



**FORTUNE GENERAL INSURANCE CORP.
RELATED PARTY TRANSACTION COMMITTEE**

This Related Party Transaction Committee Charter (this “Charter”) establishes the purpose, qualifications and membership, structure and operations, duties and responsibilities of the Related Party Transaction Committee (the “Committee”) of Fortune General Insurance Corp. (the “Company”), and the procedures which guide the conduct of its functions.

1. PURPOSE

The purpose of the Related Party Transaction Committee is to review material/significant RPTs, determine whether they are in the best interest of the Company and shareholders, and ensure that all RPTs of the Company are conducted in fair and at arm's length terms. It shall endorse recommendations to the Board as deemed appropriate and/or approve actions within its delegated authority.

2. ORGANIZATION

Reporting Responsibility. The Related Party Transaction Committee shall report directly to the Board.

Composition. The Related Party Transaction Committee shall be composed of at least three non-executive directors, two of whom are independent directors, including the Chairman.

Committee Membership. The Board shall appoint the members of each Board Committee annually.

Committee Members Qualifications. Each member of the Committee shall have the qualifications and none of the disqualifications of a Director, as set out in the Corporate Governance Manual.

Committee Chairmanship. The Board shall appoint one of the members of the Committee to be the Committee Chairman.

3. STRUCTURE AND OPERATIONS

Meetings. The Committee shall meet at least twice a year or as often as may be necessary.



Notice of Meeting. The notice and agenda for each meeting shall be circulated to all Related Party Transaction Committee members at least five (5) business days before each meeting.

Chairman. The Committee Chairman shall preside in all meetings of the Committee. In his absence, the members present shall elect from among themselves one member to preside over the particular meeting.

Quorum. A quorum shall be present if a majority of the members of the Committee are present. No business shall be transacted at any meeting unless a quorum is present.

Record of Meetings. The Related Party Transaction Committee shall cause proper records of its proceedings to be kept. Members may nominate a member or some other person to be the Committee Secretary to record and keep minutes of meetings and other proceedings.

Other Attendees. The Related Party Transaction Committee may invite other Directors and Management Officers to attend any meeting as they deem necessary.

4. DUTIES AND RESPONSIBILITIES

The duties and responsibilities of the Committee are as follows:

- A. Evaluates on an ongoing basis existing relations between and among businesses and counterparties to ensure that all related parties are continuously identified, RPTs are monitored, and subsequent changes in relationships with counterparties (from non-related to related and vice versa) are captured. Related parties, RPTs and changes in relationships should be reflected in the relevant reports to the Board and regulators/supervisors;
- B. Evaluates all material RPTs to ensure that these are not undertaken on more favorable economic terms (e.g., price, commissions, interest rates, fees, tenor, collateral requirement) to such related parties than similar transactions with non-related parties under similar circumstances and that no corporate or business resources of the company are misappropriated or misapplied, and to determine any potential reputational risk issues that may arise as a result of or in connection with the transactions. In evaluating RPTs, the Committee takes into account, among others, the following:
 1. The related party's relationship to the company and interest in the transaction;
 2. The material facts of the proposed RPT, including the proposed aggregate value of such transaction;
 3. The benefits to the corporation of the proposed RPT;
 4. The availability of other sources of comparable products or services; and
 5. An assessment of whether the proposed RPT is on terms and conditions that are comparable to the terms generally available to an unrelated party under similar



circumstances. The company should have an effective price discovery system in place and exercise due diligence in determining a fair price for RPTs;

- C. Ensures that appropriate disclosure is made, and/or information is provided to regulating and supervising authorities relating to the company's RPT exposures, and policies on conflicts of interest or potential conflicts of interest. The disclosure should include information on the approach to managing material conflicts of interest that are inconsistent with such policies, and conflicts that could arise as a result of the company's affiliation or transactions with other related parties;
- D. Reports 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;
- E. Ensures that transactions with related parties, including write-off of exposures are subject to a periodic independent review or audit process; and
- F. Oversees the implementation of the system for identifying, monitoring, measuring, controlling, and reporting RPTs, including a periodic review of RPT policies and procedures.

5. REPORTING PROCESS

The Chairman of the Committee shall render a report apprising the Board of Directors of the results of the Committee's activities following each meeting.

The Committee shall prepare an annual report of its activities to the Board for inclusion in the Company's annual report.

6. PERFORMANCE ASSESSMENT

The members of the Committee shall evaluate its performance based on best practices and expectations set-out in this Charter and in related SEC Memorandum Circulars and the ASEAN Corporate Governance Scorecard concerning Related Party Transaction Committees.

The Committee shall obtain and subject itself to an independent assessment by the Board of Directors based on best practices and relative to its performance in the discharge of its responsibilities as set out in this charter.

Based on the results of the performance assessment, the Committee shall formulate and implement plans to improve its performance. These may include the identification of relevant training needs intended to keep the members up to date with corporate governance best practices, accounting and auditing standards, as well as specific areas of concern.

7. AMENDMENT

This Charter shall not be amended, altered or varied unless such amendment, alteration or variation shall have been approved by a resolution of the Board.