

DECLARATION OF TRUST

Sterling Multi-Asset Fund

A Multi-Asset Unit Investment Trust Fund

KNOW ALL MEN BY THESE PRESENTS:

Sterling Bank of Asia, Inc. (A Savings Bank), a corporation duly organized and existing under and by virtue of the laws of the Republic of the Philippines, with principal office at Sterling Bank Corporate Center, Ortigas Avenue, Greenhills, San Juan City, with authority to perform trust and other fiduciary functions, acting herein through its TRUST GROUP (herein referred to as the "Trustee");

WITNESSETH:

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 on investments pursuant to investment objectives and policies herein stipulated, the Trustee hereby establishes and declares itself as trustee of a 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 Sterling Multi-Asset Fund, a peso multi-asset fund (herein referred to as the "Fund").
- Sec. 2 Nature of the Fund – The Fund is a 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.

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.

Fund Classification – Multi-Asset Fund. A Multi-asset fund shall refer to a UITF that invests in a diversified portfolio of fixed income securities, equities, and other allowable investments for UITFs.

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-asset fund shall be described in **Appendix I** hereto.

- 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 hereto attached as **Appendix II**.

Article III
PARTICIPATION: ADMISSION AND 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 of the client.

Participation in the Fund shall be open to all persons with legal capacity to contract subject to rules or procedures stipulated in **Appendix I** hereto and those established by the Trustee 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 the Fund and each unit shall have uniform rights or privileges as any other unit. 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 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 liabilities of the Fund shall be accounted for as a single account referred to as pooled-fund accounting method.

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

Article V
VALUATION OF THE FUND AND PARTICIPATION UNITS

Sec. 1 Valuation of the Fund – the valuation 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 and the value of each unit of participation (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, taxes, and other qualified expenses 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 NAVPU shall be determined by dividing the NAV of the Fund by the total number of units outstanding as of Valuation Date.
- (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 shall be computed daily at the time specified in **Appendix I** hereto.

Sec. 3 Fees and Expenses of the Fund

- (a) Trustee’s Fees – The Trustee shall charge against the Fund regular trust fees in the amount indicated in **Appendix I** hereto on a per annum basis based on the NAV 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 uniformly applied to all participants in 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 Subsection UX410.6/U4410Q.6 of the Manual of Regulations for Banks and the Manual of Regulations for Non-Bank Financial Institutions. In the event the trust fees are changed, such change shall be charged prospectively.

- (b) 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.

Article VI

TRUSTEES POWERS AND 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 quarterly reports to the participants of the Fund.

Sec. 2 Powers of Trustee – 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 Trust 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 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, subject to the requirement of Subsection UX410.8/U4410Q.8 of the Manual of Regulations for Banks and the Manual of Regulations for Non-Bank Financial Institutions;
- (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 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 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 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 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 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 A of Subsection UX410.7/U4410Q.7 of the Manual of Regulations for Banks and the Manual of Regulations for Non-Bank Financial Institutions. 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 Section 2 of Article IX 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 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 audited financial statement (AFS) for each UITF shall be PFRS/PAS-compliant in all respects. The result of this audit shall be the basis of the Trustee’s annual report, which shall be made available to all the Participants. A copy of the AFS for each UITF 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 AND TERMINATION

Sec. 1 Amendments – This Plan may be amended from time to time by resolution of the Board of Directors of the Trustee: Provided, however, that the Trustee shall notify each of the UITF participants in writing, either in electronic or printed form, of any amendments to a fund. The participants shall be given at least thirty (30) calendar days prior to the implementation of any amendment to a UITF to withdraw their participations in the fund if they are not in conformity with the amendment: Provided further, That amendments to the Plan shall be submitted to the Bangko Sentral ng Pilipinas within ten (10) business days from approval of the amendments by the Board of Directors of the Trustee. The amendments shall be deemed approved after thirty (30) business days from date of completion of requirements.

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 Bangko Sentral ng Pilipinas. 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 Trustors accordingly.

Following the approval of the termination of the Plan but at least thirty (30) business 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 or through the posting of notices in the premises of the Head office and branches 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 Declaration of Trust is further subject to the other terms and conditions that may be stipulated in **Appendix I** hereof.

IN WITNESS WHEREOF, STERLING BANK OF ASIA, INC. (A SAVINGS BANK) TRUST GROUP has caused this Declaration of Trust to be signed and its corporate seal affixed thereto on _____ 2024 at San Juan City.

STERLING BANK OF ASIA, INC. (A SAVINGS BANK)
TRUST GROUP

Trustee

By:

ANTONIO C. DANA O
Trust Officer

**Sterling Multi-Asset Fund
FUND SPECIFICATIONS**

1. Investment Objective (Section 3, Article II)

- (a) Sterling Multi-Asset Fund ("Fund") aims to achieve long term capital and income growth as the Fund will be invested in a combination of select equities or stocks and fixed-income securities over a medium to long term investment period. Investing will try to strike a balance of **60-40** on both securities, subject to the approval by the Trust Committee.
- (b) It is suited for professionals, corporations, high-salaried OFWs, and other individuals or corporations who are aware of the opportunity for high yields that stock market investments may provide but also understand the higher risk involving volatility of returns and even possible loss of investment in return for the potential higher long-term results.
- (c) The Fund aims to achieve a rate of return that is equal to or better than, 50% of the applicable Three-Year PHP BVAL reference rate and 50% of the return of the Philippine Stock Exchange Composite Index (PSEi).

The Bankers Association of the Philippines ("BAP") is the benchmark administrator and owner of the PHP BVAL Reference Rates to be used as the Philippine Peso Government Securities benchmark in the GS market. The PHP BVAL Reference Rates are solely calculated by Bloomberg Finance Singapore L.P. and/or its affiliates ("Bloomberg"), under an agreement with BAP.

(https://www.pds.com.ph/index.html%3Fpage_id=56432.html)

The PSEi is the main index of the Philippine Stock Exchange (PSE). It is composed of a fixed basket of 30 companies, whose selection is based on a specific criteria. The PSEi provides a snapshot of the market's overall condition by gauging changes in the stock prices of select listed companies.

(<https://www.pse.com.ph/composite-sector-indices/>)

The above is indicative of the return of fixed income securities in relation to interest rate movements and is indicative of the performance of the stock market in relation to stock price movements. This benchmark is the standard against which the performance of the fund is measured.

2. Investment Policy(Section 3, Article II)

- (a) Pursuant to the foregoing objectives, the Fund may be invested and reinvested in investments allowed under regulations issued by the Bangko Sentral Ng Pilipinas relating to investment quality and their being subjected marked-to-market rules outlined, where deemed applicable thereof and shall be in the form of any of the following :
 - Fixed income securities issued by or guaranteed by the Philippine government or the Bangko Sentral ng Pilipinas;
 - Exchange listed fixed income and equity securities;
 - Marketable instruments that are traded in an organized exchange;
 - Loans traded in an organized market;
 - Such other tradeable investment outlets/categories as the BSP may allow.
- (b) The Fund may be invested and reinvested also in bank deposit products from any accredited bank counterparties including bank deposits with the Bank Proper.
- (c) On the investments in savings/checking accounts and/or time deposits with the Bank Proper and other dealings with related interests/holding company/subsidiaries/affiliates and related companies, such investment/reinvestment/dealing shall be done with transparency at all times. An audit trail shall be maintained for all transactions with related parties or entities. The principle of best execution shall always be observed and no

purchase / sale shall be made with related counterparties without considering at least two (2) competitive quotes from other sources.

- (d) The Fund may avail of financial derivatives solely for the purpose of hedging risk exposure of the existing investments of the Fund, in accordance with existing BSP hedging guidelines and the Trust's risk management and hedging policy approved by the Trust Committee and disclosed to participants.
- (e) Single Exposure Limit Policy. The combined exposure of the Fund to any entity and its related parties shall not exceed 15% of the market value of the Fund. Should the BSP amend the exposure limit requirements of the UITFs, this provision is deemed amended to incorporate such amendments. This limitation shall not apply to non-risk assets as defined by the BSP. In case the limit is breached due to 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 calendar days from the time the limit is breached to correct the same.

3. Qualified Participants : Requirements and Restrictions(Section 1, Article III)

Participation in the Fund shall be open to an any person, partnership, institution, corporate entity in accordance with the provisions of this Plan, subject to the proper screening in accordance with the "Know Your Customer" and "Anti-Money Laundering" policies of the Bank.

The Fund is suitable for investors who have an aggressive risk profile and who have an investment horizon of at least three (3) year. These investors are looking for long term capital appreciation and income growth through price appreciation and through a regular stream of income from fixed rate securities. These investors should be willing to be exposed to greater price volatility and risk of a multi-asset investment.

4. Admission and Redemption (Article III)

- (a) Admission to and Redemption from the Fund will be conducted on regular banking days, from 9:00am to 11:30am. These shall be subject to the account opening and closure policies of the bank. Admission and/or Redemption shall be executed in units and valued based on the Net Asset Value per unit (NAVPu) of the Fund at the end of the particular banking day.

(b) Currency and Interest in the Fund

- b.1 Participation in the Fund shall at all times be composed of units representing equal interest in the Fund, without interest priority of one over the other. The interest of each participant in the Fund shall be recorded by the Trustee in the Record of Participation.
- b.2 The Fund's currency shall be in Philippine Pesos and will have an initial value for each unit of Php100.00000.
- b.3 Upon receiving the contribution/investment in the Fund, the Trustee shall divide the principal by the prevailing NAVPu, which shall be up to five decimal places, on the date of participation.
- b.4 Investments in the Fund shall be in minimum amount of **Five Thousand Pesos (Php5,000.00)**, the equivalent of which in terms of units will vary depending on the prevailing NAVPu at any given time. Any additional placements which shall also be the minimum maintaining participation in the Fund shall be any amount not less than **One Thousand Pesos (Php1,000.00)** or any amount as may be set by the Trustee from time to time, subject to the provisions of Subsection of Plan Rules under Section 414, Unit Investment Trust Funds of the MORB.

(c) Minimum Holding Period

- c.1 In general, the placement/investment shall be subject to a minimum investment/holding /retention period of thirty (30) calendar days. In the event that the 30th day falls on a non-banking day, the investment period shall be deemed to expire on the immediately following banking day. The Trustee however, may at its option vary the length of the investment holding period as the situation may warrant provided

however that the change will not apply to existing placements, subject to the provisions of Subsection X410.6 of the MORB.

- c.2 The minimum holding period shall be counted from the date when contributions or investments in the Fund have been cleared.

(d) Evidence of Participation

A Participating Trust Agreement shall be issued to every Trustor/Participant to the Fund by the Trustee on account opening date. It shall be based on the standards prescribed by the BSP under Subsection of Minimum Disclosure Requirements – Evidence of Participation under Section 414, Unit Investment Trust Funds of the MORB.

A Confirmation of Participation (COP) shall be issued by the Trustee to the Trustor/Participant for any subscription made by the particular Trustor/Participant after the actual subscription has been settled. It shall be system generated and shall be based on the standards prescribed by the BSP under Subsection of Minimum Disclosure Requirements – Evidence of Participation under Section 414, Unit Investment Trust Funds of the MORB.

(e) Basis for Admission and Redemption

- e.1) Units of participation in the Fund may be purchased or redeemed during banking hours not later than 11:30 a.m., of any regular banking day. Purchases or redemption effected beyond 11:30 a.m. shall be valued on the following banking day. Requests for redemption shall be dealt with by the Trustee in chronological order according to the day the notice is received.
- e.2) The NAVPu shall be the basis for all purchases or redemption of units of participation. Units purchased by a participant or units redeemed by the Trustor in whole or in part shall be paid in cash/Php notes, manager's check/RTGS, and/or debited/credited from/to the trustor's deposit account with the Bank.
- e.3) Only until such time as the participation in the Fund has been cleared can the Trustor/participant be allowed to redeem from the Fund.

The Trustee may, after proper advice to the Trustor, as the circumstances may demand, require that at least three(3)-day notice be given to any redemption. Likewise participation to the Fund may be redeemed only after the minimum placement term of thirty (30) calendar days has elapsed, otherwise a **penalty of 0.50% on redemption proceeds**, net of taxes and trust fees (or a net redemption proceeds multiplied by a factor of 0.995) shall be charged. The penalty fee shall accrue to the Fund.

- e.4) Wherever a redemption is made, the Record of Participation shall be up-dated to record the transaction made by the Participant/Trustor.
- e.5) Redemption Notice Period When redeeming, the notice of redemption is also the transaction date (T+0). The participant in the Fund may redeem its participation on any banking day subject to the redemption cut-off procedure provided that notice of redemption, in any form acceptable to the Trustee, is acknowledged/received by the Trustee two (2) banking days prior to settlement date. Requests for redemption shall be dealt with by the Trustee in chronological order according to the day that notice is received. Such conditions are also applicable for partial redemption. The surrender of Confirmation of Participation is required for redemptions.
- e.6) Redemption Proceeds Proceeds of full or partial redemption shall be paid out of the Fund on the redemption settlement date of two (2) banking days after transaction date (T+2). The NAVpu on the transaction date shall be used to compute the value of the redeemed units.
- e.7) Early Redemption Redemptions made prior to the completion of the minimum thirty (30) calendar day holding period shall be subject to an early redemption fee.

- e.8) Early Redemption Fee An early redemption fee equivalent to 0.50% of the redemption proceeds shall be charged to the concerned Participant in case of redemption prior to the completion of the minimum thirty (30) calendar day holding period.
- e.9) Policy for Partial Redemption Partial redemption is allowed. A new Confirmation of Participation reflecting the NAVpu at the time of original contribution will be issued to the participant for the remaining unredeemed units. There is no need to compute for the NAVpu of the remaining unredeemed participation since it will not be affected by the partial redemption.
- e.10) Redemptions resulting to the account falling below the required maintaining balance of Php 1,000.00 The required maintaining participation to stay in the Fund is Php 1,000.00. Any redemptions made by the participant that shall result in the account falling below the required maintaining balance of Php 1,000 shall trigger an automatic withdrawal of the entire account of the participant of the Fund. However, maintaining balance that fall below Php 1.000 which is caused by market movements or price fluctuations shall not trigger an automatic withdrawal by the system.

5. Net Asset Value Per Unit (NAVPU) (Sections 1 and 2, Article VI)

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 marking-to-market of the assets held by the Fund shall be carried out as follows: Government Securities traded in an organized market, Bloomberg Valuation Service (BVAL); peso-denominated private securities, PDEX Corporate Bond Sales by 4:30PM; equity securities, PSEI bid price at end of trading; and such other basis prescribed by the regulatory authority for specific asset.

Valuation day shall mean the business day at which the fund's assets are valued via marking these to their established prevailing market prices specified above.

The NAV is derived from the summation of the market value of the underlying securities of the Fund plus accrued interest income less liabilities and qualified expenses. The value of the investment is based on the Net Asset Value Per Unit (NAVPU) of the Fund which uses a marked-to-market valuation and therefore may fluctuate.

The NAVPU of the Fund shall be computed daily starting at 4:00PM.

The NAVPU shall be determined by dividing the Net Asset Value of the Fund (as defined above) by the number of units outstanding as of valuation date as shown below:

$$\text{Net Asset Value per unit (NAVPU)} = \frac{\text{Current Net Asset Value}}{\text{No. of Outstanding Units}}$$

6. Fees (Section 3, Article V)

The Trustee shall collect trust fees to be charged directly against the Fund, in accordance with the following schedule which shall be uniformly applied to all Participants in the Fund.

Trust/Management Fees - 1.25% per annum based on Fund's NAV, accrued daily.

7. Other Terms Conditions (Article X)

(a) Temporary Suspension

The Trustee of the Fund may temporarily suspend calculation of the NAV/NAVPU of the Fund, as well as admission to and redemption from the Fund, if it is unable to determine the NAVPU 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.

(b) Third Party Custodian

Investment in securities of the Fund shall be held for safekeeping by Philippine Depository & Trust Corporation or Bureau of Treasury (BTr) for peso-denominated/local securities/instruments. Should the said third party custodians be changed, only a BSP accredited third party custodian approved by the Trust Committee and by the Board of

Directors of the Bank shall be engaged. The third party custodian shall perform independent marking to market of such securities.

(c) Consumer Protection Framework (BSP Circular 1048 Series of 2019)

The Trustee shall ensure to conduct ethical business practices and not engage in practices that may cause harm to the consumer as well as consider consumer outcomes in the conduct of the business, covering the following:

1. Disclosure & Transparency. The Trustee must ensure that consumers have a reasonable holistic understanding of the products and services which they may be acquiring or availing.
2. Protection of Client Information. Financial consumers have the right to expect that their financial transactions, as well as relevant personal information disclosed in the course of a transaction, are kept confidential and are secured.
3. Fair Treatment. This principle ensures that financial consumers are treated fairly, honestly, and professionally at all stages of its relationship with the Trustee.
4. Effective Recourse. Financial consumers should be provided with accessible, affordable, independent, fair, accountable, timely, and efficient means for resolving complaints with their financial transactions.
5. Financial Education and Awareness. Financial education initiatives give consumers the knowledge, skills, and confidence to understand and evaluate the information they receive and empower them to make informed financial decisions.