

24 November 2022

SEC WARNS PUBLIC AGAINST FRUTAS COMIDA ZAMBOANGA

The Securities and Exchange Commission (SEC) has warned the public against investing in Frutas Comida Zamboanga, which has been offering guaranteed returns of 20% per month on social media.

In an [advisory](#) dated November 24, the Commission flagged the investment solicitation activities of Frutas Comida, as the group has not secured the necessary registration from the SEC, and the corresponding order of registration of securities and certificate of permit to offer and sell securities.

Posts on Frutas Comida's Facebook page show that it has been encouraging investors to invest amounts ranging from P5,000 to P50,000, in exchange for monthly returns of P6,000 to P60,000, respectively. Investments are collected through online banking channels and other digital payment platforms

Profits distributed to member-investors supposedly come from the sale of fruits and food tray packages. Frutas Comida also noted that investors need only invest in their business and wait for the 20% returns every month.

The scheme involves the sale and offer of securities to the public in the form of investment contracts, whereby a person invests his money in a common enterprise and is led to expect profits primarily from the efforts of others, according to the SEC Enforcement and Investor Protection Department (EIPD).

Records show that Frutas Comida is not registered with the SEC as a corporation or partnership, nor is it authorized to solicit investments from the public, as it has not secured the necessary license to sell securities or solicit investments as prescribed under Section 8 of Republic Act No. 8799, or The Securities Regulation Code (SRC).

"In view thereof, the public is hereby advised to exercise caution in dealing with any individual or group of persons soliciting investments for and on behalf allegedly of Frutas Comida Zamboanga. The public is further advised not to invest or to stop investing in the investment scheme being offered by any individuals claiming to represent said entity," the SEC Enforcement and Investor Protection Department (EIPD) said.

The EIPD also noted that those who act as salesmen, brokers, dealers or agents or claim to act as such on behalf of Frutas Comida in selling or convincing people to invest may be prosecuted and held criminally liable under Section 28 of the SRC, and

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penalized with a maximum fine of P5 million or penalty of 21 years of imprisonment or both pursuant to Section 73 of the SRC.

END

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