DECLARATION OF TRUST

BPI Global Balanced Income & Growth Fund, A Feeder Fund
A Multi-Asset Multi-Class Feeder Unit Investment Trust Fund with Income Distributing Feature

KNOW ALL MEN BY THESE PRESENTS:

BPI Asset Management and Trust Corporation, *doing business under the trade name and style of* ***BPI WEALTH – A TRUST CORPORATION***, a corporation duly organized and existing under and by virtue of the laws of the Republic of the Philippines, with principal office at 26/F & 27/F Ayala Triangle Gardens Tower 2, Paseo De Roxas Cor. Makati Avenue, Makati City, Philippines 1226, with authority to perform trust and other fiduciary functions, hereinafter referred to as "BPI Wealth" or the "Trustee";

W I T N E S S E T H:

ARTICLE I
CREATION OF THE TRUST

That, for the purpose of providing its trust clients with investment returns derived from a diversified portfolio of primarily global equities and fixed income instruments, pursuant to investment objectives and policies herein stipulated, the Trustee hereby establishes and declares itself as Trustee, and has created and shall administer a multi-asset multi-class Unit Investment Trust Fund (UITF), a feeder fund, with income distributing feature, a trust product, for the collective investment of funds held by it in such capacity, upon the terms and conditions hereinafter set forth.

ARTICLE II
NATURE AND INVESTMENT OBJECTIVES

Sec. 1 Title of the Fund – The UITF shall be known as BPI Global Balanced Income & Growth Fund, a Feeder Fund (herein referred to as "BPI Global Income & Growth Fund" or the "Fund").

Sec. 2 Nature of the Fund –The Fund is a multi-asset UITF operating as a multi-class feeder fund established in accordance with, and shall be operated subject to the provisions of this Declaration of Trust/ Plan Rules, as the same may be amended from time to time, in accordance with the regulations issued by the Bangko Sentral ng Pilipinas ("BSP") and existing laws. The Appendix provides a detailed description of the fund specifications.

Pursuant to existing BSP rules and regulations, as a Feeder Fund, this Fund is mandated to invest at least 90% of its assets in a single collective investment scheme. This underlying collective investment scheme is referred to as the Target Fund and selected consistent with the provisions on investment objective and investment policy under Section 6 hereof and Sections 1 and 2 of the Appendix, following the Trustee's established investment process.

As a multi-class fund, this Fund has more than one class of units in the Fund and is invested in the same Target Fund and pool of securities, investment objectives and policies. Each unit class may settle in different currencies, have different minimum initial participation and/or minimum additional participation amounts, trust fees and expenses as indicated in the Appendix, Section 9, and 10. Each unit class shall also have a separate Net Asset Value Per Unit ("NAVPU") as described in the Appendix, Section 7.

The Fund shall have a unit paying feature where income of the Fund received as distributions from the Target Fund is distributed in the form of units called unit income, subject to the investment objective and distribution policy of the Fund.

The Fund shall have a base currency of US Dollar (USD).

The Fund shall be treated as an entity separate and distinct from its constituent assets, contributions of the Participants thereto, and other trust accounts administered by the Trustee.

Sec. 3 Title to Assets of the Fund – All assets of the Fund shall, at all times, be considered as assets held by the Trustee, and title thereto shall be vested solely in the Trustee.

Sec. 4 Relationship of Trustee with the Fund – The Trustee shall not have any other relationship with the Fund except in its capacity as Trustee thereof. Provided, however, that the Trustee which simultaneously administers other trust, fiduciary, or investment management funds may invest such funds in the Fund, if allowed under a policy approved by its Board of Directors.

Sec. 5 Nature of Participant's Interest in the Fund – No Participant shall have or be deemed to have any ownership or interest in any particular account, investment, or asset of the Fund but shall have only its proportionate and undivided beneficial interest in the Fund as a whole.

Sec. 6 Investment Objectives and Policy – The Fund shall be invested and reinvested in such investment outlets, and held and disposed of in accordance with such investment objectives and policies as specified in the Appendix, Sections 1 and 2.

The Trustee shall make available to all Participants for review, a list of prospective and outstanding investment outlets, and in the case of a Feeder Fund, all relevant information on the Target Fund, which shall be updated quarterly. Such disclosure shall be substantially in the form as prescribed by the BSP.

ARTICLE III
PARTICIPATION AND REDEMPTION

Sec. 1 Qualified Participants (Requirements and Restrictions) – Prior to acceptance of the initial participation in the Fund, the Trustee shall perform a Client Suitability Assessment (CSA) for the purpose of profiling the risk return orientation of the client and establishing the suitability of the client to the Fund. The Fund is suitable for investors with at least the risk profile listed below.

	Unit "Class A"	Unit "Class P"
Risk Profile	Aggressive	Aggressive
Type	Individuals and Corporations	Individuals and Corporations

Qualified participants are more specifically defined in the Appendix, Section 6.

Sec. 2 Participation Units – Participation in the Fund shall always be through participation in units of the Fund, and each unit shall have uniform rights and privileges as any other participating unit in the Fund. In the case of a multi-class fund, units shall be issued as units in a class of a Fund. The beneficial interest in the Fund shall be divided into units, each of which shall represent a pro rata interest, determined under the NAVPU valuation methodology, in the aggregate market value of all instruments in the Fund.

The participation or redemption of units in the Fund may be made only on the basis of the valuation methodology under Article V hereof, and in such frequency as indicated in the Appendix, Section 9.

ARTICLE IV
MANNER OF OPERATION

Sec. 1 Pooled Fund Accounting – The total assets and accountabilities of the Fund shall be accounted for as a single account based on the pooled-fund accounting methodology. The investments of a multi-class fund shall remain as one pool and are not separately allocated to classes.

Sec. 2 Distribution Channel – The Fund shall be distributed in channels duly accredited by the Trustee and allowed under existing regulations.

Sec. 3 Expansion and Contraction of Fund – Participations to a unit class of the Fund shall serve to expand the total outstanding units of that particular class and of the Fund. Conversely, every redemption of participation from a unit class of the Fund shall serve to contract the total outstanding units of that particular unit class and of the Fund.

Every participation in any of the unit classes of the Fund shall be evidenced by a purchase of units arrived at by dividing the amount of investment by the prevailing NAVPU of that particular class. On the other hand, every redemption of participation from any of the unit classes of the Fund shall be evidenced by a sale of units arrived at by dividing the amount of redemption by the prevailing NAVPU of that particular unit class.

Sec. 4 Allocation and Distribution of Income – The market value of the Fund's investments, net of taxes, fees and expenses which are chargeable against the Fund shall be reflected in every NAV computation. The income of the Fund, therefore, shall be allocated to the Participants on a pro rata and pari passu basis depending upon the number of units held by each Participant in the Fund. The unrealized income / loss of each Participant in the unit class of a Fund shall be the difference between the prevailing NAVPU of a unit class over the acquisition cost of the Participant's units of the same unit class, multiplied by the number of units of that particular unit class held by the Participant. The actual distribution or realization of income shall take place every time a redemption of units from the Fund is made, to the extent of the number of units redeemed.

As a unit paying fund, regular distribution of income of the Fund received as distributions from the Target Fund, net of taxes and expenses shall take place monthly. Participants shall be entitled to his/her pro-rata share of income to the extent of the number of units held by the Participant. If distributions are made, such distributions are not in any way a forecast, indication or projection of the future or likely performance of the Target Fund. Distributions are not guaranteed and there is no assurance that any distribution or distribution level will be met.

ARTICLE V
VALUATION OF THE FUND AND PARTICIPATION UNITS

Sec. 1 Valuation of the Fund – The Trustee shall compute the NAV of the Fund and the proportionate share of the NAV for each unit class of the Fund daily subject to the following rules:

(a) On "Valuation Day" which shall mean a trading day where the Fund is made available for participation or redemption, the Trustee shall determine the NAV of the Fund and the proportionate share of the NAV for each unit class. Unit Class "A" or US Dollar Class shall be computed in US Dollar (USD), while Unit Class "P" or Philippine Peso Class shall be computed in Philippine Peso (PHP).

(b) The NAV shall be the summation of the market value of each investment of the Fund, less taxes, fees and other qualified expenses as defined herein. The determination of the market value of the investments of the Fund shall be in accordance with existing BSP rules and regulations on marking to market valuation of investment instruments. The rules related to Valuation are more specifically defined in the Appendix, Section 7.

Sec. 2 Valuation of Participation Units – The valuation of participation units shall be subject to the following rules:

(a) The NAVPU of a unit class of the Fund shall be determined daily by dividing the NAV of that particular unit class of the Fund by the total number of units outstanding of the same unit class as of Valuation Date.

The Trustee shall consider the frequency of valuation and trading of the Target Fund when determining the Feeder Fund's own frequency of valuation and trading.

(b) The Trustee shall cause the publication of the NAVPU of the Fund at least weekly in one or more newspaper of national circulation, and on the Trustee's website on a daily basis. Historical NAVPUs may also be accessed on the Trustee's website.

Sec. 3 Fees and Expenses of the Fund

(a) Trustee's Fees – The Trustee shall charge against the respective unit classes of the Fund trust fees in the amount indicated in the Appendix, Section 10 on a per annum basis based on the NAV of the respective unit classes of the Fund, net of taxes, as its compensation for the administration and management of the Fund. These fees shall accrue and be collected as and when the same become due, at such times as indicated in the Appendix, Section 10. The trust fees shall be uniformly applied to all Participants of that particular unit class of the Fund. Said fees may be increased or decreased in the future as may be warranted by circumstances then existing, subject to the requirements of Section 414-Q of the Manual of Regulations for Non-Bank Financial Institutions ("MORNBFI"). Amended trust fee structure shall be applied prospectively.

The Target Fund charges fees as set forth in the Appendix, Section 10 and in the Target Fund Specifications, Section B (Fees and Expenses). The impact of the fees and expenses imposed by the Target Fund on the cost of investing in the Fund is further explained in the Appendix.

(b) Special Expenses – Special expenses may be charged separately or in addition to the necessary trust fees if such are necessary to preserve or enhance the value of the Fund. Such special expenses shall be payable to pertinent third party or parties, provided that the same are covered by separate contract/s, and disclosed to the Participants in the Key Information and Investment Disclosure Statement ("KIIDS").

The amount of, nature, and period covered of the special expenses, as well as the amount of regular trust fees for each quarter, shall be disclosed to the Participants. No fees and expenses other than the foregoing shall be charged to the fund.

ARTICLE VI
TRUSTEE'S POWERS AND LIABILITIES

Sec. 1 Management of the Fund – The Trustee shall have the exclusive management, administration, operation and control of the Fund and full discretion in respect of investments, and the sole right, at any time, to sell, convert, reinvest, exchange, transfer or otherwise change or dispose of the assets comprising the Fund.

However, if the Trustee deems it proper and beneficial for the Fund, the Trustee may engage the services of third party/ies to manage a portion of the Fund; provided that, such arrangement is covered by separate contract/s; provided further that it is disclosed to the Participants and the BSP is duly notified thereof with the pertinent documents on the hiring of such third party/ies submitted thereto. The Trustee shall periodically review on an ongoing basis the performance by such third party/ies.

Sec. 2 Powers of Trustee – The Trustee shall have the following powers:

a. To hold legal title over the assets comprising the Fund for the benefit of the Participants;
b. To hold, place, invest and reinvest the Fund, including the authority to switch underlying instruments/Target Fund, with full discretionary powers, and without distinction, as to principal and income in instruments stipulated in the Appendix, Section 2 including other collective investment schemes, and in such investments it may deem sound and appropriate, subject only to the limitations, investment objectives, and policies of the Fund as stated in the Appendix, Sections 1 and 2;
c. To deposit in any bank or financial institution, including the parent and/or affiliate bank/s of the Trustee, a portion of the Fund, subject to the requirement of Section 414-Q of the MORNBFI;
d. To hold cash in excess of the regulatory or the Fund's defined cash allocation limit during the transitory period while in the process of switching from one target fund to another or in the case of breach of the ten percent (10%) exposure limit to the target fund;
e. To register or cause to be registered any securities of the Fund in nominee or bearer form;
f. To appoint and retain the services of qualified and reputable local or foreign investment advisor and/or fund manager/s; provided, however, that the Trustee shall retain ownership and control of the Fund, and provided further, that the investment advisor/s and/or fund manager/s shall work within the investment parameters or guidelines set by the Trustee from time to time and shall be directly responsible to the Trustee for any investment actions and decisions undertaken for the Fund;
g. To hire and compensate legal counsel/s, certified public accountant/s and other specialist/s in connection with the administration and management of the Fund and the protection or advancement of its legal and other interests;
h. To make, execute, acknowledge, and deliver any or all securities, agreements, contracts, deeds, documents and instruments necessary in the management and reinvestment of the Fund, or in connection with the exercise of the powers herein conferred or the performance of acts herein authorized;
i. To collect and receive income, dividends, interest, profits, increments and such other sums accruing or due the Fund;
j. To pay out of the Fund all costs, expenses, taxes, and other proper charges incurred in connection with the administration, preservation, maintenance and protection of the Fund;
k. To adopt an external or internal risk management and hedging strategy and a more definitive policy guideline based on generally accepted risk management principles, and duly approved by the Board of Directors of the Trustee;
l. To set the minimum amounts or number of units required for purchases or redemptions by a Participant of the Fund as defined in the Appendix, Section 9 (c);
m. To set the participation and redemption cut-off time as defined in the Appendix, Section 9 (f);
n. To collect from the Fund trust fees as defined in the Appendix, Section 10;
o. To make regular monthly distributions, subject to prevailing market conditions. Trustee has the absolute discretion to determine whether a distribution is to be made. If distributions are made, such distributions are not in any way a forecast, indication or projection of the future or likely performance of the Target Fund; and,
p. To temporarily suspend trading, calculation of the NAV/NAVPU of the unit classes, as well as participation to and redemption from the unit classes of the Fund as further defined in the Appendix, Section 7 (f) and Section 9 (h).

Sec. 3 Liability of Trustee – Save that attributable to the Trustee's fraud, willful default, bad faith or gross negligence, the Trustee shall not be liable for any loss or depreciation in the value of the Fund or in the value of the Trustor's participation in the Fund. The Trustee shall not be liable for any act or omission where such action or inaction, in the good faith judgment of the Trustee, was then necessary, reasonable or appropriate for the proper and advantageous administration and management of the Fund.

Sec. 4 Non-Coverage by PDIC – Participation in the Fund creates a trust and not a deposit account. As such, the participation in the Fund is not covered by the Philippine Deposit Insurance

Corporation (PDIC). Any income or loss of the Fund (whether realized or unrealized) will impact on the NAVPU and shall be for the account and risk of the Participant.

Sec. 5 The Trustee does not and shall not guarantee a fixed rate of return or income to the participants. Losses, if any, shall be for the account and risk of the participants. Historical performance, when presented, is purely for reference purposes and is not a guarantee of similar future results.

ARTICLE VII
RIGHTS OF PARTICIPANTS

Sec. 1 Declaration of Trust / Plan Rules – A copy of this Declaration of Trust / Plan Rules shall be available at the principal office of the Trustee for inspection by any person having an interest in the Fund, or by his authorized representative/s. Upon request, a copy of this Declaration of Trust / Plan Rules shall be furnished such interested person/s.

Sec. 2 Disclosure of Investments – The KIIDS which shall be updated quarterly shall be made available to interested Participants. Such disclosure shall substantially be in the form as prescribed by BSP in accordance with Appendix Q-33 of Section 414-Q of the MORNBFI. The Trustee shall also make available to Participant/s all relevant information on the Target Fund.

Sec. 3 Disclosure of Risk – Participants shall be informed of the risks attendant to this type of Fund through a Risk Disclosure Statement. The Risk Disclosure Statement may be found in the Appendix and is deemed incorporated in this Declaration of Trust/Plan Rules.

Sec. 4 Disclosure of Amendments to the Plan Rules – A notice of amendments to the Declaration of Trust/ Plan Rules shall be furnished the Participants immediately. The Participants shall be allowed to redeem their participations in the Fund, subject to the procedure set forth in Article IX, Section 1 hereof.

Sec. 5 Termination of the Fund – A written notice of the termination of the Fund shall be provided the remaining Participants at least thirty (30) business days prior to the actual termination of the Fund, pursuant to Article IX, Section 2 hereof. The Participants shall have the right to inspect or be provided, upon request, with a copy of the financial statement used as basis for the distribution of the Fund.

In respect of the Fund, the rights of the remaining Participants as against each other shall be pari passu and pro-rata.

ARTICLE VIII
ANNUAL AUDIT AND REPORT
BOOKS OF ACCOUNTS

Sec. 1 Annual External Audit – Aside from the regular audit requirement applicable to all trust accounts of the Trustee, an external audit of the Fund shall be conducted annually after the close of each fiscal year by an independent auditor acceptable to BSP. The external audit shall be conducted by the same external auditor engaged for the audit of the Trustee. The result of this audit shall be the basis of the Trustee's annual report which shall be made available to all the Participants. A notice shall be sent to the Participants that the report is available, and upon request, a copy of such report shall be furnished such Participant/s, without charge.

The Trustee shall, likewise, prepare a quarterly performance review of the Fund and shall make the same available to the Participants not later than forty-five (45) calendar days from end of the reference date / period.

ARTICLE IX
AMENDMENTS AND TERMINATION

Sec. 1 Amendments – This Declaration of Trust / Plan Rules may be amended from time to time by resolution of the Board of Directors of the Trustee: Provided, however, that Participants in the Fund shall be immediately notified of such amendments and Participants who are not in conformity with the amendments made shall be allowed to redeem their participations within thirty (30) calendar days after the amendments are approved, or such longer period as may be fixed by the Trustee: Provided, further, that amendments to the Declaration of Trust / Plan Rules may be allowed subject to notification to the BSP and continuing compliance of the Trustee with the prudential criteria prescribed under Section 111-T of the MORNBFI.

(a) Switching of Target Fund. The switching of the Target Fund may be deemed necessary, in case of any, but not limited to the following:

1. Performance vis-à-vis expectations
2. Change in the Target Fund's investment objective or risk profile
3. Resignation of fund manager/s
4. Closure of Target Fund or its maximum AUM capacity has been reached
5. Prolonged suspension of subscription/redemption to/from the Target Fund
6. Market conditions which in the reasonable opinion of the Investor Fund Trustee warrant a change in Target Fund
7. Change in the Investment Objective of the Investor Fund

Switching of the Target Fund is deemed as an amendment subject to the provisions of this section. In addition to a formal notice to Participants, prior disclosure may be supplemented by any of the following:

1. E-mail
2. Notification in Sales Premises
3. Announcement in the Trustee's official website

No change shall be implemented within thirty (30) days of initial notification of existing investors.

In case of switching of the Target Fund, the Trustee shall follow its defined internal process to ensure protection of investors' interest. This shall include processes and procedures relating to:

1. Termination of Subscription to Target Fund or Agreement
2. Temporary Holdings in Cash
3. Subscription to a New Target Fund
4. Information and Public Announcement of Target Fund Switch

(b) Material and Non-Material Changes in Target Fund's Structure

Material changes in a Target Fund shall require re-assessment and review by the Trustee of the suitability of the Target Fund. Material changes can be described as a change, with all else being unchanged, that a reasonable investor would consider important in the investor's decision to buy, hold or sell. Such changes may include but are not necessarily limited to:

1. A change in the portfolio management team of the Target Fund
2. A change in the objective or investment style of the Target Fund
3. A change in the Target Fund's fees that will significantly affect the total expense ratio of the Investor Fund
4. A regulatory change in the jurisdiction where the Target Fund is domiciled that would significantly affect the Target Fund's operations
5. Significant legal disputes
6. Any other change that would necessitate a change in the Investor Fund's Declaration of Trust

Should the Trustee decide to retain the Target Fund despite such material change, such change must be properly disclosed to the investors via a formal written notification. Investors shall be allowed to withdraw their participation within a reasonable period of time but in no case less than thirty (30) days. The Trustee shall not increase the Investor Fund's participation to that particular Target Fund within the notice period.

Non-Material Changes to the Target Fund, or any information that, which to the Trustee's best judgment, will not reasonably affect the investor's decision to buy, hold, or sell its investment in the Investor Fund, shall be disclosed via the Trustee's website.

Sec. 2 Termination – This Declaration of Trust / Plan Rules may be terminated by a resolution of the Board of Directors of the Trustee when, in the sole judgment of the Trustee, continued operation thereof is no longer viable, or not consistent with the Trustee's present or new business strategy. A copy of the resolution, which shall specify the effective date of such termination, shall be submitted to the appropriate department of the BSP for information. At the discretion of the Trustee's Board of Directors, the Trustee may engage the services of a reputable accounting firm to look into the books and record of the Fund maintained by the Trustee and to certify to the financial condition of the Fund. Upon approval of the termination of the Declaration of Trust / Plan Rules, the Trustee shall notify the Participants accordingly.

The Trustee shall provide written notice of the termination of the Fund to the remaining Participants at least thirty (30) business days prior to the actual termination of the Fund. Such notice may be made by the Trustee by way of direct written notice to each participant, publication of announcement in the Trustee's own website, posting of notices in the premises of the Trustee, or posting/sending of notices in the approved platforms of all duly accredited distribution channels. Upon termination, the Trustee shall prepare a financial statement of the Fund which shall be made the basis of distribution to the Participants.

ARTICLE X
OTHER TERMS AND CONDITIONS

This plan was approved to be adopted by the Board of Directors of the Trustee on May 20, 2026.

This Declaration of Trust/ Plan Rules is further subject to the other terms and conditions that may be stipulated in the Appendix.

IN WITNESS WHEREOF, BPI Wealth has caused this Declaration of Trust / Plan Rules to be signed and its corporate seal affixed thereto on July 20, 2026 at Makati City, Philippines.

BPI WEALTH- A TRUST CORPORATION
(Trustee)



MARIA THERESA D. MARCIAL
President and Chief Executive Officer

APPENDIX
BPI Global Balanced Income & Growth Fund, A Feeder Fund

FUND SPECIFICATIONS

1. Investment Objective - The Fund, operating as a multi-asset and multi-class feeder fund, seeks to maximize total return, consistent with preservation of capital and prudent investment management by investing in a Target Fund utilizing a global multi-sector strategy across a diversified range of equity and global fixed income securities. The reference benchmark of the Fund is PIMCO Balanced Income and Growth Fund Income. Given its focus on income, the Fund does not intend to outperform the benchmark.

2. Investment Policy - Pursuant to the foregoing objectives, the Fund may be invested and reinvested in the following, subject to the approval of the Board of Directors of the Trustee:

   (a) Primarily in a single collective investment scheme ("CIS") whose investment objective is to provide investment results that maximize income; provided further that such CIS is approved or registered and supervised by a regulatory authority that is a member of the International Organization of Securities Commissions (IOSCO) and managed by reputable fund manager/s; provided further that the investment in the said collective investment scheme should at least be ninety percent (90%) of the total assets of the Fund. The Target Fund must be recognized as a collective investment scheme in its home jurisdiction by a regulatory authority or any regulatory authority acceptable to the BSP to supervise this CIS;

   (b) Short-term tradable fixed-income instruments issued or guaranteed by the Philippine government or the BSP; tradable securities issued by the government of a foreign country, any political subdivision/agency of a foreign country or any supranational entity; tradable fixed-income instruments issued by foreign or local financial institutions or private corporations; exchange- listed securities; marketable instruments that are traded in an organized exchange; loans traded in an organized market; and, such other tradable investments outlets/ categories as the BSP may allow. Provided, that, a financial instrument is regarded as tradable if two-way prices are quoted, readily available or regularly available from an exchange, dealer, broker, industry group, pricing service or regulatory agency, and those prices represent actual and regularly occurring market transactions on an arm's length basis;

   (c) Short-term tradable fixed-income instruments issued, underwritten, or otherwise dealt by BPI and/or any of its subsidiaries, affiliates, their successors-in-interest or assignees, their directors, officers, stockholders, and related interest, and any of their trust and fund managed accounts, under such terms and conditions as the Trustee may deem to be in the best interest of the Fund; and, any such other instruments as may be allowed under BSP regulations. Investment with related interests shall be in accordance with Section 414-Q of the MORNBFI;

   (d) The principal investments of the Fund will be denominated in, but not limited to, the US Dollar. The Target Fund invests in securities denominated in other currencies;

   (e) Money market instruments;

   (f) Deposit products;

   (g) Such other investments suitable to the nature, classification, and strategy of the Fund, as allowed by prevailing regulations.

   The Fund will primarily feed into the following Target Fund:

Target Fund	PIMCO Balanced Income and Growth Fund
Share Class	Institutional-Income Share Class
Dividend Policy	With regular distribution

Regulator	The Central Bank of Ireland

Provided further that, in the process of switching from one Target Fund to another or in the case of breach of the ten percent (10%) exposure limit to the Target Fund, investments in cash or cash equivalents for liquidity purposes and/or for funds awaiting disposition, may exceed the allowable limit prescribed by the BSP, within the transitory period.

For all transactions with related parties or entities, the Trustee of the Fund shall be transparent at all times and maintain an audit trail. The Trustee shall observe the principle of best execution and no purchase/ sale shall be made with related counterparties without considering at least two (2) competitive quotes from other sources.

Modified Duration Policy - The modified duration of the Fund shall not be more than eight (8) years. Modified duration is used to determine the effect of a 1% or 100 basis points change in interest rates on the price of the fixed income security. The Trustee is authorized to adopt internal guidelines in relation to the Fund's modified duration policy, as duly approved by the Board of Directors of the Trustee. The modified duration of the Fund shall be disclosed in the KIIDS.

3. Diversification Policy – The combined exposure of the Fund to any entity and its related parties shall not exceed fifteen percent (15%) of the market value of the Fund. This limitation shall not apply to non-risk assets as defined by the BSP.

   In the case of Feeder Funds, the fifteen percent (15%) exposure limit shall be applied on the Target Fund's underlying investments. Notwithstanding said limit, if the target fund is allowed by its respective regulatory authority to invest in units/shares of other open-ended CIS, the exposure limit prescribed by said regulatory authority shall instead apply. Furthermore, the investment in the Target Fund shall not exceed ten percent (10%) of the total NAV of the Target Fund. The frequency of monitoring of the exposure limits may be synchronized with the reporting frequency of the Target Fund.

   In case the exposure limits prescribed above are breached due to the marking-to-market of certain investment/s or any extraordinary circumstances, e.g. abnormal redemptions which are beyond the control of the Trustee, the Trustee shall be given thirty (30) days from the time the limit is breached or in the case of Feeder Funds, thirty (30) days from date of receipt of report indicating the NAV of the Target Fund, to correct the same.

4. Benchmark Information
   (a) Benchmark Details

Name	Description and Key Characteristics	References
PIMCO Balanced Income and Growth Fund	The benchmark of the Fund is the PIMCO Balanced Income and Growth Fund, which is also the Fund's Target Fund. As a feeder fund, the Fund's performance is directly tied to the Target Fund. Using the Target Fund as the reference benchmark ensures that returns are measured against the same diversified portfolio of securities, providing a consistent basis for evaluating performance. The Fund's benchmark seeks to maximize total return, consistent with preservation of capital and prudent investment management.	Information about the benchmark may be accessed through PIMCO, https://www.pimco.com/gb/en/investments/gis/pimco-balanced-income-and-growth-fund/inst-usd-income Alternatively, participants may request information from BPI Wealth at bpiwealth@bpi.co m.ph.

(b) Relation to the Fund's Objective or Investment Strategy - The Fund operates as a Feeder Fund. The Target Fund is actively managed with reference to its benchmark when constructing the portfolio and managing its risk to ensure that the Fund remains aligned with its investment objectives. When selecting investments, the Target Fund Manager has discretion and is not restricted to the components or weighting of the benchmark. Given its focus on income, the Fund does not intend to outperform the benchmark.

5. Distribution Policy - The Fund shall distribute income to the Participants in the form of unit income and shall be done on a monthly basis.

   Income to be distributed shall only be from distributions received from the Target Fund. Total units for distribution to eligible participants is computed as follows:

$$\text{Total Units for Distribution} = \frac{\text{Distribution from the Target Fund}}{\text{NAVPU as of Record Date}}$$

   All registered Participants as of the record date, typically within the last week of the month, are eligible to receive income from the Fund. Distribution details shall be aligned with the dividend calendar of the Target Fund.

   A notice shall be made available to eligible Participants containing information on the total amount of income for distribution by the Trustee, NAVPU as at relevant record date, total number of units for distribution and unit income.

   Unit income refers to the number of units for every unit held by the Participant entitled for distribution, computed as follows:

$$\text{Unit Income} = \frac{\text{Total Units for Distribution}}{\text{Total Outstanding Units as of Record Date}}$$

   Distributions shall be based on the equivalent pro rata share of units held by each Participant and computed based on the NAVPU at the relevant record date. Distributions shall be made to holders within ten (10) business days from the relevant record date, which shall be considered automatically redeemed and proceeds are subsequently credited to the nominated settlement account of eligible Participants.

   Proceeds of the automatic redemption of unit income may be computed as follows:

$$\text{Income} = \text{Units Held as of Record Date} \times \text{Unit Income} \times \text{NAVPU as of Record Date}$$

6. Qualified Participants - Acceptance of Participants shall be subject to the rules or procedures established by the Trustee which it deems advantageous or to the best interest of the Fund. The Fund is suitable for investors with at least the risk profiles listed below.

	Unit “Class A”	Unit “Class P”
Risk Profile	Aggressive	Aggressive
Type	Individuals and Corporations	Individuals and Corporations

Participation in the Fund shall be open to Participants with legal capacity to contract and who are not considered US persons under the US securities and tax laws, subject to the other conditions, rules or provisions as stated herein and those established by the Trustee which it deems to be to the best interest of or advantageous to the Fund and its existing participants.

Participants may be required to declare that they are not a US person or US taxpayer and are neither acquiring units in the Fund in behalf of US persons or US taxpayers nor acquiring units with the intent to sell or transfer them to US persons or US taxpayers.

Prospective participants should also consult their own tax advisors as to the specific local or international tax implications of acquiring, holding and redeeming of any units of the Fund.

The Trustee undertakes to perform appropriate screening checks on all underlying investors. In the event any underlying investor holds 10% or more of the value of the Fund, the Trustee shall have the right to provide information of the underlying investor to its counterparties and regulators. Where it is deemed that the investment in the Fund by such underlying investor violates any applicable laws, regulations, or internal policies and guidelines, the Trustee shall procure redemption of the participating units on behalf of such underlying investor.

7. Rules Related to Valuation - The matter of determining the value of the various instruments in the Fund shall be vested in the Trustee through its Board of Directors. Subject to pertinent BSP regulations, the Trustee shall adopt a Marked-to-Market Valuation Methodology which, once adopted, shall herewith be consistently and strictly applied. The basis for pricing/valuation per asset class/asset shall follow existing BSP marking-to-market guidelines.

   (a) The NAV shall be computed using the pooled-fund accounting methodology, or more specifically based on the following formula:

	Cash Deposits
+	Market Value of Investment
+	Accrued Interest on Cash Deposits
+	All other assets and receivables
	GROSS ASSET VALUE
-	Accrued Taxes Payable
-	Accrued Trust Fee Payable
-	Other Accrued Expenses
-	Accounts Payable
-	All Other Liabilities
	NET ASSET VALUE

   (b) In the case of a multi-class fund, the proportionate share of the unit classes to the Net Asset Value of the Fund shall be determined by dividing the number of outstanding units of a class to the total number of outstanding units of the Fund and then multiplying it to the Net Asset Value of the Fund. The net assets of a class shall represent its proportionate share on the net assets of the multi-class fund less the trustee fee and expenses attributable to that class.

Proportionate Share Of the Net Asset Value = Of a Class	Total Number of Outstanding units of a class --- Total number of Outstanding Units of the Fund	x	NAV of the Fund

PROPORTIONATE SHARE OF THE NET ASSET VALUE OF A CLASS

- Accrued Trust Fee Payable of a class
- Other Accrued Expenses of a class
- Accounts Payable of a class
- All Other Liabilities of a class

NET ASSET VALUE OF A CLASS

The NAVPU of a unit class shall be calculated by dividing the proportionate NAV of that unit class by the number of Units Outstanding of that particular unit class as of the date of valuation. The NAVPU of a unit class shall be computed up to two (2) decimal places as follows:

NAVPU of a Unit Class =	Total Net Asset Value of a Unit Class --- Total number of Outstanding Units of the same Unit Class

The rules related to valuation of the Target Fund are more specifically defined in the *Target Fund Specifications*, Valuation of Assets.

(c) The NAVPU of the unit classes shall be calculated and published in their respective currencies:

Unit "Class A"	Unit "Class P"
US Dollar (USD)	Philippine Peso (PHP)

(d) All contributions to Unit "Class P" shall form part of the total assets of the Fund based on the foreign exchange (FX) closing rate of each valuation day.

(e) The NAVPU of the unit classes shall be computed earliest 12:00NN on the next day following each valuation day and made available not later than 6:00PM of the same day. The NAVPU shall be made available to Participants and published in the Trustee's website.

(f) Suspension of Trading – The Trustee of the Fund may temporarily suspend calculation of the NAV/NAVPU of the unit classes of the Fund, as well as participation to and redemption from the unit classes of the Fund, if it is unable to determine the NAVPU of the unit classes due to the suspension of trading of its Target Fund or any fortuitous event, such as, but not limited to, fire, natural calamity, public disorder, or national emergency affecting the financial market resulting in the suspension of trading and consequently, the absence of available market prices of securities/instruments.

The suspension of trading of the Target Fund will mean the unavailability of a real-time NAVPU that is reflective of actual market prices if previous day NAVPU of the Target Fund would be used.

8. Risk Management and Hedging Policy – For the general and collective interest of the Fund's Participants, the Trustee is authorized to adopt an external or internal risk management and hedging strategy and a more definitive policy guideline based on generally accepted risk management principles, and duly approved by the Board of Directors of the Trustee.

The Fund may avail itself of instruments solely for the purpose of hedging risk exposures of the existing investments of the Fund while the Target Fund/s may avail itself of instruments for efficient portfolio management (EPM), provided, that the financial derivatives shall not be extensively or primarily used as an investment strategy of the Target Fund and that the risk level of the Target Fund remain consistent with the objective and risk profile of the Fund. Further, the use of financial derivatives must be in

accordance with other existing BSP guidelines, as well as the Trustee's risk management and hedging policies duly approved by the Board of Directors of the Trustee, and disclosed to the Participants.

9. Participation and Redemption

(a) Participation and Redemption Prices – Participation or redemption of units of participation in a unit class in the Fund, including fractions thereof, shall be based on the applicable NAVPU of the particular unit class for the day computed based on Section 7 (Rules Related to Valuation) of this Appendix.

(b) The initial NAVPU of each unit class in the Fund is as follows:

Unit "Class A"	Unit "Class P"
USD 100.00/unit	PHP 100.00/unit

(c) The Trustee shall set the minimum amount or number of units required for purchases or redemptions by a Participant in the unit classes of the Fund, which may be changed from time to time by the Trustee, as conditions warrant subject to the Trustee's compliance with Section 414-Q of the MORNBFI. Provisions related to amendment/s are more specifically defined in Article IX of the Plan Rules. Policies on Participation and Redemption are the following:

	Unit "Class A"	Unit "Class P"
Minimum amount of Initial Participation/Contribution	USD 100.00	PHP 1,000.00
Minimum Maintaining Participation	Same as the amount prescribed for minimum initial participation	
Minimum Additional Participation	None	
Minimum Redemption Amount	None	
Minimum Holding Period	180 days	
Early Redemption Penalty	1.00% of the total value of the units redeemed	

(d) Settlement of Participation and Redemption. Participations to any unit class received on or before the cut-off time are settled at the end of the valuation day using the NAVPU of the particular unit class on the valuation day as the basis for final settlement. Redemptions from any unit class received on or before the cut-off time are settled on the 5th business day after the valuation day using the NAVPU of that particular unit class on the valuation day as the basis for the settlement. Valuation day is defined under Article V, Section 1(a) of the Declaration of Trust/ Plan Rules.

(e) Partial redemption or redemption of unitholdings less than the outstanding units of any unit class is allowed and shall be based on the applicable NAVPU of the particular unit class for the day. On the next business day after the partial redemption, a Transaction Advice shall be sent to the Trustor indicating the remaining outstanding unitholdings of the particular unit class. Should a partial redemption result in the investment falling below the required minimum maintaining balance of the particular unit class, the Trustee shall automatically close the account with respect to the particular unit class, without need of prior notification to the participant, in which case, the entire balance of the account shall be paid through credit to the Trustor/s' Settlement Account based on the applicable NAVPU for the day of the particular unit class multiplied by the number of remaining unitholdings of the same unit class.

(f) Participation and Redemption Cut-off Time. Participation and/or notice of redemption of any unit class received by the Trustee on or before the cut-off time of 2:00 PM shall be considered as transaction for the day. However, participation/notice of redemption of any unit class received after the cut-off time shall be considered as transaction for the next applicable valuation day. Upon initial participation, the Participating Trust Agreement shall be made available to the Participant. A Confirmation of Participation or Transaction Advice shall be provided to the Participant on the next

business day for subsequent transactions.

(g) Redemption Requirements and Conditions. Redemption shall also be subject to the requirement/condition below:

Redemption Notice Period. The participant of the Fund may redeem its participation on any valuation day. Request for redemption, subject to the cut-off time specified in Section 9(f) shall be dealt with by the Trustee in chronological order according to the day that notice is received. On the next business day after the redemption, a Transaction Advice shall be sent to the Participant. However, the Trustee reserves the right to require from the Trustor/s a five (5) business day advanced written notice of redemption from the Fund. This required notice may be shortened or extended at the sole discretion of the Trustee depending on the liquidity position of the Fund and the frequency and volume of requests for redemption received by the Trustee at any given time. The Trustee shall communicate these by way of direct written correspondence to each participant, publication of announcement in the Trustee's own website, posting of notices in the premises of the Trustee, or posting/sending of notices in the approved platforms of all duly accredited distribution channels, not shorter than three (3) business days before any change is implemented.

(h) Suspension of Participations and Redemptions - Conditions for the suspension of participations to, and redemptions from the Fund are specified in Section 7 (f) of the Appendix.

10. Fees and Expenses

The Trustee shall collect from the Fund trust fees in the amount equivalent to the following:

	Unit "Class A"	Unit "Class P"
Trust Fees	One and a half percent (1.50%) p.a. based on the NAV of the Fund, net of taxes	

The said fees shall accrue daily and shall be collectible from the Fund on a monthly basis.

The Participant shall **directly** be facing the following fees and expenses for his investment in the Fund on a pro-rata basis:

1. Trust fee of 1.50% p.a. as above
2. External Audit Fee, Custody Fee, and other expenses as disclosed in the KIIDS

The Participant shall **indirectly** be facing fees and expenses from the Target Fund for his investment in the Fund on a pro-rata basis:

1. Target Fund's estimated expense ratio of 0.95% as of 27 November 2025

The fees and expenses of the Target Fund are further detailed in Section B of the Target Fund Specifications.

DUE TO FEEDER FUND STRUCTURE OR LAYERED INVESTMENT STRUCTURE OF THE FUND, PARTICIPANTS MAY BE SUBJECTED TO HIGHER FEES WITH THE ADDITION OF FEES AND EXPENSES IMPOSED BY THE TARGET FUND. PARTICIPANTS ARE ADVISED TO CONSIDER THESE FEES AND EXPENSES BEFORE INVESTING.

For purchase and/or sale of the units of the Target Fund, including in the case of switching of the Target Fund, expenses such as but not limited to brokerage commission, early withdrawal charges, switching fees, sales load, or any other transaction costs payable to third party/ies shall be borne by the Fund.

Such fees as well as fees and expenses charged by the Target Fund/s shall be reflected in every NAV computation of the Fund.

Any changes to these expenses charged to the Target Fund shall reflect in the returns of the Target Fund.

All rebates, waiver, and/or commissions collected by the Fund from the Target Fund/s shall redound back to the Fund.

Additional information on the Target Fund such as the Target Fund's Investment Manager, Investment Objectives, Historical Performance, Total Expense Ratio, among others, can be found in its Prospectus and Fund Fact Sheet.

11. Custody of Securities – Investments of the Fund shall be held for safekeeping by any BSP-accredited third party custodian/s which shall perform independent marking-to-market of such investments, as well as other functions pursuant to the relevant Custodianship Agreement. The name of the third party custodian/s shall be indicated in the Fund's KIIDS.

    Investments of the Target Funds shall be held for safekeeping by an institution registered/authorized/approved by a relevant regulatory authority in its home jurisdiction to act as third party custodian.

TARGET FUND SPECIFICATIONS

PIMCO Balanced Income and Growth Fund

A. Fund Information

Target Fund	**PIMCO Balanced Income and Growth Fund** PIMCO Funds: Global Investors Series plc is an umbrella type open-ended investment company with variable capital and segregated liability between sub-funds and incorporated with limited liability under the laws of Ireland. The BPI Global Balanced Income & Growth Feeder Fun shall be invested in the Institutional-Income Share Class of the PIMCO Balanced Income and Growth Fund.
Investment Objective	The Target Fund seeks to maximize total return, consistent with preservation of capital and prudent investment management.
Investment Strategy/ Allowable Investments	The Target Fund will utilize a global multi-sector strategy that seeks to combine the Target Fund Manager's total return investment process and philosophy with income maximization. Portfolio construction is founded on the principle of diversification across a broad range of equity and global fixed income securities. As part of the global multi-sector strategy described above, the Target Fund Manager may tactically allocate the Target Fund's assets and as such the Target Fund's assets will not be allocated according to a pre-determined blend or weighting across asset classes or geographical area. Instead, in making investment decisions the Target Fund Manager considers various quantitative and qualitative data relating to global economies and projected growth of various industrial sectors and asset classes.
Benchmark	60% MSCI All Country World Index (ACWI) and 40% Bloomberg U.S. Aggregate Bond Index The MSCI All Country World Index (ACWI) is a free float-adjusted market capitalization weighted index that is designed to measure the equity market performance of developed and emerging markets. The MSCI All Country World Index (ACWI) consists of 45 country indices comprising 24 developed and 21 emerging market country indices. The Bloomberg U.S. Aggregate Bond Index provides a broad-based measure of the investment grade, U.S. dollar-denominated, fixed-rate taxable bond market. The Target Fund is considered to be actively managed in reference to a blend of the aforementioned two indices by virtue of the fact that the Benchmark is used for calculating the global exposure of the Target Fund using the relative VaR methodology and for performance comparison purposes. Certain of the Target Fund's securities may be components of and may have similar weightings to the Benchmark. However, the Benchmark is not used to define the portfolio composition of the Target Fund or as a performance target and the Target Fund may be wholly invested in securities which are not constituents of the Benchmark.
Valuation of Assets	The Net Asset Value of the Fund shall be determined as at the Valuation Point for the relevant Dealing Day by valuing the assets of the relevant Fund (including income accrued but not collected) and deducting the liabilities of the relevant Fund (including a provision for duties and charges, accrued expenses and fees and other liabilities).
Distribution Policy	The Target Fund applies a conservative approach to distribution setting using their long-term capital market assumption based on a 3-year horizon to avoid NAV erosion/payment out of capital.
Domicile	Ireland

Parties	Fund Manager	PIMCO Global Advisors (Ireland) Limited
	Investment Advisor	Pacific Investment Management Company LLC
	Administrator	State Street Fund Services (Ireland) Limited
	Depositary	State Street Custodial Services (Ireland) Limited

B. Fees and Expenses

Payable by the Target Fund to the Managers, Trustee, and Other Parties

Management Fee	0.95% p.a.
Investment Advisory, Administration and Depositary Service Fees	Paid from the Management Fee
Total Expense Ratio	0.95%

C. Investment Risks

- Credit and Default Risk: A decline in the financial health of an issuer of a fixed income security can lead to an inability or unwillingness to repay a loan or meet a contractual obligation. This could cause the value of its bonds to fall or become worthless. Funds with high exposures to non-investment grade securities have a higher exposure to this risk.

- Currency Risk: Changes in exchange rates may cause the value of investments to decrease or increase.

- Equity Risk: The value of equity or equity related securities may be affected by stock market movements. Drivers of price fluctuations include general economic and political factors as well as industry or company specific factors.

- Derivatives and Counterparty Risk: The use of certain derivatives could result in the fund having a greater or more volatile exposure to the underlying assets and an increased exposure to counterparty risk. This may expose the fund to larger gains or losses associated with market movements or in relation to a trade counterparty being unable to meet its obligations.

- Emerging Markets Risk: Emerging markets, and especially frontier markets, generally carry greater political, legal, counterparty and operational risk. Investments in these markets may expose the fund to larger gains or losses.

- Liquidity Risk: Difficult market conditions could result in certain securities becoming hard to sell at a desired time and price.

- Interest Rate Risk: Changes in interest rates will usually result in the values of bond and other debt instruments moving in the opposite direction (e.g. a rise in interest rates likely leads to fall in bond prices).

- Mortgage Related and Other Asset Backed Securities Risks: Mortgage or asset backed securities are subject to similar risks as other fixed income securities, and may also be subject to prepayment risk and higher levels of credit and liquidity risk.

  The Fund may use or invest in financial derivative instruments and be subject to various risks (including for e.g. liquidity risk, interest rate risk, market risk, credit risk and management risk etc.) associated with such investments in financial derivative instruments.

A Fund's use of, or investment in, financial derivative instruments involves risks different from, or possibly greater than, the risks associated with investing directly in securities and other traditional investments.

Participation in the markets for financial derivative instruments involves investment risks and transaction costs to which a Fund may not be subject if such strategies are not used. You should carefully consider these risks prior to making an investment in the relevant Fund. Please refer to the Singapore prospectus for more information.

References:

PIMCO Balanced Income and Growth Fund Factsheet as of 31 March 2026
PIMCO Balanced Income and Growth Fund Prospectus dated 27 November 2025

RISK DISCLOSURE STATEMENT

Prior to making an investment, BPI Wealth – A Trust Corporation (BPI Wealth) hereby informs you of the nature of investments and the inherent risks involved in investing. As investments generally carry different degrees of risks, it is necessary that before making any investment, you should have:

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

We wish to highlight that investment funds, such as Unit Investment Trust Funds (UITFs) and Mutual Funds (MFs), are likewise subject to risks. Their value may decline or appreciate depending on the fund's Net Asset Value per Unit/Share (NAVPU/NAVPS) which may fluctuate daily. The NAVPU/NAVPS is computed by dividing the Net Asset Value (NAV) of the investment fund by the number of its outstanding shares/units. The NAV is derived from the summation of the market value of the underlying securities of the investment fund plus accrued interest income less liabilities and qualified expenses. It is understood that investment funds, trust, investment management, and other fiduciary accounts are not deposit products and are not covered by the Philippine Deposit Insurance Corporation (PDIC).

INVESTMENT IN SECURITIES DOES NOT PROVIDE GUARANTEED RETURNS. THEIR VALUE MAY DECLINE OR APPRECIATE DEPENDING ON PREVAILING MARKET CIRCUMSTANCES. EVEN INVESTMENT FUNDS THAT ARE INVESTED IN GOVERNMENT SECURITIES AND HIGH-GRADE PRIME INVESTMENT OUTLETS, THE PRINCIPAL AND EARNINGS FROM SUCH INVESTMENTS CAN BE LOST IN WHOLE OR IN PART WHEN THE NAVPU/NAVPS AT THE TIME OF REDEMPTION IS LOWER THAN THE NAVPU/NAVPS AT THE TIME OF PARTICIPATION. GAINS FROM THE INVESTMENT IS REALIZED WHEN THE NAVPU/NAVPS AT THE TIME OF REDEMPTION IS HIGHER THAN THE NAVPU/NAVPS AT THE TIME OF PARTICIPATION.

Enumerated and defined below are the various risks to which you are normally exposed when investing, depending on the type of underlying securities lodged in your investment portfolio (hereinafter, "Portfolio"). Unit Investment Trust Funds and Mutual Funds (hereinafter, "Fund" or "Funds") are likewise subject to these risks.

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

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. In this regard, the NAVPU/NAVPS of investment funds invested in fixed income instruments may also adjust and decline when there is a rise in interest rates.

Market/Price Risk
This is the possibility for an investor to experience losses due to changes in market prices of securities (e.g., bonds and equities). It is the exposure to the uncertain market value of a Portfolio/Fund due to price fluctuations.

It is the risk of the Portfolio/Fund to lose value due to a decline in securities prices, 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, etc. As a result, the value of a Portfolio/Fund may increase to make profit or decrease to incur loss.

Liquidity Risk
This is the possibility for an investor to experience losses due to the inability to sell or convert assets into cash immediately or in instances where conversion to cash is possible but 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 underdeveloped capital market.

Liquidity risk occurs when certain securities in a Portfolio/Fund may be difficult or impossible to sell at a particular time which may prevent the redemption or withdrawal of the investment. Even government securities which are the most liquid of fixed income securities may be subjected to liquidity risk particularly if a sizeable volume is involved.

Credit Risk/Default Risk
This is the possibility for an investor to experience losses due to a borrower's failure to pay 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 make good on 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 on a counterparty (a party with which BPI Wealth trades/transacts) defaulting on a contract to deliver its obligation either in cash or securities.

This is the risk of losing value in a Portfolio/Fund in the event the borrower defaults on his obligation or in the case of counterparty, when it fails to deliver on the agreed trade. This decline in the value of a Portfolio/Fund happens because the default/failure would make the price of the security go down and may make the security difficult to sell.

Reinvestment Risk
This is the risk associated with the possibility of having lower returns when maturing funds or interest earnings of a Portfolio/Fund are reinvested.

Investors who withdraw/redeem and realize their gains run the risk of reinvesting their funds in an alternative investment outlet with lower yields. Similarly, there is the risk of not being able to find good or better alternative investment outlets as some of the securities in a Portfolio/Fund matures.

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

Foreign Exchange Risk
This is the possibility for an investor to experience losses due to fluctuations in foreign exchange rates. The exchange rates depend upon a variety of global and local factors, e.g., interest rates, economic performance, and political developments.

It is the risk of a Portfolio/Fund to currency fluctuations when the value of investments in securities denominated in currencies other than the base currency of a Portfolio/Fund depreciates. Conversely, it is the risk of a Portfolio/Fund to lose value when its base currency appreciates. Specifically for Funds invested in foreign-currency denominated securities, their NAVPU/NAVPS may decrease to incur loss when the Philippine Peso appreciates.

Country Risk
This is the possibility for an investor to 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.

Index-Tracking Risk
Specifically for index-tracker investment funds, this is the risk that the fund does not match or achieve a high degree of correlation with the return of an index because of operating and other fund-management related expenses.

Other Risks
A Portfolio/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.

For complex investment products, said instruments can be subject to sudden and sharp falls in market value such that you may lose your entire investment and extra funding may be required, as necessary.