Republic of the Philippines
Department of Finance
Securities and Exchange Commission
PICC Secretariat Bldg., Roxas Blvd., Pasay City

In the Matter of:

KAPA-COMMUNITY MINISTRY INTERNATIONAL, INC.

SEC Admin. Case No. 02-19-181
For: Petition for Revocation with Prayer for Issuance of a Cease and Desist Order

ENFORCEMENT AND INVESTOR PROTECTION DEPARTMENT,
Petitioner.
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CEASE AND DESIST ORDER

Before the Commission *En Banc* is the Petition for Revocation of the Certificate of Incorporation of KAPA-COMMUNITY MINISTRY INTERNATIONAL, INC. with prayer for the issuance of a Cease and Desist Order[1] filed by petitioner Enforcement and Investor Protection Department (EIPD) of the Commission.

Per records of the Commission, **KAPA-COMMUNITY MINISTRY INTERNATIONAL, INC.** ("KAPA" for brevity) was issued a Certificate of Incorporation[2] by the Commission through its Davao Extension Office on 03 March 2017, with Company Registration No. CN201707724. It is registered as an Independent Religious Corporation in accordance with Section 116 of the Corporation Code of the Philippines.

The Certificate of Incorporation issued to KAPA explicitly provides:

"This Certificate grants juridical personality to the

[1] Dated 12 February 2019.
[2] Annex "A" of the Petition.

corporation **but does not authorize it 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 company, pre-need plan issuer, general agent in pre-need plans and time shares/club shares/membership certificates issuers or selling agents thereof. Neither does this Certificate constitute as permit to undertake activities for which other government agencies require a license or permit." (*Emphasis supplied).*

A perusal of the Articles of Incorporation (AOI) submitted by KAPA to the SEC, shows the following entries:

(a) Its principal office address is located at Garay Arcade, Barreda Street, Caramcam District, Mangagoy, Bislig City, Surigao Del Sur, 8311 Philippines;

(b) That the number of trustees shall be EIGHT (8);

(c) The primary purpose of the corporation is **administration of its affairs, properties and temporalities**; and

(d) The names, nationalities and addresses of its incorporators and trustees are as follows:

Name	Nationality	Residence
Ptr. Joel A. Apolinario	Filipino	Union Site, Mangagoy, Bislig City
Nonita S. Urbano	Filipino	P-1 Cumawas, Bislig City
Junnie G. Apolinario	Filipino	P-1 Cumawas, Bislig City
Nelia V. Niño	Filipino	P-2 Calubian, Tabon, Bislig City
Maria Pella B. Sevilla	Filipino	Sanyat, Sta. Cruz, Bislig City
Jouelyn A. Del Castillo	Filipino	Scaling, San Roque, Bislig City

Cristobal R. Barabad	Filipino	Espiritu St. Mangagoy, Bislig City
Joji A. Jusay	Filipino	Espiritu St. Mangagoy, Bislig City

Notably, the Articles of Incorporation[3] of KAPA likewise contained the words: KAPA – Kabus Padatuon (Enrich the Poor).

According to the Petitioner, sometime in February 2017 it received e-mails[4] through the SEC I-Message Mo[5] facility that reported fraudulent transactions/activities of KAPPA (Kabus Padatoon) and/or KAPA/Kabus Padutuon founded by a certain Joel Apolinario. The said e-mails are quoted hereunder:

> "Please investigate Kappa Investment scam here in Bislig City Surigao del sur. Kappa (Kabus Padatoon) Founded by Joel Apolinario. They were collecting investments and 30% of the money will be back to each and every month until forever as they promised. Their target were mostly Teachers."

-and-

> "good evening!
>
> I just want to complain about the so called "KAPA" "Kabus Padutuon" founded by Mr. Joel Apolinario and with his broker Mr. Jun Apolinario who is a teacher who is now convincing lot of teachers here in Bislig City to invest money to them to have an interest of 30% receivable monthly. In line with your advisory dated last February 9, 2017 I am eager to report them for me also invested 15,000 to them and they promised to give it back by 4 months with the monthly interest. I am afraid that it might be a scam or just like what pyramiding business strategy scam that my money will not be return. Sad to say many of the teachers loaned hundred of thousands just to invest to them. And they also have a receipt who stated there the word "donation". Please do investigate them so that it will stop.
>
> P.S The founder Joel Apolinario has bought already a car (expidition) and a house and lot worth 2 million this year only and Mr Jun Apolinario bought a car (MUX) worth 1.5 million cash. xxx."

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3 Annex "B" of the Petition.
4 Annexes "C" and "C-1" of the Petition.
5 i-Message Mo is a web-based online application for lodging of questions, requests, complaints, issues, concerns, suggestions/opinions, tips/alerts, etc.

Acting on the said e-mails, the EIPD commenced its investigation through an initial verification from the SEC I-View[6] on whether or not KAPA and/or KAPPA (Kabus Padutuon) are registered with the Commission and if they have a secondary license to offer or sell securities to the public. It turned out that "KAPA" "Kabus Padutuon" and/or Kappa (Kabus Padatoon) are not registered with the SEC.

The EIPD referred the matter to the Commission's Cagayan De Oro Extension Office for appropriate action since Surigao del Sur, the place where the alleged fraudulent activities is being committed, is within the Cagayan De Oro Extension Office's area of responsibility in the prevention, monitoring and investigation of investment scams.[7]

In the meantime, KAPA-COMMUNITY MINISTRY INTERNATIONAL, INC. was registered with the Commission and issued a Certificate of Incorporation on 03 March 2017 through the SEC Davao Extension Office. Its Articles of Incorporation shows that Mr. Joel Apolinario is one of its incorporators.

On 22 March 2017, an ADVISORY[8] was posted on the SEC website against KAPPA (KABUS PADATOON) informing the public that the said entity is not registered with the Commission as a corporation or partnership and that it has not been authorized to solicit investments which require a secondary license as provided under Section 8.1 of the Securities Regulation Code (SRC).

On 4 October 2017, a printed copy of an e-mail[9] with its attachments was forwarded by the Office of the Chairperson (of the SEC) to the EIPD for investigation. As can be gleaned from the e-mail, the sender suspects that KAPA COMMUNITY and KAPPA PADATOON are one and the same because the two have similar "modus" of recruiting and offering **"10k for 3k"** monthly. Significantly, the attached copy of a blank form of a Deed of Donation,[10] which was provided by the e-mail sender, indicates that the DONEE in the said Deed was KAPA-COMMUNITY MINISTRY INTERNATIONAL INC., a religious corporation organized under Philippine laws and registered with the Securities and Exchange Commission under Company Registration No. CN201707724 and represented by its Minister/Pastor JOEL A. APOLINARIO.

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[6] The **SEC i-View** is an online pay-per-use facility that gives the public the convenience of getting copies of documents (Annual Financial Statement, General Information Sheet, and others) of **SEC**-registered companies.
[7] Pursuant to SEC Office Order No. 680, Series of 2012.
[8] Annex "D" of the Petition.
[9] Annex "E" of the Petition.
[10] Annex "F" of the Petition.

A few days later, negative Certifications[11] were issued by the Markets and Securities Regulation Department (MSRD) and the Corporate Governance and Finance Department (CGFD) of the Commission, stating that KAPA-COMMUNITY MINISTRY INTERNATIONAL, INC. and KAPPA (KABUS PADATOON) have not registered any securities and have not been issued permits to offer and sell securities.

Despite the said ADVISORY, various e-mails,[12] letters, complaints and phone queries, with the same import, were likewise received from the public regarding the alleged investment solicitation activities of KAPA/KAPPA. According to the said emails, the said entity is allegedly engaged in massive recruitment of members to join their religious organization and at the same time, offers an investment scheme with the opportunity to earn huge profits at the rate of 30% interest of the investment monthly.

The EIPD likewise referred the reports and complaints to the Commission's Davao Extension Office and Cagayan de Oro Extension Office to investigate the activities of KAPPA (KABUS PADATOON) in Bislig City, Surigao Del Sur.

On 11 September 2018, a Memorandum[13] from the Commission's Davao Extension Office was received by EIPD which contained pertinent documents that were obtained from the National Bureau of Investigation (NBI), Caraga Regional Office XIII. Said documents were gathered by the NBI Caraga which conducted its own investigation on the alleged investment-taking activities of respondent KAPA and one Joel Apolinario. Attached to the Memorandum are: (1) copies of a "Certificate of Membership with Deed of Donation;" (2) Kapa Policy and Benefits; (3) NBI Investigation Report; (4) endorsement of the NBI of its findings [for Estafa] to the Office of the City Prosecutor (Bislig City); (5) copies of the 12 warrants of arrest issued against Joel Apolinario, et. al.; and (6) Order of Release issued by MTCC, Bislig City by reason of the posting of a bail bond by Joel Apolinario.

Based on the said "Certificate of Membership with Deed of Donation," the member, after giving the "*Donation,*" receives or is given a copy of **KAPA POLICY AND BENEFITS**, which stipulates:

> "1. Aron nga mahimong membro sa KAPA, mohatag una siya ug 100 pesos alang sa iyang membership.

[11] Annexes "G" and "G-1" of the Petition.
[12] Annexes "H" to "H-8" of the Petition.
[13] Annexes "I" to "I-39" of the Petition.

2. Kung makahatag kana sa maong kantilad lihitimo kan nga memebro sa KAPA og pwede kanang mo donate bisan pila nga kantidad og motubo kini 30 porcentomatagbulan.

3. Ang maong tubo pwede niya kuhaon matag bulan molaktaw lamang ug us aka adlaw gikan sa petsa sa iyang pagpamembro.

4. Ang nasangpit nga donasyon magatubo 30 porcento og mag-compound kini matag bulan kung dili nya kuhaon sulod sa usa ka tuig."

The following is a translation of the above-quoted contents of the said KAPA POLICY AND BENEFITS:

1. To be a member of KAPA, the amount of 100 pesos membership fee must be paid.

2. If you have given the said amount, then you become a legitimate member and that would be the time that you can "donate" in any amount which will earn 30 percent interest per month.

3. The said interest shall be received the following month after his membership plus one day.

4. The amount donated will earn 30 percent compounded interest every month if the member will not withdraw the "donation" for a year.

The EIPD further received a Memorandum[14] from the Cagayan De Oro Extension Office forwarding certified true copies of documents furnished by the Bislig City Police Station of the Philippine National Police. Based on the forwarded documents KAPA/KAPA-CO has amassed more than Seven Million Pesos from a hundred investors who are mostly residents of Bislig City. It was also gathered that criminal action for Estafa was filed by some investors against KAPA, Joel Apolinario y Abaton and many others before the Office of the City Prosecutor of Bislig. Criminal cases have also been filed in court and warrants of arrest were issued against Joel Apolinario y Abaton.

On 28 September 2018, the CGFD issued a Certification[15] stating that respondent KAPA-COMMUNITY MINISTRY INTERNATIONAL, INC. is not a registered issuer of mutual

[14] Annex "J" of the Petition.
[15] Annex "K" of the Petition.

funds, exchange traded funds and proprietary/non-proprietary shares or membership certificates and timeshares pursuant to Section 8 and 12 of the SRC and therefore not licensed to offer or sell such securities to the public.

On 01 October 2018, the MSRD issued a Certification[16] stating that respondent KAPA-COMMUNITY MINISTRY INTERNATIONAL, INC. has not registered any securities pursuant to Sections 8 and 12 of the SRC. Likewise, the MSRD certified that it has not issued a Permit to Sell Securities in favor of KAPA-COMMUNITY MINISTRY INTERNATIONAL, INC. and that the latter has not filed nor has any pending application for registration/permit to sell securities.

On 04 October 2018, the Commission issued and posted an Advisory[17] against respondent **KAPA-COMMUNITY MINISTRY INTERNATIONAL, INC.** informing the public that it is registered with the Commission as a non-stock corporation under SEC Registration No. CN 201707724 on 03 March 2017 with office address located at Garay Arcade, Barreda Street, Caramcam District, Bislig City, Surigao del Sur 8311. The Advisory also enumerated the trustees and officers of said corporation, namely: (1) **Ptr. Joel A. Apolinario**; (2) Nonita S. Urbano; (3) Junnie G. Apolinario; (4) Nelia V. Nino; (5) Maria Pella B. Sevilla; (6) Jouelyn A. del Castillo; (7) Cristobal R. Barabad; and (8) Joji A. Jusay. Finally, the Advisory informed the public that based on the records of the Commission, said corporation **is not authorized** to solicit investments which require a secondary license as provided under Sec. 8.1 of the Securities Regulation Code (SRC).

Meanwhile, the EIPD continuously received various reports from the public through the SEC i-messages and e-mails, consistently stating that KAPA has intensified its recruitment and solicitation activities through the different social media networks and video sharing websites, including Facebook and YouTube since January 2018 to January 2019.[18] In the said reports, the public disclosed that KAPA is promising profits equivalent to thirty percent (30%) of the amount of donation given monthly until withdrawn.

In the course of its investigation, the EIPD further discovered that KAPA is operating in various areas in Mindanao under the following names:

a. KAPA COMMUNITY MINISTRY INTERNATIONAL, INC.;
b. KAPA KABUS PANDATUON (ENRICH THE POOR);
c. KAPA/KAPPA (KABUS PADUTOON);
d. KAPA-CO CONVENIENCE STORE AND GENERAL MERCHANDISE; and

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[16]Annex "L" of the Petition.
[17] Annex "M" of the Petition.
[18] Annex "N" of the Petition.

e. KAPA WORLDWIDE MINISTRY.

Upon verification by the EIPD investigators on the various internet websites, they found that KAPA/KAPPA and/or through its company President Joel Apolinario is featured in some video presentations posted and accessible on popular websites.

Among the said video is the YouTube presentation of KAPA where a solitary male individual is being shown talking excessively about KAPA, which video is intended to endorse, promote and disseminate information about the investment scheme offered by KAPA and invite prospective investors who may be lured by the promise of huge returns.

Subsequently, EIPD investigators viewed another video where the male person featured in the earlier mentioned YouTube video was identified as Mr. Joel Apolinario - when he introduced himself during his interview on the ABS-CBN Teleradyo program.[19]

Aside from the said YouTube videos, Mr. Joel Apolinario is also featured in a series of Facebook videos that generate the same topic about the investment scheme of KAPA and invitation to the public to invest with the company. A Joint-Affidavit[20] attesting as to how the said YouTube presentations were obtained from the internet and the contents thereof was executed by the investigators of EIPD.

On 10 October 2018, the Petitioner EIPD received a Memorandum[21] from Director Renato V. Egypto of the Commission's Cagayan De Oro Extension Office with attached affidavits of its personnel who conducted an investigation of the activities of KAPA in Surigao City, Surigao del Norte and Bayugan City, Agusan del Sur, on 4 October 2018 and 5 October 2015.

In the said 10 October 2018 Memorandum, Director Egypto stated:

> "In the course of our investigation, we uncovered the following facts that blatantly violated the provisions of Section 8.1 of the Securities Regulation Code (RA 8799), to wit:
>
> 1. That Kapa's unauthorized operation in Brgy. San Juan, Surigao City has been commonplace. The guards on duty, Mr. Fernando B. Paorco and Mr. Bonifacio B. Paorco, who are also donors/investors, unequivocally alleged that transactions in Kapa office are limited to

[19] https://www.youtube.com/watch?v=jnHgJOD-PtA&t=351s
[20] Annex "O" of the Petition.
[21] Annex "P" of the Petition.

releasing of the monthly token/income to donors/investors and accepting of donation from new or existing donors/investors. They further alleged that kapa's monthly token is 30% of any donation. Our investigation shows that per observation even in a span of one (1) hour, there were more than twenty (20) donors/investors who made transactions at the Kapa office in Brgy. San Juan, Surigao City. Regrettably, some of them are government employees who embraced the supposed opportunity offered by Kappa; and

2. That Kapa's unauthorized operation in Purok 5, Taglatawan, Bayugan city is typically done at the office of Kapa. On 5 October 2018, Mr. Radaza, when he went inside the premises of kappa, he discovered that there were forty eight (48) donors/investors who entered therein and some of them were still waiting for their turn to be served. Mr. Juan I. Magdua, donor/investor, claimed that he has been receiving the monthly token/income from that office for the last two (2) months. Another donor, Mr. Jimmy A. Arro, who held the 47th priority number, came to that office to make additional donations and, accordingly, he has been enjoying the monthly token/income for several months. Even the vice-mayor of that City was allegedly been there to collect his monthly token/income."

In paragraphs 5 and 7 of the Affidavit executed by Mr. Jesher M. Radaza of the Commission's Cagayan de Oro Extension Office dated 11 October 2018, he made the following statements on the activities of KAPA at its office located at Purok 8, Navalca, Brgy. San Juan, Surigao City on 4 October 2018:

"5. That Mr. Fernando Paorco, also an investor/donor, asserts that it is the policy of their office "No ID, No Entry." He further said, that only members claiming their "Token of Gratitude" (Token) (30% of the amount donated representing interest/income/gift per month) and those who have actual money on hand of at least P5,000 can enter the premises.

xxx

7. That Mr. Bonifacio B. Paorco, the guard who secured the exit, averred the following: 1) he is an investor of Kapa receiving a monthly token/income of P60,000 (30% of P200,000); 2) the rate of return is 30% of your donation,

no other percentage is given by kappa; and 3) all persons inside the Kapa office are claiming their monthly token/income and/or making additional or initial donation. Only these two transactions are done in the Kapa office and nothing else."

The Affidavit executed by Mr. Radaza narrating the incidents of the surveillance he conducted at the office of respondent KAPA at Purok 5, Taglatawan, Bayugan City on 5 October 2018 contains similar statements of investments and payouts by KAPA.

On 22 October 2018, a letter[22] of the same date from Ricky Collado, Area Manager for Mindanao, BomboRadyo Philippines, addressed to Commissioner Javey Paul D. Francisco was received by the Commission reporting the activities of "KabusPadatuon" (KAPA). In said letter Mr. Collado stated, among others:

> "I am writing to you Sir as fellow Mindanaoan from Gensan, now based in the Bombo Mindanao Area Office in Davao City. We, at BomboRadyo Philippines, as a member of the fourth estate, having received from **BomboRadyoButuan** the cases filed by hundreds of investors in Bislig City that are now crying foul after losing their hard earned money, savings, sale of cattle and properties to this pyramiding scam propagated by "kabusPadatuon" (KAPA), led by a certain Mr. Joel Apolinario.
>
> From Bislig City, the same group (disguising as a Church Ministry) are now enticing investors with **30% monthly interest** in Alabel, Sarangani, General Santos City, Korondal City and have opened offices as far as Cateel, Davao Oriental and Digos, Davao Del Sur.
>
> These, despite the SEC Advisory and all out campaign by BomboRadyo General Santos & BomboKoronadal repeatedly warning people (using SEC Advisory) against greed-driven investment that they will loose when the Ponsi-Type pyramiding scam implodes, as in this case of so many celebrated pyramiding schemes in Metro Manila and other places in the country.
>
> I hope that these attached references can hasten the issuance by SEC Manila of a **Cease and Desist Order (CDO)** for KAPA from receiving any and all investments in the guise

[22] Annex "Q" of the Petition.

of donations as a "Church Ministry" so that the LGU and other Law Enforcement Agencies can now move to close down offices and order the return of the money."

After careful evaluation of the allegations and the evidence presented by Petitioner EIPD, we find sufficient basis to grant the prayer for issuance of a Cease and Desist Order.

The EIPD has adduced substantial evidence to support the allegation that KAPA and its allied entities are engaged in offering or selling to the public securities in the form of investment contracts without the necessary license from the Commission.

In a plethora of cases, it has been stated that an "investment contract" is a transaction, contract, or scheme whereby a person: (1) makes an investment of money; (2) in a common enterprise; (3) with the expectation of profits; and (4) to be derived solely from the efforts of others.[23] This definition has been adopted by the Supreme Court of the Philippines which succinctly stated that an investment contract in our jurisdiction, to be a security subject to regulation by the Commission, must be proved to be (1) an investment of money; (2) in a common enterprise; (3) with expectation of profits; and (4) primarily from efforts of others.[24]

As aptly elucidated by the EIPD, it was able to show that the investment scheme of respondent KAPA falls within the ambit of an investment contract. The investment scheme of respondent KAPA albeit denominated as a "Donation," is actually an investment contract because of its essential features, as follows:

(1) The member-investor **enters into a contract**. There is a placement of money where for a certain sum as stated in the emails received by the Commission, the members-investors were promised thirty percent (30%) interest per month for life on their investment or so-called "Donation.",

(2) **The money invested is placed in a common enterprise and the investor-member expects to derive profits.**

(3) Finally, the member-investor **expects to earn profits from the**

[23] *Securities and Exchange Commission v. W.J. Howey Co,* 328 U.S. 293, 66 S. Ct. 1100, 90 L.Ed. 1224, 163 A.L.R. 1043 (1946)

[24] *Power Homes Unlimited Corporation v. Securities and Exchange Commission,* G.R. No. 164182, February 26, 2008.

entrepreneurial and managerial efforts of others. The member-investor need not do anything but go to the office of KAPA and receive the monthly profits promised to them. The member-investors just have to invest money.

The above illustration is further proven by the fact that the members-investors from Bislig City were lured to invest sums of money in consideration for the promise of huge profits and lifetime income from KAPA.

Having established that the investment scheme of KAPA is an investment contract, the provisions of Section 8.1 of the SRC should be complied with before said securities could be offered or sold to the public.

Thus, KAPA has engaged itself in offering or selling such securities to the general public sans the necessary license or permit as attested by the MSRD and CGFD of this Commission.

Worse, the investment scheme of KAPA has the characteristics of a **Ponzi scheme** as it promises an exorbitant rate of return with little or no risk at all to investors as exemplified in the case of *People of the Philippines vs. Palmy Tibayan and Rico Z. Puerto (G.R. Nos. 209655-60, January 14, 2015)*, where the Supreme Court held that:

> "To be sure, a Ponzi scheme is a type of investment fraud that involves the payment of purported returns to existing investors from funds contributed by new investors. ***Its organizers often solicit new investors by promising to invest funds in opportunities claimed to generate high returns with little or no risk.*** In many Ponzi schemes, the ***perpetrators focus on attracting new money to make promised payments to earlier-stage investors to create the false appearance that investors are profiting from a legitimate business***. It is not an investment strategy but a gullibility scheme, which works only as long as there is an ever increasing number of new investors joining the scheme. It is difficult to sustain the scheme over a long period of time because the operator needs an ever larger pool of later investors to continue paying the promised profits to early investors. The idea behind this type of swindle is that the "con-man" collects his money from his second or third round of investors and then absconds before anyone else shows up to collect. Necessarily, Ponzi schemes only last

weeks, or months at the most." (Underscoring added for emphasis)

The petitioner EIPD adduced sufficient evidence to support its allegations that KAPA is engaged in offering for sale securities to the public through indiscriminate or random offering online[25] via videos promoting its investment scheme to potential investors without prior registration. Thus, Section 64 of the Securities Regulation Code would apply, to wit:

> SEC. 64. **Cease and Desist Order**. – 64.1. The Commission, after proper investigation or verification, *motu proprio*, or upon verified complaint by any aggrieved party, may issue a cease and desist order without the necessity of a prior hearing if in its judgment the act or practice, unless restrained, will operate as a fraud on investors or is otherwise likely to cause grave or irreparable injury or prejudice to the investing public.

The Commission is duty-bound to protect the interest of the investing public. Thus, it is necessary that a Cease and Desist Order be issued to enjoin KAPA from further offering and selling unregistered securities to the public. Otherwise, to allow KAPA to continue soliciting investments and/or selling or offering for sale securities to the public without the necessary license or permit will operate as a fraud on investors or is likely to cause grave or irreparable injury or prejudice to the investing public.[26]

Hence, the selling or offering for sale of securities by the respondents KAPA AND ITS ALLIED ENTITIES AND/OR Mr. JOEL APOLINARIO, HIS AGENTS OR REPRESENTATIVES should be immediately restrained to prevent any further grave injury or prejudice to the investing public. Likewise, it is imperative that a Cease and Desist Order be issued as the continued public offering and sale of such securities without the required license from the Commission makes the public offering and selling a continuing illegal act.

WHEREFORE, premises considered, **KAPA COMMUNITY MINISTRY INTERNATIONAL, INC., KAPA KABUS PADATUON (ENRICH THE POOR), KAPA/KAPPA (KABUS PADUTOON) KAPA-CO CONVENIENCE STORE AND**

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[25] Under Rule 3.1.17.4 of the 2015 SRC Rules, any offering, solicitation and presentation of securities for sale to the public through information communication technology, such as internet, shall be presumed to be a public offering.
[26] *In the matter of Boracay Transpacific Properties Inc. & Paradisya Land Inc.*, SEC CDO Case No. 07-14-01 February 26, 2015.

GENERAL MERCHANDISE, KAPA WORLDWIDE MINISTRY, and/or **Mr. JOEL APOLINARIO,** their partners, officers, directors, agents, representatives, conduits, assigns and ANY AND ALL PERSONS CLAIMING AND ACTING FOR AND IN THEIR BEHALF are hereby ordered to **IMMEDIATELY CEASE AND DESIST UNDER PAIN OF CONTEMPT**, from engaging in activities of selling and/or offering for sale securities in the form of investment contracts in the guise of a donation or any other forms of the same nature, as discussed above.

Furthermore, the subject entities and individuals are directed to CEASE from promoting its investment scheme through the internet and/or delete or remove immediately the promotional presentation of such investment scheme from the websites.

Moreover, to forestall grave damage and prejudice to all concerned and to ensure the preservation of the assets for the benefit of the investors, respondents or any of their representatives, or any person/s acting for and in their behalf, and such other persons directing or controlling the activities of such corporation, officers, representatives, salesmen and agents, are all ENJOINED from a) transacting any and all business involving the funds in its depository banks, and b) from transferring, disposing or conveying in any other manner any and all assets, properties, real or personal, and including bank deposits, if any, of which the named persons herein may have any interest, claim or participation whatsoever, whether directly or indirectly, under their custody, immediately upon receipt of this Order, until further orders from this Commission.

The Enforcement and Investor Protection Department is hereby directed to: (1) serve this Order to KAPA COMMUNITY MINISTRY INTERNATIONAL, INC., its President, General Manager, Corporate Secretary, Treasurer, In-House Counsel or partners; and 2) post copies of the Order at the entrance of the main office and/or branches, if any, of KAPA COMMUNITY MINISTRY INTERNATIONAL, INC.

Let a copy of this Order be also posted in the Commission's website, published in a national newspaper of general circulation and furnished to the Company Registration and Monitoring Department, the Corporate Governance and Finance Department and the Economic Research and Information Department for their information and appropriate action.

The EIPD is further directed to submit a formal compliance report, by way of a pleading, to the Commission *En Banc* within five (5) days from receipt of this Cease and Desist Order.

In accordance with the provisions of Sec. 64.3 of SRC and Sec. 4-3 of the 2016 Rules of Procedure of the Commission, the parties subject of this Cease and Desist Order may file a request for the lifting thereof within five (5) days from receipt hereof.

FAIL NOT UNDER PENALTY OF LAW.

SO ORDERED.

Pasay City, Philippines, 14 February 2019.

EMILIO B. AQUINO
Chairperson

ANTONIETA F. IBE
Commissioner

KELVIN LESTER K. LEE
Commissioner

EPHYRO LUIS B. AMATONG *
Commissioner

JAVEY PAUL D. FRANCISCO
Commissioner

*On Official Business