ZAMBOANGA EXTENSION OFFICE

SEC ADVISORY

This is to inform the public that <u>SEAGULL ALLIANCE</u> is NOT AUTHORIZED TO SOLICIT INVESTMENTS FROM THE PUBLIC.

Based on reports and information gathered by the Commission, certain individuals or groups are soliciting investments on behalf of an entity known as **SEAGULL ALLIANCE**, often associated with names such as **"RISCOIN"** or **"LEAGUE OF SEAGULL,"** through the social media platform **Facebook** and messaging applications such as **Telegram**. These so-called "crypto managers," who promise unusually high daily returns on cryptocurrency investments, are believed to be fraudulent actors with no verifiable identities.

SEAGULL ALLIANCE reportedly instructs users to install "mobile configuration profiles" such as **"RISCOIN".** Users may initially be allowed to withdraw small amounts of purported earnings, a tactic commonly used to establish credibility and gain trust. However, larger balances are subsequently "locked," and users are required to deposit additional funds often described as "verification fees" or "risk fees" to "unlock" or regain access to their money. The scheme further incentivizes participation through referral bonuses, encouraging users to recruit others via peer-to-peer invitations.

League of "Seagull "

Welfare sharing 1

league rank	league membership	Trading volume bonus ratio
Second Lieutenant	3 people	1.00%
First Lieutenant	4-15 people	1.20%
Captain	16-30 people	1.40%
Major	31-62 people	1.60%
Lieutenant Colonel	63-126 people	1.80%
Colonel	127-254 people	2.00%
Brigadier General	255-510 people	2.30%
Major General	510-1020 people	2.80%
Lieutenant General	1021-2042 people	3.00%
General	2043-4086 people	3.50%
Five-star General	More than 5000 peo ple	4.00%
Note: The minimum initial deposit for the league membe rship to be considered valid is 500 USDT or more.		
Distributed on the 1st and 15th of each month.		

Based on information gathered and verified by the Commission, **SEAGULL ALLIANCE** uses the RISCOIN trading platform to entice investors through a cryptocurrency copy-trading scheme, promising 1%-4% daily interest, compounded, with a minimum investment of USD 500 or approximately PHP 30,000.00.

For the information of the public, an "investment contract" 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 **SEAGULL ALLIANCE.**

This scheme constitutes an investment contract, as it involves the placement of money in a common enterprise with a reasonable expectation of profits derived primarily from the efforts of others. As such, it falls within the definition of a security under the Securities Regulation Code (SRC).

Under **Sections 8, 12, and 28 of the SRC**, securities offered to the public must be duly registered, and entities or individuals selling them must have the appropriate registration or secondary license from the SEC. The public is hereby informed that **SEAGULL ALLIANCE is NOT REGISTERED with the Commission and is NOT AUTHORIZED to offer, solicit, sell, or distribute any investment or securities in the Philippines.**

Moreover, the investment scheme exhibits the characteristics of a **Ponzi Scheme**, wherein funds from new investors are used to pay purported profits to earlier investors. Such schemes are fraudulent, unsustainable, and designed to benefit top recruiters and early participants to the detriment of subsequent investors. Securities offered through a Ponzi scheme are not registrable, and the SEC does not issue licenses to entities engaged in such activities.

The scheme may also constitute **investment fraud** under **Republic Act No. 11765**, or the **Financial Products and Services Consumer Protection Act (FCPA)**, which prohibits deceptive investment solicitations, including Ponzi schemes and the offering of investment products without the necessary license or permit from the SEC.

The public is advised **NOT TO INVEST** or **STOP INVESTING** in any investment scheme being offered by **SEAGULL ALLIANCE** as well as any other entities having the same or similar schemes.

Those who act as salesmen, brokers, dealers or agents of **SEAGULL ALLIANCE** in selling or convincing people to invest in the investment scheme being offered by the said entity including soliciting investments or recruiting investors online may be held criminally liable under Section 28 of the SRC and 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).

Should you have any information regarding the operation of **SEAGULL ALLIANCE** and its representatives, please send your report through email at epd@sec.gov.ph and reports_zeo@sec.gov.ph.

For the information and guidance of the public.

Zamboanga City, 10 February 2026.