



ENFORCEMENT AND INVESTOR PROTECTION DEPARTMENT

SEC ADVISORY

ON ADVANCE FEE FRAUD SCAMS

This ADVISORY is prompted by reports, inquiries, and data gathered from open sources that persons or groups of persons or fraudsters claiming to represent "**FLIPKART**"/ "**FLIPKART PLATFORM**" / "**FLIPKART COMPANY**," directly communicates with their victims through email, call, SMS, Whatsapp or other communication platform offering unbelievable discounts, monetary offers, investment contracts, or promising their intended victims significant share of a large sum of money in return for a small up-front payment. If the victim makes the payment, the fraudster either asks for further fees from the victim or they simply disappear after obtaining the amount.

The fake FLIPKART as represented by persons involved in this scheme, is **NOT IN ANY WAY RELATED TO OR CONNECTED WITH THE WALMART-OWNED, FLIPKART OR FLIPKART PRIVATE LIMITED, AN INDIAN E-COMMERCE COMPANY BASED IN BENGALURU, KARNATAKA, INDIA.** The public is advised to read our Advisory on Impersonation Scams of the existence of entities posing or impersonating legitimate or reputable institutions and scamming the public.

The scheme perpetrated by the bogus **FLIPKART**, involves an **Advance Fee-Fraud** which is a form of fraud and one of the most common types of confidence trick. It is commonly performed through email, fax, or letters from strangers which requires the victim to pay an "advance fee" before receiving a significant share of a large sum of money. The advance payment may be described as a processing fee, tax, commission, or incidental expense that will be repaid later.

Their schemes typically involve promising a victim a significant share of a large sum of money, in return for a small up-front payment, which the fraudster requires in order to obtain the large sum. If a victim makes the payment, the fraudster either invents a series of further fees for the victim or simply disappears.

Hence, the public is warned to **take extra-precaution** and **NOT TO** enter into these kinds of arrangements with strangers that ask for up-front payment via money order, wire transfer, international funds transfer, pre-loaded card or electronic currency in the most common form like bitcoin. It is rare to recover money sent through these kinds of payment.

Victims may report "**Advance Fee Frauds**" or "**Advance Fee Scams**" to the **NATIONAL BUREAU OF INVESTIGATION** or **PHILIPPINE NATIONAL POLICE ANTI-CYBERCRIME GROUP (PNP-ACG)** as said fraud constitutes *Estafa under the Revised Penal Code* of the Philippines and since it was committed using the internet, a violation of the *Cybercrime Prevention Act of 2012*.

The public is further informed that as per record of the Commission, **FLIPKART / FLIPKART PLATFORM / FLIPKART COMPANY** is *NOT* registered either as a corporation or as a partnership. Further, it is *NOT AUTHORIZED* to *solicit investment/placements from the public nor issue investment contracts and other forms of securities since it has not secured prior registration and/or license from the Commission as prescribed under Sections 8 and 28 of the Securities Regulation Code*.

In view thereof, the public is hereby advised to exercise caution and avoid dealing with any individuals or group of persons soliciting investments, or advance payments on behalf of **FLIPKART / FLIPKART PLATFORM / FLIPKART COMPANY**. The public is also advised NOT TO INVEST OR STOP INVESTING in any investment or payment schemes offered by **FLIPKART / FLIPKART PLATFORM / FLIPKART COMPANY**.

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

For guidance of the public.

Makati City, 24 January 2023.