



ENFORCEMENT AND INVESTOR PROTECTION DEPARTMENT

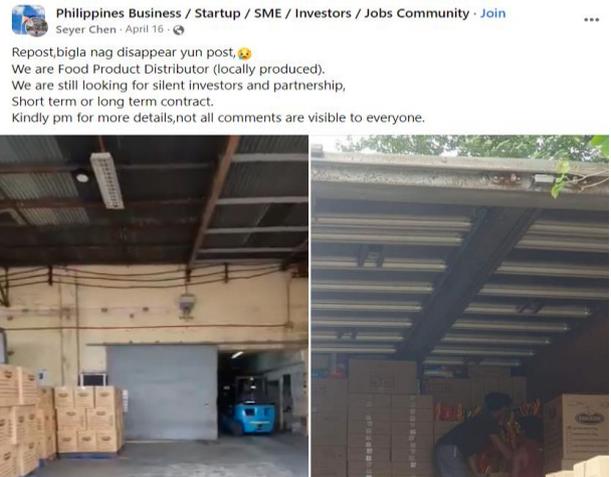
SEC ADVISORY

This is to inform the public that EATCITED PASALUBONG CENTER is NOT AUTHORIZED TO SOLICIT INVESTMENTS FROM THE PUBLIC.

Based on the reports and information gathered by the Commission, **EATCITED PASALUBONG CENTER** and its representatives are enticing the public through social media to invest in its food product services (wholesale and retail) business named **EATCITED PASALUBONG CENTER** located at Quezon Avenue Street, San Diego Zone 2, Tayabas, Quezon Province.

As appearing in its social media posts, **EATCITED PASALUBONG CENTER** claims that it is looking for partners/silent investors for a short or long term contract with the possibility of earning money up to 120% for a period of twelve months. Accordingly, the minimum investment for their food delivery services is twenty thousand pesos (Php20,000.00) with a guaranteed 5% earnings per month; and the maximum investment is five hundred thousand pesos (Php500,000.00) for a guaranteed 10% earnings per month.





EATCITED PASALUBONG CENTER is registered with the DTI as a sole proprietorship.

Emphasis must be made on the arrangements in **EATCITED PASALUBONG CENTER's** business activity as it clearly falls within the purview of an investment contract, whose essential elements are: (1) they offer the would be investors to enter into a six 6-12 month contracts, enticing each investor to earn up to 120% for a period of 1 year; (2) the money invested is placed in a common commercial undertaking and the investor in return expects to receive profits; and (3) the investor expects to earn money through the efforts of others as he/she simply needs only to invest money.

In this regard, the Securities Regulation Code (SRC) requires that said offer and/or 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.

As to the kind of business structure they are engaged in, **EATCITED PASALUBONG CENTER** through its Facebook advertisements impliedly admitted that it is in partnership with other local investors and are willing to expand or merge with other people/group in other areas.

Based on the Commission's database, **EATCITED PASALUBONG CENTER** is NOT REGISTERED as a corporation or partnership 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).

The scheme employed by **EATCITED PASALUBONG CENTER** has the characteristics of a **“Ponzi Scheme”** where money 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.

Moreover, R.A. No. 11765 or the Financial Products and Services Consumer Protection Act (FCPA) prohibits the commission of “Investment fraud”, defined as any form of deceptive solicitation of investments from the public which includes Ponzi schemes and such other schemes involving the promise or offer of profits or returns sourced from the investments or contributions made by the investors themselves and the offering or selling of investment schemes to the public without a license or permit from the SEC.

In view thereof, the public is hereby advised **NOT TO INVEST** or to **STOP INVESTING** in the investment scheme being offered by **EATCITED PASALUBONG CENTER** as well as to any other entities having the same or similar schemes and to exercise caution in dealing with any individuals or group of persons soliciting investments or recruiting investors for and on behalf of **EATCITED PASALUBONG CENTER**.

Those who act as salesmen, brokers, dealers or agents, representatives, promoters, uplines, recruiters, influencers, endorsers and enablers of **EATCITED PASALUBONG CENTER** in selling or convincing people to invest in the investment scheme being offered by the said entity including soliciting investments or recruiting investors through the internet may be held criminally liable under Section 11 of the FCPA and under Section 28 of the SRC and **both penalized separately with a maximum fine of Five Million Pesos (Php5,000,000.00) or imprisonment of Twenty One (21) years or both pursuant to Section 73 of the SRC** (*SEC vs. Oudine Santos, G.R. No. 195542, 19 March 2014*).

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 any investment solicitation by any individual or group of individuals on behalf of **EATCITED PASALUBONG CENTER**, please send your report through email at epd@sec.gov.ph.

For the information and guidance of the public.

Makati City, 21 September 2023