



PUBLIC SAFETY MUTUAL BENEFIT FUND, INC.

Resolution No. 2016 - 19

APPROVAL OF THE COMMITTEES OF THE BOARD

Whereas, Board Resolution No. 2016 – 33 approved to reorganize the Board Committees to conform to the best practices in corporate governance and the ASEAN Integration requirements;

Whereas, the Committees of the Board shall comprise of the Executive Committee, Governance Committee, Risk and Audit Committee, IT Committee and Membership Committee;

Whereas, the Committees, once organized, developed its respective committee charters;

Whereas, the Committee Charters clearly defines the respective committee's roles, responsibilities, authorities, composition and meetings among others;

Whereas, the Committee charters were presented to the Executive Committee for consideration;


Whereas, the Executive Committee endorsed the committee charters for approval of the Board;

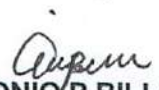
Whereas, during the Special Board meeting held on April 7, 2016, the Board approved the Committee Charters;

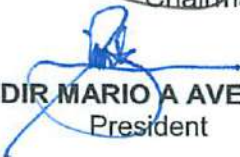
Now, therefore, be it resolved, as it is hereby resolved, that the Board approves the Committee Charters of the Executive Committee, Governance Committee, Risk and Audit Committee, IT Committee and Membership Committee, hereto attached;


Be it resolved finally, that copies of this resolution be furnished the Chairman and the Vice Chairman of the Board of Trustees, the President, the Vice President, the General Manager, and the PSMBFI Management for reference and information.

Done in San Juan City this 7th day of April 2016.


DIR RICARDO C MARQUEZ
Chairman


DIR ANTONIO P BILLONES
Vice Chairman


DIR MARIO A AVENIDO
President


DIR BERNARDO C FLORECE JR
Vice President



PUBLIC SAFETY MUTUAL BENEFIT FUND, INC.

Resolution No. 2016 - 19

APPROVAL OF THE COMMITTEES OF THE BOARD


DIR ROBERTO L ALIGGAYU
Treasurer


DIR JUANITO P DIMACULANGAN
Assistant Treasurer


DIR CATALINO S CUY
Trustee

DIR LEONARDO A ESPINA
Trustee


DIR JUANITO B VANO JR
Trustee


DIR CEDRICK G TRAIN
Trustee

DIR SERGIO A DIMANDAL
Trustee


DIR DOMINADOR E AQUINO JR
Trustee


DIR JOVITO L RASCO
Trustee


DIR MARCOS B BEA
Trustee


DIR NARCISO A MALABANAN
Trustee

Attested by:


ATTY ASHER A DOLINA, CEO VI
Corporate Secretary



PUBLIC SAFETY MUTUAL BENEFIT FUND, INC.

EXECUTIVE COMMITTEE CHARTER

I. AUTHORITY

Section 32 (a), Article XIV of the PSMBFI Amended By-Laws.

II. PURPOSE

The Executive Committee (Committee) of the PSMBFI Board of Trustees (Board) shall be organized to evaluate resolutions, projects, or activities for Board action. It may also act on all other matters upon its own initiative or as may be delegated by the Board.

III. COMPOSITION

The Committee shall be composed of at least five (5) members of the Board. The members shall be the chairpersons of the Committees of the Board of Trustees and such other members who shall be elected by a majority vote of the members of the Board of Trustees.

A corporate officer may also become a member of the Committee only when such officer possesses such competency relevant to the functions of the committee. They shall serve for the duration of their term as regular members of the Board or as corporate officers.

The Board elects a Committee Chairman and Vice Chairman, and selects Committee members during the annual organizational meeting of the Board. Each committee member shall serve until the next organizational meeting of the Board, or until such time that their successor shall have been duly elected and qualified, or until their resignation or removal. The Committee Chairman may recommend to the Board through the Governance Committee, the termination and replacement of a committee member.

The Committee may, in its discretion, form and delegate authority to subcommittees composed of at least three (3) members, when necessary.

PSMBFI Building

No. 318-320 Santolan Road, cor. 1st and 2nd West Streets
San Juan, Metro Manila
Tel. No. 726-1675; 726-8070 Telefax No. 726-7250
Email: customer care@psmbfi.com.ph

www.psbmbfi.com.ph



PUBLIC SAFETY MUTUAL BENEFIT FUND, INC.

IV. DUTIES AND RESPONSIBILITIES

1. The Committee, in accordance with the authority granted by the Board shall act on such matters within the competence of the Board of Trustees, and other matters as the Board may, from time to time delegate to the Committee in accordance with the PSMBFI By-Laws, except with respect to the following:

- a. Filling of vacancies in the Board or in the Executive Committee;
- b. Amendment or repeal of By-Laws or the adoption of new By-Laws;
- c. Amendment or repeal of any resolution of the Board of Directors
- d. Distribution of cash dividends; and
- e. Exercise of powers delegated by the Board exclusively to other committees.

2. The Committee shall be the delegate of the Board in providing the Management sound guidance, policies, and strategic guidelines.

3. The Committee shall be guided by the Company's mission and vision in the fulfillment of its functions.

4. The Committee shall report to the Board for its information, confirmation, or approval, all matters that the Board Committees reported to the Executive Committee.

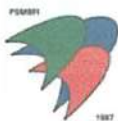
V. MEETINGS

The Committee shall meet in person, or through teleconference, or video conferencing facility, or through such other similar means at such times and frequency as may be necessary.

Committee members are highly encouraged to attend all Committee meetings for unity of actions. A quorum is necessary in the conduct of business, which shall comprise the majority number of Committee members present during the meeting.

For this purpose, the concurrence of the majority of the members present during the Committee meeting with a quorum shall be the act of the Committee.

A resource person may be invited, when necessary, during the Committee meeting for the comprehensive discussion of the agenda. The inputs of the resource person shall not be considered conclusive unless adopted by the members of the Committee.



PUBLIC SAFETY MUTUAL BENEFIT FUND, INC.

VI. COMMITTEE REPORTS

The Committee shall submit and/or present before the Board, reports of its activities, other actions taken, and significant matters reviewed, during the monthly Board meeting or any other time as the Board may require.

The committee shall present to the Board two separate reports; one under the concerns of the Corporate Secretary and the other, under the concerns of the Corporate Auditor. The two reports, however, shall bear the notation of the Chairman of the Committee.

VII. BOARD RATIFICATION

All actions performed by the Committee shall be presented before the Board for its ratification, notation, or other appropriate action.

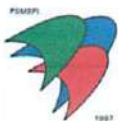
VIII. PERFORMANCE REVIEW

The Committee shall review and evaluate its own performance against the requirements of this Charter and report the results of its actions to the Board. The Committee shall conduct the performance review in such a manner and at such times as it deems necessary.

IX. EFFECTIVITY

This Charter shall take effect upon approval of the Board of Trustees.

DIR ANTONIO BILLONES
Chairman, Executive Committee
CY 2015 – 2016



PUBLIC SAFETY MUTUAL BENEFIT FUND, INC.

MEMBERSHIP COMMITTEE CHARTER

I. AUTHORITY

- Minutes of the Special Board Meeting dated August 16, 2006, creating the Membership Committee

II. PURPOSE

The Membership Committee (Committee) of the PSMBFI Board of Trustees (Board) is created primarily to assist the Board in all matters relating to membership such as but not limited to expansion, recruitment, retention and renewal.

It shall also act on any and all matters upon its own initiative or upon delegation of the Executive Committee and the Board.

III. COMPOSITION

The Committee shall be composed of at least five (5) members of the Board.

A corporate officer may also become a member of the Committee only when such officer possesses competency relevant to the functions of the committee. They shall serve for the duration of their term as regular members of the Board or as corporate officers.

The Board elects a Committee Chairman, Vice Chairman and selects Committee members at the annual organizational meeting of the Board. Each Committee member shall serve until the next such organizational meeting of the Board or until their successors shall be duly elected and qualified or until their earlier resignation or removal. However, the Committee Chairman may recommend to the Board through the Governance Committee, the termination and replacement of a committee member.

The Committee may, in its discretion, form and delegate authority to subcommittees composed of at least three (3) members, when appropriate.

IV. DUTIES AND RESPONSIBILITIES

The Membership Committee, shall exercise its oversight functions on the following activities:

- a. Reaching out to potential members
- b. Maintaining the membership of the association
- c. Preventing voluntary terminations

PSMBFI Building

No. 318-320 Santolan Road, cor. 1st and 2nd West Streets
San Juan, Metro Manila
Tel. No. 726-1675; 726-8070 Telefax No. 726-7250
Email: customercare@psmbfi.com.ph

www.psbmbfi.com.ph



PUBLIC SAFETY MUTUAL BENEFIT FUND, INC.

- d. Restoring terminated/inactive memberships
- e. Evaluating all benefits associated with membership with PSMBFI
- f. Perform other tasks as may be directed by the Board of Trustees

V. MEETINGS

The Committee shall meet monthly except when a need arises.

A majority of the number of Committee members shall constitute a quorum for conducting business.

The act of a majority of Committee members in a quorum shall be binding to all members, unless a greater number is required by Company's Articles of Incorporation, By- Laws, or this Charter.

The Committee may request any member of the Board or any officer or employee of the Company, or any resource person of the Company to attend a meeting or to meet with any of its members.

VI. COMMITTEE REPORTS

The Committee shall submit to the Board reports of its activities, other actions taken and significant matters reviewed in such manner and at such times as the Committee or the Board deems appropriate.

VII. BOARD RATIFICATION

All actions performed by the Committee shall be presented before the Board for its ratification, notation, or other appropriate action.

VIII. PERFORMANCE REVIEW

The Committee shall review and evaluate its own performance against the requirements of this Charter and report the results to the Board. The Committee shall conduct this in such a manner and at such times as it deems appropriate.

IX. EFFECTIVITY

This Charter shall take effect upon approval of the Board of Trustees.


DIR DOMINADOR E AQUINO JR
Chairman, Membership Committee
CY 205 - 2016



PUBLIC SAFETY MUTUAL BENEFIT FUND, INC.

RISK AND AUDIT COMMITTEE CHARTER

I. AUTHORITY

- a. Insurance Commission Circular 31-2005 (Corporate Governance Principles and Leading Practices);
- b. Securities and Exchange Commission (SEC) Rules and Regulations;
- c. PSMBFI Articles of Incorporation and By-Laws;
- d. PSMBFI Amended By-Laws;
- e. PSMBFI Board Resolution No. 2000-26 (Creation and Duties and Responsibilities of PSMBFI Investment Committee);
- f. PSMBFI Board Resolution No. 2004-07 (Creating the PSMBFI Audit Committee);
- g. PSMBFI Board Resolution No. 2004-30 (Confirming the Authorities, Functions and Composition of the PSMBFI Investment Committee);
- h. PSMBFI Board Resolution No. 2004-31 (Confirming the Authorities, Functions and Composition of the PSMBFI Audit Committee for CY 2004-2005);
- i. PSMBFI Board Resolution No. 2014-I8 (Creation of Risk Oversight Committee); and
- j. PSMBFI Board Resolution No. 2014-32 (Approval of the Risk Oversight Committee Charter).

II. PURPOSE

The Risk and Audit Committee (Committee) of the PSMBFI Board of Trustees (Board) assists the Board in carrying out its responsibilities for policy formulation; in fulfilling its oversight responsibility relating to risk management systems; in overseeing the Company's financial reporting, internal control structure, and the internal and external audit functions; in overseeing its fund management functions, in complying with legal and regulatory matters; and in making recommendations in relation to all matters within its responsibility as described in this Charter or as requested by the Board.

The Committee ensures that an overall set of risk management policies and procedures exist for the Company; reviews the adequacy of the Company's risk management framework/process; and reviews the results of the annual risk assessment. The Committee shall regularly oversee the Company's process for management and communication of key risks facing the Company, as well as the guidelines, policies, and processes for monitoring and mitigating such risks, and for other matters concerning the internal and external risks faced by the Company.

PSMBFI Building

No. 318-320 Santolan Road, cor. 1st and 2nd West Streets

San Juan, Metro Manila

Tel. No. 726-1675; 726-8070 Telefax No. 726-7250

Email: customercare@psmbfi.com.ph

www.psbmfi.com.ph

The Committee shall oversee the fairness of the Company's financial statements and the soundness of its financial reporting process, the robustness of its internal control and internal audit activities, and the annual external independent audit of the financial statements.

The Committee's principal function is one of oversight, review and monitoring.

III. COMPOSITION

The Committee shall be composed of at least five (5) members of the Board.

A corporate officer may also become a member of the Committee only when such officer possesses competency relevant to the functions of the committee. They shall serve for the duration of their term as regular members of the Board or as corporate officers.

The Board elects a Committee Chairman, Vice Chairman and selects Committee members at the annual organizational meeting of the Board. Each Committee member shall serve until the next such organizational meeting of the Board or until their successors shall be duly elected and qualified or until their earlier resignation or removal. However, the Committee Chairman may recommend to the Board through the Governance Committee, the termination and replacement of a committee member.

The Risk and Audit Committee shall be composed exclusively of non-executive directors. No member of the Management of PSMBFI shall be a member of this Committee.

The Committee may, in its discretion, form and delegate authority to subcommittees composed of at least three (3) members, when appropriate.

IV. DUTIES AND RESPONSIBILITIES

The Committee has the following duties and responsibilities:

In line with its policy-making and oversight functions, the Committee shall have the authority to conduct inquiries on any matter within the scope of its responsibilities. As such it should be given full access to all books, records, company operations and employees of the Company and may obtain and recommend to the Board engagement of a consultant or independent counsel and other advisers as it determines necessary to carry out its duties on risk, audit and fund management oversight functions.

A. Risk Oversight Functions:

1. Oversee the Company's risk management policy;

2. Oversee the establishment and implementation of the risk management framework;
3. Submit proposals for risk appetite ceiling;
4. Maintain and ensure that adequate risk management plan is in place and working properly;
5. Review and evaluate proposed policies on risk identification, measurement and monitoring methods or instruments for the risk management program;
6. Review reports of significant issues identified by Risk Officer including reports describing the Company's credit risk profile, information about concentrations including country risks, and material limits excesses;
7. Review a report to be submitted periodically by the Risk Officer to the Committee on:
 - a. The Company's risk management control environment, including: the establishment, review and compliance with limits; staffing; independence of the risk function; and the adequacy of reporting structures; and
 - b. Any material issues regarding risk management raised by internal audit reports rated less than satisfactory or by regulatory reports identifying issues as matters requiring attention;
8. Review and oversee the Company's risk profiles as developed and reported by management;
9. Identify and monitor emerging risks and changes in the Company's risk profile;
10. Review and monitor the effectiveness of the Business Continuity Management Framework (including IT Service Continuity Framework) and its compliance with regulatory requirements;
11. Review the Company's insurance strategy, including the coverage and limits of the insurance policies, in order to, if thought fit, recommend to the Board for approval;
12. Review the Company's financial risk management policies such as but not limited on credit risk, liquidity risk and interest rate risk;
13. Periodically review the practical risk strategies and proactive controls identified by the risk management consultant, if any, to reduce the chance that the risk will occur and mitigate losses when the risk becomes real;

14. Conduct regular discussions with the risk management consultant, if any, to determine whether the risk management objectives are aligned with the overall strategies and performance goals; Review,
15. monitor and report to the Board on the effectiveness of the Company's risk management system including processes adopted by management to implement the Risk Management Policy approved by the Board;
16. Regularly report to the Board the Company's overall risk exposure and actions taken by the management to reduce the risks and recommended actions as necessary;
17. Promote an awareness of a risk based culture in relation to the pursuit of business objectives.

B. Audit Functions:

1. Help ensure that the Board would live up to one of its core functions, that of installing a financial control and reporting system. The Committee has the main responsibility of overseeing the internal and external audit function, which is discharged to ensure that the financial statements about the Company are true and fair;
2. Perform direct oversight functions over the internal and external auditors. The Committee initially decides on the appointment, performance evaluation, and eventual change (subject to final approval or ratification of the Board or shareholders) of the internal and external auditors. It shall review and approve the terms of reference for the internal and external auditors;
3. Recommend the compensation for auditors, especially external auditors, including the non-audit fees paid to them;
4. Review the scope and results of both internal and external audit activities;
5. Ensure, and in the process evaluate the objectivity of the audit function (both internal and external);
6. Receive and review the results of regulatory examiners' audits. The Committee shall also review the responses to regulatory audits and follow-up actions taken as a result of those audits;
7. Meet with the examiners to discuss their major findings and recommendations;

8. Review the regular management reports, interim statements, annual financial statements, and other disclosure statements to regulatory authorities and other outside parties. The Committee shall require a written statement from management on the integrity of the Company's control and reporting systems. Such management statement should include a specific reference to conformity of the company's financial statements with the accounting and auditing standards the regulatory authorities have set;
9. Oversee the Audit on both operational and financial activities of the Company. The Committee shall make necessary recommendations, propose appropriate actions and provide ample solutions to problems on the Company's operations based on the findings of its audit. It shall conduct further studies and researches on the Company's audit for the improvement in functions of all the departments;
10. Ensure that the Company's financial reports give a clear idea of the Company's performance, which should be related to appropriate performance benchmarks;
11. Review the financial statements and all related disclosures and reports and released to the public and/or submitted to the SEC and IC for compliance with both the internal financial management handbook and pertinent accounting standards, including legal and regulatory requirements; and
12. Ensure that a transparent financial management system, supported by a Procedures and Policies Handbook, is established, to ensure the integrity of internal control activities throughout the Company.
13. On external audit, the Committee shall review and assess key areas relating to the external audit of the Company. In particular, the Committee shall:
 - a. Monitor the effectiveness and independence of the external auditor;
 - b. Review the scope of the external audit with the external auditor including identified risk areas and approve external audit plans;
 - c. Review, assess and recommend to the Board the Company's policy on the provision of non-audit services by the external auditor;
 - d. Ensure that the internal auditor monitors compliance with the Company's policy in respect to the provision of non-audit services by

the external auditor and periodically reports to the Committee, including any breaches of the policy;

- e. Provide an annual report to the Board with respect to non-audit services, provided by the external auditor during the year, which includes amounts paid or payable to the external auditor for those non-audit services; a statement whether the Committee is satisfied that the provision of those services during the year is compatible with the general standard of independence for auditors; and the reasons for the Committee's opinion;
 - f. Ensure that the external audit is coordinated with internal audit programs;
 - g. Review and monitor the management's responsiveness to the external audit findings;
 - h. Upon approval of the Board, provide the external auditors with unrestricted and confidential access to the Chief Executive Officer, the Chairman of the Committee, the Committee or, if deemed appropriate by the external auditors, to the Chairman of the Board;
 - i. Obtain and review a report by the external auditor describing the overall scope of the external audit, including risk areas identified and any additional agreed procedures; and
 - j. Review the reports of the Independent Auditors and regulatory agencies, where applicable, and ensuring that management is taking appropriate corrective actions in a timely manner, including addressing control, governance and compliance issues.
14. On internal audit, the Committee shall at least annually review the adequacy and effectiveness of:
- a. The scope of the audit and the internal audit plan, work program and resources and approve internal audit plans; and
 - b. Review and monitor management's responsiveness to the internal audit findings. A written statement shall be required from management on the integrity of the company's control and reporting systems.
15. The Committee should also get occasional updates on the changing demands of financial reporting, evolving industry and regulatory issues, and emerging financial and business risks. In this regard, the Committee should have "access to outside seminars and symposia, at Company expense.

16. On internal controls and risk management, the Committee shall at least annually review the adequacy and effectiveness of:
 - a. The Company's policies and procedures to assess, monitor and manage financial and non-financial business risks;
 - b. Internal compliance and control systems, including the accounting and financial controls;
 - c. Legal and ethical compliance programs (including the Company's code of business conduct and ethics); and
 - d. The group's insurance coverage.

C. Fund Management Functions:

1. Set the general guidelines on the utilization of funds for investment and operational requirements;
2. Recommend and formulate investment strategies that will support the overall objectives of the Company;
3. Set the desired investment mix after due consideration of items such as availability of funds, rate of return of investment, allowable investment as set by the Insurance Commission and others for final approval of the Board;
4. Study and recommend areas for investment within the approved guidelines of the Insurance Commission and/or allowed by the Insurance Code of the Philippines;
5. Review and recommend for approval of the Board policies, guidelines and procedures for treasury operations, such as, but not limited to cash receipts and disbursements;
6. Review and recommend for approval of the Board policies, guidelines and procedures for all investment activities such as but not limited to:
 - a. Lending operations;
 - b. Investment in real estate;
 - c. Depository accounts for short term investments, bonds and other financial instruments; and
 - d. Investments in other companies and institutions.
7. Evaluate and review the Company's Fund Management Policies for consideration of the Executive Committee prior to final approval and implementation of the Board; and

8. Regularly review and require monthly reports on status of funds;

D. Other Delegated Duties and Responsibilities

1. The Committee may initiate special investigations as it sees fit, or as directed by the Board, in relation to matters set out in this Charter;
2. Assess and monitor financial control, external financial reports, business conduct, litigation, legal claims and regulatory risks (excluding those which are included as responsibilities in the Charters of other Board Committees) that could have a material effect on the financial position or operating results of the Company; and
3. Perform any other duties or responsibilities delegated to the Committee by the Board from time to time.

V. MEETINGS

The Committee shall meet as frequently as necessary to carry out its responsibilities under this Charter.

A majority of the number of Committee members shall constitute a quorum for conducting business.

The act of a majority of Committee members in a quorum shall be binding to all members, unless otherwise a greater number is required by Company's Articles of Incorporation and By- Laws, or this Charter.

The Committee may request any member of the Board or any officer or employee of the Company, or any resource persons to attend a meeting or to meet with any of its members.

The Committee may solicit and secure the services of experts to assist the Committee in the proper exercise of its duties and responsibilities.

The internal or external auditor may request that a meeting of the Committee be convened. Where a person has a conflict of interest in a matter, the Committee Secretary will provide that person with notice of the matter but, unless the other members of the Committee otherwise determine, will not provide that person with papers in relation to that matter.

The Committee shall periodically meet separately with management, the internal auditor and the external auditor to discuss issues and concerns warranting Committee attention, including but not limited to their assessment of the effectiveness of internal controls and the process for improvement.

The Committee shall receive regular reports from the external auditor on changes to accounting standards that may affect the Company on the critically important accounting policies and practices of the Company, and all alternative

treatments of financial information within generally accepted accounting principles that have been discussed with management.

VI. COMMITTEE REPORTS

The Committee shall submit to the Board reports of its activities, other actions taken and significant matters reviewed in such manner and at such times as the Committee or the Board deems appropriate.

The Risk Officer reports to the President/CEO and is accountable to the Board, primarily through the Committee.

The Committee shall require, through the Office of the President, the Risk Officer to regularly report the results of its risk monitoring on all financial and operational risks, its recommendations thereto, and the appropriate actions taken by the management. It shall likewise require the reporting of all risk-related matters and issues.

The Committee shall also require, through the Office of the President, the Risk Officer to regularly report the status of IT related risk matters and concerns.

VII. BOARD RATIFICATION

All actions performed by the Committee shall be presented before the Board for its ratification, notation, or other appropriate action.

VIII. PERFORMANCE REVIEW

The Committee shall review and evaluate its own performance against the requirements of this Charter and report the results to the Board. The Committee shall conduct this in such a manner and at such times as it deems appropriate.

IX. EFFECTIVITY

This Charter shall take effect upon approval of the Board of Trustees.


DIR JUANITO B. VAÑO
Risk & Audit Committee Chairman
CY 2015 – 2016



PUBLIC SAFETY MUTUAL BENEFIT FUND, INC.

INFORMATION TECHNOLOGY (I.T.) COMMITTEE CHARTER

I. AUTHORITY

- PSMBFI Board Resolution No 2010 – 05 (Creation of the PSMBFI I.T Committee)

II. PURPOSE

The Information Technology Committee (IT Committee) of the PSMBFI Board of Trustees (Board) is created to assist the Executive Committee evaluate and/or supervise IT-related activities to ensure that the functions, objectives, and processes of the Company are vigorously carried out in pursuit of its Vision and Mission.

It may also act on any and all IT-related matters upon its own initiative or upon delegation of the Executive Committee.

III. COMPOSITION

The Committee shall be composed of at least five (5) members of the Board.

A corporate officer may also become a member of the Committee only when such officer possesses competency relevant to the functions of the committee. They shall serve for the duration of their term as regular members of the Board or as corporate officers.

The Board elects a Committee Chairman, Vice Chairman and selects Committee members at the annual organizational meeting of the Board. Each Committee member shall serve until the next such organizational meeting of the Board or until their successors shall be duly elected and qualified or until their earlier resignation or removal. However, the Committee Chairman may recommend to the Board through the Governance Committee, the termination and replacement of a committee member.

The Committee may, in its discretion, form and delegate authority to subcommittees composed of at least three (3) members, when appropriate.

IV. DUTIES AND RESPONSIBILITIES

The IT Committee, in the exercise of its oversight functions and/or upon the direction of the Board through the Executive Committee shall perform the following activities:

- a. Oversee the development, implementation and maintenance of major IT-related projects such as but not limited to the PSMBFI Integrated Information System (PIIS), in accordance with company directions;



PUBLIC SAFETY MUTUAL BENEFIT FUND, INC.

- b. Evaluate the Information Security and Management of the IT Infrastructure;
- c. Evaluate the adequacy and allocation of IT resources in terms of funding, personnel, equipment and capabilities;
- d. Assess IT Policies being implemented in consonance with current and future technologies and recommend to the Board through the Executive Committee, policy changes if and when necessary; and
- e. Perform non-management related functions, duties and responsibilities in I.T. related matters.

V. MEETINGS

Meets monthly except when the need arises but only upon approval of the Chairman of the Executive Committee.

The Committee may meet in physical venues or through electronic means i.e. teleconference.

VI. COMMITTEE REPORTS

The Committee shall submit and/or present before the Board, reports of its activities, other actions taken, and significant matters reviewed, during the monthly Board meeting or any other time as the Board may require.

VII. BOARD RATIFICATION

All actions performed by the Committee shall be presented before the Board for its ratification, notation, or other appropriate action.

VIII. PERFORMANCE REVIEW

- a. The IT Committee shall conduct a periodic performance assessment; a report of which shall be furnished the Executive Committee
- b. It shall also review its Charter to keep the same attuned to current Company policies, mandates, processes, and best practices.
- c. This Charter shall be published in the Company Website



PUBLIC SAFETY MUTUAL BENEFIT FUND, INC.

IX. EFFECTIVITY

This Charter shall take effect upon approval of the Board of Trustees.

DIR SERGIO A DIMANDAL

IT Committee Chairman

CY 2015 - 2016

GOVERNANCE COMMITTEE CHARTER

I. AUTHORITY

- Board Resolution No. 2015 – 33 (Approval of the Committees of the Board)

II. PURPOSE

The Governance Committee (Committee) of the PSMBFI Board of Trustees (Board) provides for the Board's effectiveness and continuing development, and assists the Board in all matters relating to corporate governance and in making recommendations as described in this Charter or as requested by the Board and such other matters as:

- a. Corporate governance policies and practices;
- b. Director nomination;
- c. Board and management review and evaluation;
- d. Review of possible conflicts of interest;
- e. Director compensation;
- f. Director orientation and education;
- g. Organizational Structure;
- h. Screening and remuneration;
- i. Review of by- laws and other policies;
- j. Review and performance evaluation of contracted services; and
- k. Other delegated duties or responsibilities.

III. COMPOSITION

The Committee shall be composed of at least five (5) members of the Board.

A corporate officer may also become a member of the Committee only when such officer possesses competency relevant to the functions of the committee. They shall serve for the duration of their term as regular members of the Board or as corporate officers.

The Board elects a Committee Chairman and Vice Chairman, and selects Committee members at the annual organizational meeting of the Board. Each Committee member shall serve until the next such organizational meeting of the Board or until their successors shall be duly elected and qualified or upon their earlier resignation or removal. However, the Committee Chairman may recommend to the Board through the Executive Committee, the termination and replacement of a committee member.

PSMBFI Building

No. 318-320 Santolan Road, cor. 1st and 2nd West Streets
San Juan, Metro Manila
Tel. No. 726-1675; 726-8070 Telefax No. 726-7250
Email: customercare@psmbfi.com.ph

www.psbmbfi.com.ph



PUBLIC SAFETY MUTUAL BENEFIT FUND, INC.

The Committee may, in its discretion, form and delegate authority to subcommittees composed of at least three (3) members, when appropriate.

IV. DUTIES AND RESPONSIBILITIES

The Committee has the following duties and responsibilities:

A. Corporate Governance Policies and Practices

The Committee shall develop and recommend to the Board through the Executive Committee a set of corporate governance principles and guidelines consistent with the rules and regulations of the Insurance Commission and the Securities and Exchange Commission. The corporate governance guidelines shall be applicable to the Board Members, Corporate Officers and Company's employees. The Committee shall review such corporate governance guidelines and recommend to the Board through the Executive Committee policies and processes designed to provide for effective and efficient governance, and propose any changes to such principles to the Board. The Committee shall keep itself abreast of developments with regard to corporate governance to enable the Committee to make recommendations to the Board in light of such developments as may be appropriate.

The Committee shall exercise general oversight and advise the Board with respect to corporate governance practices in general.

B. Nomination of Directors

The Committee shall identify PSMBFI members, who are qualified to become Board members and who it believes, will be able to make significant contribution to the economic success and sustainability of the Company. In screening candidates, the Committee shall consider standards that are consistent with the guidelines set forth in the Company's Corporate Governance Manual and other criteria established by the Board for selecting new directors. These criteria may include business experience, knowledge, skills, diversity, integrity, global experience, the extent to which the candidate's experience complements that of other Board members, and the extent to which the candidate would be a desirable asset to the Board and addition to any committees of the Board. The Committee shall also review the qualifications of, and make recommendations to the Board through the Executive Committee regarding director nominations submitted to the Company by the members. The Nomination shall be without prejudice to the provisions of the Articles of Incorporation and By-laws.

The Committee shall recommend identified candidates to the Board to fill new or vacant positions. The Committee shall recommend directors as nominees for election during the Annual General Membership Meeting and Election or when necessitated. In selecting director nominee candidates, the Committee shall consider both new director candidates and incumbent directors.



PUBLIC SAFETY MUTUAL BENEFIT FUND, INC.

The Committee shall evaluate whether an incumbent director should be nominated for re-election to the Board as part of its annual review and selection process. The Committee will use the same criteria established for new director candidates to make its evaluation and will also take into account the incumbent director's performance as a Board member.

C. Board and Management Review and Evaluation

The Committee shall annually review all Board committee charters and have oversight responsibility for evaluation of the performance of the Board, Board committees, and Company's management against any corporate governance guidelines that have been adopted by the Board and against any duties and responsibilities set forth in committee charters. The Committee shall conduct its evaluation in such a manner as it deems appropriate. The evaluation shall include a self-assessment and may include an individual peer review assessment at the Committee's discretion. The Committee shall report the results of such evaluation to the Board through the Executive Committee along with any recommendations it deems appropriate.

D. Review of Possible Conflicts of Interest

The Committee shall consider possible conflicts of interest of the members of the Board and that of the management and make recommendations to prevent, minimize or eliminate such conflicts of interest.

E. Director Compensation

The Committee, in accordance with the Company's Corporate Governance Guidelines, shall study and develop policies on the granting of honorarium and other remunerations to the members of the Board and Corporate officers.

The Committee shall periodically review director compensation in relation to other comparable companies and in light of such other factors as the Committee may deem appropriate. The Committee shall discuss this review with the Board and make appropriate recommendations.

F. Director Orientation and Education

The Committee shall oversee the development and implementation of an effective orientation program for new members of the Board, and make recommendations regarding director education and training opportunities.

G. Organizational Structure

The Committee shall perform oversight functions on the approval, implementation, and amendment PSMBFI Organizational Structure.



H. Screening and Remuneration

The Committee shall perform the following screening functions:

1. Set the qualification standards for the managerial and assistant managerial positions;
2. Evaluate the qualifications and credentials of the recommendees to permanent managerial and assistant managerial position;
3. Conduct the interview of recommendees to permanent managerial positions;
4. Recommend to the Board for approval and confirmation the permanent appointment of the General Manager, Department Managers and Assistant Managers of the Company;
5. Review and make recommendations on the succession plan/continuity process of the Company;
6. Screen the applicants for consultant, independent contractor or retainers for the Company and make their recommendation/s for approval of the Board; and
7. Screen all related contracts to be entered into by PSMBFI.

The Committee shall also perform the following remuneration functions:

1. Perform oversight functions on matters relating to remuneration of senior management and other key personnel;
2. Address issues concerning the compensation of PSMBFI employees; and
3. Monitor the appropriateness of compensation in adherence to the Company's culture, capacity and control.

I. Review of By- Laws and other Policies

The Committee shall review the corporate by-laws and other policies and recommend any needed changes to the Board through the Executive Committee.

J. Review and Performance Evaluation of Contracted Services

The Committee shall review and evaluate the performance of providers of contracted services of the Company and submit recommendations for the approval of the Board through the Executive Committee.

K. Other Delegated Duties or Responsibilities

The Committee shall perform any other duties or responsibilities delegated to the Committee by the Board from time to time.



PUBLIC SAFETY MUTUAL BENEFIT FUND, INC.

V. MEETINGS

The Committee shall meet as frequently as necessary to carry out its responsibilities under this Charter. The Committee Chair shall, in consultation with the other members of the Committee and appropriate officers of the Company, establish the agenda for each Committee meeting. Each Committee member may submit items to be included on the agenda. The Committee members may also raise subjects that are not on the agenda at any meeting. The Committee Chair or a majority of the Committee members may call a meeting of the Committee at any time.

The act of a majority of Committee members in a quorum shall be binding to all members, unless a greater number is required by Company's Articles of Incorporation, By-Laws, or this Charter.

The Committee may request any member of the Board or any officer or employee of the Company, or any resource person to attend a meeting or to meet with any of its members.

VI. COMMITTEE REPORTS

The Committee shall submit to the Board reports of its activities, other actions taken and significant matters reviewed in such manner and at such times as the Committee or the Board deems appropriate.

VII. BOARD RATIFICATION

All actions performed by the Committee shall be presented before the Board for its ratification, notation, or other appropriate action.

VIII. PERFORMANCE REVIEW

The Committee shall review and evaluate its own performance against the requirements of this Charter and report the results to the Board. The Committee shall conduct this in such a manner and at such times as it deems appropriate.

IX. EFFECTIVITY

This Charter shall take effect upon approval of the Board of Trustees.

DIR CATALINO S CUY
Chairman, Governance
Committee
CY 2015 - 2016