



ENFORCEMENT AND INVESTOR PROTECTION DEPARTMENT

SEC ADVISORY

This Advisory is prompted by inquiries, reports and information received by the Commission that individuals or group of persons representing an entity named **MVL MALL / MVL MALL** is enticing the public to invest their money in the said entity with a promise of high monetary rewards or profits.

Based on the reports from the public, **MVL MALL / MVL MALL**, through its social media platform were offering to the public an online job by grabbing and/or placing orders from their website for a promise of receiving commissions equivalent to 20% - 50% per order which can only be withdrawn upon payment of what they called a “*Tax Charge*”.

The said scheme is called ***Tasking and Recharging***, is being operated by **MVL MALL / MVL MALL** as follows:

1. The public is invited on a purported online jobs through their social media platform like performing a certain task for a promise of receiving monetary rewards or what they called commission;
2. Once the task is completed, the investor will be given another task to perform for the same promise of receiving commission; and
3. Upon the completion of all the assigned tasks, the investor will be informed that in order to collect the promised amount of commissions a certain amount of tax must be paid.

Reports revealed that **MVL MALL / MVL MALL** is claiming to be an intermediary company whose main job is to increase the actual transaction volume of online merchants and to help the merchants of Lazada, Shopee, eBay and other e-commerce platforms in increasing its sales volume.

Further, **MVL MALL** is presenting a copy of a bogus and/or fake Certificate of Registration as a way of enticing the public to invest in the said entity. Below is a screenshot copy of the said Certificate of Registration which was presented to the Commission:



Per initial verification from the Commission's Database, **MVL MALL / MVMALL** is NOT REGISTERED as a corporation or partnership. Consequently, **MVL MALL / MVMALL** also DOES NOT HAVE A SECONDARY LICENSE OR AUTHORITY TO SOLICIT INVESTMENTS OR OFFER SECURITIES as only registered corporations can apply for and be issued a secondary license by the Commission.

Notably, **Tasking and Recharging Scheme** involves the offering and sale of securities in the form of “investment contracts” as defined under Section 3.1 of the Securities Regulation Code. An investment contract exists in **Tasking and Recharging Scheme** as 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.

As such, the Securities Regulation Code (SRC) requires that said offer and 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.

Further, **Tasking and Recharging Scheme**, shows indication of a possible “Ponzi Scheme” where moneys 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.

Finally, the Financial Products and Services Consumer Protection Act 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.

In view thereof, the public is hereby advised to exercise caution in dealing with any individual or group of persons soliciting investments for and on behalf of **MVL MALL / MVL MALL**. The public is further advised **NOT TO INVEST** or to **STOP INVESTING** in the investment scheme being offered by **MVL MALL / MVL MALL** or its representatives.

Those who act as salesmen, brokers, dealers or agents, representatives, promoters, recruiters, uplines, influencers, endorsers, abettors and enablers of **MVL MALL / MVL MALL** soliciting or convincing people to invest in the investment scheme being offered by the said entities 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 which are both penalized 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 the operation of the subject entity, please call the Enforcement and Investor Protection Department (EIPD) at telephone number 8818-6047 or 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, 21 March 2024