

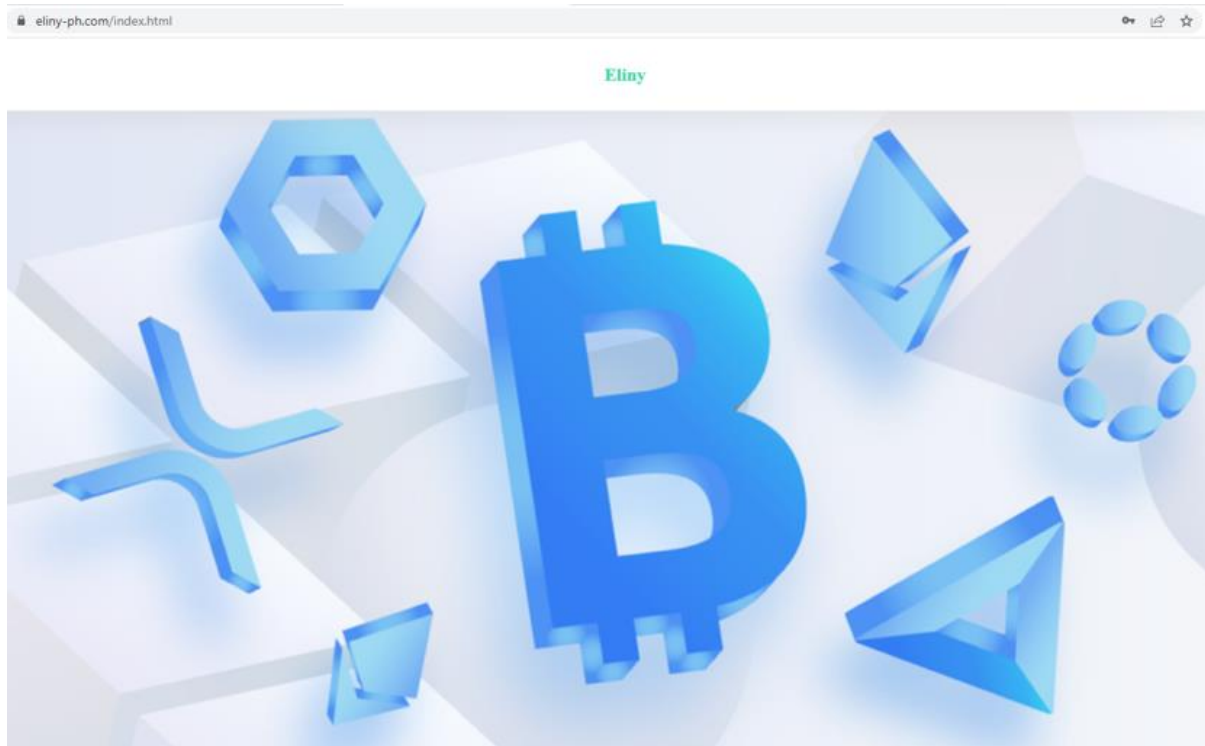


## ENFORCEMENT AND INVESTOR PROTECTION DEPARTMENT

### SEC ADVISORY

This is to inform the public that MORGAN STANLEY INVESTMENT FIRM ELINYAPP/ELINY-PH.COM/ELINY APP. is NOT AUTHORIZED TO SOLICIT INVESTMENTS FROM THE PUBLIC and appears to impersonate the leading American NYSE-listed, global financial services firm, MORGAN STANLEY.

This ADVISORY is prompted by reports and information gathered by the Commission that individuals or group of persons particularly **Mr.shades TV** (YouTube Channel) is enticing the public, through social media platform to invest in the fake MORGAN STANLEY INVESTMENT FIRM ELINYAPP/ELINY-PH.COM/ELINY APP.



As posted online, the fraudulent MORGAN STANLEY INVESTMENT FIRM ELINYAPP/ELINY-PH.COM/ELINY APP., claims that it is “an App owned by MORGAN STANLEY, which provides real-time investment based on the port container shipping index. It is further claimed that it is the first policy to benefit the people launched by the Philippine Financial Department in order to quickly revive the national economy. It is also the first policy to benefit the people launched by Morgan Stanley when it opened an

additional office in the Philippines.” They allege that it is legal, safe and permanent, and is an important tool for the Filipino people to increase their wealth.

The screenshot shows the Eliny website with a navigation bar containing icons for Recharge, Withdraw, Wealth, Welfare, and Service. Below the navigation is an introduction section stating that Eliny is an APP owned by Morgan Stanley, providing real-time investment based on the port container shipping index. A table below lists various locations with their corresponding values:

|            |        |
|------------|--------|
| BUSAN      | 0.7208 |
| HAMBURG    | 0.2622 |
| HONGKONG   | 0.3546 |
| JEBELALI   | 0.7919 |
| LOSANGELES | 0.2531 |

The composite image includes a Certificate of Incorporation from the Republic of the Philippines Securities and Exchange Commission for Morgan Stanley Investment Firm Elinyapp. The certificate is dated February 20, 2019, and is signed by the Acting Director. To the right of the certificate is promotional text:

Dear friends, we sincerely invite you to become our members and apply for our positions.

Eliny is Morgan Stanley's first project in the Philippines. It is a people's livelihood plan implemented by the Ministry of Finance to develop the national economy, and it is also the only safe and legal investment platform.

Eliny is not only a good platform for rich people to invest and manage money, but also an important tool for poor people to improve their lives. Here you will have a stable income and have a chance to become an employee of Morgan Stanley.

Come on, join us! The happy life of the people needs your strength, let me witness the glory of your life together.

**MORGAN STANLEY INVESTMENT FIRM ELINYAPP/ELINY-PH.COM/ELINY APP** is offering investments to the public with a minimal amount of **Php500.00 up to Php1,500.00**. The investor can earn **50% daily profit, 10% from direct referral, and minimum daily salary of Php350.00 up to Php6,500.00**.

In this regard, the public is made aware that an “*investment contract*,” 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 **MORGAN STANLEY INVESTMENT FIRM ELINYAPP/ELINY-PH.COM/ELINY APP**.

As such, 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.

Based on the Commission's database, **MORGAN STANLEY INVESTMENT FIRM ELINYAPP/ELINY-PH.COM/ELINY APP.**, 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 purported Certificate of Incorporation showed by **MORGAN STANLEY INVESTMENT FIRM ELINYAPP/ELINY-PH.COM/ELINY APP** is **FAKE/BOGUS**.

Besides, the public should be aware that the use of "Philippine financial department" and "Ministry of Finance" by **MORGAN STANLEY INVESTMENT FIRM ELINYAPP/ELINY-PH.COM/ELINY** in its posts/marketing materials betrays the unfamiliarity of persons behind this scam of the accurate names of the relevant government agencies in the Philippines and could indicate that foreigners are behind the scheme.

Further, the scheme employed by **MORGAN STANLEY INVESTMENT FIRM ELINYAPP/ELINY-PH.COM/ELINY APP.** 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.

In view thereof, the public is hereby advised **NOT TO INVEST** or to **STOP INVESTING** in the investment scheme being offered by **MORGAN STANLEY INVESTMENT FIRM ELINYAPP/ELINY-PH.COM/ELINY APP. vis-à-vis Mr. shades TV** 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 **MORGAN STANLEY INVESTMENT FIRM ELINYAPP/ELINY-PH.COM/ELINY APP. vis-à-vis Mr. shades TV**.

Those who act as salesmen, brokers, dealers or agents, representatives, promoters, uplines, recruiters, influencers, endorsers and enablers of **MORGAN STANLEY INVESTMENT FIRM ELINYAPP/ELINY-PH.COM/ELINY APP. vis-à-vis Mr. shades TV**, 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 Financial Products and Services Consumer Protection Act (FCPA) and Section 28 of the SRC and both violations are 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 **MORGAN STANLEY INVESTMENT FIRM ELINYAPP/ELINY-PH.COM/ELINY APP. vis-à-vis Mr. shades TV**, please send your report through email at [epd@sec.gov.ph](mailto:epd@sec.gov.ph).

For the information and guidance of the public.

Makati City, 3 October 2023