

**DECLARATION OF TRUST**

**PNB PERA BOND FUND**

A Unit Investment Trust Fund  
Qualified as a PERA Investment Product

KNOW ALL MEN BY THESE PRESENTS:

**PHILIPPINE NATIONAL BANK**, a banking corporation duly organized and existing under and by virtue of the laws of the Republic of the Philippines, with principal office at the 3/F, PNB Financial Center, President Diosdado Macapagal Boulevard, Pasay City, with authority to perform trust and other fiduciary functions, acting herein through its Trust Banking Group (herein referred to as the "Trustee");

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

Article I

**CREATION OF THE TRUST**

That for the purposes of 1) establishing a PERA (Personal Equity and Retirement Account) – qualified investment product for individuals who have opened a PERA, a voluntary retirement account pursuant to and in accordance with Republic Act 9505, also known as the "Personal Equity and Retirement Account Act of 2008", and its implementing rules and regulations and 2) providing investment opportunities to its trust clients for competitive investment yields and a diversified portfolio of investments pursuant to investment objectives and policies herein stipulated, the Trustee hereby establishes and declares itself as trustee of a unit investment trust fund qualified as a PERA Investment Product, as defined under the PERA Act of 2008, 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 **PNB PERA Bond Fund** (herein referred to as the "Fund").

Sec. 2 Nature of the Fund – The Fund is a unit investment trust fund qualified as a PERA Investment Product of the Philippine National Bank established in accordance with and shall be operated subject to the stipulations of this Declaration of Trust ("Declaration") and as the same may be amended from time to time in accordance with the regulations issued by the Bangko Sentral Ng Pilipinas (the "BSP") and to existing laws.

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

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 PNB PERA Bond Fund shall be described in **Appendix I** hereto.

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

The Trustee shall make available to all participants or through their PERA Administrators, as defined in the PERA Act (the "PERA Administrators"), as authorized by the participants, for review a list of prospective and outstanding investment outlets which shall be updated quarterly. Such disclosure shall be in the form prescribed under Appendix 56 (Appendix to Section 414 on Minimum disclosure requirement) of the Manual of Regulation for Banks (MORB) hereto attached as **Appendix II**.

#### Article III

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

- Sec. 1 Qualified Participants (Requirements and Restrictions) - Prior to acceptance of the initial participation in the Fund, the Trustee shall furnish the participant and/or his PERA Administrator all relevant documents necessary to facilitate the investment of the participant in the PERA Investment Product. Further, the appropriateness of the PERA Investment Product based on the PERA Client Suitability Assessment (PCSA) of the participant shall be validated by the participant's PERA Administrator.

Participation in the Fund shall be open to participants who are (a) individuals; (b) have legal capacity to contract; (c) have a Philippine Tax Identification Number (TIN); and (d) whose funds are in a PERA. Participation shall also be subject to the rules or procedures stipulated in **Appendix I** hereto and those established by the Trustee to be advantageous or to the best interest of the Fund.

Admission to the Fund can be done via *Seedbox*<sup>1</sup>, in accordance with the provisions stated in item 4c of Appendix 1.

- 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** hereto.

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<sup>1</sup> *Seedbox* refers to an online wealth platform that allows user to access PERA products and manage their investments online.



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 (herein referred to as the “NAVPu”).
  - (b) The NAV shall be the summation of the market value of each investment of the Fund less fees, 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** hereof.
- Sec. 2 Valuation of Participation Units – The valuation of participation units shall be subject to the following rules:
- (a) The NAVPu shall be determined by dividing the NAV of the Fund by the total number of units outstanding as of valuation date.
  - (b) The NAVPu at the start of the Fund’s operation, or the Fund’s par value, shall be as indicated in **Appendix I** hereto.
  - (c) The NAVPu shall be computed daily at the time specified in Appendix I hereto.
  - (d) The Trustee shall cause the publication of the NAVPu of the Fund at least weekly in one or more newspaper of national circulation. The daily NAVPu, as well as the historical NAVPu’s, shall be available in the Trustee’s website and in [www.uitf.com.ph](http://www.uitf.com.ph).
- Sec. 3 Fees and Expenses of the Fund –
- (a) Trustee’s Fees - The Trustee shall charge against the Fund regular trust fees in the amount indicated in **Appendix I** hereto on a per annum basis based on the NAV of the Fund as its compensation for the administration and management of the Fund. These fees shall accrue and shall be collectible from the Fund, as and when the same becomes due, at such times as indicated in **Appendix I**. The trust fees shall be uniformly applied to all participants of the Fund. Said fee may be increased or decreased in the future as may be warranted by

circumstances then existing, subject to the requirements of Section 414, Plan Rules j. of the MORB. In the event the trust fees are changed, such change shall be charged prospectively.

- (b) Expenses - The Trustee may charge the Fund for special expenses if the same is necessary to preserve or enhance the value of the Fund. Such special expenses shall be payable to pertinent third party or parties covered by separate contract/s and disclosed to the participants.

#### Article VI

#### TRUSTEES POWERS & 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 Trust Fund;
- c. To hold, place, invest and reinvest the Fund with full discretionary powers, and without distinction, as to principal and income in investments stipulated in Article II, Section 3 hereto and in such investments, it may deem sound and appropriate, subject only to the limitations the investment objectives and policies of the Fund stated in Article II, Section 3 hereto;
- d. To deposit in any bank or financial institution, including its own bank, any portion of the Fund, subject to the requirement of Section 414, Exposure Limits 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 connection with administration and management of the Fund and the protection or advancement of its legal and other interests;
- h. To make, execute, acknowledge, and deliver any or all securities, agreements, contracts, deeds, documents, and instruments necessary in the management and reinvestment of the Fund, or in connection with the exercise of the powers herein conferred or the performance of acts herein authorized;
- i. To collect, receive and receipt for income, dividends, interest, profits, increments and such other sums accruing or due to the Fund; and



- j. To pay out of the Fund all costs, expenses, and proper charges incurred in connection with the administration, preservation, maintenance, and protection of the Fund.

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

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

## Article VII RIGHTS OF PARTICIPANTS

**Sec. 1 Right to Inspect Declaration** - A copy of this Declaration shall be available at the principal office of the Trustee and in the Trustee's website for inspection by any person having an interest in the Fund or by his authorized representative. Upon request, a copy of the Declaration 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 Appendix 56 (Appendix to Section 414 on Minimum disclosure requirement) of the MORB. Notwithstanding the disclosure requirement in the form prescribed under Appendix 56 mentioned above, upon request, participants in the Fund or through 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'.

**Sec. 4 Rights Upon Termination of Declaration** – In case of termination of the Declaration, 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 Section 2 of Article IX hereof and, (b) upon demand, the right to inspect or be provided a copy of the financial statement used as the basis for the distribution of the Fund.

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

Article VIII  
**ANNUAL AUDIT AND REPORT**

- Sec. 1 Aside from the regular audit requirement applicable to all trust accounts of the Trustee, an external audit of the Fund shall be conducted annually after the close of each fiscal year by an independent auditor acceptable to BSP. The external audit shall be conducted by the same external auditor engaged for the audit of the Trustee. The result of this audit shall be the basis of the Trustee's annual report which shall be made available at the principal office of the Trustee and in the Trustee's website to all the participants or through their PERA Administrators, as authorized by the participants. A copy of the report, or a notice that the report is available and that a copy thereof will be furnished upon request and shall be sent, without charge, to each participant.

Article IX  
**AMENDMENTS & TERMINATION**

- Sec. 1 Amendments - This Declaration may be amended from time to time by resolution of the Board of Directors of the Trustee: *Provided, however,* that participants in the Fund or through their PERA Administrators, as authorized by the participants shall be immediately notified of such amendments and those who are not in conformity with the amendments made shall be allowed to withdraw their participations within (30) calendar days after the amendments are approved or such longer period as may be fixed by the Trustee: *Provided further,* That amendments to the Declaration shall be submitted to the BSP within ten (10) business days from approval of the amendments by the Board of Directors of the Trustee.
- Sec. 2 Termination - This Declaration 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, the Trustee shall notify the participants or through their PERA Administrators, as authorized by the participants accordingly.

Following the approval of the termination of the Declaration but at least thirty (30) business days prior to the actual termination of the Fund, the Trustee shall provide notice of the termination of the Fund to the remaining participants. Such notice may be made by the Trustee by way of direct written notice to each participant or through the posting of notices in the premises of the Head office and branches of the Trustee. Upon termination, the Trustee shall prepare a financial statement of the Fund which shall be made the basis for distribution to the participants.



Article X  
**OTHER TERMS AND CONDITIONS**

- Sec. 1 Consumer Protection Policy – The PNB UITFs are subject to the Bank’s Consumer Protection Policy, which is compliant with BSP Circular 1160 (Regulations on Financial Consumer Protection).
- Sec. 2 Publication – The Trustee shall publish on its website the (i) updated Declaration, (ii) latest KIIDS, (iii) historical NAVPU, (iv) moving return on investment for each on a year-to-date and year-on-year basis, and (v) latest annual report of the Fund. The updated Declaration and latest annual report of the Fund shall also be available at the Trustee’s principal office.
- Sec. 3 Client Assistance – For any inquiries and complaints, participants may send an email to Trust\_CustomerCare@pnb.com.ph. Trustee shall respond within 48 hours or 2 banking days and resolve the complaint within 20 banking days. Trustee shall notify the participants in case the complaint cannot be resolved within 20 banking days.

For urgent concerns, participants may call Trustee’s Customer Service Hotline at (632) 8573 8888 from 8 a.m. to 8 p.m. Monday to Sunday.

TRUSTEE is regulated by the BSP with email address at [consumeraffairs@bsp.gov.ph](mailto:consumeraffairs@bsp.gov.ph).

**IN WITNESS WHEREOF**, Philippine National Bank has caused this Amended Declaration of Trust to be signed on June 15, 2023 at Pasay City, Metro Manila.

**PHILIPPINE NATIONAL BANK**  
Trust Banking Group  
Trustee

By:



**JOY JASMIN R. SANTOS**  
SVP & Chief Trust Officer, PNB Trust Banking Group

ACKNOWLEDGMENT

REPUBLIC OF THE PHILIPPINES)

PASAY CITY) S. S.

BEFORE ME, a Notary Public for and in the above jurisdiction, on this day of 22 SEP 2023 at PASAY CITY, personally appeared the following, exhibiting to me the following described Competent Evidence of Identity (CEI) in accordance with the 2004 Rules of Notarial Practice:

Name

PNB Trust Banking Group

By: Joy Jasmin R. Santos

CEI

Passport No. P2359431B

Valid Until: 26 June 2029

known to me and by me known to the same persons who executed the foregoing Declaration of Trust consisting of 13 pages including its annex documents and this page wherein this acknowledgment is written and who acknowledged to me that the same is their free and voluntary act and need.

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

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Series of 2023

Atty. Jamie G. Real  
Commission No. 23-15 / Roll No. 68794  
Notary Public in and for Pasay City  
Until December 31, 2024  
9th Floor PNB Financial Center  
Pres. Diosdado Macapagal Blvd., Pasay City  
PTR No. 8058701 / Jan. 05, 2023 / Pasay City  
IBP Lifetime No. 018651 / Dec. 11, 2017 / Manila "



## APPENDIX I

### **PNB PERA BOND FUND**

A Unit Investment Trust Fund  
Qualified as a PERA Investment Product

### **FUND SPECIFICATIONS**

#### 1. Investment Objective

- a) The PNB PERA Bond Fund is a Unit Investment Trust Fund qualified as a PERA Investment Product that is invested in a portfolio of fixed income instruments with a weighted average portfolio life of more than one (1) year.

This Fund is suited for moderate clients who are willing to take some amount of controlled risk. In order to minimize the possibility of risks and maximize the earning potential of their investments, the participants/trustors are recommended to stay invested in the fund for at least 1 year.

This Fund is NOT suited for clients whose primary objective is capital preservation.

- b) Return Objective. The fund aims to outperform its benchmark, which is the Markit iBoxx ALBI Philippines 1-5. It contains Philippine government bonds and Treasury Bills with a remaining maturity between 1 year and 5 years. The risk profile of the fund's benchmark may be viewed as moderate. Additional information on the benchmark may be obtained from Bloomberg.
- c) Exposure Limit. The combined exposure of the UIT Fund to any entity and its related parties shall not exceed fifteen percent (15%) of the market value of the UIT Fund: *Provided That*, this limitation shall not apply to non-risk assets as defined by the BSP.

#### 2. Investment Policy

- a) Pursuant to the foregoing objectives, the Fund may be invested and reinvested in:
- investments allowed under regulations issued by the Bangko Sentral Ng Pilipinas such as;
    - Bank deposits;
    - Securities issued by or guaranteed by the Philippine government, or the Bangko Sentral ng Pilipinas;
    - Exchange-listed securities;
    - Marketable instruments that are traded in an organized exchange;
    - Loans traded in an organized market;
    - Such other tradable investment outlets/categories allowed for PERA UITFs by the BSP

#### 3. Qualified Participants : Requirements and Restrictions

Participation in the fund shall be open to participants who are (a) individuals; (b) have legal capacity to contract; (c) have a Philippine Tax Identification Number (TIN); and (d) whose funds are in a PERA.

The Fund is suited for moderate clients who are willing to take the attendant risks that come with portfolios that may have investments with longer tenors. It is NOT suited for clients whose primary objective is capital preservation.

In order to minimize the possibility of risks and maximize the earning potential of their investments, the participants/trustors are recommended to stay invested in the fund for at least five years.

#### 4. Admission and Redemption

##### a) Policy on Admission and Redemption.

- Minimum Initial Participation. The minimum amount of initial participation/ contribution is Php 1,000.
- Minimum Maintaining Participation. The minimum maintaining participation is Php 1,000.
- Minimum Additional Participation. The minimum additional contribution is Php 1,000.
- Minimum Holding Period – The minimum holding period of the participation is 30 calendar days from the date of participation.

b) Admission and Redemption Cut-off Time. Admission and/or notice of redemption received by the Trustee from the participant's PERA Administrator on or before the cut-off time of 12:00NN shall be considered as transaction for the day. However, admission/notice of redemption received after the cut-off time shall be considered as transaction for the next applicable banking day. Upon admission, the Participating Trust Agreement and/or UITF Confirmation of Transaction (COT) shall be made available to the participant or to their respective PERA Administrators, if authorized by the participant. Proceeds of redemption shall be paid out of the Fund on the redemption settlement date of 1 banking day after transaction date.

c) Modes of Participation. Participations in the Fund shall be done via *Seedbox Technologies*, an online wealth management platform that allows participants to open a PERA, access PERA products and manage their investments online.

d) Admission and Redemption Prices. Admission and redemption prices shall be based on the end of day NAVPu of the fund computed after the cut-off time for fund participation and redemption for that reference day, in accordance with existing Bangko Sentral regulations on marking to market valuation of investment securities.

e) Participation Requirements and Condition. Participation shall also be subject to the following requirements/conditions:



- All documents required for account opening are submitted and complied with and in adherence with the Anti-Money Laundering regulations and the PERA Act;
  - Contributions to the Fund by clients shall always be through participation in units of the fund and each unit shall have uniform rights or privileges, as any other unit.
- f) Redemption Requirements and Conditions. Redemption shall also be subject to the following requirements/conditions:
- Redemption Notice Period. The participant in the Fund may redeem his/her participation on or before 12:00NN of any Banking Day in any form acceptable to the Trustee. Each request for redemption shall be dealt with by the Trustee in chronological order as received.
  - The participant shall submit the Notice of Redemption through his PERA Administrator. The notice of redemption may be in electronic form or in any form acceptable to the Trustee.
  - A UITF COT containing the details of the redemption shall be made available to the participant or through his/her PERA Administrator.
  - Early Redemption Fee. An early redemption fee equivalent to fifty percent (50%) of the income earned if any, by the participation from the date of admission up to the date of redemption shall be charged to the concerned Participant in case of redemption prior to the completion or lapse of the minimum holding period. For partial redemption, the early redemption fee shall be charged only to the income of the partially redeemed amount and not to the income of the entire participation. Such fee shall form part of the Fund.
  - Policy for Partial Redemption. Should a client wish to redeem only a portion of his investment, the Trustee shall issue a UITF COT containing the remaining balance of units and NAVPU at the time of the original contribution. However, the remaining unredeemed amount should conform to the minimum investment amount required. If the remaining balance falls below the minimum maintaining balance as a result of the partial redemption, the Trustee shall fully redeem the investment without prior notice and credit the proceeds to the Trustor's nominated settlement account through his/her PERA Administrator.
  - A participation in the Fund may be redeemed without penalty, in whole or in part, on the valuation date following the lapse of the 30-calendar day holding period from the date of its admission.
  - Cooling-Off Period. The participant of the Fund may cancel the participation without penalty pursuant to the terms of the Participating Trust Agreement and existing BSP regulations.
- g) Suspension of Admission and Redemptions. The Trustee of the Fund may temporarily suspend calculation of the NAV/NAVPU of the Fund, as well as admission to and redemption from the Fund, if it is unable to determine the NAVPU of the Fund due to any fortuitous event, such as fire, natural calamity, public disorder, or national emergency affecting the financial market resulting in the suspension of trading and consequently, the absence of available market prices of securities/instruments.

- h) 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 from the Fund (i) prior to the participant's reaching the age of fifty-five (55) years; or (ii) 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 years.

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

- Termination of the participation upon death of the participant;
- If the entire proceeds of the withdrawal shall be transferred within fifteen (15) calendar days to another PERA Investment Product and/or another PERA Administrator;
- Withdrawal for payment of accident or illness related hospitalization in excess of thirty (30) calendar days; and
- 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.

#### 5. NAVPu

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

The market prices for government securities shall be provided by either a third-party pricing service or calculating agent: Provided, that the pricing service or the calculation agent and its valuation methodology are recognized by the Securities and Exchange Commission (SEC) – licensed benchmark Administrator. For corporate bonds, it shall be based on the latest available closing price. If none, then it shall be based on the interpolated GS rates plus the original spread on issuance.

Valuation Day shall mean any business day wherein the Net Asset Value Per Unit of the Fund is calculated by the Trustee with the provisions of this Plan.

The value of the NAVPu at the start of the PNB PERA Bond Fund's operation shall be: PHP 1.00.

The NAVPu of the fund shall be computed daily and shall be published after 7:00PM in the Trustee's website ([www.pnb.com.ph](http://www.pnb.com.ph)).

#### 6. Fees

The Trustee shall collect from the Fund trust fees in the amount equivalent to 1% per annum based on the fund value which shall be accrued daily and shall be payable quarterly in arrears. Fund value is defined as the net asset value before trust fees.

#### 7. Other Terms and Conditions

- a) Custody of Securities



Investment in securities of the Fund shall be held for safekeeping by Deutsche Bank AG, Manila Branch or other BSP accredited third party custodian that may be assigned by the Trustee in the future. 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 RA 9505, the PERA Act.