

UNITED COCONUT PLANTERS LIFE ASSURANCE CORPORATION
RETIREMENT PLAN
RULES AND REGULATIONS

Article I
NAME, OBJECTIVE AND EFFECTIVE DATE

Section 1 – Name

United Coconut Planters Life Assurance Corp. hereby establishes a retirement benefit plan to be known as the “United Coconut Planters Life Assurance Corporation Retirement Plan”.

Section 2 – Objective

The objective of this plan is to attract and keep honest, deserving and competent personnel in the service of the Company by rewarding them with benefits upon their retirement, permanent disability, or death.

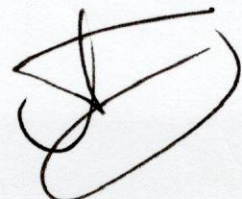
Section 3 – Effective Date

The Plan as well as the rules and regulations governing the same took effect January 01, 1980. The Plan was amended effective April 30, 2001 and further amended on September 18, 2015.

Article II
DEFINITIONS

The following words and phrases shall have the following meaning unless a different meaning is plainly required by the text.

- a. “Company” shall mean United Coconut Planters Life Assurance Corporation and shall include all its branches and agencies in the Philippines and elsewhere;
- b. “Board of Directors” shall mean the Board of Directors of the Company;
- c. “Plan” shall mean the United Coconut Planters Life Assurance Corporation Retirement Plan;
- d. “Officer” shall include the Directors of the Board, President, Executive Vice President, Senior Vice Presidents, Vice Presidents, Secretary of the Board of Directors, Assistant Vice Presidents, Department Heads, and other positions as the Board of Directors may create;
- e. “Employee” shall include all other persons in the service of the Company not specified under paragraph “d” above;

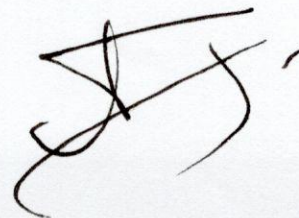


- f. "Member" shall mean an employee or officer eligible to participate in the Plan in accordance with Article III hereof;
- g. "Board of Trustees" shall mean the entity responsible for the administration of the Plan and management of the Fund in accordance with the provisions of Article VIII hereof;
- h. "Credited Service" shall mean the uninterrupted service in the Company and shall include all leaves of absences with full pay and all leaves of absence wherein an officer or employee reports for military service; but shall exclude all leaves of absence, whether authorized or unauthorized, wherein an officer or employee is not paid salary for the period of the leave.

Whenever the context refers to service prior to the effective date of the Plan, it shall be taken to mean the total length of service, whether interrupted or not, and shall include all leaves of absence, with full pay, but shall exclude all leaves of absence, whether authorized or unauthorized, wherein an officer or employee is not paid salary for the period of the leave.

Service shall be deemed interrupted whenever an officer or employee quits, voluntarily resigns, is discharged by the Company, ceases to be an employee, or fails to return to the service of the Company after an approved leave of absence. The Credited service of a former officer or employee who has been re-hired after an interruption in service, shall commence on the first day of his latest period of employment except in meritorious cases where the Board of Trustees deems that there was no interruption in service and that the Company agrees to update its contribution for the credit of said employee or officer.

- i. "Gross Monthly Compensation" shall mean 1/12 of the total cash compensation consisting of salaries, fixed transportation allowances, fixed representation allowances, and living allowances during the last 12 months of employment. This excludes overtime pay, reimbursement of relocation expenses, and out-of-town travelling expenses. Cash compensation of Officers and Employees shall also include bonuses, performance incentives or similar payments, per diems for attendance in meetings, received or waived, transportation allowance, and profit shares pursuant to the Corporate by-laws, and in accordance with generally accepted accounting standards applicable to the Company and its affiliates. For purposes of determining Gross Monthly Compensation, such profit shares are deemed declared and paid to the officer using the pre-tax income of the Company. Profit Shares shall be computed as the average Profit Sharing for the last three years.
- j. "Fund" shall mean the total of the Company's contributions to the Plan and earnings thereof, which shall be used to fund the benefits provided under the Plan;
- k. "Earnings" shall include all interest, dividends, and any other increments and returns from the investments and re-investments of the assets constituting the Fund;
- l. "Normal Retirement Date" shall mean retirement within 30 days after a member attains age 65;



- m. "Early Retirement Date" shall mean retirement prior to attainment of age 65 but after attainment of at least age 50 and completion of at least 10 years of service;
- n. "Late Retirement Date" shall mean retirement after attainment of age 65. Extension of service for late retirement, however, is subject to the mutual consent of both the member and the Company and on a case-to-case and year-to-year basis.

Article III
MEMBERSHIP

Section 1 – Eligibility and Effective Date

All officers and employees of the Company excluding those hired on a temporary, seasonal, consulting, and contractual basis are eligible for membership in the Plan.

Section 2 – Eligibility After Effective Date

Any employee or officer of the Company not covered by the Plan as of the effective date or any employee or officer hired after the effective date excluding those hired on a temporary, seasonal, consulting, or contractual basis shall be eligible for membership in the Plan on the date he attains permanent status. Membership in the Plan shall commence on the first day of the month immediately following the date he attains permanent status.

Section 3 – Tenure

Membership in the Plan shall continue until the member has resigned or is separated for any cause from the service of the Company.

Article IV
CONTRIBUTIONS

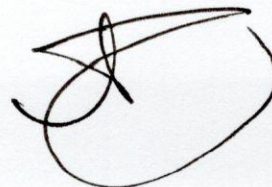
The Company shall contribute such amounts to provide fully for the benefits accruing under this plan as shall be recommended under actuarial valuations performed by a qualified actuary.

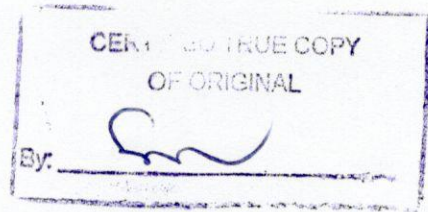
All contributions made to the retirement fund shall be held solely and exclusively for the benefit of the Plan members. No part of said contributions or its income shall be used for, or diverted to, purposes other than for the exclusive benefit of such Plan members and their beneficiaries.

Article V
BENEFITS

Section 1 – Retirement Benefits

Employees retiring on his normal, early, or late retirement date as defined in this Plan shall be entitled to retirement benefits equivalent to

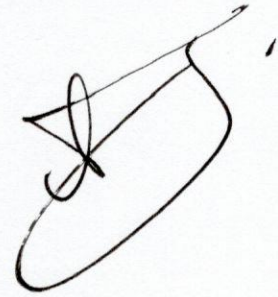




(a) percentage of the final gross monthly salary as defined in this Plan multiplied by the number of years of credited service, with one complete month treated as 1/12 of a year; plus such percentage shall be in accordance with the following schedule:

Number of Years of Service	Percentage
Below 5	0%
10 but < than 11	100%
11 but < than 12	110%
12 but < than 13	120%
13 but < than 14	130%
14 but < than 15	140%
15 but < than 16	150%
16 but < than 17	160%
17 but < than 18	170%
18 but < than 19	180%
19 but < than 20	190%
20 and above	200%

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(b) cash conversion of his accumulated sick leave and vacation leave benefits.

Provided that, in lieu of the above, those who are members of the Plan as of December 31, 1986 shall have the option to receive the following benefits if higher:

- a. For services prior to December 31, 1986, the accumulation of the Company's contributions for him, during the said period at the rate of 8 1/3% of salary as contained in the original retirement plan, the accumulation computed with interest up to the retirement: plus
- b. For services from January 1, 1987 up to the retirement, the retirement benefit shall be computed according to the retirement benefit formula as contained in Section 1 above.

In determining K, the entire period of the credited service shall be considered.

Section 2 – Separation Benefit

In the event of voluntary resignation of a member prior to the retirement, he shall be entitled to a benefit equivalent to a percentage of the final gross monthly salary as defined in this Plan multiplied by the number of years of service in accordance with the following schedule:

Number of Years of Service	Percentage
Below 5	0%
5 but < than 6	25%
6 but < than 7	36%
7 but < than 8	49%
8 but < than 9	64%
9 but < 10	81%
10 but < than 11	100%

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11 but < than 12	110%
12 but < than 13	120%
13 but < than 14	130%
14 but < than 15	140%
15 but < than 16	150%
16 but < than 17	160%
17 but < than 18	170%
18 but < than 19	180%
19 but < than 20	190%
20 and above	200%

Section 3 – Death, Disability and Involuntary Separation Benefits

In the event of death or separation from the service due to incapacity or disability not attributable to him, or involuntary separation for reasons not due to his own fault, nor misconduct nor voluntary resignation, a member or his beneficiaries, regardless of such member's length of credited service, shall be paid

(a) the normal retirement benefit with the period service computed as of the date of death or disability or if he has not completed 10 years of credited service, 100% of the final gross monthly salary multiplied by the number of years of credited service plus cash conversion of his accumulated sick leave and vacation leave benefits; or

(b) the benefit due him under the Labor Code, whichever is greater.

However, any member whose service is terminated by the Company for cause shall forfeit all his benefits accruing under this Plan.

Section 4 – Portability Benefits

In the event of transfer of one member-employee from one company to another both of which belong to the United Coconut Planters Bank Group of Companies, then an amount equivalent to the accrued retirement benefit of the transferring member-employee shall be transferred from the retirement fund of the former company to that of the new company. The new company then shall consider the entire credited service of the employee including his services with the former company when said employee separates or retire from the new company.

The transferring employee, however, shall be given the option to receive his retirement/separation/resignation benefit from the former company. In such a case, he shall be treated as a new employee in the new company and all the plan benefits due him before the transfer shall be considered to have been paid by the former company.

Section 5 – Settlement of Benefits

- a. The benefits provided for under this Plan shall be paid in single sum. However, the member, or the beneficiaries as the case may be, may opt to receive the benefit payments in installments for a period not exceeding 60 months.

- b. Claims for settlement of benefits shall be filed with the Board of Trustees in a prescribed form to be accomplished by the member, in case of retirement, separation, or disability, or by his designated beneficiaries in case of death.
- c. The Plan shall have a first and paramount lien upon the amount standing to the credit of any member to cover any debt or liability due to the Plan from the member.

Section 6 - Forfeitures

Any amount accrued under this plan which is not paid by virtue of the limitations specified in these rules and regulations shall not be used to increase the benefits of the remaining Members. Such amount shall be retained in the Fund and shall be used to reduce subsequent contributions of the Company to the Fund.

Section 7 - Computation of Benefits

- a. For the employees and officers who were members on or after January 1, 1987, the retirement benefit shall be computed in accordance with paragraph 2 of Article V, Section 1.
- b. For an employee or officer who is already a member of the Plan as of December 31, 1986:
 - i. His accumulated value as of December 31, 1986 under the old fixed-contribution plan (i.e., 8 1/3% - contribution) shall be established. This amount shall be credited with actual interest up to the individual's retirement.
 - ii. His retirement benefit shall be the greater of the following amounts:
 - a. The accumulated value as contained in (i) above computed with interest up to retirement plus the benefit for services after December 31, 1986 computed under the new fixed benefit formula (i.e. paragraph 2 of Article V, Section 1); OR
 - b. The retirement benefit for the entire period of credited service computed under the new fixed benefit formula of paragraph 2 of Article V, Section 1.

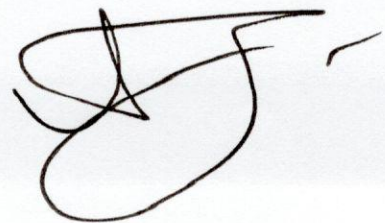
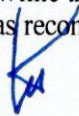
ARTICLE VI
Financing

Section 1. The Fund

The funding of this Plan and payment of the benefits hereunder shall be provided for through the medium of a Fund held by a Trustee under an appropriate Trust Agreement. The contributions of the Company to the Fund so created, together with the gains and losses, realized and unrealized, less expenses, shall constitute the Retirement Fund.

Section 2. Contributions

- a. While the Company intends to continue this Plan and to make periodic contributions to the Fund as recommended under an actuarial study, the Company reserves the right to defer, discontinue,



suspend or change the rate and amount of its contributions to the Fund at any time, for financial reasons especially those that are beyond the control of the Company.

- b. The Company shall not be liable for failure on its part to make contributions, as provided for in this Section, nor shall any right of action accrue to compel the Company to make such contribution.

Section 3. Interest in the Fund

- a. No Member shall have any right, title or interest to any part of the assets of the Fund, except as and to the extent expressly provided for in this Plan.
- b. Any Member having a right or claim under this Plan shall look solely to the assets of the Fund. In no event shall the Company or its officers, directors or stockholders be liable jointly or severally, to any person whomsoever on account of any claim arising by reason of the provisions thereof.

Section 4. Members' Loans from the Fund

A Member may take a loan from the retirement fund subject to the following conditions:

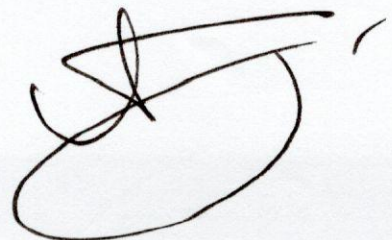
- a. Availability of funds;
- b. The amount of loan shall not be more than 70% of his vested benefits under the Plan;
- c. The loan is in accordance with the prevailing guidelines on loans from the fund as approved by the Company;
- d. The loan shall bear interest and shall be payable for a period of time specified in the guidelines specified above; and
- e. Any unpaid loan shall automatically be deducted from the benefit payable under this Plan upon separation of the Member.

The Company reserves the right to suspend the granting of loans as it may deem necessary.

Section 5. Irrevocability & Non-Diversion

No part of the fund shall be used for or diverted to purposes other than for the exclusive benefit of the Members under this Plan.

The Company shall have no right, title or interest in the contributions made by it to the Trustee and no part of the Fund shall accrue to the Company except after satisfaction of all the liabilities of this Plan.



Article VII
NOMINATION OF BENEFICIARIES

Section 1 – Nomination

An employee or officer shall, upon membership in the Plan, nominate or designate in the prescribed form the beneficiaries who shall receive the amount which may be due him in case of his death. The nomination must be in accordance with the existing laws.

Section 2 – Change of Beneficiaries

Every nomination shall remain in force until revoked or amended by the member himself by delivering another nomination in the prescribed form.

Section 3 – Failure to Nominate

If at the death of a member, there shall exist no valid nomination by him/her, he/she shall be presumed to have nominated his/her spouse, or in case of his/her death, his/her children with said spouse.

Article VIII
ADMINISTRATION OF THE PLAN

Section 1 – Board of Trustees

The Plan shall be administered by a Board of Trustees which shall be composed of six (6) members to be designated by the chief executive officer of the Company.

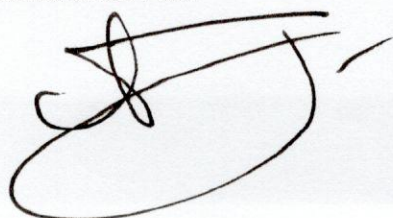
- a. President and CEO
- b. Head of Finance
- c. Head of Human Resources & Administrative Services
- d. Head of the Life and Sales Marketing
- e. Head of Legal
- f. Head of Actuarial

Section 2 – Powers

The Board of Trustees shall have the exclusive administration and control of the Plan in accordance with these rules or any future amendments thereof. Questions that may arise at a meeting of the Board of Trustees shall be decided by the majority vote of the members present.

Section 3 – Duties

The affairs and business of the Plan shall be directed and its properties, such as the Fund, shall be held, managed and preserved by the Board of Trustees. The Treasurer of the Company shall be appointed Treasurer of the Plan in such manner as may be directed by the Board of Trustees and shall perform such other duties which are or may be incidental to his duties, The Accountant of the Company or his duly authorized representative shall be ex-officio Auditor of the Plan.



Section 4 – Investment of the Fund

The Board of Trustees shall invest the Fund or any portion thereof in high grade securities, to earn at least seven percent per annum, and in real estate and/or other non-speculative investments.

Section 5 – Disbursements

Subject to prior approval of the Chairman of the Board of Trustees, all checks and orders on behalf of the Plan shall be signed by the Chairman and countersigned by the Treasurer or such other officer as the Chairman may designate to countersign in case of inability of the Treasurer to do so.

Section 6 – Annual Report

The Board of Trustees shall prepare an annual report of the Plan showing the income and expenditures and financial position of the Plan as of 31st of December every year. A copy of such report shall be sent to the Board of Directors of the Company.

Section 7 – Meetings

The Board of Trustees shall hold regular meetings at least quarterly. The Chairman or any two Trustees upon written request addressed to the Secretary, may call at any time a special meeting of the Board of Trustees. The attendance of at least three (3) members shall constitute a quorum at any meeting.

Section 8 – Cost, Expenses, Etc.

All costs, expenses and taxes if any including office space and salaries which are incidental to and necessarily connected with the administration of the Plan shall be borne by the Plan.

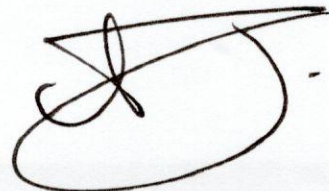
Section 9 – Appointment of Employees

The Company shall be responsible for the appointment of employees of the Fund and such employees shall be considered as employees of the Company and shall be governed by the Company's Rules and Regulations.

Article IX
EFFECT OF SOCIAL LEGISLATION

Section 1 – Social Security Act

Whatever benefits may be due to a member or beneficiary on account of the Social Security Act existing as of the effective date of the Plan shall not be deducted from the benefits granted under this Plan.



Section 2 – Existing Contracts, Laws, or Future Legislation

Except only as provided in Section 1 above, the benefits provided by this Plan shall be reduced by the amount of any benefits or emolument similar or analogous to those already provided in this Plan that the Company may be required to give to its employees, by virtue of any present or future contracts or other laws, or lawful order of competent authority such as the New Labor Code.

Article X
AMENDMENT AND TERMINATION

Section 1 – Future of the Plan

Although the Company expects and hopes to maintain this Plan indefinitely, it reserves the right at any time on account of business necessity to suspend contributions or to terminate, withdraw, amend or modify this Plan, in whole or in part at the discretion of the Company, but no such action shall operate to permit any part of the assets of the Fund to be used for, or diverted to, purposes other than for the exclusive benefit of the member.

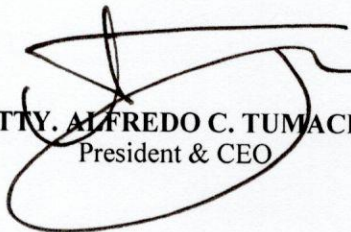
Section 2 – Priorities in Payment of benefits in Case of Termination of the Plan

In the event of termination of the Plan in accordance with Section 1 of this Article, the following priorities in the payment of the benefits shall be observed:

- a. A sum sufficient to provide for payment in full of late and normal retirement benefits due to Members who have attained normal retirement age, or to beneficiaries of Members who died; and benefits to those who are totally and permanently disabled who were not yet paid; or, on a pro-rata basis if the Fund is not sufficient.
- b. If there is a balance left after paying those in (a) a sum sufficient to provide for payment in full of any early retirement benefits due to Members; or, on a pro-rata basis if the amount is not sufficient.
- c. If there is a balance left after paying those in (a) and (b), a sum sufficient to provide for full payment to Members equivalent to the present value of their accrued benefits; or, on a pro-rata basis if the amount is not sufficient.
- d. If there is a balance left after paying those in (a), (b) and (c), the entire balance shall revert to the Company.



ARTEMIO A. TANCHOCO, JR.
Senior Vice President, Finance



ATTY. ALFREDO C. TUMACDER, JR.
President & CEO