

DECLARATION OF TRUST

Effective November 11, 2024

CHINABANK INCOME-PAYING DOLLAR BOND FEEDER FUND

A Fixed Income Unit Investment Trust Fund structured (“UITF”) as a Feeder Fund with an Income Distribution feature

KNOW ALL MEN BY THESE PRESENTS:

This Declaration of Trust (the “DOT” or “Plan Rules” or the “Plan”) is made and executed by **CHINA BANKING CORPORATION (“Chinabank”)**, a corporation duly organized and existing under and by virtue of the laws of the Republic of the Philippines, with principal office at 8745 Paseo de Roxas corner Villar Street, Makati City, Philippines, 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 providing investment opportunities to its trust clients for higher investment yields and a diversified portfolio of investments pursuant to the 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

DEFINITIONS

When used in this Plan, the following terms shall have the meaning set forth in their respective definitions, unless a different meaning is called for in the context of another provision in this Plan:

Banking Day	shall mean a day other than Saturday, Sunday or any day on which banks located in Makati City are generally closed for business. This definition also excludes all holidays in the USA.
BSP	shall mean Bangko Sentral ng Pilipinas.
Certified UITF Sales Personnel (CUSP)	shall mean UITF marketing personnel who were certified through a UITF Certification Program (UCP) administered by a reputable financial services industry association/organization acceptable to the BSP such as the Trust Officers Association of the Philippines (TOAP).
Client Suitability Assessment (CSA)	shall mean the process by which the Trustee shall perform a client profiling for all UITF participants under the general principles on client suitability assessment to guide the client in choosing investment outlets that are best suited to his objectives, risk tolerance, preferences and experience.
Confirmation of Participation	shall mean the instrument evidencing the extent of a participant's proportionate interest in the Fund.
Declaration Date	shall mean the day that Trustee announces that it will declare Unit Income for the period. This is also the date where the Record Date, Ex-Date and Unit Income Payment Date are released.
Distributing Fund	shall refer to a UITF that has an distribution feature whereby the income of the Fund is distributed in the form of units called unit income.

Eligible Participant	shall mean a participant who is a qualified to receive Unit Income distribution for the relevant Record Date
Exchange Traded Funds (ETF)	is a type of pooled investment security that operates much like a mutual fund. Typically, ETFs will track a particular index, sector, commodity, or other assets, but unlike mutual funds, ETFs can be purchased or sold on a stock exchange the same way as a regular stock. An ETF can be structured to track anything from the price of an individual commodity to a large and diverse collection of securities. ETFs can even be structured to track specific investment strategies.
Ex-Distribution Date	or “ Ex-Date ”, is set one (1) banking day after Record Date. NAVPu as at Ex-Date shall be used to compute the Unit Income.
Feeder Fund	shall refer to a UITF structure that mandates the fund to invest at least ninety percent (90%) of its assets in a single collective investment scheme.
Fixed Income Fund	shall refer to a UITF classification that invests in fixed income instruments and has a weighted average portfolio life of more than one (1) year.
Net Asset Value (NAV)	shall mean the value of the Fund as a whole, which is derived from the summation of the market value of the underlying securities of the Fund plus accrued interest income and other receivables less liabilities and qualified expenses.
Net Asset Value per Unit (NAVPu)	shall mean the value of each participation unit in the Fund. The same is computed by dividing the NAV of the Fund by the number of outstanding units.
Omnibus Participating Trust Agreement (OPTA)	shall mean the agreement or contract executed between Chinabank (as Trustee) and the participant (trustor) that allows the latter to invest in any of the Chinabank UITF offerings.
Order Date	shall mean a banking day when a subscription or redemption order is received from the client before cut-off time. The client's USD Current Account/Savings Account (CASA) is debited for subscription.
Participant	shall mean a person or entity qualified to invest in the Fund; may also be referred to as the investor/trustor.
Record Date	shall mean the cut-off date in order to determine which participants are eligible to receive the declared Unit Income. Record date shall also mean one (1) banking day prior to Ex-Distribution or Ex-Date.
Target Fund	shall refer to a local or foreign collective investment scheme in which the UITF invests all or a portion of its assets.
Unit Income	shall mean the number of units for every unit held by the Participant eligible for distribution
Unit Income Payment Date	shall refer to ten (10) Banking days from Record Date when the Unit Income is actually paid out to the eligible participants.
Valuation Date	shall mean the date when the Net Asset Value (“NAV”) of the Fund and the value of each unit of participation (herein referred to as the “NAVPu”) shall be calculated by the Trustee.

Article III
NATURE AND INVESTMENT OBJECTIVES

Sec. 1 Title of the Fund – The pooled fund shall be known as **CHINABANK INCOME-PAYING DOLLAR BOND FEEDER FUND** (herein referred to as the “Fund”).

Sec. 2 Nature of the Fund – The Fund is a unit investment trust fund (UITF) established in accordance with and shall be operated subject to the stipulations of this Plan, which may be amended in accordance with the regulations issued by the BSP and 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.

Description of the Fund – The Fund is a Fixed Income Fund. The underlying exposure of the Fund is invested in fixed income instruments and shall have a Weighted Average Portfolio Life¹ that is consistent with the Target Fund. The portfolio life and duration are dynamic and are subject to change depending on the composition of the Target Fund holdings.

The Fund is structured as a Feeder Fund and will invest at least ninety percent (90%) of its assets in a Target Fund. The investment objective of the Target Fund shall be similar to that of the Fund.

The Fund is structured as a Distributing Fund. The Fund has an income distribution feature whereby the income of the Fund is distributed in the form of units called Unit Income. The Fund has an auto redemption policy on the Unit Income distributed to the eligible participants. There is no set minimum amount for participants to receive the Unit Income.

Title to Assets of the Fund – All assets of the Fund shall, at all times, be considered as assets held by the Trustee and title thereto shall be 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.

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 below.

Investment Objective – The Fund intends to achieve for its participants regular income with a secondary focus on long term capital growth by investing in a Target Fund that seeks to track the performance of a broad, market-weighted, investment-grade US bond market.

Return Objective – The Fund aims to provide a return that tracks the performance of the Bloomberg U.S. Aggregate Float Adjusted Index which is the Benchmark of the Target Fund.

The Bloomberg U.S. Aggregate Float Adjusted Index, is a Total Return Index which measures the performance of a wide spectrum of public, investment-grade, taxable, fixed income securities in the United States—including government, corporate, and international dollar-denominated bonds, as well as mortgage-backed and asset-backed securities—all with maturities of more than one (1) year. Federal Reserve holdings acquired through primary and secondary markets are deducted from the outstanding amounts of securities in the index.

¹ As of this version of the Plan Rules, the portfolio life and duration is nine (9) and six (6) years, respectively.

The Index is maintained by Bloomberg. Additional information on the benchmark and/or its administrator can be found on Bloomberg, and be made available to investors upon request.

The benchmark provides a standard for evaluating the Fund's performance by helping investors/participants understand how the Fund is performing relative to the performance of the broad, investment-grade US bond market, to which the Target Fund invests. As part of the Fund's index sampling strategy, at least 80% of its assets will be invested in bonds held in the benchmark. Additionally, the benchmark's characteristics serve as reference point for the Fund's duration, credit quality, and yield to maturity, among others.

Investment Policies – The Fund shall invest at least ninety percent (90%) of its assets in the Target Fund.

The Fund may also invest in Deposit products such as Time Deposits / Other Bank Deposit Products.

The combined exposure of the Target Fund's underlying securities to any entity and related parties shall not exceed 15% of the market value of the Fund. This limitation shall not apply to non-risk assets as defined by the BSP under Section 344 of the Manual of Regulations for Banks (MORB). Furthermore, the Fund's investment in the Target Fund shall not exceed ten percent (10%) of the total Net Asset Value of the Target Fund.

Target Asset Allocation – The Fund shall invest substantially in the Target Fund, with target asset allocation as follows:

	Asset Allocation	
	Strategic	Tactical
Target Fund	100%	90%-100%
Cash Equivalent: <i>Time Deposits/ Other Bank Deposit Products</i>	0%	0%-10%

The Fund shall have a weighted average portfolio life that is consistent with the Target Fund.

The Fund may have cash levels in excess of the regulatory limit of 10% under the following instances:

- 1) There is a large subscription and the Trustee is in the process of investing the cash contribution into the Target Fund;
- 2) There is large redemption wherein the Trustee has already received the proceeds from its divestment from the Target Fund but is awaiting the end of the redemption settlement period;
- 3) The Trustee is in the process of switching from one Target Fund to another.

Article IV

PARTICIPATION: ADMISSION & REDEMPTION

Sec. 1 Qualified Participants (Requirements and Restrictions) – Prior to admission, a prospective participant shall undergo a Client Suitability Assessment (CSA), to be conducted by the Trustee's Certified UITF Sales Personnel (CUSP), for the purpose of profiling the risk-return orientation and suitability of the client to invest in the Fund. Participation in the Fund shall be open to any person, partnership, association or corporate entity who/which has the legal capacity to contract, including funds owned by the Trustee's clients which are held under trust or investment management arrangement and those who are not considered US persons under the US securities and tax laws.

Participants may be required to declare that they are not a US person or US taxpayer and are neither acquiring units in the Fund in behalf of US persons or US taxpayers nor acquiring units with the intent to sell or transfer them to US persons or US taxpayers.

Prospective participants should also consult their own tax advisors as to the specific local or international tax implications of acquiring, holding and redeeming of any units of the Fund.

The Trustee has the sole discretion to accept the participation, investment or contribution of any person or entity in the Fund. The Trustee expressly reserves its right to accept, reject or refuse any participation, investment, or contribution in the Fund by any person or entity for any reason that it may deem appropriate for the proper and advantageous administration and management of the Fund.

Sec. 2 Qualified Participants (Risk Profile) – The Fund is suitable to investors with moderate risk profile, who are willing to assume a certain level of risk in consideration for returns, and have an investment horizon of at least five (5) years.

Sec. 3 Participation Units – Participation in the Fund shall always be through participation in units of the Fund and each unit shall have uniform rights and 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.

Subscription to or redemption of participation units in the Fund may be made only on the basis of the prevailing NAVPu at the end of each Valuation Date. Subscription and redemption shall also be subject to the requirements and conditions established by the Trustee.

Sec. 4 Subscription Requirements and Conditions – Subscription to the Fund shall be subject to the following:

(a) Minimum Amounts Required

Minimum Initial Subscription	USD1,000.00
Minimum Maintaining Amount	USD1,000.00
Minimum Additional Subscription	USD500.00

(b) Subscription Cut-Off Time – Subscriptions to the Fund received by the Trustee through its Head Office, branches or the Chinabank digital platforms¹ on or before 12 noon of each banking day shall be considered as orders for the day. However, subscriptions received after the cut-off times shall be considered as orders for the next banking day.

¹Currently, Chinabank Mobile App is available for additional subscriptions to existing participants of the Fund. Participants will be advised if other platforms become available in the future.

(c) Subscription through Digital Platforms – Subscriptions done through the Chinabank digital platforms shall be processed by the system, including the debiting of the subscription amount from the participant's designated Chinabank account, after the participant has authorized the transaction in the said platforms. The participant shall receive an email notification acknowledging the receipt of the subscription.

(d) Evidence of Subscription – An investor shall become a participant of the Fund upon the execution of the Omnibus Participating Trust Agreement (OPTA), a copy of which shall be given to the participant, and the delivery to the Trustee of the amount to be invested in the Fund. The proportionate interest of the participant in the Fund shall be acknowledged through a system-generated advice/Confirmation of Participation (COP) in the form issued by the Trustee (i.e. Subscription Advice). Any subsequent additions to the Fund, including

subsequent initial participations in other Funds managed and administered by the Trustee, shall no longer require the execution of a new OPTA. The participant shall be issued a new system-generated advice/COP for the additional and/or initial participation amounts delivered. The OPTA and/or the system-generated advice/COP shall be made available to the participant, either in printed or electronic form, two (2) banking days after the Trustee's receipt of the amount to be invested in the Funds.

- (e) **Systematic Investment Plan** – The Fund shall also be available through the Trustee's Systematic Investment Plan (SIP). The SIP provides existing participants of the Fund the opportunity to make additional subscriptions regularly by purchasing units on a scheduled basis. The features, terms and conditions of the SIP are found in the SIP Enrollment/Amendment Form which is available in the Head Office, branches and website of the Trustee.

Sec. 5 Redemption Requirements and Conditions – Redemption from the Fund shall be subject to the following:

- (a) **Minimum Redemption Amount** – The minimum redemption amount is set at USD100.00. Partial redemptions shall be allowed provided that the amount redeemed will not result to a balance below the minimum maintaining amount; otherwise, the participant shall be required to redeem his entire holdings.
- (b) **Redemption Cut-Off Time** – Notices of redemption from the Fund received by the Trustee through its Head Office, branches or the Chinabank digital platforms¹ on or before 12 noon of each banking day shall be considered as transactions for the day. However, notices of redemption received after the cut-off times shall be considered as transactions for the next banking day.

¹Currently, the Chinabank Mobile App is available for redemption notifications by existing participants of the Fund. Participants will be advised if other platforms become available in the future.

- (c) **Redemption through Digital Platforms** – Redemption notifications done through the Chinabank digital platforms shall be processed by the system after the participant has authorized the transaction in the said platforms. The redemption proceeds shall be credited to the participant's designated Chinabank account on the redemption settlement date. The participant shall receive an email notification acknowledging the receipt of the notice of redemption.
- (d) **Redemption Settlement Date** – The redemption proceeds shall be credited to the participant's designated Chinabank account five (5) banking days following the date of the notice of redemption (T+5), provided it was received by the Trustee within the redemption cut-off time.
- (e) **Confirmation of Redemption** – A system-generated advice/Confirmation of Redemption in the form issued by the Trustee (i.e. Redemption Advice) shall be made available to the participant, either in printed or electronic form, as evidence of the redemption transaction two (2) banking days after the Trustee's receipt of the redemption notification.
- (f) **Early Redemption Fee** – Redemptions made prior to the minimum holding period shall be subject to an early redemption fee equivalent to one percent (1.00%) of the proceeds (i.e. prevailing NAVPu multiplied by the number units redeemed), which fee shall accrue to the benefit of the Fund.

Sec. 6 Suspension of Admission and Redemption – The Trustee may temporarily suspend the admission to and redemption from the Fund if it is unable to determine the NAVPu of the Fund

due to 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 investment instruments. Any subscription or notice of redemption received during the said suspension shall be transacted on the next banking day when the market prices of investment instruments become available. The Trustee may also temporarily adjust the cut-off time for subscriptions and notice of redemptions if there are factors affecting the trading hours of investment instruments in the market.

The Trustee shall notify the BSP within two (2) banking days from the occurrence, stating the details and the period within which the suspension took effect.

Sec. 7 Minimum Holding Period – The minimum holding period for participations in the Fund shall be ninety (90) calendar days.

Sec. 8 Currency – Subscriptions to and redemptions from the Fund shall be in US Dollars.

Article V 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 in accordance with applicable BSP rules and regulations.

Sec. 3 Monitoring of Unit Income – The Trustee shall separately account for the Fund's income due for distribution.

Sec. 4 Sources of Unit Income – The Fund shall distribute Unit Income generated from income dividends received from the Target Fund as cash.

Sec. 6 Distribution Policy of Unit Income – The Fund shall only distribute income dividends received from the Target Fund as cash to the Participants in the form of Unit Income on a monthly basis.

A notice shall be made available to Participants containing information on the total amount of income for distribution by the Trustee, NAVPu as at relevant Ex-Date, total number of units for distribution and Unit Income. Unit Income refers to the number of units for every unit held by the Participant eligible for distribution. Notices may be through posting in the premises of the Head Office and branches of the Trustee or through the publication of announcement in the Trustee's website.

Distributions shall be based on the equivalent pro rata share of units held by each Participant based on the NAVPu at the relevant Ex-Date. Distributions shall be made to holders within ten (10) banking days from the relevant Record Date, which shall be considered automatically redeemed and proceeds are subsequently credited to the nominated settlement account of eligible Participants. Given the automatic redemption feature of the Unit income, there is no set minimum amount for participants to receive the Unit Income distributions.

Sec. 7 Custody of Securities – Investments in securities of the Fund shall be held for safekeeping by Deutsche Bank AG, Manila Branch or such other BSP-accredited third party custodian which the Trustee may hereinafter appoint, which shall perform independent marking-to-market of such securities.

Article VI
VALUATION OF THE FUND AND PARTICIPATION UNITS

Sec. 1 Valuation Date – Valuation Date refers to a banking day when the Net Asset Value (NAV) of the Fund and the value of each unit of participation (referred to as NAVPu) are calculated by the Trustee. These values are used for allocating subscription and redemption orders received on the Order Date.

Order Date shall mean a banking day prior to the Valuation Date when a subscription or redemption order is received from the participant before cut-off time.

Sec. 2 Valuation of the Fund – The valuation of the Fund shall be subject to the following rules:

- (a) The Trustee shall determine the NAV of the Fund on each Valuation Date.
- (b) The NAV of the Fund is calculated as the sum of the market value of each investment, minus fees, taxes, and other qualified expenses as defined in the Fund's guidelines. The market value of the investments is determined in accordance with the existing rules and regulations of the BSP regarding marking-to-market valuation of investment instruments.

Sec. 3 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 shall be USD1.00. Subsequently, the NAVPu shall be adjusted accordingly to the valuation of the Fund as provided under this Article.
- (c) The NAVPu shall be computed at the end of each Valuation Date after all transactions relating to the Fund have been processed and all relevant information necessary for calculating the same have been collected. The NAVPu shall be made available to investors the next banking day, referred to as the NAVPu Publication Date.
- (d) The Trustee shall cause the publication of the NAVPu at least weekly in one (1) or more newspaper of national circulation or through the TOAP-administered website, www.uitf.com.ph. The said publication, at the minimum, shall clearly state the name of the Fund, its general classification, the Fund's NAVPu and moving return on investment (ROI) on a year-to-date and year-on-year basis.
- (e) The Trustee shall also make available the historical NAVPu of the Fund in the Trustee's website.

Sec. 4 Fees and Expenses of the Fund

- (a) **Trustee's Fees** – As its compensation for the administration and management of the Fund, the Trustee shall collect from the Fund trust fees equivalent to three-fourths of one percent (0.75%) per annum based on the NAV of the Fund, which shall be accrued daily and collected monthly in arrears. Said fee shall cover the Fund's fair and equitable share of the routine administrative expenses of the trustee such as salaries and wages, stationery and supplies, credit investigation, collateral appraisal, security, messengerial and janitorial services, EDP expenses, BSP supervision fees and internal audit fees. Sale, distribution, marketing and/or other promotional related expenses shall be for the account of the Trustee and shall be presumed to be covered by the trust fee.

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 Section 414 of the MORB. In the event the trust fees are changed, such change shall be charged prospectively.

Target Fund's Fee Structure

The Target Fund is subject to its own operating expenses, including a separate management fee. Details on these can be found on the TARGET FUND - KEY FEATURES page.

Additional information on the Target Fund such as the Target Fund's Investment Manager, Investment Objectives, Historical Performance, Total Expense Ratio can be found in its Prospectus and Fund Fact Sheet.

- (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. In case when outsourcing services will have to be obtained, the Trustee shall secure prior BSP approval for such as provided under existing regulations.

Article VII

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 – 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 including the authority to switch Target Funds with full discretionary powers, and without distinction, as to principal and income in investments stipulated herein and in such investments it may deem sound and appropriate, subject to the limitations, investment objectives and policies of the Fund;
- d. To deposit in any bank or financial institution, including its own bank, any portion of the Fund subject to the requirements of Section 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 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 the 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;
- 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 contract the services of BSP-accredited third party custodian which shall safekeep the securities held by the Fund and perform independent marking-to-market of such securities, to replace such BSP-accredited third party custodian at any time at its discretion, and to charge the fees of such custodian directly to the Fund;
- l. To institute or defend actions or proceedings in connection with any and all assets, securities or property at any time received or held by the Fund and all costs and attorney's fees in connection therewith shall be charged against the Fund; and
- m. To perform such acts which are necessary or 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. Any losses and income arising from market fluctuations and price volatility of the investments of the Fund, even if invested in government securities, shall be for the account of the participant. As such, the units of participation of the participant in the Fund, when redeemed, may be worth more or worth less than the participant's initial participation amount. 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.

The Fund is not an obligation of, nor guaranteed, nor insured by the Trustee or its affiliates or subsidiaries. Due to the nature of the investments of the Fund, the Trustee does not and shall not guarantee the returns or yields to the participants. Furthermore, historical performance, when presented, is purely for reference purposes and is not a guarantee of similar future performance.

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 VIII RIGHTS OF PARTICIPANTS

Sec. 1 Right to Inspect Declaration – A copy of this Declaration of Trust shall be available at the principal office and on the website of the Trustee for inspection by existing or prospective investors or their authorized representative. A copy of the Declaration of Trust may also be furnished to the said parties upon request.

Sec. 2 Disclosure of Investments – A list of outstanding and prospective investments of the Fund shall be prepared monthly and made publicly available not later than forty-five (45) calendar days from the reference period. Such document shall be substantially in the form of the Key Information and Investment Disclosure Statement (KIIDS) as provided under Appendix 56 of the MORB (Guide in Preparing the KIIDS for UITF). Participants in the Fund may also be furnished with the said document upon request.

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

Due to the nature of the investment in the Fund, all potential participants shall be advised to read and evaluate the complete details of the Fund in the Plan Rules, including all the risks involved, and to seek independent/professional opinion when necessary, before making an investment.

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 X 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*.

Sec. 5 Cooling-off Period – Unless otherwise provided by applicable law or regulation, a participant who is an individual or an entity classified as a micro or small enterprise shall be entitled to a period of two (2) banking days from the date of signing of the OPTA within which to terminate the same and consequently redeem his/her/its UITF investments, subject, however, to the payment of the early redemption fee. The early redemption fee shall be charged by the Trustee and withheld from any refund due to the participant. The participant understands that such redemption may result in a gain or loss depending on the prevailing NAVPu, which shall be for the exclusive account of the participant.

Article IX 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 financial statements of the Fund shall be conducted annually by the external auditor engaged for the financial audit of the Trustee. The audited financial statements (AFS) for the Fund shall be Philippine Financial Reporting Standards (PFRS)/Philippine Accounting Standards (PAS)-compliant in all respects. The AFS for the Fund shall be made available at the Trustee's place of business, posted on the Trustee's website, and upon request of the participants, transmitted to them in printed or electronic format, and submitted to the BSP within one hundred eighty (180) calendar days following the close of the calendar or fiscal year adopted by the Trustee.

Article X AMENDMENTS & TERMINATION

Sec. 1 Amendments – This Plan may be amended by a resolution of the Board of Directors of the Trustee: Provided, however, that participants in the Fund shall be notified in writing (either in electronic or printed form), through the posting of notices in the premises of the Head Office and branches of the Trustee or through the publication of announcement in the Trustee's website of such amendments. The participants who are not in conformity with the amendments shall be given at least thirty (30) calendar days prior to the implementation to withdraw their participations. Amendments to the Plan requiring written notification to the BSP, as enumerated in Section 414 of the MORB or in such other circulars/supplements thereto, shall be submitted within ten (10) banking days from approval of the amendments by the Board of Directors of the Trustee. All other

amendments to the Plan that do not involve the aspects requiring a written notification to the BSP shall only require approval of the Board of Directors of the Trustee.

(a) Switching of Target Fund

The switching of the Target Fund may be deemed necessary, in case of, but not limited to the following:

1. Change in the Fund and/or Target Fund's investment objective or risk profile
2. Performance vis-à-vis expectations
3. Resignation of fund manager/s
4. Closure of Target Fund or its maximum AUM capacity has been reached
5. Prolonged suspension of subscription/redemption to/from the Target Fund
6. Market conditions which in the reasonable opinion of the Trustee warrant a change in Target Fund

Switching of the Target Fund is deemed as an amendment subject to the provisions of this section. In addition to a formal notice to Participants, prior disclosure may be supplemented by either an email or posting of notices in the premises of the Head Office and branches of the Trustee or through the publication of announcement in the Trustee's website.

No change shall be implemented within thirty (30) calendar days from notification to participants.

In case of switching of the Target Fund, the Trustee shall follow its defined internal process to ensure protection of investors' interest. This shall include processes and procedures relating to:

1. Termination of Subscription to Target Fund or Agreement
2. Temporary Holdings in Cash
3. Subscription to a New Target Fund
4. Information and Public Announcement of Target Fund Switch

(b) Material and Non-Material Changes in Target Fund's Structure

Material changes in a Target Fund shall require re-assessment and review by the Trustee of the suitability of the Target Fund. Material changes can be described as a change, with all else being unchanged, that a reasonable investor would consider important in the investor's decision to buy, hold or sell. Such changes may include but are not necessarily limited to:

1. A change in the objective or investment style of the Target Fund
2. A change in the portfolio management team of the Target Fund
3. A change in the Target Fund's fees that will significantly affect the total expense ratio of the Fund
4. A regulatory change in the jurisdiction where the Target Fund is domiciled that would significantly affect the Target Fund's operations
5. Significant legal disputes
6. Any other change that would necessitate a change in the Fund's DOT/Plan

Should the Trustee decide to retain the Target Fund despite such material change, such change must be properly disclosed to the participants via a formal written notification. Participants shall be allowed to withdraw their participation within a reasonable period of time but in no case less than thirty (30) calendar days. The Trustee shall not increase the Fund's participation to that particular Target Fund within the notice period.

Non-Material Changes to the Target Fund, or any information that, which to the Trustee's best judgment, will not reasonably affect the investor's decision to buy, hold, or sell its investment in the Fund, shall be disclosed via the Trustee's website.

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. A copy of the resolution, which shall specify the effective date of such termination, shall be submitted to the BSP. At the discretion of the Board of Directors of the Trustee, 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 participants in the Fund shall be notified in writing (either in electronic or printed form), through the posting of notices in the premises of the Head Office and branches of the Trustee or through the publication of announcement in the Trustee's website at least thirty (30) banking days prior to the actual termination of the Fund. Upon termination, the Trustee shall prepare a financial statement of the Fund which shall be the basis for distribution to the participants.

Within a reasonable time after the termination of this DOT, the Trustee shall distribute to the participants each participant's proportionate interest in the net assets of the Fund after deducting all accrued taxes, expenses, and trust fee chargeable against the Fund. The Trustee shall be authorized to sell or dispose of any asset of the Fund as may be necessary to fully implement the distribution to the participants and finally liquidate or settle its accountabilities or obligations as Trustee.

Even after the termination of this DOT, the Trustee shall continue to exercise its powers and rights until all the assets of the Fund have been liquidated and distributed to all participants.

Article XI

OTHER TERMS AND CONDITIONS

This Declaration of Trust is in compliance with and subject to the provisions under Section 414 of the MORB and such other amendments/supplements thereto, if any. The provisions of this Plan shall prevail over those of the OPTA or the COP, in the event that there is an inconsistency between their provisions.

IN WITNESS WHEREOF, China Banking Corporation has caused this Declaration of Trust to be signed and its corporate seal affixed thereto on July 24, 2024 at Makati City.

CHINA BANKING CORPORATION – TRUST AND ASSET MANAGEMENT GROUP

Trustee

By:

(SGD)

MARY ANN T. LIM

Trust Officer

KEY FEATURES

Title of the Fund	: CHINABANK INCOME-PAYING DOLLAR BOND FEEDER FUND
Fund Classification	: Fixed Income Fund
Fund Structure	: Feeder Fund - Distributing
Risk Profile of Target Investors	: Moderate
Recommended Investment Horizon	: At least five (5) years
Investment Objective	: The Fund intends to achieve for its participants regular income with a secondary focus on long term capital growth by investing in a Target Fund that seeks to track the performance of a broad, market-weighted, investment-grade US bond market.
Investment Policy/Strategy	: The Fund shall invest at least ninety percent (90%) of its assets in the Target Fund.

The Fund may also invest in Deposit products such as Time Deposits/ Other Bank Deposit Products.

The combined exposure of the Target Fund's underlying securities to any entity and related parties shall not exceed 15% of the market value of the Fund. This limitation shall not apply to non-risk assets as defined by the BSP under Section 344 of the Manual of Regulations for Banks (MORB). Furthermore, the Fund's investment in the Target Fund shall not exceed ten percent (10%) of the total Net Asset Value of the Target Fund.

Benchmark	: The Benchmark of the Fund is the same as the Benchmark of the Target Fund, which is the Bloomberg U.S. Aggregate Float Adjusted Index.
	The Bloomberg U.S. Aggregate Float Adjusted Index, is a Total Return Index which measures the performance of a wide spectrum of public, investment-grade, taxable, fixed income securities in the United States—including government, corporate, and international dollar-denominated bonds, as well as mortgage-backed and asset-backed securities—all with maturities of more than 1 year. Federal Reserve holdings acquired through primary and secondary markets are deducted from the outstanding amounts of securities in the index.
Target Asset Allocation	: The Fund shall invest at substantially in the Target Fund. The Fund's target asset allocation is as follows:

	Asset Allocation	
	Strategic	Tactical
Target Fund	100%	90%-100%
Cash Equivalent: Time Deposits/ Other Bank Deposit Products	0%	0%-10%

The Fund may have cash levels in excess of the regulatory limit of 10% under the following instances:

- 1) There is a large subscription and the Trustee is in the process of investing the cash contribution into the Target Fund;
- 2) There is large redemption wherein the Trustee has already received the proceeds from its divestment from the Target Fund but is awaiting the end of the redemption settlement period;
- 3) The Trustee is in the process of switching from one Target Fund to another.

Weighted Average Portfolio Life	: The Fund will maintain a weighted average portfolio life consistent or similar to that of the Target Fund. As of this version of the Plan Rules, the weighted average portfolio life is nine (9) years. The portfolio life is subject to change depending on the composition of the Target Fund holdings.
Weighted Average Portfolio Modified Duration	: The Fund will maintain a weighted average portfolio modified duration consistent or similar to that of the Target Fund. As of this version of the Plan Rules, the weighted average portfolio modified duration is six (6) years. The portfolio duration is subject to change depending on the composition of the Target Fund holdings.
Minimum Initial Subscription	: USD 1,000.00
Minimum Maintaining Amount	: USD 1,000.00

Minimum Additional Subscription	: USD 500.00
Subscription Cut-Off Time	: For subscriptions through the Head Office, Branches or Chinabank digital platforms ¹ : 12 noon of any banking day ¹ Chinabank Mobile App is available for additional subscriptions to existing participants of the Fund. Participants will be advised if other platforms become available in the future.
Currency	: US Dollars
Minimum Holding Period	: Ninety (90) calendar days
Minimum Redemption Amount	: USD100.00. Partial redemptions shall be allowed provided that the amount redeemed will not result to a balance below the minimum maintaining amount.
Redemption Cut-Off Time	: For redemptions through the Head Office, Branches or Chinabank digital platforms ¹ : 12 noon of any banking day ¹ Chinabank Mobile App is available for redemptions by existing participants of the Fund. Participants will be advised if other platforms become available in the future.
Redemption Settlement Date	: Five (5) banking days following the date of the notice of redemption (T+5)
Early Redemption Fee	: Redemptions made prior to the minimum holding period shall be subject to an early redemption fee equivalent to one percent (1.00%) of the proceeds, which fee shall accrue to the benefit of the Fund.
Trust Fee	: 0.75% p.a.
Custodian	: Deutsche Bank AG, Manila Branch
External Auditor	: SGV & Co.
Initial NAVPu	: USD 1.000000
Inception Date	: November 11, 2024

TARGET FUND - KEY FEATURES

Target fund	Vanguard Total Bond Market ETF (BND)
Investment manager/s of the target fund	The investment advisor is Vanguard Group, Inc. (Vanguard) while the Portfolio Manager is Joshua C. Barrickman, CFA, who is the Principal of Vanguard and co-head of Vanguard's Fixed Income Indexing Americas. He has managed the Fund since 2013.
Relationship of the Trust Entity to the Investment Manager/s of the target fund	No relation
Description of the target fund	<p>The fund generally:</p> <ul style="list-style-type: none"> • Provides broad exposure to the taxable investment-grade U.S. dollar-denominated bond market, excluding inflation-protected and tax-exempt bonds. • Offers relatively high potential for investment income; share value tends to rise and fall modestly. • May be more appropriate for medium- or long-term goals where you're looking for a reliable income stream. • Is appropriate for diversifying the risks of stocks in a portfolio. <p>The fund seeks to track the investment performance of the Bloomberg U.S. Aggregate Float Adjusted Index, an unmanaged benchmark representing the broad, investment-grade U.S. bond market.</p> <p>The fund invests in taxable investment-grade corporate, U.S. Treasury, mortgage-backed, and asset-backed securities with short, intermediate, and long maturities in excess of one year, resulting in a portfolio of intermediate duration.</p> <p>The fund's passive investment style uses a sampling technique to closely match key benchmark characteristics: duration, cash flow, quality, and callability. Optimized sampling is designed to avoid the expense and impracticality of fully replicating the index.</p>
Investment objective/s of the target fund	The fund's investment objective is to seek to track the performance of a broad, market-weighted bond index.
Investment policy or strategy of the target fund	<p>The Fund employs an indexing investment approach designed to track the performance of the Bloomberg U.S. Aggregate Float Adjusted Index.</p> <p>The Fund invests by sampling the Index, meaning that it holds a broadly diversified collection of securities that, in the aggregate, approximates the full Index in terms of key risk factors and other characteristics. All of the Fund's investments will be selected through the sampling process, and at least 80% of the Fund's assets will be invested in bonds held in the Index. Up to 20% of each Fund's assets may be used to purchase nonpublic, investment-grade securities, as well as smaller public issues or medium-term notes not included in the index because of the small size of the issue.</p> <p>The Fund seeks to maintain a dollar-weighted average maturity consistent with that of the Index. As of December 31, 2022, the dollar-weighted average maturity of the Index was 9 years. The Fund also seeks to maintain an average duration consistent with that of the Index. As of December 31, 2022, the average duration of the Index was 6 years.</p> <p><u>Temporary Investment Measures</u></p> <p>The Target Fund may temporarily depart from its normal investment policies and strategies when the advisor believes that doing so is in the Fund's best interest, so long as the strategy or policy employed is consistent with the Fund's investment objective. For instance, the Target Fund may invest beyond its normal limits in derivatives or exchange-traded funds that are consistent with the Fund's investment objective when those instruments are more favorably priced or provide needed liquidity, as might be the case when the Fund receives large cash flows that it cannot prudently invest immediately.</p>
Use of derivatives by the target fund	The Fund may invest in derivatives only if the expected risks and rewards of the derivatives are consistent with the investment objective, policies, strategies, and risks of the Fund as disclosed in this prospectus.

	<p>In particular, derivatives will be used only when they may help the advisor to accomplish one or more of the following:</p> <ul style="list-style-type: none"> • Invest in eligible asset classes with greater efficiency and lower cost than is possible through direct investment. • Add value when these instruments are attractively priced. • Adjust sensitivity to changes in interest rates. 								
Regulator/s of the target fund	United States Securities And Exchange Commission (SEC), a member of the International Organization Of Securities Commissions (IOSCO)								
Fee structure of the target fund	<p>Annual Fund Operating Expenses (Expenses each year as a percentage of the value of the investment)</p> <table border="1"> <tr> <td>Management Fees</td><td>0.02%</td></tr> <tr> <td>12b-1 Distribution Fee</td><td>None</td></tr> <tr> <td>Other Expenses</td><td>0.01%</td></tr> <tr> <td>Total Annual Fund Operating Expenses</td><td>0.03%</td></tr> </table>	Management Fees	0.02%	12b-1 Distribution Fee	None	Other Expenses	0.01%	Total Annual Fund Operating Expenses	0.03%
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12b-1 Distribution Fee	None								
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