

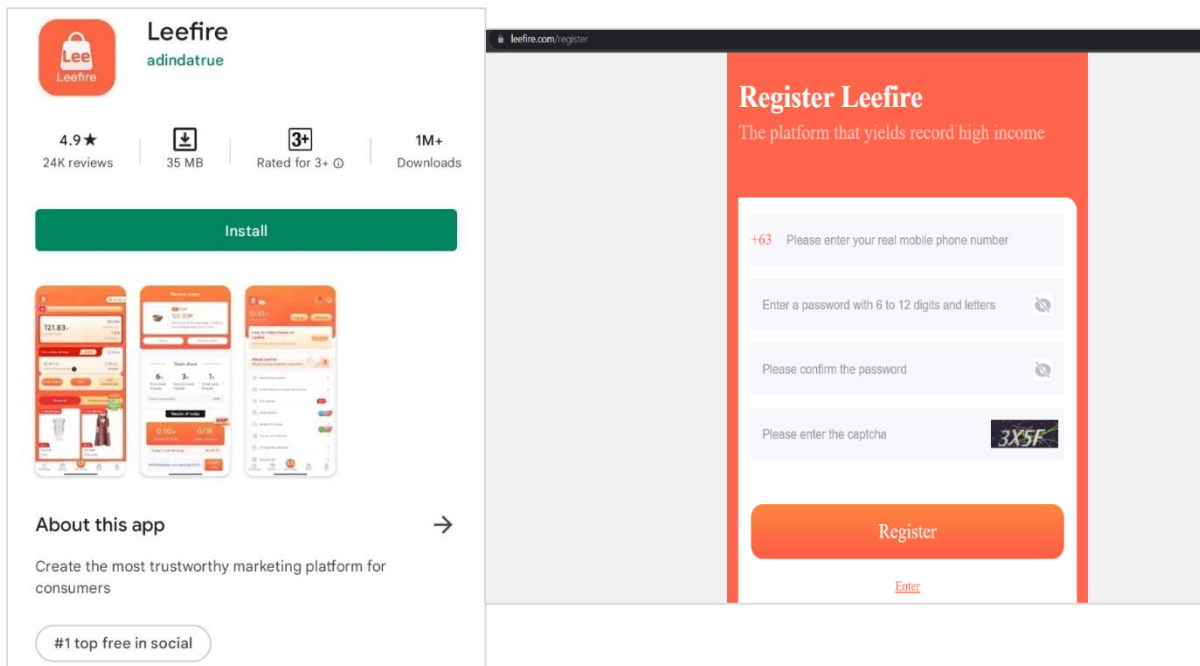


ENFORCEMENT AND INVESTOR PROTECTION DEPARTMENT









SEC ADVISORY

Based on information gathered by the Commission, a number of individuals or group of persons claiming to represent **LEEFIRE/LEEFIRE LIMITED/LEEFIRE PH/LEEFIRE PHILIPPINES**, are enticing the public to invest their money in said entity.

Based on the contents of posts found online on **LEEFIRE/LEEFIRE LIMITED/LEEFIRE PH/LEEFIRE PHILIPPINES** is offering investments to the public through the website: <https://leefire.com> or through a mobile application available in Google Play Store. Signing up through a personal mobile number will entitle **investors to receive a cash bonus of PHP 120 which can be used to buy corresponding level of goods**. Consequently, by accomplishing a higher-level of task, users may earn more commission & rewards. Also, **if the user is able to invite another friend/s, the user will earn an additional PHP 120**.



Posts further show that **LEEFIRE/LEEFIRE LIMITED/LEEFIRE PH/LEEFIRE PHILIPPINES** offer different level of products. The lowest level of product is referred to as Level 1 priced at PHP120, while level 2, level 3, level 4, level 5, level 6, level 7, and level 8 are priced at PHP 500; PHP1,500; PHP 4,500; PHP 13,000; PHP 40,000; PHP 120,000; and PHP 360,000, respectively.

<p>+ 59.40P/day</p>  <p>LV 1 120.00P Bowl</p>	<p>+ 121.50P/day</p>  <p>LV 2 500.00P Massage chair</p>	<p>+ 4,001.40P/day</p>  <p>LV 5 13,000.00P Sound</p>	<p>+ 13,176.00P/day</p>  <p>LV 6 40,000.00P Sweater</p> <p>EARN 1000P now</p> <p>NEWBIE NA GABAY</p> <p>RECEIVE A FREE PHONE</p>
<p>+ 388.80P/day</p>  <p>LV 3 1,500.00P Pillow</p>	<p>+ 1,287.90P/day</p>  <p>LV 4 4,500.00P Teapot</p> <p>RECEIVE A FREE PHONE</p>	<p>+ 42,120.00P/day</p>  <p>LV 7 120,000.00P Down jacket</p>	<p>+ 134,136.00P/day</p>  <p>LV 8 360,000.00P Suit</p> <p>EARN 1000P now</p> <p>NEWBIE NA GABAY</p>

Investors earn by completing a “click farm task.” For every level, the investor should complete eighteen (18) orders per day to maximize earnings for each day.


Receive orders



LV 1 Storage box
120.00P
Commission of the tasks today:
19.80P/day
Coin mining earnings:
39.60 LFC/day

Top up Receive orders


Receive orders



LV 2 Chandelier
500.00P
Commission of the tasks today:
40.50P/day
Coin mining earnings:
81.00 LFC/day

Top up Receive orders


Receive orders



LV 3 Teacup
1,500.00P
Commission of the tasks today:
129.60P/day
Coin mining earnings:
259.20 LFC/day

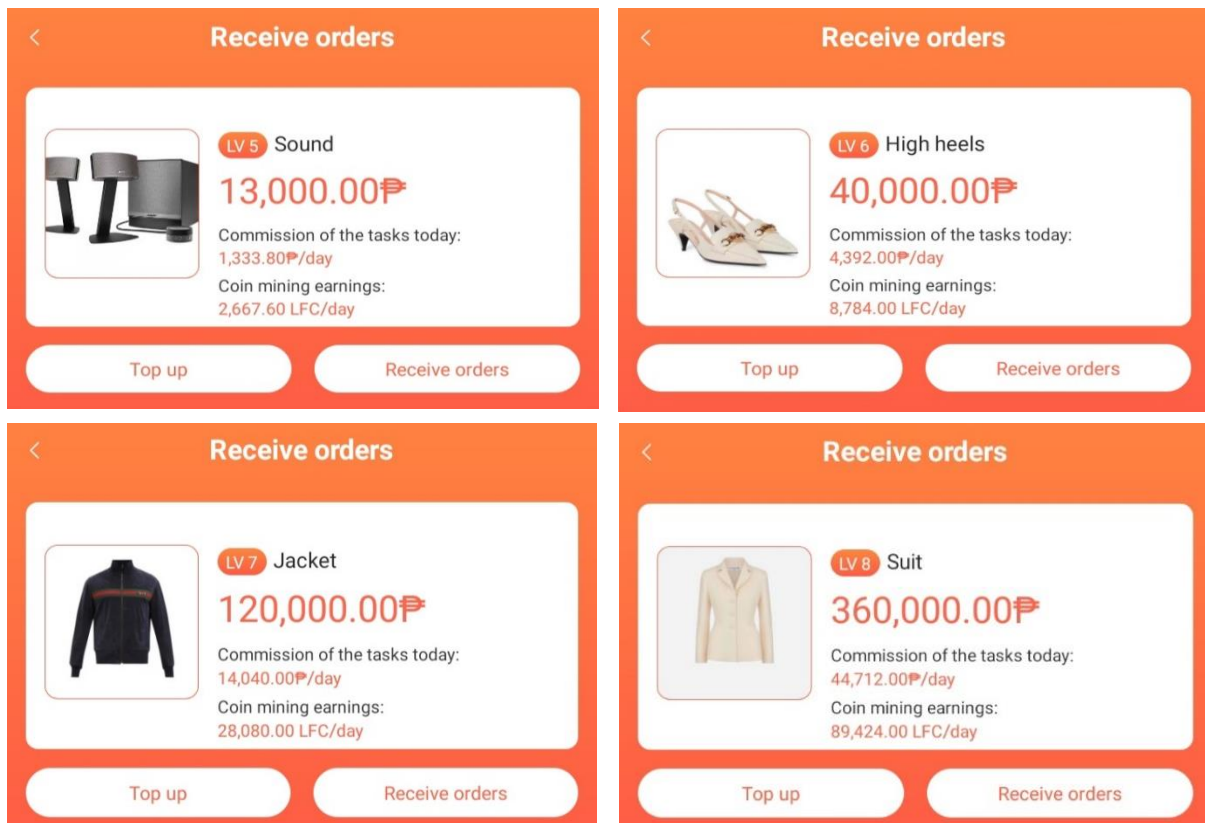
Top up Receive orders

Receive orders



LV 4 Massage chair
4,500.00P
Commission of the tasks today:
429.30P/day
Coin mining earnings:
858.60 LFC/day

Top up Receive orders



Assuming that the value of one LFC is PHP 1 and the user completes 18 orders per day of the level availed of, earnings accumulate to approximately 24% up to 50% on click farm task only.

In addition to earnings by farm clicking, LFC coin can be earned for every successful order. It is claimed that the LFC is expected to launch on mainstream exchanges before 30 June 2022. Also, mentioned in the application is that:

“... LFC can be exchanged for pesos at a ratio of 1:1.1 before launch on the exchange to fully realize full circulation, and it is estimated that it can be exchanged for pesos at a ratio of 1:10 or higher after launch.”

To withdraw LFC earnings, the investor must invite friends to top up any amount, unlocking the withdrawable LFC earnings, hence releasing LFC earnings to the investor's account. Also, the investor receives additional earnings and LFC equivalent to 15% of the friend's top up value.

Furthermore, investors may also earn through “Team Share”. Team Share is earned by inviting more investors through a referral link.

1. **First Level Friends** - when an investor is able to invite another investor and will earn a portion of recruited investor's profit;
2. **Second Level Friends** - when the First Level Friend is able to recruit another investor. The user will earn a portion of the Second Level Friend's profit; &
3. **Third Level Friends** - when the Second Level Friend is able to seek an investor, the user will be able to earn a portion of profits earned.

Team Share commissions vary depending on the level acquired.

TEAM SHARE	First Level Friends	Second Level Friends	Third Level Friends
Level 1	6%	3%	1%
Level 2	7%	3%	1%
Level 3	13%	6%	3%
Level 4	16%	6%	3%
Level 5	19%	8%	4%
Level 6	23%	8%	4%
Level 7	27%	10%	5%
Level 8	32%	10%	5%

Investors can advance to higher levels by topping up amount needed to avail of the desired level. There are two ways to top up:

1. Gcash; and
2. Coin recharging - Investors may top up with USDT (Tether). **LEEFIRE gives six (6) percent free** cash when choosing this option to "recharge."

Investors who top up successfully are entitled to Top up rewards. Top up rewards vary depending on the amount recharged. The reward is computed as Top up amount times the corresponding percentage as shown below.

Top-up amount	Top-up reward
500.00₱ ~ 5,000.00₱	12% LFC
5,001.00₱ ~ 100,000.00₱	24% LFC
100,001.00₱ ~ 5,000,000.00₱	40% LFC

Moreover, if the accumulated top up value of the First Level Friend reaches a minimum of PHP 2,000, the user may claim additional earnings maximum of approximately 30% up to 60% for premium products per day.

The screenshot displays a grid of premium products available to users. Each product card includes a daily earning potential, a product image, a price, and a progress bar for 'Level 1 class friends accumulated recharge'. The products are:

- VIP 1:** Fan, +594.00P/day, Price: 2,000.00P. Recharge progress: 0%.
- VIP 2:** Electric toothbrush, +2,106.00P/day, Price: 6,000.00P. Recharge progress: 0%.
- VIP 3:** Watch, +7,290.00P/day, Price: 18,000.00P. Recharge progress: 0%. Includes a 'SECRET 3. GET PHONE' badge and a 'Money-making strategy' icon.
- VIP 4:** Backpack, +24,786.00P/day, Price: 54,000.00P. Recharge progress: 0%.
- VIP 5:** Handbag, +82,080.00P/day, Price: 160,000.00P. Recharge progress: 0%.
- VIP 6:** Bracelet, +259,200.00P/day, Price: 480,000.00P. Recharge progress: 0%. Includes a 'SECRET 4. GET PHONE' badge and an 'EARN 1000P NOW' badge.
- VIP 7:** Decorative ornament, +831,600.00P/day, Price: 1,400,000.00P. Recharge progress: 0%. Includes a 'Money-making strategy' icon.

Upon further investigation, posts have been found claiming that **LEEFIRE/LEEFIRE LIMITED/LEEFIRE PH/LEEFIRE PHILIPPINES** plans to expand through **CITY PARTNERS**. Aside from the earnings, commission and rewards mentioned earlier, city partners gain benefits and may earn more.

The screenshot shows the 'City partner' section of the app, divided into two main areas:

City partner

What are the benefits of being a city partner?

- 01 Participate in the 200-person high-level business salon held by the platform every three months. Every single salon will cost 200,000 US dollars;
- 02 Get 20% of the monthly order commission of the franchise city;
- 03 Team incentives, the top three city revenue earns an additional 30% order commission income;
- 04 It is a diversified profit model and give platform operation model service support;

City Partner Requirement:

- The number of team members is not less than 50 people
- The fixed office area is not less than 300 square meters
- Have a high sense of responsibility and a strong spirit of cooperation

Application method

Please leave your contact information and team information in the mailbox when submitting. We will contact you as soon as possible if you meet the application conditions.

mail@leefire.com

We sincerely invite partners with willingness, strength and resources to join us!

As the above described schemes 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.

The records of the Commission show that **LEEFIRE/LEEFIRE LIMITED/LEEFIRE PH/LEEFIRE PHILIPPINES** is not registered with the Commission either as a corporation or as a partnership. Further, 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.

Further, since **LEEFIRE/LEEFIRE LIMITED/LEEFIRE PH/LEEFIRE PHILIPPINES** is also promising its investors to receive its native cryptocurrency “**LFC coin**” in an apparent Initial Coin Offering (ICO), it is apt to once again remind the public that in our **SEC Advisory on Initial Coin Offerings and Virtual Currencies** posted **08 January 2018**, an **ICO** is the first sale and issuance of a new virtual currency to the public usually for the purpose of raising capital for start-up companies or funding independent projects.

Thus, depending on the facts and circumstances surrounding their issuance, some of these new virtual currencies follow the nature of a security as defined by Section 3.1 of the Securities Regulation Code (SRC) whereby a person invests money in a common enterprise and is led to expect profits primarily from the efforts of others.

The same goes for the **LFC coin** where **LEEFIRE/LEEFIRE LIMITED/LEEFIRE PH/LEEFIRE PHILIPPINES** seeks to use the money it gathered from the public to fund its purported project on the promise of profits.

Hence, since what is being offered by **LEEFIRE/LEEFIRE LIMITED/LEEFIRE PH/LEEFIRE PHILIPPINES** are securities, Section 8 of the SRC requires that all offers and sales of said securities must be duly registered with the Commission and **LEEFIRE/LEEFIRE LIMITED/LEEFIRE PH/LEEFIRE PHILIPPINES** and/or its agents must have appropriate registration and/or license to offer and/or sell such securities to the public.

LEEFIRE/LEEFIRE LIMITED/LEEFIRE PH/LEEFIRE PHILIPPINES is **NEITHER REGISTERED** as a Virtual Asset Service Provider (VASP) with the Bangko Sentral ng Pilipinas (BSP) and **DOES NOT HAVE A CORRESPONDING CERTIFICATE OF AUTHORITY** as a Money Service Business (MSB) required under the Guidelines for Virtual Asset Service Providers (BSP Circular No. 1108, Series of 2021).

Further, **LEEFIRE/LEEFIRE LIMITED/LEEFIRE PH/LEEFIRE PHILIPPINES's** name **DOES NOT APPEAR** among those listed as registered MSBs as of January 2021 with the Anti-Money Laundering Council under the Anti-Money Laundering Act.

Those who act as salesmen, brokers, dealers or agents or claim to act as such for **LEEFIRE/LEEFIRE LIMITED/LEEFIRE PH/LEEFIRE PHILIPPINES** in selling or convincing people to invest in the investment scheme being offered by said entity including solicitations and recruitment through the internet may 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 penalty of Twenty-one (21) years of imprisonment or both pursuant to Section 73 of the SRC.

Also, those who invite or recruit others to join or invest in such venture or offer investment contracts or securities to the public may incur criminally liability, or otherwise be sanctioned or penalized accordingly as held by the Supreme Court in the case of *Securities and Exchange Commission vs. Oudine Santos* (G.R. No. 195542, 19 March 2014).

The public is advised **NOT TO INVEST** or **STOP INVESTING** in any investment scheme being offered by any individual or group of persons allegedly for or on behalf of **LEEFIRE/LEEFIRE LIMITED/LEEFIRE PH/LEEFIRE PHILIPPINES** and to exercise caution in dealing with any individuals or group of persons soliciting investments for and on behalf of it.

Should you have any information on any recruitment or securities solicitation activities being undertaken by persons or group of persons claiming to represent **LEEFIRE/LEEFIRE LIMITED/LEEFIRE PH/LEEFIRE PHILIPPINES** you may send your reports to the **Enforcement and Investor Protection Department** through email at epd@sec.gov.ph.

For the guidance of the public.

Pasay City, 26 April 2022.