ENFORCEMENT AND INVESTOR PROTECTION DEPARTMENT

In the matter of:

SEC EIPD CASE NO. 2025- 8030

DNKC CORPORATION DOING BUSINESS UNDER THE NAME AND STYLE OF KC SKIN CARE, GODDESS OF BEAUTY -BEAUTY LOUNGE, JD'S CCTV INSTALLATION SERVICES AND PARTS, JD'S GRILL AND RESTAURANT, DNKC DENTAL SPA, KC AESTHETIC CLINIC, JD'S GARAGE, CARWASH, DETAILING AND PAINT JOB, DNKC HYPERMASH, DNKC STAYKATION, DNKC SPORTS CLUB (DNKC CORPORATION for brevity)
Company Registration No. 2023050097660-00

x--x

DNKC CORPORATION
Unit 116 Santa Maria Town Center J.C. De Jesus St. Poblacion Santa Maria, Bulacan
dnkcmarketing82892@gmail.com

JONATHAN DAVID MANLUCTAO CACDAC
Block 23 Lot 25, Mabini St., Amaia Scape, Santa Cruz, Sant Maria, Bulacan, Region III

KWEENEE CHENG GREGORIO CACDAC
Block 23 Lot 25, Mabini St., Amaia Scape, Santa Cruz, Sant Maria, Bulacan, Region III

JAYMAR MONTALBO ZALAMERA
Block 12 Lot 25 Argentina St., El Pueblo Del Rio Subd., Cay Pombo, Santa Maria, Bulacan, Region III

REVOCATION ORDER

DNKC CORPORATION was granted its Certificate of Registration by the Commission on 4 May 2023 under Company Registration No. 2023050097660-00 with the following as incorporators:

Name	Citizenship	Residential Address
JONATHAN DAVID MANLUCTAO CACDAC	Filipino	Block 23 Lot 25, Mabini St., Amaia Scape, Santa Cruz, Sant Maria, Bulacan, Region III
KWEENEE CHENG GREGORIO CACDAC	Filipino	Block 23 Lot 25, Mabini St., Amaia Scape, Santa Cruz, Sant Maria, Bulacan, Region III
JAYMAR MONTALBO ZALAMERA	Filipino	Block 12 Lot 25 Argentina St., El Pueblo Del Rio Subd., Cay Pombo, Santa Maria, Bulancan, Region III

The purpose or purposes of **DNKC CORPORATION.,** as stated in its Articles of Incorporation are:

Primary:

> *"to engage in, conduct, and carry on the business of buying, selling, distributing, marketing at wholesale/retail, insofar as may be permitted by law, all kinds of goods, commodities, wares and merchandise of every kind and description such as but not limited to beauty products, electronic equipment, furniture and fixtures, non-alcoholic and alcoholic drinks; to act as manufacturers' representative, commission merchant, factor or agent relative thereto".*

Secondary:

> *"to engage in general construction and other allied businesses including constructing, site preparation, enlarging, repairing, servicing, developing, or otherwise engaging in any work on buildings, roads, highways, manufacturing, plants, bridges, airfield, piers, docks, mines, shafts, waterworks, marine works, steel fabrication, railroads, railways and other structures;*
>
> *To acquire, hold, sell, exchange, deal and invest, in the stocks, bonds, or securities, of any government or any subdivision thereof or any public or private corporation, and in real or personal property of all kinds in the same manner and to the same extent as natural person, might could or would do, to exercise all the rights, powers, and privileges or ownership, including the right to vote therein, or consent in respect thereof, for any and all purposes without however*

managing securities, portfolio or funds of the managed entity or firm nor the corporation shall act as stock broker or dealer in securities;

To establish an institution by and through which comprehensive financial products and investments management service lines shall be offered and provided to clients; securities dealership and brokerage; and engage in and perform securities underwriting operations and all other powers and functions allowed for investment houses under Philippine law including, without limitation, to engage in all lines of business traditionally or commonly considered as part of the functions of an investment house;

To subscribe to, invest and reinvest in, sell, transfer or otherwise dispose of, all types of stock, bonds, debentures, notes, mortgages or other, obligations, commercial papers, acceptance, scrip, investment contracts, voting trust certificates, certificates of interest, or other instruments representing rights to receive, purchase or subscribe to the same or representing any other rights or interest therein, or in any property or assets, created and issued by any and all persons, firms, associations, corporations, syndicates, combinations, organizations, governments or subdivisions, agencies or instrumentalities thereof; to acquire, hold, invest and reinvest in, sell, transfer or otherwise dispose of real properties of all kinds; and generally to carry on the business of an open-end investment company in all the elements and details thereof investing in such equity securities;

To engage in the business of manufacturing, production, sub-contracting, export, import, purchase, sale and distribution of any of form of commodities, goods, or merchandise which may be the object of commerce;

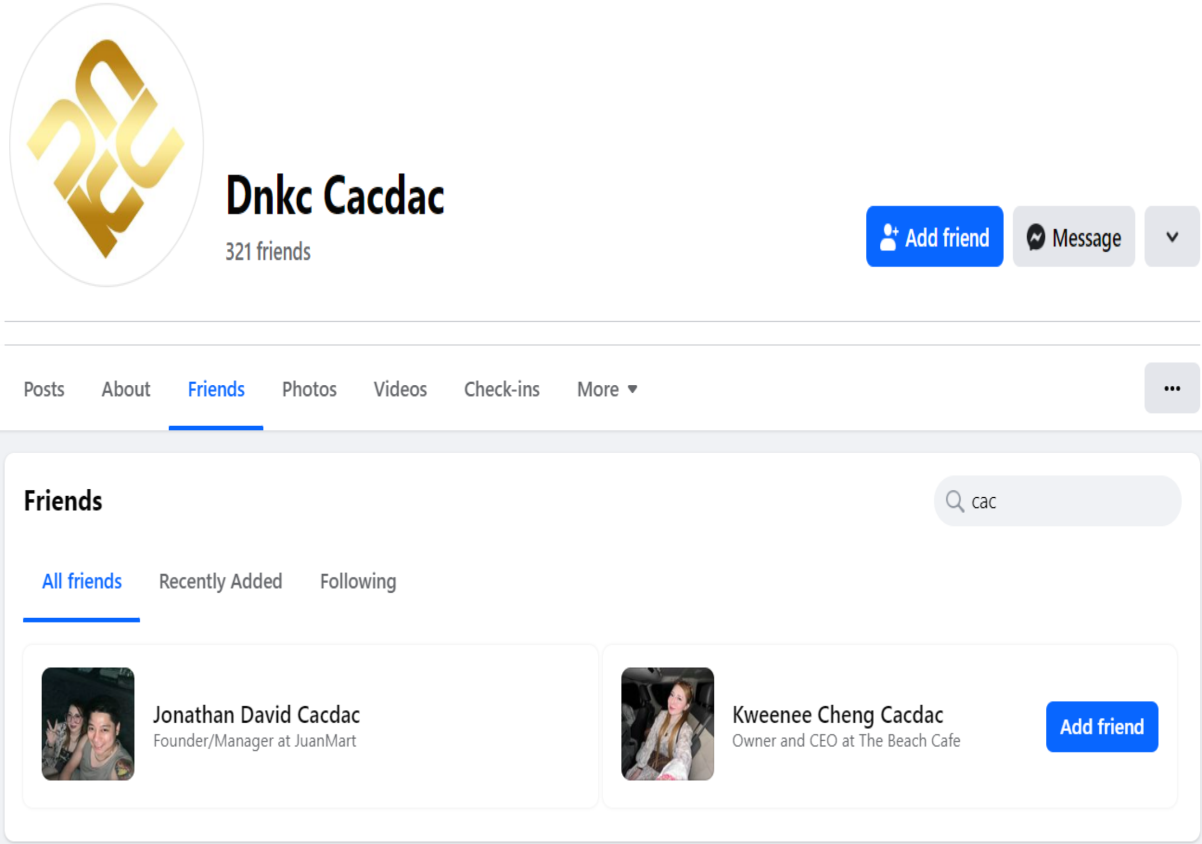
To establish, maintain, and operate restaurants, coffee shops, refreshment parlors, cocktail lounge; to cook, arrange, serve and cater goods, drinks, refreshments and other food or commodities, commonly served in such establishments, and to offer such other services to the public in connection with the operation of restaurant and catering enterprises;

To engage in the business of beauty and wellness, to maintain spa, beauty lounges, wellness centers, and to provide services such as massage, hairdressing and beauty treatment;

To engage in the business of tours and travel agencies, sell package tours to and from the Philippines and to represent tour operators in the Philippines and abroad."

In November 2023, an inquiry was received by the Commission on whether **DNKC Corporation** was a registered entity authorized to solicit investments.

Open source investigation particularly on Facebook, shows that a Facebook account named **DNKC Cacdac** is enticing the public to invest in the company's newest all-in-one business project which comprise of Rental business, Dental Spa, Grill Restaurant and a Beauty Salon with a guaranteed interest rate of 4.5%. Moreover, an existing investor can earn additional 5% for every successful referral.




Dnkc Cacdac
August 1 ·

Exciting Business Project Investment Opportunity

Dear valued investors and partners,

We are thrilled to announce the launch of DNKC Corporation's newest and most ambitious venture yet - the DNKC Commercial Building (Rental Business), The Dental Spa's 2nd Branch, JD's Grill 2nd Branch, and Goddess of Beauty's fourth branch in the beautiful province of Cavite!

This all-in-one Business Project Investment presents a golden opportunity to expand our reach and grow together in the flourishing Cavite market. With the combined strength of these well-established brands, we are poised to make a significant impact on the local business landscape and cater to the diverse needs of our esteemed clientele.

DNKC Commercial Building (Rental Business): A prime property offering excellent rental spaces to various businesses, providing a steady source of income and long-term growth potential.

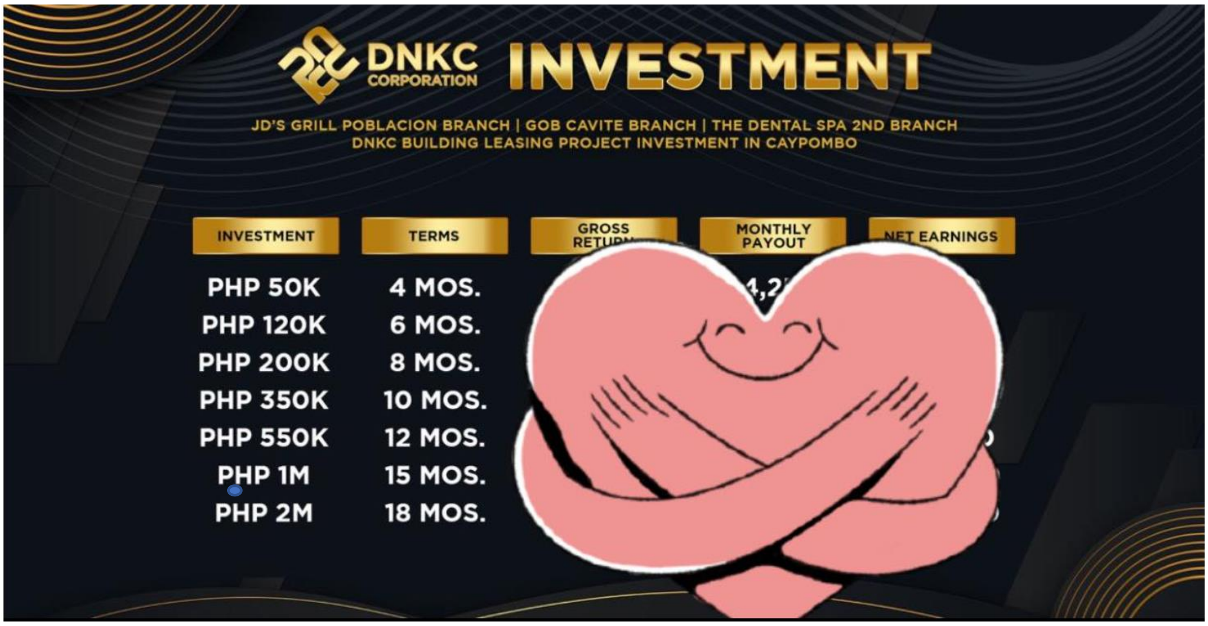
The Dental Spa's 2nd Branch: Bringing top-notch dental care and wellness services closer to the people of Bulacan, ensuring healthier smiles and happier lives.

JD's Grill 2nd Branch: Satisfy the taste buds of food enthusiasts with our delectable menu, impeccable service, and inviting ambiance.

Goddess of Beauty's Fourth Branch: Offering a range of beauty and self-care services, empowering individuals to look and feel their best.

REFERRAL INCENTIVE: As a token of appreciation for your unwavering support, existing investors are eligible for a 5% REFERRAL INCENTIVE for every successful referral to this Business Project Investment. Spread the word and maximize your rewards!

Hurry! This limited-time offer is valid only until August 31, 2023. Seize the opportunity to be part of this exciting venture and witness your investments grow exponentially.



Per records of the Commission, though **DNKC CORPORATION** is registered as a corporation, however, it is not authorized to solicit investments from the public as this entity did not secure prior registration and/or license to solicit investment from the Commission as prescribed under Section 8 of the Securities Regulation Code.

On 5 December2023, the Commission issued an Advisory which was posted on the Commission's website on 6 December 2023, informing the public:

> *"xxx **NOT TO INVEST** or to **STOP INVESTING** in the investment scheme being offered by DNKC Corporation as well as entities having the same or similar schemes and to exercise caution in dealing with any individuals or group of persons soliciting investments or recruiting investors for and on behalf of DNKC Corporation xxx"*

On 13 February 2025, a ***Show Cause Order*** was sent to the declared email address of the company as reflected in the records of the Commission, addressed to the company's registered principal office address, and to its stockholders, namely; **JONATHAN DAVID MANLUCTAO CACDAC**, **KWEENEE CHENG GREGORIO CACDAC**, **JAYMAR MONTALBO ZALAMERA**, ***directing the company within ten (10) days to show cause*** **why no administrative sanctions and/or criminal charges should be imposed/filed against DNKC CORPORATION and/or its incorporators, directors and officers for violation of the Securities Regulation Code, and other pertinent laws, rules and regulations of the Commission, including, but not limited to disqualification from being a director of a corporation under Section 26 of the Revised Corporation Code of the Philippines;** ***to show cause*** **why no administrative sanctions and/or criminal charges should be imposed/filed against DNKC CORPORATION and/or its incorporators, directors and officers for offering and/or selling unregistered securities to the public in violation of Section 8, 26 and 28 of the Securities Regulation Code, why the Certificate of Incorporation of DNKC CORPORATION should not be revoked pursuant to Section 6(i)(2) of Presidential Decree No. 902-A for serious misrepresentation as to what the corporation can do or is doing to the**

great prejudice of or damage to the general public and for engaging in *ultra vires* acts in violation of the Revised Corporation Code of the Philippines*, and to show cause* why no administrative sanctions and/or criminal charges should be imposed/filed against DNKC CORPORATION and/or its incorporators, directors and officers for committing investment fraud in violation of Section 11 of Republic Act No. 11765, otherwise known as the Financial Products and Services Consumer Act*.*

On 1 March 2025, the EIPD received a *Verified Explanation* from the Directors of **DNKC Corporation** which was filed beyond the prescribed period.

Even assuming *arguendo* that the *Verified Explanation* was timely filed, this Department reiterates that based on the investigation and the information gathered by the Enforcement and Investor Protection Department (EIPD), **DNKC Corporation** publicly offered an investment scheme which is within the definition of *securities* under Section 3.1 of the Securities Regulation Code in the nature of investment contract.

In the said *Verified Explanation,* **DNKC Corporation** claims that it is not engaged in business of soliciting investments from the public, nor does it operate an investment-taking scheme. It was also mentioned that the screenshot referenced by the SEC was a private Facebook post intended exclusively for its existing creditors.

As further argued, the transactions referred to in the SEC's order do not constitute securities or investment contracts as defined under the SRC. These agreements are simple "Loan Agreements" wherein DNKC Corporation or its officers, in their personal capacities, obtain financial assistance from close associates.

However, in number 2 of the attached "Agreement" or "Kasunduan", it was stated verbatim "NA ANG IKALAWANG PANIG ay pumapayag na maging investor sa nasabing negosyo ng UNANG PANIG" which clearly contradicts their explanations.

On 3 March 2025, after receiving the hard copy of the *Verified Explanation*, Mr. Jaylar Zalamea was instructed to submit within ten (10) days the Audited Financial Statements (AFS) of the company for the years 2023 and 2024 via email to epd@sec.gov.ph. Up to date, the required AFS has not been submitted to this Department. Hence, we now resolve the instant case on the basis of available evidence.

DISCUSSION:

Clearly, in this case, the compensation scheme that **DNKC Corporation** is offering to the public under its alleged "***Loan Agreement***", partakes of the nature of securities in the form of an "Investment Contract" as defined under Section 3.1 of the Securities Regulation Code (SRC).

Section 3.1 of the Securities Regulation Code (SRC) defines **securities** as shares, participation or interest in a corporation or in a commercial enterprise or profit-making venture and evidenced by a certificate, contract, instrument, whether written or electronic in character. It includes:

(a) Shares of stocks, bonds, debentures, notes, evidences of indebtedness, asset backed securities;

(b)**Investment contracts**, certificates of interest or participation in a profit sharing agreement, certificates of deposit for a future subscription;

(c) Fractional undivided interests in oil, gas or other mineral rights;

(d) Derivatives like option and warrants;

(e) Certificates of assignments, certificates of participation, trust certificates, voting trust certificates or similar instruments;

(f) Proprietary or non-proprietary membership certificates in corporations; and

(g) Other instruments as may in the future be determined by the Commission.

An investment contract on the other hand, is defined under SRC Rule 26.3.5 of the 2015 Implementing Rules and Regulations of the Securities Regulation Code (2015 SRC IRR) as follows:

> "An **investment contract** means a contract, transaction or scheme (collectively "contract") whereby a person invests his money in a common enterprise and is led to expect profits primarily from the efforts of others.
>
> A common enterprise is deemed created when two (2) or more investors "pool" their resources, creating a common enterprise, even if the promoter receives nothing more than a broker's commission."

Further, the elements of an investment contract were enumerated in the case of *Power Homes Unlimited Corporation vs. SEC* (G.R. No. 164182 February 26, 2008) traced from the case of *SEC vs. Howey Co.* (66 S.Ct.1100 May 27, 1946) and was later modified in the case of *SEC vs. Glenn W. Turner Enterprises, Inc.* (474 F.2d476 February 1, 1973), as follows:

- A contract, transaction or scheme;
- An investment of money;
- A common enterprise;
- Expectation of profits; and
- Profits arises primarily from the entrepreneurial and managerial efforts of others.

Section 8, in relation to Section 12 of the SRC provides that:

> "SEC. 8. **Requirement of Registration of Securities. –** 8.1. **Securities shall not be sold or offered for sale or distribution**

> **within the Philippines, without a registration statement** duly filed with and approved by the Commission. Prior to such sale, information on the securities, in such form and with such substance as the Commission may prescribe, shall be made available to each prospective purchaser.
>
> "SEC. 12. Procedure for Registration of Securities. – 12.1. All securities required to be registered under Subsection 8.1 shall be registered through the filing by the issuer in the main office of the Commission, of a sworn Page 11 of 14 registration statement with respect to such securities, in such form and containing such information and documents as the Commission shall prescribe. The registration statement shall include any prospectus required or permitted to be delivered under Subsections 8.2, 8.3 and 8.4."

Securities such as investment contracts as defined by the SRC and in relation to SRC Rule 26.3.5 of the 2015 SRC IRR must be registered with the Commission pursuant to Sections 8 and 12 of the SRC before the same can be **offered or sold** for distribution.

Meanwhile, Rule 3.1.17 of the 2015 SRC IRR defined **Public Offering** as "any offering of securities to the public or to anyone, whether solicited or unsolicited. Any solicitation or presentation of securities for sale through any of the following modes shall be presumed to be a public offering:

> 3.1.17.1 Publication in any newspaper, magazine or printed reading material which is distributed within the Philippines or any part thereof;
>
> 3.1.17.2 Presentation in any public or commercial place;
>
> 3.1.17.3 **Advertisement or announcement** on radio, television, telephone, **electronic communications, information communication technology or any other forms of communication;** or
>
> 3.1.17.4 Distribution and/or making available flyers, brochures or any offering material in a public or commercial place, or to prospective purchasers through the postal system, **information communication technology and other means of information distribution**." (Emphasis supplied)

On the other hand, a "Broker" is defined under Section 3.3. of the SRC as a person engaged in the business of buying and selling securities for the account of others. "Salesman" is defined under 3.13 of the SRC as a natural person, employed as such or as an agent, by a dealer, issuer or broker to buy and sell securities.

Consequently, Section 28 of the SRC provides that:

"SEC. 28. **Registration of Brokers, Dealers, Salesman and Associated Persons. –** 28.1. No person shall engage in the business of buying or selling securities in the Philippines as a broker or dealer, or act as a salesman, or an associated person of any broker or dealer unless registered as such with the Commission."

Thus, any person, without proper registration or license from the Commission who acts as brokers or agents of a company selling or convincing people to invest in the investment scheme including solicitations or recruitment through the internet may likewise 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 imprisonment or both pursuant to Section 73 of the SRC.

In this particular case, the Department carefully examined the characteristics of the investments offered by **DNKC CORPORATION,** to determine if they satisfy the elements of an investment contract. In our evaluation, indeed, the elements of an investment contract are manifested in the investments being offered by **DNKC CORPORATION**, as follows:

- By investing in the company, **the investor enters into a contract**;
- There is a **placement of money** from the public as they are enticed to invest in the company that represented to be engaged in a lucrative business and are required to invest money in order for them to earn profits;
- The money invested is placed in a **common enterprise**;
- The **investors expect to derive profits** as they are primarily attracted to join **DNKC CORPORATION** for a promise of receiving a guaranteed monthly interest of at least 4.5% per month; and
- The investors expect to earn profits derived primarily from the efforts of others or from **DNKC CORPORATION.**

Clearly, **DNKC CORPORATION** is offering an investment scheme which is within the definition of securities under Section 3.1 of the SRC. An investment contract has been defined as a contract or scheme for the placing of capital or laying out of money in a way intended to secure income or profit from its employment.[1] It has been applied to a variety of situations where individuals were led to invest money in a common enterprise with the expectation that they would earn a profit through the efforts of the promoter or of someone other than themselves.

It is noteworthy to mention that **DNKC CORPORATION** is not authorized to solicit investments from the public as it did not secure prior registration and/or license to solicit investments from the Commission as prescribed under Section 8 of the Securities Regulation Code. Hence, the act of **DNKC CORPORATION** in soliciting investments from the public without the necessary secondary license from the Commission is unauthorized.

[1] *SEC vs Howey Co., 328 U.S. 293 (1946)*

Further, Section 11 of Republic Act No. 11765 or 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 profits or 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.

It is important to emphasize that **DNKC CORPORATION** as a juridical person, is only allowed to exercise powers inherent to its corporate existence as provided in the Revised Corporation Code of the Philippines and those conferred in its Articles of Incorporation (AOI). In other words, what a corporation can do is necessarily circumscribed by its primary purpose clause in its AOI.

In **DNKC CORPORATION's** Articles of Incorporation as approved by the Commission, it is clearly provided that the business of the subject company is:

Primary:

> *"to engage in, conduct, and carry on the business of buying, selling, distributing, marketing at wholesale/retail, insofar as may be permitted by law, all kinds of goods, commodities, wares and merchandise of every kind and description such as but not limited to beauty products, electronic equipment, furniture and fixtures, non-alcoholic and alcoholic drinks; to act as manufacturers' representative, commission merchant, factor or agent relative thereto".*

Nonetheless, the purpose stated in the Articles of Incorporation need not set out with particularity the multitude of activities in which the corporation may engage. The effect of broad purposes or objects is to confer wide discretionary authority upon the directors and management of the corporation as to the kinds of business in which it may engage. However, dealings which are entirely irrelevant to the purposes are unauthorized and called ***ultra vires.*** The purpose clause of the articles of incorporation indicates the extent as well as the limitations of the powers which a corporation may exercise. In fact, the purpose in **DNKC CORPORATION's** Articles of Incorporation expressly prohibits it to operate an investment-taking scheme.

In an SEC opinion, the Commission pronounced that:

> *"It is the corporation's primary purpose clause which confers, as well as limits, the powers which a corporation may exercise and the character of a corporation is usually determined by the objects of its formation and the nature of its business as stated in the articles. The primary purpose of the corporation, as stated in its articles of incorporation, is the first business to be undertaken by the corporation. Hence, the primary purpose determines its classification."*

Likewise, the Certificate of Registration issued to **DNKC CORPORATION** explicitly states that:

> This Certificate grants juridical personality to the corporation **but does not authorize it to issue, sell or offer for sale to the public, securities** such as but not limited to, shares of stock, **investment contracts,** debt instruments and virtual currencies without prior Registration Statement approved by the Securities and Exchange Commission **nor to undertake business activities requiring a Secondary License from this Commission such as, but not limited to acting as broker or dealer in securities,** government securities eligible dealer (GSED), investment adviser of an investment company, close-end or open-end investment company, investment house, transfer agent, commodity financial futures exchange/broker merchant, financing lending company, and time share, cash share/membership certificate issuers or selling agents thereof nor to operate a fiat money to virtual currency exchange. **Neither does this Certificate constitute a permit to undertake activities for which other government agencies require a license or permit.** (emphasis supplied)

It should be noted that offering of unregistered securities operates as a fraud as contemplated in Section 26 of the SRC, which provides, to wit:

> "SEC. 26. **Fraudulent Transactions.** – It shall be unlawful for any person, directly or indirectly, in connection with the purchase or sale any securities to:
>
> 26.1. Employ any device, scheme, or artifice to defraud;
>
> 26.2. Obtain money or property by means of any untrue statement of a material fact of any omission to state a material fact necessary in order to make the statement made, in the light of the circumstances under which they were made, not misleading; or
>
> 26.3. Engage in any act, transaction, practice or course of business which operates or would operate as a fraud or deceit upon any person."

In the case of *SEC vs. CJH Development Corporation, (G.R. No. 210316, 28 November 2016)* [2], the Supreme Court ruled that *the sale and/or offer of securities without the requisite license, necessarily operates as a fraud on investors, thus:*

> **"The act of selling unregistered securities would necessarily operate as a fraud on investors as it deceives the investing public by making it appear that respondents have authority to deal on such securities.** Section 8.1 of the SRC clearly states that securities shall not be sold or offered for sale or

2 SEC vs. CJH Development Corporation, (G.R. No. 210316, 28 November 2016)

> distribution within the Philippines without a registration statement duly filed with and approved by the SEC and that prior to such sale, information on the securities, in such form and with such substance as the SEC may prescribe, shall be made available to each prospective buyer." (Emphasis ours)

Further, though **DNKC Corporation** did not file Audited Financial Statements for the year 2023, comparing the General Information Sheet of 2023 and 2024 filed with the Commission, it showed that the percentage of ownership of the stockholders did not change which contradicts the Memorandum agreed upon that the second party or the person giving the money will be an investor. Prescinding from this, the money being accepted by **DNKC Corporation** from its investors apparently did not enter into the books as an additional capital of the existing corporation where it could source its promised return of investments. Such scheme is prohibited under Section 26 of the SRC.

Under the 2016 Rules of Procedure of the Securities and Exchange Commission, the EIPD shall exercise authority over persons and entities, whether under the primary authority of other Operating Departments, involved in the following:

> "1. Investigations and administrative actions involving the following:
>
> xxx.
>
> c) Selling, offering or transacting unregistered securities by entities without secondary license;
>
> d) ultra vires acts committed in violation of the Corporation Code;
>
> 2. Petitions for revocation[3] of corporate registration in all cases, except those which fall under the original authority of CRMD;
>
> 3. Administrative actions for fraudulent transactions involving securities;
>
> 4. Administrative actions for all other violations under PD 902-A, except those cases which fall under the original authority of other Operating Departments; and
>
> 5. All other matters involving investor protection filed by the public, referred by self-regulatory organizations, or referred by other Operating Departments after initial evaluation or findings that there is a possible violation of

[3] Revocation refers to involuntary dissolution of corporate registration pursuant to Section 138 of the Revised Corporation Code.

> laws, rules or regulations that the Commission implements but do not fall under their respective original authority."

Further, SEC Admin Case No. 11-10-124 entitled *In re: PHILBIO Renewable Energy Resources Corp.,* promulgated on 27 April 2016 provides what constitute serious misrepresentation, to wit:

> "From the foregoing, it is indubitable that PHILBIO misrepresented itself to the public that it can solicit investments despite the fact that it is not one of the purposes of the corporation. Worse, it does not have a license to offer/sell securities. PHILBIO operates an investment-taking scheme which is therefore considered an ultra vires act. These constitute serious misrepresentation as to what the corporation can do or doing to the great prejudice to the general public."

Considering that nowhere is it stated in its primary purpose that **DNKC CORPORATION** is authorized to engage in the selling or offering for sale of securities to the public, the activity of **DNKC CORPORATION** of selling or offering for sale of investments is considered an *ultra vires* act and therefore constitute serious misrepresentation.

Section 44 of the RCCP provides:

> **SEC. 44. Ultra Vires Acts of Corporations.** — No corporation shall possess or exercise corporate powers other than those conferred by this Code or by its articles of incorporation and except as necessary or incidental to the exercise of the powers conferred.

WHEREFORE, for violations of Section 44 of the Revised Corporation Code of the Philippines (R.A. 11232), Sections 8.1, 26.1 and 28.1 of the Securities Regulation Code, Section 11 of the Financial Products and Services Consumer Protection Act, P.D. 902-A in relation to Section 179 (j) of the RCCP and Section 5.1 (m) of the SRC, the Certificate of Incorporation and the registration of **DNKC CORPORATION** as a corporation, is hereby **REVOKED**.

Further, Section 54 of the Securities Regulation Code provides:

> SEC 54. Administrative Sanctions. – 54.1. If, after due notice and hearing, the Commission finds that: (1) There is a violation of this Code, its rules, or its orders; xxx it shall, in its discretion, impose any or all of the following sanctions as may be appropriate in the light of the facts and circumstances:
>
> xxx.
>
> (ii) A fine of no less than Ten thousand pesos (P10,000.00) nor more than One million pesos (P1,000,000.00) plus not more than Two thousand pesos (P2,000.00) for each day of continuing violation;

xxx."

Hence, a fine of ONE MILLION PESOS **(P1,000,000.00)** is hereby imposed against **DNKC CORPORATION** for offering securities to the public without prior registration and license from the Commission and **DNKC CORPORATION** and its incorporators is directed to pay the fine of **One Million Pesos (P1,000,000.00) each** pursuant to Section 54.1 (ii) of the SRC within a period of Fifteen (15) days from receipt of this Order.

Accordingly, let this Order be posted on the SEC website and attached by the Corporate Filing and Records Division of the Company Registration and Monitoring Department (CRMD) to the records of the corporation on file with the Commission. Further, the Information and Communications Technology Department (ICTD) of this Commission is likewise requested to enter the **"*revoked*"** status of subject corporation in the online database of the Commission.

SO ORDERED

Makati City, 13 May 2025.

FILBERT CATALINO F. FLORES III, MNSA, CESO IV
Director

E3/E26/E22/E23