



## BDO US EQUITY FEEDER FUND

KEY INFORMATION AND INVESTMENT DISCLOSURE STATEMENT  
AS OF April 30, 2018

## FUND FACTS

<b>Classification:</b> Equity Feeder Fund	<b>Net Asset Value per Unit (NAVPU):</b> USD 122.7483
<b>Launch Date:</b> April 18, 2016	<b>Total Fund NAV:</b> USD 12.610 Million
<b>Minimum Investment:</b> USD 2,000.00	<b>Dealing Period:</b> Up to 4:00pm of any banking day
<b>Minimum Additional Investment / Maintaining Participation:</b> USD 2,000.00	<b>Redemption Settlement:</b> Five (5) banking days after the Valuation Date
<b>Minimum Holding Period:</b> None	<b>Early Redemption Fee:</b> Not applicable

## FEES\*

Trustee Fees: <u>0.0834%</u>	Custodianship Fees: <u>0.0000%</u>	External Auditor Fees: <u>0.0000%</u>	Other Fees: <u>0.0000%</u>
BDO Trust and Investments Group	None	Punongbayan & Araullo	None

\*As a percentage of average daily NAV for the month valued at USD 12.869 Million.

## INVESTMENT OBJECTIVE AND STRATEGY

The Fund aims to generate long-term capital appreciation by investing in a single collective investment scheme, called the Target Fund, which is invested in a diversified portfolio of listed US companies. The Fund's Target Fund is the Legg Mason ClearBridge US Aggressive Growth Fund (Class X Accumulating USD Share Class with ISIN IE00B19Z9X81). The Fund's benchmark is the Russell 3000 Growth Index.

## CLIENT SUITABILITY

A client profiling process should be performed prior to participating in the Fund to guide the prospective investor if the Fund is suited to his/her investment objectives and risk tolerance. Clients are advised to read the Declaration of Trust/Plan Rules of the Fund, which may be obtained from the Trustee, before deciding to invest.

- ♦The BDO US Equity Feeder Fund is suitable for individual and corporate Investors with aggressive risk appetite and who seek potentially higher returns through global stock market investments but are also aware of the possibility of capital losses that such investments may entail.
- ♦Participation in the Fund shall be open to Filipino citizens, Philippine residents and domestic corporations with capacity to contract and who are not considered US Persons under the US securities and tax laws.
- ♦Participants/trustors are recommended to stay invested for more than three (3) years. The Fund is not suitable for short-term investing.

## KEY RISKS AND RISK MANAGEMENT

You should not invest in this Fund if you do not understand or are not comfortable with the accompanying risks.

**Market/Price Risk.** Possibility to experience losses due to changes in market prices of securities.

**Liquidity Risk.** Possibility to experience losses due to the fund's inability to convert assets into cash immediately or in instances where conversion to cash is possible but a highly disadvantageous price.

**Foreign Exchange Risk.** Possibility to experience losses due to fluctuations in foreign exchange rates.

**Country Risk.** Possibility to experience losses arising from investments in securities issued by/in foreign countries due to political, economic and social structures of such countries.

All the Fund's investment outlets undergo evaluation in accordance with the Trustee's Investment Policy Manual. Regulatory exposure limits are monitored on a regular basis. The Fund will not use financial derivatives instruments to hedge risks.

**♦THE UIT FUND IS NOT A DEPOSIT AND IS NOT INSURED BY THE PHILIPPINE DEPOSIT INSURANCE CORPORATION (PDIC).**  
**♦RETURNS CANNOT BE GUARANTEED AND HISTORICAL NAVPU IS FOR ILLUSTRATION OF NAVPU MOVEMENTS/FLUCTUATIONS ONLY.**  
**♦WHEN REDEEMING, THE PROCEEDS MAY BE WORTH LESS THAN THE ORIGINAL INVESTMENT AND ANY LOSSES WILL BE SOLELY FOR THE ACCOUNT OF THE CLIENT.**  
**♦THE TRUSTEE IS NOT LIABLE FOR ANY LOSS UNLESS UPON WILLFUL DEFAULT, BAD FAITH OR GROSS NEGLIGENCE.**

**BDO US EQUITY FEEDER FUND**

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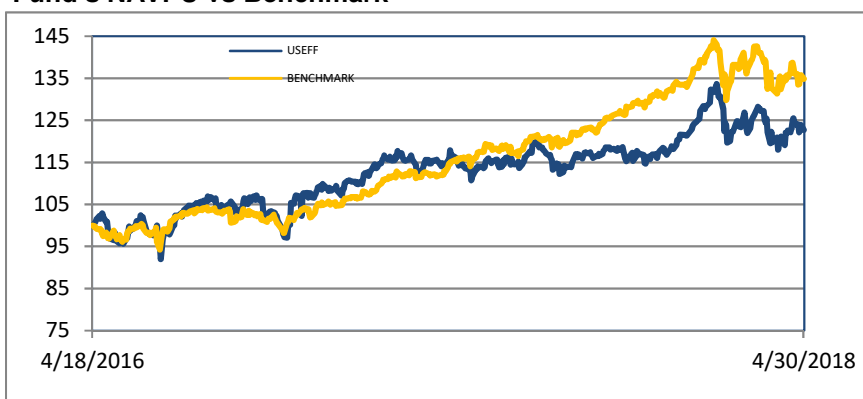
Month Ended April 30, 2018

**FUND PERFORMANCE AND STATISTICS**

**AS OF April 30, 2018**

(Purely for reference purposes and is not a guarantee of future results)

**Fund's NAVPU vs Benchmark**



**NAVPU over the past 12 months**

Highest	USD 133.6662
Lowest	USD 110.7083

**Statistics**

Volatility, Past 1 Year <sup>3</sup>	14.76%
Sharpe Ratio <sup>4</sup>	0.26
Information Ratio <sup>5</sup>	-0.65

<sup>3</sup> Volatility measures the degree to which the Fund fluctuates vis-à-vis its average return over a period of time.

<sup>4</sup> Sharpe Ratio is used to characterize how well the return of a Fund compensates the investor for the level of risk taken. The higher the number, the better.

<sup>5</sup> Information Ratio measures reward-to-risk efficiency of the portfolio relative to the benchmark. The higher the number, the higher the reward per unit of risk.

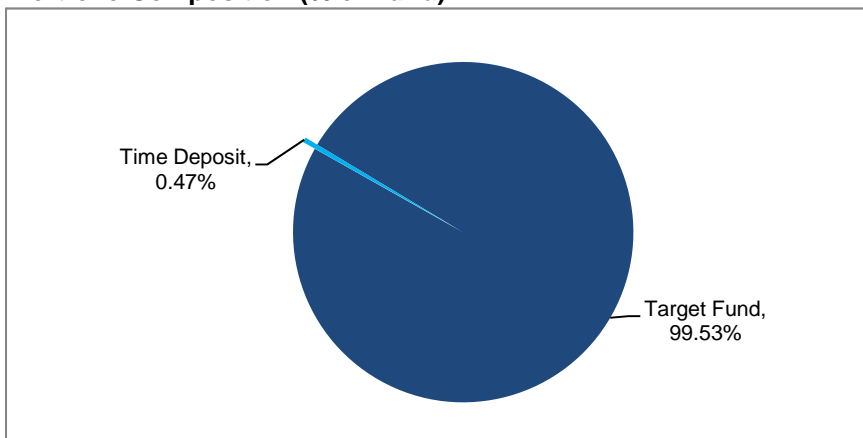
**Cumulative Performance (%)**

Period	1 mo	3 mos	6 mos	1 yr	3 yrs
Fund - BDO USEFF <sup>1</sup>	2.51%	-6.03%	5.59%	5.07%	na
Benchmark <sup>2</sup>	1.85%	-4.70%	5.96%	18.70%	na

<sup>1</sup> Past performance is not indicative of future performance.

<sup>2</sup> The Fund's benchmark is the Russell 3000 Growth Index.

**Portfolio Composition (% of Fund)**



**OTHER BASIC FUND FACTS**

<b>Trust Fee:</b> 1.00% p.a.
<b>Bloomberg Ticker:</b> <BDOUSEF PM>
<b>Initial NAVPU:</b> USD 100.00
<b>NAVPU Availability:</b> Every trading day at 4:00 p.m.
<b>Participation/Redemption Conditions:</b> Admission and Redemption orders are subject to a one (1) day advanced notice requirement ("Order Date"). Actual admission/redemption date is the date following the Order Date ("Valuation Date").
<ul style="list-style-type: none"> <li>The results of the latest annual audit are available to all participants upon request via email (investments@bdo.com.ph)</li> <li><b>Distribution Channels:</b> Head Office, Invest Online and Local BDO Branches</li> </ul>

• The availability via the Easy Investment Plan (EIP), an investment build-up plan that enables investors to attain their financial goals and financial wellness through the twin habits of regularly saving and investing via selected BDO UITFs, has not been implemented yet. Participants will be notified once this feature is available.

• The availability via the Easy Redemption Plan (ERP), a redemption facility that allows participants to partially, automatically and regularly receive regular cash pay-outs from their investments in units of participation in the Fund, has not been implemented yet. Participants will be notified once this feature is available.

• The availability of Fund's Switching Feature, a feature which allows an existing Participant to request that his UITF units of participation be redeemed and the proceeds thereof reinvested in the units of participation of one or several BDO UITF/s (up to a maximum of five UITFs) with the same or longer settlement period and the same currency without the need to wait for the usual settlement period for redemptions, has not been implemented yet. Participants will be notified once this feature is available.

## BDO US EQUITY FEEDER FUND

## KEY INFORMATION AND INVESTMENT DISCLOSURE STATEMENT (Page 3)

Month Ended April 30, 2018

## OTHER DISCLOSURES

## RELATED PARTY TRANSACTIONS

The Fund has investments and trade transactions with BDO Unibank, Inc., its subsidiaries and related parties, as follows:

	Transaction	Market Value (Mln)
<b>BDO Unibank, Inc.</b>	Time Deposit Placement	0.059

Investments in the said outlets were approved by the Trust Committee. Likewise, all related party transactions are conducted on an arm's length and best execution basis and within established limits.

## INVESTMENT POLICY / PROSPECTIVE INVESTMENTS

As a feeder fund, the Fund shall invest at least 90% of its assets in a single collective investment scheme called the Target Fund. The Target Fund is registered/authorized/approved by a regulatory authority that is a member of the International Organization of Securities Commissions (IOSCO) and managed by reputable fund manager/s, the investment objectives and policies of which are generally consistent with those of the Fund. The Target Fund must neither be structured nor similarly structured as a feeder fund or fund-of-funds. The remaining portion of the assets (maximum of 10%) will be invested and reinvested by the Trustee, with full discretionary powers, in deposits in the Trustee's bank or in other banks. The Fund may invest in bank deposits beyond the 10% limit during the transitory period while the Fund switches target fund.

## GENERAL INFORMATION ON THE TARGET FUND

The Target Fund (Legg Mason ClearBridge US Aggressive Growth Fund) seeks to generate long-term capital appreciation by investing in the securities of U.S. companies of any market capitalization that the Sub-Investment Manager believes are experiencing, or have potential to experience, above-average growth of earnings and/or cash flow. The Sub-Investment Manager focuses its stock selection for the Fund on the diversified group of emerging growth companies that may have passed their "start-up" phase and show positive earnings and the prospect of achieving significant profit gains in the two to three years after the Target Fund acquires their stocks. These companies generally may be affected by changes in management, capitalization or asset deployment, government regulations or other external circumstances.

<b>Issuing Company:</b> Legg Mason Global Funds Plc	<b>Exposure to Target Fund's NAV monitoring:</b> 0.7191%
<b>Investment Manager:</b> Legg Mason Investments (Europe) Limited	<b>Net Asset Value per Unit (NAVPU):</b> USD 150.42
<b>Sub-Investment Manager:</b> ClearBridge Investments, LLC	<b>Inception Date:</b> May 25, 2000
<b>Structure:</b> Legg Mason Global Funds Plc - Sub Fund	<b>Domicile:</b> Ireland
	<b>Total Expense Ratio:</b> 0.65% p.a.

*The Prospectus, Fund Fact Sheet and relevant information related to the Target Fund are available through its official website at [www.leggmason.com.hk](http://www.leggmason.com.hk).*

## RESIDENCY OF TARGET MARKET

Filipino Citizens, Philippine residents, and domestic corporations with capacity to contract and who are not considered US Persons under the US securities and tax laws.

Prospective participants/clients should also consult their own tax advisors as to the specific Philippine tax consequences of acquiring, holding and redeeming of units of any Fund/investment outlet, as well as the consequences arising under the laws of any other taxing jurisdiction

BDO Unibank, Inc.-Trust and Investments Group is regulated by the Bangko Sentral ng Pilipinas (BSP). For any inquiries and complaints relating to our services and products you may 1) call 840-7000 locals 4265 / 4244 / 4035 / 7032; 2) send an email to [trust.complaints@bdo.com.ph](mailto:trust.complaints@bdo.com.ph); or 3) visit/call/email your assigned Trust Marketing Officer or the Branch Manager/Marketing Officer of your servicing branch. For more details on BDO's complaints handling process, please visit: [www.bdo.com.ph/consumer-assistance](http://www.bdo.com.ph/consumer-assistance). You may also file your complaints at BSP Financial Consumer Protection Department at (632) 708-7087 or [consumeraffairs@bsp.gov.ph](mailto:consumeraffairs@bsp.gov.ph). To know your rights under BSP Circular No. 857 (Regulations on Financial Consumer Protection), please access a copy at the BSP website ([www.bsp.gov.ph](http://www.bsp.gov.ph)).

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Month Ended April 30, 2018

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#### OTHER DISCLOSURES

##### RISK FACTORS RELATED TO THE TARGET FUND

The following are the principal risks of investing in the Target Fund:

**Investment Risk.** The value of Shares of the Target Fund may go down as well as up. Investing in the Target Fund involves investment risks, including possible losses of the amount invested.

**Equity Markets Risk.** Investments in equity securities offer the potential for substantial capital appreciation but also involve risks, including issuer, industry, market and general economic related risks.

**Concentration Risk.** The Sub-Investment Manger may invest in securities doing business in one industry or product field. Such concentrations could increase the potential for volatility and risk of loss, especially during pronounced period of market volatility.

**Risks of Small and Mid-Sized Company Stocks.** The prices of securities of small and mid-sized companies generally are more volatile and their markets are even less liquid relative to larger companies.

**Risk of Termination of the Target Fund.** In the event of the termination of the Target Fund, it is possible that at the time of sale or distribution of pro rate interest of the assets of the Target Fund to shareholders, certain investments may be worth less than the initial costs of such investments, resulting in a substantial loss to the shareholders.

**Risk of US Withholding Tax.** If the Target Fund becomes subject to any US withholding taxes as a result of the FATCA requirements, the value of the shares held by the shareholders may suffer material losses.

**Country Risk.** By focusing its investments in the U.S., the Target Fund will have greater exposure to the market, political and economic risks of that country than if it was more diversified across a number of countries.

##### SWITCHING OF THE TARGET FUNDS

♦The Trustee shall have the authority to switch Target Fund in the event of a material change in the Target Fund and as the circumstances warrant including reasons such as: 1) Change in the objective, investment style or risk profile of the current Target Fund; 2) Resignation of fund managers or portfolio management team of the Target Fund; 3) Closure of the Target Fund or its maximum AUM capacity has been reached; 4) Prolonged suspension of subscription/redemption to/from the Target Fund; 5) Change in the Target Fund's fees that will significantly affect the total expense ratio of the Fund; 6) Regulatory change in the jurisdiction where the Target Fund is domiciled that would significantly affect the Target Fund's operations; 7) Significant legal disputes; 8) Market Conditions which, in the reasonable opinion of the Trustee, warrant a change in Target Fund; 9) Investment by the Target Fund in another collective investment scheme; 10) as well as when, in the opinion of the Trustee, the Target Fund has been consistently underperforming vis-a-vis expectations. In case of such switching, the Trustee shall notify the Participants by way of direct written notice and through the form of notices such as: 1) electronic mail; 2) notices posted in the premises of the Trustee and its branches; 3) notification in the Trustee's website. Such notice shall include the ground for the switching as well as the estimated costs to be incurred by the Fund for the switching.

♦Switching of a target fund due to a change in the Target Fund's investment objectives shall be accompanied by a change in the Fund's Declaration of Trust (DOT). No change shall be implemented within thirty (30) calendar days from the initial notification. The switching of the Target Fund will be conducted with due diligence and with the approval of the Trust Committee.