



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

SEC ADVISORY
Mandaluyong City
06 March 2013

**ADVISORY ON UNAUTHORIZED SALE OF PRE-NEED PLANS AND LIFE INSURANCE
AND PYRAMIDING SCAM IN DAVAO CITY**

The Securities and Exchange Commission has received reports that a certain company in Davao City is engaged in unauthorized sale to the public of insurance and pre-need plans, specifically life insurance and memorial plans, by means of a pyramiding scheme.

The scheme offers members life insurance, memorial service and big income potential. The availment of said benefits is subject to two conditions, namely:

1. Membership by payment of specific amount payable in five years. Said amount may be paid by monthly, quarterly or semi-annual installments; and
2. Inviting and adopting three persons to join also and to do the same.

The public is hereby warned that the offering to the public of insurance and pre-need plans such as life insurance and memorial plans without the proper license from the Insurance Commission is strictly prohibited by law.

Likewise, the public is hereby warned NOT to invest in high yield-high risk investment – a promise that is too good to be true. Before investing, make sure that the company offering life insurance and pre-need plans is properly registered with the Securities and Exchange Commission and licensed to offer pre-need plans and life insurance by the Insurance Commission.