

TRUST AGREEMENT

This Trust Agreement (the "Agreement") is made and executed this [•] day of [•] 2015 in Makati City, Philippines, by and between:

STA. LUCIA LAND, INC., a corporation duly organized and existing under and by virtue of the laws of the Republic of the Philippines, represented in this Agreement by its [•], [•] (hereinafter referred to as the "Issuer")

-and-

[•], a universal banking corporation with authority to perform trust functions under and by virtue of the laws of the Republic of the Philippines, represented by its [•], [•] (hereinafter referred to as "[•]" or the "Trustee")

RECITALS:

- (1) The Issuer has been issued a Permit to Sell by the Securities and Exchange Commission in respect of a public distribution and sale in the Philippines of [•]% Series A fixed rate bonds due on [•] 2018 and [•]% Series B fixed rate bonds due on [•] 2021 (the "Bonds"), with an aggregate principal amount of up to ₱3,000,000,000.00 with an over-allotment option of up to ₱2,000,000,000.00.
- (2) The Issuer intends to offer the Bonds for public distribution and sale, and for this purpose has executed the Underwriting Agreement dated [•]; and
- (3) [•] has offered to act as, and the Issuer desires to appoint [•] as, the Trustee of the Bondholders, to perform the functions provided herein in relation to its appointment to act for and on behalf and for the benefit of the Bondholders based on the terms and conditions contained in the Prospectus.

NOW, THEREFORE, for and in consideration of the foregoing and subject to the terms and conditions set forth below, the parties hereto agree as follows:

SECTION 1: DEFINITIONS

- 1.1 The following terms shall have the respective meanings set forth below:

Bondholders mean the persons whose names are listed as such in the Registry Book.

Bonds means the [•]% Series A fixed rate bonds due on [•] 2018 and [•]% Series B fixed rate bonds due on [•] 2020 (the "Bonds"), with an aggregate principal amount of up to ₱3,000,000,000.00 with an over-allotment option of up to ₱2,000,000,000.00, which will be issued in connection with the Offer on Issue Date.

Bookrunner means China Banking Corporation.

Business Day means a day, except a Saturday or Sunday, on which commercial banks generally settle payments in Metro Manila.

Event of Default means an event of default contemplated in the Terms and Conditions of the Bonds.

Financial Indebtedness means with respect to the Issuer and its Subsidiaries:

(a) All financial obligations or other obligations of the Issuer and its Subsidiaries for borrowed money evidenced by a promissory note or other instrument or for the deferred purchase price of property (excluding suppliers' credit) or services;

(b) All financial obligations or other obligations of any other corporation, person or other entity, the payment or collection of which the Issuer and its Subsidiaries has guaranteed (except by reason of endorsement for collection in the ordinary course of business) or otherwise, including, without limitation, liability by way of agreement to purchase, to provide funds for payment, or to supply funds to such person or entity;

(c) All financial obligations or other obligations of any other corporation, person or other entity for borrowed money evidenced by a promissory note or other instrument or for the deferred purchase price of property or services secured by (or for which the holder of such financial obligations has an existing right, contingent or otherwise to be secured) any Lien upon or in property (including without limitation, accounts receivables and contract rights) owned by the Issuer or any Subsidiary, whether or not the Issuer or any Subsidiary has assumed or become liable for the payment of such financial obligation or obligations;

(d) All financial obligations arising from any currency swap, or interest rate swap, cap or dollar arrangement or any other derivative instrument;

(e) Capitalized lease obligations of the Issuer and its Subsidiaries.

Financial Statements means the audited financial statements of the Issuer as of 30 March 2015 and subsequent periods, as applicable.

PFRS means the Philippine Financial Reporting Standards.

Interest Payment Date means [•] and [•] of each year at which the Bonds are outstanding. If the Interest Payment Date is not a Business Day, interest will be paid on the next succeeding Business Day, without adjustment to the amount of interest to be paid.

Interest Period means the period from and including the Issue Date to, but excluding, the first Interest Payment Date, and each successive period from and including an Interest Payment Date to, but excluding, the next succeeding Interest Payment Date.

Interest Rate means [•]% for Series A and [•]% for Series B. The Interest Rate shall be applied to compute the interest due on a relevant Interest Payment Date; provided that, the interest accruing on the Bonds as of an Interest Payment Date shall be calculated on the basis of a month of 30/360 days.

Issue Date means the date on which the Bonds shall be issued, indicatively on or about [•], or such earlier or later date as may be agreed upon among the Issuer, the

Issue Manager, Lead Underwriter and Bookrunner, and in any case a date which is within the validity of the Permit to Sell.

Issue Manager means China Banking Corporation.

Lead Underwriter means China Banking Corporation.

Law means (i) any statute, decree, constitution, regulation, rule, order or any directive of the Republic of the Philippines, (ii) any treaty, pact, compact, or other agreement to which the Republic of the Philippines is a signatory or a party, (iii) any judicial or administrative interpretation or application of any Law described in clause (i) or (ii) above, and (iv) any amendment or revision of any Law described in clause (i), (ii), or (iii) above.

Lien means a mortgage, charge, pledge, lien, encumbrance, or preferential arrangement creating preference in payment of any indebtedness whether or not creating or constituting a security interest on or with respect to any asset or revenue of the Issuer.

Majority Bondholders means the holders of more than 50% of the principal amount of the Bonds then outstanding.

Master Certificate of Indebtedness means the certificate to be issued by the Issuer to the Trustee evidencing and covering such amount corresponding to the Bonds attached as Annex "C".

Material Adverse Effect means a material adverse effect on (a) the ability of the Issuer to perform or comply with any one or more of its obligations under the Bonds or this Agreement; or (b) the business, operations, assets, liabilities, or financial condition of the Issuer.

Maturity Date means the date at which the Bonds shall be redeemed by the Issuer by paying the principal amount thereof. Unless previously redeemed or cancelled, the Maturity Date of the Bonds will be on [•]. However, the Maturity Date of the Bonds, for the purposes of the Issuer effecting repayment of the principal amount thereof, is subject to the following Business Day convention. Thus, if the Maturity Date is not a Business Day, principal repayment shall be made by the Issuer on the next succeeding Business Day, without adjustment to the amount of interest to be paid.

Offer means issuance of the Bonds by the Issuer under the terms and conditions herein contained and those contained in the Prospectus.

Offer Period means the period commencing at 10:00 am on [•] and ending at 5:00 pm on [•], such shorter or longer period as may be mutually agreed upon among the Issuer, the Issue Manager, Lead Underwriter and Bookrunner.

Registry and Paying Agency Agreement means the Registry and Paying Agency Agreement dated on or about [•], entered into by and among the Issuer, the Paying Agent, and the Registrar.

Paying Agent means the Philippine Depository & Trust Corporation appointed under the Registry and Paying Agency Agreement.

Penalty Interest means 12% per annum.

Permitted Liens means the following:

- (a) Liens for taxes, assessments or governmental charges or levies, including custom duties, which are being contested in good faith;
- (b) Liens arising by operation of law (including, for the avoidance of doubt, any preference or priority under Article 2244, paragraph 14(a) of the Civil Code of the Philippines existing prior to the date of the Trust Agreement) on any property or asset of the Issuer or a Subsidiary, including, without limitation, amounts owing to a landlord, carrier, warehouseman, mechanic or materialman or other similar liens arising in the ordinary course of business or arising out of pledges or deposits under workers' compensation laws, unemployment, insurance and other social security laws;
- (c) Liens incurred or deposits made in the ordinary course of business to secure (or obtain letters of credit that secure) the performance of tenders, statutory obligations or regulatory requirements, performance or return of money bonds, surety or appeal bonds, bonds for release of attachment, stay of execution or injunction, bids, tenders, leases, government contracts and similar obligations) and deposits for the payment of rent;
- (d) Liens created by or resulting from any litigation or legal proceeding which is effectively stayed while the underlying claims are being contested in good faith by appropriate proceedings and with respect to which the Issuer has established adequate reserves on its books in accordance with PAS/PFRS;
- (e) Liens arising from leases or subleases granted to others, easements, building and zoning restrictions, rights-of-way and similar charges or encumbrances on real property imposed by applicable Law or arising in the ordinary course of business that are not incurred in connection with the incurrence of a debt and that do not materially detract from the value of the affected property or materially interfere with the ordinary conduct of business of the Issuer or its Subsidiary;
- (f) Liens incidental to the normal conduct of the business of the Issuer or its Subsidiary or ownership of its properties and which are not incurred in connection with the incurrence of a debt and which do not in the aggregate materially impair the use of such property in the operation of the business of the Issuer or its Subsidiary or the value of such property for the purpose of such business;
- (g) Liens upon tangible personal property acquired in the ordinary course of business after the date hereof (by purchase or otherwise) granted by the Issuer or its Subsidiary to (i) the vendor, supplier, any of their affiliates or lessor of such property;
- (h) Liens arising from financial lease, hire purchase, conditional sale arrangements or other agreements for the acquisition of assets entered into in the ordinary course of business on deferred payment terms to the extent relating only to the assets which are subject of those arrangements, subject to such financial leases, hire purchase,

conditional sale agreements or other agreements for the acquisition of such assets on deferred payment terms;

(i) Liens arising over any asset, including, but not limited to assets purchased, leased, or developed in the ordinary course of business, to secure: (i) the payment of the purchase price or cost of leasehold rights of such asset; (ii) the payment of the cost and expenses for the development of such asset pursuant to any development made or being made by the Issuer or its Subsidiary in the ordinary course of business; (iii) the payment of any indebtedness in respect of borrowed money (including extensions and renewals thereof and replacements therefor) incurred for the purpose of financing the purchase, lease or development of such asset; or (iv) the rediscounting of receivables of the Issuer or its Subsidiary;

(j) Liens established in favor of insurance companies and other financial institutions in compliance with the applicable requirements of the Office of the Insurance Commission on admitted assets;

(k) Rights of set-off arising in the ordinary course of business between the Issuer or its Subsidiary and its suppliers, clients or customers;

(l) Netting or set-off arrangement entered into by the Issuer or its Subsidiary in the ordinary course of business of its banking arrangements for the purpose of netting debt and credit balances;

(m) Title transfer or retention of title arrangement entered into by the Issuer or its Subsidiary in the ordinary course of business;

(n) Liens in favor of banks, insurance companies, other financial institutions and Philippine government agencies, departments, authorities, corporations or other judicial entities, which secure a preferential financing obtained by the Issuer or its Subsidiary under a governmental program, such preferential financing being conditioned upon the creation of a security;

(o) The assignment, transfer, conveyance, or delivery (whether in the concept of a sale or other disposition, as a security or in respect of a contract to sell financing facility) of the right of the Issuer or its Subsidiary to receive any of its income or revenues from receivables arising out of the sale of property held for sale by the Issuer or its Subsidiary in the ordinary course of business ("Project Receivables"), the Project Receivables or any document evidencing and/or supporting such right or the Project Receivables (which, for the avoidance of doubt, includes, without limit, postdated checks, promissory notes, contracts to sell, certificates of title, tax declarations and other documents of title relating to such contracts to sell);

(p) Any Lien to be constituted on the assets of the Issuer or its Subsidiary after the date of the Trust Agreement, which is disclosed in writing by the Issuer or its Subsidiary to the Trustee prior to the execution of the Trust Agreement;

(q) Liens existing as of the date of this Prospectus which is disclosed in writing by the Issuer or its Subsidiary in its financial statements; and

(r) Liens created with the prior written consent of the Majority Bondholders.

Permit to Sell means the Permit to Sell issued by the SEC which permits the Offer of the Bonds in accordance with the Securities Regulation Code.

Peso or ₱ means the lawful and official currency of the Republic of the Philippines.

Philippines means the Republic of the Philippines.

Philippine Government means the duly constituted government of the Republic of the Philippines.

Prospectus means the Prospectus filed by the Issuer with the SEC, including any amendment or supplement thereto, as part of the Registration Statement in respect of the Offer and the Bonds.

PSE means the Philippine Stock Exchange, Inc.

Registrar means the Philippine Depository & Trust Corporation appointed pursuant to the Registry and Paying Agency Agreement.

Registration Statement means the registration statement filed by the Issuer with the SEC, as the same may be amended or supplemented from time to time, and rendered effective in accordance with the Permit to Sell.

Registry Book means the electronic records maintained by the Registrar in the Registrar's system bearing the official information on the names of the Bondholders and the number of Bonds they respectively hold, including all transfers of the Bonds, and in which ownership of the Bonds is recorded in an accounting entry method.

SEC means the Securities and Exchange Commission of the Republic of the Philippines.

Securities Regulation Code or SRC means Republic Act No. 8799 of the Republic of the Philippines.

Subsidiary means an entity from time to time of which a person has direct or indirect control or owns directly or indirectly more than 50% of the share capital or similar right of ownership.

Tax means any present and future taxes (including documentary stamp tax or gross receipts tax), levies, imposts, duties, filing and other fees or charges imposed by the Republic of the Philippines or any political subdivision or taxing authority thereof.

Terms and Conditions of the Bonds means the terms and conditions of the issuance of the Bonds as set forth in Annex "A".

Total Equity means the total stockholders' equity of the Issuer as recognized and measured in its consolidated financial statements in conformity with the PFRS.

Underwriting Agreement means the Underwriting Agreement dated [•] entered into by and among the Issuer, the Issue Manager, and Lead Underwriter.

- 1.2 In this Agreement, unless the subject or context is inconsistent therewith or unless the definitions in the Section are inconsistent therewith, the words and expressions used in the Terms and Conditions of the Bonds shall have the same respective meanings when used herein.
- 1.3 References herein to Sections, Subsections, and Annexes are to sections and subsections of and annexes to this Agreement. Words importing gender include feminine, masculine, and neuter; any reference to a person includes its permitted successors and permitted assigns; and references to persons include individuals, corporations, partnerships, joint ventures, trusts, unincorporated organizations, political subdivisions, agencies, or instrumentalities. The headings of the Sections and paragraphs herein are inserted for ease of reference only and shall not affect the interpretation thereof or of this Agreement. Any reference to "writing" or cognate expressions includes a reference to telex, cable, facsimile transmission, electronic mails, or comparable means of communications, and all consents and approvals to be obtained hereunder shall be understood to be required to be in writing. The words "include", "includes" and "including" are not limiting and shall be deemed to be followed by the words "without limitation", whether or not so followed. The words "hereof", "herein" and "hereunder" and words of similar import when used in any document shall refer to such document as a whole and not to any particular provision of such document. Any reference to "days" shall mean calendar days, unless the term "Business Days" is used, and any reference to "month" shall mean a calendar month. A reference to a "year" or "annum" shall mean a year of 360 days.

SECTION 2: APPOINTMENT OF THE TRUSTEE

- 2.1 The Issuer hereby appoints [•] as the Trustee herein to act for and on behalf of the Bondholders based on the Terms and Conditions of the Bonds. The Trustee agrees to act upon the terms and subject to the conditions set forth herein. The appointment of the Trustee shall commence upon the Issue Date and shall subsist for as long as the Bonds or any portion thereof is outstanding, unless the services of the Trustee are otherwise terminated pursuant to Subsection 7.5 of this Agreement.
- 2.2 In consideration for its services under this Agreement, the Trustee shall be entitled to receive a trusteeship fee as agreed upon in a separate fee letter agreement.
- 2.3 All reasonable out-of-pocket expenses which are or to be incurred by the Trustee with the prior approval of the Issuer in connection with the preparation, execution, delivery, and performance of this Agreement and other related agreements shall be for the account of the Issuer.

- 2.4 The Trustee shall not in any case under this Agreement be required or obligated to advance any amount. However, should the Trustee decide in its reasonable discretion to advance any amount, cost, or expense, which it determines in good faith to be necessary or proper under the circumstances for it to perform or to carry out its duties and obligations hereunder, the Issuer shall reimburse the amount so advanced within 30 days following the receipt by the Issuer of the written request or demand for reimbursement issued by the Trustee. If unpaid after the lapse of said 30 day period, the Trustee shall henceforth be also entitled to receive from the Issuer Penalty Interest on the amount so unpaid.

SECTION 3: REPRESENTATIONS AND WARRANTIES OF THE ISSUER

The Issuer hereby represents and warrants to the Bondholders, through the Trustee, as follows:

- (a) The Issuer is a corporation duly formed, established and validly existing under the laws of the Philippines with full power to carry on its business as it is now being conducted, and the entering into and performance of this Agreement and all Applications to Purchase by the Issuer does not conflict with the articles of incorporation, by-laws and other constitutive documents of the Issuer and has been duly authorized by all necessary corporate and legal action on the part of the Issuer.
- (b) All corporate authorizations, approvals, and other acts legally necessary for the Offer and issuance of the Bonds and for the Issuer to enter into and comply with its obligations under this Agreement and all Applications to Purchase which may be duly accepted by the Issuer have been obtained or effected or shall have been obtained or effected on or before the Offer Period for the Bonds.
- (c) All government authorizations, approvals, rulings, registrations, and other acts legally necessary for the Offer and issuance of the Bonds, for the circulation of the Prospectus for the Bonds, as may be amended or supplemented, and for the Issuer to enter into and comply with its obligations under this Agreement and all Applications to Purchase which may be duly accepted by the Issuer have been obtained or effected or shall have been obtained or effected on or before the Offer Period for the Bonds.
- (d) All conditions imposed under the Securities Regulation Code, including those imposed by the SEC in the Permit to Sell issued pursuant to the Securities Regulation Code, and any subsequent conditions imposed by the SEC for the Offer under this Agreement have been and shall have been complied with by the Issuer as of the date and/or time that they are required to be complied with.
- (e) The Registration Statement and the Prospectus do not violate any statute, or any rule or regulation of any government agency or office and do not contain any untrue or misleading statement of a material fact or omit any material fact necessary or required to be stated therein for purposes of fair disclosure or to prevent any statement therein from becoming misleading. The Registration Statement and the Prospectus contain a reasonably complete description of the business, properties, and operations of the Issuer, its capitalization, the Bonds and the Terms and Conditions of the Offer. The Registration Statement and the Prospectus shall continue to be materially correct during the Offer Period.

- (f) The Offer and the obligations of the Issuer under the Bonds and this Agreement shall:
 - (i) constitute its legal, valid, and binding obligations enforceable in accordance with the terms thereof and the Offer, subject to applicable insolvency, moratorium and similar laws affecting creditors' rights generally; (ii) the compliance by the Issuer with its obligations under this Agreement shall not conflict with, nor constitute a breach of or default of, the Articles of Incorporation, By-laws, or any resolution of the Board of Directors of the Issuer, or any rights of the stockholders of the Issuer; or (iii) the compliance by the Issuer with its obligations under this Agreement shall not conflict with, nor constitute a breach of or default of any contract or other instrument by which the Issuer or any of its assets may be bound, the result of which would have a Material Adverse Effect.
- (g) The execution, delivery, and performance of this Agreement will not violate any law of the Republic of the Philippines or any regulation, judgment, or order of any office, agency, or instrumentality thereof applicable to the Issuer or any undertaking to which the Issuer is a party.
- (h) There are no legal, administrative, or arbitration actions, suits, or proceedings pending or threatened against or affecting the Issuer, which enjoin or otherwise adversely affect the execution, delivery, or performance of this Agreement, the Offer, or the issuance of the Bonds, or the adverse determination of which would have a Material Adverse Effect.
- (i) The Financial Statements are in accordance with the books and records of the Issuer, are complete and correct in all material respects, have been prepared in compliance with the PFRS, and fairly present the financial condition of the Issuer and the results of its operations as of the date thereof and for the period then ended. Since such date, there has been no change in the financial condition or results of operations of the Issuer sufficient to impair its ability to perform its obligations under the Bonds according to the terms thereof.
- (j) Except to the extent reflected in the Financial Statements or in the explanatory notes thereto, the Issuer has, as of the date thereof, no other accrued or absolute liabilities or obligations of any nature, including but not limited to tax liabilities; and any contingent liabilities, including, but not limited to, tax liabilities to become due, and whether incurred in respect of or measured by any income for any period prior to such date or arising out of transactions entered into or any state of facts existing prior thereto, which may in any case or in the aggregate, materially and adversely affect the Issuer's ability to comply with the Bonds and pay the principal and interest that may be due thereon.
- (k) There has been no material adverse change in the financial position or results of operation of the Issuer since 30 June 2015, nor does any written material information given by the Issuer to the Bondholders under this Agreement contain any misstatement of fact as at the date hereof or omit to state a fact which could be materially adverse to the interests of the Bondholders.
- (l) All the information provided to the Bondholders in the Prospectus and in the Registration Statement filed by the Issuer with the SEC are true in all material respects as of their respective dates and are not misleading and any expressions of opinion were made in good faith with due care and based on reasonable assumptions and the

Issuer is not aware of any facts or matters not disclosed to the Bondholders or the omission of which makes any such information or opinion incorrect or misleading in any material respect.

- (m) (i) no event has occurred which would constitute an Event of Default; (ii) the Issuer has not been declared in default in respect of any financial commitment or obligation; (iii) the Issuer is not otherwise in default of any kind in respect of any financial commitment or obligation which would be likely to have a Material Adverse Effect; and (iv) the Issuer is not aware of a fact which (with the giving of notice and/or lapse of time or otherwise) would constitute such a default in sub-paragraphs (i) and (iii) above.
- (n) The Issuer is conducting its business and operations in compliance with the Law.
- (o) The ownership of the Issuer's capital stock complies with applicable laws and regulations in respect of nationality restrictions
- (p) The Bonds shall constitute direct, unconditional, unsecured, and unsubordinated obligations of the Issuer ranking at least *paripassu* in all respects and ratably without any preference or priority (except for any statutory preference or priority applicable in the winding-up of the Issuer) with all other outstanding unsecured and unsubordinated obligations (contingent or otherwise, present or future) of the Issuer.
- (q) No other loan or other facility currently or to be entered into by the Issuer is notarized such that no other loan or facility to which Issuer is a party shall have preference or priority over the Bonds as accorded to public instruments under Article 2244(14) of the Civil Code of the Philippines, and all creditors under any such loans or facilities have waived the right to the benefit of any such preference or priority. However, should any creditor hereinafter have a preference or priority over amounts due under the Bonds as a result of a notarization then the Issuer shall procure a waiver of this preference created by such notarization.
- (r) The Issuer has valid, good, indefeasible and marketable title to all its properties free and clear of all Liens other than Permitted Liens. All properties necessary for the operations of the Issuer, the loss of which would have a Material Adverse Effect, are insured and such insurance against operational risks and liabilities are in force, with coverage and amounts as are customary for businesses of like nature.
- (s) The Issuer has duly paid and discharged all taxes, assessments, and such other governmental charges levied upon or against it, its properties, and assets unless and to the extent only that the same will not singly or in aggregate be likely to have a Material Adverse Effect.
- (t) The Issuer obtained or will promptly obtain all such necessary and desirable government permits, consents, and authorizations that may be required for the conduct and continuance of its business.
- (u) The individual(s) signing this Agreement on behalf of the Issuer are duly authorized to sign as of the date of such signing.
- (v) The Issuer is not entitled to plea or cause to be pleaded on its behalf any right of immunity for itself or any of its assets in any action to enforce its obligations hereunder,

which may be instituted against the Issuer before competent court or court of arbitration.

The representations and warranties set out in this Section 3: (i) are made on the date of this Agreement; and, (ii) are deemed to be repeated by the Issuer each day of the Offer Period, on the Issue Date and the first day of each Interest Period with reference to the facts and circumstances then existing; except for the representation contained in clause (f)(i) of this Section 3, which shall be deemed to be repeated on each day of the entire life of the Bonds. The Trustee shall hold the benefit of these representations and warranties in trust for the Bondholders.

SECTION 4: COVENANTS OF THE ISSUER

4.1 Positive Covenants

Until redemption or payment in full of the aggregate outstanding principal amount of the Bonds, the Issuer hereby covenants and agrees with the Trustee that, unless the Majority Bondholders shall otherwise consent in writing, the Issuer shall:

- (a) Notify the Bondholders, through the Trustee, promptly of any change affecting any of its representations, and warranties, herein and take such steps as may be reasonably requested by the Trustee to remedy and/or publicize the same;
- (b) Promptly notify the Bondholders, through the Trustee, of: (i) any occurrence of any event of which it becomes aware and which constitutes an Event of Default or with the lapse of time or the giving of notice would constitute an Event of Default under this Agreement or the Bonds; or, (ii) any occurrence of any event of which would materially adversely affect its ability to perform its obligations under this Agreement or the Bonds;
- (c) Upon the occurrence of an Event of Default under any of the Bonds, provide access to the Trustee and accounting, legal, or technical advisers acting on behalf of the Bondholders to inspect the Issuer's relevant books of account and records.
- (d) Promptly execute and deliver to the Trustee such additional agreements, reports and instruments as the Trustee may reasonably require from time to time to perfect and confirm unto the Trustee all of the Trustee's rights, powers and remedies hereunder;
- (e) Promptly inform the Bondholders, through the Trustee, if litigation, arbitration or administrative proceedings are filed against the Issuer or its properties, the adverse determination of which would have a Material Adverse Effect;
- (f) Pay any documentary stamp tax or similar tax payable in the Philippines in connection with the original issue of the Bonds. The Issuer shall, upon the earlier of either an amicable settlement or final judgment, indemnify the Trustee against any loss, liability, cost, claim, action, demand or expense which it may incur, or which may be made against it arising out of, or in relation to, or in connection with, any failure to pay or delay in paying any such taxes;
- (g) As and when the Bonds or any of such Bonds becomes due to be redeemed or any principal on the Bonds becomes due to be repaid in accordance with the Terms and

Conditions of the Bonds, unconditionally pay or procure to be paid in Philippine Pesos in same day freely transferable funds the principal amount of the Bonds, as the case may be, or any of them becoming due for redemption or repayment on that date and shall (subject to the Terms and Conditions of the Bonds), until all such payments (after as well as before any judgment or other order of any court of competent jurisdiction) are duly made, unconditionally pay or procure to be paid as aforesaid on the dates provided for in the Terms and Conditions of the Bonds, interest on the principal amount of the Bonds, or any of them outstanding from time to time as set out in the Terms and Conditions of the Bonds; provided that:

- (i) every payment of principal or interest in respect of the Bonds or any of them made to the Paying Agent in the manner provided for in the Registry and Paying Agency Agreement shall satisfy, to the extent of such payment, the relevant covenant by the Issuer contained in this clause except to the extent that there is default in the subsequent payment thereof to the Bondholders as provided in the Terms and Conditions of the Bonds;
 - (ii) if any payment of principal or interest in respect of the Bonds or any of them is made after the due date, payment shall be deemed not to have been made until the date that the full amount is paid to the Bondholders or the date the payment has been made to the Paying Agent for distribution to such Bondholders, whichever is earlier; and
 - (iii) in any case where payment of the whole or any part of the principal amount due in respect of the Bonds is improperly withheld or refused by the Issuer upon due presentment (if so provided for in the Terms and Conditions of the Bonds) of the Master Certificate of Indebtedness, Penalty Interest shall accrue on the whole or part of such principal amount from the date of such withholding or refusal until the date on which such principal amount due is paid to the Bondholders or the date the payment has been made to the Paying Agent for distribution to such Bondholders, whichever is earlier; provided that, on further due presentment thereof such payment is in fact made.
- (h) Pay and discharge all Taxes, assessments, and government charges or levies of whatsoever nature and by whomsoever levied upon it, or upon its income, profits, or any properties prior to the date on which penalties attach thereto, unless and to the extent only that the same (i) will not singly or in the aggregate be likely to have a Material Adverse Effect, or (ii) are being contested in good faith and by appropriate proceedings diligently conducted and a provision is made therefore where so required and in accordance with the PFRS.
- (i) Keep its properties and business in good working condition, insured by insurers of recognized financial responsibility against such amounts as the Board of Directors of the Issuer reasonably believes are prudent in the business in which they are engaged.
- (j) Execute and deliver to the Trustee such reports, documents and other information respecting the Permitted Liens as the Trustee may from time to time reasonably require to perform its duties and responsibilities hereunder whether on its own or upon instruction of a Bondholder.

- (k) Preserve and maintain its corporate existence, right, and privileges, and its right to carry on its operations.
- (l) Maintain adequate financial records and prepare all financial statements required hereunder in accordance with the PFRS consistently applied and in compliance with the regulations of the government body having jurisdiction thereof; and maintain its audited financial statements complete and correct in all material respects, and prepare such in compliance with the PFRS, so as to fairly present the financial condition of the Issuer and the results of its operations.
- (m) Obtain or procure the obtaining of and thereafter maintain in full force and effect every material consent and license and do all other acts and things as may from time to time be necessary or desirable for the conduct of its business and for the due performance of its obligations under the Bonds and this Agreement.
- (n) At all times comply with, or cause to be complied with, all laws, statutes, rules, regulations, orders and directives of any governmental authority having jurisdiction over it, its assets, or its businesses, including those relating to the filing of required reports to the SEC by issuers of bonds in particular and by corporations in general.
- (o) At all times comply with, or cause to be complied with, all PSE rules, regulations, and requirements and all other laws, rules, and regulations relevant to the listing of the Issuer's common shares in the PSE.
- (p) At all times ensure that the Bonds rank *paripassu* and ratably without any preference or priority amongst themselves and with all other outstanding unsecured and unsubordinated obligations (contingent or otherwise, present and future) of the Issuer.
- (q) Use the net proceeds from the Offer for purposes stated in the Prospectus.
- (r) Ensure that based on the consolidated financial statements of the Issuer: (i) the ratio of total Financial Indebtedness to Total Equity does not at any time exceed 1.50:1.00 as referenced from its consolidated audited financial statements as of its fiscal year end 31 December and consolidated interim financial statements as of 30 June of each year.
- (s) Perform all contractual obligations pursuant to all agreements to which it is a party or by which it or any of its properties may be bound, unless and to the extent only that the same will not singly or in the aggregate be likely to have a Material Adverse Effect.
- (t) Maintain the services of a firm of independent public accountants of internationally recognized standing as external auditor while any obligation of the Issuer under the Bonds remains outstanding.
- (u) Conduct and continue its business in an orderly, efficient, and customary manner, in accordance with sound financial and business practices, and keep its properties in good working order and condition, and from time to time, make all necessary and proper repairs, renewals, replacements, and improvements thereto and thereof, so that business carried on in connection therewith may be properly and advantageously conducted at all times.

- (v) Furnish the Trustee with one copy of its unaudited quarterly consolidated financial report (including a statement of income, balance sheet, and cash flow statement) within 45 calendar days from the end of each financial quarter or within such period as may be permitted by the SEC for its submission; and its annual reports and audited consolidated financial report (including a statement of income, balance sheet, and cash flow statement) 120 calendar days from the end of the financial year or within such period as may be permitted by the SEC for its submission, each prepared in accordance with PFRS.
- (w) Provide the Trustee with a certificate, in the form attached as Annex "B", signed by the chief financial officer, controller, or such other authorized officer of the Issuer at the same time the Issuer provides the reports referred to in the preceding paragraph, certifying that (i) all of its undertakings set out in this Agreement have been met at the date of such reports, (ii) no Event of Default has occurred and no other event which with the giving of any notice and/or certificate and/or with the lapse of time would constitute an Event of Default has occurred or any other event as aforesaid has occurred, or, (iii) if an Event of Default has occurred and is subsisting, a statement as to the nature thereof and the action which the Issuer has taken or proposes to take with respect thereto, which certificate shall include a calculation of each of the financial ratios referred to in Section 4.1(r) hereof, showing the methods by which such calculations were determined.
- (x) On or before 9:00 a.m. on the Issue Date, deliver to the Trustee the duly executed Master Certificate of Indebtedness evidencing the issuance of the Bonds.
- (y) When so requested in writing, provide information needed by the Issue Manager, Lead Underwriter and Bookrunner to enable them to comply with their responsibilities and duties under the Securities Regulation Code, particularly the reportorial requirements thereunder, including such information, disclosures and reports relating to the Issuer which would have been filed with or made available by the Issuer to regulatory authorities or the public. In any case, in the event that the Issuer cannot, for any reason, provide the required information, the Issuer shall so advise the Issue Manager, Lead Underwriter, Bookrunner and the Trustee at least two (2) Business Days prior to the date the reports are required to be filed under the said law.
- (z) Promptly advise the Trustee in writing: (i) of any request by the SEC to the Issuer for any update, amendment, or supplement to the Registration Statement and the Prospectus filed with the SEC or for any additional information thereon; and (ii) of the issuance by any governmental agency or office of any cease and desist order suspending the distribution or sale of any of the Bonds or the initiation of any proceedings for any such purpose.
- (aa) If at any time an order suspending the effectivity of the Registration Statement or the Prospectus and/or the offering, distribution, and sale of the Bonds is issued by the SEC or any competent governmental agency or office, exert its best efforts to obtain the withdrawal or such order at the earliest time possible.

4.2 Negative Covenants

Until redemption or payment in full of the aggregate outstanding principal amount of the Bonds, the Issuer hereby covenants and agrees with the Trustee that the Issuer shall not, without the prior written consent of the Majority Bondholders:

- (a) Incur any debt (including, without limitation, any guarantee of debt) evidenced by a public instrument in accordance with Article 2244(14) of the Civil Code of the Philippines, and shall ensure that future lenders or debtors waive the preference conferred by Article 2244(14) of the Civil Code of the Philippines on loans and debts evidenced by a public instrument.
- (b) The Issuer shall procure that its Subsidiaries will not enter into any transaction with an affiliate (other than an affiliate which is also a subsidiary of the Issuer) except for transactions on an arm's length basis.
- (c) Make or permit any material change in the character of its business from that authorized in the articles of incorporation and by-laws of the Issuer in effect on the date hereof.
- (d) Make or permit any amendments in its articles of incorporation, by-laws or other constitutive documents to decrease its authorized capital stock, or otherwise amend any provision which will have Material Adverse Effect.
- (e) Re-organize, undertake a quasi-reorganization, or reduce, return or retire its capital, except where such re-organization, quasi-reorganization, or reduction, return or retirement of capital shall not have a Material Adverse Effect.
- (f) Engage in any business except those authorized by its articles of incorporation.
- (g) Sell, lease, transfer, grant, convey or otherwise dispose of all or substantially all of its assets except in the ordinary course of business.
- (h) (i) consolidate or merge with any other corporation provided that this prohibition shall not apply if the Issuer is the surviving entity; or (ii) acquire directly or indirectly all or substantially all of the properties or assets of, any other corporation or entity other than a Subsidiary or invest in a controlling interest therein provided that this prohibition in Section 4.2(h)(i) and (ii) shall not apply if the Issuer remains in compliance with, and is able to continue to perform, its obligations under the Terms and Conditions of the Bonds and this Agreement.
- (i) When it is in default in the payment of any principal and interest due and payable to the Bondholders, voluntarily prepay any obligation under any agreement or undertaking to which the Issuer or any of its properties or assets may be bound unless it shall contemporaneously make a proportionate prepayment of the Bonds outstanding under this Agreement.
- (j) Except in the ordinary course of the Issuer's business and on an arm's length basis, extend any loans, advances or subsidies to any of its directors, officers, stockholders, or Subsidiaries.
- (k) Assume, guarantee, endorse or otherwise become directly or contingently liable (including, without limitation, liable by way of agreement, contingent or otherwise, to purchase, provide funds of payment, supply funds to or otherwise invest in the debtor

or otherwise assure the debtor against loss) for or in connection with any obligation or debt of any person.

- (l) Permit any change in the ownership or control of its capital stock or in the composition of its top-level management, if such change would materially and adversely affect the condition of its operation as reasonably determined by the Trustee.
- (m) Make or incur any capital expenditures, unless such capital expenditures (i) do not exceed [•] per transaction, or (ii) are incurred for the repair, replacement, reinstatement, expansion or upgrade of core and supporting assets or properties, or (iii) are incurred in the ordinary course of business consistent with the Issuer's articles of incorporation and by-laws.
- (n) Invest or acquire:
 - (i) Any share in or any security issued by any person, or any interest therein or in the capital of any person; or
 - (ii) Directly or indirectly, the business or going concern, or all or substantially all of the properties or assets or business, of any person or invest in a controlling interest therein,except where such investment or acquisition will not materially and adversely affect the Issuer's ability to perform its payment obligations under this Trust Agreement.
- (o) In respect of itself, and it will procure that none of its Subsidiaries, sell, lease, transfer, or otherwise dispose of, either in a single transaction or in a series of transactions, all or any material part of its assets except if such sale, lease, transfer, or disposition is:
 - (i) in the ordinary course of business, and
 - (ii) would not result in a Material Adverse Effect.

4.3 Survival

The covenants of the Issuer mentioned in Subsections 4.1 and 4.2 of this Agreement shall survive the issuance of the Bonds and shall be performed fully and faithfully by the Issuer at all times while the Bonds or any portion thereof remains outstanding.

4.4 Benefit

The Trustee shall hold the benefit of these covenants in trust for the Bondholders.

SECTION 5: REPRESENTATIONS AND WARRANTIES OF THE TRUSTEE

The Trustee represents and warrants to the Issuer as follows:

- (a) It is a corporation duly organized, validly existing, and in good standing under and by virtue of the laws of the Philippines.

- (b) It has taken all appropriate or necessary corporate actions to authorize the execution, delivery, and performance of this Agreement, and has obtained all governmental consents, licenses, approvals, and authorizations, and has effected all declarations, filings, and registrations necessary for its execution and delivery of this Agreement and its performance of the terms hereof.
- (c) Its execution, delivery, and performance of this Agreement shall not conflict with or constitute a breach of its charter/articles of incorporation, by-laws, or any resolution of its board of directors or any agreement or instrument to which it is a party or under which any of its properties or assets are bound, or any law of the Philippines or any regulation, judgment, or order of any agency or instrumentality thereof.
- (d) It is duly authorized and licensed and has full power and authority to perform the trust functions prescribed hereunder.
- (e) It shall not give any information nor make any representation in respect of the Issuer, the Offer, and the Bonds other than those contained in the Prospectus, including any amendment or supplement thereto, or any other sales literature approved in writing by the Issuer, the Issue Manager, Lead Underwriter and Bookrunner.

SECTION 6: CONSEQUENCES OF DEFAULT

6.1 Declaration by the Trustee or the Majority Bondholders

- (a) If any one or more of the Events of Default shall have occurred and be continuing, and has not been waived by the Majority Bondholders, the Trustee may on its own, or upon the written direction of the Majority Bondholders, by notice in writing delivered to the Issuer, with a copy furnished to the Paying Agent, Receiving Agent, and Registrar, declare the Issuer in default ("Declaration of Default") and, declare the principal of the Bonds, including all accrued interest and other charges thereon, if any, to be immediately due and payable, and upon such declaration the same shall be immediately due and payable, without presentment, demand, protest, or further notice of all kinds, all of which are hereby expressly waived by the Issuer.
- (b) This provision, however, is subject to the condition that the Majority Bondholders may, by written notice to the Issuer and the Trustee, during the prescribed curing period as stated in Section 6.2, rescind and annul such declaration made by the Trustee pursuant to Subsection 6.1(a), and the consequences of such declaration, upon such terms, conditions, and agreement, if any, as they may determine; provided that, no such rescission and annulment shall extend to or shall affect any subsequent default or shall impair any right consequent thereon.
- (c) At any time after any Event of Default under any of the Bonds shall have occurred and be continuing, and has not been waived by the Majority Bondholders, the Trustee may:
 - (i) by notice in writing to the Issuer, the Paying Agent, and the Registrar, require the Paying Agent and the Registrar to:

- (x) act thereafter as agents of the Bondholders represented by the Trustee on the terms provided in the Registry and Paying Agency Agreement (with consequential amendments as necessary and save that the liability of the Trustee under any provisions thereof for the indemnification, remuneration, and payment of out-of-pocket expenses of the Paying Agent and the Registrar shall be limited to amounts for the time being held by the Trustee on the trusts of this Agreement in relation to the Bonds and available to the Trustee for such purpose) and thereafter to hold all sums, documents, and records held by them in respect of the Bonds on behalf of the Trustee; and/or
- (y) to deliver all sums, documents, and records held by them in respect of the Bonds to the Trustee or as the Trustee shall direct in such notice, provided that, such notice shall be deemed not to apply to any document or record which the Paying Agent or Registrar is not obliged to release by any law or regulation; and
- (ii) by notice in writing to the Issuer, require the Issuer to make all subsequent payments in respect of the Bonds and with effect from the issue of any such notice until such notice is withdrawn, proviso (x) above and Section 4.1(a) shall cease to have effect.

6.2 Notice of Default

The Trustee shall, through the Registrar, within ten business days after receiving notice, or having knowledge of, the occurrence of an Event of Default under any of the Bonds, give to the Bondholders written notice of such default known to it unless the same shall have been cured before the giving of such notice; provided that, in the case of Payment Default, as defined under the Events of Default in the Terms and Conditions of the Bonds, the Trustee shall immediately notify the Bondholders, through the Registrar, upon the occurrence of such Payment Default. The existence of a written notice required to be given to the Bondholders hereunder shall be published in a newspaper of general circulation in Metro Manila for two (2) consecutive days, further indicating in the published notice that the Bondholders or their duly authorized representatives may obtain an important notice regarding the Bonds at the principal office of the Trustee upon presentation of sufficient and acceptable identification.

6.3 Penalty Interest

In case any amount payable by the Issuer under any of the Bonds, whether for principal, interest, or otherwise, is not paid when due, the Issuer shall, without detracting from its obligations to pay the said principal, interest, and other amounts, pay Penalty Interest to the Bondholders on the defaulted amount(s) from the time the amount falls due until it is fully paid.

6.4 Payment in the Event of Default

The Issuer hereby covenants that if any Event of Default under any of the Bonds shall have occurred and be continuing, and has not been waived by the Majority

Bondholders, then, in any such case, the Issuer shall pay to the Bondholders, through the Paying Agent, the whole amount which shall then have become due and payable on all such outstanding Bonds with interest at the rate borne by the Bonds on the overdue principal and with Penalty Interest, and in addition thereto, the Issuer shall pay to the Trustee such further amounts as shall be determined by the Trustee to be sufficient to cover the cost and expenses of collection, including reasonable compensation to the Trustee, its agents, attorneys and counsel, and any reasonable expenses or liabilities incurred without negligence or bad faith by the Trustee hereunder.

Subject to Section 2.4, the Issuer shall reimburse the Trustee all reasonable costs and expenses incurred in connection with enforcing payment of principal and/or interest on the Bonds upon the occurrence of an Event of Default. Notwithstanding any contrary provision, any such costs incurred by the Trustee shall not require the prior approval of the Issuer.

6.5 Application of Payments in the Event of Default

Any money collected or delivered to the Paying Agent under this Section and any other funds held by it, subject to any other provision of this Agreement and the Registry and Paying Agency Agreement relating to the disposition of such money and funds in the event of default, shall be applied by the Paying Agent in the order of preference as follows: (1) to the payment to the Trustee, the Paying Agent and the Registrar of the costs, expenses, fees, and other charges of collection, including reasonable compensation to them, their agents, attorneys and counsel, and all reasonable expenses and liabilities incurred or disbursements made by them, without gross negligence or bad faith, duly incurred or disbursed as of payment date in accordance with this Agreement and the Registry and Paying Agency Agreement; (2) to the payment of the interest in default, in the order of the maturity of such interest with Penalty Interest, which payment shall be made *pro rata* among the Bondholders; (3) to the payment of the whole amount then due and unpaid upon the Bonds for principal and interest, with Penalty Interest, which payment shall be made *pro rata* among the Bondholders; and (4) the remainder, if any, shall be paid to the Issuer, its successors or assigns, or to whoever may be lawfully entitled to receive the same, or as a court of competent jurisdiction may direct. Except for any interest and principal payments, all disbursements of the Paying Agent in relation to the Bonds shall require the conformity of the Trustee.

6.6 Remedies

- (a) All remedies conferred by this Agreement to the Trustee and the Bondholders shall be cumulative and not exclusive and shall not be so construed as to deprive the Trustee or the Bondholders of any legal remedy by judicial or extra judicial proceedings appropriate to enforce the conditions and covenants of this Agreement, subject to the Bondholders' Ability to File Suit as set out in this Agreement and in the Terms and Conditions of the Bonds.
- (b) No delay or omission by the Trustee or the Bondholders to exercise any right or power arising from or on account of any default hereunder shall impair any such right or power, or shall be construed to be a waiver of any such default or an acquiescence thereto, and every power and remedy given by this Agreement to

the Trustee or the Bondholders may be exercised from time to time and as often as may be necessary or expedient.

SECTION 7: THE TRUSTEE

7.1 Duties and Responsibilities of the Trustee

- (a) The Trustee is hereby appointed as trustee for and on behalf of the Bondholders and accordingly shall perform such duties and shall have such responsibilities as expressly provided in this Agreement.
- (b) The Trustee shall, in accordance with the terms and conditions of this Agreement, monitor the compliance or non-compliance by the Issuer with all its representations and warranties, and the observance by the Issuer of all its covenants and performance of all its obligations under and pursuant to this Agreement. The Trustee shall not be presumed to have knowledge of any Event of Default.
- (c) The Trustee shall, prior to the occurrence of an Event of Default or after the curing of all such defaults which may have occurred, perform only such duties as are specifically set forth in this Agreement.
- (d) The Trustee, in the performance of its duties, shall exercise such rights and powers vested in it by this Agreement, and use such judgment and care under the circumstances then prevailing that individuals of prudence, discretion, and intelligence, and familiar with such matters exercise in the management of their own affairs.
- (e) The Trustee shall submit to the Bondholders on or before [•] of each year from the Issue Date until full payment of the Bonds a brief report dated as of [•] of the immediately preceding year with respect to:
 - (i) the property and funds, if any, physically in the possession of the Paying Agent held in trust for the Bondholders on the date of such report; and
 - (ii) any action taken by the Trustee in the performance of its duties under the Trust Agreement which it has not previously reported and which in its opinion materially affects the Bonds, except action in respect of a default, notice of which has been or is to be withheld by it.
- (f) The Trustee shall submit to the Bondholders a brief report within 90 days from the making of any advance for the reimbursement of which it claims or may claim a lien or charge which is prior to that of the Bondholders on the property or funds held or collected by the Paying Agent with respect to the character, amount, and the circumstances surrounding the making of such advance; provided that such advance remaining unpaid amounts to at least 10% of the aggregate outstanding principal amount of the Bonds at such time.
- (g) The Trustee may, from time to time, request the Issuer to submit certifications of its officers, reports of its external auditors, and other documents relating to

the Issuer's ability to comply with its obligations under the Bonds and this Agreement, as well as to examine such records of the Issuer as may be related to the Issuer's obligations under the Bonds and this Agreement.

The request shall be reasonable, made not less than 72 hours prior to the intended date of examination, and shall be in writing addressed to the Issuer and including in reasonable detail the purpose for such request and the intended use of the requested documents or information. The Issuer may require the Trustee, its directors, officers, employees, representatives, agents, partners, consultants, and advisors to hold in confidence such documents and information furnished to the Trustee pursuant to said request or to limit the use thereof for the purpose intended, as stated in the request; provided that such limitation shall not apply if the same conflicts with the duties and responsibilities of the Trustee under any provision of this Agreement.

- (h) The Trustee shall hold on behalf of the Bondholders the Master Certificate of Indebtedness for the total issuance.
- (i) For the avoidance of doubt, the Trustee shall perform such other powers and functions as provided for elsewhere in this Agreement.

7.2 Liability of the Trustee

- (a) No provision of this Agreement shall be construed to relieve the Trustee from liability for its own grossly negligent action, its own grossly negligent failure to act, or its willful misconduct, provided that:
 - (i) the Trustee shall not be liable except for the performance of such duties as are specifically set forth in this Agreement;
 - (ii) prior to the occurrence of an Event of Default or after the curing or the waiver of all Events of Default which may have occurred, in the absence of bad faith on the part of the Trustee, the Trustee may conclusively rely upon, as to the truth of the statements and the correctness of the opinion expressed in, any certificate or opinion furnished to the Trustee conforming to the requirements of this Agreement;
 - (iii) the Trustee shall not be liable for any error of judgment made in good faith by its responsible officer or officers, unless it shall be proven that the Trustee was grossly negligent in ascertaining the pertinent facts; and
 - (iv) the Trustee shall not be liable with respect to any action taken or omitted to be taken by them in good faith in accordance with the direction of the Majority Bondholders relating to the time, method, and place of conducting any proceeding for any remedy available to the Trustee or exercising any trust or power conferred upon the Trustee under this Agreement.
- (b) None of the provisions contained in this Agreement and Prospectus shall require or be interpreted as requiring the Trustee to expend or risk its own

funds or otherwise incur personal financial liability in the performance of any of its duties or in the exercise of any of its rights or powers.

7.3 Ability to Consult Counsel

- (a) The Trustee may consult with counsel in connection with the duties to be performed by the Trustee under this Agreement and any opinion of such counsel shall be full and complete authorization and protection in respect of any action taken or omitted to be taken by the Trustee hereunder in good faith and in accordance with such opinion; provided that, prior to taking or not taking such action for which opinion of counsel is sought, the Trustee shall inform the Issuer of the relevant opinion of counsel; provided further that, the Trustee shall not be bound by the foregoing condition to inform the Issuer of the opinion of counsel if such opinion which is being sought by the Trustee pertains to, or involves actions to be undertaken due to, an Event of Default or issues pertaining thereto.
- (b) Notwithstanding any provision of this Agreement authorizing the Trustee conclusively to rely upon any certificate or opinion, the Trustee may, before taking or refraining from taking any action in reliance thereon, require further evidence or make any further investigation as to the facts or matters stated therein which it may in good faith deem reasonable in the circumstances; and the Trustee shall require such further evidence or make such further investigation as may reasonably be requested in writing by the Majority Bondholders.

7.4 The Trustee as Owner of the Bonds

The Trustee, in its individual or any other capacity, may become a holder of the Bonds with the same rights it would have if it were not the Trustee and the Trustee shall otherwise deal with the Issuer in the same manner and to the same extent as though it was not the Trustee hereunder; provided that, such ownership shall not be considered a conflict of interest requiring resignation or change of the Trustee under Subsection 7.5(b).

7.5 Resignation and Change of Trustee

- (a) The Trustee may at any time resign by giving 30 days prior written notice to the Issuer and to the Bondholders of such resignation.

Upon receiving such notice of resignation of the Trustee, the Issuer shall immediately appoint a successor trustee by written instrument in duplicate, executed by its authorized officers, one copy of which instrument shall be delivered to the resigning Trustee and one copy to the successor trustee. If no successor shall have been so appointed and have accepted appointment within 30 days after the giving of such notice of resignation, the resigning Trustee may petition any court of competent jurisdiction for the appointment of a successor, or any Bondholder who has been a *bona fide* holder for at least six (6) months (the "Bona Fide Bondholder") may, for and on behalf of the Bondholders, petition any such court for the appointment of a successor. Such court may thereupon after notice, if any, as it may deem proper, appoint a successor

trustee. Subject to the provisions of Subsection (d) below, such a successor trustee must possess all the qualifications required under pertinent laws.

- (b) In case at any time the Trustee shall become incapable of acting, or has acquired conflicting interest, or shall be adjudged as bankrupt or insolvent, or a receiver for the Trustee or of its property shall be appointed, or any public officer shall take charge or control of the Trustee or of its properties or affairs for the purpose of rehabilitation, conservation, or liquidation, then the Issuer may within 30 days therefrom remove the Trustee concerned, and appoint a successor trustee, by written instrument in duplicate, executed by its authorized officers, one copy of which instrument shall be delivered to the Trustee so removed and one copy to the successor trustee. If the Issuer fails to remove the Trustee concerned and appoint a successor trustee, any *bona fide* Bondholder may petition any court of competent jurisdiction for the removal of the Trustee concerned and the appointment of a successor trustee. Such court may thereupon after such notice, if any, as it may deem proper, remove the Trustee and appoint a successor trustee. Subject to the provisions of Subsection (d) below, such successor trustee must possess all the qualifications required under pertinent laws.
- (c) The Majority Bondholders may at any time remove the Trustee for cause, and, with prior consultation with the Issuer, except in an Event of Default, appoint a successor trustee, by the delivery to the Trustee so removed, to the successor trustee, and to the Issuer the required evidence under the provisions on Evidence Supporting the Action of the Bondholders in the Terms and Conditions of the Bonds. For the avoidance of doubt, the Bondholders shall have the sole discretion to appoint a successor trustee for the Bonds by vote of the Majority Bondholders.
- (d) Any resignation or removal of the Trustee and the appointment of a successor trustee pursuant to any of the provisions of this Subsection shall become effective upon acceptance of appointment by the successor trustee as provided in Section 7.6; provided, however, that until such successor trustee is qualified and appointed, the resigning Trustee shall continue to discharge its duties and responsibilities as herein provided; provided finally that, such successor trustee possesses all the qualifications as required by pertinent laws.

7.6 Successor Trustee

- (a) Any successor trustee appointed as provided in Section 7.5 shall execute, acknowledge, and deliver to the Issuer and to its predecessor Trustee an instrument accepting such appointment hereunder, and thereupon the resignation or removal of the predecessor Trustee shall become effective and such successor trustee, without further act, deed, or conveyance, shall become vested with all the rights, powers, trusts, duties, and obligations of its predecessor in the trusteeship hereunder with like effect as if originally named as trustee herein and the predecessor trustee shall be relieved from its duties and responsibilities herein. The foregoing notwithstanding, on the written request of the Issuer or of the successor trustee, the Trustee ceasing to act as such shall execute and deliver an instrument transferring to the successor trustee, upon the trusteeship herein expressed, all the rights, powers, and

duties of the Trustee so ceasing to act as such. Upon request of any such successor trustee, the Issuer shall execute any and all instruments in writing as may be necessary to fully vest in and confer to such successor trustee all such rights, powers, and duties.

- (b) Upon acceptance of the appointment by a successor trustee as provided in this Subsection, the Issuer shall notify the Bondholders in writing of the succession of such trustee to the trusteeship herein provided. If the Issuer fails to notify the Bondholders within ten days after the acceptance of appointment by the successor trustee, the latter shall cause the Bondholders to be notified at the expense of the Issuer.

7.7 Merger or Consolidation

Any corporation into which the Trustee may be merged or with which it may be consolidated or any corporation resulting from any merger or consolidation to which the Trustee shall be a party or any corporation succeeding to the business of the Trustee shall be the successor of the Trustee hereunder without the execution or filing of any paper or any further act on the part of any of the parties hereto, anything herein to the contrary notwithstanding; provided that, such successor trustee shall be eligible under the provisions of this Agreement and the Securities Regulation Code; provided, however, that where such successor trustee is not qualified under the pertinent Laws, then the provisions of Subsection 7.5(d) shall apply.

7.8 Reliance

In the performance of its obligations under this Agreement, the Trustee is entitled to rely upon any communication or document believed by it to be genuine and correct and to have been signed, sent, or made by the proper person/s and shall not be liable to any party for any of the consequences of such reliance; provided that, the Trustee shall exercise such judgment and care under the circumstances then prevailing that individuals of prudence, discretion, and intelligence, and familiar with such matters exercise in the management of their own affairs.

In addition, the Trustee shall not be held liable for any of its act or omission unless (i) such act or omission was committed with fraud, evident bad faith, gross negligence or willful misconduct, or (ii) the Trustee failed to exercise the skill, care and prudence, and/or diligence required by law and under the circumstances.

SECTION 8: MEETINGS OF THE BONDHOLDERS

- 8.1 A meeting of the Bondholders may be called at any time for the purpose of taking any actions authorized to be taken by or on behalf of the Bondholders of any specified aggregate principal amount of Bonds under any other provisions of this Agreement or under the law and such other matters related to the rights and interests of the Bondholders.

- 8.2 Notice of Meetings

The Trustee may at any time call a meeting of the Bondholders, or the holders of at least 25% of the aggregate outstanding principal amount of Bonds may direct in writing through the Registrar, the Trustee to call a meeting of the Bondholders, to take up any allowed action, to be held at such time and at such place as the Trustee shall determine. Notice of every meeting of the Bondholders, setting forth the time and the place of such meeting and the purpose of such meeting in reasonable detail, shall be sent by the Trustee to each of the registered Bondholders, through the Registrar, and to the Issuer, as may be necessary, at least 15 days prior to the date fixed for the meeting. All reasonable costs and expenses incurred by the Trustee for the proper dissemination of the requested meeting shall be reimbursed by the Issuer within ten days from receipt of the duly supported billing statement.

8.3 Failure of the Trustee to Call a Meeting

In case at any time the Issuer, pursuant to a resolution of its board of directors or executive committee, or the holders of at least 25% of the aggregate outstanding principal amount of the Bonds shall have requested, through the Registrar, the Trustee to call a meeting of the Bondholders by written request setting forth in reasonable detail the purpose of the meeting, and the Trustee shall not have mailed, in accordance with the notice requirements, the notice of such meeting, then the Issuer or the Bondholders in the amount above specified may determine the time and place for such meeting and may call such meeting by mailing and publishing notice thereof.

8.4 Quorum

The Registrar shall determine and record the presence of the Majority Bondholders, personally or by proxy, necessary to constitute a quorum to do business at any meeting of the Bondholders.

8.5 Procedure for Meetings

- (a) The Trustee shall preside at all the meetings of the Bondholders unless the meeting shall have been called by the Issuer or by the Bondholders, in which case the Issuer or the Bondholders calling the meeting, as the case may be, shall in like manner move for the election of the chairman and secretary of the meeting. The Trustee and Registrar shall initially and continually preside as chairman and secretary, respectively, until a chairman and secretary are elected by the Majority Bondholders.
- (b) Any meeting of the Bondholders duly called may be adjourned for a period or periods not to exceed in the aggregate of one year from the date for which the meeting shall originally have been called and the meeting so adjourned may be held without further notice to the Bondholders present or represented at the original meeting. Any such adjournment may be ordered by persons representing a majority of the aggregate principal amount of the Bonds represented at the meeting and entitled to vote, whether or not a quorum shall be present at the meeting. At least five (5) days prior to the meeting to which the original meeting is adjourned, the Trustee, through the Registrar, shall send to all Bondholders not present or represented at the original meeting notice setting forth the time and the place of the meeting to which the original meeting was adjourned and indicating that the purpose of such meeting is the same as

that of the original meeting. All reasonable costs and expenses incurred by the Trustee for the proper dissemination of the requested meeting shall be reimbursed by the Issuer within ten days from receipt of the duly supported billing statement.

8.6 Voting Rights

To be entitled to vote at any meeting of the Bondholders, a person shall be a registered holder of one or more Bonds or a person appointed by an instrument in writing as proxy by any such holder as of the date of the said meeting. Bondholders shall be entitled to one vote for every ₱10,000 interest. The only persons who shall be entitled to be present or to speak at any meeting of the Bondholders shall be the persons entitled to vote at such meeting and any representatives of the Issuer and its legal counsel.

8.7 Voting Requirement

All matters presented for resolution by the Bondholders in a meeting duly called for the purpose shall be decided or approved by the affirmative vote of the Majority Bondholders present or represented in a meeting at which there is a quorum except as otherwise provided in this Trust Agreement. Any resolution of the Bondholders which has been duly approved with the required number of votes of the Bondholders as herein provided, shall be binding upon all the Bondholders and the Issuer.

8.8 Role of the Trustee in Meetings of the Bondholders

Notwithstanding any other provisions of this Agreement, the Trustee may make such reasonable regulations as it may deem advisable for any meeting of the Bondholders, in regard to proof of ownership of the Bonds, the appointment of proxies by registered holders of the Bonds, the election of the chairman and the secretary, the appointment and duties of inspectors of votes, the submission and examination of proxies, certificates, and other evidences of the right to vote, and such other matters concerning the conduct of the meeting as it shall deem fit.

8.9 Evidence Supporting the Action of the Bondholders

Wherever in this Agreement it is provided that the holders of a specified percentage of the aggregate outstanding principal amount of the Bonds may take any action (including the making of any demand or requests and the giving of any notice or consent or the taking of any other action), the fact that at the time of taking any such action the holders of such specified percentage have joined therein may be evidenced by: (i) any instrument executed by the Bondholders in person or by the agent or proxy appointed in writing, or (ii) the duly authenticated record of voting in favor thereof at the meeting of the Bondholders duly called and held in accordance herewith, or (iii) a combination of such instrument and any such record of meeting of such Bondholders.

SECTION 9: MISCELLANEOUS

- 9.1 In the event that a primary obligation for payment shall arise out of this Agreement, such as to constitute this Agreement as a contract for the payment of an indebtedness

or a loan, then it is understood and expressly agreed by the parties hereto that the obligation created under this Agreement shall not enjoy any priority, preference, or special privileges whatsoever over any indebtedness or obligations of the Issuer. Accordingly, whatever priorities or preferences that this Agreement may have or any person deriving a right hereunder may have under Article 2244, paragraph 14 of the Civil Code of the Philippines are hereby absolutely and unconditionally waived and renounced. This waiver and renunciation of the priority or preference under Article 2244, paragraph 14 of the Civil Code of the Philippines shall be automatically revoked if it be shown that an indebtedness of the Issuer for borrowed money has a priority or preference under the said provision. For the avoidance of any doubt, upon such automatic revocation, the Bondholders shall enjoy preference or priority accorded to public instruments under Article 2244, paragraph 14 of the Civil Code of the Philippines or under any Law as of the date of the notarization of this Agreement.

- 9.2 Except as may be otherwise contemplated under this Agreement, it is expressly agreed that the names of the Issuer and the Trustee shall not in any way be used in any advertisements, nor any public announcement of any kind be made concerning their roles or participation in this transaction without their prior written consent.
- 9.3 This Agreement shall be binding on and inure solely for the benefit of the Trustee, the Bondholders, and the Issuer, their respective successors and assigns, and no other person shall acquire or have any right under this Agreement, except the Bondholders who shall be held to be successors and assigns by reason of being the holders in due course of the outstanding Bonds.
- 9.4 If any one or more of the provisions contained in this Agreement shall be invalid, illegal, unenforceable in any respect under any applicable law, the validity, legality and enforceability of the remaining provisions contained herein shall not in any way be affected or impaired. The Parties agree to replace any invalid provision with a valid provision which most closely approximates the intent and economic effect of the invalid provision.
- 9.5 This Agreement shall be governed by and shall be construed in accordance with the laws of the Republic of the Philippines. In the event of any legal action arising from, or by reason of, the interpretation and enforcement of the provisions of this Agreement, (a) the proper venue for such court action shall be the proper courts in the City of Makati to the exclusion of all other courts; and (b) the party adjudged by the court to be liable shall be obliged to pay the costs of litigation, as well as attorney's fees in an amount equivalent to 25% of the amount due, but in no case less than ₱200,000.00.
- 9.6 No Bondholder shall have any right by virtue of or by availing of any provision of this Agreement to institute any suit, action or proceeding for the collection of any sum due from the Issuer on account of principal, interest, and other charges, or for the appointment of a receiver or trustee, or for any other remedy hereunder, unless (i) such Bondholder previously shall have given to the Trustee written notice of an Event of Default and of the continuance thereof and the related request for the Trustee to convene a meeting of the Bondholders to take up matters related to their rights and interests under the Bonds; (ii) the Majority Bondholders shall have decided and made the written request upon the Trustee to institute such action, suit, or proceeding in the latter's name; (iii) the Trustee for 60 days after the receipt of such notice and request shall have neglected or refused to institute any such action, suit, or proceeding; and

(iv) no directions inconsistent with such written request shall have been given under a waiver of default by the Bondholders, it being understood and intended, and being expressly covenanted by every Bondholder with every other Bondholder and the Trustee, that no one or more Bondholders shall have any right in any manner whatever by virtue of or by availing of any provision of this Agreement to affect, disturb, or prejudice the rights of the holders of any other such Bonds or to obtain or seek to obtain priority over or preference to any other such holder or to enforce any right under the Trust Agreement, except in the manner herein provided and for the equal, ratable, and common benefit of all the Bondholders.

- 9.7 All notices, statements and requests to be made under this Agreement shall be in writing and shall be personally delivered to the party concerned at its respective address:

To the Issuer: **Sta. Lucia Land, Inc.**

Attention: Mr. David M. Dela Cruz
 Executive Vice President and Chief Finance Officer

Address: Penthouse, Building III, Sta. Lucia East Grand Mall,
 Cainta, Rizal

To the Trustee: [•]

Attention: [•]
 [•]

Subject: Sta. Lucia Land, Inc.Fixed Rate Bonds Due 2018 and
 2020

Address: [•]

To the Issue Manager, Lead Underwriter: and Bookrunner

ChinaBanking Corporation

Attention: Virgilio O. Chua
 First Vice President and Head of Investment Banking
 Group

 Manuel C. San Diego
 Vice President

Address: China Bank Building
 8745 Paseo de Roxas cor. Villar St.,
 Makati City,1226 Philippines

To the Paying Agent and Registrar:

Philippine Depository & Trust Corporation

Attention: Paolo Angelo Q. Narciso
Associate Director – Trading Services

Patricia Camille Garcia
Registry Officer

Address: 37/F The Enterprise Center Tower 1
6766 Ayala Avenue corner Paseo de Roxas
Makati City

All notices shall be deemed to have been received on the date of receipt thereof by the addressee. Each party may change its address for purposes of receiving notice by giving written notice to the other parties hereto.

9.8 Amendments

- (a) The Issuer and the Trustee may, without prior notice to or the consent of the Bondholders or other parties, amend or waive any provisions of this Agreement if such amendment or waiver is of a formal, minor, or technical nature or to correct a manifest error or inconsistency, provided in all cases that such amendment or waiver does not adversely affect the interests of the Bondholders and provided further that all Bondholders are notified of such amendment or waiver.
- (b) The Issuer and the Trustee may amend the Terms and Conditions of the Bonds without prior notice to every Bondholder, but with the written consent of the Majority Bondholders. However, without the written consent of each Bondholder affected thereby, notwithstanding any meeting among such Bondholders, in accordance with Section 8, in case one is held for this purpose, an amendment may not:
 - 1) reduce the number of Bondholders that must consent to an amendment or waiver;
 - 2) reduce the rate of or extend the time for payment of interest on the Bonds;
 - 3) reduce the principal of or extend the Maturity Date of the Bonds;
 - 4) impair the right of any Bondholder to receive payment of principal of and interest on such Bondholder's Bonds on or after the due dates thereof or to institute suit for the enforcement of any payment on or with respect to such Bondholders;
 - 5) reduce the amount payable upon the redemption or repurchase of the Bonds under the Terms and Conditions or change the time at which any Bond may be redeemed;
 - 6) make any Bond payable in money other than that stated in the Bond;
 - 7) subordinate the Bonds to any other obligations of the Issuer;

- 8) release any Lien or security interest that may have been granted in favor of the Bondholders;
- 9) amend or modify the Payment of Additional Amounts, Taxation, the Events of Default, or the Waiver of Default by the Bondholders in the Terms and Conditions;
or
- 10) make any change or waiver of this condition.

It shall not be necessary for the consent of the Bondholders under this condition to approve the particular form of any proposed amendment, but it shall be sufficient if such consent approves the substance thereof. After an amendment under this condition becomes effective, the Issuer shall send a notice briefly describing such amendment to the Bondholders affected in the manner provided in the section entitled "Notices".

- 9.9 Unless otherwise stated in writing, no failure or delay on the part of any party in exercising any rights, powers, or remedies under this Agreement shall operate as a waiver thereof, nor shall any single or partial exercise of any such right, power, or remedy preclude any other right, power, or remedy thereunder. The remedies herein provided are cumulative in nature and not exclusive of any remedies provided by law.
- 9.10 This Agreement may be executed in any number of counterparts, and each of the executed counterparts, when duly exchanged or delivered, shall be deemed to be an original, but, taken together, they shall constitute one instrument.
- 9.11 This Agreement shall take effect, if and only if on or before[•], the Securities and Exchange Commission issues the Certificate of Permit to Offer Securities for Sale in respect of the Bonds or other certification that the Bonds have been registered and may be offered for sale or sold to the public.

IN WITNESS WHEREOF, the parties hereto have caused this Agreement to be executed by their respective representatives as of the date and at the place first above written.

Issuer:

STA. LUCIA LAND, INC.

By:

David M. Dela Cruz
Executive Vice President and Chief Finance Officer

SIGNED IN THE PRESENCE OF:

Trustee:

[•]
By:

[•]
[•]

SIGNED IN THE PRESENCE OF:

ACKNOWLEDGMENT

REPUBLIC OF THE PHILIPPINES)

) S.S.

BEFORE ME, a Notary Public for and in the above jurisdiction this [•] day of [•] 2015, personally appeared the following individuals, representing the corporations indicated below their respective names:

Name

Government Issued Identification No./

Expiry Date

David M. Dela Cruz

For

Sta. Lucia Land, Inc.

who were identified by me through competent evidence of identity to be the same persons described in the foregoing Trust Agreement, who acknowledged before me that their respective signatures on the instrument were voluntarily affixed by them for the purposes stated therein, and who declared to me that they have executed the instrument as their free and voluntary act and deed and that they have the authority to sign on behalf of the corporations they represent.

This Trust Agreement consists of [•]pages, including the page where this acknowledgment is written, to which Annexes A, B and C have been attached.

WITNESS MY HAND AND NOTARIAL SEAL on the date and at the place above written.

Doc. No.: _____;

Page No.: _____;

Book No.: _____;

Series of 2015.

ACKNOWLEDGMENT

REPUBLIC OF THE PHILIPPINES)
MAKATI, METRO MANILA) S.S.

BEFORE ME, a Notary Public for and in the above jurisdiction this [•]day of [•] 2015, personally appeared the following individuals, representing the corporations indicated below their respective names:

Name

Government Issued Identification No./
Expiry Date

[•]
For
[•]

who were identified by me through competent evidence of identity to be the same persons described in the foregoing Trust Agreement, who acknowledged before me that their respective signatures on the instrument were voluntarily affixed by them for the purposes stated therein, and who declared to me that they have executed the instrument as their free and voluntary act and deed and that they have the authority to sign on behalf of the corporations they represent.

This Trust Agreement consists of [•] pages, including the page where this acknowledgment is written, to which Annexes A, B and C have been attached.

WITNESS MY HAND AND NOTARIAL SEAL on the date and at the place above written.

Doc. No.: _____;
Page No.: _____;
Book No.: _____;
Series of 2015.

ANNEX A
Terms and Conditions of the Bonds

[To be attached]

ANNEX B

Certificate of No Default pursuant to Section 4.1(w) of the Trust Agreement

[Sta. Lucia Land, Inc. Letterhead]

[Date]

[•]

Attention: The Trust Account Officer

Re: Sta. Lucia Land, Inc.'s ("Issuer") fixed rate Series A Bonds due 2018 and Series B Bonds due 2020 in the aggregate principal amount of up to ₱ 3,000,000,000 with an over-allotment option of up to ₱ 2,000,000,000 (the "Bonds") – Certificate of No Default

Gentlemen:

As [Chief Financial Officer/Treasurer/Comptroller] of the Issuer, the undersigned hereby certifies that to his knowledge, (i) no Event of Default has occurred, and no other event, which with the giving of any notice and/or certificate and/or with the lapse of time would constitute an Event of Default, has occurred, or any other event as aforesaid has occurred; and (ii) all of the Issuer's undertakings set out in the Trust Agreement have been met. [If an Event of Default has occurred and is subsisting, a statement as to the nature thereof and the action which the Issuer has taken or proposes to take with respect thereto.]

[Provide calculation of each of the financial ratios referred to in Section 4.1(r) of the Trust Agreement, showing the methods by which such calculations were determined.]

This certificate is rendered pursuant to Section 4.1(w) of the Trust Agreement dated [•] between the Issuer and [•]. The terms used herein shall have the same meanings as those defined the Trust Agreement.

Very truly yours,

Printed Name over Signature
[Chief Financial Officer/Treasurer/Comptroller]

ANNEX C

**MASTER CERTIFICATE OF INDEBTEDNESS
(SAMPLE ONLY)**

STA. LUCIA LAND, INC.

For value received, STA. LUCIA LAND, INC. (the "Issuer"), a corporation duly organized and existing under the laws of the Republic of the Philippines, with principal office at Penthouse, Building III, Sta. Lucia East Grand Mall, Cainta, Rizal, hereby unconditionally promises to pay the Bondholders, or their successors or assignees, through the Paying Agent, the following principal amount and interest, and whenever applicable, any other amount due thereon:

PRINCIPAL AMOUNT:

The Bonds shall be governed by the terms and conditions of the Bonds endorsed herein and the Bondholders are entitled to the benefit of and are bound by the provisions of the Trust Agreement dated[•]between the Issuer and [•] as Trustee, acting on behalf of the Bondholders.

In witness whereof, this Master Certificate of Indebtedness has been executed as a deed on _____.

STA. LUCIA LAND, INC.

By:

[Terms and Conditions of the Bonds to be appended on reverse]