



RELATED PARTY TRANSACTIONS COMMITTEE CHARTER

I. Purpose

The Related Party Transaction Committee (the “Committee”) is established for the purpose of assisting the Board of Directors (the “Board”) in overseeing **Pacific Online Systems Corporation’s** (the “Company”) practices and processes relating to related party transactions (RPTs). The Committee shall be responsible for reviewing all material related party transactions of the Company and ensuring that all RPTs are conducted on a fair and arms-length basis. Transactions considered material are subject to review by the Committee prior to Board approval and Management execution.

II. Membership

The Committee shall be appointed by the Board and shall comprise of at least three (3) non-executive directors. Majority of the members, including its Chairman, shall be independent.

III. Meetings

The Committee shall meet at least twice each year or more frequently as circumstances dictate. The Committee will also periodically meet with Management, the internal auditor and risk management officer to discuss any matters that they wish to bring to the Committee’s attention.

Quorum at any Committee meeting shall be at least a majority of the Committee members. All determinations of the Committee shall be by the vote of at least a majority of its members present at a meeting duly called for and held. Minutes of all meetings of the Committee shall be prepared to document the Committee’s discharge of its responsibilities. The minutes shall be circulated in draft form to all Committee members to ensure an accurate final record, and shall be approved at a subsequent meeting of the Committee and distributed periodically to the full Board.

IV. Key Responsibilities

The Committee shall exercise the authority of the Board to:

- a. Evaluate the existing relations between and among businesses and counterparties to ensure that 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.
- b. Ensure that related parties, RPTs and changes in relationships are reflected in the relevant reports to the Board and regulators/supervisors. For this purpose, the Committee shall define the duty of directors and officers, including the mechanism therefor, to disclose relationships with related parties.
- c. Evaluate all material RPTs to ensure that these are not undertaken on more favorable economic terms 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 and 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 shall take 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 benefit to the Company 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.
- d. Ensure 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.
- e. Report to the Board regularly on the status and aggregate exposures to each related party, as well as the total amount of exposures to all related parties.

- f. Ensure that transactions with related parties, including write-off of exposures are subject to a periodic independent review or audit process.
- g. Oversee the implementation of the system for identifying, monitoring, measuring, controlling, and reporting RPTs, including a periodic review of RPT policies and procedures.

V. Outside Advisors

The Committee shall have the authority to retain such outside counsel, accountants, experts and other advisors as it deems appropriate to assist the Committee in the performance of its functions. The Committee shall have sole authority to approve related fees and retention items. The Company will provide appropriate funding, as determined by the Committee, to any such outside advisors engaged by the Committee.

VI. Miscellaneous

Nothing contained in this Charter is intended to expand applicable standards of liability under statutory or regulatory requirements for the directors of the Company or members of the Committee. The purposes and responsibilities outlined in this Charter are meant to serve as guidelines rather than as inflexible rules, and the Committee is encouraged to adopt such additional procedures and standards as it deems necessary from time to time to fulfill its responsibilities.