Subscription for Ongoing Senior Care and Assisted Living Services

TERMS AND CONDITIONS

These Terms and Conditions (the "Agreement") govern the subscription of the Applicant as based on the attached Membership Application Form in **Annex "A"** (hereinafter the "Member") with **BIG HEARTS ADULT DAYCARE AND ASSISTED LIVING, INC.**, a corporation duly organized and existing under the laws of the Republic of the Philippines, with principal office at 16 Aberdeen Street, BF Homes, Parañaque City, (hereinafter the "Company").

The Company and the Member are hereinafter collectively referred to as the "Parties" and individually as a "Party."

RECITALS

WHEREAS, the Company is engaged in the business of providing senior care and assisted living services;

WHEREAS, the Member desires to subscribe to the Company's ongoing senior care services under the terms herein;

NOW, THEREFORE, for and in consideration of the foregoing premises and the mutual covenants hereinafter set forth, the Parties hereby agree as follows:

1. NATURE OF SERVICE

1.1. Ongoing Service Subscription. The Company shall provide to the Member, on a continuing and as-availed basis, senior care and assisted living services, access to the Company's Service Facility/ies, services provided by Company's accredited partners, and Independent Living Program as part to the Big Hearts Retirement Lifestyle Network (the "Service/s") prepaid and/or discounted for so long as the Member's subscription remains active, subscription payments are duly paid, and subject to prevailing rates set by the Company. The Services are rendered contemporaneously with payment or prepaid.
1.2. Care Points Accrual. Subscription payments made shall accrue equivalent "Care Points" at one-to-one (1:1) ratio, which may be redeemed to further reduce the cost of Services availed subject to the limitations stipulated herein. Case Points are non-convertible to cash or other legal tender, and subject to expiration upon suspension or termination of membership under Section 12 (Suspension) and Section 13 (Termination). Care points may only be used towards qualified Company Service/s in accordance with this Agreement.
1.3. Care Points Redemption. Care Points may be applied to cover up to one hundred percent (100%) of the costs of Service at the discretion of the Member. Should the redemption cap be reached, all succeeding Services shall be fully payable from the Member at prevailing rates set by the Company. All applications of Care Points shall be based on prevailing service rates at the time of use. Discounts or applicable partner rates shall be applied prior to the application of Care Points.
1.4. Care Point Redemption Caps. The application of Care Points shall be limited based on the Membership type and subject to promotional periods where the Company may raise redemption caps at its discretion.
1.5. Family Co-Membership. The Member may designate immediate family members such as his spouse, children, or siblings, as Authorized Users who may avail of eligible services and benefits under the Member's subscription, subject to this Agreement,

program rules, assessment requirement, and service availability. It should be noted that under this Agreement, an Authorized User may only: (a) redeem the Member's accumulated Care Points for qualified Big Hearts services; and (b) avail of the applicable Assisted Living Member Discount under the Member's subscription. Except as expressly provided herein, all other membership benefits, privileges and entitlements shall remain exclusive to the Member.

All membership fees, Care Points, and benefits shall remain solely under the account of the Member. By being designated as an Authorized User, such user does not acquire a separate membership account or any ownership interest in the membership. Authorized users do not earn, receive, or accumulate separate Care Points, and all Care Points and membership benefits remain exclusively under the Member's account. Care Points and benefits are non-transferable, non-convertible to cash, and may not be pooled, divided, or shared among family members.

Care Points may only be redeemed for qualified services by one Authorized User at a time.

In the event of the passing of the Member, a linked Authorized User may apply to accede into the subscription of the linked Member, subject to prevailing program rules, verification requirements, and application regulations. Approval of such application shall be at the Company's discretion, and any continuation of the membership shall remain subject to this Agreement and prevailing Company policies.

1.6. <u>No guarantee of future performance</u>. The Company does not guarantee the future performance of a pre-arranged package of benefits in exchange for consideration paid in advance. Fees paid under this Agreement represent consideration for the right to access and discounts for ongoing Services during while they are a Member, not a contribution to a trust fund or reserve for future fixed benefits.

1.7. <u>No Insurance</u>. This Agreement is not a contract of insurance under the Insurance Code of the Philippines (Presidential Decree No. 612, as amended by R.A. No. 10607). The Company does not indemnify the Member against loss, damage, or liability arising from any fortuitous event.

1.8. <u>No HMO</u>. This Agreement is not a Health Maintenance Organization (HMO) contract. The Services do not include the underwriting of medical risk, nor does it undertake to provide or finance comprehensive healthcare services in consideration of the membership fees. The Company acts only as the administrator of the membership benefits, and not as an HMO provider.

1.9. <u>No pre-need plan</u>. This Agreement is not a pre-need plan. Membership fees are paid solely for participation in the service subscription and do not constitute prepayments for future services. The corresponding services, benefits, and privileges may be availed of only while the Member's subscription remains active and are subject to service availability. Nothing in this Agreement guarantees the future availability or performance of any particular service or benefit.

1.10. <u>No investment product</u>. This Agreement is not an investment, savings or deposit product. Care points should only be construed as promotional program benefits and it does not earn interest, appreciate in value, or generate any financial return.

1.11. <u>No securities offering</u>. This Agreement is not a securities offering. Care Points are promotional program benefits only and do not constitute shares, securities, investment interests, or any ownership or equity interest in the Company.

2. DEFINITIONS

2.1. “Applicant” or “Member” means the individual named in the Membership Application Form attached as **Annex “A,”** who has been accepted by the Company for subscription.
2.2. “Authorized Representative” means the spouse, child, legal guardian, attorney-in-fact, or such other person duly designated by the Member in writing.
2.3. “Authorized User” means an immediate family member designated by the Member who may only: (a) redeem the Member's accumulated Care Points for qualified Big Hearts services; and (b) avail of the applicable Assisted Living Member Discount under the Member's account, subject to this Agreement, program rules, assessment requirement, and service availability. Except as expressly provided, an Authorized User shall not be entitled to any other membership benefits and privileges under the Member's account.
2.4. “Data Privacy Act” means Republic Act No. 10173 and its Implementing Rules and Regulations.
2.5. “Partner Benefits” are services provided by accredited third parties of the Company and are subject to availability, service coverage areas, applicable terms and conditions, and program policies that form part of the services of the Company.
2.6. “Senior Citizen” means a resident citizen of the Philippines at least sixty (60) years old, as defined under Republic Act No. 9994 (Expanded Senior Citizens Act of 2010).
2.7. “Service Facility” means any accredited facility, residence, or location operated or engaged by the Company for the delivery of the Services.
2.8. “Subscription Fee” means the recurring amount payable by the Member pursuant to the schedule set forth in Section 5.

3. MEMBERSHIP TYPES AND SCOPE OF CARE

3.1. The Company offers three (3) Membership Types, as follows:

Silver Member - PhP 3,000.00 Monthly Payment

- Ten percent (10%) Assisted Living Discount;
- Monthly Care Points of Three Thousand (3,000);
- FREE Annual Flue Shot*;
- FREE Annual Lifeline Ambulance Service Membership*;
- FREE Once-a-Year Doctor Consultation*;
- PhilHealth YAKAP Registration Assistance;
- Emergency Care Benefit (One Covered Emergency Per Membership Year
- Basic Dental Care Access.*

Gold Member - PhP 6,000.00 Monthly Payment

- Fifteen percent (15%) Assisted Living Discount;
- Monthly Care Points of Six Thousand (6,000);
- FREE Annual Flu Shot*;
- FREE Annual Lifeline Ambulance Service Membership*;
- FREE Two (2) Doctor Consultations Per Year*;
- Two (2) Physical Therapy Sessions Per Year*;
- Twelve (12) Hours Big Hearts at Home Service Per Year;
- PhilHealth YAKAP Registration Assistance;
- Emergency Care Benefit (One Covered Emergency Per Membership Year
- Standard Dental Care Access.*

Platinum Member - PhP 12,000.00 Monthly Payment

- Twenty percent (20%) Assisted Living Discount;

- Monthly Care Points of Twelve Thousand (12,000);
- FREE Annual Flu Shot*;
- Annual Lifeline Ambulance Service Membership*;
- FREE Three (3) Doctor Consultations Per Year*;
- FREE Three (3) Regular Laboratory Tests Per Year*;
- 24 Hours Big Hearts at Home Service Per Year;
- Priority Access to Services and Programs;
- PhilHealth YAKAP Registration Assistance;
- Emergency Care Benefit (One Covered Emergency Per Membership Year), including Life Insurance with Accidental Death, Dismemberment, and Disablement (AD&D) Coverage of up to P50,000*; and
- Extensive Dental Care Access.*

Provided, benefits marked with an asterisk (*) are partner benefits provided through Big Hearts' accredited partners and are subject to availability, service coverage areas, applicable terms and conditions, and program policies.

Provided further, the Emergency Care Benefit includes **partner-provided** emergency assistance benefits and may include Group Life Insurance with Accidental Death, Dismemberment, and Disablement (AD&D) Coverage of up to P50,000, subject to the terms, conditions, eligibility requirements, and coverage limitations of the accredited provider.

Provided finally, that except for the Assisted Living Discount and the right to redeem the Member's accumulated Care Points for qualified Big Hearts services, all other benefits are personal and exclusive to the Member.

3.2. Scope Limitations. The Services do not include: (a) acute or major hospital care; (b) emergency surgical intervention; (c) in-patient psychiatric care; (d) procurement of prescription medication (which shall be for the Member's account); or (e) services beyond what is specified in the elected Membership Type. Any such excluded services, if coordinated by the Company at the Member's request, shall be charged separately.
3.3. Discounts. Discounts shall be applied to prevailing service rates at the time of use. The Company reserves the right to further define eligible Services and partner inclusions.
3.4 Continuous Membership and Tier Progression. Membership is continuous and voluntary with no fixed minimum term. Members may upgrade with two (2) weeks' notice prior to the next subscription payment. Members may downgrade with one (1) month notice prior to the next subscription payment.
3.6. Promotional Flexibility. The Company reserves the right to adjust subscription payment rates and redemption caps subject to program or reasonable control updates as well subject to promotional periods and marketing efforts.
3.7. Conditions. All benefits, access, including use of Care Points, and provision of Services shall be subject to availability of facilities, care assessment, and compliance with company policies, partner guidelines, and existing laws.

4. LOYALTY INCENTIVE

4.1. Loyalty Benefits. A Member who has maintained an active and fully paid subscription for a continuous period of at least two (2) years or other loyalty criteria established by the Company shall be entitled, as a loyalty incentive Special Accommodations.
4.2. Special Accommodations may include, without limitation: (a) complimentary

upgrade nights at a Service Facility; (b) priority booking for therapeutic or recreational programs; (c) complimentary senior care and assisted living events; (d) tier-upgrade trial periods not exceeding thirty (30) days; (e) additional Care Points; (f) enhanced discounts for promotional periods; (g) priority access privileges; and (h) exclusive offers.

4.3. The loyalty benefit is personal to the Member, non-transferable, and forfeited upon lapse, suspension, or termination of the membership.

5. SUBSCRIPTION PACKAGES AND FEES

5.1. The Member may elect any of the following payment packages, indicating the choice in **Annex "A"**:

Package	Billing Cycle	Commitment	Discount / Feature
Bi-Annual	Every six (6) months	Six (6) months	Discount of 5% versus monthly
Annual	Every twelve (12) months	Twelve (12) months	Discount of 10% versus monthly
Multi-Year	Lump sum or annual tranche	Two (2) to five (5) years	Discount of 10% versus annual; locks loyalty benefits at inception

5.2. Price Adjustments. The Company reserves the right to adjust the Subscription Fee upon thirty (30) days' prior written notice. Members in a bi-annual, annual, or multi-year cycle shall not be subject to price adjustment within the pre-paid period.

5.3. Senior Citizen and PWD Discounts. Where applicable under Republic Act No. 9994 and Republic Act No. 10754, the twenty percent (20%) senior citizen / PWD discount and VAT exemption shall be applied on qualified Services upon presentation of valid identification.

5.4. Refund Policy. Fees for Services already rendered are non-refundable as the Services are made available and rendered at the point of subscription. Pro-rated refunds for unused periods shall be governed by Section 12 (Suspension) and Section 13 (Termination).

5.5. Late Payment. Unpaid fees shall bear interest at the legal rate of six percent (6%) *per annum*.

6. SCOPE OF CARE, HEALTH, SAFETY, AND CARE PROTOCOLS

6.1. Professional Standards. All caregivers and professionals engaged by the Company shall hold the applicable licenses, permits, or accreditations from the Professional Regulation Commission, the Department of Health, or other competent authority. Provided, accredited third parties providing partner benefits shall be responsible for maintaining their own licenses, permits, and professional accreditations.

6.2. Individualized Care Plan (ICP). Upon acceptance of the application, an ICP shall be prepared in consultation with the Member or the Authorized Representative, addressing medical history, functional assessment, dietary needs, and care preferences. The ICP shall be reviewed at least every six (6) months or upon material change in the Member's condition.

The ICP is intended solely to guide the delivery of the Company's non-medical caregiving and personal support services and shall not be construed as providing medical services.

6.3. Infection Prevention and Control. The Company shall observe infection control protocols consistent with the Department of Health's guidelines, including those related to communicable disease surveillance.

6.4. Emergency Protocols. In medical emergencies, the Company shall: (a) render first-aid or emergency response; (b) notify the Authorized Representative; and (c) facilitate transfer to an accredited hospital. The cost of hospital admission and treatment shall be for the Member's account.

6.5. Advance Directives. The Member may submit an advance directive, including Do-Not-Resuscitate (DNR) instructions. The Company shall observe such directives to the extent permitted by law and by the professional judgment of attending medical personnel.

6.6. Reporting of Abuse. Any suspected abuse, neglect, or exploitation of the Member shall be reported to the appropriate authorities, as warranted.

7. DATA PRIVACY

7.1. Compliance with the Data Privacy Act. The Company shall process the Member's personal and sensitive personal information in accordance with the Data Privacy Act of 2012, its Implementing Rules and Regulations, and issuances of the National Privacy Commission (NPC).

7.2. Lawful Criteria. Processing shall be based on: (a) the Member's consent; (b) the performance of this Agreement; (c) compliance with legal obligations; and (d) the protection of the vital interests of the Member.

7.3. Purposes of Processing. Personal information shall be processed for: (i) enrollment and identity verification; (ii) preparation and administration of the ICP; (iii) billing and collections; (iv) coordination with healthcare providers and the Authorized Representative; (v) regulatory reporting; and (vi) internal analytics for service improvement.

7.4. Sensitive Personal Information. Health information, including diagnoses, medications, and clinical records, shall be treated as sensitive personal information subject to heightened protection. Disclosure to third parties shall require the Member's specific written consent, except where disclosure is compelled by law, subpoena, or an order of a competent authority.

7.5. Data Subject Rights. The Member shall be entitled to the rights guaranteed under Sections 16 to 19 of the Data Privacy Act, including the rights to be informed, to access, to object, to rectification, to erasure or blocking, to data portability, and to damages. Requests shall be addressed in writing to the Company.

7.6. Retention and Disposal. Records shall be retained for the duration of the membership and for ten (10) years thereafter, or such longer period as required by law, after which records shall be securely disposed of.

7.7. Data Breach Notification. The Company shall notify the NPC and affected data subjects within seventy-two (72) hours of knowledge of a personal data breach that is likely to give rise to a real risk of serious harm.

8. OBLIGATIONS OF THE MEMBER

(a) Provide true, complete, and updated information in the Membership Application Form and during the ICP process;

(b) Pay the Subscription Fee on or before the due date;
(c) Comply with the house rules of any Service Facility;
(d) Respect the dignity and rights of other members, caregivers, and staff;
(e) Disclose relevant medical history, allergies, and current medications; and
(f) Secure independent personal, medical, or hospitalization insurance, as may be appropriate.

9. REPRESENTATIONS AND WARRANTIES OF THE MEMBER

The Member represents and warrants that:

(a) The Member (or the Authorized Representative) has full legal capacity to enter into this Agreement;
(b) All information furnished to the Company is true, accurate, and not misleading; the Member understands that concealment or misrepresentation of material facts shall be a ground for rescission;
(c) The Member has disclosed all known material health conditions;
(d) The Member has the financial capacity to pay the Subscription Fee;
(e) The Member's entry into this Agreement does not violate any order of a competent court or any agreement to which the Member is a party; and
(f) Where the Member is represented by an Authorized Representative, the representative warrants the existence and continuing validity of the authority to act.

10. REPRESENTATIONS AND WARRANTIES OF THE COMPANY

The Company represents and warrants that:

(a) It is duly organized and existing under Philippine law, with all necessary permits and licenses to provide the Services;
(b) Its personnel are duly qualified, licensed, and trained; and
(c) It shall render the Services with the degree of care and diligence as required by law.

11. LIMITATION OF LIABILITY AND INDEMNITY

11.1. Save for willful misconduct or gross negligence, the Company's aggregate liability under this Agreement shall not exceed the total Subscription Fees paid by the Member during the twelve (12) months immediately preceding the event giving rise to the claim.
11.2. The Company shall not be liable for indirect, incidental, consequential, or punitive damages.

12. SUSPENSION OF MEMBERSHIP

12.1. <u>Suspension by the Member</u>. The Member may request suspension of the membership in writing for a minimum of one (1) month and a maximum of six (6) months in any twelve-month period, for reasons including hospitalization, travel, or personal circumstances. Suspension shall take effect on the first day of the billing cycle following written notice.
12.2. <u>Suspension by the Company</u>. The Company may suspend the membership upon prior written notice where: (a) fees remain unpaid for more than thirty (30) days after demand; (b) the Member's condition requires care beyond the Company's clinical capacity; (c) the Member or the Authorized Representative engages in conduct that threatens the safety or dignity of caregivers or other members; or (d) the Member fails to comply with house rules or lawful directives.
12.3. <u>Effects of Suspension</u>. During suspension, no Services (other than emergency coordination) shall be delivered,

and no Subscription Fee shall accrue except for a minimal and reasonable administrative retainer. The loyalty clock under Section 4 shall pause during suspension.
12.4. Reinstatement. The Member may apply for reinstatement in writing. The Company may require an updated ICP and settlement of arrears as a condition to reinstatement.

13. TERM AND TERMINATION

13.1. Term. This Agreement shall be effective upon the Member's execution and the Company's acceptance of **Annex "A",** and shall continue for the applicable subscription period, renewable on its own terms unless terminated as provided herein.
13.2. Termination by the Member. The Member may terminate this Agreement: (a) at any time upon thirty (30) days' prior written notice for monthly subscribers; (b) for bi-annual, annual, or multi-year subscribers, upon material breach by the Company that remains unremedied for thirty (30) days after written notice.
13.3. Termination by the Company. The Company may terminate this Agreement: (a) for non-payment unremedied within sixty (60) days; (b) for material misrepresentation; (c) where continued performance would violate law or endanger the Member or others; or (d) for any ground constituting gross violation of this Agreement.
13.4. Effects of Termination. Upon termination: (a) Services shall cease on the effective date, except for a reasonable transition period not exceeding fifteen (15) days; (b) fees for Services rendered remain due; and (c) unused periods shall be refunded less any administrative charge disclosed in the Schedule of Services.
13.5. Death of the Member. Upon the death of the Member, a linked Authorized User of the Member's account may apply to accede into the subscription, subject to the Company's verification process, eligibility requirements, and this Agreement.
Pending the Company's decision on such application, said membership will be suspended and no Care Points ot membership benefits may be redeemed. If no application is approved, or if no Authorized User applies within the period prescribed by the Company, which shall not be less than six (6) months, this Agreement shall terminate.

14. DISPUTE RESOLUTION

14.1. Good-Faith Negotiation. Any dispute, controversy, or claim arising out of or relating to this Agreement shall first be addressed through good-faith negotiation between the Parties for a period of not less than thirty (30) days from written notice of the dispute.
14.2. Venue and Governing Law. This Agreement shall be governed by and construed in accordance with the laws of the Republic of the Philippines. The Parties submit to the exclusive jurisdiction of the proper courts of Parañaque City, Philippines, for any action.

15. GENERAL PROVISIONS

15.1. Entire Agreement. This Agreement, together with **Annex "A"** and the Schedule of Services, constitutes the entire agreement of the Parties and supersedes all prior negotiations and understandings.
15.2. Amendments. Any amendment shall be effective only if in writing and signed by both Parties.
15.3. Severability. If any provision is held invalid or unenforceable, the remaining provisions shall continue in full force and effect.
15.4. Waiver. Failure or delay in exercising any right shall not constitute a waiver.
15.5. Assignment. The Member shall not assign this Agreement. The Company may assign this Agreement to a related entity or

successor-in-interest subject to continued compliance with this Agreement.

15.6. Notices. All notices shall be in writing and delivered to the addresses set forth in **Annex "A"** or to such other address as a Party may designate in writing

15.7. Counterparts and Electronic Signatures. This Agreement may be executed in counterparts, including by electronic signature, each of which shall be deemed an original.

15.8. Language. This Agreement is executed in English. A vernacular translation may be provided upon request.

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Signature over Printed Name of Applicant