



ENFORCEMENT AND INVESTOR PROTECTION DEPARTMENT

In the Matter of:

For Revocation of Certificate of Incorporation for violation of Section 44 of the Revised Corporation Code of the Philippines in relation to Presidential Decree No. 902-A for serious misrepresentation as to what the corporation can do to the great prejudice of or damage to the general public and in relation to Sections 8.1, 26.3 and 28.1 of the Securities Regulation Code

**ELITE ALLIANCE VERA TRADE SYSTEM
OPC**
COMPANY REG NO. 2021070020495-2
X-----X

ORDER OF REVOCATION

This refers to **ELITE ALLIANCE VERA TRADE SYSTEM OPC (“EAV”)**, a corporation registered with this Commission on 22 July 2021 under Company Reg. No. 2021070020495-22 with registered principal office address at SF23 23 Congressional Ave. District 1 Bahay Toro, Quezon City, Second District, National Capital Region (NCR), 1106. Its primary purpose as stated in its Articles of Incorporation is:

“TO ENGAGE IN THE BUSINESS OF TRADING.;
Provided that the corporation shall not solicit, accept or take
investments/placements from the public neither shall it issue
investment contracts.” (emphasis ours)

The incorporators of **EAV** are as follows:

Name	Citizenship	Residential Address
EINS ANGELO VALENCIA (Single stockholder, director and president)	Filipino	1726 1 st Street Santa Ana – Barangay 905, City of Manila, First District, National Capital Region (NCR), 1109
FRANCO HONESTO LASAY (Nominee)	Filipino	RJR Subd. Balogo (Sorsogon East District), City of Sorsogon (Capital), Sorsogon, Region V (Bicol Region), 4700
TRICIA MAY ROMERO (Alternate)	Filipino	P56 11 th 2 nd St. VILLAMOR AIRBASE Barangay 183, Pasay City, Fourth District, National Capital Region (NCR), 1300

The Authorized Capital Stock of respondent EAV as appearing in its Articles of Incorporation is TWO MILLION PESOS (Php2,000,000.00) common voting shares with par value of One Peso (P1.00) per share, while its Subscribed Capital Stock is Two Hundred Thousand Pesos (Php200,000.00).

RELEVANT FACTS

The Department has received various email messages inquiring/reporting and requesting assistance regarding EAV. Below are some details sent to this department:

a) *"Hi... kindly check this company if they are registered as a Elite Alliance Vera Trade System as they stated that they are registered as a primary license on their company"*

b) *"Hi There!
As a concern citizen, I just want to report this recent company po na nang hahatak na naman ng mga investment sa public by giving misleading information sa public. They are DTI registered, but walang business permits and clearance po and ang worse pa they have a Primary registration coming from SEC which seems to be fake po (for your immediate verification)...If legit yung , they dont have secondary permit po.*

As you can see sa mga attached files, INCONSISTENT PO ang NAME na ginagamit nila sa BUSINESS NILA. Kaya please po sana may gawin kayo dito pra ma isalba ang mga innocent po as early as possible hanggat ACTIVE pa Po eto.

Sana may gawin po kayo dito...Ayoko ko na na may mabiktima pa..at as much as possible mahuli na eto ng maaga..kasi feeling ko sindikato to...

Below are the default response ng customer service po nila....

Are you struggling right now because of the pandemic?

Are you looking for an opportunity that can change not only your financial status, but also your whole life.

We're introducing ELITE ALLIANCE VERA TRADE LIMITED, this is the company that can help you achieve your dreams and goals.

Is ELITE ALLIANCE VERA TRADE legitimate?

The answer is Yes, because ELITE ALLIANCE VERA TRADE is PLC

What is PLC? PLC stands for PUBLIC LIMITED COMPANY, A PUBLIC LIMITED COMPANY or PLC is a PUBLIC COMPANY in the UNITED KINGDOM

Plc is an equivalent of a U.S PUBLICLY TRADED COMPANY that carries the INC. or CORPORATION DESIGNATION.

The use of the PLC abbreviation after the name of the company is mandatory. It communicates to the investors and to anyone dealing with a company that it is a publicly traded corporation.

THE CHIEF EXECUTIVE:

The CEO and FOUNDER is MR. EINS ANGELO VALENCIA is a young ENTREPRENEUR, VISIONARY, and a GAME CHANGER. He also good at

problem solving has strong analytical skills, financially literate and can fully understand financial markets and instruments such as forex. He wants to make things easier for everyone. That's why he formulated the EAV trade system. What is EAV trade system? EAV trade system is a simple auto trading platform where you can earn passive and unlimited income.

How to earn in EAVTRADE system?



PASSIVE INCOME:

Trade minimum of P500(\$10), wait for maturity and then claim your P500 (\$10) every 15 days in 3 months time with a total earning of P3,000(\$60)

PACKAGES:



BRONZE: P500 = P3,000



SILVER: P5,000 = P30,000



GOLD: P50,000 = P300,000



PLATINUM: P500,000 = P3,000,000



REFERRALS:

If you invited a friend to trade in eav trade, you can earn 50% direct referral bonus of how much trade capital he or she has invested, you can also earn 1% from your second level up to 10th level referrals.

It is an easy way to earn passive income using ELITE ALLIANCE VERA TRADE System, so, why are you waiting for? Trade and reach your dreams in the fastest and easiest way.



ELITE ALLIANCE VERA TRADE LIMITED



EAVTRADE PHILIPPINE OFFICE:



23 Congressional Avenue, Brgy. Bahay Toro, 1106, Quezon City

EAVTRADE FB PAGE:



<https://www.facebook.com/Elite-Alliance-Vera-Trade-Ltd-112313981118035/>

EAVTRADE REGISTRATION LINK:



<https://eavtrade.com/r/vsu9radn>

CEO & FOUNDER FB ACCOUNT:



<https://www.facebook.com/ea.valencia003>

EAVTRADE VIDEO PRESENTATION:



<https://fb.watch/6F8HnK4OqR/>

EAVTRADE DTI REGISTERED:



https://bnrs.dti.gov.ph/search?keyword=Elitealliancevera+computer+trading&criteria=exact&sort_by=business_name&sort_order=asc

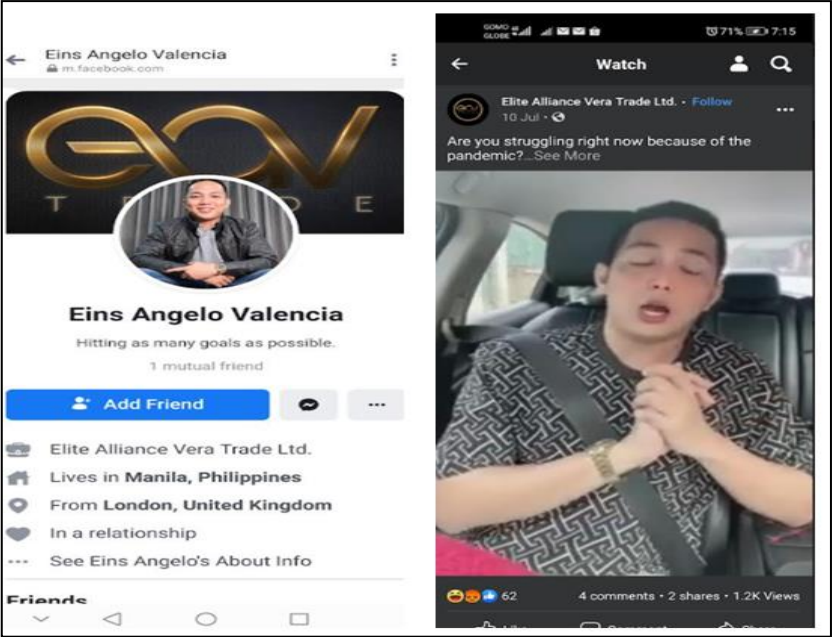
EAVTRADE COMPANIES HOUSE REGISTERED IN ENGLAND IN WALES



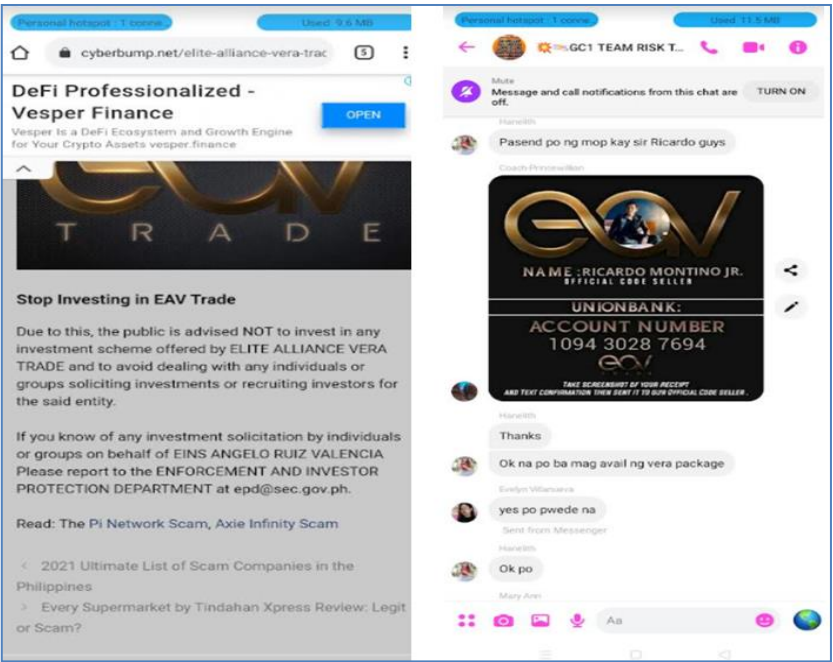
13455372 - Incorporated on 14 June 2021
130 Old Street, London, England, EC1V 9BD



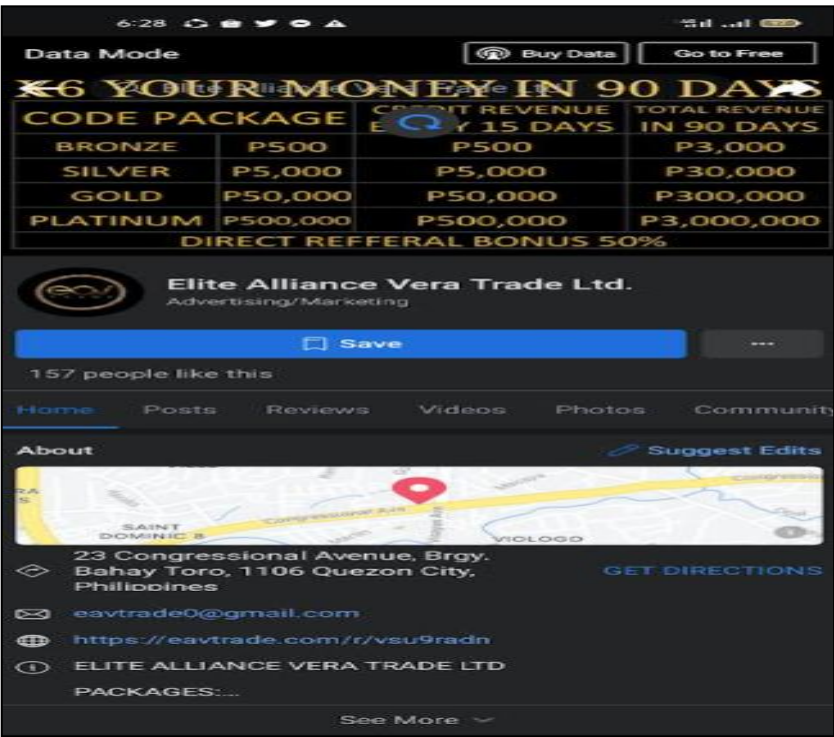
<https://find-and-update.company-information.service.gov.uk/company/13455372>



c) "Good afternoon! May I ask if this investment is legit? Thank you."



d) “Is this Legit investment?”



e) “Good Morning, Can you check if Elite Alliance Vera Trade (EAVT) is a scam? Thanks in advance for the information you may provide”

f) “Good day Mam/Sir,
I would like to ask if there's any on-process or pending secondary license application of Elite Alliance Vera Trade System/EAVT CEO Eins Angelo Valencia? Because he is claiming that the secondary license of EAVT will be release on Monday, August 30, 2021. Is this confirmed? I hope for your immediate response. Thank you”

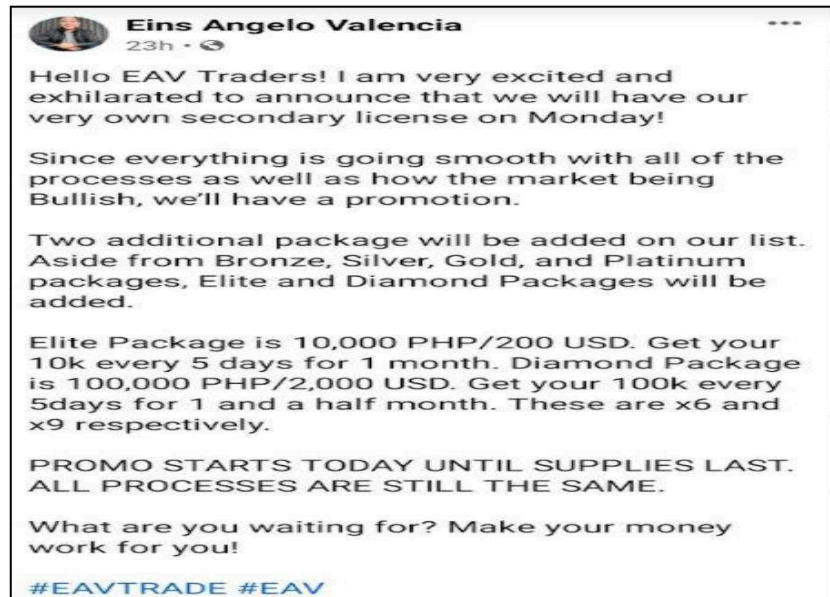
g) “Dear Sir,
I would like to check the below link if its legitimate or not. Thank you!”

<https://www.facebook.com/groups/eavtrade/?ref=share>

h) “Good Morning!
I would like to inquire if the statement of Elite Alliance Vera (EAV) Trade's CEO Eins Angelo Valencia that they will get their secondary license on Monday is true? Here is the FB live of their CEO saying that they will receive their secondary license on Monday:

https://m.facebook.com/story.php?story_fbid=164743379126750&id=100067732660090&sfnsn=mo

*I will also attach a screenshot.
Thank you for your time."*



i) *Good day!*

I'm from Davao City. Someone I know from General Santos City asked me this morning via chat if I'm interested in joining Elite Alliance Vera Trade. I'm cautious about anything about investing because of what happened to Rigen or KAPA.

When I checked the legitimacy of the company, I Googled it and I found this article: <https://cyberbump.net/elite-alliance-vera-trade/>

It says that Elite Alliance Vera Trade is a Ponzi scam and to report it to you.

I hope you will do something about this. Ang hirap na ng buhay, andami pang maghihirap kung maloloko na naman nito.

Thank you!

j) *"Hello SEC Team,
Good Afternoon.
I just have a concern about this ELITE ALLIANCE VERA TRADE SYSTEM. I've seen your advisory regarding them but they are still continuing their activities by using celebrities to promote their business, is this acceptable? They are still inviting people to invest in their business and I am one of them. Before people get scammed, please do something to stop their activities.*

Thank you and I look forward to hearing from you soon.

k) *"Madami po kaming sumasali sa EAV Trade ngayon. June 27, 2021 po sila nag start dito sa Philippines. And now po hindi na kami nakakatanggap ng update tungkol sa payout namin. Tulongan nyo po kami na mahuli at maibalik yung perang na invest namin. Eins Angelo Ruiz Valencia po yung CEO sa Company. Pa help po sana, marami po kaming proofs na nagsesend kami ng pera sa mga code seller nya. Please legit po ba silang nagpapatakbo ng kompanya sa UK o hindi? Please help us po."*

l) ">
> I am not sure if this is under you jurisdiction but please just
> forward this to relevant divison in your office if not.
>
> I have received an invite from my friend to "invest" in this scheme
> where my money could potentially become 6x in 3 months. Payout is
> every 15 days. You could also earn 50% of the investment of your
> invitee. The company is Elite Alliance Vera Trade Ltd. founded by Eins
> Angelo Valencia (<https://www.facebook.com/ea.valencia003>
> <https://www.facebook.com/ea.valencia003>).
>
>
> I'm concerned about the too-good-to-be-true return and the referral
> system which paints Ponzi scheme to me.
>
> I hope you can check on this company's registration and monitor it's
> public investment solicitation as it could victimize thousands of our
> people if left to operate without the necessary licences.
>
> Respectfully yours,"

In order to check the veracity of the information received, this department conducted an inquiry/investigation regarding the business activities/operations of **ELITE ALLIANCE VERA TRADE SYSTEM OPC** ("EAV"), and all other individuals affiliated with the company.

Below are the common Facebook posts pertaining to the investment being offered by EINS ANGELO VALENCIA through his various posts and the people promoting his scheme.



Elite Alliance Vera Trade Ltd.
16h · 🌐

! EAVTRADE ! AUTO TRADING PLATFORM (FOREX TRADING)

THANK YOU FOR TRUSTING EAVTRADE INVESTOR!

USERNAME INVESTOR : RICHTRADE

EUR/USD1.179250.20%

USD/JPY110.2830.01%

USD/CAD1.250320.30%

EUR/GBP0.854610.10%



TRADE
ELITE ALLIANCE VERA TRADE LIMITED

AUTO TRADING
PLATFORM

USERNAME INVESTOR : RICHTRADE

EUR	EUR	USD	JPY
EUR	1.17869	130.034	0.1
USD	0.8482	110.330	0.1
JPY	0.0076890	0.009062	0.1
GBP	1.1694	1.3783	152.072
CHF	0.9230	1.0883	120.073
AUD	0.6239	0.73563	81.148
CAD	0.6748	0.7952	87.767
NZD	0.5914	0.69719	16.911
CNY	0.13076	0.1541	16.991

X6 YOUR MONEY IN 3 MONTHS				
PACKAGE	AMOUNT	CLAIM PROFIT EVERY 15 DAYS	TOTAL EARN IN 3 MONTHS	50% (DRB) DIRECT REFERRAL BONUS
BRONZE	P500	P500	P3,000	P250
SILVER	P5,000	P5,000	P30,000	P2,500
GOLD	P50,000	P50,000	P300,000	P25,000
PLATINUM	P500,000	P500,000	P3,000,000	P250,000

Elite Alliance Vera Trade Ltd.





Elite Alliance Vera Trade International

June 17 · 🌐

...

Welcome to Elite Alliance Vera Trade, the Online Trading Company who wants to help lots of People especially this time of Pandemic. The main goal of our Company is to become the Leading Online Trading Company and to help every Filipinos to build their lives in this kind of Business.

Founded here in the Philippine in June14,2021 by Eins Angelo Valencia, Elite Alliance Vera Trade has come a long way from its beginnings in 130, Old Street London, England EC1V9BD. When Eins Valencia first started out, his passion for Trading and online Business drove them to start his own business.

We hope you become one of the Leaders in Our Company. If you have any questions or comments, please don't hesitate to contact us.

Sincerely,
Eins Valencia



Elite Alliance Vera Trade Ltd.

July 12 at 3:02 AM · 🌐

...

Bagong Opportunity, bagong pagkakitaan, at bagong simula, bagong pag-asa. Gusto ko lang i-share itong new opportunity na mapagkakakitaan natin kung sakaling magugustuhnan mo rin. Isa rin ito sa mga nakita ko ngayon na may magandang platforms na company.

🏆 ELITE ALLIANCE VERA TRADE 🏆

👉 CEO/Founder - Eins Valencia 👈

👉 Time Frame - 3 Months

👉 With Permit

👉 Launched - June 17, 2021

👉 100% Profitable and Payable

👉 ENTRY PACKAGE 👈

👉 BRONZE - 500 turns 3k

👉 SILVER - 5,000 turns 30k

👉 GOLD - 50,000 turns 300k

👉 PLATINUM - 500,000 turns 3m

👉 500 Minimum Entry Package

👉 500 turns 3,000 in 3 months

👉 Claim 500 every 15 days total of 3,000 in 3 months

👉 DRB - 50%

👉 Unilivel - 1% (2nd-10th Level)

👉 Safety Net🔥

👉 1,000 minimum encashment in DRB

👉 bracketing request

👉 Encashment Schedule

👉 Friday Request

👉 Thursday Release

👉 Source of income🏆

👉 Forex Trading

[https://m.facebook.com/story.php?](https://m.facebook.com/story.php?story_fbid=125318046402617&id=100067732660090)

[story_fbid=125318046402617&id=100067732660090](https://m.facebook.com/story.php?story_fbid=125318046402617&id=100067732660090)



Elite Alliance Vera Trade Ltd.

July 20 at 5:47 AM · 🌐

...

Elite Alliance Vera Trade international

1Tamad ka ba mag invite tapos gusto mo kumita?

Ayaw mo magbenta pero gusto mo magkapera?

DITO KANAI!!!!!!!!!!!!????

Itong bagay na bagay sayo partner!

May solusyon ako jan! Dito kay EAV TRADE di mo kelangan gawin yan

dahil Invest, wait and earn lang!👉👉👉👉👉👉

May Pay out ka na every 15DAYS!👉👉👉👉

No minimum👉

No deduction👉

Buong-buo makukuha mo

Sino po gusto magkaroong ng income?

👉 500 magiging 3k👉👉

👉 1000 magiging 6k👉👉👉

👉 5000 magiging 30k👉👉👉

👉 50,000 magiging 300k👉👉

✅ Bawi agad income sa 15 days ng walang gnagawa

✅ Sample 500 pay get 500 pesos every 15 days in 3 months (6x money will get of your capital)

✅ With gc observer👉

✅ W/ legalities👉

✅ No need invite to payout

✅ May sarili kang account

✅ With dashboard

✅ Encashment

Sino papaadd sa observer gc pm me now at kumita

Bawe agad puhunan...

Arat na👉👉👉👉👉👉

#InternationalCompany





Elite Alliance Vera Trade Ltd.

July 21 at 12:08 PM · 🌐

...

Are you struggling right now because of the pandemic?
Are you looking for an opportunity that can change not only your financial status, but also your whole life.
We're introducing ELITE ALLIANCE VERA TRADE LIMITED, this is the company that can help you achieve your dreams and goals.
Is ELITE ALLIANCE VERA TRADE legitimate?
The answer is Yes, because ELITE ALLIANCE VERA TRADE is PLC
What is PLC? PLC stands for PUBLIC LIMITED COMPANY, A PUBLIC LIMITED COMPANY or PLC is a PUBLIC COMPANY in the UNITED KINGDOM
Plc is a equivalent of a U.S PUBLICLY TRADED COMPANY that carries the INC. or CORPORATION DESIGNATION.
The use of the PLC abbreviation after the name of the company is mandatory. It communicates to the investors and to anyone dealing with a company that it is a publicly traded corporation.
THE CHIEF EXECUTIVE:
The CEO and FOUNDER is MR. EINS ANGELO VALENCIA is a young ENTREPRENEUR, VISIONARY, and a GAME CHANGER. He also good at problem solving has strong analytical skills financially literate and can fully understand financial markets and instruments such as forex. He wants to make things easier for everyone. That's why he formulated the EAV trade system. What is EAV trade system? Eav trade system is a simple auto trading platform where you can earn passive and unlimited income.
How to earn in EAVTRADE system?
✅ PASSIVE INCOME:
Trade minimum of P500(\$10), wait for maturity and then claim your P500 (\$10) every 15 days in 3 months time with a total earning of P3,000(\$60)
PACKAGES:
✅ BRONZE: P500 = P3,000
✅ SILVER: P5,000 = P30,000
✅ GOLD: P50,000 = P300,000
✅ PLATINUM: P500,000 = P3,000,000
✅ REFFERALS:
If you invited a friend to trade in eav trade, you can earn 50% direct referral bonus of how much trade capital he or she has invested, you can also earn 1% from your second level up to 10th level refferals.



Elite Alliance Vera Trade Ltd.

July 22 at 7:06 PM · 🌐

...

EAVTRADE CEO/FOUNDER EINS ANGELO VALENCIA!



0:02 / 3:34

⚙️ 🔍 📺 🔊

MESSANGER

Elite Alliance Vera Trade Ltd.

📩 Send Message



Benjie Omega Solteo

July 25 at 4:30 PM · 🌐

...

🏆 ELITE ALLIANCE VERA TRADE LIMITED 🏆
🚩 CEO/Founder: MR.EINS ANGELO VALENCIA
👉 Young Entrepreneur
👉 Visionary
👉 Game Changer
👉 Time Frame: 3 Months
👉 International Registered Company
👉 PLC in UK in LONDON
👉 Company Started: June 17, 2021
👉 100% Profitable and Payable
🚩 ENTRY PACKAGE 🚩
👉 BRONZE - 500
👉 SILVER - 5,000
👉 GOLD - 50,000
👉 PLATINUM - 500,000
✅ 500 Minimum Entry Package
✅ 500 turns 3,000 in 3 months
✅ Claim 500 every 15 days total of 3,000 in 3 months
✅ DRB - 50%
✅ Unilivel - 1% (2nd-10th Level)
🚩 Safety Net 🚩
🚩 1,000 mininum encashment in DRB
🚩 bracketing request
🚩 Encashment Schedule
👉 Friday Request
👉 Thursday Release
👉 Source of income 🏆
👉 Forex Trading
Encashment Schedule:
- Friday Request (12:01am-11:59pm)
- Thursday Releasing Of Payout
- No Deduction Both DRB and Passive
Team Benjie 👉👉👉

The investigation conducted by this Department revealed that **ELITE ALLIANCE VERA TRADE SYSTEM OPC** is offering a **minimum investment of P500.00 with a guaranteed 100% return of investment every 15 days or for a total of 600% in just 90 days or three months**. Allegedly, the entity is engaged in **FOREX Trading**.

Such invitation to invest which is publicly made through social media amounts to a public offering of securities. Section 8 of the Securities Regulation Code specifically provides that securities shall not be publicly offered for sale or distribution in the Philippines without a registration statement filed with and approved by the Commission. Rule 3.1.17 of the 2015 SRC Rules also provides that any solicitation or presentation for sale through information communication technology, constitutes a public offering of securities to the public.

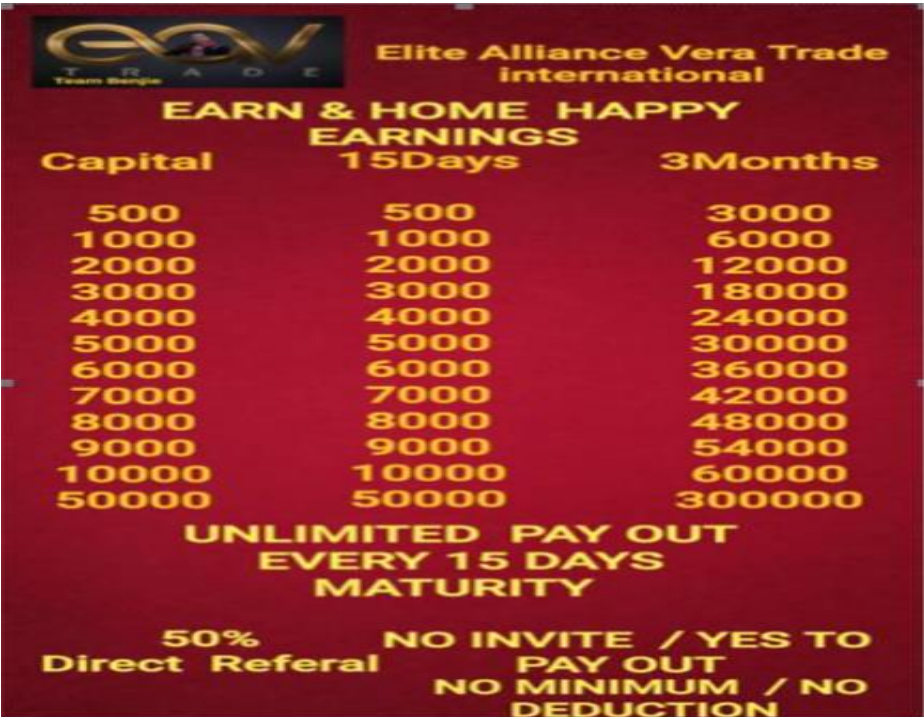
Considering that **EINS ANGELO VALENCIA** thru **ELITE ALLIANCE VERA TRADE SYSTEM OPC** appears to be engaged in selling of investment contracts, the Department inquired with the Markets and Securities Regulation Department (MSRD), Corporate Governance and Finance Department (CGFD), and Company Registration and Monitoring Department (CRMD) to determine if **ELITE ALLIANCE VERA TRADE SYSTEM OPC** was issued or has a pending application for a permit to offer securities for sale.

Consequently, the MSRD, CGFD, and CRMD certified that **ELITE ALLIANCE VERA TRADE SYSTEM OPC** *has not registered any securities* pursuant to the provisions of the Securities Regulation Code that would allow it to offer and/or sell securities to the public.

Thus, on 29 July 2021, an SEC Advisory was issued informing the public that:

xxx"ELITE ALLIANCE VERA TRADE SYSTEM OPC/ELITEALLIANCEVERA COMPUTER TRADING/ELITE ALLIANCE VERA TRADE LTD/ELITE ALLIANCE VERA TRADE INTERNATIONAL/EAV TRADE is enticing the public to invest a minimum of P500.00 with a guaranteed 100% return of investment every 15 days or for a total of 600% in just 90 days or three months with 50% Direct Referral Bonus and 1% Unilevel bonus.

The entity represents that it is engaged in forex trading and operates and maintains the EAV System--"a simple auto trading platform where you can earn passive and unlimited income."



EARN & HOME HAPPY EARNINGS		
Capital	15Days	3Months
500	500	3000
1000	1000	6000
2000	2000	12000
3000	3000	18000
4000	4000	24000
5000	5000	30000
6000	6000	36000
7000	7000	42000
8000	8000	48000
9000	9000	54000
10000	10000	60000
50000	50000	300000
UNLIMITED PAY OUT EVERY 15 DAYS MATURITY		
50% Direct Referral	NO INVITE / YES TO PAY OUT NO MINIMUM / NO DEDUCTION	



Elite Alliance Vera Trade Ltd.

July 26 at 9:20 PM · 🌐

! EAVTRADE !

AUTO TRADING PLATFORM (FOREX TRADING)

THANK YOU FOR TRUSTING EAVTRADE INVESTOR!

USERNAME INVESTOR : RICHTRADE

EUR/USD

1.1789

0.20%

GBP/USD

1.1684

0.01%

USD/JPY

110.330

0.30%

EUR/GBP

0.8482

0.10%

GOV

TRADE

ELITE ALLIANCE VERA TRADE LIMITED

AUTO TRADING PLATFORM

USERNAME INVESTOR : RICHTRADE

EUR	USD	JPY
EUR	1.1789	130.034
USD	0.8482	110.330
JPY	0.0076899	0.009062
GBP	1.1684	132.872
CHF	0.9230	120.073
AUD	0.6239	81.148
CAD	0.6748	87.767
NZD	0.5914	76.811
CNY	0.13076	16.991

X6 YOUR MONEY IN 3 MONTHS

PACKAGE	AMOUNT	CLAIM PROFIT EVERY 15 DAYS	TOTAL EARN IN 3 MONTHS	50% (DRB) DIRECT REFERRAL BONUS
BRONZE	P500	P500	P3,000	P250
SILVER	P5,000	P5,000	P30,000	P2,500
GOLD	P50,000	P50,000	P300,000	P25,000
PLATINUM	P500,000	P500,000	P3,000,000	P250,000

As the above-described scheme involved the sale of securities to the public, the Securities Regulation Code (SRC) requires that these securities are duly registered and that the concerned corporation and/or its agents have the appropriate registration and/or license to sell such securities to the public pursuant to Section 8 of the SRC.

Records of the Commission show that while **ELITE ALLIANCE VERA TRADE SYSTEM OPC** has been registered as a one person corporation under Company Registration No. 2021070020495-22 on 22 July 2021, it is **NOT AUTHORIZED to solicit investments from the public** since it has not secured prior registration and/or license from the Commission as prescribed under Sections 8 and 28 of the SRC.

First: That the name of said corporation shall be

ELITE ALLIANCE VERA TRADE SYSTEM OPC

Second: That the purpose or purposes for which such corporation is incorporated are:

TO ENGAGE IN THE BUSINESS OF TRADING.

Provided that the corporation shall not solicit, accept or take investments/placements from the public neither shall it issue investment contracts.

Third: That the principal office of the OPC is located in

5F23-23 CONGRESSIONAL AVE. DISTRICT 1 BAHAY TORO, QUEZON CITY, SECOND DISTRICT, NATIONAL CAPITAL REGION (NCR), 1106.

Fourth: That the OPC shall have a term of existence of

fifty (50) years from the date of issuance of the certificate of incorporation;

Fifth: That the name, nationality, and residence address of the single stockholder/ director/ president of the OPC are as follows:

Name	Nationality	Residence
EINS ANGELO VALENCIA	Philippine, Filipino	1726 1st Street Santa Ana - Barangay 905, CITY OF MANILA, FIRST DISTRICT, NATIONAL CAPITAL REGION (NCR), 1109

Further, the scheme employed by **ELITE ALLIANCE VERA TRADE SYSTEM OPC/ELITEALLIANCEVERA COMPUTER TRADING/ELITE ALLIANCE VERA TRADE LTD/ELITE ALLIANCE VERA TRADE INTERNATIONAL /EAV TRADE** shows indication of a possible “**Ponzi Scheme**” where monies 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.

Please be informed that the offering and sale of such securities in the form of investment contracts using the “**Ponzi Scheme**” is fraudulent and unsustainable and is NOT a registrable security. The Commission will NOT ISSUE a Permit to Offer and Sell Securities to the Public to persons or entities that are engaged in this business or scheme.

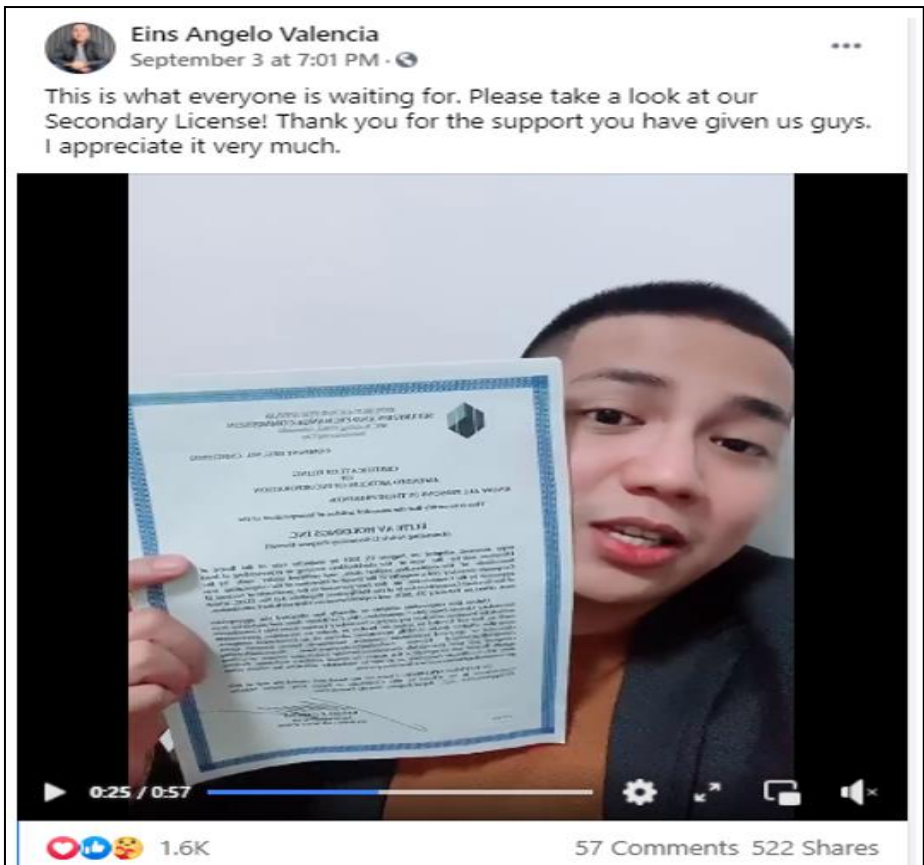
X X X”

It was further stated therein that: “xxx the public is advised **NOT TO INVEST or STOP INVESTING** in any investment scheme being offered by **EINS ANGELO RUIZ VALENCIA** through **ELITE ALLIANCE VERA TRADE SYSTEM OPC/ELITEALLIANCEVERA COMPUTER TRADING/ELITE ALLIANCE VERA TRADE LTD/ELITE ALLIANCE VERA TRADE INTERNATIONAL/EAV TRADE** and exercise caution in dealing with any individuals or group of persons soliciting investments or recruiting investors for and on behalf of **EINS ANGELO RUIZ VALENCIA** through **ELITE ALLIANCE VERA TRADESYSTEM OPC/ELITEALLIANCEVERA COMPUTER TRADING/ELITE ALLIANCE VERA TRADE LTD/ELITE ALLIANCE VERA TRADE INTERNATIONAL/EAV TRADE**”xxx.

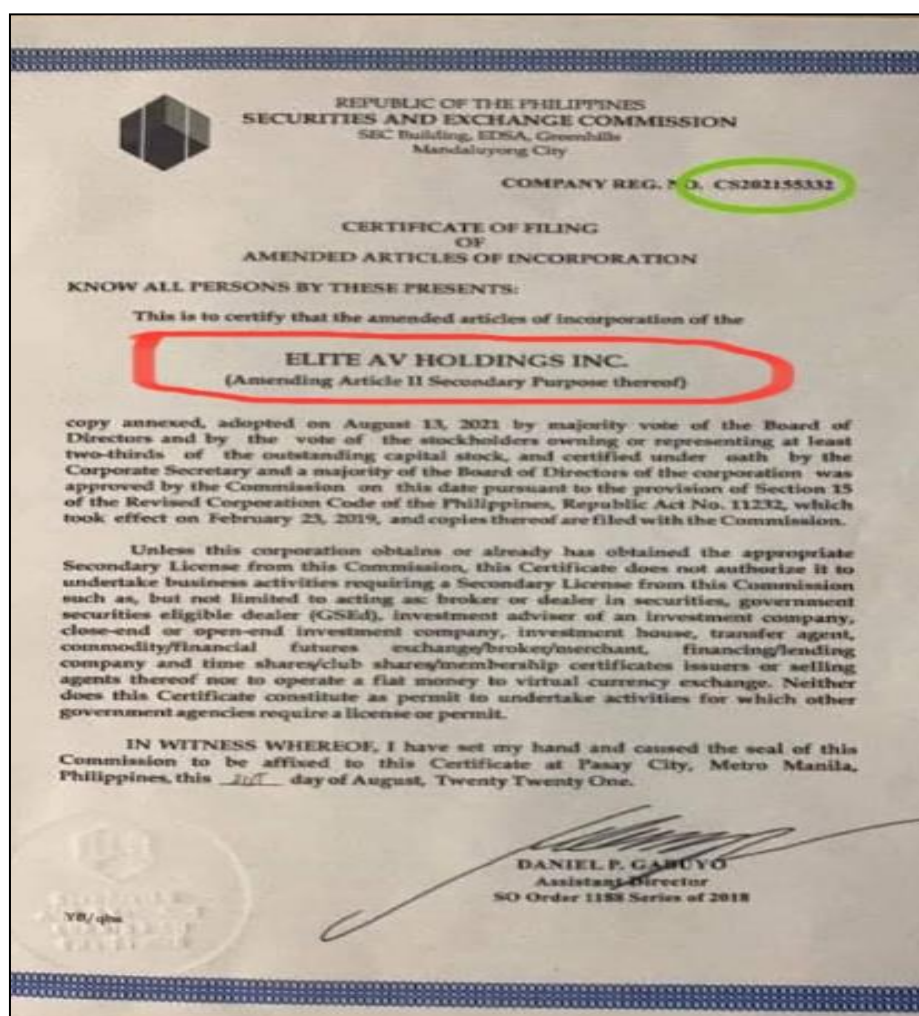
Despite the issuance of the abovementioned SEC Advisory against **ELITE ALLIANCE VERA TRADE SYSTEM OPC/ELITEALLIANCEVERA COMPUTER TRADING/ELITE ALLIANCE VERA TRADE LTD/ELITE ALLIANCE VERA TRADE INTERNATIONAL/EAV TRADE**, the latter did not heed attention thereto, and in fact, tried to convince members and prospective investors that the company’s secondary license will be granted by the Commission.

Hence, **another advisory** was issued and posted in the SEC website on **9 September 2021 against EAV Trade** informing the public that:

*“This is in response to the numerous reports and inquiries received by the SECURITIES AND EXCHANGE COMMISSION (SEC) regarding the alleged **secondary license** granted by this Commission to **ELITE ALLIANCE VERA TRADE SYSTEM OPC (EAV Trade)**, with SEC Company Registration No. 2021070020495-22*



As posted in the various Facebook and YouTube accounts of individuals connected with the company, the photo below is the document which Mr. Valencia is presenting as the secondary license which **ELITE ALLIANCE VERA TRADE SYSTEM OPC** allegedly received from SEC.



A scrutiny of the above document shows that **it is not the secondary license which the Securities Regulation Code requires** (i.e., Permit to Offer and Sell Securities or License as a Capital Market Professional such as a broker dealer in securities). Rather, it is a purported Certificate of Filing of Amended Articles of Incorporation of a corporation named as “**ELITE AV HOLDINGS INC.**” with a Company Reg. No. CS202155332.

Moreover, the same is fake as the Commission’s office which appeared thereat is still at Mandaluyong City and that the said document appears to be signed only on 31 August 2021.

Based on our initial verification with the SEC online database, the corporate name ELITE AV HOLDINGS INC. does not appear to be registered with this Commission and its alleged Company Reg. No. CS202155332 is non-existent.

Worse, the document that **EINS ANGELO RUIZ VALENCIA**, President of **Elite Alliance Vera Trade System OPC**, manifests to be the company’s secondary license is fake or a forgery. For all intents and purposes, the main objective of Mr. Valencia is to deceive the gullible **that this Commission has allowed him to solicit investments from the public**. Such despicable act makes a mockery of the law the Commission enforces and implements.

To highlight, the professed activities of Mr. Valencia is **trading in foreign exchange**. Notably, the Commission does not allow the registration of Foreign Exchange (FOREX) contracts as they are in the nature of Commodity/Financial Futures Contract, Contracts for Difference (CFDs) and other similar derivatives nor any Exchange, merchants/brokers as the pertinent rules governing these securities remain suspended pursuant to Rule 11 of the 2015 Implementing Rules and Regulation (IRR) of the SRC.

Alarminglly, since no one could guarantee that one’s trade shall be profitable, therefore, the promised/guaranteed income to its investors shall only be taken out from the investment of future subscribers which is clearly within the context of a **ponzi scheme** and on the basis of such questionable business model, **it cannot be granted a secondary license.**

xxx

In view thereof, the public is advised **NOT TO INVEST or STOP INVESTING** in any investment scheme being offered by EINS ANGELO RUIZ VALENCIA through ELITE ALLIANCE VERA TRADE SYSTEM OPC/ELITEALLIANCEVERA COMPUTER TRADING/ELITE ALLIANCE VERA TRADE LTD/ELITE ALLIANCE VERA TRADE INTERATIONAL and exercise caution in dealing with any individuals or group of persons soliciting investments or recruiting investors for and on behalf of EINS ANGELO RUIZ VALENCIA through ELITE ALLIANCE VERA TRADE SYSTEM OPC/ELITEALLIANCEVERA COMPUTER TRADING/ELITE ALLIANCE VERA TRADE LTD/ELITE ALLIANCE VERA TRADE INTERATIONAL.

Worth to note that a one-person-corporation (OPC) can never be allowed to solicit investments from the public since such public solicitation of investment requires a secondary license or permit the grant of which is subject to stringent requisites and disclosure requirements post-registration, thus, cannot be accomplished through the medium of an OPC.

On 24 November 2021, a Show Cause Order was issued against ELITE ALLIANCE VERA TRADE SYSTEM OPC, addressed to its registered principal office, and the addresses of their incorporators and directors, directing the company to SHOW CAUSE in writing, within five (5) days from receipt why:

- “I. The Certificate of Incorporation of ELITE ALLIANCE VERA TRADE SYSTEM OPC should not be revoked pursuant to Section 6 (i) (2) of Presidential Decree No. 902-A for serious misrepresentation as to what the corporation can do or is doing to the great prejudice of or damage to the general public;
- II. No administrative sanctions should be imposed against the subject corporation and its incorporators, directors, and officers for violation of Sections 8.1 of the Securities Regulation Code (SRC) and its Implementing Rules and Regulations.”

On November 27, 2021, the EIDP endeavored to have the Show Cause Order personally served upon Mr. Einz Angelo Ruiz Valencia as the single stockholder, director and president of EAV and Tricia May Romero as the Alternate Nominee, but the Department found out that the residences they indicated in the Articles of Incorporation are fake or a falsity. Below are negative certifications obtained from the different Barangay Offices attesting to the false addresses:





The above Certifications proved that indeed the addresses provided in the Articles of Incorporation of EAV were all **fictitious**. A false address reflected in the Articles of Incorporation is a ground for revocation of corporate registration for fraud in the procurement of registration under PD 902-A.

To date, **ELITE ALLIANCE VERA TRADE SYSTEM OPC** has not secured any Permit to Offer and Sell securities nor has pending applications for registration of securities under the SRC.

DISCUSSION

The factual backdrop of this case having been laid, we now resolve the instant proceedings on the basis of available evidence.

Section 3.1 of the Securities Regulation Code (SRC) defines securities as:

“3.1 “Securities” are shares, participation or interest in a corporation or in a commercial enterprise or profit-making venture and evidenced by a certificate, contract, instrument, whether written or electronic in character. It includes:

xxx

(b) **Investment contracts** xxx”

An investment contract on the other hand, is defined under SRC Rule 26.3.5 of the 2015 Implementing Rules and Regulations of the Securities Regulation Code (2015 SRC Rules) as follows:

“An **investment contract** means a contract, transaction or scheme (collectively “contract”) whereby a person invests his money in a common enterprise and is led to expect profits primarily from the efforts of others.

A common enterprise is deemed created when two (2) or more investors “pool” their resources, creating a common enterprise, even if the promoter receives nothing more than a broker's commission.”

Further, the elements of an investment contract were enumerated in the case of *Power Homes Unlimited Corporation vs. SEC* (G.R. No. 164182 February 26, 2008) which traces its roots from the case of *SEC vs. W. J. Howey Co.* (66 S.Ct.1100 May 27, 1946) and was later modified in the case of *SEC vs. Glenn W. Turner Enterprises, Inc.* (474 F.2d476 February 1, 1973), as follows:

- A contract, transaction or scheme
- An investment of money
- A common enterprise
- Expectation of profits
- Profits arises primarily from the entrepreneurial and managerial efforts of others.

Section 8, in relation to Section 12 of the SRC provides that:

“SEC. 8. Requirement of Registration of Securities. – 8.1. Securities shall not be sold or offered for sale or distribution within the Philippines, without a registration statement duly filed with and approved by the Commission. Prior to such sale, information on the securities, in such form and with such substance as the Commission may prescribe, shall be made available to each prospective purchaser. (Emphasis and underscoring supplied)

SEC. 12. Procedure for Registration of Securities. –

12.1. All securities required to be registered under Subsection 8.1 shall be registered through the filing by the issuer in the main office of the Commission, of a sworn registration statement with respect to such securities, in such form and containing such information and documents as the Commission shall prescribe. The registration statement shall include any prospectus required or permitted to be delivered under Subsections 8.2, 8.3 and 8.4.”

Securities such as investment contracts as defined by the SRC and in relation to SRC Rule 26.3.5 of the 2015 SRC IRR must be registered before the same can be sold or offered for distribution to the public. As a form of security, investment contracts must be registered under Section 8 of the SRC before they can be ***sold or offered*** to the public.

Rule 3.1.17 of the 2015 SRC IRR defined ***Public Offering*** as “any offering of securities to the public or to anyone, whether solicited or unsolicited. Any solicitation or presentation of securities for sale through any of the following modes shall be presumed to be a public offering:

3.1.17.1 Publication in any newspaper, magazine or printed reading material which is distributed within the Philippines or any part thereof;

3.1.17.1 Presentation in any public or commercial place;

3.1.17.2 ***Advertisement or announcement*** on radio, television, telephone, ***electronic communications, information communication technology or any other forms of communication***; or

3.1.17.3 Distribution and/or making available flyers, brochures or any offering material in a public or commercial place, or to prospective purchasers through the postal system, ***information communication technology and other means of information distribution***.” (Emphasis supplied)

On the other hand, a “Broker” is defined under Section 3.3. of the SRC as a person engaged in the business of buying and selling securities for the account of others while “Salesman” is defined under 3.13 of the SRC as a natural person, employed as such or as an agent, by a dealer, issuer or broker to buy and sell securities.

Consequently, Section 28 of the SRC provides that:

“SEC. 28. *Registration of Brokers, Dealers, Salesman and Associated Persons.* – 28.1. No person shall engage in the business of buying or selling securities in the Philippines as a broker or dealer, or act as a salesman, or an associated person of any broker or dealer unless registered as such with the Commission.”

Thus, any person, without proper license from the Commission who acts as brokers or agents of a company selling or convincing people to invest in an investment scheme, including solicitations or recruitment through the internet, may likewise be prosecuted and held criminally liable under Section 28 of the SRC and penalized with a maximum fine of Five Million pesos (P5,000,000.00) or a penalty of Twenty One (21) years imprisonment or both pursuant to Section 73 of the SRC.

In this particular case, the Department carefully examined the characteristics of the investments offered by **ELITE ALLIANCE VERA TRADE SYSTEM OPC (EAV)** to determine if they satisfied the elements of an investment contract. Indeed, the elements of investment contracts are manifested in the scheme being offered as supported by the following facts:

- First, there was an investment of money from the public. EAV actually received money from the public who were lured to invest in their scheme;
- Second, there was an expectation of profits on the part of its investors who were promised that for a minimum of P500.00 their money would earn a guaranteed 100% return of investment every 15 days or for a total of 600% in just 90 days or three months with 50% Direct Referral Bonus and 1% Unilevel bonus; and
- Lastly, the expectation of profits is **derived primarily from the efforts of EAV Trade and/or its directors, officers, agents or representatives.**

It is important to emphasize that **ELITE ALLIANCE VERA TRADE SYSTEM OPC (EAV)**, as a juridical person, is only allowed to exercise powers inherent to its corporate existence as provided in the Revised Corporation Code of the Philippines and those conferred in its Articles of Incorporation (AOI). In other words, what a corporation can do is necessarily circumscribed by the primary purpose clause in its AOI.

This Department particularly noted that the primary purpose of EAV as stated in its Articles of Incorporation, specifically provided that **it has no authority to solicit or accept investments from the public**, to wit:

“xxx

Provided that the corporation shall not solicit, accept or take investments/placements from the public neither shall it issue investment contracts.” (emphasis supplied)

The purpose stated in the Articles of Incorporation need not set out with particularity the multitude of activities in which the corporation may engage. The effect of broad purposes or objects is to confer wide discretionary authority upon the directors and management of the corporation as to the types of business in which it may engage.

However, ***dealings which are entirely irrelevant*** to the purposes are unauthorized and called ***ultra vires***. The purpose clause of the articles of incorporation indicates the extent as well as the limitations of the powers which a corporation may exercise.

In an opinion¹, the Commission pronounced that:

“It is the corporation’s primary purpose clause which confers, as well as limits, the powers which a corporation may exercise and the character of a corporation is usually determined by the objects of its formation and the nature of its business as stated in the articles. The primary purpose of the corporation, as stated in its articles of incorporation, is the first business to be undertaken by the corporation. Hence, the primary purpose determines its classification.”

Actually, the purpose stated in the Articles of Incorporation of ELITE ALLIANCE VERA TRADE SYSTEM OPC ***prohibited it to operate an investment-taking scheme***.

The act of Mr. Valencia through ***ELITE ALLIANCE VERA TRADE SYSTEM OPC/ELITEALLIANCEVERA COMPUTER TRADING/ELITE ALLIANCE VERA TRADE LTD/ELITE ALLIANCE VERA TRADE INTERNATIONAL/EAV TRADE***, in allowing certain persons acting as its agents or representatives to make public presentations of its investment scheme, inviting the public to invest in the company through social media renders it **liable for the unauthorized public offering of securities and the misrepresentation** committed in connection with such public offering.

The investment scheme of Mr. Valencia through ***ELITE ALLIANCE VERA TRADE SYSTEM OPC/ELITEALLIANCEVERA COMPUTER TRADING/ELITE ALLIANCE VERA TRADE LTD/ELITE ALLIANCE VERA TRADE INTERNATIONAL/EAV TRADE*** also operates to **defraud investors** as it deceived the investing public by presenting a **FAKE** secondary license permit to make it appear that it has authority to deal in securities. This also amounts to serious misrepresentation as to what it can do or is doing to the damage and prejudice of the investing public. Such despicable act makes a mockery of the law that the Commission enforces and implements.

Under ***Section 6 of Presidential Decree 902-A***, the Commission has the power to suspend, or revoke, after proper notice and hearing, the franchise or certificate of registration or corporations, partnerships and associations, on the ground of serious misrepresentation as to what the corporation can do or is doing to the great prejudice of or damage to the general public. As stated in the 2016 Rules of Procedure of the Securities and Exchange Commission, the **EIPD** shall exercise authority over persons and entities, whether under the primary authority of other Operating Departments, involved in the following:

“xxx ”

1. Investigations and administrative actions involving the following:

xxx

c) Selling, offering or transacting unregistered securities by entities without secondary license;

d) ultra vires acts committed in violation of the (Revised) Corporation Code;

¹ SEC-OGC Opinion No. 11-33 dated 29 July 2011 addressed to Mr. Jesus B. Lapuz.

2. Petitions for revocation² of corporate registration in all cases, Except those which fall under the original authority of CRMD;
3. Administrative actions for fraudulent transactions involving securities;
4. Administrative actions for all other violations under P.D. 902-A, except those cases which fall under the original authority of other Operating Departments; and
5. All other matters involving investor protection filed by the public, referred by self-regulatory organizations, or referred by other Operating Departments after initial evaluation or findings that there is a possible violation of laws, rules or regulations that the Commission implements but do not fall under their respective original authority.”

Further, SEC Admin Case No. 11-10-124 entitled *In re: PHILBIO Renewable Energy Resources Corp.*, promulgated on 27 April 2016 provides what constitute serious misrepresentation, to wit:

*“From the foregoing, it is indubitable that PHILBIO misrepresented itself to the public that it can solicit investments despite the fact that it is **not one of the purposes of the corporation**. Worse, it **does not have a license to offer/sell securities**. PHILBIO operates an investment-taking scheme which is therefore considered an **ultra vires act**. These constitute serious misrepresentation as to what the corporation can do or doing to the great prejudice to the general public.”*

Considering that nowhere is it stated in its primary purpose that **EAV Trade** is authorized to engage in the selling or offering for sale of securities to the public, the activity of **EINS ANGELO VALENCIA** through **ELITE ALLIANCE VERA TRADE SYSTEM OPC/ELITEALLIANCEVERA COMPUTER TRADING/ELITE ALLIANCE VERA TRADE LTD/ELITE ALLIANCE VERA TRADE INTERNATIONAL/EAV TRADE** of selling or offering for sale of investments is considered an **ultra vires act** and therefore constitutes serious misrepresentation.

WHEREFORE, for violation of Section 44 of the Revised Corporation Code of the Philippines (RCC or R.A. 11232) in relation to Sections 8.1, 28.1 and 26.1 of the Securities Regulation Code (SRC), Section 6 of P.D. 902-A and Section 179 (j) of the RCC and Section 5.1 (m) of the SRC, the Certificate of Incorporation/the registration of **ELITE ALLIANCE VERA TRADE SYSTEM OPC** as a corporation is hereby **REVOKED**.

Accordingly, let this Order be posted at the SEC website and attached by the Corporate Filing and Records Division of the Company Registration and Monitoring Department (CRMD) to the records of the corporation on file with the Commission. Further, the Information and Communications Technology Department (ICTD) of this Commission is likewise requested to enter the “*revoked*” status of subject corporation in the online database of the Commission.

SO ORDERED

Makati City, 21 November 2022.


OLIVER O. LEONARDO
 Director

² Revocation refers to the involuntary dissolution of corporate registration pursuant to Section 138 of the Revised Corporation Code of the Philippines.