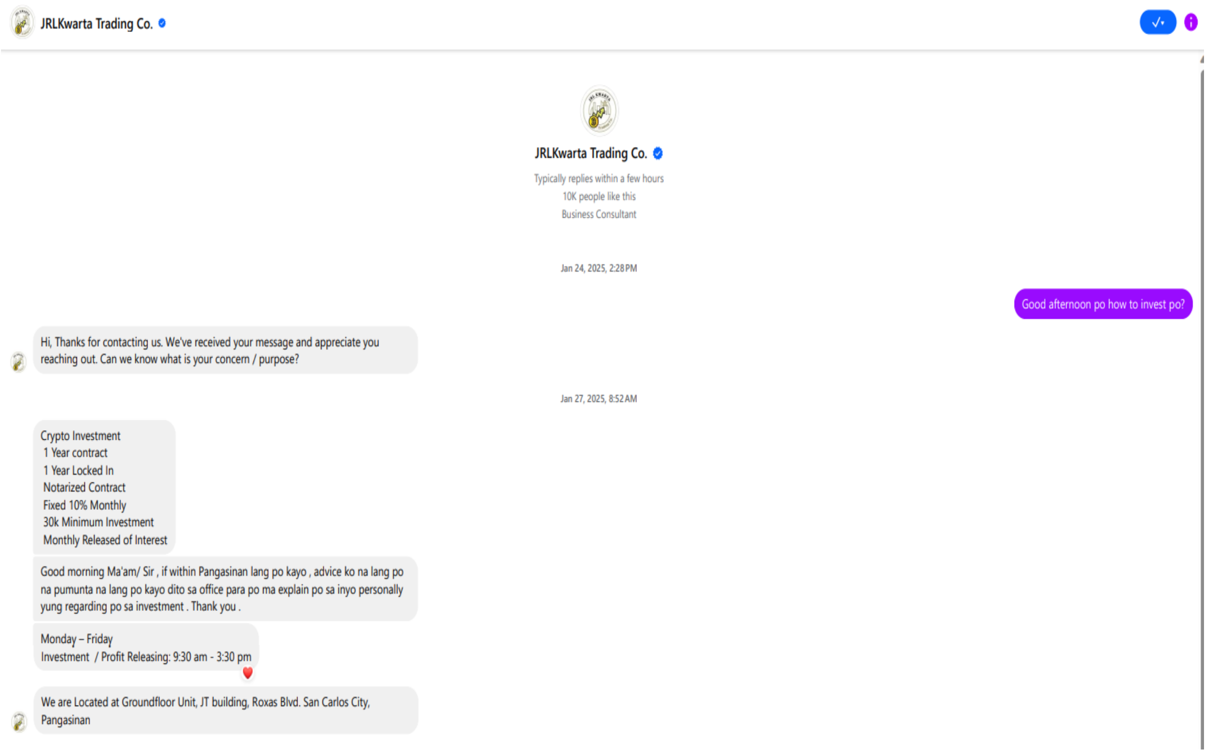
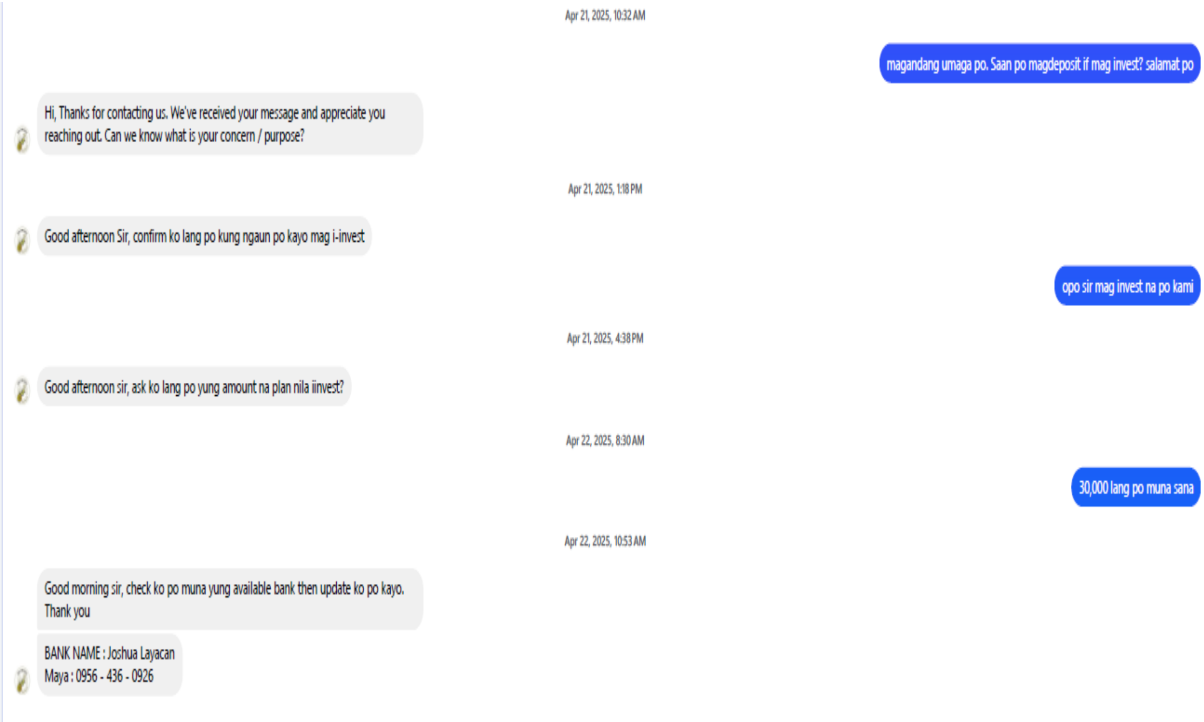
SEC ADVISORY

This Advisory is prompted by reports and information received by the Commission that **JRL KWARTA TRADING CO.**, operated by its CEO ***Joshua Rosario Layacan*** is enticing the public to invest their money in the said entity for a promise of high monetary rewards or profits.

Based on the reports, **JRL KWARTA TRADING CO.**, is offering an investment product in the province of Pangasinan for a promise of receiving a 10% monthly interest.

Upon verification thru "messenger" with their official and verified Facebook page which can be accessed at https://www.facebook.com/profile.php?id=100083357821495 , it was discovered that **JRL KWARTA TRADING CO.**, is offering an investment product to a prospective investor for a minimum capital of Php 30,000.00 with a lock-in period of (1) one year and for a promise of receiving a 10% monthly interest for a 12-month period or a total of 120% annual profits. In the said messenger communication, **JRL KWARTA TRADING CO.**, has provided the name and bank account number of a certain Joshua Layacan wherein the investment money is to be deposited. Below are screenshot copies of the said messenger communications:





On 13 May 2025, an entrapment operation was conducted by the operatives of the Philippine National Police – Anti-Cyber Crime Group (PNP-ACG) and the Securities and Exchange Commission (SEC) against JRL Kwarta Trading Co. in its office in JT Building, Roxas Blvd., San Carlos City, Pangasinan that resulted in the arrest of (5) five of its employees.

In a 26 August 2025 decision of the Pangasinan Regional Trial Court, Branch 56, upon submission of a Plea of Guilty, rendered judgment against the arrested employees of **JRL KWARTA TRADING CO.**, guilty for violation of the provisions of the Securities Regulation Code (SRC).

06 January 2026, **JRL KWARTA TRADING CO.**'s CEO, Joshua R. Layacan was arrested by virtue of a Warrant of Arrest issued by the Regional Trial Court, Branch 77, First Judicial Region, San Carlos City, Pangasinan for Syndicated Estafa (Article 315 of the Revised Penal Code as amended by RA 10951, in relation to P.D. 1689 (Decree Increasing the Penalty for Certain Forms of Swindling or Estafa) and R.A. 10175(Cybercrime Prevention Act of 2012), and Republic Act 11765 (Financial Products and Services Consumer Protection Act).

Notably, the above described scheme involves the offering and sale of securities to the public in the form of an *"Investment Contract"*. Hence, the Securities Regulation Code (SRC) requires that these securities must be duly registered and that the person and/or agents selling or offering it for sale must have the appropriate registration and/or license to sell such securities to the public pursuant to Section 8 and 28 of the SRC.

Briefly, an Investment Contract exist 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 being employed by **JRL KWARTA TRADING CO.,** through its CEO ***Joshua Rosario Layacan*.**

The public is hereby informed that **JRL KWARTA TRADING CO.,** is **<u>not authorized to solicit investments</u>** from the public, not having secured prior registration and/or license to sell securities or solicit investments as prescribed under Section 8 of the Securities Regulation Code (SRC).

Likewise, ***Joshua Rosario Layacan*** has not been issued Certificate of Registration as registered Associated Person, Compliance Officer, Salesman and/or Certified Investment Solicitor of a Broker Dealer in Securities Investment, Investment House, Underwriter of Securities, Investment Company Adviser, and/or Mutual Fund Distributor.

Further, those who act as salesmen, brokers, dealers or agents, representatives, promoters, recruiters, uplines, influencers, endorsers, abetters and enablers of **JRL KWARTA TRADING CO.,** through its CEO ***Joshua Rosario Layacan,*** in soliciting or convincing people to invest in the investment scheme being offered by **JRL KWARTA TRADING CO.,** through its CEO ***Joshua Rosario Layacan*** 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*).

For those who have been victimized by the investment scheme being offered by **JRL KWARTA TRADING CO.,** and its CEO ***Joshua Rosario Layacan,*** you may file your formal complaint before the Commission's Enforcement and Investors Protection Department (EIPD) located at the 9/F, The SEC Headquarters, 7907 Makati Avenue, Salcedo Village, Brgy. Bel-Air, Makati City or through email at epd@sec.gov.ph.

For the information and guidance of the public.

Makati City, 04 February 2026