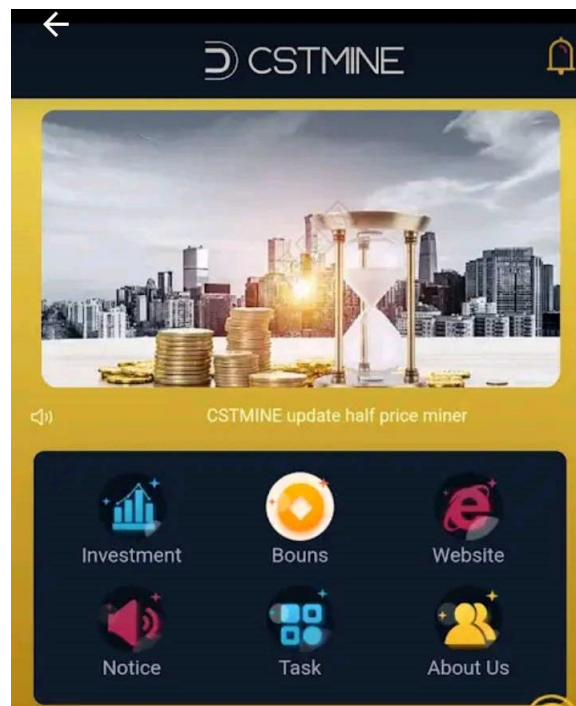


ENFORCEMENT AND INVESTOR PROTECTION DEPARTMENT

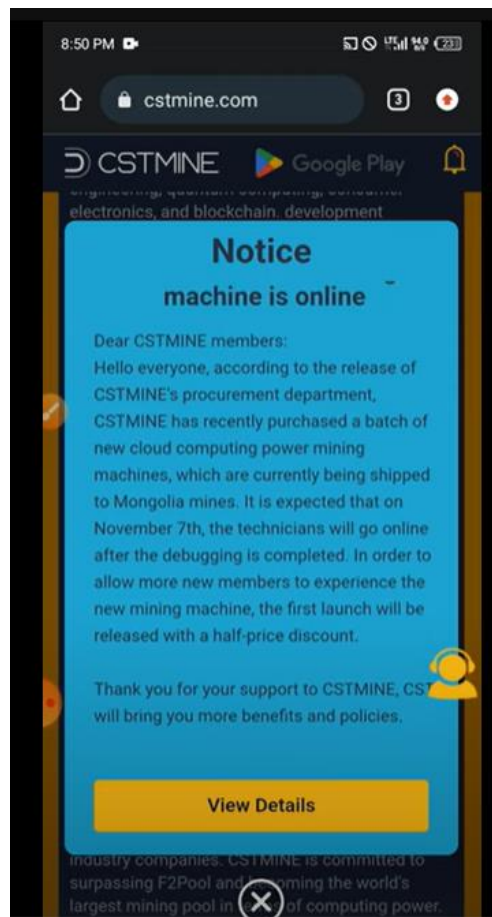
SEC ADVISORY

This Advisory is prompted by reports received by the Commission on the prevalence of unauthorized investment-taking activities in the guise of purported crypto-mining undertakings such as those subject of our earlier Advisories, **Mining City** and **Hero Mining**, and in this particular instance, **CSTMINE.COM**.



The reports received by the Commission show that the scam is being proliferated by a website called **CSTMINE.COM**. The persons who invested their hard-earned money were left dry by the administrators of the website as they were not able to withdraw their investments when the website closed and became inaccessible.

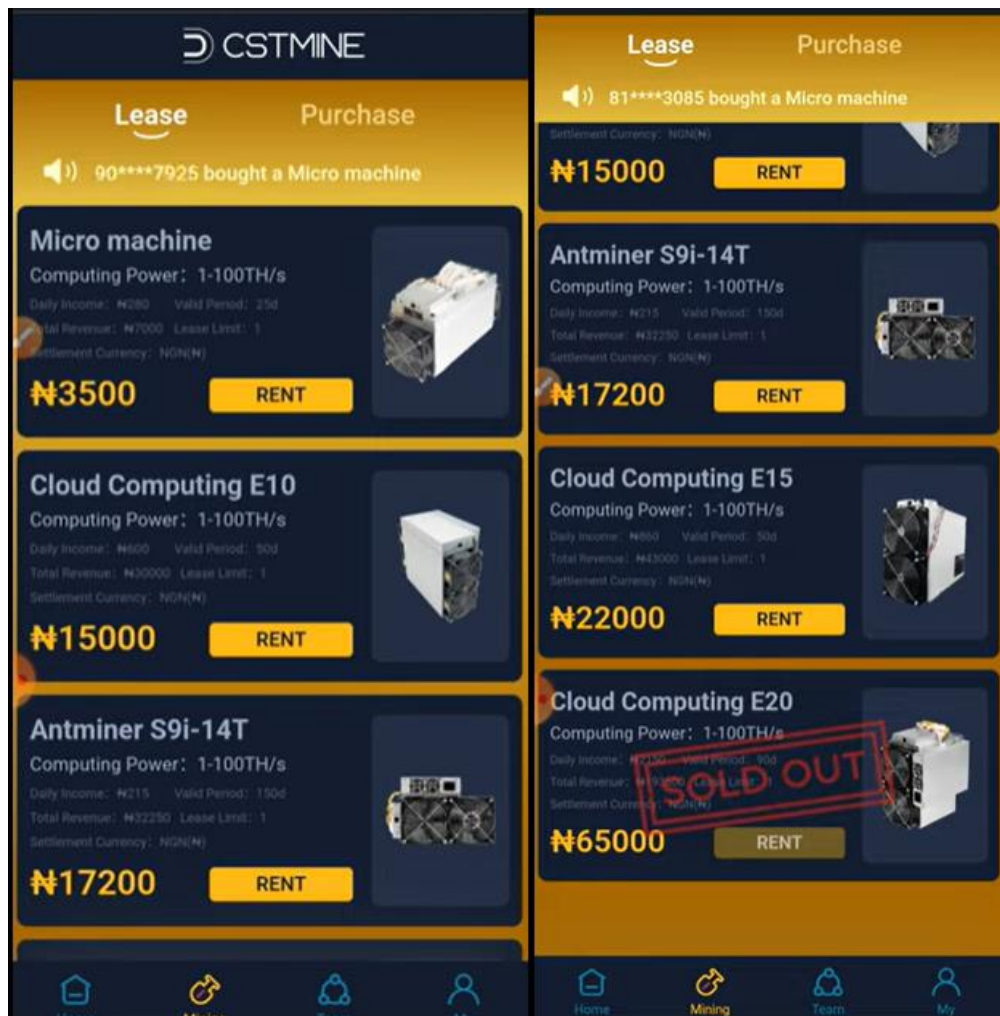
Based on the information gathered from the said reports and data from open sources, **CSTMINE.COM** engaged in investment-taking activities by introducing a platform that makes it appear that the investors will earn through leasing or owning a supposed 'crypto mining' machine. To wit:



Put simply, 'Crypto Mining' or crypto currency mining is the process of creating new digital 'coins.' A more technical explanation of crypto mining can be explained through the example of Bitcoin mining where the said crypto mining originated. Bitcoin mining involves powerful computers that ensure that transactions are valid and correctly added to the Bitcoin blockchain, this process is also the means whereby Bitcoin is created. Bitcoin mining requires powerful computing power and sophisticated equipment. The miners of Bitcoin are also rewarded with Bitcoin upon every successful transaction solved by their computers, hence the term bitcoin mining.

Apparently, this is the concept that the new scammers are leveraging on to entice their prospective victims on investing hard-earned money on their illegal investment-taking schemes like the subject entity at hand, **CSTMINE.COM**.

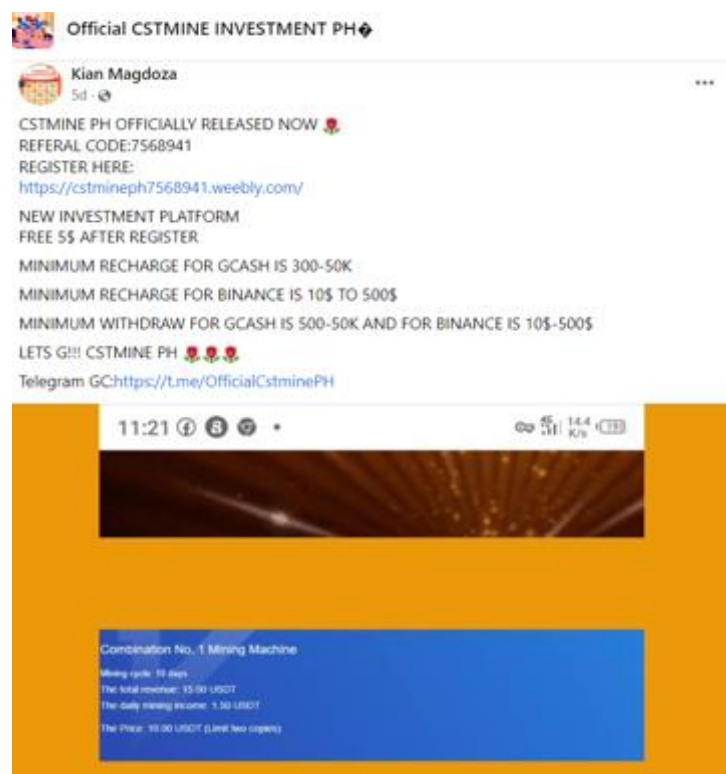
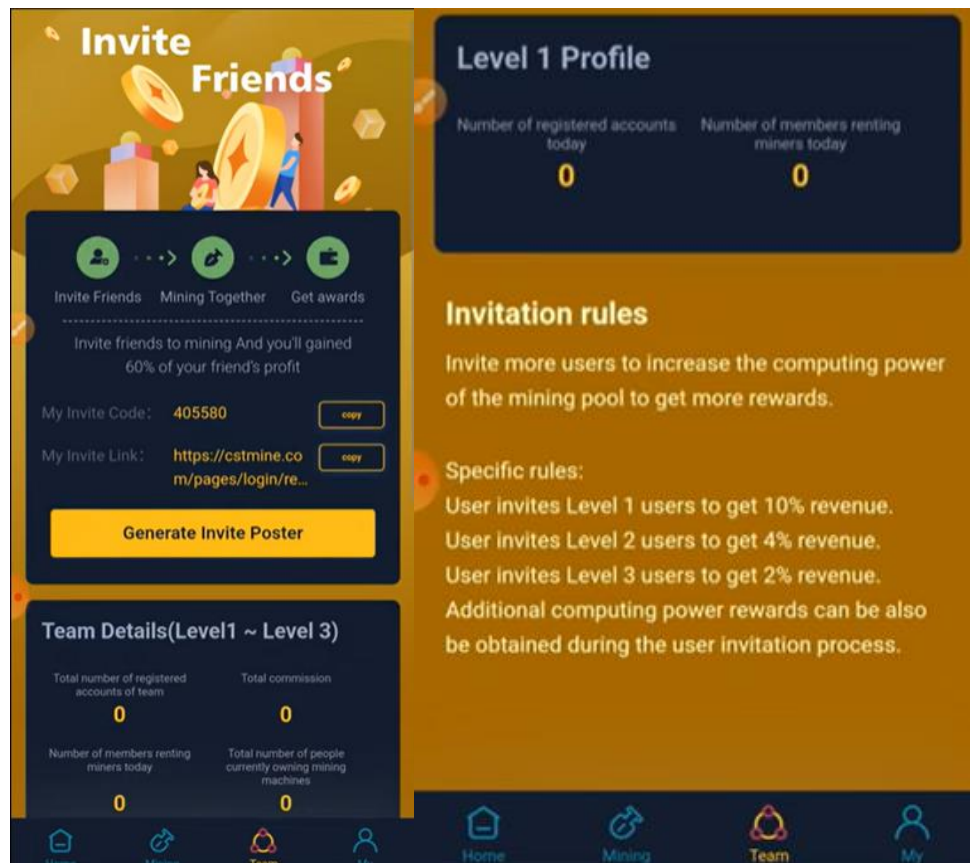
Specifically, **CSTMINE.COM** offers their prospective investors a guaranteed profit through the machine they lease or own. In order to lease a computing machine or "mining rig," the investors are to invest an initial capital of at least 3,500.00 Nigerian Naira up to 65,000.00 Nigerian Naira that is to be deposited in their bank accounts and will earn through the mining process of the computer being leased. The potential profit through this option depends on the time the amount of initial capital is deposited and the investor is promised to earn daily income through 'mining' wherein the said daily income depends on the initial profit. The bigger the initial capital, the bigger the projected profit. It is also worth noting that there is a period of **25 to 150 days to totally earn the projected profit which is around twice the initial capital**.



On the other hand, in order to 'own' a computing machine, the investor needs to shell out a considerably higher amount of initial capital. The investors are further promised profit each time they successfully recruit an individual to invest in their scheme. *To wit:*



Further, **CSTMINE.COM** also offers incentives or bonuses from logging in to their website. Every time a user checks in to their website or mobile application, the users are rewarded. The rewards increase depending on how many consecutive days they check in to the website or mobile application. This incentive or bonus is only an option but the investor will still earn through the commissions from their investment.

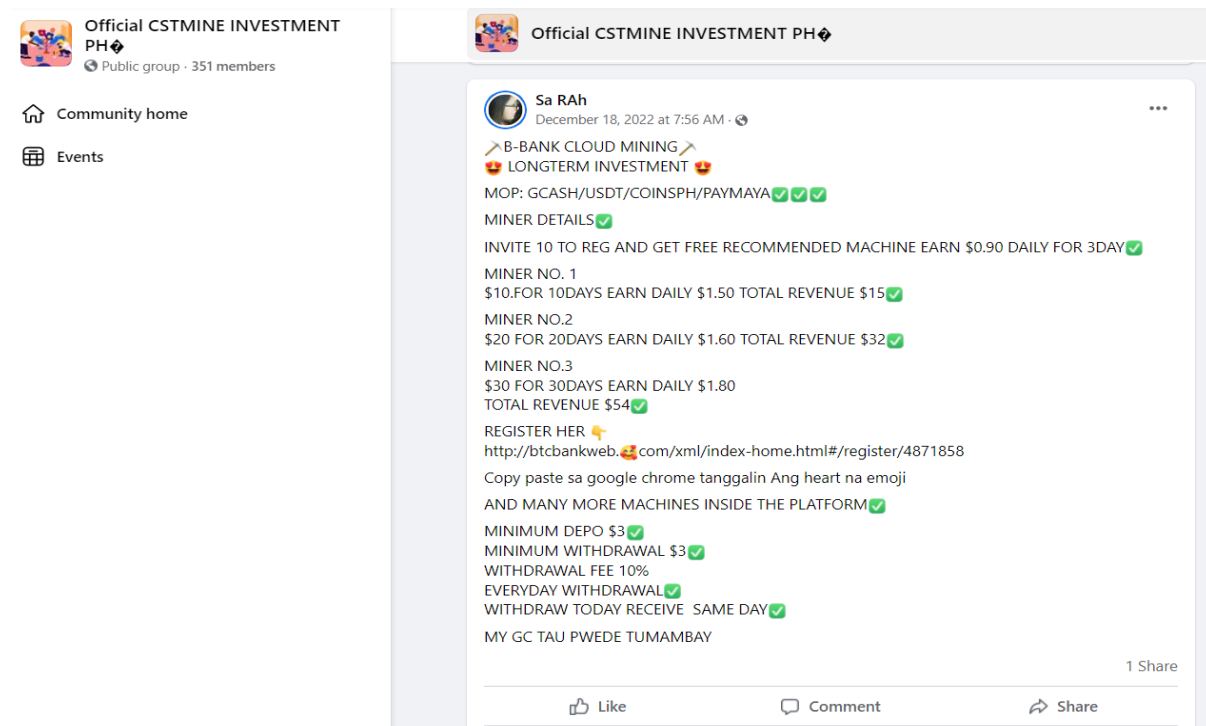


In this regard, the public is made aware that an “*investment contract*” which is a kind of security, exists when there is an investment or placement of money in a common enterprise with a reasonable expectation of profits to be derived from the efforts of others which is prominent in the scheme of **CSTMINE.COM**.

As such, the Securities Regulation Code (SRC) requires that said offer and sale of securities must be duly registered with the Commission and that the concerned entity and/or its agents should have the appropriate registration and/or license to sell such securities to the public.

Based on the records of the Commission, **CSTMINE.COM** is **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).

“Crypto-mining” scams like the one propagated by **CSTMINE.COM** are **NOT UNCOMMON**. Illegal investment-taking schemes which often victimize the investing public takes many forms. To wit:



Official CSTMINE INVESTMENT PH
Public group · 351 members

Community home
Events

Sa RAh
December 18, 2022 at 7:56 AM · 🌐

🔧 B-BANK CLOUD MINING 🔧
🔥 LONGTERM INVESTMENT 🔥
MOP: GCASH/USDT/COINSPH/PAYMAYA ✅✅✅
MINER DETAILS ✅
INVITE 10 TO REG AND GET FREE RECOMMENDED MACHINE EARN \$0.90 DAILY FOR 3DAY ✅
MINER NO. 1
\$10.FOR 10DAYS EARN DAILY \$1.50 TOTAL REVENUE \$15 ✅
MINER NO.2
\$20 FOR 20DAYS EARN DAILY \$1.60 TOTAL REVENUE \$32 ✅
MINER NO.3
\$30 FOR 30DAYS EARN DAILY \$1.80
TOTAL REVENUE \$54 ✅
REGISTER HER 🖱️
<http://btcbankweb.com/xml/index-home.html#/register/4871858>
Copy paste sa google chrome tanggalin Ang heart na emoji
AND MANY MORE MACHINES INSIDE THE PLATFORM ✅
MINIMUM DEPO \$3 ✅
MINIMUM WITHDRAWAL \$3 ✅
WITHDRAWAL FEE 10%
EVERYDAY WITHDRAWAL ✅
WITHDRAW TODAY RECEIVE SAME DAY ✅
MY GC TAU PWEDE TUMAMBAY

1 Share

Like Comment Share

Some entities even depict themselves as saviors to those who have been already victimized by other entities.



Official CSTMINE INVESTMENT PH
Public group · 351 members

Community home
Events

Jonel [REDACTED]
December 16, 2022 at 10:42 PM · 🌐

Oriental Peak mining lng pinaka safe investment Dahil sya tumutulong sya sa lahat mg mga nasscam para makabawi kau dito na kau join dahil solid po dito daily pay out po
PM US

See Translation

Further, the scheme employed by **CSTMINE.COM**, shows indication of a possible “**Ponzi Scheme**” where monies from new investors are used in paying “fake profits” to prior investors and is designed mainly to favor its top recruiters and prior risk takers and is detrimental to subsequent members in case of scarcity of new investors.

The offering and selling of securities in the form of investment contracts using the “**Ponzi Scheme**” which is fraudulent and unsustainable, is **NOT** a registrable security. The Commission will not issue a License to Sell Securities to the Public to persons or entities that are engaged in this business or scheme.

In view thereof, the public is hereby advised **NOT TO INVEST** or to **STOP INVESTING** in the investment scheme being offered by **CSTMINE.COM**, and its representatives.

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 regulations enforced by the Commission.**

Those who act as salesmen, brokers, dealers or agents, representatives, promoters, recruiters, uplines, influencers, endorsers, abettors and enablers of such unauthorized entities like the operators of the **CSTMINE.COM** 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.**

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.

Should you have any information regarding the operation of **CSTMINE.COM**, and its representatives, please send your report through email at epd@sec.gov.ph.

For the information and guidance of the public.

Makati City, 05 January 2023.