



**BANGKO SENTRAL NG PILIPINAS**

**OFFICE OF THE GOVERNOR**

**CIRCULAR NO. 907**  
**Series of 2016**

**Subject: Amendment to Unit Investment Trust Fund (UITF) Regulations**

The Monetary Board in its Resolution No. 359 dated 24 February 2016 approved the amendment to Subsections X410.8/4410Q.8 and X410.9/4410Q.9 of the Manual of Regulations for Banks (MORB) and Manual of Regulations for Non-Bank Financial Institutions (MORNBFI) on feeder fund and fund-of-funds.

**Section 1.** Subsection X410.8/4410Q.8 are hereby amended to read as follows:

***"Subsection X410.8/4410Q.8 Exposure Limits. x x x***

x x x

In the case of feeder fund/fund-of-funds, the 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 investments in any one target fund shall not exceed ten percent (10%) of the total net asset value of the target fund.

x x x

**Section 2.** Item g(3) in Subsection X410.9/4410Q.9 is hereby amended to read as follows:

***"Subsection X410.9/4410Q.9 Allowable investments and valuation.*** UIT Fund investments shall be limited to bank deposits and the following financial instruments:

x x x

(g) Units/shares in collective investment schemes (CIS), i.e., target fund, shall include exchange traded fund (ETF) and other CIS, subject to the following:

(1) x x x

(2) x x x

(3) The target fund is neither structured nor similarly structured as a feeder fund or fund-of-funds; and

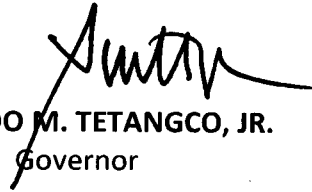
(4) x x x

(h) x x x

x x x

**Section 3.** This Circular shall take effect immediately.

**FOR THE MONETARY BOARD:**

A handwritten signature in black ink, appearing to read 'Amando M. Tetangco, Jr.', written over a horizontal line.

**AMANDO M. TETANGCO, JR.**  
Governor

10 March 2016