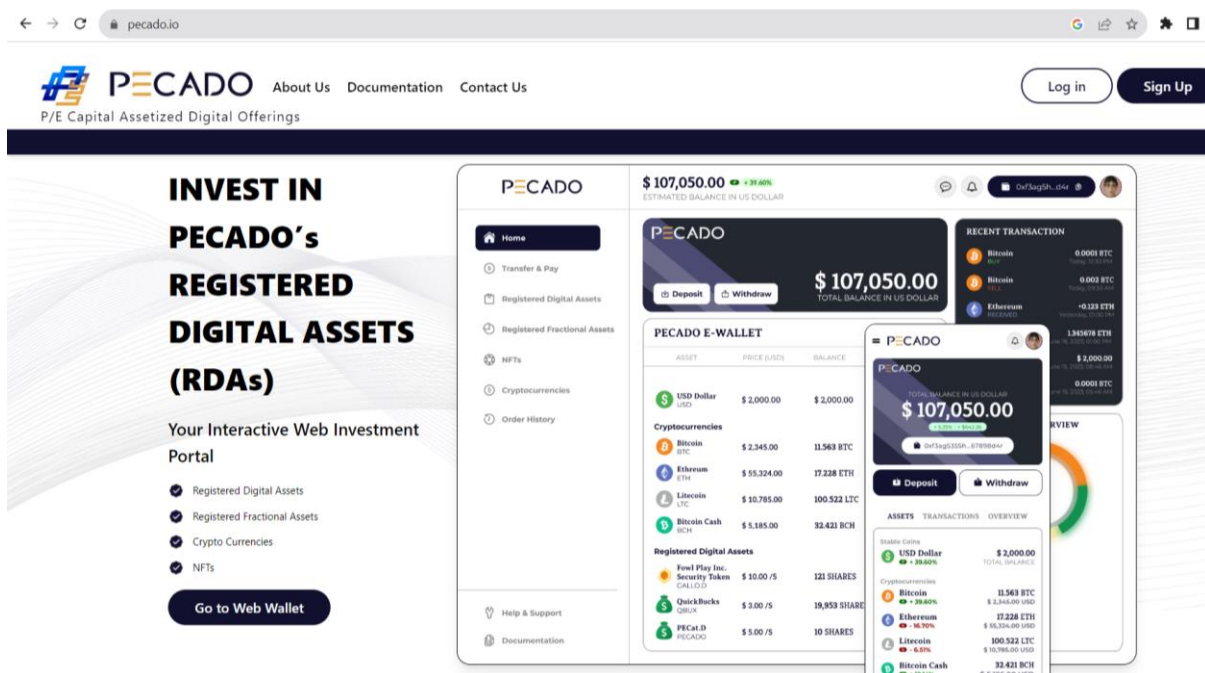




ENFORCEMENT AND INVESTOR PROTECTION DEPARTMENT

SEC ADVISORY

Based on reports and information gathered by the Commission, **PECADO**, an interactive digital investment platform, headed by its President Mr. Eliseo Jojo Prisno is enticing the public to invest in PECADO's registered digital assets.



As posted on their website, (<https://www.pecado.io/>), PECADO (P/E Capital Assetized Digital Offerings) is wholly-owned by Ashtree Block Ventures LLC, a U.S. SEC Registered Investment Advisory firm (CRD# 323257). It is operated by its subsidiary Ashtree Block Ventures UAB, an EU enterprise established in Lithuania that holds a license to operate an electronic wallet and digital exchange specialized in virtual assets. PECADO's proprietary ledger technology is fully supported by its in-house technology group led by its CTO in the U.S. The digital portal is officially operated by the Registered Investment Advisor (RIA) firm in the US for global deployment. PECADO utilizes a robo-advisory algorithm that ensures its user's access to sensible virtual assets meeting their investment goals, risk tolerance, and investment objectives



INTERACTIVE DIGITAL

PECADO is an interactive digital investment web portal wholly owned by Ashtree Block Ventures LLC, a U.S. SEC Registered Investment Advisory firm (CRD# 323257). It is operated by its subsidiary Ashtree Block Ventures UAB, an EU enterprise established in Lithuania that holds a license to operate an electronic wallet and digital exchange specializing in virtual assets.



INVESTMENT ADVISOR

As a REGISTERED INVESTMENT ADVISOR, we only recommend digital assets that meet the user's investment goals, risk tolerance, and investment objectives.



ASSET-BACKED SECURITY TOKENS

PECADO through its Decentralized Autonomous Organization (DAO) enterprise (P/E Capital DAO LLC) originates asset-backed security tokens that are acceptable under the Securities Act of 1933. These security tokens known as Registered Digital Assets (RDAs) are backed by real-world assets such as ownership interest in an enterprise, real estate pools or security investment funds.



VASP LICENSE HOLDER AND FINRA

With a Virtual Asset Service Provider License (VASP), PECADO efficiently converts the digital assets to a regular fiat. Likewise as a member of FINRA (Financial Industry Regulatory Authority of the US), the digital portal adheres to the compliance framework of the US SEC.

While **Ashtree Block Ventures LLC** is a registered Investment Advisory Firm overseas, it is not registered with the Commission as a corporation or as a partnership. However, an entity named **Ashtree Consultancy, Inc.**, an affiliate firm incorporated in the Philippines, holds a Service Contract Agreement to manage the back-office operations of **PECADO**.

Based on the updated list of Virtual Asset Service Providers (VASP), **PECADO**, **Ashtree Consultancy, Inc.** or **Ashtree Block Ventures LLC** are not registered VASPs with the Bangko Sentral ng Pilipinas and do not have a corresponding Certificate of Authority as a Money Service Business as required under Circular No. 1108, series of 2021 or the *Guidelines for Visual Asset Service Providers*.

It must be emphasized that operating or doing business in the Philippines requires prior registration and/or authorization with the concerned authorities and/or agencies including the Commission. Even the BSP requires those engaged in online trading, digital assets and/or similar activities operating in the country to register in accordance with its guidelines.

Moreover, aside from operating as an exchange of digital assets, it is also acting as a broker of Philippine stocks traded at the Philippine Stock Exchange.

Asset	Unit	Values	Price	Allocation
Apple Inc. AAPLA	0	\$0	\$0.1981 ▼0.27%	0.00%
Apple Inc. AAPLD	0	\$0	\$0.1981 ▼0.27%	0.00%
Ayala Corporation ACD	0	\$0	\$0.352 ▲0.49%	0.00%
ACEN Corporation ACEN.D	0	\$0	\$0.01 ▼1.00%	0.00%
Aboltiz Equity Ventures AEV.D	0	\$0	\$0.0932 ▲0.00%	0.00%
Alliance Global Group, Inc. AGI.D	0	\$0	\$0.1388 ▼1.73%	0.00%

In this regard, Section 8 of the Securities Regulation Code (SRC) requires that securities shall not be sold or offered for sale or distribution within the Philippines without proper registration with the Commission. Under Rule 3.1.17 of the 2015 SRC Rules, public offering is any offering of securities to the public or anyone whether solicited and unsolicited and any solicitation or presentation of securities for sale through information communications technology or the internet shall be presumed to be a public offering.

On the other hand, Rule 26.3.5 of the 2015 SRC Rules defines solicitation as the act of seeking or asking for business or information which includes the act of providing information about a security or investment product being offered for sale with the view of making a person a client or closing or bringing in a sale or purchase of a security or investment product. The solicitor need not be a signatory to any contract relative to such offer or sale of the security.

Based on the Commission's database, **PECADO, Ashtree Consultancy, Inc.** or **Ashtree Block Ventures LLC** is **NOT REGISTERED** as a corporation or partnership and **OPERATES WITHOUT THE NECESSARY LICENSE AND/OR AUTHORITY to solicit, offer, accept or take investments/placements from the public or to issue securities defined under Section 3 of the Securities Regulation Code (SRC), nor to act as a securities broker under Section 28 of the SRC, nor to act as a crowdfunding portal or intermediary under the SEC's Rules and Regulations Governing Crowdfunding, nor act as a financial service provider under the Financial Products and Services Consumer Protection Act.**

The Commission warns those who act as salesmen, brokers, dealers or agents, representatives, promoters, recruiters, uplines, influencers, endorsers, abettors and enablers of **PECADO, Ashtree Consultancy, Inc.** or **Ashtree Block Ventures LLC** in soliciting or convincing people to invest in unregistered securities 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 Section 28 of the SRC **which are 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.

As always, it must be noted that the above laws are not aimed to hinder or pose significant threats or risks to businesses especially those engaged in online trading, forex, and/or cryptocurrency projects but are intended for the protection of both the registered entities and the investing public from any anomalies and/or irregularities which tend to result from any unlawful and/or unauthorized operations.

Should you have any information regarding the operation of the subject entity, please send them to the Enforcement and Investor Protection Department (EIPD) at email at epd@sec.gov.ph or you may visit the Commission's Enforcement and Investor Protection Department (EIPD) located at the 9/F, The SEC Headquarters, 7907 Makati Avenue, Salcedo Village, Brgy. Bel-Air, Makati City

For the information and guidance of the public.

Makati City, 19 December 2023.