

DECLARATION OF TRUST

EASTWEST PERA PSEI TRACKER FUND
 An Equity Index Tracker Unit Investment Trust Fund
 Qualified as a PERA Investment Product

KNOW ALL MEN BY THESE PRESENTS:

EAST WEST BANKING CORPORATION, a corporation duly organized and existing under and by virtue of the laws of the Republic of the Philippines, with principal office at the EastWest Corporate Center, 3rd Floor, The Beaufort, 5th Avenue corner 23rd Street, Bonifacio Global City, Taguig City, with authority to perform trust and other fiduciary functions, acting herein through its **TRUST AND ASSET MANAGEMENT GROUP** (herein referred to as the "TRUSTEE");

WITNESSETH:

Article I
CREATION OF THE TRUST

That for the purpose of (1) establishing an investment product qualified to be an investment outlet for the Funds of individuals who have opened a personal equity retirement account, a voluntary retirement account, pursuant to and in accordance with Republic Act No. 9505 also known as the "Personal Equity and Retirement Account (PERA) Act of 2008" (the PERA Act) and (2) providing investment opportunities to its trust clients for capital appreciation pursuant to investment objectives and policies herein stipulated, the Trustee hereby establishes and declares itself as Trustee of a unit investment trust Fund qualified as a PERA Investment Product, as defined under the PERA Act, 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 **EASTWEST PERA PSEI TRACKER Fund** (herein referred to as the "Fund").

Sec. 2. Nature of the Fund: The Fund is an equity index Fund, qualified as a PERA Investment Product, 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* (BSP) and existing laws.

An equity index fund is a passive Fund. Wherein, the TRUSTEE shall be responsible for the passive management of the portfolio and in replicating the characteristics and returns of portfolio's index. The portfolio composition and weightings of the Fund will entirely be based on the index composition. The investment exposure of the Fund is limited to the index composition of the Philippine Stock Exchange Index (PSEi).

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: The FUND shall be classified as an EQUITY INDEX FUND.

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 FUND shall be described in **Appendix I** hereto.

EastWest Bank – Trust & Asset Management Group, 3F EastWest Corporate Center, 5th Ave. cor. 23rd St., Bonifacio Global City Taguig. For inquiries and feedback, you may call EastWest's 24-Hour Customer Service at 888-81700 or email trustmarketing@eastwestbanker.com.

EastWest Bank is regulated by the BSP: <https://www.bsp.gov.ph>.

Sec. 3. Investment Objectives and Policy: The Fund seeks long-term capital appreciation through investments primarily in a portfolio of Philippine stocks. It intends to achieve investment returns that track the performance of the PSEI Total Returns Index (the "PSEI TRI") by investing in a diversified portfolio of stocks comprising the PSEI in the same weights as the index.. The investment objective is further explained in **Appendix I** hereto.

The Trustee shall make available to all Participants or through their PERA Administrators, as defined in the PERA Act (the "PERA Administrator"), as authorized by the participants for review a list of prospective and outstanding investment outlets which shall be updated quarterly. The list shall be available at the Trustee's principal office or upon request. Such disclosure shall be substantially in the form prescribed under Sec. 414 on Allowable Investments and Valuation of the Manual of Regulation for Banks (MORB).

Article III ADMISSION AND REDEMPTION OF PARTICIPATION

Sec. 1. Qualified Participants (Requirements and Restrictions): Participation in the Fund shall be open to participants who are (1) individuals; (2) have legal capacity to contract; (3) who have a Philippine Tax Identification Number (TIN); and (4) whose Fund are in a PERA account or as provided in the PERA Act and its implementing rules and regulations. Participants shall also be subject to the rules or procedures stipulated in **Appendix I** hereto.

Prior to acceptance of the initial participation in the Fund, the Trustee shall perform a Client Suitability Assessment for the purpose of profiling the risk-return orientation of the client.

Sec. 2. Participation Units: Participation in the Fund shall always be through participation in units of 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, Sec. IV** 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.

Sec. 2. Distribution: The Fund shall be distributed exclusively in distribution channels duly authorized by the Trustee and consistent with the PERA Act and its implementing rules and regulations.

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 (NAVpu) more specifically described in **Appendix I, Sec. VI** hereto.
- B. The NAV shall be the summation of the market value of each investment of the Fund less fees, qualified 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, Sec. VI** hereof.

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

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- 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, Sec. VI** hereto.
- C. The NAVpu shall be computed daily in the manner specified in **Appendix I, Sec. VI** hereto.

Sec. 3. Fees and Expenses of the Fund:

- A. **Trustee's Fees:** The Trustee shall charge against the Fund regular trust fees, accredited third-party custodian fees and external audit 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 be 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 Sec. 414 of the Manual of Regulations for Banks. 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 include costs payable to third parties for services rendered to the Fund, provided such expenses are covered by separate contract/s, and disclosed to the Participants through the Key Information and Investment Disclosure Statement (KIIDS).

Article VI TRUSTEE POWERS AND LIABILITIES

Sec.1. Management of the Fund: The Trustee shall have the exclusive management, administration, operation and control of 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 the 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 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, Sec. 2 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, Sec. 2 hereto;
- D. To deposit in any bank or financial institution, including its own bank, any portion of the Fund, subject to the requirement of Sec. 414 of the MORB;
- 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 and other specialist/s in

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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.
- K. To suspend the trading of the equity index Fund as necessary due to suspension of its Philippine Stock Exchange index, which will mean the unavailability of an end-of-day NAVpu that is reflective of actual market movements.
- L. To perform such acts which are necessary and desirable for the proper administration and management 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.

Due to the nature of the investments of unit investment trust Fund, the returns/yields cannot be guaranteed. Historical performance when presented is purely for reference purposes and is not a guarantee of similar future performance.

Any losses and income arising from market fluctuations and price volatility of the securities held by the Fund, even if invested in government securities, are for the account of the client. As such, the units of participation of the Trustor in the Fund, when redeemed, may be worth more or worth less than the Trustor's initial investment or contribution.

Participation in the Fund is not a deposit, and the Trustee, its directors, officers, and staff do not guarantee the principal or the investment returns.

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 or through their PERA Administrators as authorized by the participants. Such disclosure shall be substantially in the form as provided under Sec. 414 of the MORB. Upon request, participants in the Fund or their PERA Administrators, as authorized by the participants, 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.

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Sec. 4. Rights Upon Termination of Declaration of Trust: In case of termination of the Declaration of Trust, the Participants or through their PERA Administrators, as authorized by the participants, shall have (a) the right to be notified of such termination in accordance with Sec. 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* in all respects and pro-rata.

Sec. 5. Cooling-Off Period. Subject to the exemptions under BSP regulations, the Participant/Trustor shall be entitled to cancel his/its initial subscription or contribution, without penalty, upon written notice to the Trustee within two (2) banking days immediately following the signing of the agreement or contract evidencing their participation in the Fund. The cooling-off period applies only to the initial participation and does not apply to subsequent contributions.

The Trustee may collect or recover reasonable amount of processing fees, which would be in addition to any reasonable administrative fees associated with the redemption, termination or cancellation of the subscriptions or contributions.

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 the 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 through their respective PERA Administrators, as authorized by the participants.

Sec. 2. The audited financial statement (AFS) for the Fund shall be PFRS/PAS-compliant in all respects. The AFS of the Fund shall be made available at the Trustee's place of business, posted on the Trustee's website and upon request of participants, transmitted to them in printed or electronic format.

Article IX AMENDMENTS AND TERMINATION

Sec. 1. Amendments: This Declaration of Trust may be amended from time to time by resolution of the Board of Directors of the Trustee and notice to the BSP, or as required under regulations. *Provided*, however, that participants in the FUND, through their PERA Administrators, as authorized by the participants, shall be immediately notified of such amendments/s 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.

Provided that, that participants who are not in conformity with the amendments shall be given at least thirty (30) calendar days prior to the implementation of the amendments to withdraw their participations. *Provided further that*, that amendments requiring a written notification to the BSP shall be submitted to the supervising department of the BSP within the period required under relevant regulations.

Sec. 2. Termination: This Declaration of Trust 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 Declaration

of Trust, the Trustee shall notify the Trustors or through their PERA Administrators, as authorized by the participants, accordingly.

Following the approval of the termination of the Declaration of Trust 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, either in electronic or printed form, to each participant or through their PERA Administrators, as authorized by the participants, or through the posting of notices in the Trustee's own website or the premises of the Head Office and branches of the Trustee. Upon termination of the Declaration of Trust, the Trustee shall prepare a financial statement of the Fund which shall be made the basis for distribution to the participating bank branches.

Article X

OTHER TERMS AND CONDITIONS

- Sec. 1.** The provisions of the Trust Agreement and Confirmation Notice shall be in accordance with this Plan and shall include additional provisions as may be required by other BSP rules and regulations deemed necessary under existing circumstances, provided, that any such additional provisions are not inconsistent with this Plan. The provisions of this Plan shall prevail over those of the Trust Agreement and Confirmation Notice, in the event that there is an inconsistency between their provisions, provided, that the provisions in the Plan are not inconsistent with BSP rules and regulations.
- Sec. 2. Backroom Operations:** Administrative rules on backroom operations shall be applicable to the Fund. Adequate systems to support the daily marking-to-market of the Fund's financial instruments shall be in place at all times.
- Sec. 3. Custody of Securities:** Investments in securities of the Fund shall be held for safekeeping by BSP-accredited third party custodians.
- Sec. 4. Dealings with related interests/bank or holding company, subsidiaries, affiliates and related companies:** The trustee of the Fund shall be transparent at all times and maintain an audit trail for all transactions with related parties. The Trustee shall observe the principle of best execution and no purchase/sale shall be made with related counterparties without considering at least two (2) competitive quotes from other sources.
- Sec. 5. Accreditation of Counterparties:** The Fund shall only invest with approved counterparties qualified in accordance with the policy duly approved by the Trust Committee. Counterparties shall be subject to appropriate limits in accordance with sound risk management principles.

IN WITNESS WHEREOF, EAST WEST BANKING CORPORATION has caused this DECLARATION OF TRUST to be signed and its corporate seal affixed thereto on _____, 202_ at Taguig City.

EAST WEST BANKING CORPORATION – TRUST AND ASSET MANAGEMENT GROUP
Trustee

By:

[Signature]
RLG

Jason Ohelle Q. Bibit
Assistant Vice-President
Head Of Trust Investment

[Signature]
Raul Victor M. De Guzman
First Vice-President
Trust Officer

Signed in the presence of:

[Signature]
RAYA SOPHIA A. TESTON

[Signature]
Mundel Abalos

ACKNOWLEDGEMENT

Republic of the Philippines)
Taguig City, Metro Manila) S.S.

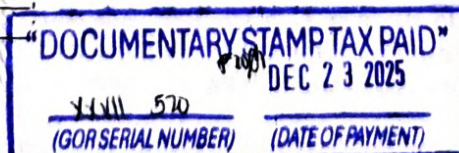
BEFORE ME, a Notary Public for and in the above jurisdiction, this
DEC 23 2025, personally appeared the following:

Name	Govt. Identification	Date/Place Issued
East West Banking Corp-Trust Div.	TIN 003-921-057-000	
Raul Victor M. De Guzman	N01-91-127640	
Jason Ohelle Q. Bibit	CRN-0111-5186602	

all known to me and to me known to be the same persons who executed the foregoing DECLARATION OF TRUST for the EASTWEST PERA PSEI TRACKER Fund consisting of ____ () pages including its Annexes/Appendices and this page wherein this acknowledgement is written, and they acknowledge to me that the same is their true and voluntary act and deed as well as the true and voluntary act and deed of the corporation they represent.

IN WITNESS WHEREOF, I hereby set my hand and affix my notarial seal on the date _____ and at the place above written.

Doc. No. 520;
Page No. 104;
Book No. XYVII
Series of 2025.



ATTY. MA. ANNA LOUNDES DINMAO-PAMFILO
NOTARY PUBLIC FOR TAGUIG CITY
Appointment No. 91 (2025-2026) until December 31, 2026
MCLE Compliance No. VNA-00340865 valid until April 14, 2028

Office Address: 5th Fl., EastWest Banking Corp., The Boulevard, 9th Ave. cor. 23rd St., BGC, Taguig City
Cell No. 0917-28261100 | Email: atty.ma.anna@eastwestbanker.com | January 2, 2025 Makati CP

EastWest Bank – Trust & Asset Management Group, 3F EastWest Corporate Center, 5th Ave. cor. 23rd St., Bonifacio Global City Taguig. For inquiries and feedback, you may call EastWest's 24-Hour Customer Service at 888-81700 or email trustmarketing@eastwestbanker.com.

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APPENDIX I

EASTWEST PERA PSEI TRACKER FUND
Fund SPECIFICATIONS

I. Investment Objective

The **EASTWEST PERA PSEI TRACKER Fund** (the "Fund") seeks to achieve investment returns that track the performance of the PSEi Total Returns Index (hereinafter referred to as "PSEi TRI"). The Fund will be passively managed by EastWest Trust and Asset Management Group ("Trustee") and is ideal for investors with an aggressive risk appetite and a long-term investment horizon of at least ten (10) years.

Return Objective. The Fund aims to track the return of the PSEi Total Returns Index (**PSEi TRI**).

- **Description of the Benchmark**

- The Philippine Stock Exchange Index (the "PSEi") measures the relative changes in the free float-adjusted market capitalization of the 30 largest and most active common stocks listed at the PSE. (Source: Philippine Stock Exchange, Inc.)
- The PSEi is composed of the top thirty (30) largest and most actively traded common stocks are based on a fixed set of rules that allow it to represent the general movement of the Philippine stock market. The benchmark is administered by an independent third party and is not controlled or operated by the Trustee.

- The **PSEi Total Returns Index (PSEi TRI)** tracks both the price performance and income from dividend payments of the underlying PSEi constituents by reinvesting cash dividends back to the index according to each constituent's respective index weightings.
- **The PSEi TRI is total returns in nature. However, it is not net of applicable taxes.**

- **Relation of the Benchmark's to the Fund's objectives/investment strategies**

- The Fund is designed for high-risk appetite investors seeking long-term capital appreciation. As a passively managed equity index fund, the Fund is designed to mirror the composition and performance of the PSEi TRI as closely as possible.
- The Fund aims to deliver returns that closely match/track the benchmark's performance, net of fees and expenses. The Trustee shall monitor and manage tracking error to ensure alignment with the benchmark.
- **The benchmark reflects the price performance and income from dividend payments of the underlying index constituents. It is not net of applicable taxes. Minor misalignments between the Fund and the benchmark may occur due to differences in taxes.**

- **Sources for more detailed information**

- Philippine Stock Exchange (<https://www.pse.com.ph/>)
- Bloomberg. For additional information on the benchmark, investors may send an email via indexhelp@bloomberg.net.
- Additional information on the benchmark can be made available to Participants or their PERA Administrators upon request.

II. Investment Policy

A. Pursuant to the foregoing objectives, the Fund is structured as an equity index fund in compliance with Sec. 403 and 414 of the Manual of Regulations for Banks (MORB).

B. Allowable Investments

The Fund shall be primarily invested in a portfolio of listed Philippine stock exchange index constituents. The portfolio composition and weightings shall mirror that of the PSEi TRI. The Fund may invest in the following as allowed by the BSP and/or accredited by the Trust Committee:

1. Equities listed in the Philippine Stock Exchange, limited only to Philippine Stock Exchange Index constituents.

Deposit products in any accredited bank or financial institution, including the Trustee's own bank, provided that the principle of best execution shall be observed. Deposit placements are for temporary liquidity management and are not part of the index replication strategy.

C. The combined exposure of a UITF to any entity and its related parties shall not exceed fifteen percent

(15%) of the market value of the UITF; provided, that, a UITF invested partially or substantially, in exchange traded equity securities shall be subject to the 15% exposure limit to a single entity/issuer; provided further, that, in the case of an exchange traded equity security which is included in an index and tracked by the UITF, the exposure of the UITF to a single entity shall be the actual benchmark weighting of the issuer or 15%, whichever is higher.

D. Investments with related interests shall be transacted in accordance with Sec. 414 of the MORB.

III. Qualified Participants: Requirements, Restrictions and Risk Profile

A. Participation in the Fund shall be open to participants who are (1) individuals; (2) have legal capacity to contract; (3) who have a Philippine tax Identification Number (TIN); and (4) whose Funds are in a PERA account which shares the general investment objective of the Fund.

B. **Risk profile of participants suitable to invest in the Fund: Aggressive.** Such participant wants a portfolio which may provide capital appreciation over time and are willing to accept higher risks involving volatility of returns and even possible loss of investment in exchange for potential higher long-term results.

C. Risk Factors

Investments in the Fund are valued based on the Net Asset Value per unit (NAVpU) Fundusing a marked-to-market methodology, which reflects current market conditions and therefore may fluctuate daily. **Investments in a UITF do not provide guaranteed returns. The principal and earnings from investment in the Fund may be lost in whole or in part when the NAVpU at the time of redemption is lower than the NAVpU at the time of participation.**

The Fund, which shall be substantively invested in a diversified portfolio of listed Philippine shares of stock, is exposed to the following risks:

- **Business Risk.** Stockholders as fractional owners of corporations share in the fortunes of the business. The rise and fall of stock prices often reflect the market's perception of the prospects of corporations and their management to reward stockholders for taking risks unique to each business. Business risk can be reduced through diversification.
- **Country/ Political Risk.** Securities can be affected by the political, economic and social structures within the countries of their issuers, such as internal and external conflicts, currency devaluations, foreign ownership limitations, trading costs and tax increases.
- **Market Risk.** Market risk is the risk that the value of the FUND investment will be negatively affected by the fluctuations in the price level of its underlying instruments.
- **Inflation Risk.** Affecting all investments, inflation reduces the purchasing power of money.
- **Liquidity Risk.** Liquidity is a measure of how easy it is for a security to be converted into cash. A liquid security is widely held and is frequently traded by many buyers and sellers every day. This is minimized by investing in marketable securities.
- **Interest Rate Risk.** The value of fixed-income investments such as notes and bonds generally fall when interest rates rise. The potential for loss is typically greater for securities that have a longer term to maturity, have a longer duration or have a lower yield or coupon rate.
- **Reinvestment Rate Risk.** This is the risk of reinvesting interest earnings at a rate lower than the original investment.
- **Credit Risk.** Bonds represent a loan made to the issuer of the bond. The credit worthiness of the bond issuer is the issuer's ability to pay interest and principal on time, which can change during the life of the bond. Issuers with a higher risk of defaulting pay the highest yields.

IV. Admission and Redemption

A. Policies of Admission and Redemption.

1. **Initial Investment and Minimum Succeeding Participation.** If the account is opened over-the-counter in any of the accredited PERA Administrators' bank branches, the minimum initial investment/participation in the Fund is PHILIPPINE PESO: FIVE THOUSAND (Php5,000.00). If the account is opened through the accredited PERA Administrators' digital or online platforms (e.g. mobile application, website, etc.), the minimum initial investment/participation is PHILIPPINE PESO: TWO THOUSAND (Php2,000.00). There is a minimum additional participation of at least PHILIPPINE PESO: ONE THOUSAND (Php1,000.00) for succeeding investments.

2. **Minimum Maintaining Balance.** If the account is opened over-the-counter in any of the accredited PERA Administrators' bank branches, the minimum maintaining balance is PHILIPPINE PESO: FIVE THOUSAND (Php5,000.00). If the account is made through any of the accredited PERA Administrators' digital or online platforms (e.g. mobile application, website, etc.), the minimum maintaining balance is PHILIPPINE PESO: TWO THOUSAND (Php2,000.00).
 3. **Admission and Redemption Cut-off Time.** Admission and/or notice of redemption may be accepted by the Trustee on any banking day subject to a 10:30 AM cut-off time on the same day as the transaction date (T+0). The cut-off time may be amended by the Trustee, in accordance with the Declaration of Trust and subject to BSP notification, upon which all branches distributing the said UITF will be advised. However, admission/notice of redemption received after the cut-off time shall be considered as transaction for the next applicable banking day.
 4. **Minimum Holding Period.** The minimum holding period is thirty (30) calendar days from the date of participation. Any redemption made earlier than the required thirty (30) calendar day holding period shall be subject to an early redemption fee as stipulated herewith.
 5. **Admission and Redemption Prices.** The minimum redemption amount is one (1) unit. Admission and redemption prices shall be based on the prevailing market value of underlying investments of the Fund at that time, in accordance with existing BSP rules and regulations on marking to market valuation of investment instruments.
- B. Other Admission and Redemption Conditions.**
1. **Participation Conditions:** Application to purchase is subject to confirmation as to the amount of units and the applicable NAVpu. When admitted, the Participating Trust Agreement and/or the Confirmation Notice shall be made available to the participant or to their respective PERA Administrator, within twelve (12) banking days after the transaction date.
 2. **Redemption Notice Period.** When redeeming, the Trustee's receipt of the notice of redemption is also the transaction date (T+0). The participant in the Fund may redeem their participation on any banking day, through the PERA Administrator, in any form acceptable to the Trustee within the cut-off time stipulated herein. However, the Trustee reserves the right to require from the participants a five (5) banking day advance written notice of redemption from the Fund. The period for the required notice may be shortened or extended at the discretion of the Trustee, depending on the investment and liquidity position of the Fund and the frequency and volume of requests for redemption received by the Trustee at any given time. 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 redemptions. The surrender of Confirmation Notice is not required for redemptions.
 3. **Redemption Proceeds.** Proceeds of full or partial redemption shall be paid out of the Fund on the redemption settlement date of four (4) banking days after transaction date (T+4). The NAVpu on the transaction date shall be used to compute the value of the redeemed units.
 4. **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.
 5. **Early Redemption Fee.** An early redemption fee equivalent to: PHILIPPINE PESOS: FIVE HUNDRED (Php500.00) or 0.25% of the redemption proceeds, whichever is higher, shall be charged to the concerned Participant in case of redemption prior to the completion of the minimum thirty (30) calendar day holding period. The penalty collected shall accrue to the Fund.
 6. **Policy for Partial Redemption.** A new Confirmation Notice 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.
 7. **Redemptions Resulting in the Account Falling Below the Required Maintaining Balance.** Any redemptions made by the participant that shall result in the account falling below the required maintaining balance shall trigger an automatic withdrawal of the entire account of the participant from the Fund, without need of prior notice to the Participant. Said balance shall be paid through by crediting the Trustor's PERA Account based on the applicable NAVpU of the day and the number of remaining unit holdings. However, if the balance falls below the minimum maintaining

balance due to market movements or price fluctuations, the automatic withdrawal shall not be triggered.

8. **Early Withdrawal.** Early withdrawal from the Fund shall be subject to a penalty in accordance with the PERA Act and its implementing rules and regulations. Early Withdrawal shall mean a withdrawal or redemption from the Fund (1) prior to the participant reaching the age of fifty-five (55) years; or (2) after the participant reaches the age of fifty-five (55) years if he has not made contributions to his PERA account for at least five (5) years.

Early Withdrawal penalty shall, however, not apply to the following:

- a. Termination of the participation upon the death of the participant;
 - b. If the entire proceeds of the withdrawal shall be transferred to another PERA Investment Product and/or another PERA Administrator within the time prescribed by relevant laws, rules and regulations;
 - c. Withdrawal or payment of accident or illness related hospitalization in excess of thirty (30) calendar days, provided that there is a notarized doctor's certificate attesting to said event;
 - d. Withdrawal by a participant who has been subsequently rendered permanently totally disabled as defined under the Employees Compensation Law, Social Security Law, and Government Service Insurance System Law;
 - e. Other cases pursuant to the PERA Act and related rules and regulations.
- C. **Suspension of Admission and Redemptions.** The Trustee 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.

The Trustee shall not be held liable for any loss, damage, or delay in the performance of its obligations under this Declaration of Trust caused by force majeure events, including but not limited to those enumerated above. In the event of a force majeure, the Trustee shall notify Participants and/or their authorized PERA Administrator within five (5) banking days of the occurrence, detailing the nature of the event, the expected duration, and the measures being taken to address the situation. The Trustee shall resume normal operations as soon as reasonably practicable after the cessation of the force majeure event. If the force majeure event persists for more than ninety (90) calendar days, the Trustee reserves the right to terminate the Fund and distribute the remaining assets to participants.

The Trustee shall have the discretion to take any action it deems necessary to safeguard the Fund's assets and ensure the equitable treatment of participants during force majeure events, including but not limited to reallocating investments, suspending operations, or terminating the Fund. All actions taken by the Trustee during force majeure events shall comply with applicable laws, regulations, and guidelines issued by the Bangko Sentral ng Pilipinas (BSP) or other relevant authorities. Participants agree to indemnify and hold harmless the Trustee from any claims, liabilities, or damages arising from the suspension of operations or other actions taken during force majeure events.

- V. **Allocation and Distribution of Income.** The investments of the Fund shall be entitled to tax privileges as stated in the PERA Act of 2008 and its implementing rules and regulations. Participants shall be entitled to income, profits, and losses with respect to their participation in the Fund on a pro rata and pari passu basis depending upon the number of units held by each Participant. The actual distribution or realization of income shall take place every time a redemption of units is made, to the extent of the number of units redeemed. The Trustee may distribute the Fund exclusively through PERA administrators pursuant to the MORB.

VI. Net Asset Value Per Unit

- A. 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.
- B. Valuation Day shall mean any day in which banks are open for business in Metro Manila.
- C. The value of the NAVpu at the start of the Fund's operation shall be PHILIPPINE PESO: ONE HUNDRED (Php 100.00).
- D. The NAVpU is computed by dividing the Net Asset Value (NAV) of the Fund by the number of

outstanding units. 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. Gains from investment is realized when the NAVpu at the time of redemption is higher than the NAVpu at the time of participation.

VII. Fees

- A. The Trustee shall collect from the Fund a trust fee of 0.75% per annum based on the NAV of the Fund which shall be accrued daily and shall be collectible from the Fund at the end of each month. The Trustee reserves its right to amend its trust fee accordingly, in accordance with Article VIII of the Declaration of Trust, for reasons including but not limited to persistently adverse market conditions, or the need to attract investment to achieve a critical mass for optimum investing.
- B. An early redemption fee equivalent to PHILIPPINE PESO: FIVE HUNDRED (Php500.00) or 0.25% of the redemption proceeds, whichever is higher, shall be charged to the investor in cases of redemption prior to completion of the minimum thirty (30) calendar day holding period.
- C. Other fees such as accredited third-party custodian fees and external audit fees shall also be collected from the Fund which shall be disclosed quarterly in the KIIDS. The interest, fees, charges, and penalties of this Fund may change over time, subject to the notice requirements under this Declaration of Trust and other requirements, as prescribed by the Bangko Sentral ng Pilipinas and other regulations.

D. Summary of Fees

Below table contains a summary of the fees and fee waiver for the investor:

EASTWEST PERA PSEI TRACKER FUND		
Holding Period	30 calendar days	
Early Redemption Fee	Php500.00 or 0.25%, whichever is higher	
Trust Fee	0.75% p.a.	
Licensing Fee	Fund Size	Quarterly Fee
	Up to PHP 1 billion	Maximum of (End-Quarter NAV*3 bps)/4) or PHP 3,750.00, whichever is higher
	Above PHP 1 billion up to 10 billion	Maximum of (((End-Quarter NAV in excess of PHP 1 billion)*2.5 bps) + PHP 300,000.00)/4)
	Above PHP 10 billion	Maximum of (((End-Quarter NAV in excess of PHP 10 billion)*2 bps) + PHP 2,550,000.00)/4)
	Sample fee basis is subject to final billing of third-party service provider	
Custodianship Fee	Maximum of PHP 200.00 per BUY Transaction incurred by the Trustee on behalf of the Fund to achieve the Fund's investment objectives. A fee of 2.5 basis points per annum based on the Market Value of Equity Securities held by the Fund under a custodianship service with a third-party custodian.	
Audit Fees	PHP 50,000.00 base fee per year. However, fee may vary and may be adjusted upon the receipt of the final billing provided by the external auditor.	
Transaction Fee*	Fee Type	Fee
	Commission	Maximum of 0.20% Gross Trade Amount
	Value Added Tax	12% Of Commission
	SCCP Charges	0.01% Of Gross

			Trade Amount	
		Sales Transaction Tax	0.6% Of Gross Trade Amount of SELL transactions Effective July 01, 2025, this is adjusted to 0.1% Of Gross Trade Amount of SELL transactions per R.A. 12214	

*Transaction Fees - Variable Costs based on transaction frequency of the Trustee on behalf of the Fund.

VIII. Other Terms and Conditions

- A. **Custody of Securities.** Investments in securities of the Fund shall be held for safekeeping by any third-party custodian accredited by the BSP and the Trustee's Trust Committee. The third-party custodian shall perform independent marking-to-market of such securities.
- B. **Taxes.** The Fund is exempt from income tax in accordance with, and subject to, the provisions of Republic Act No. 9505, the PERA Act.