concerned corporation and/or its agents have appropriate registration and/or license to sell such securities to the public pursuant to Section 8 of the SRC.

Per records of the Commission, **MR LIFESTYLE E-COMM COMPANY (Formerly: DON HERALDO MR.LIFESTYLE E-COMM COMPANY)** although registered with the Commission as a partnership, however, such registration does **NOT AUTHORIZE it to solicit investments from the public** since it has not secured prior registration and/or license from the Commission as prescribed under Sections 8 and 28 of the SRC.

Hence, those who act as salesmen, brokers, dealers or agents or claim to act as such for **MR LIFESTYLE E-COMM COMPANY (Formerly: DON HERALDO MR.LIFESTYLE E-COMM COMPANY)** 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 (P5,000,000.00) 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 criminally 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).

The public is advised **NOT TO INVEST** or **STOP INVESTING** in any investment scheme being offered by any individual or group of persons allegedly for or on behalf of **MR LIFESTYLE E-COMM COMPANY (Formerly: DON HERALDO MR.LIFESTYLE E-COMM COMPANY)** and to exercise caution in dealing with any individuals or group of persons soliciting investments for and on behalf of it.

Violators are further warned 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.

Should you have any information regarding the operation of the subject entity, please call the Enforcement and Investor Protection Department at telephone numbers (02) 8818-6047 or send your report to the EIPD at epd@sec.gov.ph.

For the guidance of the public.

Pasay City, 14 May 2020.