

Republic of the Philippines  
**HOUSE OF REPRESENTATIVES**  
Quezon City

**18TH CONGRESS**  
First Regular Session

**HOUSE RESOLUTION No. 54**



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**Introduced by Representative Michael L. Romero**

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**A RESOLUTION  
URGING THE PROPER COMMITTEE OF THE HOUSE OF  
REPRESENTATIVES TO CONDUCT INQUIRY AND/OR  
INVESTIGATION IN AID OF LEGISLATION ON THE  
PROLIFERATION OF BITCOIN AND OTHER  
CRYPTOCURRENCIES FOR THE PURPOSE OF PROTECTING  
THE RIGHTS OF THE INVESTORS**

Whereas, it is the policy of the State under the Securities Regulation Code to protect investors, ensure full and fair disclosure about securities, minimize if not totally eliminate insider trading and other fraudulent or manipulative devices and practices which create distortions in the free market;

Whereas, cryptocurrencies, defined as digital assets designed to work as a medium of exchange using cryptography to secure the transactions and to control the creation of additional units of the currency, are starting to proliferate in the domestic market;

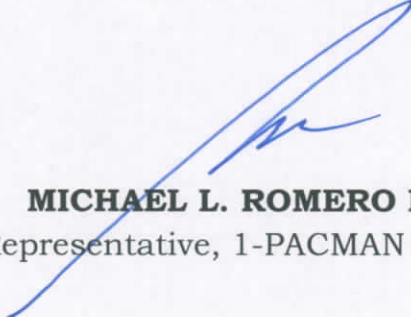
Whereas, cryptocurrencies have been compared to "Pyramid Schemes, defined as a business model that recruits members via a promise of payments or services for enrolling others into the scheme rather than supplying investments or sale of products or services, or "Ponzi Schemes", defined as fraudulent investment operations that pay out returns to investors from money paid in by subsequent investors rather than from any actual profit earned, aside from the criticism that the same can be used for money-laundering, tax evasion and other fraudulent transactions;

Whereas, these comparisons and criticisms pose serious question as to the reliability, dependability and legality of the use and trading of cryptocurrencies;

Whereas, it is imperative that an investigation on these cryptocurrencies and other similar investment schemes be conducted so that the legislature may enact the necessary measures that would regulate these cryptocurrencies for the purpose of protecting the rights of the investors.

**NOW THEREFORE, BE IT RESOLVED, as it is hereby resolved by the House of Representatives to direct the proper Committee to conduct an inquiry and/or investigation in aid of legislation on the proliferation of bitcoin and other cryptocurrencies for the purpose of protecting the rights of the investors.**

Adopted,



**MICHAEL L. ROMERO Ph.D.**  
Representative, 1-PACMAN Partylist