



Republic of the Philippines
Department of Finance
Securities and Exchange Commission

COMPANY REGISTRATION AND MONITORING DEPARTMENT

IN THE MATTER OF:

ALPHANETWORLD CORPORATION
doing business under the name and
style of **NWORLD**
SEC Registration No. CS201513594,
Respondent.

SEC CRMD Case No. MP 22-038

For: Revocation of the Certificate of
Registration approved on 19
July 2015 on the ground of
fraud in the procurement of
Certificate of Registration.

X-----X

ORDER

ALPHANETWORLD CORPORATION doing business under the name and style of **NWORLD** ("Alphanetworld" or "Corporation") is a stock corporation registered with the Commission on 9 July 2015 with SEC Reg. No. CS201513594 and with principal office address at 6th floor Belvedere Tower Condominium, San Miguel Avenue, Ortigas Business District, Pasig City.

A Formal Charge, dated 09 March 2022, was issued on the basis of a validation from Bureau of Internal Revenue ("BIR"), dated 15 October 2015, which provides that the respective Taxpayer Identification Number ("TIN") of **Josarah L. Nolasco**, **Lazarus O. David** and **Emily Ann Bacolod** are invalid, to wit:

Name	TIN	Remarks
Juluis Allan G. Nolasco	212-307-873-000	Valid TIN
Josarah L. Nolasco	301-929-506-000	Invalid TIN
June Paolo G. Nolasco	268-344-028-000	Valid TIN
Lazarus O. David	207-375-007-000	Invalid TIN
Emily Ann Bacolod	237-844-375-000	Invalid TIN
Pierre Jasper Bacolod	207-709-391-000	Valid TIN
Jennet S. Gorospe	906-375-572-000	Valid TIN
Ma. Jacyn Tecson	221-062-876-000	Valid TIN
(Emphasis supplied.)		

The Formal Charge, which was received by the Corporation on 10 March 2022, directed the Alphanetworld to file its Verified Answer within fifteen (15) calendar days from receipt. On 25 March 2022, the Corporation, through counsel, filed its Verified Answer via registered mail.



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In its Verified Answer, Respondent manifested that Josarah L. Nolasco's **TIN 301-929-506** and Emily Ann Bacolod's **TIN 716-970-885** was verified by BIR RDO-43 (Pasig City) and BIR RDO-38 (Quezon City), respectively. However, as verified by BIR RDO-43 (Pasig City), the **TIN of Lazarus O. David is 481-385-430 and not 207-375-007**, as reflected in the subject Articles of Incorporation.

ISSUE

Whether the Certificate of Registration of **ALPHANETWORLD CORPORATION** doing business under the name and style of **NWORLD** should be revoked on the ground of fraud in its procurement.

RULING

A corporation's Articles of Incorporation is in essence the document defining the character of a corporation and its relations with the State, to which it owes its privilege of license to exist.¹ The Articles of Incorporation must be evaluated and approved by the Commission to be in accordance with the requirements under the law before a corporation can be issued its Certificate of Incorporation. It should be emphasized that among the laws that are required to be complied with is Executive Order Number 98, dated 28 April 1999. The said Executive Order mandates all government agencies to include the Tax Identification Number (TIN) as part of the **essential requirements** in all applications. Being an essential requirement, the filing of an Articles of Incorporation without the TIN would be disapproved. Likewise, providing an invalid TIN or non-existent TIN would cause the revocation of the Articles of Incorporation.

The Commission has the authority to revoke the Articles of Incorporation if finds that there is fraud in the procurement of the same². Furthermore, under SEC Resolution No. 359, series of 2010, the Commission authorized the Company Registration and Monitoring Department to revoke the Certificate of Registration of registered corporations if any of the incorporator submits false tax identification number, among others.

Fraud as a ground for the revocation of a Certificate of Registration of a corporation refers to fraud attendant in the registration of the corporation and must be contained and connected with the documents and/or papers presented to the Commission for registration of the said corporation³. Respondent attached in its Verified Answer argued that the erroneous TIN of Mr. Lazarus O. David (Mr. David) was due to human error and excusable oversight.

We are not convinced.

The subject Articles of Incorporation would reveal that Mr. David presented his TIN Card to the Notary Public as proof of his competent evidence of identity, a screenshot of the acknowledgment page of said Articles of Incorporation is reproduced as follows:

¹ In the matter of Talbot and Reese, Inc., SEC Administrative Case No. 05-10-116, February 16, 2012; see Section 17 of the Batas Pambasa Bldg. 68, otherwise known as the Corporaton Code of the Philippines.

² Section 6(i) (1) of Presidential Decree No. 902-A

³ Urban Poor of Pasig Incorporated vs Nonesto Rivera. SEC Case No. 02-94-4869 (December 26, 1995).



ACKNOWLEDGEMENT

Republic of the Philippines)
QUEZON CITY: S.S.

BEFORE ME, a Notary Public in and for QUEZON CITY, Metro Manila, this 8 JUL 2015 day of 2015 personally appeared the following persons with their respective proof of identity indicate opposite their respective names:

Name	Proof of Identity
JULUIS ALLAN G. NOLASCO	TIN: 212-307-873
JOSARAH L. NOLASCO	TIN: 301-929-506
LAZARUS O. DAVID	TIN: 207-375-007
EMILY ANN BACOLOD	TIN: 237-884-375
PIERRE JASPER BACOLOD	TIN: 207-709-391
JENNET S. GOROSPE	TIN: 906-375-572
MA. JACYN TECSON	TIN: 221-062-876
JUNE PAOLO G. NOLASCO	TIN: 268-344-028

known to me to be the same persons who executed the foregoing Articles of Incorporation, and they acknowledged to me that the same is their free and voluntary act and deed.

IN WITNESS WHEREOF, I have hereunto set my hand and affixed my notarial seal on the date and at the place first above-written.

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NOTARY PUBLIC
ATTY. BENEDICTO A. ALONSO
NOTARY PUBLIC
UNITED STATES OF AMERICA
PTR NO. 1234567890
ISP NO. 1234567890
ADM. MATR. NO. 1234567890
TIN NO. 1234567890
MCLE EXEMPTED
QUEZON CITY

Respondent, in its Answer, alleged that the verified TIN of Mr David is 481-385-430. However, contrary thereto, the Acknowledgement portion of the subject Articles of Incorporation states that Mr. David appeared before the Notary Public and presented his proof of identity, TIN Card 207-377-007. The difference of the two TINs is very glaring, 207-375-007 vis-à-vis 481-385-430. It is highly inconceivable for Mr. David and the Notary Public not to detect the disparity. What can clearly be established from the records of this case is that Mr. David deliberately presented TIN Card 207-375-007 to the Notary Public. Thus, Respondents argument that the erroneous TIN of Mr. David was due to human error and excusable oversight does not hold water.

Respondent further argued that the number of incorporators of Alphanetworld is eight (8) which is more than the minimum requirement of five (5) incorporators. In the present case, Respondent was able to allegedly validate two (2) out of the three (3) TINs initially declared to be invalid. To reiterate, under SEC Resolution NO. 359, series of 2010, the Commission authorized the Company Registration and Monitoring Department to revoke the Certificate of Registration of registered corporations if any of the incorporator submits false tax identification number. The SEC Resolution is clear, if any of the incorporator submits false TIN, the same will warrant the revocation of the Certificate of Registration. The number of incorporators that submitted false TINs is immaterial.

On the issue of due process, Respondent argued that its right to speedy disposition of cases was violated is without basis. It is well to note that the Supreme Court in the case of Magcamit vs. Internal Affairs Services-Philippine Drug Enforcement Agency⁴ held that due process in administrative cases is simply an opportunity to explain one's side or to seek a reconsideration of the action or ruling. In the case at hand, Alphanetworld was given an opportunity to be heard. Respondent was able to file its Verified Answer; thus, Respondent's right to due process was not violated.

⁴G.R. No. 198140, January 25, 2016



Finally, notwithstanding Respondent's filing of a Petition for Correction, the same could not be acted upon. As it stands, there is no valid Articles of Incorporation as the same was procured through fraud. Without a valid Articles of Incorporation, there is nothing to correct, to begin with.

All things considered, the use of an invalid and false TIN on Alphanet's Articles of Incorporation constitutes fraud in the procurement of the certificate of registration, which is a valid ground for the revocation of the Corporation's Certificate of Incorporation.

WHEREFORE, in view of the above-stated legal and factual bases, the Certificate of Registration of **ALPHANETWORLD CORPORATION doing business under the name and style of NWORLD**, registered on 9 July 2015 under SEC Reg. No. **CS201513594**, is hereby **REVOKED**.

Let a copy of this Order be attached by the Corporate Filing and Records Division (CFRD) of this Department to the corporate records of the subject corporation on file with this Commission and its "*revoked*" status be entered in the SEC online database by the Information and Communications Technology Department (ICTD) of this Commission.

SO ORDERED.

Done in Pasay City, Philippines, this 28th day of July 2022.


ATTY. GERARDO F. DEL ROSARIO
Director



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