



REVISED RELATED PARTY TRANSACTION COMMITTEE CHARTER

PURPOSE OF CHARTER

This Related Party Transaction Committee (RPTC) Charter sets out the authority, responsibility, membership and operation of the RPTC of Bank of the Philippine Islands (BPI).

AUTHORITY

This Committee is appointed and authorized by the Board of Directors to assist the Board in fulfilling its responsibility to strengthen corporate governance and practices particularly on related party transactions (RPTs). The authority of the Committee is taken from the Bank's By-Laws, this Charter and from separate Board delegations, resolutions and approvals that maybe granted by the Board from time to time.

1. Review and endorse all RPTs including those involving DOSRI which shall require final Board approval;
2. Formulate, revise and approve policies on related party transactions;
3. Conduct any investigation required to fulfil its responsibilities on RPTs;
4. Consult or retain at the Bank's expense such outside legal counsel, accounting or other advisers, consultants or experts as the Committee may consider necessary from time to time to carry out its duties.
5. Access to all Unibank records in order to perform its responsibilities.

RESPONSIBILITIES

The Committee is responsible for the following:

1. Assist the Board in assessing material agreements of any kind with a related party in determining whether to approve, ratify, disapprove or reject a Related Party Transaction.
2. The Committee shall take into account whether the RPT is entered into on terms no less favorable to the Bank than terms generally available to an unaffiliated third-party under the same or similar circumstances.
3. For transaction involving a sale of the Bank assets, review results of the appraisal, valuation methodology used as well as alternative approaches to valuation.

4. Assess the extent of the Related Party's interest in the transaction:
 - a. Term of the transaction;
 - b. The Related party's Interest in the transaction;
 - c. The purpose and timing of the transaction;
 - d. Whether the Bank is a party to the transaction and if not the nature of the Bank's participation in the transaction;
 - e. If the transaction involves the sale of an asset, a description of the asset including date acquired and costs basis;
 - f. Information concerning potential counterparties in the transactions;
 - g. The approximated value of the transaction and the approximated value of the Related Party's interest in the transaction;
 - h. Description of any provisions or limitations imposed as a result of entering into the proposed transactions;
 - i. Whether the proposed transaction includes any potential reputational risk issues that may arise as a result of or in connection with the proposed transaction; and
 - j. Purpose of the transaction and potential benefits to the Bank.
5. Require adequate and accurate information from the Management.
6. Review the adequacy of Management's monitoring and reporting systems on RPTs.
7. Oversee the implementation of the system for identifying, monitoring, measuring, controlling and reporting RPTs.
8. Report to the Board of Directors on a regular basis, the status and aggregate exposures to each related party as well as the total amount of exposures to all related parties.
9. Ensure that transactions with related parties, including write off of exposures, are subject to periodic independent review or audit process.
10. Review and assess the adequacy of this Charter at least annually and obtain approval of any revisions to this Charter from the Board of Directors.
11. Evaluate annually the performance of the Committee as a body (using the Standard Board Committee Assessment Form in Annex 1) and report the results to the Board or to such committee that may be appointed by the Board for review.

MEMBERSHIP

1. The Committee shall be composed of at least three (3) Independent and/or Non-executive Directors of the BPI Board, majority of whom shall be Independent Directors.
2. The Chief Compliance Officer (CCO) and the Chief Audit Executive (CAE) shall join the RPTC as non-voting members.

TERM

1. Each member will be appointed on an annual basis.

CHAIRMAN

1. The Chairman of the Committee will be appointed by the Board and must be an independent non-executive director of the Board.

MEETINGS

1. The Committee should meet often enough or as deemed necessary to undertake its role effectively, but not less than quarterly. Meetings are initially set monthly.
2. In addition, the Chairman may call a meeting at any time and will call a meeting of the Committee if so requested by any member of the Committee.
3. Majority of the members, regardless of position, shall constitute a quorum.
4. Committee members may attend meetings in person or by electronic or tele/video communication means.
5. Endorsements and approvals via email or fax may be resorted to for urgent matters which shall be confirmed/ratified in the Committee's next meeting. The respective emails are to be collected by the Secretariat (CPRM).