

INSIDER TRADING

1. INTRODUCTION

BPI/MS Insurance Corporation is adopting the BPI policy on Insider Trading and the MSIJ Compliance Manual as far as applicable covering MSI shares.

2. DEFINITION OF TERMS

2.1. Covered Transactions

- BPI Securities
- Securities of BPI/MS clients who invoked a Non-Disclosure Agreement (NDA) with BPI/MS because of disclosure of material information about the client/issuer/security that is not generally available to the public

2.2. Securities

- Includes shares of stock and options to purchase stocks and other securities and evidences of indebtedness of BPI/MS clients

2.3. Covered Persons

- For the purpose of this Policy, an “insider” is defined as:
 - All members of the Board of Directors of BPI/MS
 - All Officers of BPI/MS with the rank of Business Director and up and other officers or employees who are considered to have knowledge or may be in possession or may have access or who are made aware of material non-public information about BPI or about BPI/MS transactions where clients invoke an NDA.

2.4. Material Information

Information is deemed to be material if there is a reasonable likelihood that it would be considered important to an investor in making decision regarding the purchase or sale of securities.

Material information includes, but not limited to:

- Financial Results prior to public disclosure
- Projections of future earnings or losses
- News of a pending or proposed merger
- Material change in the corporate structure
- Acquisitions / Divestitures / Joint Ventures
- Dividend declarations and changes in dividend policy
- Stock splits
- New significant equity investments or debt offerings
- Significant litigation exposure
- Major changes in key senior management positions
- Public or private sale of BPI securities

Either positive or negative information may be material

3. POLICIES

3.1. RESTRICTIONS ON DISCLOSURE AND TRADING OF SECURITIES

3.1.1 Blackout Periods for BPI Securities

Covered Persons are strictly prohibited from trading during the following periods (The prohibition also includes passing on material non-public information relating to BPI to those who may buy or sell securities – which are commonly referred to as “tipping”):

Structured Disclosures:

Ten (10) calendar trading days before and three (3) calendar trading days after the disclosure of quarterly and annual financial results;

Non-Structured Disclosures:

Three (3) calendar trading days before and three (3) calendar trading days after the disclosure of any material information other than item (a) above;
Office bulletins for special Blackout Periods pertaining to the above will be issued by the Compliance Officer

3.1.2 Exception

The exercise of vested stock options (i.e., acquiring shares) may be done at any time, even during Blackout periods. However, the liquidation, (i.e., the sale of shares acquired from options) is subject to Blackout periods.

3.2. COMPLIANCE AND REPORTING POLICIES

3.2.1 Compliance Policy

When in doubt, all Covered Persons should consult the Compliance Officer, prior to transacting securities of BPI or of covered clients who invoke a Non-Disclosure Agreement (NDA) with BPI/MS, regardless of when they would like to perform such transactions, in order to determine if the trade will or will not violate the Policy.

Certain Rank and File personnel may at certain times or from time to time possess or have knowledge of material non-public information about potentially market affecting activities. The staff should consult the Compliance Officer about any plan to trade on BPI securities or securities of clients who have an NDA with BPI/MS if they have knowledge or believe to have knowledge of such material non-public information, to ensure Compliance with this Policy.

3.2.2 Reporting Policy for BPI Securities

Without prejudice to the normal / regular reportorial requirements of the Securities and Exchange Commission and the Philippine Stock Exchange for purchase and/or sale of BPI shares by Directors and Officers which must be timely complied with, all Covered Persons are required to report their trades to the Office of the Compliance Officer on a quarterly basis.

3.3. CONSEQUENCES OF NON-COMPLIANCE

Violation of this Policy shall be reported to the BPI/MS Board of Directors and MSI RHC and will be subject to disciplinary action as may be determined by management of the Board of Directors, without prejudice to any civil or criminal proceedings which BPI/MS or the regulators may file for violation of existing laws. Insider Trading under the law may be subject to penalty for damages of fine and/or imprisonment.

ADDITIONAL GUIDELINE WHEN THERE ARE RELEASES:

POLICY REMINDER:

The Compliance Officer will send email notifications on blackout periods (the period for which the material information is to be kept non-public) to the covered persons (Corporate Secretary for sending to the Board Directors, to the Business Directors of BPI/MS, and to employees in possession of the material non-public information). The Underwriting Group Head shall apprise the Compliance Officer of such transactions and of the blackout period.

Covered persons are strictly prohibited from trading BPI shares during the Blackout Period.

Blackout Period Restriction on Trading:

As such, the Blackout Period Restriction on trading of BPI shares shall be effective <<Start Date>> up to <<End Date>>.

Covered Persons Include:

All members of the Board of Directors of BPI/MS

All Officers of BPI/MS with the rank of Business Director and up and other officers or employees who are considered to have knowledge or may be in possession or may have access or who are made aware of material non-public information about BPI or about BPI/MS transactions where clients invoke an NDA.

Non Compliance shall mean violation of the BPI/MS Insider Trading Policy and shall subject the covered person to disciplinary action as may be determined by management of the Board of Directors, without prejudice to any civil or criminal proceedings which BPI/MS or the regulators may file for violation of existing laws. Insider Trading under the law may be subject to penalty for damages or fine and/or imprisonment.

4. MSIJ Guidelines on Anti-Insider Trading

These guidelines summarize compliance with regulations or any other equivalent regulations related to anti-insider trading, etc., which apply to overseas entities.

(1) Compliance with local regulations related anti-insider trading

In principle, each overseas entity shall comply with any regulations related anti-insider trading, which apply to the country or the region in which such entity is located, and shall ensure that appropriate internal regulations and a framework are in place and are implemented.

(2) MSI's "Regulations for Anti-Insider Trading, etc."

a. Overseas branches and overseas offices

Officers and employees of overseas branches and offices shall follow.

b. Overseas entities other than above a.

Make the following actions.

a) To develop Rules in accordance with MSI's "Regulations for Anti-Insider Trading, etc."

However, overseas entity doesn't have to develop additional rules if Anti-Insider Trading rules in the entity covers contents of MSI's "MSI's "Regulations for Anti-Insider Trading, etc."".

b) To establish framework to control of the information in accordance with "MSI's "Regulations for Anti-Insider Trading, etc."".

(Note) MSI's "Regulations for Anti-Insider Trading, etc." is published on the intranet website of MSI's General Affairs Department.

(3) Reporting "Undisclosed Corporate Information" to General Manager of International Department (or General Manager of Financial Solutions Department or Asian Life Insurance Business Department)

If a director, an officer or an employee of MSI who is working in an overseas group company acquires "Undisclosed Corporate Information" (limited to those related to MS&AD Group only) ^(Note) as stipulated in the MSI regulations, any measures necessary for preventing insider trading shall be taken in accordance with the regulations of the overseas entity concerned, and the case shall be reported to the General Manager of International Department (or General Manager of Financial Solutions Department or Asian Life Insurance Business Department).

(Note) "Undisclosed Corporate Information" is as stipulated under Article 4 of MSI's "Regulations for Anti-Insider Trading, etc." (on the intranet homepage of MSI's General Affairs Department).

For example, information about development of new business, new investment, and withdrawal from existing business by MSI and its overseas entities may correspond to

“Undisclosed Corporate Information” of MS & AD Group.

On the other hand, customer information provided by MSI does not fall under “Undisclosed Corporate Information” of MS & AD Group

<Reference >

**Mitsui Sumitomo Insurance Co., Ltd. Regulations for Anti-Insider Trading, etc.
Chapter II Definition of Terms**

(Definition of Undisclosed Corporate Information)

Article 3

1. Undisclosed Corporate Information shall mean the following in these Regulations:

- (1) Material information, not publicized and likely to have an influence on investors' investment decisions, concerning the management, business or assets of MS&AD Insurance Group Holdings, Inc. (hereinafter referred “Holding Company”) and its subsidiary companies, etc. (hereinafter referred to, including the Holding Company, as “MS&AD Group”), and of other listed corporations and their subsidiary companies, etc.; and
- (2) Tender Offer Information