

## DEFINITION OF TERMS

The following shall have the meaning indicated below unless the context otherwise requires:

- **AGREEMENT** means the Omnibus Participating Trust Agreement bearing the terms and conditions of the investment.
- **BSP** means the Bangko Sentral ng Pilipinas.
- **FUND** or **UITF** means a Unit Investment Trust Fund established and managed by BPI Wealth – A Trust Corporation. It is a medium through which investible funds are pooled together for collective investment.
- **INVESTMENT ACCOUNT** means the Trustor's UITF account or portfolio that can hold the Trustor's investments in one or more Funds.
- **PLAN/TRUST DEED** means a written document containing the rules and regulations governing the establishment, administration, and maintenance of a relevant Fund.
- **SETTLEMENT ACCOUNT** means the Bank of the Philippine Islands (BPI) deposit account to be debited/credited to service investment transactions.
- **TRUSTEE/MANAGER** means BPI Wealth – A Trust Corporation (BPI Wealth) in its capacity as Trustee and/or Manager of a Fund; provided that, for ABF Philippines Bond Index Fund (ABF PBIF), BPI Wealth acts as Manager and Hong Kong and Shanghai Banking Corporation Limited (HSBC) as Trustee.
- **TRUSTOR** means the accountholder named in the Account Opening Form.
- **PRIMARY TRUSTOR** means the trustor whose Client Suitability Assessment and Risk Disclosure Statement shall be the basis of the applicable profiling of the Investment Account. The Primary Trustor shall also primarily receive correspondences related to the account such as reports, product announcements, electronic transaction advices, and important notices, among others.
- **CO-TRUSTOR** means a secondary individual accountholder.
- **UITF CERTIFIED MARKETING PERSONNEL** means an employee of BPI or an employee of BPI Wealth authorized to sell UITFs following the qualification requirements set by prevailing regulations.

## RISK DISCLOSURE STATEMENT

Prior to making an investment, BPI Wealth is hereby informing you of the nature of UITFs and the risks involved in investing therein. As investments in UITFs generally carry different degrees of risk, it is necessary that before you make any investment, you should have:

- Fully understood the nature of an investment in any UITF and the extent of your exposure to risks;
- Read this Risk Disclosure Statement completely; and
- Independently determined that the investment in any UITF is appropriate for you.

Enumerated and defined below are the various risks you are normally exposed in investing depending on the type of the underlying assets that a UITF is invested in. UITFs do not provide guaranteed returns and are not covered by the Philippine Deposit Insurance Corporation (PDIC).

There are risks involved in investing in UITFs because the value of your investment is based on the Net Asset Value per Unit (NAVPU) of the UITF which uses a marked-to-market valuation and therefore may fluctuate daily. The NAVPU is computed by dividing the Net Asset Value (NAV) of the UITF by the number of outstanding units. The NAV is derived from the summation of the market value of the underlying securities of the UITF plus accrued interest income less liabilities and qualified expenses.

**INVESTMENT IN UITFS DOES NOT PROVIDE GUARANTEED RETURNS EVEN IF INVESTED IN GOVERNMENT SECURITIES AND HIGH-GRADE PRIME INVESTMENT OUTLETS. THE PRINCIPAL AND EARNINGS FROM YOUR INVESTMENT CAN BE LOST IN WHOLE OR IN PART WHEN THE NAVPU AT THE TIME OF REDEMPTION IS LOWER THAN THE NAVPU AT THE TIME OF PARTICIPATION. GAINS FROM THE INVESTMENT IS REALIZED WHEN THE NAVPU AT THE TIME OF REDEMPTION IS HIGHER THAN THE NAVPU AT THE TIME OF PARTICIPATION.**

*Your investment in any UITF exposes you to the various types of risks enumerated and defined hereunder.*

### **Interest Rate Risk**

There is a possibility that an investor may experience losses due to changes in interest rates. The purchase and sale of a debt instrument may result in a profit or a loss because the value of a debt instrument changes inversely with prevailing interest rates.

The FUND's portfolio, being marked-to-market, is affected by changes in interest rates thereby affecting the value of fixed income investments such as bonds. Interest rate changes may affect the prices of fixed income securities inversely, i.e., as interest rates rise, bond prices fall and when interest rates decline, bond prices rise. As the prices of bonds in a FUND adjust to a rise in interest rate, the FUND's market value may decline.

### **Market/Price Risk**

There is a possibility that an investor may experience losses due to changes in market prices of securities (e.g., bonds and equities). The portfolio of a FUND is exposed to uncertain market values due to price fluctuations.

The FUND risks to lose value due to a decline in the prices of securities, which may sometimes happen rapidly or unpredictably. The value of investments fluctuates over a given time period because of general market conditions, economic changes or other events that impact large portions of the market such as political events, natural calamities, and other factors. As a result, the NAVPU may increase to make profit or decrease to incur a loss.

### **Liquidity Risk**

There is a possibility that an investor may experience losses due to the inability to sell or convert assets into cash immediately or in instances where conversion to cash is to be made at a loss. These may be caused by different reasons such as trading in securities with small or few outstanding issues, absence of buyers, limited buy/sell activity or an underdeveloped capital market.

There is liquidity risk when certain securities in the FUND may be difficult or impossible to sell at a particular time which may prevent the redemption of investments until the FUND's assets can be converted to cash. Even government securities which are the most liquid of fixed income securities may be subjected to liquidity risk particularly if a sizeable volume is sought to be traded.

### **Credit Risk/Default Risk**

There is a possibility that an investor may experience losses due to a borrower's failure to pay the principal and/or interest in a timely manner on instruments such as bonds, loans, or other forms of security which the borrower issued. This inability of the borrower to fulfill its financial obligations may have resulted from adverse changes in its financial condition, thus, lowering credit quality of the security, and consequently lowering the price (market/price risk) which contributes to the difficulty in selling such security. It also includes risk of a counterparty (a party the Fund Manager trades with) defaulting on a contract to deliver its obligation either in cash or securities.

There is a risk that the FUND may experience a reduction in value in the securities which it has invested in, in the event the borrower defaults on its obligation or in the case of counterparty, when it fails to deliver on the agreed trade. This reduction in value of the FUND happens because the default/failure will cause the price of the security to decline and may make the security difficult to sell. As these happen, the FUND's NAVPU will be affected by a decline in value.

### **Reinvestment Risk**

There is a risk associated with the reinvestment of amounts in the FUND in view of the possibility of having lower returns or earnings when maturing funds or interest earnings are reinvested.

Investors who redeem and realize their gains are exposed to the risk of generating lower returns if their funds are reinvested in an alternative investment outlet with lower yields. Similarly, BPI Wealth is faced with the risk of not being able to find alternative investments with equal or better yield as some of the securities in the FUND matures.

*In case of a foreign-currency denominated UITF or a peso-denominated UITF that is allowed to invest in securities denominated in currencies other than its base currency, the FUND is also exposed to the following risks.*

### **Foreign Exchange Risk**

There is a possibility that an investor may experience losses due to fluctuations in foreign exchange rates. The exchange rates depend upon a variety of global and

local factors such as but not limited to interest rates, economic performance, and political developments.

The FUND is exposed to currency fluctuations when the value of investments in securities denominated in currencies other than the base currency of the FUND depreciates. Conversely, the FUND may lose value when the base currency of the FUND appreciates. The NAVPU of a Philippine Peso-denominated FUND invested in foreign currency-denominated securities may decrease when the Philippine Peso appreciates.

The returns of a foreign currency-denominated FUND invested in foreign currency-denominated securities may decrease when converted or translated in Philippine Pesos when the Philippine Peso appreciates.

### Country Risk

There is a possibility that an investor may experience losses arising from investments in securities issued by/in foreign countries due to the political, economic and social structures of such countries. There are risks in foreign investments due to the possible internal and external conflicts, currency devaluations, foreign ownership limitations and tax increases of the foreign country involved which are difficult to predict but must be taken into account in making such investments.

Likewise, brokerage commissions and other fees may be higher in foreign securities.

Government supervision and regulation of foreign stock exchanges, currency markets, trading systems and brokers may be less than those in the Philippines. The procedures and rules governing foreign transactions and custody of securities may also involve delays in payment, delivery or recovery of investments.

For complex investment products, investment instruments can be subject to sudden and sharp falls in market value which may cause a TRUSTOR to lose the entire investment and extra funding may be required, as necessary.

### Index-Tracking Risk

Specifically for index-tracker investments, there is a risk that the FUND's portfolio may not be the same as, and/or may not achieve a high degree of correlation with, the return of an index because of operating and other fund-management related expenses.

### Other Risks

A FUND may be further exposed to the risk of any actual or potential conflicts of interest in the handling of in-house or related party transactions by BPI Wealth. These transactions may include parent/affiliate-bank deposits; purchase of own-institution or affiliate obligations (stocks, mortgages); purchase of assets from or sales to own institution, directors, officers, subsidiaries, affiliates or other related interests/parties; or purchases or sales between fiduciary/managed accounts.

## PARTICIPATING TRUST AGREEMENT

**I/We (the "TRUSTOR"), through this Omnibus Participating Trust Agreement (the "AGREEMENT"), hereby participate in the Unit Investment Trust Funds (each, a "FUND"), established and managed by BPI Asset Management and Trust Corporation, *doing business under the trade name and style of BPI WEALTH – A TRUST CORPORATION* ("BPI Wealth" or the "TRUSTEE"), now existing or to be offered in the future, for the collective investment and re-investment of sums of money received and held by BPI Wealth as trustee of various investors. For ABF Philippines Bond Index Fund ("ABF PBIF"), a UITF likewise constituted by BPI WEALTH – A TRUST CORPORATION ("BPI Wealth" or the "MANAGER"), it is acknowledged that Hong Kong and Shanghai Banking Corporation Limited ("HSBC") has agreed to act as trustee by virtue of the relevant Trust Deed.**

It is expressly understood and agreed that this AGREEMENT is subject to the Rules and Regulations of the relevant FUND (the "PLAN/TRUST DEED"). This AGREEMENT does not, and neither does it purport to, amend or modify the PLAN/TRUST DEED to which the investment pertains, which the TRUSTOR hereby acknowledges to have read and fully understood and confirms his acceptance and agreement to all the terms and conditions contained therein.

Without limiting the generality of the foregoing, the TRUSTOR fully agrees to the following:

## PART A. GENERAL PROVISIONS

**1. AUTHORITY OF THE TRUSTEE/MANAGER** – The TRUSTEE shall exercise absolute control, direction, and management of the FUND, and shall administer the FUND within the framework of the policies set forth in the PLAN/TRUST DEED and such other policies that the TRUSTEE may from time to time adopt pursuant to the FUND’s objectives. Each FUND shall be invested in a diversified portfolio concentrated in investment outlets within each FUND’s specific investment policy and objectives as individually contained in each PLAN/TRUST DEED.

For ABF PBIF, the TRUSTOR hereby confirms the power and authorities of BPI Wealth as MANAGER and HSBC as trustee, and ratifies any and all acts, which they shall deem fit and necessary for the protection of the TRUSTOR. The TRUSTOR acknowledges that the MANAGER and HSBC shall at all times comply with the relevant BSP Rules and Regulations (the “BSP Regulations”), save to the extent waived by BSP, as if the same were set out in the PLAN/TRUST DEED and insofar as the BSP rules and regulations respectively relate to them.

A list of prospective and/or outstanding investments requiring disclosure shall be made available and shall be updated quarterly.

**2. FUND VALUATION** – The investments in the FUND shall be valued using the valuation method respectively defined in the PLAN/TRUST DEED, which shall be in accordance with the BSP Regulations. A performance review of the FUND shall be prepared on a quarterly basis.

**3. CLIENT SUITABILITY** – Prior to the acceptance of participation, the TRUSTOR shall undergo a Client Suitability Assessment, using a document referred to as such, which shall be acknowledged and signed by the TRUSTOR. For investments in the FUND, the TRUSTOR confirms that he has read and understood the general features of the FUND as contained in the PLAN/TRUST DEED, with risk classification corresponding to his risk profile, and has made an informed decision to invest or consider future investments in the FUND.

**4. DISCLOSURE OF RISK** – Prior to the acceptance of participation, the TRUSTOR shall have completely read, understood and acknowledged the Risk Disclosure Statement, posted at [www.bpi.com.ph/assetandwealth](http://www.bpi.com.ph/assetandwealth) and/or attached hereto, and deemed incorporated in this AGREEMENT, to signify that he

is aware of the different risks involved when investing in the FUND. The TRUSTOR may clarify the Risk Disclosure Statement with the TRUSTEE/MANAGER or a UITF CERTIFIED MARKETING PERSONNEL.

**5. JOINT TRUSTOR ACCOUNTS** – Designation of a joint account as an “AND” account shall be made by all the holders of the joint account who shall, and agree to, be co-trustors. The operation of and redemption of the FUND under such joint account must be signed or authorized by all the co-trustors. In case of “OR” accounts, it is agreed that any one of the co-trustors is authorized to operate the FUND, including any redemption.

The TRUSTOR declares, for each transaction, under the penalties of perjury that his co-trustor is still living. The TRUSTOR also declares that this AGREEMENT, and each transaction, is made with the full knowledge and consent of his co-trustor.

The TRUSTOR hereby agrees that in case where there are two (2) or more individual trustors, the risk profile of the PRIMARY TRUSTOR shall be the basis of the applicable profiling and financial planning discipline. The Investment Policy Statement (IPS)/Suitable Product List and Risk Disclosure Statement (RDS) of the PRIMARY TRUSTOR shall be binding on all the other trustors.

**6. MANNER OF PARTICIPATION** – Every transaction of a TRUSTOR shall be made through the purchase of units arrived at by dividing the transaction amount by the applicable Net Asset Value per unit (the “NAVPU”). New contributions to the FUND shall serve to increase the FUND’s total outstanding units. Conversely, any redemption out of the FUND serves to decrease the FUND’s total outstanding units. A TRUSTOR only has an undivided interest in the FUND in proportion to his unit holdings.

**7. MANNER OF ADMISSION/CONTRIBUTION** – Participation in the FUND shall be allowed on the basis of the Net Asset Value (NAV) of each participation unit and shall not be less than the Minimum Participation Amount as indicated in the PLAN/TRUST DEED. The TRUSTOR’s investment in the FUND shall be expressed in terms of number of units of participation as appearing in the TRUSTOR’s Confirmation of Participation/Transaction Advice.

Every TRUSTOR shall designate a current or savings account of the same currency as the FUND (the “SETTLEMENT ACCOUNT”), which the amount of the contribution to be made shall be debited and the proceeds of redemption shall be credited. The TRUSTOR hereby authorizes the TRUSTEE to cause the debiting and/or crediting of his SETTLEMENT ACCOUNT as needed to service his FUND transactions.

The SETTLEMENT ACCOUNT may be opened with the Bank of the Philippine Islands (BPI) and shall be owned by the TRUSTOR of the INVESTMENT ACCOUNT. Settlement of contributions shall be in accordance with what is indicated in the PLAN/TRUST DEED of the FUND.

For the effective and efficient management of the FUND, the TRUSTEE/MANAGER has set the minimum amount for initial and additional contributions into the FUND as stated in the PLAN/TRUST DEED. Subsequent contributions of the TRUSTOR in the FUND is subject to a Minimum Additional Participation Amount as indicated in the PLAN/TRUST DEED and shall result to the TRUSTOR's additional proportionate interest in the FUND. Changes thereof shall be subject to BSP Regulations.

**8. MANNER OF REDEMPTION** – Redemption from the FUND shall be computed on the basis of the applicable NAVPU on the day the redemption is effected. Redemptions from the FUND shall result in the reduction of the TRUSTOR's proportionate interest in the FUND. Such reductions shall be expressed in units based on the NAVPU. For the effective management of the FUND, the minimum amount for partial redemptions, the minimum holding period (and applicable redemption fee), and the required minimum maintaining balance in the FUND are stated in the PLAN/TRUST DEED. Should a redemption result to the investment in the FUND falling below the required minimum maintaining balance, the TRUSTEE shall automatically close the account without need of prior notification to the TRUSTOR, in which case, the entire balance of the FUND shall be paid through credit to the Settlement Account based on the applicable NAVPU for the day multiplied by the number of remaining unit holdings. Settlement of redemptions shall be in accordance with what is stated in the PLAN/TRUST DEED of the FUND. Changes thereof shall be subject to BSP Regulations.

The TRUSTEE/MANAGER reserves the right to require from the TRUSTOR that written notice of redemption from the FUND be delivered in advance within the number of days specified in the PLAN/TRUST DEED. This required notice may be shortened or extended at the sole discretion of the TRUSTEE/MANAGER depending upon the investment and liquidity position of the FUND and the frequency and volume of requests for redemptions received by the TRUSTEE/MANAGER at any given time. Such notice may be made by the TRUSTEE/MANAGER by way of direct written notice to each TRUSTOR or through the publication of announcement in the TRUSTEE/MANAGER's own website, posting of notices in the premises of the Head Office of the TRUSTEE/MANAGER, or posting/sending of notices in the approved platforms of all duly accredited distribution channels at least three (3) business days before the implementation of such requirement.

The TRUSTEE/MANAGER also reserves the right to impose such other requirements or restrictions applicable to any redemption from the FUND depending on market conditions and as circumstances shall necessitate, for the preservation and/or benefit of the FUND and the investors.

**9. EVIDENCE OF PARTICIPATION** – Contributions of the TRUSTOR into the FUND shall be evidenced by a separate Transaction Advice issued by the TRUSTEE/MANAGER for this purpose. The TRUSTEE/MANAGER reserves the right to require prior endorsement or surrender of any evidence of participation issued by the TRUSTEE/MANAGER upon full or partial redemption of units. Notwithstanding requirement for endorsement/surrender, mere possession of the evidence of participation shall not be presumed or deemed as proof of non-payment of the redemption. For any dispute regarding non-payment, the TRUSTOR should submit evidence that the SETTLEMENT ACCOUNT was not credited.

**10. COMMUNICATIONS AND NOTICES** – All communications and notices from the TRUSTEE/MANAGER shall be in writing and delivered using the TRUSTOR's address or contact details appearing in the records of, or permissible information made available to, the TRUSTEE/MANAGER, unless a written notice of change of address or contact details is received by the TRUSTEE/MANAGER five (5) business days prior to the delivery of any communication or notice to the TRUSTOR by the TRUSTEE/MANAGER. All communication and notices from the TRUSTEE/MANAGER shall be deemed to have been duly received by the TRUSTOR on (a) the date of receipt if delivered personally; (b) the date that is ten (10) business days after the date of posting, if transmitted by mail, or five (5) business days after delivery to the courier; (c) upon sending or transmission, if transmitted by facsimile, mail or other mode of electronic transmission; (d) the date of publication, if published in a newspaper of general circulation; and in either case, whichever shall first occur as applicable. It is further agreed that all communications sent to the TRUSTOR shall be conclusive as to their correctness in the absence of any written objection received by the TRUSTEE/MANAGER within twenty-four (24) hours from receipt thereof.

The electronic transmission of any document or communication cannot be guaranteed to be secure or virus or error-free or that a document or attachment that is electronically transmitted could not be intercepted, corrupted, lost, destroyed, delayed, incomplete or adversely affected or unsafe to use. The TRUSTOR recognizes that systems and procedures cannot be a guarantee that transmissions will be unaffected by such hazards. However, the TRUSTOR confirms (i) full acceptance of these risks, (ii) agreement to use commercially reasonable procedures to check for

the most commonly known viruses before receiving documents or communication electronically, and (iii) authorizes the use of electronic communications with the TRUSTEE/MANAGER. The TRUSTOR will be responsible for protecting its own systems and interests in relation to electronic communications sent to it, and the TRUSTEE/MANAGER will have no liability whatsoever to the TRUSTOR on any basis, whether in contract, tort (including negligence) or otherwise, in respect of any error, damage, loss or omission arising from the interception, corruption, loss, destruction, late or incomplete arrival of the document or communication.

**11. CUT-OFF TIME PER TRANSACTION** – For the effective and efficient management of the FUND, the TRUSTEE/MANAGER shall set, and shall retain the option to change from time to time rules such as the cut-off times and value dates for each type of transaction. The TRUSTOR agrees that the changes thereof shall be subject to BSP Regulations and/or the TRUSTEE's internal guidelines.

**12. INVESTMENTS OF THE FUND** – The FUND shall be invested and reinvested without distinction as to principal or income in investments provided for under the PLAN/TRUST DEED which contains the investment guidelines of the FUND.

**13. DISTRIBUTION OF FUND EARNINGS** – The total income of the FUND shall be allocated to the TRUSTOR in proportion to the latter's unit holdings for each FUND. The unrealized income of each of the TRUSTOR is the difference between the prevailing NAVPU over the average acquisition cost of the TRUSTOR's units, multiplied by the number of units held by the TRUSTOR. Actual distribution or realization of income occurs when redemption of units is made to the extent of the number of units redeemed.

**14. REPORTS** – A Statement of Account (SOA) shall be made available to the TRUSTOR at least once every quarter. The report shall consist, among others, of the TRUSTOR's summary of investments showing the number of units of participation in each FUND, the total cost and market value thereof, the unrealized income or loss, and a transactions activity report showing contributions and redemptions made during the period covered.

**15. CLIENT INSTRUCTIONS** – The TRUSTOR may instruct, send or give orders or directions to the TRUSTEE/MANAGER, whether original written instructions, oral or otherwise through telephone, facsimile, e-mail or through any means or medium. The TRUSTOR hereby authorizes the TRUSTEE/MANAGER to accept, rely upon, and act on, email instructions regarding the FUND it receives from the TRUSTOR using the

official email addresses and contact details registered with the TRUSTEE/MANAGER, its parent or its affiliates. The TRUSTEE/MANAGER shall be authorized to rely and execute any such instructions from the TRUSTOR to purchase or redeem units based on the TRUSTEE's/ MANAGER's internal control, procedures and policies, which it in good faith believes to be legitimate. The TRUSTOR hereby expressly confirms that the TRUSTEE/MANAGER may use or otherwise install voice recording procedures in communicating with or when taking instructions, such as to purchase or redeem units, from the TRUSTOR. Any such voice record will constitute conclusive evidence of the instructions or communications so recorded.

The TRUSTOR authorizes the TRUSTEE/MANAGER to accept, rely upon, and act on, documents signed by the TRUSTOR electronically, pursuant to Republic Act No. 8792 (Electronic Commerce Act of 2000) and other similar laws or regulations. The TRUSTOR agrees that his electronic signature shall constitute an original for all purposes and shall have the same legally binding force and effect as his handwritten signature.

The TRUSTOR agrees to hold the TRUSTEE/MANAGER, free and harmless and indemnified from and against any and all liabilities, demands, actions, costs, expenses, damages, claims, losses or dispute of whatever nature or description, which may be suffered or incurred by the TRUSTEE/MANAGER, pursuant to, arising from, or in connection with the acceptance of, acting upon, any such instructions, whether or not in fact given by the TRUSTOR, and implementation of such instructions. The TRUSTOR shall defend the rights and interests of the TRUSTEE/MANAGER in any and all causes of action, claims, and demands including substitution of the TRUSTEE/MANAGER as defendant or plaintiff in any case or proceedings pursuant to, arising from, or in connection with, the acceptance of, or acting upon, any such instructions and the implementation of the instructions. The TRUSTOR's indemnity obligation hereunder with respect to acts performed by the TRUSTEE in accordance with the Instructions shall survive the termination or revocation of this authorization or the AGREEMENT.

**16. TAXES, EXPENSES, FEES** – The TRUSTEE/MANAGER is authorized to incur and deduct from the FUND all taxes relative to the acquisition and disposition of investments and special expenses it incurs in the administration and management of the FUND, which special expenses are necessary to preserve or enhance the value of the FUND, provided that such special expenses shall be payable to a third party, covered by a separate contract, and disclosed to the TRUSTOR.

The TRUSTEE/MANAGER recommends that the TRUSTOR obtains independent advice on tax issues associated with investments of the FUND.

In consideration of services rendered herein, BPI Wealth shall collect on every valuation date a trust or management fee based on the TRUSTOR's proportionate share of the NAV of the FUND, net of taxes based on a schedule separately prepared by the TRUSTEE/MANAGER which in no case shall exceed the specific limit provided under the FUND's respective PLAN/TRUST DEED. The trust/management fee for each FUND is disclosed in the Key Information & Investment Disclosure Statement (KIIDS) of the same.

For ABF PBIF, apart from the management fee due to BPI Wealth, trustee fees shall likewise be collected by HSBC as trustee.

**17. LIABILITY OF TRUSTEE/ MANAGER** – Nothing in this AGREEMENT shall be construed as a guaranty of return or income; nor does it entitle the TRUSTOR to a fixed rate of return on the money invested for him in the FUND by the TRUSTEE/MANAGER.

**It is understood that the FUND is not a deposit product and thus, is not covered by the Philippine Deposit Insurance Corporation (PDIC) and that losses, if any, shall be for the account of the TRUSTOR.**

The TRUSTEE/MANAGER shall administer and manage the FUND with the skill, care and prudence required of it by law and the regulations. The TRUSTEE/MANAGER shall not be liable for any loss or depreciation in the value of the FUND, or in the value of the FUND, or in the value of TRUSTOR's units, arising from any act done by TRUSTEE/MANAGER pursuant to the terms hereof, except when it is occasioned by fraud, willful default, or gross negligence of the TRUSTEE/MANAGER. The TRUSTEE/MANAGER, including its authorized representatives, shall not be liable for any act or omission where such action or inaction, in the good faith judgment of the TRUSTEE/MANAGER, was then necessary, reasonable or appropriate for the proper and advantageous administration and management of the FUND as authorized under the PLAN/TRUST DEED, this AGREEMENT, specific written authority from the TRUSTOR, the BSP Regulations and all applicable laws and regulations.

In no event shall the TRUSTEE/MANAGER be responsible or liable for any failure or delay in the performance of its obligations hereunder arising out of or caused by, directly or indirectly, forces beyond its control, including, without limitation, strikes, work stoppages, accidents, acts of war or terrorism, civil or military disturbances, nuclear occurrences, natural catastrophes or acts of God, epidemics, pandemic and other public health emergencies, interruptions, loss or malfunctions of utilities, communications, systems or computer (software and hardware) services, and such other events, similar or related, stated or otherwise, which are considered force majeure, or if such performance would result in the TRUSTEE/MANAGER being in breach of any law, regulation, ordinance, rule, directive, judgment, order or decree binding on the TRUSTEE/MANAGER or its property; it being understood that the TRUSTEE/MANAGER shall use reasonable efforts to resume performance as soon as practicable under the circumstances.

**18. AMENDMENTS TO THE AGREEMENT** – This AGREEMENT shall be deemed automatically modified as and when the PLAN/TRUST DEED is amended by the TRUSTEE in order to comply with applicable laws and/or BSP Regulations and for such other purposes as may be deemed proper by the TRUSTEE/MANAGER.

For ABF PBIF, BPI Wealth and HSBC may jointly amend the PLAN/TRUST DEED in order to comply with applicable laws and/or BSP Regulations and for such other purposes as may be deemed proper by both BPI Wealth and HSBC.

The TRUSTOR in the FUND shall be immediately notified through electronic mail or such other mode of communication deemed appropriate by the TRUSTEE/MANAGER and shall be allowed to withdraw their participation if they are not in conformity with the amendments made. Failure by the TRUSTOR to notify the TRUSTEE/MANAGER of its intention to withdraw its participation, or its continued access of, or transaction using, the digital platforms of, or its availment of the products, services, facilities or channels of the TRUSTEE/MANAGER, shall be construed as acceptance by the TRUSTOR of any such amendments, revisions or modifications to the AGREEMENT.

**19. TERMINATION OF THE FUND** – Although the FUND is envisioned to be a going concern, it may be terminated if such termination will redound to the best interest of the

investors in light of market and other conditions, provided that the same be made known to the TRUSTOR in accordance with the PLAN/TRUST DEED.

**20. TERMINATION/ SUSPENSION/ USE OF INVESTMENT ACCOUNT** - The TRUSTEE/MANAGER reserves the right to terminate the INVESTMENT ACCOUNT of the TRUSTOR or suspend the TRUSTOR's current or future use of the same in whole or in part, such as not crediting the SETTLEMENT ACCOUNT of any redemption proceeds if, among others, the TRUSTOR violates the AGREEMENT, pose a security threat, or the TRUSTOR provides any information that is untrue, inaccurate, not current or incomplete, or the TRUSTOR fails to submit any updated document required by the TRUSTEE, or when the INVESTMENT ACCOUNT, in the opinion of the TRUSTEE/MANAGER, is being used or suspected to be used for fraudulent, criminal or unlawful activities or for any cause whatsoever, at any time without prior notice and the losses attributable to the termination of the INVESTMENT ACCOUNT, if any, shall be for the account of the TRUSTOR.

**21. TERM OF AGREEMENT** – This AGREEMENT shall continue and remain in force until termination of the FUND in accordance with the PLAN/ TRUST DEED or with applicable laws or regulations.

**22. REFERENCE DOCUMENTS** – Incorporated herein by reference are the terms, conditions, rules and regulations in the PLAN/TRUST DEED, Client Suitability Assessment, Risk Disclosure Statement, and the Transaction Advice to be issued pursuant hereto. In executing this AGREEMENT, the TRUSTOR represents that he has carefully read and fully understood the same documents and that he has agreed to be bound by all the terms and conditions thereof. In case of inconsistency, the provisions of the PLAN/TRUST DEED shall prevail over those of this AGREEMENT and any reference documents.

**23. CLIENT UNDERTAKING** – The TRUSTOR agrees to abide by all internal policies and procedures of the TRUSTEE/MANAGER as the same may be amended, modified and supplemented from time to time.

**24. COOLING-OFF PERIOD (Only for Individual Trustor)** – The TRUSTOR is entitled to a cooling-off period of two (2) business days (the “Cooling-Off Period”) from the date of initial participation of the TRUSTOR in the applicable FUND, without penalty. Should the TRUSTOR decide to avail of the Cooling-Off Period, the TRUSTOR shall give the TRUSTEE/ MANAGER a written notice to cancel within such period. As a result of the cancellation, the TRUSTOR understands that such cancellation may result in a gain or loss depending on

the prevailing NAVPU, and such marked-to-market gains or losses shall be for the TRUSTOR's account. Any reasonable amount of processing or administrative fees and transactional costs and expenses incurred, shall also be for the TRUSTOR's account.

**25. CLIENT COMPLAINTS** – BPI Wealth is supervised and regulated by the BSP, which can be reached through [consumeraffairs@bsp.gov.ph](mailto:consumeraffairs@bsp.gov.ph). For any inquiry and concern relating to the services and products of BPI Wealth, the TRUSTOR may use the following contact details:

***BPI Wealth – A Trust Corporation***  
***Consumer Assistance Office***  
*7/F, BPI Buendia Center,*  
*Sen. Gil J. Puyat Avenue, Makati City 1209*  
*Tel. No. 889-10000*  
*Email address: [bpiwealth@bpi.com.ph](mailto:bpiwealth@bpi.com.ph)*

## **PART B. CLIENT ACKNOWLEDGMENT**

### **1. PARTICIPATION**

- The TRUSTOR confirms that he has read the AGREEMENT and has signified his acceptance as a party to the AGREEMENT. He further declares that he has understood the provisions of the AGREEMENT, and all necessary reference documents, and acknowledges that he is unconditionally bound by the terms and conditions set forth therein.
- The TRUSTOR agrees and understands that BPI Wealth may, from time to time, at its discretion, modify, amend or revise the terms and conditions as it may deem necessary. Said amendments, modifications, or revisions shall be binding on the TRUSTOR effective on the date indicated in the notice sent to the TRUSTOR by BPI Wealth.
- The TRUSTOR confirms that he gave consent to be referred to a UITF CERTIFIED MARKETING PERSONNEL. Further, the TRUSTOR hereby confirms that he is fully aware of the relevant risks inherent to the FUND he is investing in. The TRUSTOR may clarify the Risk Disclosure Statement with the TRUSTEE/MANAGER or a UITF CERTIFIED MARKETING PERSONNEL.
- The TRUSTEE/MANAGER shall evaluate and approve the INVESTMENT ACCOUNT application/s prior to investing in the FUND. Furthermore, the TRUSTEE/MANAGER has the right not to accept INVESTMENT ACCOUNT applications for any reason it deems fit.
- The TRUSTOR is aware that creation of INVESTMENT ACCOUNTS may only be processed through BPI Wealth authorized channels including accredited digital platforms. BPI Wealth further reserves



the right to request the TRUSTOR to present any additional documents or other pertinent details, and to conduct additional verifications to confirm the TRUSTOR's identity.

- The TRUSTOR acknowledges that this AGREEMENT is a trust arrangement, NOT a deposit account or an obligation of, or guaranteed, or insured by BPI Wealth or its parent company, BPI, or the affiliates or subsidiaries of BPI and therefore, is not insured by PDIC. Due to the nature of investment, yields or potential yields cannot be guaranteed. Any income or loss arising from market fluctuations and price volatility of the securities held by the FUND, even if invested in government securities, is for the account of the TRUSTOR. As such, the TRUSTOR's units of participation in the FUND, when redeemed, may be worth more or worth less than his initial investment/contribution. Historical performance, when presented, is purely for reference purposes only and not a guarantee of future results. BPI Wealth is not liable for losses, unless upon fraud, willful default, or gross negligence.
- The TRUSTOR further acknowledges and confirms that no solicitation whatsoever of the investment/s has been made by BPI Wealth in jurisdictions where the same is prohibited by law.

## 2. CLIENT SUITABILITY ASSESSMENT/RISK PROFILING

- The TRUSTOR certifies that the responses indicated in the Client Suitability Assessment have been made directly by him. The TRUSTOR likewise understands that the results of the Client Suitability Assessment shall be used by BPI Wealth as a guide to present and recommend investment outlets through accredited digital platforms or through a UITF CERTIFIED MARKETING PERSONNEL.
- The TRUSTOR hereby agrees with the investment profile indicated in the relevant document/s and the recommendation on the investment outlet suitable to his needs given directly by BPI Wealth through accredited digital platforms or by a UITF CERTIFIED MARKETING PERSONNEL.
- The TRUSTOR acknowledges that this is subject to re-assessment every three (3) years or such shorter period, in cases where material changes in his personal/financial circumstances or goals, in accordance with and in the light of applicable BSP Regulations, are noted. Should there be changes in the TRUSTOR's risk profile before the re-assessment period is due, the TRUSTOR agrees to give formal notice and to accomplish without delay a new Client Suitability Assessment form. It is the TRUSTOR's sole responsibility to make such notification and failure to do so would be deemed a waiver of the TRUSTOR's right to a new Client Suitability Assessment and his latest risk profile will be applied for succeeding investments.
- The TRUSTOR is aware that any previous request for a general reclassification and waiver of the Client Suitability Assessment results shall be superseded by the TRUSTOR'S reassessment or updating of the Client Suitability Assessment.

## 3. SUBSCRIPTION / REDEMPTION

- The TRUSTOR agrees to be serviced by the service providers and entities engaged by BPI Wealth to facilitate the administration and implementation of the FUND transactions and expressly consent to the processing, disclosure, access, transfer, and sharing of all information relative thereto.
- The TRUSTOR understands that the net settlement amount to be debited from/credited to his SETTLEMENT ACCOUNT can be computed only upon the availability of the applicable price or NAVPU of the particular FUND. Further, the TRUSTOR understands and agrees that orders shall be processed subject to certain preconditions (e.g., availability of sufficient balance in his SETTLEMENT ACCOUNT for subscription/ payment orders, availability of units in his INVESTMENT ACCOUNT for redemption orders, updated documentary requirements of the TRUSTOR or a risk profile match between the TRUSTOR and of the FUND, etc.).
- The TRUSTOR is aware that orders received and processed by BPI Wealth after the cut-off time (Manila time – GMT +8) are considered orders for the next business day.
- The TRUSTOR understands that his transaction is subject to all stipulations contained in the PLAN/TRUST DEED and the AGREEMENT.
- **The TRUSTOR is also aware that the confirmation of his contributions into/redemptions from the FUND shall be evidenced by a separate transaction advice issued by BPI Wealth. Said transaction advice shall be sent to the TRUSTOR's designated mailing address or e-mail address. The TRUSTOR will immediately inform BPI Wealth in case of non-receipt of transaction advice within seven (7) business days from order date.**
- **The TRUSTOR hereby understands and agrees that the SUBSCRIPTION ORDER and/or REGULAR SUBSCRIPTION PLAN ENROLLMENT in the designated forms shall be processed upon completion of the review and validation of the account opening request, fund order instructions and other related documents. Any order by the TRUSTOR relevant to the FUND shall bind BPI Wealth only upon its issuance of the transaction advice. BPI Wealth does not warrant that any order placed by the TRUSTOR can be or has been executed unless the transaction advice is issued.**

## 4. REGULAR SUBSCRIPTION PLAN (RSP)

- The TRUSTOR understands that there is volatility in the market prices and enrollment in RSP would mean that the subsequent order will take place regardless of the movements in the market and the applicable price on the relevant order date.

- The TRUSTOR is aware that the subsequent order shall be debited from his SETTLEMENT ACCOUNT at the beginning of the day, in accordance with the RSP schedule. If the scheduled order falls on a non-business day, such day on which BPI Wealth is not open for business in Makati City the order shall be processed the next business day.
- The TRUSTOR understands and agrees that subsequent orders shall be processed subject to certain preconditions (such as those enumerated in Part B, Section 3). In case the preconditions are not satisfied, the subsequent order shall be cancelled and BPI Wealth will not debit the SETTLEMENT ACCOUNT. BPI Wealth shall likewise have no obligation to notify the TRUSTOR of his failure to meet any of the preconditions nor will it be liable for unsuccessful subscription due to failure to meet said preconditions.
- The TRUSTOR agrees to purchase at least one (1) unit of participation, otherwise BPI Wealth has the right to terminate this instruction without notice to the TRUSTOR.
- The TRUSTOR is aware that his full redemption of outstanding units of an enrolled FUND prior to the end date indicated upon RSP set up, or amendments thereafter, shall terminate the RSP enrollment.
- The TRUSTOR is aware that should there be no end date nominated in the TRUSTOR's RSP, the RSP shall be terminated after five (5) years.
- The TRUSTOR is aware that BPI Wealth reserves the right, upon prior written notice to the TRUSTOR, to discontinue the RSP if the continued operation thereof is no longer viable or no longer consistent with its business strategy.

**5. DIGITAL PLATFORM** - By undergoing the authentication and verification processes of accredited digital platforms, the TRUSTOR hereby authorizes BPI Wealth to rely on and use the information and/or documents submitted.

**6. DATA PRIVACY** - The TRUSTOR agrees that in the course of providing the services contemplated under this AGREEMENT, BPI Wealth will be collecting information (including personal information) relating to the TRUSTOR.

The BPI Wealth Data Privacy Statement, posted at [www.bpi.com.ph/assetandwealth](http://www.bpi.com.ph/assetandwealth) and is deemed incorporated herein by reference, explains how BPI Wealth collects, protects, uses, shares and stores the TRUSTOR's personal information.

The TRUSTOR acknowledges to have read and understood BPI Wealth's Data Privacy Statement posted on [www.bpi.com.ph/assetandwealth](http://www.bpi.com.ph/assetandwealth), and the TRUSTOR agrees that the BPI Wealth Group and/or its agents may process, obtain, collect, record, organize, store, update, modify, use, access, share and/or disclose information relating to the TRUSTOR as described in said Data Privacy Statement. The consent given herein is deemed to be the consent required under the confidentiality and data privacy laws in the Philippines or in other jurisdictions. The TRUSTOR further agrees that BPI Wealth, being a subsidiary of BPI, has the option but not the obligation to rely on the TRUSTOR's customer information provided to BPI in relation to the TRUSTOR's account opening, maintenance and transaction requirements, and the TRUSTOR agrees to notify or update BPI and BPI Wealth of any change in his customer information supplied.

**7. TAXATION** - The TRUSTOR is aware that any transaction may be treated as a taxable event by the government. For this purpose, the TRUSTOR agrees that any and all applicable taxes that may be imposed by the government and/or its political subdivisions, agency or instrumentality as a consequence of the TRUSTOR's instructions shall be for the TRUSTOR's personal account. For this purpose, BPI Wealth is hereby forever released against any claims, suits or causes of action of whatever nature, past, present or contingent, as well as any claims for damages, taxes, and assessments due to the government and/or its political subdivisions, agency or instrumentality, penalties, charges, expenses or otherwise, arising out of or in connection with the TRUSTOR's instructions including any potential tax implication thereof.

**8. ACCURACY OF INFORMATION** - The TRUSTOR hereby attests to the accuracy and veracity of the information he has provided BPI Wealth through signed account opening documents or information and/or documents submitted through accredited digital platforms. The TRUSTOR understands that any false statement/information herein may be ground for disapproval or immediate closure of his account. The TRUSTOR hereby agrees to be governed by the terms and conditions of BPI Wealth, as well as the Philippine laws and the BSP Regulations relative to the establishment and operation of his account.

In relation to the INVESTMENT ACCOUNT, BPI Wealth is hereby authorized to implement the instructions stated herein.