

## MANAGEMENT COMMITTEE: UNDERWRITING COMMITTEE CHARTER

### I. PURPOSE

Pursuant to the provisions of the By-laws of the Bank of Commerce (the Bank), the Board of Directors of the Bank creates the Underwriting Committee (UWCom) for the purposes of evaluating, endorsing and approving transactions by the Investment Banking Group (IBG).

### II. COMPOSITION

The UWCom shall be composed of three (3) members, having extensive experience and/or familiarity with the investment banking industry, to be appointed by the Board of Directors from among its members, one of whom will be designated as Chairman.

### III. DUTIES AND RESPONSIBILITIES

The UWCom is empowered and authorized to perform the following functions:

1. pre-clear or greenlight engagements with new clients of the Bank that might represent potential reputational risk;  
  
**Note:** 'New clients' refers to corporate, partnership or sole proprietorship entities that  
(a) do not have an existing loan facility with Corporate Banking Group (CBG); or  
(b) have not had a loan facility with CBG within three (3) years prior to the date of pre-clearance with the UWCom.
2. approve underwriting transactions involving amounts of up to PHP 3.0 billion, subject to the Bank's policies on Related Party Transactions (RPT);
3. approve other investment banking transactions, subject to the Bank's policies on RPT;
4. report to the Compliance Division (or the relevant banking unit) all investment banking transactions vetted and approved by the UWCom and submit the relevant internal reports covering such investment banking transactions, including but not limited to the RPT Below Materiality Threshold Report, pursuant to the Bank's RPT Policy;
5. approve formal proposals by IBG before they are sent to clients;
6. approve activities and transactions that are necessary for IBG to conduct its businesses such as, but not limited to, opening or closing of deposit and brokerage accounts, and availing of bank deposit facilities arising from duly approved IBG arrangements; and
7. report to the Board of Directors during its regular meetings, matters taken up by the Committee.

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### **IV. MEETINGS**

The UWCom shall meet on an as-needed schedule to discuss and, if merited, endorse or approve IBG transactions. Meetings may be conducted through modern technology, such as but not limited to, teleconferencing or video conferencing, and require the presence of all members of the UWCom. Every decision of the UWCom shall require the unanimous affirmative vote of all its members.

The UWCom shall keep minutes of its meetings which minutes, together with other documents submitted to it, shall be kept and preserved in the records of the Bank.

As a general rule, proposals are taken in a meeting en banc provided that under exceptional circumstances, the Chairman of the UWCom may, upon request deemed meritorious, authorize routing of proposals completely supported by appropriate information, for a decision by referendum.

### **V. EVALUATION AND REPORTS**

The UWCom shall review and assess the adequacy of this charter on an annual basis, and recommend any proposed change/s to the Board of Directors for consideration and approval.

The Chairman of the UWCom shall report for notation by the Board of Directors transactions that the UWCom has approved.