

**LAND BANK OF THE PHILIPPINES  
TREASURY BROKERING AND MARKETING UNIT  
15<sup>th</sup> Floor LANDBANK Plaza  
1598 M.H. del Pilar corner Dr. J. Quintos Streets, Malate, Manila  
SEC-Registered Broker and BSP-Regulated Entity**

**CLIENT AGREEMENT FOR FIXED-INCOME SECURITIES**

Client's Full Name	✓
Client's Full Address	✓
For Corporate Accounts: Name of Authorized Signatory/ies	✓
Date	✓

I/We (Client) hereby formalize and confirm the appointment of LAND BANK OF THE PHILIPPINES (LBP), a government financial institution, duly licensed to act as broker in fixed-income securities, to act as my/our broker for the sale and/or purchase of fixed-income securities. I/We hereby agree to be bound by the following terms and conditions:

**1. APPOINTMENT AS ATTORNEY-IN-FACT.** For the purpose of selling, buying, or performing other acts stated herein, the Client irrevocably appoints and constitutes LBP, its officers, employees, agents, or successors-in-interest and/or assigns, as the true and lawful attorney-in-fact with full power and authority to execute trade transactions pursuant to the Special Power of Attorney hereto attached as "Annex A".

**2. TRADING FEES, TAXES AND OTHER CHARGES.** In consideration of the foregoing, the Client hereby agrees to pay LBP the following, which may change upon prior notice to Client (except for taxes):

2.1 **Broker's Fee** of 10 basis points (0.10%) upon purchase or sale if the security is not held to maturity, computed as follows:

<i>For securities with a remaining term of 365 or shorter:</i> Face Value x 0.10% x (tenor/) / 360 or Php 200 or in USD \$4 (for Retail Dollar Bonds), whichever is higher
<i>For securities with remaining term of more than One (1) year:</i> Face Value x 0.10% or P200 or in USD \$4 (for Retail Dollar Bonds) whichever is higher

2.2 **Philippine Dealing and Exchange Corporation (PDEX) Mapping Fee**

<i>For securities with a remaining term of 365 or shorter:</i> Face Value x 0.0025% x (tenor/)
<i>For securities with remaining term of more than One (1) year:</i> Face Value x 0.0025% (flat) of face value

2.3 **Philippine Depository and Trust Corporation (PDTC) Uplift Fee** (for purchase of Corporate Securities)

<i>For securities with a remaining term of 365 or shorter:</i> Face Value x 0.001% (minimum of P1 and maximum of P100) regardless of tenor
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2.4 The corresponding tax relative to the sale or purchase of securities.

2.5 LBP reserves the right to impose such other reasonable fees subject to prior notice to the Client.

**3. PURCHASE AND SALE OF SECURITIES.**

3.1 The PURCHASE of securities by the Client shall be subject to the following:

(i) Submission of all forms and documents requested by LBP, as follows:

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(a) **For Government Securities**

This agreement (for New Clients), the Order Ticket, Special Power of Attorney in Section 1 hereof, Bureau of Treasury Investor's Undertaking (Annex "B"), Client Suitability Assessment Form (Annex "C") and Risk Disclosure Statement (Annex "D") and other forms and documents that may be required by the Issuer or regulatory body;

(b) **For Corporate Securities and LANDBANK Issues**

Application to Purchase and other forms and documents as required by the Issuer;

- (ii) *For corporate accounts:* In addition to the forms stated in Section 3.1.i hereof, *Secretary's Certificate* relative to the authority of the corporation to enter into trade transactions, appointment of LBP as the corporation's broker in relation thereto and the corporation's authorized signatories to all forms and documents which may be necessary to execute the trade transactions;
- (iii) Deposit account with LBP under the name of the purchaser ("mirror account");
- (iv) Proof of payment of the purchase price and fees as indicated in the Order Ticket.
- 3.2 The SALE of securities shall be subject to the Client's submission of:
- (i) Written request of the Client duly endorsed by LBP's servicing branch; and
- (ii) Original Confirmation of Sale, if full sale of outstanding security
- (iii) Certified true copy of Confirmation of Sale, if partial of securities
- 3.3 All orders shall be deemed authorized and executed with the understanding that an actual purchase or sale is intended by the Client.
- 3.4 LBP reserves the right to cancel or reject the Client's order in the following instances: (i) in the discretion of LBP, the order, if executed, may be in violation of any law, rule, and/or regulation (i.e. wash sale); (ii) there are technical issues preventing the execution of the order; (iii) the order violates or may violate LBP's safety parameters; (iv) said cancellation, or rejection is made to ensure fair and orderly trading; and (v) other reasons analogous to the foregoing. The above notwithstanding, LBP reserves the right to accept or reject orders entered during the market close period.
- 3.5 All purchased PDEX-listed securities shall be lodged by LBP with the Bureau of Treasury for government securities and Philippine Depository and Trust Corporation for non-government securities.

#### 4. PAYMENTS FOR PURCHASES AND CREDITING OF PROCEEDS FROM SALE

- 4.1 All payments shall be made through any of the following: (i) direct deposit to the designated Treasury Operations Department clearing account (ii) debiting of Client's Account (iii) issuance of Manager's Check or (iv) issuance of ordinary check subject to clearing.
- 4.2 Proceeds of the sale of securities and/or all other amounts owing to the Client upon maturity of the securities shall be credited to the Client's Account.
- 4.3 In the event that funds are erroneously deposited in the Client's Account, the Client shall immediately inform LBP of such fact. The Client further authorizes LBP to debit the Account the necessary amount to correct the error.

#### 5. COOLING-OFF PERIOD. *(Applicable only to Clients who are natural persons and to financial instruments with remaining term equal to at least one year).* The Client may avail of the cooling-off period pursuant to *Bangko Sentral ng Pilipinas* Circular No. 857, series of 2014, as amended, subject to the following:

- 5.1 Cancellation of the purchase order can be done only within the cooling-off period of two (2) banking days reckoned from the signing of the Order Ticket on the transaction date, as may be applicable.
- 5.2 The Client shall notify LBP in writing of the intention to cancel the purchase order within the cooling-off period.
- 5.3 The transaction shall be subject to the prevailing market rate at the time of the Client's availment of the cooling-off period. Any resulting loss shall be borne by the Client. Any gain realized shall be for the account of LBP.
- 5.4 The sale of securities already purchased by LBP shall be subject to market availability/buyer.
- 5.5 LBP reserves the right to collect or recover processing fees in connection with the purchase of securities, which includes: (a) PDEX Mapping Fee: face value X 0.0025% (flat) of face value (b) broker's fee at 10 basis points or 0.10% of the face value. The Client hereby authorizes LBP to debit the Client's Account for the payment of the processing fees.

#### 6. HANDLING OF MATURED TREASURY BILLS. In servicing clients with maturing Treasury Bills, the following cut-off time shall be observed:

- 6.1 Orders/Instructions from the branches that will be received by LBP-Treasury Brokering and Marketing Unit (TBMU) between the Treasury Bill maturity date (Wednesday) until Thursday shall be posted/executed in the Bloomberg system accordingly.

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6.2 If LBP-TBMU does not receive any instruction from the branches until 4:00 p.m. of Thursday, LBP-TBMU shall automatically reinvest the maturity proceeds to the available treasury bills with shortest remaining tenor on Friday.

**7. NO INVESTMENT ADVICE.** The Client hereby acknowledges that LBP will not and does not provide legal, tax or accounting advice or advice regarding the suitability or profitability of a security or investment, that LBP's employees are not authorized to give any such advice and that the Client will not solicit or rely upon any such advice.

## **8. DISCLOSURES.**

8.1 The client understands that LBP is a regulated entity and consents to the disclosure of the LBP's information, including any electronic recording of online transactions, when requested by SEC and other regulatory entities, the proper courts, and any other government office. Listed companies and fund providers may also request for information regarding their respective stockholders and the Client consents to the release of such data.

8.2 The Client is aware that LBP is registered with the United States Internal Revenue Service and consents to LBP's compliance with the requirements under the Foreign Account Tax Compliance Act (FATCA), as the same may be amended from time to time, and its implementing rules and regulations, including the disclosure of Client Information.

## **9. ASSUMPTION OF RISKS**

9.1 The Client fully accepts the risk for all orders entered and the trading decisions attendant thereto. The Client acknowledges that placing an order (whether sale or purchase) does not guarantee execution of the order, and as such, LBP shall not be responsible for any order that is not executed.

9.2 The Client acknowledges that the price of securities can and does fluctuate, and any individual security may experience upward or downward movements, and may even become valueless. There is an inherent risk that losses may be incurred rather than profit made as a result of buying and selling securities.

## **10. LIMITATION OF LIABILITY**

10.1 LBP, its affiliates, directors, officers, employees, and agents shall not be liable for losses resulting from a cause over which they do not have direct control including, but not limited to, the failure of electronic or mechanical equipment or communication lines, telephone or other interconnection problems including the inability to connect with the internet service provider. LBP shall not be responsible for any problems, technical or otherwise, that might prevent LBP from handling or executing orders.

10.2 LBP, its affiliates, directors, officers, employees, and agents shall not be responsible for any loss, damages, or litigation costs resulting from any error of fact or judgment, or from action taken or inaction or omission or default by any of them, or from any consequences whatsoever, arising or in connection with the transactions contemplated under this Agreement, save and except where such loss, damage or cost is suffered as a direct result of its gross negligence or willful misconduct.

**11. CHANGE IN CIRCUMSTANCES.** The Client undertakes to inform LBP of any changes in the information provided on page 1 of this Agreement, including a change of his status from non-U.S. Person to U.S. Person as defined under FATCA, and furnish LBP all necessary documentation within thirty (30) days from the change thereof without need of demand. In the absence of any change, the Client shall update his account information once every two (2) years or as may be requested by LBP.

## **12. MISCELLANEOUS PROVISIONS**

12.1 *Capacity to Contract.* The Client represents and warrants full legal capacity and authority to enter into and be bound by this Agreement.

12.2 *Consent to Recording.* The Client authorizes LBP to record or cause the recording of any telephone communication or any communication between the Client and any of the officers, employees, agents, or representatives of LBP made in connection with this Agreement or any actual or potential transaction in relation thereto. LBP may further use such recording in any manner it may deem fit.

12.3 *Fortuitous Events.* LBP shall not be, and the Client agrees not to hold, LBP liable for losses caused directly or indirectly by government restrictions, exchange or market rulings, suspension of trading or other conditions beyond its control such as fortuitous events.

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- 12.4 *Binding Effect.* This Agreement shall be binding upon the Client's heirs, executors, administrators, personnel representatives, and assigns. This Agreement shall inure to the benefit of LBP's present organization and any successor organization.
- 12.5 *Entire Agreement, Waiver, and Amendments.* This agreement contains the entire understanding and agreement between Client and LBP concerning the subject matter hereof. The Client may not assign his rights and obligations hereunder without LBP's prior written consent. The above notwithstanding, LBP may modify the terms of this Agreement upon notice. The continued use of LBP's services following receipt of notice will constitute the Client's acceptance of amendments. Should the Client not accept the modification, the Client must notify LBP in writing to terminate the Agreement which termination shall take effect within fifteen (15) days from receipt of notice by LBP, subject to Section 5.5 hereof.
- 12.6 *Severability.* If any provision of this Agreement is held to be invalid, void, or unenforceable by reason of any law, rule, administrative order, or juridical decision, that determination shall not affect the validity of the remaining provisions of this Agreement.
- 12.7 *Notices.* All notices to LBP shall be sent to:

**Treasury Brokering and Marketing Unit (TBMU)**

15th Floor, LANDBANK Plaza  
1598 M.H. del Pilar corner Dr. J. Quintos Streets, Malate, Manila  
Email address: [LBP-TBMU@mail.landbank.com](mailto:LBP-TBMU@mail.landbank.com)  
Telephone Nos. (02) 405-7266 to 7270

Unless otherwise advised, all notices to the Client shall be sent to the mailing address as indicated on page 1 of this Agreement or may contact LBP Customer Care Hotline at (+632) 8405-7000.

Further, the Client has the option to inform the Bangko Sentral ng Pilipinas (BSP) at [consumeraffairs@bsp.gov.ph](mailto:consumeraffairs@bsp.gov.ph) for any concerns related to this agreement.

LBP shall be entitled to rely on any instruments, notices, and communications which LBP believes to have originated from the Client and the Client shall be bound thereby.

- 13. DISPUTES.** In case of any dispute arising from or in connection with this Agreement or its proper interpretation, the Client shall first try to resolve the same with LBP amicable and in good faith. Should the parties fail to resolve any such dispute, the exclusive venue for any suit arising from this Agreement shall be the proper courts of the City of Manila, Philippines.
- 14. COSTS OF COLLECTION.** The Client authorizes LBP to charge the Account for any reasonable direct or indirect costs of collection, including but not limited to attorney's fees, court costs, interest, another related expenses.
- 15. GOVERNING LAW.** All transactions in the Account, as executed by LBP or its agents, including its subsidiaries and affiliates, shall be subject to the rules and regulations, customs and usages of the PDEX, its clearing house, and the applicable fund provider, if any. The transactions shall likewise be subject to the provisions of all applicable laws, including Philippine securities laws, PDEX rules, and clearing agency and other pertinent laws, rules and regulations. The Client understands that he/she/it shall be held liable for any breach of such laws, rules, and regulations. All matters pertaining to the interpretation and implementation of this Agreement and all disputes arising therefrom shall be exclusively governed by and construed in accordance with Philippine law.

Conforme:

Verified by:

Noted by:

✓  
\_\_\_\_\_  
Client/s  
Signature over Printed Name

✓  
\_\_\_\_\_  
Document Examiner's Signature  
over Printed Name

✓  
\_\_\_\_\_  
Registered Salesman  
Signature over Printed Name