

## Why invest in LANDBANK?

LANDBANK is a registered Broker-Dealer of Fixed Income Securities with the Securities and Exchange Commission. We have our Investment Hubs that are strategically located nationwide to cater your investment needs. These Hubs are manned by our Treasury Sales Officers who are all licensed Fixed Income Securities Salesmen and Certified Treasury Professionals.

LANDBANK gives you the best price available in the market as it is a Brokering Participant in the Fixed Income Trading Platform of the Philippine Dealing and Exchange Corporation which gives you access to a wide array of investment instruments.

## What type of instruments are offered by LANDBANK?

Currently, LANDBANK product offering includes Government Securities, Corporate Securities, and LANDBANK Issues.

## Is this investment product registered with the SEC?

All investment products offered by LANDBANK are registered with the SEC and other regulatory agencies.

## Does this investment match my investment goals? Why is this investment suitable for me?

Prior to offering you a certain investment product, our Treasury Sales Officers will ask you to fill out a Client Suitability Assessment Form to give us a better idea of what appropriate investment product/s to offer you that best suit your investment objectives, risk tolerance, liquidity requirements and investment experience.

## What are the related investment fees / charges?

In consideration of the services rendered, the following fees shall be collected:

| <b>FEES</b>   | <b>AMOUNTS</b>  |
|---|---|
| LANDBANK Broker's Fee   | 10bps (0.10%) of Face Value or P200 whichever is higher                             |
| Transaction Fee   | P25 for every sale or purchase transaction  |
| Portfolio Fee   | 1.5bps (0.015%) of Face Value   |
| PDEX Mapping Fee  | 0.0025% of Face Value or every sale and purchase transaction                        |
| PDTC Uplift Fee   | 0.0010% of Face Value for purchase transaction only; Minimum of P1, maximum of P100 |
| Other fees exclusive to sale or purchase of a particular security (e.g. SMB Bonds, Bahay Bonds, etc.) | Variable  |

## What is the evidence of my investment through LANDBANK?

It depends on the type of investment. For every investment you make on government securities (RTBs, FXTNs and T-bills), you will be issued a Confirmation of Sale (CoS) indicating that no certificates are to be issued to the investor but ownership of the government securities are electronically recorded in Bureau of the Treasury's Registry of Scripless Securities (RoSS) under the investor's name or its designated third-party custodian.

As for corporate securities, a Registry Confirmation (RC) coming from the third-party custodian like PDTC will be issued to the client.

For LANDBANK issuances, a Registry Confirmation (RC) and Statement of Account will be delivered to the client's indicated address care of Standard Chartered Bank (SCB). In addition, a Purchase Advice coming from LANDBANK will be given to the client as a proof of ownership.

## Will I receive a statement of account for my investments?

Yes. Aside from the Confirmation of Sale (COS) which will be mailed or delivered to your registered address, you may request for a monthly Statement of Account indicating your outstanding investments.

### **How liquid is this investment? How easy would it be to sell if I needed my money right away?**

Liquidity is dependent upon the type of investment product. Investments on Government Securities are generally more liquid than other types of investments such as Corporate Securities. Our Treasury Sales Officers, from whom the securities were purchased, may assist the investors on a best-effort basis in selling the securities in the secondary market at prevailing market prices. Prices of Government Securities (RTBs, FXTNs and T-bills) are posted on [www.pdex.com.ph](http://www.pdex.com.ph).

### **Can I partially pre-terminate my investment?**

Yes, as long as the remaining investment will not be lower than the required amount which is P200,000.00.

### **What investment product/s can you recommend that will give me a high rate of return?**

The type of investment product that we could recommend would highly depend on your risk appetite which would be determined after you have accomplished a Client Suitability Assessment form. This is done to ensure that the type of investment is consistent with the needs and investment directions of the client. Normally, the higher the risk you are willing and able to take, the higher the possible rate of return on your investment.

### **How can I open an Investment Account with LANDBANK?**

You may open one by visiting the nearest LANDBANK branch in your area.

### **I only maintain a dollar account with LANDBANK. Do I need to open a peso account if I want to invest in peso denominated fixed income securities?**

Yes, opening of peso account is required prior to investing in peso denominated fixed income securities for crediting/payment of principal and coupon payment.

### **If the placement is under joint account, can the proceeds be credited to the deposit account of one of the depositors and vice versa?**

No, the name of the investor indicated in the certificate of investment should be the same as the depositor's account name. We term this as "mirror account."

### **Can I withdraw the proceeds from any LANDBANK branch?**

Yes, you may withdraw it from other LANDBANK branches once the proceeds have been credited to your account.

### **Can I change/add name to the GS original investment account?**

For T-bills, changes will be effected upon maturity. However, for RTBs and FXTNs, it has to undergo a selling process (constitute a sale) to secondary market subject to applicable charges before changes can be incorporated.

### **Can I issue a personal check from other banks as mode of payment for my investment with LANDBANK?**

Yes, provided that the check is payable under the name of the investor and the investment date will commence after clearing of said check.

**Can the check under my personal account be issued as placement for another person's investment account? (e.g. check drawn against Juan Dela cruz current account used as mode of payment for T-bills placement of Pedro Reyes)**

Yes, provided that the investment date will commence after clearing of said check.

**What are Retail Treasury Bonds (RTBS)?**

The RTBs are part of the government's savings mobilization program designed to make government securities available to retail investors, hence, the name Retail Treasury Bonds. RTBs are issued by the Republic of the Philippines through the Bureau of the Treasury (BTr).

**Why invest in RTBs?**

The RTBs are designed to be zero-risk because it is direct, unconditional and general obligation of the Republic of the Philippines. RTBs are higher yielding, as their interest rates are superior to other investments. RTBs are accessible. The minimum placement is only P5,000.00 and multiples of P5,000.00 thereafter (for primary market).

**Who can purchase RTBS?**

The RTBs aim to cater to retail investors such as individual and corporations who are looking for a zero-risk, accessible and higher yielding investment alternative for their savings.

**When and where can investors purchase RTBs?**

RTBs are sold to the public during offer period. This is the designated period given to the public to subscribe to the RTBs through the Selling Agents. After the offer period, investors may still purchase the RBs in the secondary market at prevailing market rates.

**How does an investor participate in the public offering?**

Investors may purchase the RTBs over-the-counter from our accredited government securities brokers, subject to the documentary and minimum requirements of the bank. Investors are required to open a peso deposit account with LANDBANK or designate an existing LANDBANK peso account where interest and principal payments of the RTBs will be credited. Payments to RTBs shall be deposited to the investor's LANDBANK peso account.

**Are the RTBs tax free?**

Interest income on RTBs is subject to the 20% final withholding tax. Only tax-exempt institutions, duly-accredited and certified as such by the Bureau of Internal Revenue, are exempt from payment of the 20% final withholding tax.

**What are the risks involved in investing in RTBs?**

The RTBs are considered as having the lowest credit-risk because they represent the direct and unconditional obligation of the Government, thereby enjoying the highest certainty of payment. The yield is assured if the investor holds on to the bond until maturity, otherwise it will be exposed to market risk depending on the prevailing market rate at the time the RTBs are sold in the secondary market.

**What is the difference between coupon rate and yield?**

Coupon refers to the periodic cash received by an investor from his investment if he chooses to invest in FXTN or RTB. T-bills is sold at a discount; hence, it doesn't have a coupon.

On the other hand, yield refers to the real growth of an investor's money taking into account different economic factors such as inflation, risk, demand and supply.

**When is a security bought/sold at a premium?**

A security is said to be at a premium when the coupon is higher than the yield. This happens when there is a decrease in the risk of the security.

**When is a security bought/sold at a discount?**

A security is said to be at a discount when the coupon is lower than the yield. This happens when there is an increase in the risk of the security.