Republic of the Philippines
Department of Finance
Securities and Exchange Commission
COMMISSION EN BANC

In The Matter of
DABB CHAUHAN LENDING &
TRADING CORP.

SEC Admin Case. 04-12-150
For: Revocation of Corporate
Registration

ENFORCEMENT AND INVESTOR
PROTECTION DEPARTMENT,

Petitioner.

X---x

DECISION

For consideration is the instant *Petition for Revocation of Corporate Registration* ("Petition") filed by the Enforcement and Protection Department (EPD), now Enforcement and Investor Protection Department ("EIPD"), of the Commission against Dabb Chauhan Lending & Trading Corp. ("Dabb") on 13 April 2012.

THE PARTIES

Petitioner EIPD is one of the operating departments of the Securities and Exchange Commission ("Commission") tasked to ensure compliance by all market participants, issuers and individuals, and take appropriate enforcement action against them for infractions of the laws, rules and regulations implemented by the Commission. The same is vested with the primary authority to conduct investigations and administrative actions involving, among others, the selling, offering or transacting unregistered securities by entities without a secondary license, as well as to initiate petitions for revocation of corporate registration except those under the original authority of the Company Registration and Monitoring Department ("CRMD"). Finally, the EIPD is tasked to investigate, *motu proprio* or upon a verified complaint or referral, violations of laws, rules and regulations implemented by the Commission, as well as to initiate the issuance of a Cease and Desist Orders ("CDO") by the latter.

Respondent Dabb is a corporation duly registered with the SEC on 17 November 2006 with SEC Registration No. CS200617953 and principal office address at 2554 M. Dela Cruz Street, Pasay City, where it may be served with summons and other processes of this Honorable Office.

FACTS

Dabb is a lending corporation, the primary purpose of which, as stated in its Articles of Incorporation, is:

> "To engage in the business of lending investor, lending money to persons and entities under the term and conditions allowed by law, provided that the company shall not engage in financing activities under R.A. 5980."

The case stemmed from an inquiry made in 2009 by the Corporation Finance Department (CFD), now Corporate Governance and Finance Department ("CGFD") with the various Local Government Units (LGUs) where the CGFD requested a list of companies which have secured business permits to engage in lending activities but do not have a Certificate of Authority (CA) to Operate as a Lending Company from the Commission pursuant to Republic Act (R.A.) No. 9474, otherwise known as the Lending Company Act of 2007. Dabb was one of the corporations which secured a business permit to engage in lending activities but without securing first a CA from the Commission.

On 07 August 2009, the CGFD issued a Show Cause Letter to Dabb directing it to explain why the company has not secured a CA to Operate as a Lending Company from the Commission. Receiving no reply thereto, the CGFD issued an Order dated 20 January 2010, directing it to secure a CA to Operate as a Lending Company from the Commission:

ORDER

> "Records of the Commission show that despite prior notice duly received, the company continuously fails to comply with the requirements of R.A. 9474 (The Lending Company Regulation Act of 2007) and its Implementing Rules and Regulations, particularly in securing a Certificate of Authority (CA) to Operate as a Lending Company from the Commission.
>
> The Company is hereby ordered to obtain its Certificate of Authority immediately. Otherwise, the matter shall be referred to the Enforcement and Prosecution Department of this Commission for appropriate action."

Dabb did not reply nor comply with CGFD's order, thus, on 24 November 2010, the matter was endorsed to EIPD for appropriate action.

On 24 June 2013, Dabb's Certificate of Registration was revoked pursuant to the Order of Revocation of Certificate of Incorporation of Delinquent 2006-Registered Corporations issued by the CRMD.

ISSUE

The issue is whether or not the *Petition* should be granted.

DISCUSSION

The Commission finds the instant case moot and academic.

The revocation of Dabb's Certificate of Registration on 24 June 2013 is considered a supervening event that effectively rendered this petition moot and academic because there is no longer any justiciable controversy that is needed to be resolved. The resolution of this petition would not serve any purpose nor would have practical value or use to the EIPD. Therefore, dismissal of the instant petition is proper.

WHEREFORE, premises considered, the instant petition is hereby DISMISSED for being moot and academic.

SO ORDERED.

Pasay City, Philippines; 24 September 2019

EMILIO B. AQUINO
Chairperson

***EPHYRO LUIS B. AMATONG**
Commissioner

JAVEY PAUL D. FRANCISCO
Commissioner

KELVIN LESTER K. LEE
Commissioner

KARLO S. BELLO
Commissioner

*On Official Business