

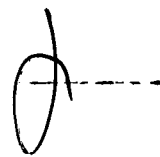
NINETEENTH CONGRESS OF THE )  
REPUBLIC OF THE PHILIPPINES )  
*Third Regular Session* )

24 SEP -9 P2:05

**SENATE**

**P.S. RES. No. 1187**

RECEIVED



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Introduced by **SENATOR RONALD "BATO" DELA ROSA**

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**RESOLUTION**

**DIRECTING THE APPROPRIATE SENATE COMMITTEE TO CONDUCT AN INQUIRY, IN AID OF LEGISLATION, INTO THE MARKETING SCHEME OF NEW SEATAOO CORPORATION AND SEATAOO INFORMATION TECHNOLOGY OPC, WITH THE END IN VIEW OF PROPOSING LEGISLATION TO ENSURE PROTECTION FOR CONSUMERS IN THE DIGITAL MARKETPLACE**

1 WHEREAS, Article II, Section 5 of the 1987 Philippine Constitution provides that  
2 the maintenance of peace and order, the protection of life, liberty, and property, and  
3 the promotion of the general welfare are essential for the enjoyment by all the people  
4 of the blessings of democracy;

5 WHEREAS, in recent years, there has been a significant increase in the number  
6 of online scams and fraudulent activities in digital platforms that have victimized a  
7 large number of Filipinos, particularly through the use of online platforms and digital  
8 marketing schemes;

9 WHEREAS, NEW SEATAOO CORPORATION and SEATAOO INFORMATION  
10 TECHNOLOGY OPC (referred to collectively herein as "SEATAOO"), registered as two  
11 separate entities, is a cross-border e-commerce that features a "Dropshipping  
12 Platform" that provides services by accommodating sellers to have their own shop by  
13 using SEATAOO's platform of Application where a seller can manage and monitor their  
14 own shop;

15 WHEREAS, SEATAOO has been reported to be involved in a marketing scheme  
16 that has raised concerns regarding its legitimacy, fairness, and the financial harm it  
17 may cause to its end-users;

1 WHEREAS, on 10 May 2024, the Securities and Exchange Commission (SEC)  
2 through its Enforcement and Investor Protection Department (EIPD), found that  
3 SEATAOO was soliciting investments from the public without the required license, in  
4 violation of the Securities Regulation Code (SRC). SEATAOO was requiring sellers to  
5 pay for products upfront, which were then marketed as investments rather than retail  
6 transactions;

7 WHEREAS, the SEC found SEATAOO to be actually a Ponzi-like scheme where  
8 investors were promised profits primarily from the efforts of other people. The EIPD's  
9 investigation revealed that SEATAOO's operations involved elements of an investment  
10 contract, which required prior registration and approval from the commission;

11 WHEREAS, there is a need to ensure that the marketing schemes being  
12 employed by companies operating online are in full compliance with existing laws and  
13 regulations to protect the public from fraudulent activities;

14 WHEREAS, it is imperative that law enforcement agencies be equipped with the  
15 necessary tools, resources, and legislative backing to effectively combat and prevent  
16 online scams, as well as to hold those responsible accountable;

17 RESOLVED BY THE SENATE, to direct the appropriate Senate Committee to  
18 conduct an inquiry in aid of legislation into the marketing schemes of NEW SEATAOO  
19 CORPORATION and SEATAOO INFORMATION TECHNOLOGY OPC, with the end in  
20 view of proposing legislation that will enhance the capability of law enforcement  
21 agencies to prevent, investigate, and prosecute fraudulent digital marketing schemes  
22 and to ensure greater protection for consumers in the digital marketplace.

*Adopted,*

  
**RONALD "BATO" DELA ROSA**