

## **SEC ADVISORY**

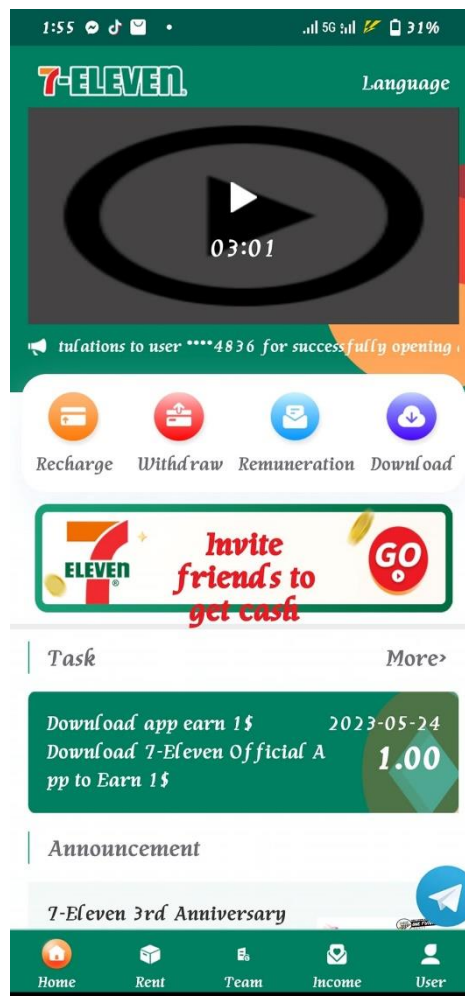
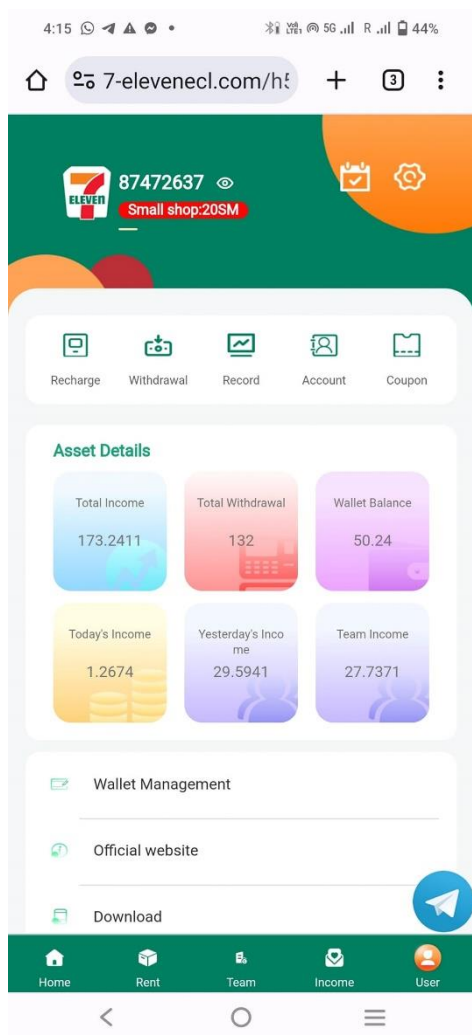
This is to inform the public that **7-ELEVEN ELECTRONIC COMMERCE LIMITED/7-ELEVEN ELECTRONIC COMMERCE LIMITED – PASSI BRANCH** is **NOT AUTHORIZED TO SOLICIT INVESTMENTS FROM THE PUBLIC.**

This advisory is prompted after a *motu proprio* investigation by the Commission that individuals or a group of persons representing **7-ELEVEN ELECTRONIC COMMERCE LIMITED / 7-ELEVEN ELECTRONIC COMMERCE LIMITED – PASSI BRANCH**, are enticing the public to invest their money in the said entity through their online application with a promise of daily and monthly income.



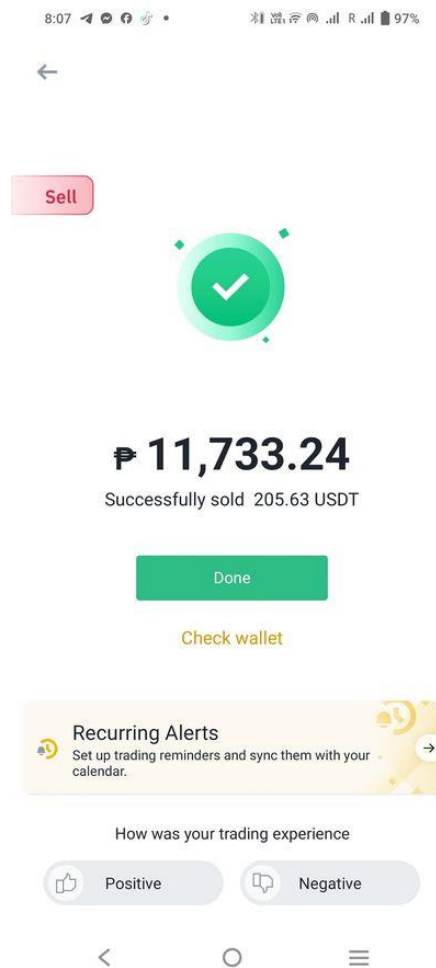
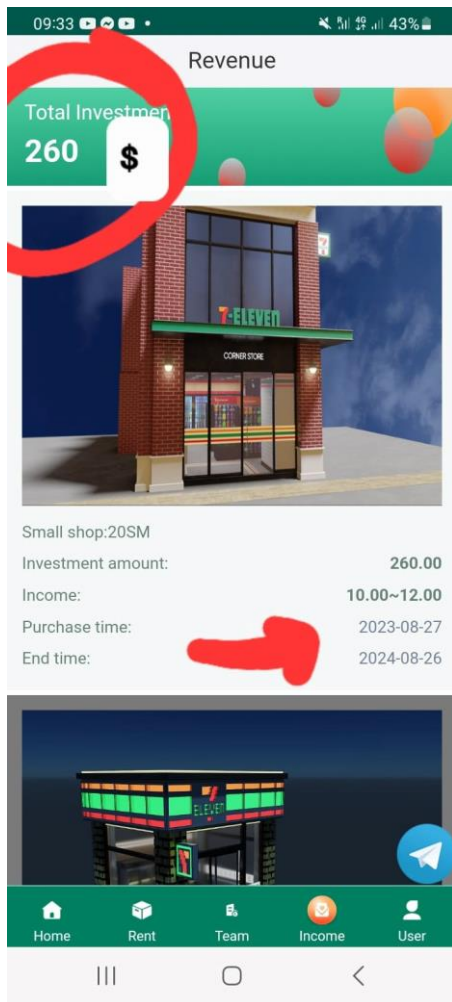
Information gathered show that **7-ELEVEN ELECTRONIC COMMERCE LIMITED/7-ELEVEN ELECTRONIC COMMERCE LIMITED – PASSI BRANCH** is owned and operated by Dexyll Joy Palma Agnes, Aldin Joy Palma Agnes, and Jenil Padura Alaro, with their office located at Railway St., Brgy. Poblacion Ilaya, Passi City, Iloilo, Philippines.

Further investigation revealed that **7-ELEVEN ELECTRONIC COMMERCE LIMITED/7-ELEVEN ELECTRONIC COMMERCE LIMITED – PASSI BRANCH** is enticing the public to invest by downloading their mobile application through their website: [www.7-elevencel.com](http://www.7-elevencel.com) and allegedly offer the lease or rental of a virtual 7-Eleven shop, wherein the investor can earn daily income.



After downloading the mobile application, investors may choose among the following packages: Small Store, Medium Store, Premium Store, and Flagship Store, as follows:

Package:	Capital Investment:	Daily Income:	Monthly Income:
Small Store	P 15,000.00	P 650 to P 800	P 16,800 to P 20,000
Medium Store	P 40,000.00	P 1,300 to P 1,500	P 40,000 to P 47,000
Premium Store	P 90,000.00	P 3,000 to P 3,600	P 92,000 to 109,000
Flagship Store	P 218,000.00	P 7,800 to P 8,900	P 235,000 to P 269,000



**7-ELEVEN ELECTRONIC COMMERCE LIMITED/7-ELEVEN ELECTRONIC COMMERCE LIMITED – PASSI BRANCH** claims to be a Colorado-based entity owned by a certain Derek Russel Miles and alleges to offer rental of 7-Eleven Shops. However, upon further investigation, the Commission uncovered that the subject entity is **not affiliated with 7-Eleven Convenience Stores or 7-Eleven Philippines, or any of its subsidiaries or affiliates, despite the apparent use of the latter’s logo.**

Notably, the “store rental” scheme of **7-ELEVEN ELECTRONIC COMMERCE LIMITED/7-ELEVEN ELECTRONIC COMMERCE LIMITED – PASSI BRANCH** 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 the store rental 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.

In this regard, the public is made aware that an “investment contract” which is a kind of security, exists when 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 which is prominent in the scheme of **7-ELEVEN ELECTRONIC COMMERCE LIMITED/7-ELEVEN ELECTRONIC COMMERCE LIMITED – PASSI BRANCH**.

As such, the Securities Regulation Code (SRC) requires that said offer and/or 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, 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 returns sourced from the investments or contributions made by the investors themselves and the offering or selling of investment schemes to the public without a license or permit from the SEC.

Thusly, the investment scheme of **7-ELEVEN ELECTRONIC COMMERCE LIMITED/7-ELEVEN ELECTRONIC COMMERCE LIMITED - PASSI BRANCH** has the characteristics of a “Ponzi Scheme”, promising exorbitant rates of return with little to no risk at all to the investors as exemplified in the case of *People of the Philippines vs. Palmy Tibayan and Rico Z. Puerto (G.R. No. 209655-60, 14 January 2015)*. The Commission will not issue a License to offer or Sell Securities to the public, to persons or entities engaged in such business or scheme.

The records of the Commission show that **7-ELEVEN ELECTRONIC COMMERCE LIMITED / 7-ELEVEN ELECTRONIC COMMERCE LIMITED - PASSI BRANCH** is **NOT REGISTERED** with the Commission either as a Corporation or Partnership and is likewise **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.

Hence, the public is advised **NOT TO INVEST** or **STOP INVESTING** in any investment scheme being offered by any persons allegedly for or on behalf of **7-ELEVEN ELECTRONIC COMMERCE LIMITED / 7-ELEVEN ELECTRONIC COMMERCE LIMITED - PASSI BRANCH**, and to exercise caution in dealing with any individuals or group of persons soliciting investments for and on behalf of it.

Those who act as salesmen, brokers, dealers, agents, representatives, promoters, operators, recruiters, uplines, influencers, endorsers, abettors and enablers of **7-ELEVEN ELECTRONIC COMMERCE LIMITED/7-ELEVEN ELECTRONIC COMMERCE LIMITED - PASSI BRANCH** in soliciting, selling, or convincing people to invest in the scheme offered by said entity, including solicitations and recruitment, may be held criminally liable under Section 28 of the SRC and Section 11 of the FCPA and for the two offenses, both penalized with **separate maximum fine of Five Million Pesos (Php 5,000,000.00) or a penalty of twenty-one (21) years of imprisonment or both**, pursuant to Section 73 of the SRC.

Should you have any information on any recruitment or securities solicitation activities being undertaken by persons or group of persons claiming to represent **7-ELEVEN ELECTRONIC COMMERCE LIMITED/7-ELEVEN ELECTRONIC COMMERCE LIMITED - PASSI BRANCH**, you may send your reports to the SEC Iloilo Extension Office through email at [sec\\_iloilo@sec.gov.ph](mailto:sec_iloilo@sec.gov.ph) or [sec.iloilo6@gmail.com](mailto:sec.iloilo6@gmail.com) or the SEC Enforcement and Investor Protection Department at [epd@sec.gov.ph](mailto:epd@sec.gov.ph).

For the guidance of the public.

Makati City, 24 October 2023.