

**PHILIPPINE BRITISH ASSURANCE COMPANY, INC.
AUDIT AND COMPLIANCE COMMITTEE CHARTER**

The following Board Members constitute the Audit and Compliance Committee:

Chairman (Independent Director)	-	JOSE G. CLEMENTE
Member (Independent Director)	-	DIANNE LYNNE BAYSAC NATIVIDAD
Member	-	ERNEST KENNETH S. CUYEGKENG
Member	-	CHRISTOPHER KARL W. CUYEGKENG

1. Overall Purpose / Objectives

The Audit and Compliance Committee (the "Committee") shall assist the Board of Directors (the "Board") in fulfilling its oversight responsibilities by reviewing the: 1) Company's compliance, auditing, accounting and financial reporting processes (both internal and external); 2) Company's system of internal controls and procedures; 3) Management of financial and systematic risks; 4) Financial reports and other financial information provided by the Company to regulatory bodies or to the public, and 5) Monitoring compliance with laws and regulations and its own code of business conduct.

In performing its duties, it is the responsibility of the Committee to maintain a free and open communication with the Board, management, officers and staff of the Company, external auditors and regulators and influence continuous improvement in the Company's policies and procedures that is aligned with the new and existing laws, regulations and corporate standards of the Company.

Each Committee member shall endeavor to have a good understanding of the Company's business operations, its risk exposures and mitigating controls put in place to effectively perform a function.

The Committee shall operate pursuant to this charter which shall be reviewed periodically for adequacy and completeness subject to the approval of the Board.

2. Authority

The Board authorizes the Audit and Compliance Committee to:

- Seek any information it requires from
 - Any employee (and all employees are directed to cooperate with any request made by the Committee)
 - External parties
- Review and approve all auditing and non-audit services to be rendered by the external auditors and verify that such non-audit services are disclosed in the Company's periodic reports:
- Review and approve the annual compliance plan and audit plan and all major changes in the plan:
- Review the effectiveness of the internal audit program and the compliance program and to ensure compliance with Institute of the Internal Auditors (IIA)

International Standards for the professional Practice in Internal Auditing, local and International accounting standards and regulator's requirements.

- Every January, review the full year performance of the Chief Audit Executive (CAE) and the Chief Compliance Officer.
- Engage outside legal or external professional advice to establish basis and consistency in the interpretation and implementation of accounting standards, rules and regulations, local laws and international standards that need to be considered in the formulation of internal control policies and procedures of the Company.
- Have unrestricted and full access to all operational areas, and documents of the Company.

3. Organization

Membership

- 3.1 The committee shall be comprised of at least five (5) members of the Board, two (2) of whom shall be an independent director. Each member shall have an adequate understanding of the Corporation's operating environment.
- 3.2 The Chairman and members of the Audit & Compliance Committee shall be nominated by the Board.
- 3.3 At least one of the 5 members of the Board assigned to the Committee has accounting, auditing or related financial management expertise or experience.
- 3.4 The members of the Committee are not full-time employees of the Company and are not, and do not present themselves to be performing the functions of accountants or auditors
- 3.5 A quorum for any meeting shall consist of at least three (3) members of the Committee.

Meetings

- 3.6 The Committee may invite such other officers, employees and external parties to its meetings, as it deems necessary.
- 3.7 The Committee shall provide sufficient opportunity to internal auditors, external auditors and compliance officers to make presentations to the Committee without members of management present to foster open communication. The Committee shall meet separately with the independent auditors, with the internal audit and compliance officers and with management.
- 3.8 Meeting shall be held not less than four (4) times a year. Special meetings may be convened as necessary.
- 3.9 The proceedings of all meetings shall be documented.
- 3.10 Meeting agenda, supporting materials, summary of findings from internal audits and compliance unit and other related materials shall be provided in advance

whenever possible to allow members of Committee to adequately prepare for the Committee meetings.

4. Roles and Responsibilities

- a. Recommend the hiring of external auditor;
- b. All major irregularities meeting a penalty of more than 30 days suspension shall be brought to the Audit Committee before its elevation to the Board;
- c. All audits to be conducted by the Internal Audit Group shall need prior approval of the Audit Committee. The Audit Committee shall review major finding / exceptions and shall recommend / review the necessary remedial measures.
- d. All related party transactions are subject to audit by the Internal Audit Group. The board of directors shall have the overall responsibility in ensuring that transactions with related parties are handled in a sound and prudent manner, with integrity and in compliance with applicable laws and regulations to protect the interest of policyholders, members, claimants, creditors and other stakeholders.

Internal Control

- 4.1 Evaluate whether the Board and senior management is setting the appropriate "control structure" environment by communicating the importance of internal control and risk management and ensuring that each employee has a clear understanding of its role and responsibilities.
- 4.2 Review internal control recommendations made by internal audit, external auditors, compliance and independent peer reviewers and likewise ensure timely and appropriate implementation by management.
- 4.3 Review with the members of management that are responsible for administering the Company's self-assessment compliance programs any issue that could have a significant impact on the Company's internal control questionnaires and certification processes.
- 4.4 Review the internal audit tracking status reports, compliance monthly, quarterly and annual performance reports and periodic status updates on new laws, rules and regulations issued by different regulatory agencies, regulatory reports on examinations, external auditors, special audit reviews and significant changes arising from new developments in local and international accounting standards and the impact of such changes on the financial statements.

4.5 Conflict of Interest

Conflict of interest involving any person with the decision-making authority, Including directors, with respect to the operations of the Corporation, shall be Disclosed to the Board and the CEO for the proper action, taking into account the overriding interests of policyholders, claimants, creditors and the public in

general.

Disclosure of conflict of interest involving CEO and senior officer with at least the Rank of VP (Vice President) shall be made to the whole Board, while those involving line managers, executive employees and other personnel shall be made known to the CEO.

Financial Reporting

a. General

4.6 Review the financial risks exposures of the company and management of such exposures. Consult the internal and external auditors regarding the significant risks and potential exposures and require management to develop and implement the mitigating controls to address such risks.

4.7 Evaluate with internal audit, external auditors and independent reviewers on the root cause/s or the circumstances that may have triggered the fraud, illegal acts and/or deficiencies in internal controls identified in the reviews and assess if the correction actions to restore the breakdown of controls are adequate to fully address the risk concerns.

4.8 Review significant accounting and reporting issues, including recent professional and regulatory pronouncements, and understand their impact on the financial statements.

4.9 Review pending and anticipated legal issues which could have significant impact on the financial condition of the Company.

b. Annual Financial Statements

4.10 Review the annual financial statements and the disclosures contained in the annual reports as to the completeness, consistency of the information known to the Committee members vs. standards and assess that audited the financial statements reflect appropriate accounting principles.

4.11 However, it should be noted that it is not the Committee's duty to plan or conduct audits or to determine that the Company's financial statements are complete and accurate or in accordance with generally accepted accounting principles. These are the responsibilities of management and the external auditors.

4.12 Meet with management and the external auditors to review the financial statements and the results of the audit reviews. In the event of a qualified opinion rendered by the external auditors, require deliberation with the management to evaluate the severity of the issues and to formulate corrective actions until all concerns are resolved.

Internal Audit

- 4.13 Review the functions and organizational structure of the internal audit and compliance to ensure that no unjustified restrictions or limitations exist.
- 4.14 Establish the minimum qualifications of internal audit and compliance personnel and respective head of internal audit and head of compliance
- 4.15 On a regular basis, the Committee should meet separately with the Chief Audit Executive (CAE) and/or the Chief Compliance Officer to discuss in confidentiality matters as appropriate.

Selection of External Audit

- 4.16 Evaluate the external auditor's proposal on the scope of audit work, methodology, timing and the related fees to ensure that engagement program is thorough, performed independently and within the agreed timeframe.
- 4.17 Review the performance of the external auditors and have a clear understanding with them that the external auditors are accountable to the Committee, as the shareholders' representatives.
- 4.18 Review the range of non-audit services that the external auditor has provided to the Company and ensure that the auditing services maintain the continued independence.
- 4.19 Endorse the Board the appointment or re-appointment of the external auditors.

Compliance with Laws and Regulations and Code of Ethics

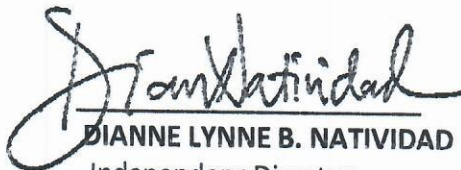
- 4.20 Evaluate the effectiveness of the system of monitoring compliance with laws, rules and regulations and the Company's Code of Ethics, escalation of issues to management, resolutions reflecting the management disciplinary actions and/or sanctions on employees involved in fraudulent acts or violations.
- 4.21 Review, oversee and approve that all related activities between the Parent Company and its subsidiaries and affiliates, directors, stockholders and related interest are not in violation of applicable local and host country laws, rules and regulations.
- 4.22 Review the findings of examinations conducted by local and host country regulatory agencies.
- 4.23 Perform other oversight functions consistent with this Charter, the Company's By-Laws, and as the Committee or the Board of Directors may require.
- 4.24 Conduct special investigations and as appropriate engage technical services of external parties e.g. legal, information security.
- 4.25 Submit the minutes of the Audit and Compliance Committee meetings to the Board.

Approved By:

AUDIT COMMITTEE



JOSE Z. CLEMENTE
Chairman (Independent Director)



DIANNE LYNNE B. NATIVIDAD
Independent Director

ERNEST KENNETH S. CUYEGKENG
Member



CHRISTOPHER KARL W. CUYEGKENG
Member

R.R. TAN & ASSOCIATES, CPAs

Unit 1705, Antel Global Corporate Center
Doña Julia Vargas Avenue, Ortigas Center
Pasig City, Philippines 1605
Tel.: (632) 638-3430 to 32; Fax: (632) 638-3430
e-mail : info@rktan.net

November 6, 2023

The Board of Directors
PHILIPPINE BRITISH ASSURANCE COMPANY, INC.
Penthouse, Morning Star Center Bldg.
347 Sen. Gil Puyat Ave. Extension,
Makati City

Attention: **Ms. Rosario W. Cuyegkeng**
President and CEO

Gentlemen:

In connection with the proposed engagement of our firm as external auditors of **PHILIPPINE BRITISH ASSURANCE COMPANY, INC.** for the year ended December 31, 2023, we are pleased to submit to you the terms and objectives of our engagement and the related fee arrangement as follows:

OBJECTIVE

The objective of an audit is for the expression of our opinion, whether the financial statements present fairly, in all material respects, the financial position, results of operations, and cash flows for your corporation in conformity with applicable financial reporting framework.

SCOPE AND AUDIT RESPONSIBILITIES

Our audit will be made in accordance with Philippine Standards on Auditing. Those Standards require us to plan and perform the audit to obtain reasonable assurance that the financial statements are free of material misstatement. Our audit includes examining on a test basis, evidence supporting the amounts and disclosures in the financial statements and, assessing the accounting principles used and significant estimates made by management, as well as the overall financial statement presentation.

Our audit includes procedures designed to provide reasonable assurance of detecting errors and irregularities that are material to the financial statements. However, since the examination is based on the concept of selective testing of the data being examined, there is a risk that some material misstatements if they exist may not be detected.

You recognize that the responsibility for the preparation of the financial statements including disclosure is that of the management of the company. This includes the establishment and maintenance of adequate accounting records and internal structure, the selection and application of accounting policies, and the safeguarding of the assets of the company.

However, as part of our responsibility as an accredited external auditor, we shall report to the Securities and Exchange Commission (SEC) and Insurance Commission (IC) any of the following cases which may have been discovered based on Philippine Standards on Auditing, if the company fails to disclose the same to the SEC and IC as follows:

SEC

- Any material findings involving fraud or error which will reduce the total assets of the company by five percent (5%).
- Losses or potential losses, the aggregate of which, amounts to at least ten percent (10%) of the total assets of the company;
- Any findings to the effect that the assets of the company, on a going concern basis are no longer adequate to cover the total claims of creditors.

IC

- Any material findings involving fraud or error;
- Losses or potential losses, the aggregate of which, amounts to at least ten percent (10%) of the total assets of the Company;
- Significant doubt as to the ability of the Company to continue as a going concern;
- Material breach of laws or IC rules and regulations, such as but not limited to the prescribed net worth and risk-based capital requirements, of the Company;
- Material internal control weaknesses which may lead to financial reporting problems; and.
- Findings on matters of corporate governance that may require urgent action by IC.

In case there are no adverse matters to report, we shall submit directly to the IC within fifteen (15) calendar days after the close of the audit engagement a notarized certification that there is none to report.

It is however, understood that the accountability of the external auditor is based on matters within the coverage of an audit conducted in accordance with the Philippines Standards on Auditing. The financial statements, together with the supplemental report submitted to the IC, are the primary responsibility of the Company's Board and Management.

It is possible that because of unexpected circumstances, we may determine that we cannot render a report or otherwise complete the engagement. If, in our professional judgement, the circumstances require, we will advise you and those charged with governance promptly and take such action as we deem appropriate.

MANAGEMENT'S RESPONSIBILITIES

Our audit will be conducted on the basis that management and where appropriate, those charged with governance, acknowledge and understand that they have responsibility:

- For the preparation and fair presentation of the financial statements in accordance with the applicable financial reporting framework,
- For such internal control as management determines is necessary to enable the preparation of the financial statements that are free from material misstatements, whether due to fraud or error, and
- To provide us with (i) access, on a timely basis, to all information of which management is aware that is relevant to the preparation of the financial statements such as records, documentation and other matters; (ii) additional information that we may request from management for the purpose of the audit; and (iii) unrestricted access to documents or persons within the Company from whom we determine it necessary to obtain audit evidence.

We will make specific inquiries of management representations contained in the financial statements. At the conclusion of our audit, we will also obtain a written representations from management about these matters, and that management: (i) has fulfilled its responsibility for the preparation and fair presentation of the financial statements in accordance with the applicable financial reporting framework and that all transactions have been recorded and are reflected in the financial statements; and (ii) has provided us with all the relevant information and access as contemplated in this engagement . These representations and the results of our audit procedures comprise the evidence on which we will rely in forming an opinion on the financial statements.

IC Circular Letter 2019-39

In accordance with Section 4.2 of IC Circular Letter No. 2019-39, the following provisions are herein provided:

- The Company shall be responsible for keeping the external auditor fully informed of existing and subsequent changes to prudential, regulatory and statutory requirements of the IC and that both parties shall comply with the said requirements;
- The required and supplemental disclosures of information and reports, such as those enumerated in Section 4.3 of IC Circular Letter 2019-39, by the external auditor to the IC shall not constitute a breach of confidentiality on the part of the external auditor nor shall it be ground for civil, criminal, or disciplinary proceedings against the external auditor;

- The external auditor shall be allowed ready-only access to the IC's examination report on the Company and that the external auditor shall treat the contents of the examination report appropriately and confidentially;
- The Company and external auditor shall comply with all the requirements under this Circular Letter 2019-39; and
- The engagement contract shall be made available to the IC upon request.

WORKING ARRANGEMENTS

We adhere to what we believe to be an important philosophy in providing services to our clients. Our examination is performed as a joint venture with client personnel actively involved in our work. The experience and practical insights of client officer and staff are extremely helpful to us.

We look forward to your full cooperation and we trust that you will make available to us whatever records, documents and other information that we will need in the course of our audit.

TIMETABLE

We will start our fieldwork soon after your complete submission of our audit requirements, which will be transmitted to you upon your acceptance of this proposal.

We will also request that a suitable working area be provided to our field auditors during the course of our audit.

The completion of work within the timetable will greatly depend on the availability of documents, schedules and information. Timetable may be adjusted to fit the deadline of management.

PROFESSIONAL FEES

Our fees are based on estimated time to be spent on the engagement. For the performance of services above-mentioned, we propose to bill you under the following terms:

- For the calendar year ended December 31, 2023: ₱350,000 exclusive of value-added tax billed at the completion of our work.
- Out-of-pocket expenses will be for your account and will be included in our bill.

The terms and condition set forth in this engagement shall continue to apply in subsequent years except modified, amended or supplemented by the parties to this agreement. Changes in scope of audit services and estimated fees for such services in subsequent years will be communicated in supplemental letters.

If you agree to the above proposal, please signify your conformity on the enclosed copy and return it to us.

Very truly yours,



DOMINGO A. DAZA, JR.
Managing Partner

CONFORME : PHILIPPINE BRITISH ASSURANCE COMPANY, INC.



ROSARIO CUYEGKENG, CHAIRMAN

BY (Name and Title): _____

DATE: Dec 11, 2023

Fee	Valuation Quarter
	March 31, 2023
	June 30, 2023
	September 30, 2023
Php 303,000 + VAT	December 31, 2023

To perform the services described in the Scope of Work above, we will bill the Company the following fee and payment terms:

Fees & Payment Terms

- Assist the accounting department in gathering the data;
- Discuss with management certain aspects of company operations and external factors that can affect the reserve valuation;
- Perform and/or review the valuation calculations;
- Discuss and present the preliminary results to management for comments and recommendations;
- Prepare the required Actuarial Valuation Report and Summary of Valuation Results, including the required Certification of the Valuation Reports;
- Provide the Margin for Adverse Deviation.

We will help in satisfying the requirements for the Valuation Standards for Non-Life Insurance Policy Reserves as specified by recent Circular Letters from the Insurance Commission. Specifically, we will do the following:

Scope of Work: Non-Life Insurance Policy Reserving

We have prepared this proposal in assisting Philippine British Assurance Company, Inc. ("the Company") to fulfill the Insurance Commission's policy reserving requirements for 2023.

Dear Ms. Cuyegkeng,

RE: Proposal to Provide Actuarial Services for Philippine British Assurance Company, Inc. for 2023

Ms. Rosario W. Cuyegkeng
 President
 Philippine British Assurance Company, Inc.
 Morning Star Center Building
 347 Sen. Gil Puyat Avenue Extension, Makati City

May 4, 2022

Unit 18-F Aras cor Watson Street, Brgy. Mayhinas, San Juan City, 1500
 Website: www.amitask.com
 Telephone: (632) 866-3665
 Telefax: (632) 727-9504

AMI Actuarial Consultants Philippines, Inc.

Contract Acceptance

I, Rosario W. Cuyegkeng as CHAIRMAN of PHILIPPINE BRITISH ASSURANCE Co. INC., accept the terms outlined in this proposal letter.

Signature

Date
MAY 11 2023

Confidential / Not to be Shared with Other Firms
The proposal we have described in this letter is confidential and contains privileged information that may be legally protected from disclosure. Consequently, it is only for your use and the use of appropriate people in your firm and should be treated as such.

Consequently, AMI shall not use, exploit for commercial gain, or disclose to any third party (including its affiliates and subcontractors) any Confidential Information of or relating to the Company including, but not limited to, the terms of this letter, unless AMI has received prior written approval from the Company. The confidentiality obligations under this letter shall survive termination of this letter.

For the purposes of this letter, "Confidential Information" means in relation to the Company, information of every kind concerning or in any way connected with the Company and/or the Company group (including personal information) and which is disclosed (by any means) to AMI or which comes to the knowledge of AMI by any means (including during any negotiations preceding this letter).

The work subject of this proposal, Valuation of Non-Life Policy Reserves, when completed, will be for the use of the firm and the insurance Company only. It should not be shared with anyone else without the prior written consent of AMI.

Limitation of Liability
Notwithstanding any provision to the contrary, the total liability of AMI and its employees and consultants for any losses, damages, costs and expenses including attorneys' fees shall not exceed the aggregate amount paid to AMI under this Agreement, regardless of the legal theory under which such liability is imposed.

Non-Solicitation of Employees
Client and Consultant agree not to solicit or entice away from the other's employment (or employment by any member of the other's group) any person employed by the other (or a member of their group) during the term of the Agreement until the expiry of twelve (12) months from the earlier of the date of termination of this Agreement or the date when such employee's employment with the other party (or a member of their group) is terminated.

Ms. Rosario W. Cuyegkeng
March 4, 2022
Page 2 of 3
Valuation of Non-Life Insurance Policy Reserves for 2023

- Thirty percent (30%) upon engagement;
- Seventy percent (70%) shall be divided upon the number of periods (valuation dates) to be billed after the required report is submitted to the Company.
- Any recalculation of the report after it has been finalized might result in additional charges.
- As we encourage early submission of data to allow proper review of the results, however a P5000 expedite fee will be charged for those who wants the study to be completed in a week.

We are looking forward to working with you in these studies. Rest assured that we are committed to provide you with prompt, responsive, and highest-quality service we have provided in the past. Please don't hesitate to let us know if you have questions or inquiries. You may reach us through telephone numbers 8866-3665 or 8727-9504.

Sincerely yours,



Aguedo M. Ingco, FIC, FACP, FAS, FASFP, MAIA, CPCU, ARM

President

AMI Actuarial Consultants Philippines, Inc.

Email: bobingco@amirisks.com

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The proposal we have described in this letter is confidential and contains privileged information that may be legally protected from disclosure. Consequently, it is only for your use and the use of appropriate people in your firm and should be treated as such.

AMI Actuarial Consultants Philippines, Inc.

AMI Actuarial Consultants Philippines, Inc.

Telephone: (632) 866-3665
Telefax: (632) 727-9504

Website: www.amiact.com

Unit 18-F Aras cor Wilson Street, Brgy. Mayhumbas, San Juan City, 1500

February 7, 2024

Ms. Rosario W. Cuyegkeng

President

Philippine British Assurance Company, Inc

Morning Star Center Building

347 Sen Gil Puyat Ave, Makati City

RE: Proposal to Assist in Getting Ready for IFRS 17

Dear Ms. Cuyegkeng:

We appreciate this opportunity to submit our proposal to assist Philippine British Assurance Company, Inc (the "Company") in getting ready for IFRS 17, which will be effective on January 1, 2025.

Background

AMI proposes to estimate the adjustments to the Company's 2023 to 2024 Financial Statements to comply with the requirements of IFRS 17 and to help the Company understand the intricacies of the IFRS 17 by having a workshop with the Company's staff.

Scope of Services and Work Plan

AMI then proposes to estimate the adjustments to the Company's 2023 to 2024 Financial Results to comply with IFRS 17 and in the process determine the impact of IFRS 17 on the Company's income and balance sheet statements with special emphasis on the actuarial issues that need to be addressed such as:

- a. Appropriateness of the Premium Allocation Approach
- b. Appropriate Level of Aggregation
- c. Calculation of Contract Service Margin
- d. Determination of Onerous Contracts
- e. Appropriate Risk Margin Calculation
- f. Appropriate Discount Rate Calculation
- g. Etc.

We will coordinate and work with your external auditors, underwriters, systems people, executives, etc. We will prepare a draft report describing the adjustments to the 2023 to 2024 Financial Statements. The report will summarize our estimates and conclusions and describe the methods and assumptions we used to reach those conclusions. After discussing the draft report with the Company and agreeing on any necessary changes, we will prepare and submit the final report.

Data Requirements

We will send to you in a separate email an initial list of the data required to perform the conversion. More information might be requested, however, as we go through the required work. Meetings and discussions with the Company (accountants, IT people and underwriters) will be required and scheduled in due time.

Professional Fees

For this proposal as described above, AMI proposes a total fixed fee of Php 600,000 plus VAT. A 30% down payment will be billed upon signing the contract and the balance of 70% shall be billed over the transition period.

We are looking forward to working with you on these studies. Rest assured that we are committed to provide you with prompt, responsive, and highest-quality service. Please don't hesitate to let us know if you have further questions or inquiries. You may reach us through telephone numbers 8727-9504 or 8866-3665.

Sincerely,



Aguedo M. Ingco, FCAS, FASP, FASHK, MAAA

President

AMI Actuarial Consultants Philippines, Inc.

(AMI Risk Consultants, Inc.)

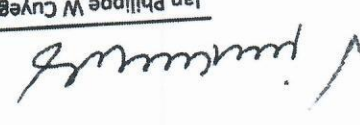
Tel. No. 8727-9504

Email: bobingco@amirisk.com

Confidential/ Not to be Shared with other Companies
The proposal we have described in this letter is confidential and contains privileged information that maybe legally protected from disclosure. Consequently, it is only for your use and the use of appropriate people in your firm and should be treated as such.

Contract Acceptance

We, Ian Philippe W Cuyegkeng / Rosario W Cuyegkeng, as
(Name)
PHILIPPINE BRITISH ASSURANCE CO INC.
(Company)
of _____, as
President / Chairman
(Title)
accept the terms outlined in this proposal letter.


Signature
Ian Philippe W Cuyegkeng
Date
02/12/2024

Confidentiality
The proposal we have described in this letter is confidential and contains privileged information that may be legally protected from disclosure. Consequently it is only for your use and the use of appropriate people in your firm and should be treated as such.
Consequently, AML shall not use, exploit for commercial gain, or disclose to any third party (including its affiliates and subcontractors) any Confidential Information of or relating to the Company including, but not limited to, the terms of this letter, unless AML has received prior written approval from the Company. The confidentiality obligations under the purposes of this letter, "Confidential Information" means in relation to the Company, information of every kind concerning or in any way connected with the Company and/or the Company group (including personal information) and which is disclosed (by any means) to AML or which comes to the knowledge of AML by any means (including during any negotiations preceding this letter)
The work subject of this proposal when completed, will be for the use of the firm and the Insurance Company only. It should not be shared with anyone else without the prior written consent of AML.

Liability
Notwithstanding any provision to the contrary, the total liability of AML and its employees and consultants for the any losses, damages, costs and expenses including attorneys' fees shall not exceed the aggregate amount paid to AML under this Agreement, regardless of the legal theory under which such liability is imposed.

Non-Solicitation of Employees
Client and Consultant agree not to solicit or entice away from the other's employment (or employment by any member of the other's group) any person employed by the other (or a member of their group) during the term of the Agreement until the expiry of twelve (12) months from the earlier of the date of termination of this Agreement or the date when such employee's employment with the other party (or a member of their group) is terminated.

AMI Actuarial Consultants Philippines, Inc.

February 7, 2024

Ms. Rosario W. Cuyegkeng
President
Philippine British Assurance Company, Inc
Morning Star Center Building
347 Sen Gil Puyat Ave, Makati City

RE: Proposal to Assist in Getting Ready for IFRS 17

Dear Ms. Cuyegkeng:

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Background

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Scope of Services and Work Plan

AMI then proposes to estimate the adjustments to the Company's 2023 to 2024 Financial Results to comply with IFRS 17 and in the process determine the impact of IFRS 17 on the Company's income and balance sheet statements with special emphasis on the actuarial issues that need to be addressed such as:

- a. Appropriateness of the Premium Allocation Approach
- b. Appropriate Level of Aggregation
- c. Calculation of Contract Service Margin
- d. Determination of Onerous Contracts
- e. Appropriate Risk Margin Calculation
- f. Appropriate Discount Rate Calculation
- g. Etc.

We will coordinate and work with your external auditors, underwriters, systems people, executives, etc. We will prepare a draft report describing the adjustments to the 2023 to 2024 Financial Statements. The report will summarize our estimates and conclusions and describe the methods and assumptions we used to reach those conclusions. After discussing the draft report with the Company and agreeing on any necessary changes, we will prepare and submit the final report.

Ms. Rosario W. Cuyegkeng
Support for the IFRS 17 Transition 2023 & 2024
February 7, 2024
Page 2

Data Requirements

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Sincerely,



Aguedo M. Ingco, FCAS, FASP, FASHK, MAAA
President

AMI Actuarial Consultants Philippines, Inc.

(AMI Risk Consultants, Inc.)

Tel. No. 8727-9504

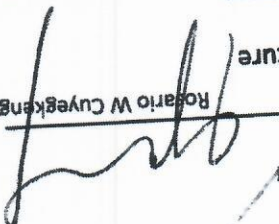
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AMI Actuarial Consultants, Inc.

Contract Acceptance

We, Ian Philippe W Cuyegkeng / Rosario W Cuyegkeng, as
President / Chairman
(Title)
of PHILIPPINE BRITISH ASSURANCE CO INC.
(Company)
accept the terms outlined in this proposal letter.


Ian Philippe W Cuyegkeng
Rosario W Cuyegkeng
Signature
02/12/2024
Date

The proposal we have described in this letter is confidential and contains privileged information that may be legally protected from disclosure. Consequently it is only for your use and the use of appropriate people in your firm and should be treated as such.

Consequently, AMI shall not use, exploit for commercial gain, or disclose to any third party (including its affiliates and subcontractors) any Confidential Information of or relating to the Company including, but not limited to, the terms of this letter, unless AMI has received prior written approval from the Company. The confidentiality obligations under this letter shall survive termination of this letter.

For the purposes of this letter, "Confidential Information" means in relation to the Company, information of every kind concerning or in any way connected with the Company and/or the Company group (including personal information) and which is disclosed (by any means) to AMI or which comes to the knowledge of AMI by any means (including during any negotiations preceding this letter)

The work subject of this proposal when completed, will be for the use of the firm and the Insurance Company only. It should not be shared with anyone else without the prior written consent of AMI.

Notwithstanding any provision to the contrary, the total liability of AMI and its employees and consultants for the any losses, damages, costs and expenses including attorneys' fees shall not exceed the aggregate amount paid to AMI under this Agreement, regardless of the legal theory under which such liability is imposed.

Client and Consultant agree not to solicit or entice away from the other's employment (or employment by any member of the other's group) any person employed by the other (or a member of their group) during the term of the Agreement until the expiry of twelve (12) months from the earlier of the date of termination of this Agreement or the date when such employee's employment with the other party (or a member of their group) is terminated.