



ENFORCEMENT AND INVESTOR PROTECTION DEPARTMENT

S E C A D V I S O R Y

Based on information received by the Commission, an individual claiming to represent **CRYPACE LIMITED/CRYPACE LTD.** with DTI Certificate of Business Name Registration under **CRYPACE FINANCIAL CONSULTANCY SERVICES** allegedly issued in favor of **JOHN ROMERO HORCA CARBONILLA**, is enticing the public to invest their money in said entity.

As posted online, **CRYPACE LIMITED/CRYPACE LTD./ CRYPACE FINANCIAL CONSULTANCY SERVICES** is offering investments to the public for a minimal amount of PHP500.00 with a guaranteed return of 10% daily or 40% up to 50% after 15 days.



CRYPACE LIMITED/CRYPACE LTD./ CRYPACE FINANCIAL CONSULTANCY SERVICES allegedly earns through **ARTIFICIAL INTELLIGENCE (AI) ROBOT** in crypto trading.

The aforementioned investment scheme of **CRYPACE LIMITED/CRYPACE LTD./ CRYPACE FINANCIAL CONSULTANCY SERVICES** clearly involves offering and sale of securities in the form of an "investment contract" as defined under Section 3.1 of the Securities Regulation Code. The investor makes an investment of money in the minimum

amount of Php500.00 in a common enterprise which is **CRYPACE LIMITED/CRYPACE LTD./ CRYPACE FINANCIAL CONSULTANCY SERVICES**, while relying on said entity to manage their trades.

Considering that the scheme of **CRYPACE LIMITED/CRYPACE LTD. CRYPACE FINANCIAL CONSULTANCY SERVICES**, involves the offer and sale of securities, it is required to have a secondary license from the Commission pursuant to Sections 8 and 12 of the SRC.

However, an investigation conducted by this Department shows that **CRYPACE LIMITED/CRYPACE LTD./ CRYPACE FINANCIAL CONSULTANCY SERVICES** is not registered with the Commission as a corporation or partnership and has no physical office. **CRYPACE LIMITED/CRYPACE LTD./ CRYPACE FINANCIAL CONSULTANCY SERVICES** transacts with the public or prospective investors only through social media such as online group chats on Facebook (FB), Telegram, and through their website.

CRYPACE LIMITED/CRYPACE LTD./ CRYPACE FINANCIAL CONSULTANCY SERVICES is not authorized to solicit investments from the public as this entity did not secure prior registration and/or license to solicit investment from the Commission as prescribed under Sections 8 and 12 of the Securities Regulation Code.

Finally, the Financial Products and Services Consumer Protection Act (FCPA) also prohibits investment fraud which is defined under the law 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 contribution made by the investors themselves and the offering or selling of investment schemes to the public without a license or permit from the SEC.

Hence, the public is advised **NOT TO INVEST** or **STOP INVESTING** in any investment scheme being offered by any individual or group of persons allegedly for or on behalf of **CRYPACE LIMITED/CRYPACE LTD./ CRYPACE FINANCIAL CONSULTANCY SERVICES** and to exercise caution in dealing with any individuals or group of persons soliciting investments for and on behalf of **CRYPACE LIMITED/CRYPACE LTD./ CRYPACE FINANCIAL CONSULTANCY SERVICES**

Those who act as salesmen, brokers, dealers or agents, representatives, promoters, recruiters, uplines, influencers, endorsers, abettors and enablers or claim to act as such for **CRYPACE LIMITED/CRYPACE LTD./ CRYPACE FINANCIAL CONSULTANCY SERVICES** in selling or convincing people to invest in the investment scheme being offered by said entity including solicitations and recruitment through the internet may be prosecuted and held criminally liable under **Section 11** of Republic Act No. 11765 or the Financial Products and Services Consumer Protection Act (FCPA) and **Section 28** of the SRC which are both penalized separately with a **maximum fine of Five Million pesos (P5,000,000.00) or penalty of Twenty-one (21) years of imprisonment or both pursuant to Section 73 of the SRC.**

Also, 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 *Securities and Exchange Commission vs. Oudine Santos* (G.R. No. 195542, 19 March 2014).

Should you have any information on any recruitment or securities solicitation activities being undertaken by persons or group of persons claiming to represent **CRYPACE LIMITED/CRYPACE LTD./ CRYPACE FINANCIAL CONSULTANCY SERVICES**, you may send your reports to the **Enforcement and Investor Protection Department** through email at epd@sec.gov.ph.

For the guidance of the public.

Makati City, 05 December 2023.