



## ENFORCEMENT AND INVESTOR PROTECTION DEPARTMENT

# SEC ADVISORY

Based on the information gathered by the Commission, the entities operating under the name **WON PROJECT**, **WON NETWORK**, and **WON FOUNDATION (WON PROJECT)**, the developer of **WONCOIN**, are engaged in investment-taking activities in the Philippines which are **NOT AUTHORIZED** by the Commission.

**WON PROJECT** and its **WONCOIN** claims that it is based and developed in Singapore where it asserts that it has a virtual office but apparently, its main team and management composed of **Jay Mark Abenir**, **Mhedel Ponce**, **Jhomar S. Montoya**, and **Jiaxuan Hoan**, its Singaporean advisor, operates here in the Philippines.

While **WON PROJECT** avers that its main projects are its *mobile application* and *Multi-level Marketing (MLM) platform* which aim to tokenize OFW remittances, online payments, digital-loading services, air ticketing, and travel and tours, its present endeavors rather suggest that its primary scheme or objective is generally to sell and trade its so-called “**WONCOIN**” to the public.






Seemingly, **WONCOIN** is a new type of cryptocurrency being developed by **WON PROJECT** whose value appears to increase rapidly due to its limited supply.

Thus, to proliferate its investment-taking activities and to lure the public in buying these **WONCOINS**, **WON PROJECT** utilizes the social media webpages and other platforms in order to advertise its schemes and endorsements and uses the domain “*www.wonproject.co*” in transacting investments from the public.

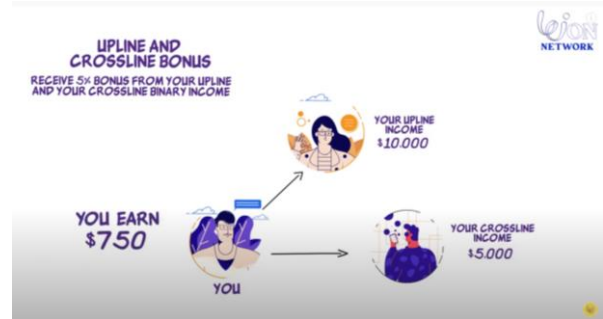
As posted online, **WON PROJECT** offers a number of investment packages ranging from One Hundred to Twenty Thousand US Dollars (\$100.00-\$20,000.00) with matching referral and other bonuses. *To wit:*



### PACKAGES

FROM MONDAY TO FRIDAY  
YOU WILL EARN 1.5% PASSIVE  
INCOME IN 100 DAYS IN EVERY  
PACKAGE THAT YOU AVAIL



Based on the foregoing, **WON PROJECT** promises a **daily profit of One and a Half Percent (1.5%)** during weekdays for a period of **One hundred (100) days** or a total of **One Hundred Fifty Percent (150%)** return.

Investors will earn commissions as well from purchases made by their referrals and shall generate points accordingly based on the number of **WONCOINS** they purchased which in return, can be converted or be traded to cash bonuses including incentives such as an expensive android phone, Ipad Pro, sedan, SUV, or a local or international travel.

Moreover, **WON PROJECT** took advantage of the current crisis when it offered a promo that gives additional Fifty Percent (50%) Bonus on **WONCOIN** purchases during this Covid19 Pandemic for the purpose of enticing more investors to join its system and to possibly earn while being quarantined. As publicized:



Inspite of its lucrative offers and promises with little or no risk which is already a *red flag*, **WON PROJECT** also imposes a *daily cap* or *safety net* which tends to limit the potential income of its investors.

Notably, the use of said mechanisms are indications of a possible **Ponzi Scheme** because such methods are frequently employed by scammers in their operations in order to generate and to secure funds from their new investors which

shall then be paid as “fake profits” to their earlier investors so that it will appear that their ventures or investment packages are legitimate.

Further, it must be emphasized that **WON PROJECT** is deemed engaged in offering and selling of securities, in the form of an investment contract, to the public through the offer and sale of usual compensation packages that promises passive income to its investors and by “**crowdselling**” of its **WONCOIN** which is a form of “**derivative**” because seemingly, the constant rise of its value relies on the underlying assets or funds gathered by **WON PROJECT** from its investors in support of its venture.

This is in consonance with the **SEC ADVISORY on Initial Coin Offerings and Virtual Currency** posted **08 January 2018** which provides that some virtual currencies, based on the facts and circumstances surrounding their issuance, follow the nature of a security as defined by Section 3.1 of the Securities Regulation Code (SRC).

Briefly, a **Crowdsale** is an act of selling “**tokens**,” which are the intrinsic components of a cryptocurrency, in order to raise funds in lieu of rewards and equity in support of a company’s current cryptocurrency project on the premise that the value of the said digital asset will increase once established.

With regard to **Derivatives**, these are *securities* that derive their value from an underlying asset, benchmark, and/or certain conditions.

Necessarily, these securities must be duly registered with the Commission and that any person or entity intending to offer and sell such securities are required to secure the necessary registration and/or license as well.

However, per our record, **WON PROJECT** and its **WONCOIN** are **NOT REGISTERED** with the Commission and **OPERATES WITHOUT THE NECESSARY LICENSE AND/OR AUTHORITY** 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).

Similarly, their names **DO NOT APPEAR** among the registered banks, exchanges or companies engaged in digital assets with the Bangko Sentral ng Pilipinas (BSP) as well in accordance with the **GUIDELINES FOR VIRTUAL CURRENCY EXCHANGES (BSP CIRCULAR NO. 944)** which requires all entities engaged in Virtual Currencies in the Philippines to obtain a Certificate of Registration to operate as remittance and transfer company pursuant to the BSP rules and regulations.

Therefore, the public is advised **NOT TO BUY WONCOIN** and **NOT TO INVEST** or **STOP INVESTING** in any scheme offered by **WON PROJECT** or such other entities engaged in cryptocurrencies and digital asset trading that are not registered with the Commission and the BSP.

The Commission already stressed in its earlier Advisories that cryptocurrencies are very volatile and the process of digital asset trading is highly speculative and involves a higher degree of risk. Hence, any dubious promise of definite returns similar to **WON PROJECT** and its **WONCOIN** is truly unreliable

because such scheme is too good to be true and entities offering the same are mostly engaged in **Ponzi Schemes** and are usually short-lived.

Thus, the public must be cautious and prudent in making or placing monies on their schemes. Nonetheless, the Commission will continuously monitor and oversee these entities and their activities in a way that it sees as proper in order to protect the investing public.

Consequently, the Commission warns all unscrupulous individuals and/or entities that **strict penalties are imposed for violations of the Securities Regulation Code, the Revised Corporation Code, and such other rules and regulation it enforces.**

Apart thereof, 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 addition, those who act as salesmen, brokers, dealers or agents of such unauthorized entities in selling or convincing people to invest in their investment scheme offered including solicitations and recruitment through the internet may likewise be criminally prosecuted and penalized with a maximum fine of Five Million pesos (P5,000,000.00) or a penalty of Twenty-one (21) years of imprisonment or both pursuant to Sections 28 and 73 of the SRC.

In the same manner, those who invite or recruit others to join or invest in such venture or offer investment contracts or securities to the public like **Abigael Villafuerte, Jin Alba, Edwin Pantas, Lilibeth Arzadon, and Bobby Alvarez of WON PROJECT**, may incur criminally liability, or otherwise be sanctioned or penalized accordingly as held by the Supreme Court in the case of *SEC vs. Oudine Santos* (G.R. No. 195542, 19 March 2014).

The names of all those involved will also be reported to the Bureau of Internal Revenue (BIR) so that the appropriate penalties and/or taxes be correspondingly assessed.

Should you have any information regarding any investment solicitation activity by any individual or group of individuals representing **WON PROJECT** and its **WONCOIN**, please send your report to the EIPD at [epd@sec.gov.ph](mailto:epd@sec.gov.ph).

For the guidance of the public.

Pasay City, 05 May 2020.