

Manulife Investment Management and Trust Corporation Operational Guidelines on the Distribution of Unit Income

In view of the increase in the frequency of the distribution of unit income from semi-annual to monthly and to minimize the impact of remittance fees to Participants with subscriptions to Distributing UITFs (“Participant” or “Participants”), MIMTC will be implementing the following operational guidelines in the distribution of unit income:

- 1. Minimum Amount of Unit Income Distribution.** The distribution of unit income to be received in cash is now subject to a minimum amount:
 - Php 100.00 for PHP-denominated share classes of Distributing UITFs; and
 - US\$ 20.00 for USD-denominated share classes of Distributing UITFs.

In cases where the amount of unit income falls below the aforementioned minimum amounts, the unit income shall automatically be reinvested as additional contribution to the same Distributing UITF.¹

- 2. Participants with Subscriptions to Multiple Distributing UITFs.** For those Participants with subscriptions to more than one (1) Distributing UITF and who nominated the same bank settlement account for the receipt of the unit income across all Distributing UITFs, the unit income for distribution will be consolidated under each currency (PHP and USD). The total amounts of unit income for distribution under each currency will then be compared against the aforementioned minimum amounts in order to determine if the unit income will be paid in cash.

In cases where the consolidated amount of unit income falls below the aforementioned minimum amounts, the unit income shall automatically be reinvested as additional contribution across all the Participants’ Distributing UITFs.

- 3. Participants with Unsuccessful Crediting of Unit Income Distribution to their Nominated Bank Settlement Account(s).** If the crediting of the unit income to the Participant’s nominated bank settlement account is unsuccessful,² the Participant will receive an appropriate notice.

In the event of three (3) consecutive payout periods of unsuccessful crediting of the unit income to the Participant’s nominated bank settlement account, the succeeding unit income distributions of the Participant will be reinvested to the corresponding Distributing UITF. The unit income distributions for the previous three (3) payout periods that was unsuccessfully credited to the Participant’s nominated bank settlement account will also be reinvested to the corresponding Distributing Fund. The Participant will receive an appropriate notice in such an event.

¹ The application of the minimum amounts for unit income distribution is effective from the month of July 2023. The first monthly unit income distribution will be made in August 2023 (for the unit income entitlement in the month of July 2023).

² There are various reasons for the unsuccessful crediting to the Participant’s nominated bank settlement account (e.g. error in the bank settlement account number or the bank settlement account is already closed).