



ENFORCEMENT AND INVESTOR PROTECTION DEPARTMENT

SEC ADVISORY

Based on the information gathered by the Commission, the entities operating under the names **CENTRIC CORP, LTD.** and **CENTRIC FOUNDATION (CENTRIC)**, the developer of **CENTRIC RISE** and **CENTRIC CASH**, are engaged in investment-taking activities in the Philippines which are **NOT AUTHORIZED** by the Commission.

CENTRIC is a private company registered in the United Kingdom with offices in London and Singapore and uses the domain "www.joincentric.com" in its transactions.

CENTRIC states that its dual-token economic model called CENTRIC RISE and CENTRIC CASH are new types of cryptocurrencies that are designed to continuously appreciate in value due to the apparent development of their unique price blocks that seems to update each hour.

As posted online, CENTRIC is enticing the public to invest in the said tokens under the pretext that its prices are still low and its worth will rise each hour despite the fact that these tokens are apparently in the early stages of its development and that CENTRIC is still in the process of establishing its network and business legalities. *To wit:*

Centric Rise

Hold, Transact, Buy, Sell. Centric Rise is a cryptocurrency designed as a reliable store of value and a stable medium of exchange. It trades at predetermined value made possible by its hyper-scalable deflationary system. [Learn more.](#)

\$8.889

Current Value (USD)
The value of Centric Rise increases hourly. Launch is approaching shortly. [learn more here.](#)

Predictable
Rise's value is published up to one year in advance. This reliability unlocks endless possibilities.

YESTERDAY	TODAY	EXPECTED
\$1450	\$3305	

How Centric Incentivizes Adoption

Centric Rise tokens are designed to increase in value over time. The value increase is performed consistently through a mechanism of burning tokens. The more transactions, conversions, and adoption that take place, the faster Centric tokens are burned out of circulation. As the tokens gain utility through the ecosystem, the velocity of use will result in improved liquidity. The Centric Rise tokens value is not dictated by the volatile cryptocurrency markets today, or any market for that matter; rather it is built into the token design and carefully calculated the rise in the price based on how the project is forecasted to perform. At present the token increases at 28.5% value per month. Over time this is expected to drop as the project achieves more liquidity and utility.

CENTRIC asserts that the constant price increase of its CENTRIC RISE and CENTRIC CASH is the core focus and primary incentive in joining its network early.

CENTRIC claims that the **value of its tokens increases by Twenty-Eight and a half Percent (28.5%) per month or a total growth of Three Hundred Forty-Two Percent (342%) annually.**

CENTRIC also added that it is creating a referral program for its investors that will reward them for sharing and/or offering CENTRIC RISE and CENTRIC CASH to others.

Due to the above promise of lucrative return with little or no risk, price predictability, and price stability, many investors are lured into CENTRIC's scheme even if its CENTRIC RISE and CENTRIC CASH are not yet listed or accepted in public exchanges.

The problem, however, is that the value of CENTRIC RISE and CENTRIC CASH now appears to be halted indefinitely. According to CENTRIC, it is currently processing the decentralization of its tokens and is in the course of listing said tokens on major exchanges around the world. Hence, until such time that these procedures are finished, CENTRIC suggests that its investors should hold their tokens momentarily or they may opt to sell or trade their tokens directly to another or through a CENTRIC's private exchange that imposes a "**Trading Bonus System**" or a steep minimum trade volume requirement which is a favorite tool used by scammers to prevent their investors from withdrawing their monies in its system.

It must be emphasized that the CENTRIC RISE and CENTRIC CASH are considered as "**Derivatives**" which are securities as defined under Section 3.1 of the Securities Regulation Code (SRC).

As specified in the **SEC ADVISORY** dated **05 May 2020**, some cryptocurrencies are considered as derivatives if their value relies on the underlying assets or volume of funding gathered by their developers from investors in support of said projects or ventures.

Moreover, the act of offering and selling of such cryptocurrencies known as "**crowdselling**" is synonymous to the offering and selling of securities, in the form of an investment contract, to the public.

This is relative to 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).

Therefore, 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 from the Commission as well.

However, per our record, **CENTRIC CORP., LTD.** and **CENTRIC FOUNDATION** including its **CENTRIC RISE** and **CENTRIC CASH** are **NOT REGISTERED** with the Commission and **OPERATE 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).

Likewise, their names **DO NOT APPEAR** among the registered banks, exchanges or companies engaged in digital assets with the Bangko Sentral ng Pilipinas (BSP) 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.

Hence, the public is advised **NOT TO BUY CENTRIC RISE** and **CENTRIC CASH** and **NOT TO INVEST** or **STOP INVESTING** in any scheme or promo offered by **CENTRIC CORP., LTD.** and **CENTRIC FOUNDATION** or such other entities engaged in cryptocurrencies and digital-asset trading that are not registered with the Commission and the BSP.

The Commission always emphasizes in its Advisories that cryptocurrencies are very volatile and the process of digital-asset trading is highly speculative and involves a higher degree of risk. Thus, any dubious promise of definite returns as offered by CENTRIC is unaccountable because such scheme is considered as “too good to be true” which is an indication of a possible **Ponzi Scheme**.

The Commission continually encourages the public to be cautious and prudent in making or placing their monies on such schemes.

Accordingly, 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 enforced by the Commission.**

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 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 assessed correspondingly.

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.

It must be noted that the above laws are not aimed to hinder or pose significant risk to businesses and cryptocurrency projects as contended by CENTRIC because said laws are actually intended for the protection of both the registered entities and the investing public from any anomalies and/or irregularities which tend to result from any unlawful or unauthorized operations.

Should you have any information regarding any investment solicitation activity by any individual or group of individuals representing **CENTRIC CORP., LTD.** and **CENTRIC FOUNDATION** including its **CENTRIC RISE** and **CENTRIC CASH**, please send your report to the EIPD at epd@sec.gov.ph.

For the guidance of the public.

Pasay City, 09 June 2020.