



Republic of the Philippines
Department of Finance
SECURITIES AND EXCHANGE COMMISSION
SEC Bldg. EDSA, Greenhills, Mandaluyong City

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SEC-OGC OPINION No. 09-16
Secondary License

Sir:

This refers to your letter dated October 14, 2008 and duly filed with this Commission on November 20, 2008 requesting opinion, on behalf of your client, Almon Ventures, Inc. ("Almon"), whether the company is required to secure a secondary license for the purpose of promoting and marketing its product called the "Lifesaver Protection Program (LPC).

You represent that, Almon conceptualized the Lifesaver Protection Program which provides a covered person with a pre-paid accident protection benefit that enables its card holders to have access to emergency accident treatments in any of its participating accredited hospital's emergency room nationwide.

For this purpose, Almon packaged and registered with the Intellectual Property Office a product trademark called "Lifesaver Protection Card" which has two major components provided for by the following independent duly registered companies:

1. Insurance of the Philippine Islands, Co., Inc., - an insurance company duly accredited by the Insurance Commission. It is one of the insurance providers of the LPC; and
2. Medical Services Marketing and Development Corporation (MEDSERVE) - a corporation duly registered and existing under our laws and acts as the Hospital Network Provider with readiness 24/7 to provide the necessary accident-related emergency medical attention and treatment to Lifesaver Card members.

You stated further that the function of Almon, aside from being the product concept owner, is merely to promote and market the LPC, and facilitate the settlement of the hospital charges of the card holders during emergency treatment

in the accredited hospital's emergency room of up to P12,000.00 only, and other benefits under the program.

It is our opinion that Almon is not required to secure a secondary license from the Commission, which requirement is limited only to certain companies, such as but not limited to, financing companies, investment companies, investment houses, pre-need companies, brokers/dealers and exchanges.

Also, the marketing and issuance of Almon's product trademark "Lifesaver Protection Card" cannot be considered a sale and distribution of securities which would necessitate the procurement by this company of a secondary license. Securities, under Section 3.1 of the Securities Regulation Code, are defined as follows:

3. "Securities" are shares, participation or interest in a corporation or in a commercial enterprise or profit-making venture and evidenced by a certificate, contract, instrument, whether written or electronic in character. It includes:
 - (a) Shares of stock, bonds, debentures, notes, evidences of indebtedness, asset backed securities;
 - (b) Investment contracts, certificates of interest or participation in a profit sharing agreement, certificates of deposit for a future subscription;
 - (c) Fractional undivided interests in oil, gas, or other mineral rights;
 - (d) Derivatives like option and warrants;
 - (e) Certificates of assignments, certificates of participation, trust certificates, voting trust certificates or similar instruments;
 - (f) Proprietary or non-proprietary membership certificates in corporations; and
 - (g) Other instruments as may in the future be determined by the Commission.

Indubitably, Almon's Lifesaver Protection Card does not fall under any of the above enumerated types of securities.

We cannot, however, issue a certification to the effect that Almon is not required to secure a secondary license because such license may be required by other government agency or agencies which regulate the industry, such matter being beyond the scope of our jurisdiction.

The foregoing opinion rendered is based solely on the facts disclosed in the query and relevant solely to the particular issues raised therein and shall not be used in the nature of a standing rule binding upon the Commission.

Very truly yours,



VERNETTE G. UMALI-PACO
General Counsel