Republic of the Philippines
Department of Finance
Securities and Exchange Commission
SEC Building, EDSA, Greenhills, Mandaluyong City

In the Matter of:
GRAND ALLIANCE OF BUSINESS LEADERS ASSOCIATION, INC.

SEC-CDO Case No. 11-14-014

ENFORCEMENT AND INVESTOR PROTECTION DEPARTMENT,
Petitioner.
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ORDER

Pending before the Commission is a *Motion for Issuance of Permanent Cease and Desist Order* filed by the Enforcement and Investor Protection Department (EIPD) on 12 January 2015 against Grand Alliance of Business Leaders Association Inc. ("GABAI").

On November 20, 2014 the Commission, granted the *Ex-Parte Motion for Issuance of Cease and Desist Order* filed on 10 November 2014 by the EIPD and issued a *Cease and Desist Order* (CDO) against GABAI, its respective officers, directors, representatives, salesmen, agents and any and all persons and entities claiming and acting for and in its behalf, enjoining them from further engaging in the business of selling securities without the proper registration issued by the Commission in violation of Section 8 of the Securities Regulation Code (SRC).

On 25 November 2014, the Commission received a letter-request from Edwin Esmilla, who claims to be the treasurer of Grand Alliance of Business Leaders Association Inc. ("GABAI") dated November 24, 2014 and duly received by the Commission on November 25, 2014, requesting for an extension of fifteen (15) days to file a request to lift the CDO against GABAI. The Commission issued an *Order* dated 02 December 2014 denying the request on the basis of Section 3-6[1] in relation to Section 10-3[2] of the 2006 SEC Rules of Procedure.

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[1] *SECTION 3-6. Prohibited Pleadings.* — **The following pleadings or any submission** that is filed or made under a similar guise or title **shall not be allowed**:

xxx xxx

e) **Motion for extension of time to file pleadings**, affidavits, or any other submission of similar intent;

xxx xxx

"Should one be filed, said prohibited pleadings or submissions shall be automatically expunged from the records of the case." Xxx (Emphasis and underscoring supplied)

Similarly and on the same grounds, the Commission denied a *Motion for Extension With Entry of Appearance* filed by GABAI through counsel dated 10 December and filed on the same day in an *Order* dated 17 December 2014.

To reiterate, Section 64.3 of the Securities Regulation Code provides that *"Any person against whom a cease and desist order was issued may, within five (5) days from receipt of the order, file a formal request for a lifting thereof."* Failure to do so within the period provided is tantamount to a waiver by GABAI to avail of such remedy and/or question the matters raised therein.

Likewise, any motion for extension of time is a prohibited pleading in any proceeding before the Commission pursuant to Section 3-6 of the 2006 SEC Rules.

Records show that, up to the present time, way beyond the five (5) day reglamentary period for filing a *Motion to Lift CDO* as provided in the 2006 SEC Rules of Procedure, GABAI has not filed any formal request or motion for the lifting of the CDO issued against it.

In this connection, Section 10-5 of the 2006 SEC Rules of Procedure provides that "if the respondent fails to file a motion to lift CDO within five (5) days from receipt thereof, the Director of the CED (now the EIPD) may file with the Commission a motion to make the CDO permanent." Considering that GABAI's two (2) *Motions for Extension of Time to File a Motion to Lift CDO* have been denied by the Commission in two separate *Orders* and no formal *Motion to Lift CDO* has been filed by GABAI, the Commission resolves to grant the pending *Motion* of the EIPD and deems the CDO issued against GABAI permanent.

WHEREFORE, the instant *Motion for Issuance of Permanent Cease and Desist Order* is hereby **GRANTED**. Accordingly, the *Cease and Desist Order* dated 20 November 2014 issued against Respondent, **GRAND ALLIANCE OF BUSINESS LEADERS ASSOCIATION INC.**, is hereby made **PERMANENT.** Respondent **GRAND ALLIANCE OF BUSINESS LEADERS ASSOCIATION INC.,** its respective officers, directors, representatives, salesmen, agents and any and all persons and entities claiming and acting for and in the Respondent's behalf, are now permanently enjoined from further engaging in the business of selling securities until the Respondent has complied with the requirements of law and its implementing rules and regulations.

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[3] *SECTION 10-3. Lifting of CDO.* — A party against whom a CDO was issued may, **within a non-extendible period of five (5) business days** from receipt of the order, file a formal request or motion for the lifting thereof with the OGC. Said motion or request shall be set for hearing by the OGC not later than fifteen (15) days from its filing and the resolution thereof shall be made not later than ten (10) days from the termination of the hearing." (Emphasis and underscoring supplied)

Let the Cooperative Development Authority be furnished a copy of this *Order* for information and appropriate action.

Further, let copies of this *Order* be posted at the entrance of the main office and/or branches, if any, of **GABAI**, published in a newspaper of general circulation and posted in the Commission's internet website.

SO ORDERED.

Mandaluyong City, 29 January 2015.

TERESITA J. HERBOSA
Chairperson

MANUEL HUBERTO B. GAITE *
Commissioner

ANTONIETA F. IBE
Commissioner

EPHYRO LUIS B. AMATONG
Commissioner

BLAS JAMES G. VITERBO
Commissioner

*On Leave.