



Transpacific Broadband Group Inc.

A leading Philippine commercial teleport services company

RETIREMENT PLAN POLICY

Purpose

The purpose of this policy is to encourage employees to stay loyal with the corporation until retirement. Transpacific Broadband Group, Inc. aspires to achieve the highest levels of excellence in its field of business; thus, organization and workforce structures are cross-checked for its efficiency and effectiveness across corporation goals.

TBGI Retirement Plan Policy

Retirement is an important transition from both the retiring employee and the organization. This policy is geared towards ensuring a smooth transition from employment to retirement to ensure equality, diversity and efficiency in the workplace. TBGI has no mandatory retirement unless age is a bona fide job requirement where occupation requirements should be strictly met. Long-standing directors who no longer contribute to the performance of the corporation are encouraged to voluntarily leave the board. This policy is applicable to all employees of the corporation regardless of their length of service, ranking and contributions.

Board diversity in terms of expertise is important consideration for selection of members. There is no age limit to work for TBGI. Age is just a number because performance is the actual determination of results and contribution to the corporation. TBGI temporarily sets the retirement age at 60 years old, but the board may choose to waive this retirement age policy under certain circumstances that may be prescribed by law. Expertise and contribution to the corporation is evaluated and assessed by the board. Reason for re-appointing directors may also be disclosed. Fresh perspectives and current market inputs are needed to be highly competitive in today's industry demand.

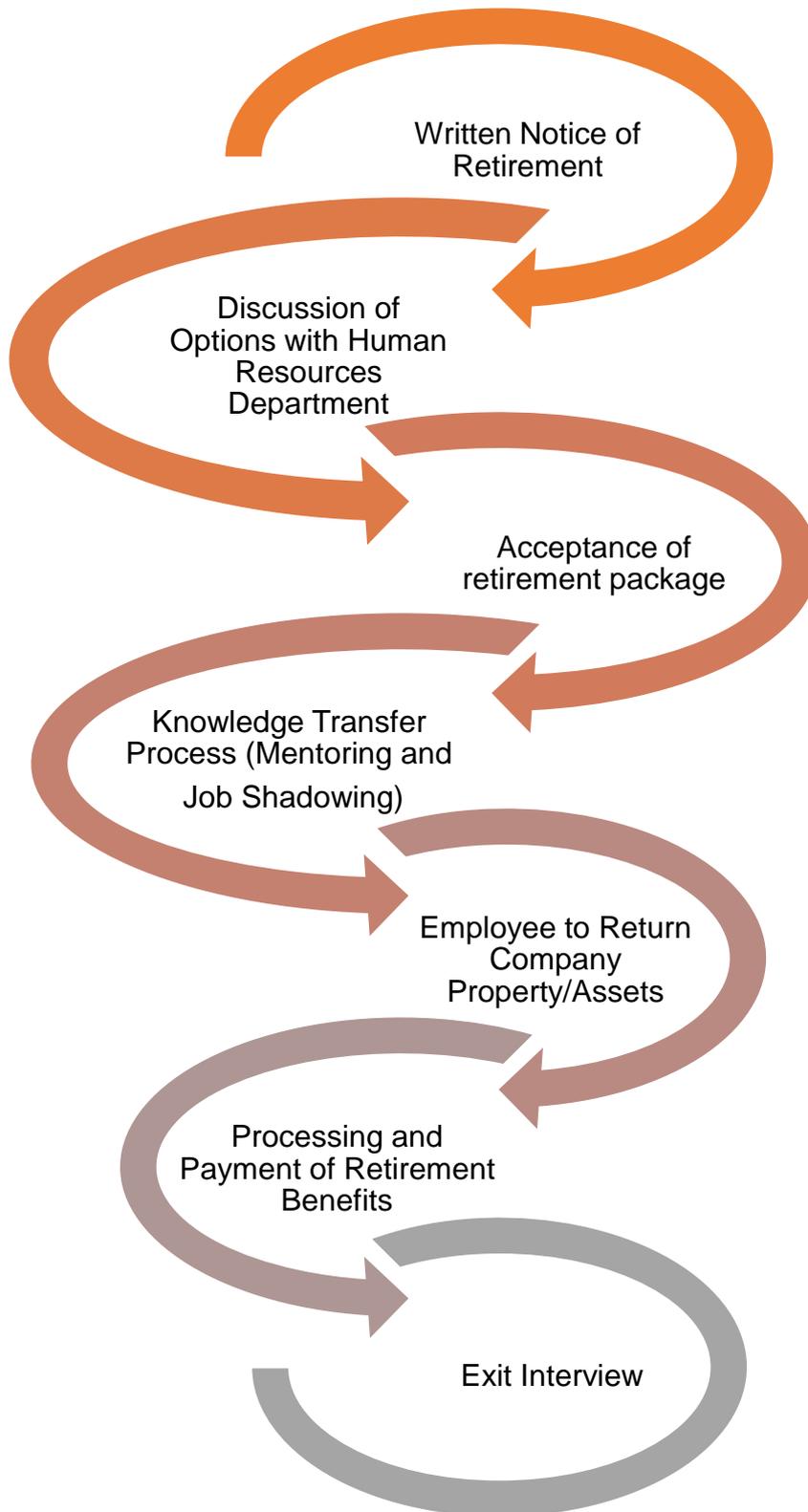
Legality/Eligibility

The determination of the Company's obligation and cost for retirement and other retirement benefits is based on RA 7641 and is dependent on the length of stay of the qualifying employees and reaching the age of 60 upon retirement. This shall not include any apprentice, consultant or anyone on probationary, casual or temporary basis of employment

Validity

The corporation can amend its retirement package policies and revise it as needed to ensure compliance to corporate standards, Department of Labor and Employment and other government/legal institutions.

RETIREMENT PLAN APPLICATION PROCESS



PROCEDURE

STEP 1: WRITTEN NOTICE OF RETIREMENT

A written notice of retirement is sent to the HR Department or Executive Director at least 6 months prior to the intended retirement date to ensure smooth transition and knowledge transfer process to the successor of responsibilities and position.

STEP 2: DISCUSSION OF OPTIONS WITH HUMAN RESOURCES DEPARTMENT

All applications for retirement are considered on a case-by-case basis with the aim to continuously achieve and balance TBGI organizational structure vis-à-vis corporate objectives. Succession planning for key positions is critical for business continuity so referral from retiring individual is encouraged. The injection of fresh perspectives from new recruit may introduce improvements. Candidates are endorsed for higher management approval. If the retirement intent is disapproved, the reasons for the decision will be discussed until a mutually satisfactory agreement arises. Reduction in work hours may also be given out as options, depending on the current structure of the organization.

STEP 3: ACCEPTANCE OF RETIREMENT PACKAGE

Retirement benefit package depends on the contributions of each retiring individual. The retirement pay computations will thoroughly be explained by the Human Resources Department as approved by top management. TBGI, in compliance with the Labor Code of the Philippines, issues retirement pay computed as follows: the term one half (1/2) month salary shall mean fifteen (15) days plus one-twelfth (1/12) of the 13th month pay and the cash equivalent of not more than five (5) days of service incentive leaves.

STEP 4: KNOWLEDGE TRANSFER PROCESS (MENTORING and JOB SHADOWING)

Accountabilities and expectations for the departing employee need to be transferred to his successor. Work arrangements, scope, responsibilities, accomplishments, failures are some of the mentoring process involved in the knowledge transfer process. Transferring and distributing knowledge (market expertise, process designs, past experiences and marketing know-hows) to one's successor is highly valuable and strategic to ensure business continuity. Proper communication and ample training on the individual level, project level and organizational level need to be endorsed so there will be no problem in role turnover. Job shadowing will give the successor a comprehensive overview of one's daily routines and responsibilities in the current corporate structure.

STEP 5: EMPLOYEE TO RETURN COMPANY PROPERTY/ASSETS

If there are any corporate assets and property that have been lent to the resigning/retired employee, it has to be surrendered prior to the intended date of retirement. Any damages or loss in corporate assets may be deducted on the final retirement pay to be released.

STEP 6: PROCESSING AND PAYMENT OF RETIREMENT BENEFITS

Retirement Pay will be released 15-30 days after the actual retirement date. A waiver & quitclaim will be issued for the retiring individual to sign.

STEP 7: EXIT INTERVIEW

Exit interviews, if necessary, may be conducted by a representative from the Human Resources Department to have a proper understanding of the past and present organizational practice. Recommendations of the retiring director may also be recorded in writing for document and review of succeeding ones.