



## **AMENDED DECLARATION OF TRUST**

### **BDO PESO BOND FUND**

(formerly BDO PESO FIXED INCOME FUND)

#### **A Fixed Income Unit Investment Trust Fund Structured as a Multi-Class Fund**

KNOW ALL MEN BY THESE PRESENTS:

This Amended Declaration of Trust (also referred to as "Plan") is executed by **BDO UNIBANK, INC.** ("**BDO**"), a corporation duly organized and existing under and by virtue of the laws of the Philippines, with principal offices at the BDO Corporate Center, 7899 Makati Ave., Makati City, with authority to perform trust and other fiduciary functions, acting herein through its **TRUST AND INVESTMENTS GROUP** (herein referred to as the "Trustee");

#### **W I T N E S S E T H:**

##### Article I

#### **CREATION OF THE TRUST**

That for the purpose of providing investment opportunities to its trust clients for higher investment yields and a diversified portfolio of investments pursuant to investment objectives and policies herein stipulated, the Trustee hereby establishes and declares itself as trustee of a multi-class fixed income unit investment trust fund for the collective investment of funds held by it in the capacity of trustee under the terms and conditions herein-below set forth.

##### Article II

#### **NATURE AND INVESTMENT OBJECTIVES**

Sec. 1 Title of the Fund – The pooled fund shall be known as the BDO Peso Bond Fund (herein referred to as the "Fund").

Sec. 2 Nature of the Fund –The Fund is a multi-class fixed income unit investment trust fund established in accordance with and shall be operated subject to the stipulations of this declaration and as the same may be amended from time to time in accordance with the regulations issued by the Bangko Sentral ng Pilipinas (the "BSP") and to existing laws.

As a fixed income unit investment trust fund, the Fund shall be invested in fixed income instruments and has a weighted average portfolio life of more than one (1) year. The weighted average portfolio life shall be computed by weighting the remaining term to maturity of each underlying asset by its market value.

As a multi-class unit investment trust fund, the Fund has more than one (1) class of units and is invested in the same pool of securities and portfolio which has the same investment objectives and policies. The Fund shall be composed of three (3) Unit Classes, namely: (1) Retail Unit Class (R); (2) Merit Unit Class (I); and (3) Distributing Unit Class\* (D).

The Fund shall have a unit paying class with income distribution feature whereby the pro-rata income of the unit class is distributed in the form of units called unit income.

The Fund shall be treated as an entity separate and distinct from its constituent assets and from the contributions of the participants thereto and from other trust accounts administered by the Trustee.

Title to Assets of the Fund - All assets of the Fund shall, at all times, be considered as assets held by the Trustee vested solely in the Trustee.

Nature of Participant's Interest in the Fund - No participant shall have or be deemed to have any ownership or interest in any particular account, investment or asset of the Fund but shall have only its proportionate and undivided beneficial interest in the Fund as a whole.

Description of the Fund - The features of the multi-class bond fund shall be described in **Appendix I** which is attached hereto and made an integral part hereof.

- Sec. 3 Investment Objectives and Policy - The Fund shall be invested and reinvested in such investment outlets and held and disposed of in accordance with such investment objectives and policies as specified in **Appendix I** hereto.

The Trustee shall make available to all Participants for review a list of prospective and outstanding investment outlets which shall be updated quarterly. Such disclosure shall be substantially in the form prescribed under Appendix 56 of Section 414 of the Manual of Regulations for Banks.

### Article III

#### **PARTICIPATION: ADMISSION & REDEMPTION**

- Sec. 1 Qualified Participants (Requirements and Restrictions) - Prior to acceptance of the initial participation in the Fund, the Trustee shall perform a Client Suitability Assessment (CSA) for the purpose of profiling the risk return orientation and suitability of the client to the Fund.

Participation in the Fund shall be open to participants with legal capacity to contract and subject to the rules or procedures stipulated in **Appendix I** hereto and those established by the Trustee which it deems to be advantageous or to the best interest of the Fund.

- Sec. 2 Participation Units - Participation in the Fund shall always be through units of participation in a Class of the Fund and each unit shall have uniform rights or privileges as any other unit of the same Class. The beneficial interest of each participation unit shall be determined under the net asset value per unit (NAVPU) valuation methodology defined herein. The admission or redemption of units of participation in any Class of the Fund may be made only on the basis of such valuation and in such frequency as indicated in **Appendix I** hereto.

### Article IV

#### **MANNER OF OPERATION**

- Sec. 1 Pooled Fund Accounting - The total assets and accountabilities of the Fund shall be accounted for as a single account referred to as pooled-fund accounting method. The investments of the multi-class Fund shall remain as one pool and are not separately allocated to classes.



Sec. 2 Distribution - The Fund shall be distributed exclusively in distribution channels duly authorized by the Trustee.

Sec. 3 Allocation and Income Distribution - In line with unit-paying feature of the Distributing Unit Class (D), the Trustee may distribute to qualified Distributing Unit Class (D) participants the collected income of the Fund from interest received less applicable taxes, fees and expenses. The details of the unit paying distribution are specified in Appendix I.

#### Article V

#### VALUATION OF THE FUND AND PARTICIPATION UNITS

Sec. 1 Valuation of the Fund - The valuation of the Fund and the Classes of the Fund shall be subject to the following rules:

- (a) The Trustee shall, on a daily basis, determine the net asset value (herein referred to as the "NAV") of the Fund, the pro-rata NAV of each Class and the value of each unit of participation in a Class (herein referred to as the "NAVpu").
- (b) The NAV shall be the summation of the market value of each investment of the Fund less fees, applicable taxes, and other qualified expenses that are applicable to all Classes of the Fund, as defined herein. The determination of market value of the investments of the Fund shall be in accordance with existing BSP rules and regulations on marking to market valuation of investment instruments more specifically described in **Appendix I** hereof.

Sec. 2 Valuation of Participation Units - The valuation of participation units shall be subject to the following rules:

- (a) The beneficial interest of each participant shall be determined under a unitized NAVpu valuation methodology and no participation shall be admitted to, or redeemed from, a Class of the Fund, except on the basis of such valuation.

The NAVpu of each Class shall be determined by dividing the NAV of the Class by the total number of units outstanding in such Class as of Valuation Date; where the NAV of each Class shall represent its proportionate share of the NAV of the Fund less the trustee fees and expenses attributable to that Class.

- (b) The NAVPu at the start of the Fund's operation, or the Fund's par value, shall be as indicated in **Appendix I** hereto.

- (c) The NAVpu of each Class shall be computed daily at the time specified in **Appendix I** hereof.

Sec. 3 Fees and Expenses of the Fund -

- (a) Trustee's Fees - The Trustee shall charge against each Class of the Fund regular trust fees in the percentage indicated in **Appendix I** hereto on a per annum basis based on the NAV of the relevant Class of the Fund as its compensation for the administration and management of the Fund. These fees shall accrue and shall be collectible from the Fund, as and when the same becomes due, at such times as indicated in **Appendix I**. The trust fees shall be uniformly applied to all participants in a Class of the Fund. Said fee may be increased or decreased in the future as may be warranted by circumstances then existing, subject to the

requirements of Section 414 of the Manual of Regulations for Banks. In the event the trust fees are changed, such change shall be charged prospectively.

(b) Special Expenses - The Trustee may charge the Fund for special expenses if the same is necessary to preserve or enhance the value of the Fund. Such special expenses shall be payable to pertinent third party or parties covered by separate contract/s, and disclosed to the Participants. The Trustee shall equitably allocate any costs, charges and expenses payable out of the Fund which are not attributable to any particular Class.

## Article VI TRUSTEES POWERS & LIABILITIES

Sec. 1 Management of the Fund - The Trustee shall have the exclusive management, administration, operation and control of the Fund, and the sole right at any time to sell, convert, reinvest, exchange, transfer or otherwise change or dispose of the assets comprising the Fund.

However, if the Trustee deems it proper and beneficial for the Fund, the Trustee may engage the services of third party/ies as investment advisor or manager of a portion of the Fund; provided that the said arrangement shall be covered by a written agreement/contract and such third party/ies is/are disclosed in the quarterly reports to the participants of the Fund.

Sec. 2 Powers of Trustee – In addition to powers stipulated in **Appendix I**, the Trustee shall have the following powers:

- a. To hold legal title over the assets comprising the Fund for the benefit of the Participants;
- b. To have exclusive management and control of the Fund, full discretion in respect of investments, and the sole right, at any time to sell, convert, reinvest, exchange, transfer or otherwise change or dispose of the assets comprising the Fund;
- c. To hold, place, invest and reinvest the Fund with full discretionary powers, and without distinction, as to principal and income in investments stipulated in Article II, Section 3 hereto and in such investments it may deem sound and appropriate, subject only to the limitations of the investment objectives and policies of the Fund stated in Article II, Section 3 hereto;
- d. To deposit in any bank or financial institution, including its own bank, any portion of the Fund as allowed under this Amended Declaration of Trust, subject to the requirement of Section 414 of the Manual of Regulations for Banks;
- e. To register or cause to be registered any securities of the Fund in nominee or bearer form;
- f. To appoint and retain the services of qualified and reputable local or foreign investment advisor and/or fund manager/s; provided, however, that the Trustee shall retain ownership and control of the Fund, and provided further, that the investment advisor/s and/or fund manager/s shall work within the investment parameters or guidelines set by the Trustee from time to time and shall be directly responsible to the Trustee for any investment actions and decisions undertaken for the Fund;
- g. To hire and compensate legal counsel/s, certified public accountant/s and other specialist/s in connection with administration and management of the Fund and the protection or advancement of its legal and other interests;
- h. To make, execute, acknowledge and deliver any or all securities, agreements, contracts, deeds, documents and instruments necessary in the management and reinvestment of the Fund, or in connection with the exercise of the powers herein conferred or the performance of acts herein authorized;



- i. To collect, receive and receipt for income, dividends, interest, profits, increments and such other sums accruing or due to the Fund; and
- j. To pay out of the Fund all costs, expenses, and proper charges incurred in connection with the administration, preservation, maintenance and protection of the Fund.

Sec. 3 Liability of Trustee – Save that attributable to the Trustee's fraud, willful default, bad faith or gross negligence, the Trustee shall not be liable for any loss or depreciation in the value of the Fund or in the value of the Trustor's participation in the Fund. The Trustee shall not be liable for any act or omission where such action or inaction, in the good faith judgment of the Trustee, was then necessary, reasonable or appropriate for the proper and advantageous administration and management of the Fund.

Sec. 4 Non-Coverage By PDIC – Participation in this Fund is a trust arrangement and is not a deposit account. As such, the participation in the Fund is not covered by the Philippine Deposit Insurance Corporation (PDIC). Any income or loss of the Fund (whether realized or unrealized) will impact the NAVpu and shall be for the account and risk of the participant.

## Article VII RIGHTS OF PARTICIPANTS

Sec. 1 Right to Inspect Declaration - A copy of this Amended Declaration of Trust shall be available at the principal office of the Trustee for inspection by any person having an interest in the Fund or by his authorized representative. Upon request, a copy of the Amended Declaration of Trust shall be furnished such interested person.

Sec. 2 Disclosure of Investments – A list of existing and prospective investments of the Fund shall be made available to participants. Such disclosure shall be substantially in the form as provided under Appendix 56 of Section 414 of the Manual of Regulations for Banks. Upon request, participants in the Fund shall be furnished a quarterly list of investments held by the Fund.

Sec. 3 Disclosure of Risks – Participants shall be informed of the risks attendant to this type of Fund through a "Risk Disclosure Statement."

Sec. 4 Rights Upon Termination of Plan – In case of termination of the Plan, the Participants shall have (a) the right to be notified of such termination in accordance with Article IX, Section 2 hereof and, (b) upon demand, the right to inspect or be provided a copy of the financial statement used as the basis for the distribution of the Fund.

In respect of the Fund, the rights of the remaining Participants of each Class as against each other shall be pari passu and pro-rata.

## Article VIII ANNUAL AUDIT AND REPORT

Sec. 1 Aside from the regular audit requirement applicable to all trust accounts of the Trustee, an external audit of the Fund shall be conducted annually after the close of each fiscal year by an independent auditor acceptable to BSP. The external audit shall be conducted by the same external auditor engaged for the audit of the Trustee. The result of this audit shall be the basis

of the Trustee's annual report which shall be made available to all the Participants. The audited financial statement (AFS) of the Fund shall be PFRS/PAS-compliant in all respects. A copy of the AFS shall be made available at the Trustee's place of business, posted on the Trustee's website, and upon the request of participants, transmitted to them in printed or electronic format.

Article IX  
**AMENDMENTS & TERMINATION**

Sec. 1 Amendments - This Plan may be amended from time to time by resolution of the Board of Directors of the Trustee or by the Trustee's Trust Committee as delegated by its Board of Directors, subject to the requirements under Section 414 of the Manual of Regulations for Banks: Provided, however, that Participants in the Fund shall be notified in writing (either in electronic or printed form), through publication of announcement in the Trustee's own website or through the posting of notices in the premises of the head office and branches of the Trustee of such amendments. Those who are not in conformity with the amendments shall be given at least thirty (30) calendar days prior to the implementation of any amendment to withdraw their participations. Amendments to the Plan requiring a written notification to the BSP shall be submitted to the appropriate supervising department of the BSP within ten (10) banking days from the approval of the amendments by the Board of Directors of the Trustee or by the Trustee's Trust Committee as delegated by its Board of Directors. All other amendments to the Plan that do not involve the aspects requiring a written notification to the BSP, as enumerated in Section 414 of the Manual of Regulations for Banks, shall only require approval by the Board of Directors of the Trustee or by the Trustee's Trust Committee as delegated by its Board of Directors.

Sec. 2 Termination - This Plan may be terminated by a resolution of the Board of Directors of the Trustee when, in the sole judgment of the Trustee, continued operation thereof is no longer viable or by reason of a change in the Trustee's business strategy. The resolution shall specify the effective date of such termination. A copy of the resolution shall be submitted to the appropriate department of the BSP. At the discretion of the Trustee's Board of Directors, it may engage the services of a reputable accounting firm to look into the books and record of the Fund maintained by the Trustee and to certify to the financial condition of the Fund. Upon approval of the termination of the Plan, the Trustee shall notify the Participants accordingly.

Following the approval of the termination of the Plan but at least thirty (30) banking days prior to the actual termination of the Fund, the Trustee shall provide notice of the termination of the Fund to the remaining Participants. Such notice may be made by the Trustee by way of direct written notice to each Participant (either in electronic or printed form), publication of announcement in the Trustee's own website or through the posting of notices in the premises of the head office and branches, as well as in the corporate website, of the Trustee. Upon termination, the Trustee shall prepare a financial statement of the Fund which shall be made the basis for distribution to the participating Trustors.

Article X  
**OTHER TERMS AND CONDITIONS**

This Amended Declaration of Trust is further subject to the other terms and conditions that may be stipulated in **Appendix I** hereof.

**IN WITNESS WHEREOF**, BDO has caused this Amended Declaration of Trust to be signed on \_\_\_\_\_ at Makati City, Metro Manila.

**BDO UNIBANK, INC.-  
TRUST AND INVESTMENTS GROUP**  
By:

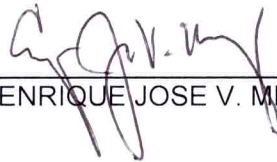


**RAFAEL G. AYUSTE, JR**  
Senior Vice President



**JOEL M. ESCALA**  
First Vice President

SIGNED IN THE PRESENCE OF:



\_\_\_\_\_  
ENRIQUE JOSE V. MENDOZA



\_\_\_\_\_  
CRISTINA B.V. CONCEPCION



## ACKNOWLEDGMENT

REPUBLIC OF THE PHILIPPINES)  
\_\_\_\_\_ ) S.S.


BEFORE ME, a Notary Public for and in the above jurisdiction, on this day of  
AUG 23 2023 at MAKATI CITY, personally appeared the following,  
exhibiting to me the following described Competent Evidence of Identity (CEI) in accordance with the  
2004 Rules on Notarial Practice:

| Name                 | CEI/CTC   |
|----------------------|---|
| BDO Unibank, Inc.    |   |
| By:                  |   |
| RAFAEL G. AYUSTE, JR | Driver's License NO4-89-110764/expires on 20 Jan 2024 |
| JOEL M. ESCALA       | Driver's License DO1-89-041483/expires on 13 Dec 2027 |

known to me and by me known to be the same persons who executed the foregoing Amended Declaration of Trust consisting of \_\_\_\_\_ pages including its annex documents and this page wherein this acknowledgment is written and who acknowledged to me that the same is their free and voluntary act and deed.

IN TESTIMONY WHEREOF, I have hereunto set my hand and affixed on every page hereof my notarial seal at the place and on the date first above written.

Doc. No. JS  
Page No. 104  
Book No. LXIV  
Series of 2023.

  
ATTY. SYLVIA M. MARFIL-CADAPAN  
Appointment No. M-323/Makati City  
Notary Public until December 31, 2024  
11<sup>th</sup> Floor, BDO Towers Valero, Salcedo Village  
Makati City  
IBP No. 258933, 01/03/23; Laguna  
PTR No. 9565130, 01/03/23; Makati City/ Roll No. 43222  
MCLE Compliance No. VII-0014613; until 04/14/2025

UITF BDO PESO BOND FUND (Multi-Class Fund) - 6.26.2023



**APPENDIX I****BDO PESO BOND FUND**

A Fixed Income Unit Investment Trust Fund Structured as a Multi-Class Fund

**FUND SPECIFICATIONS****1. Investment Objective** (Sec. 3, Art. II)

(a) The objective of this Fund is for capital preservation and income generation by investing in short to long-term bonds and other similar fixed income securities.

(b) Return Objective. The Fund aims to provide absolute returns in excess of the return of the Markit iBoxx Philippines 1-5 (Domestic) Index (IBXXPH15) which is the benchmark of the Fund.

The benchmark represents the portfolio of the Fund as well as the movements in interest rates affecting the Fund's investments. The stated benchmark is a measure that is used to compare the performance of the Fund.

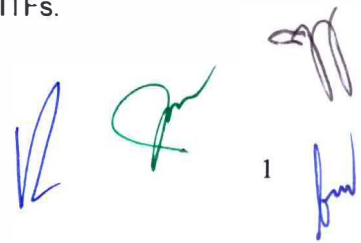
The iBoxx Asian Local Bond Index family ("iBoxx ALBI") Philippines is designed to reflect the performance of local currency bonds with duration between 1-5 from the Philippine local currency bond markets whilst upholding minimum standards of investability and liquidity.  
(<https://www.markit.com/Company/Files/DownloadFiles?CMSID=65e492c01c0b41f7b02826405970c075>)

**2. Investment Policy** (Sec. 3., Art. II)

(a) Pursuant to the foregoing objectives, the Trustee, with full discretionary powers, may invest and reinvest the Fund in:

- (1) Investments allowed under regulations issued by the BSP;
- (2) Bank deposits in the Trustee's own bank or in other banks;
- (3) Securities issued or guaranteed by the Philippine government or the BSP;
- (4) Tradable securities issued by any supranational entity;
- (5) Exchange-listed fixed income securities;
- (6) Marketable fixed income instruments that are traded in an organized exchange;
- (7) Loans traded in an organized market;
- (8) Such other tradable investments outlets/categories allowed for UITFs by the relevant regulations and determined by the Trustee's Trust Committee as suitable for the Fund.

The Fund may avail itself of financial derivatives instruments solely for the purpose of hedging risk exposures of its existing investments provided these are disclosed to Participants, are accounted for in accordance with existing BSP hedging guidelines as well as the Trustee's risk management and hedging policies duly approved by the Trust Committee and all the requirements for hedging transactions under Philippine Accounting Standards (PAS) are observed. The risk exposures include those enumerated in the Risk Disclosure Statement of the Trustee's UITFs.



- (b) **Modified Duration Policy.** The modified duration is from 1 to 5. Modified duration is a measure of a bond's sensitivity to a 1% (or 100 basis points) change in interest rates assuming that cash flows are not affected by changing interest rates.
- (c) **15% Single Exposure Limit Policy.** The combined exposure to any entity and its related parties must not exceed 15% of the market value of the Fund. This limitation shall not apply to non-risk assets as defined by the BSP. In case the limit is breached due to the marking-to-market of certain investment/s or any extraordinary circumstances, e.g. abnormal redemptions which are beyond the control of the Trustee, the Trustee shall be given thirty (30) days from the time the limit is breached to correct the same.
- (d) **Weighted Average Portfolio Life.** The Fund's weighted average portfolio life is maximum of 6.5 years.

### 3. Qualified Participants: Requirements and Restrictions (Sec. 1, Art. III)

As a multi-class fund, the Fund will have three (3) Classes: (1) Retail Unit Class (R); (2) Merit Unit Class (I); and (3) Distributing Unit Class (D). The Fund, regardless of class, is suitable for participants with moderate risk appetite and who are looking for higher yields and are willing to take the attendant risks that come with portfolios that may have investments with longer tenors. Participants are recommended to stay invested in the Fund for at least three (3) years.

Participation in the Fund's Classes shall be open to any individual person, institution, registered partnership or corporate entity with legal capacity to contract.

Outstanding participants of the Fund (prior to the Fund's conversion to a multi-class structure) shall be considered as participants of the Retail Unit Class (R) upon the Fund's conversion into a multi-class fund. This class shall also be made available for investment of retail investors of BDO through its branches or through its digital portals.

The Distributing Unit Class (D) shall be made available to qualified participants, as stated above, seeking regular income, provided they have a nominated BDO settlement account for the credit of the unit income.

The Merit Unit Class (I) shall be made available to Retirement Plans with existing investment management accounts (IMA) or trust and other fiduciary accounts (TA) with the Trustee or its subsidiaries.

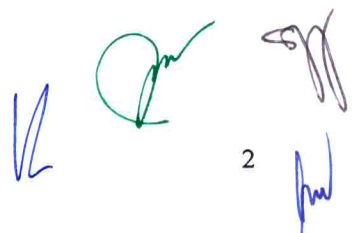
### 4. Admission and Redemption (Art. III)

#### (a) **Policies of Admission and Redemption**

- (1) **Minimum Initial/Additional Participation** - The minimum amount of initial/additional participation/contribution of each Class are the following:

| Retail Unit Class (R) | Distributing Unit Class (D) | Merit Unit Class (I) |
|-----------------------|-----------------------------|----------------------|
| Php 10,000.00         | Php 10,000.00               | Php 1,000.00         |

Such minimum amounts may be subsequently changed to apply on a prospective basis subject to a resolution of the Board of Directors of the Trustee or by the Trustee's Trust Committee as delegated by its Board of Directors.





- (2) **Minimum Maintaining Participation** – The minimum maintaining participation amount of each Class are the following:

| Retail Unit Class (R) | Distributing Unit Class (D) | Merit Unit Class (I) |
|-----------------------|-----------------------------|----------------------|
| Php 10,000.00         | PhP10,000.00                | None                 |

- (3) **Minimum Holding Period** - The minimum holding period of each Class are the following:

| Retail Unit Class (R) | Distributing Unit Class (D) | Merit Unit Class (I) |
|-----------------------|-----------------------------|----------------------|
| 30 calendar days      | 30 calendar days            | None                 |

- (4) **Early Redemption Fee** - In case of redemptions prior to the thirty (30) calendar day minimum holding period, the following early redemption fee which accrue to the benefit of the Fund shall apply:

| Retail Unit Class (R)                      | Distributing Unit Class (D)                | Merit Unit Class (I) |
|--|--|----------------------|
| 0.50% of the original participation amount | 0.50% of the original participation amount | None                 |

- (5) **Easy Investment Plan Feature** - The Fund's Retail Unit Class (R) is also available through the BDO Easy Investment Plan (EIP). The BDO EIP is 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. The features, terms and conditions of the EIP are found in the BDO EIP Joining Terms and Conditions made available to the participants, and is available in the office and the corporate website of the Trustee. The BDO EIP Joining Terms and Conditions is likewise printed at the back portion of the BDO EIP Additional Application/Change Request Form.

This feature is subject to a non-completion fee as detailed in the BDO EIP Joining Terms and Conditions. Such fee shall accrue to the benefit of the Fund.

- (6) **Requests for Redemption** - Requests for redemption shall be dealt with by the Trustee in chronological order according to the date and time the notice of redemption is received.

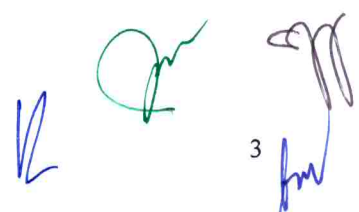
(b) **Admission and Redemption Cut-off Time.** Admission and/or Notice of Redemption received by the Trustee on or before the cut-off time of **2:30 PM** shall be considered as transaction for the day. However, admission/notice of redemption received after the cut-off time shall be considered as transaction for the next applicable banking day. **Proceeds of redemption shall be paid out of the Fund one (1) banking day after notice of redemption is received.**

On account opening date, the Omnibus Participating Trust Agreement shall be made available to the Participants. A Confirmation of Transaction shall be generated and provided to the Participants after the admission/redemption has been settled.

(c) **Admission and Redemption Prices.** Admission and redemption prices shall be based on the end of day NAVpu of each Class of the Fund computed after the cut-off time for Fund participation and redemption for that reference day, in accordance with existing BSP rules and regulations on marking to market valuation of investment instruments.

(d) **Participation Requirements and Conditions.** Participation shall also be subject to the submission of all documents required for account opening under the Anti-Money Laundering Act, as amended, and the Trustee's policies.

(e) **Redemption Requirements and Conditions.** Redemption shall also be subject to the following requirements/conditions.





(1) **Redemption Notice Period** – Except for redemptions under the Easy Pension Pay for the Retail Unit Class (R) referred to in Sec. 4(e)(3) below, the Participant in a Class of the Fund may redeem its participation on any banking day provided that a notice of redemption, in any form acceptable to the Trustee, is received by the Trustee before the cut-off time of **2:30 PM**. However, when in the opinion of the Trust Committee of the Trustee, the interest of the Fund/Participants so requires, the right is reserved to require a five (5) banking day written notice in advance of any redemption of participation in the Fund. If the Trust Committee approves the exercise of such right, the Trustee shall duly notify the Participants of the Fund of said five (5) banking day advanced written notice for redemptions through notices posted in the bank's website and branches.

(2) **Partial Redemption\*** - Partial redemption is allowed provided that the remaining participation shall be subject to the minimum maintaining participation amount; otherwise, the Participant shall have to make a full redemption. A Confirmation of Transaction shall be generated and provided to the Participants which shall indicate the remaining number of units, if any.

In any case, the Omnibus Participating Trust Agreement between the Trustee and the Trustor/Participant shall be terminated upon pay-out of the full participation of the Trustor in the BDO UITFs.

(3) **Easy Pension Pay Feature\*** – The Fund's Retail Unit Class (R) has an Easy Pension Pay (EPP) feature. The BDO EPP is 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. The features, terms and conditions of the EPP are found in the BDO EPP Joining Terms and Conditions which is available in the office and the corporate website of the Trustee. The BDO EPP Joining Terms and Conditions is likewise printed at the back portion of the BDO EPP Enrollment Form.

This feature is subject to a subscription processing fee as detailed in the BDO EPP Joining Terms and Conditions. Such fee shall be payable to the Trustee.

(f) **Suspension of Admission and Redemptions.** The Trustee may temporarily suspend the calculation of the NAV/NAVpu of the Classes of the Fund as well as the admission and redemption from the Fund, if it is unable to determine the NAVpu of the Classes of the Fund due to any fortuitous event such as fire, natural calamity, public disorder or national emergency affecting the financial market resulting in the suspension of trading and consequently, the absence of available market prices of securities/instruments.

(g) **Switching Feature\*.** The Fund's Retail Unit Class (R) has a BDO UITF Switching feature. This feature allows a Participant to request that his units of participation in the Fund 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. The terms and conditions of the UITF Switching are found in the BDO UITF Switching Terms and Conditions which is available in the office and the corporate website of the Trustee. The BDO UITF Switching Terms and Conditions is likewise printed at the back portion of the BDO UITF Switching Form.

## 5. NAVpu (Secs. 1 and 2, Article V)

All assets of the Fund shall be marked to market daily in accordance with existing BSP rules and regulations on marking to market valuation of investment instruments.

\*The Partial Redemption, Easy Pension Pay and Switching features have not been implemented. Participants will be notified once these features are available.

On a daily basis, the Trustee shall determine the net asset value of the Fund, the pro-rata NAV of each Class and the market value per unit of each Class of the Fund, in accordance with Article V of this Amended Declaration of Trust. Such dates shall be known as Valuation Dates.

The value of the NAVpu at the start of the Fund's operation shall be **PESOS: ONE THOUSAND (Php1,000.00)**.

The NAVpu of all the Classes of the Fund shall be published at 7:30 PM on each banking day or as close thereto as possible after all relevant information necessary for calculating the same shall have been collected.

## 6. Currency

Participation and redemption shall be paid in Philippine Pesos.

## 7. Fees and Expenses (Sec. 3, Art. V)

The Trustee shall collect from each Class of the Fund the following trust fees based on the net asset value of the Class of the Fund as its compensation for the administration and management of the Fund:

| <b>Retail Unit Class (R)</b> | <b>Distributing Class (D)</b> | <b>Merit Unit Class (I)</b> |
|------------------------------|-------------------------------|-----------------------------|
| 1.00% per annum              | 1.00% per annum               | 0.825% per annum            |

These fees shall be accrued daily and are collectible from the Fund at the end of each calendar quarter.

## 8. Unit Paying Distribution Policy

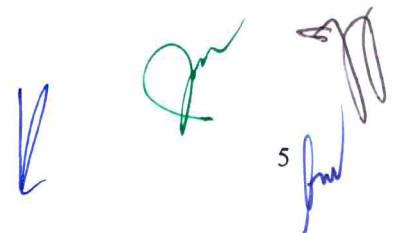
8.1 Eligibility – All participants of record in the Distributing Unit Class (D) one (1) business day before distribution date shall be entitled to receive their pro-rata share of income through units.

8.2. Distribution Frequency – Distribution of unit income shall be on a quarterly basis every 7<sup>th</sup> business day ("Distribution Date") following the last day of March, June, September, and December of each year.

8.3. Unit Income Distribution Settlement – Units received by the Participants shall be automatically redeemed on distribution date and credited to the Participant's nominated BDO settlement account following the regular redemption settlement schedule of the Fund.

8.4. Allocation of Income to be Distributed – The units to be distributed to all entitled Participants shall be paid out from the collected interest income of the Fund received since last distribution date, less applicable taxes, fees, and expenses. Since the Fund is managed as one pool and the assets are not separately allocated to classes, the Distributing Unit Class (D) may benefit from the income to be generated by the undistributed income portion of the other classes.

8.5. Notice of Distribution – Where a distribution is made, a notice to participants via email, or announcement in the website of the Trustee, or the Key Information and Investment Disclosure Statement (KIIDS) or a combination of these, shall be made available containing detailed information on the distribution, including unit income. Unit income refers to the number of units for every unit held by the Participant entitled for distribution.





**9. Other Terms and Conditions (Art. X)****9.1 Custody of Securities**

Investments in securities of the Fund shall be held for safekeeping by Standard Chartered Bank, Deutsche Bank and/or BSP accredited third party custodians which shall perform independent marking-to-market of such securities.

**9.2 Withholding Taxes**

Except when specifically required by law, the Trustee shall have no responsibility to withhold income or other taxes on revenues from the Fund.

**9.3 Advice of Counsel**

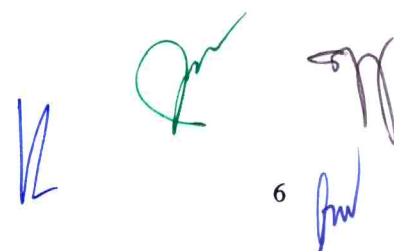
The Trustee may consult its legal counsel with respect to the meaning, construction and operation of any provision of this Amended Declaration of Trust, or concerning its powers or obligations hereunder and may act on the advice of such legal counsel without incurring liability on account of any such action.

**9.4 Change of Trustee**

The Trustee may resign by nominating a successor Trustee whose appointment shall be approved by the Board of Directors of the Trustee. The Trustee may resign for reasons such as change in business strategies, impending dissolution and the occurrence of an event which renders it incapable of discharging its functions as Trustee. Upon such approval by the Trustee's Board of Directors, the Trustee shall provide a written notice to the Participants and the BSP of the change of Trustee. Such resignation shall take effect after thirty (30) calendar days from the issuance of such notice. The Trustee shall assign, transfer and pay over to such successor Trustee all cash, securities, credits and other properties in its possession then comprising the Fund; shall turn over the records of the Participants; and render a written account setting forth a listing of the outstanding securities and other properties held by it at the end of such period, at their cost and current market values. The successor Trustee shall approve such accounting through written notice delivered to the Trustee and whereupon such accounting shall be deemed approved in all matters, items and things set forth therein. The successor Trustee shall likewise execute the necessary amendments to the Declaration of Trust in accordance with applicable rules and regulations.

**9.5 Fund Administrator**

The Trustee may appoint a Fund Administrator, the name of which shall be disclosed in the Key Information and Investment Disclosure Statement. Appointment of the Fund Administrator shall comply with the outsourcing requirements under existing BSP regulations.



Handwritten signatures in blue and green ink, likely representing the Trustee and the Fund Administrator, located at the bottom right of the page.