

25 FEB -3 P4:59

SENATE
P.S. Res. No. 1306

REGULATORY



Introduced by Senator Raffy T. Tulfo

RESOLUTION

DIRECTING THE APPROPRIATE SENATE COMMITTEE TO CONDUCT AN INQUIRY, IN AID OF LEGISLATION, ON THE ALLEGED FRAUD AND IRREGULARITIES IN THE SALE OF VAPE PRODUCTS BY APEX PACIFIC CORP. AND ITS OFFICIALS, AS WELL AS TO EXAMINE THE REGULATORY OVERSIGHT AND APPROVAL PROCESS OF VAPE PRODUCTS IN THE PHILIPPINES

1 WHEREAS, reports have emerged indicating that several shop owners have raised
2 complaints against the Chief Operating Officer of a prominent vape brand and the
3 President of Apex Pacific Corp., the importer of said brand, for alleged fraudulent activities
4 related to the pre-ordering of vape products;

5 WHEREAS, it has been claimed that these individuals enticed victims to pre-order
6 vape products through press releases and extravagant product launching events,
7 presenting documentation that Apex Pacific Corp. is registered with the Securities and
8 Exchange Commission (SEC);

9 WHEREAS, the victims including Anthony Garcia and Angelica Ambos, reported
10 significant financial losses, amounting to Php366,000 and Php106,000 respectively, as
11 they have not received the ordered products or any refund, and have been unable to
12 contact the aforementioned officials;

13 WHEREAS, the Department of Trade and Industry (DTI), who confirmed that while
14 Apex is registered with the SEC, it lacks a Philippines Standard (PS) License necessary for
15 the sale of its products, and that the vape products in question are not certified by the
16 Food and Drug Administration (FDA), raising concerns about public health risks;

1 WHEREAS, there are concerns regarding the safety of all vape products approved
2 by the FDA and there has been questions on potential collusion between the Bureau of
3 Internal Revenue (BIR), Customs, DTI, and DFA officials, which may favor certain brands
4 and harm consumer interest;

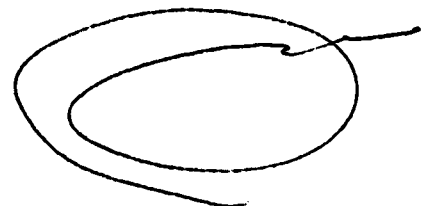
5 WHEREAS, multiple persons and other business entities have raised concerns of
6 unfair treatment and non-compliance with duly issued Rules and Regulations regarding
7 the accreditation and/or approval of Vape Products with the DTI's Office for the Special
8 Mandate on Vaporized Nicotine and Non-Nicotine Products, their Devices, and Novel
9 Tobacco Products (OSMV) headed by its Supervising Head, Atty. M. Marcus N. Valdez II;

10 WHEREAS, multiple sellers of vape products have personally sent and expressed
11 their complaints regarding the arbitrary issuance of suspension orders against selected
12 entities who have otherwise no violations for the purpose of intentionally stifling the
13 conduct of legal businesses;

14 WHEREAS, the continued arbitrary issuance of new permits, cancellation of issued
15 permits, and suspension of existing rights of persons and business entities in the Vape
16 product market shows clear grounds that a concerted scheme by certain high profile
17 individuals and businessmen is being conducted with the aid of members of the DTI in
18 order to extort or otherwise receive bribes from persons seeking permits in violation of
19 multiple relevant laws against bribery, graft, and corruption;

20 NOW, THEREFORE, BE IT RESOLVED, that the Senate Committee on Trade, Commerce
21 and Entrepreneurship, conduct an inquiry, in aid of legislation, on the alleged fraud and
22 irregularities in the sale of vape products by Apex Pacific Corp. and its officials, as well as
23 to examine the regulatory oversight and approval process of vape products in the
24 Philippines.

Adopted,

A handwritten signature in black ink, consisting of a large, stylized 'R' followed by a series of loops and a final horizontal stroke.

Raffy T. Tulfo