

APPENDIX I – Fund Specifications

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| 1. Fund Name | Sun Life Investment Management (SLIMTC) USD Long-Term Global Active Multi-Class Fixed Income Fund of Funds |
| 2. Fund Structure | <p>Unit Investment Trust Fund</p> <p>The Fund shall be treated as a “Multi-Class Fund” and will have more than one class of Participation Unit.</p> <p>The Fund is structured as a fund-of-funds and will invest at least ninety (90%) of its assets in Target Funds with details specified in Appendix III.</p> |
| 3. Investment Objective | The Fund targets long-term total returns by investing in offshore fixed income collective investment vehicles and USD-denominated fixed income instruments. The Fund aims to achieve capital gains while maintaining reasonable levels of liquidity for investor’s requirements. |
| 4. Investment Policy | <p>The Fund shall primarily invest in fixed-income centric offshore investment vehicles denominated in USD.</p> <p>The Fund shall invest at least ninety (90%) of its assets in the Target Fund/s, Appendix III.</p> <p>The combined exposure limit of the Fund to any entity and its related parties shall not exceed 15% of the market value of the Fund or as may be prescribed by the BSP.</p> <p>The investment in any one (1) the Target Fund shall not exceed 10% of the total Net Asset Value of the Target Fund.</p> <p>The 15% exposure limit does not apply to the Fund’s investment in the Target Fund/s and securities issued or guaranteed by the Philippine government or by the BSP. However, the single exposure limit of fifteen (15%) shall apply to underlying assets of the Target Fund/s. In no case shall there be underlying assets or single exposures of the Target Fund/s exceed 15% limit.</p> <p>Notwithstanding said limit, if the Target Fund is allowed by its respective regulatory authority to invest in units/shares of other open-ended CIS, the exposure limit prescribed by said regulatory authority shall instead apply.</p> <p>The Fund may also invest in the following financial instruments:</p> <ul style="list-style-type: none"> (a) USD-denominated cash and time deposit products; (b) USD-denominated securities issued or guaranteed by the Philippine government or by the Bangko Sentral ng Pilipinas (BSP); (c) USD-denominated tradable securities issued or guaranteed by multilateral institutions such as Asian Development Bank (ADB), International Monetary Fund (IMF) and World Bank; (d) Fixed income securities issued by overseas corporate and sovereign issuers; (e) Offshore mutual funds or similar instruments; (f) Offshore exchange-traded funds (ETFs) or similar instruments; (g) Such other tradeable investment outlets as may be allowed by the BSP. <p>The Fund may avail itself of financial derivatives instruments solely for the purpose of hedging risk exposures of its existing investments provided these are disclosed to Participants, are accounted for in accordance with existing BSP hedging guideline as well as the Trustee’s risk management and hedging policies duly approved by the Board of Directors and all the requirements for hedging transactions under Philippine Accounting Standards (PAS) or Philippine Financial Reporting Standards (PFRS) are</p> |

| | <p>observed. The risk exposures include those enumerated in the Risk Disclosure Statement of the Trustee's UITFs.</p> <p>In case the limits prescribed above are breached due to the marking-to-market of certain investment/s or any extraordinary circumstances, e.g., abnormal redemptions which are beyond the control of the trustee, the trustee shall be given thirty (30) days from the time the limit is breached, or in case of investor funds thirty (30) days from date of receipt of report indicating the net asset value of the fund, to correct the same.</p> | | | | | | | | | | | | |
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| 5. Target Fund/s | Details of the Target Fund/s can be found on Appendix III | | | | | | | | | | | | |
| 6. Target Asset Allocation | <table border="1"> <thead> <tr> <th>Asset Allocation</th> <th>Strategic Asset Allocation</th> <th>Target Range</th> </tr> </thead> <tbody> <tr> <td>Cash¹</td> <td>10%</td> <td>0% to 10%</td> </tr> <tr> <td>Direct Fixed Income</td> <td>0%</td> <td>0% to 10%</td> </tr> <tr> <td>Target Funds</td> <td>90%</td> <td>90% to 100%</td> </tr> </tbody> </table> <p>¹ Cash consists of savings and time deposits with other banks, and money market funds.</p> | Asset Allocation | Strategic Asset Allocation | Target Range | Cash ¹ | 10% | 0% to 10% | Direct Fixed Income | 0% | 0% to 10% | Target Funds | 90% | 90% to 100% |
| Asset Allocation | Strategic Asset Allocation | Target Range | | | | | | | | | | | |
| Cash ¹ | 10% | 0% to 10% | | | | | | | | | | | |
| Direct Fixed Income | 0% | 0% to 10% | | | | | | | | | | | |
| Target Funds | 90% | 90% to 100% | | | | | | | | | | | |
| 7. Risk Disclosures | <p>Investment to funds generally expose the investor to the following risks:</p> <ul style="list-style-type: none"> • Market/Price Risk • Liquidity Risk • Credit Risk/Default Risk • Reinvestment Risks • Foreign Exchange Risk, Country Risk • Potential Conflict of Interest • Tax Risk • Other Risks | | | | | | | | | | | | |
| 8. Benchmark | <p>90% Bloomberg Barclays Global Aggregate Index + 10% Philippine Dollar Deposit Rates Time Deposit Up to 1 Month</p> <p>The Bloomberg Global Aggregate Index is the flagship measure of global investment-grade debt from 28 local currency markets. This benchmark includes treasury, government-related, corporate, and securitized fixed-rate bonds from both developed and emerging markets issuers.</p> <p>Information on the index and its constituents can be taken from Bloomberg.</p> <p>Philippine Dollar Deposit Rates Time Deposit Up to 1 Month is used as benchmark for the Fund's allocation in cash.</p> <p>Information on the index and its constituents can be taken from Bloomberg.</p> | | | | | | | | | | | | |
| 9. Maximum Modified Duration | 10 years | | | | | | | | | | | | |
| 10. Average Portfolio Volatility (Standard Deviation) | Must not exceed 12% | | | | | | | | | | | | |
| 11. Qualified Participant | <p>Persons or entities with legal capacity to contract, subject to the account opening procedures established by the Trustee, divided into three classes:</p> <p>Class A – This Unit Class is only open to Retail Investors directly investing in the UITF.</p> <p>Class B – This Unit Class is only open to Institutions and High Net Worth Individuals directly investing in the UITF.</p> <p>Class C – This Unit Class is only open to Investment Management Agreements (IMA) and other Fiduciary Accounts with the Trustee.</p> | | | | | | | | | | | | |
| 12. Recommended Investment Horizon | At least 5 years | | | | | | | | | | | | |
| 13. Minimum Risk Profile of Qualified Participants | The Fund is suitable for investors with a medium to long-term investment horizon, have at least a Moderate risk profile, looking for higher returns compared to other | | | | | | | | | | | | |

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| | investment outlets with shorter investment horizons, and willing to take on the pertinent risks. |
| 14. Base Currency | United States Dollar (USD) |
| 15. Initial NAVpu | Class A: USD 1.0000 Class B: USD 1.0000 Class C: USD 1.0000 |
| 16. Trading Frequency | Daily |
| 17. Business Day Definition | shall mean any day except Saturday, Sunday, or any day which is a legal holiday or any day on which banking institutions are authorized or required by law or other governmental action to close. |
| 18. Subscription Requirements and Conditions | |
| 18.1. Minimum Initial Participation | Unit Class A: USD 100 Unit Class B: USD 100,000 Unit Class C: USD 100 |
| 18.2. Minimum Maintaining Participation | Unit Class A: USD 100 Unit Class B: USD 100,000 Unit Class C: USD 100 |
| 18.3. Minimum Additional Participation | Unit Class A: USD 100 Unit Class B: USD 10,000 Unit Class C: USD 100 |
| 18.4. Subscription Cut-Off Time | Up to 12:00 NN of any business day |
| 18.5. Subscription Settlement Date | On Trade Date, on or before the Subscription Cut-Off Time |
| 18.6. Subscription Price | Applicable NAVpu on Trade Date |
| 19. Redemption Requirements and Conditions | |
| 19.1. Minimum Redemption Amount | Unit Class A: USD 100 Unit Class B: USD 100 Unit Class C: USD 100 |
| 19.2. Redemption Cut-Off Time | Up to 12:00 NN of any business day |
| 19.3. Redemption Settlement Date | Proceeds from redemption shall be paid out of the Fund to the Participant on Trade Date + 7 Business Days (end of business day). |
| 19.4. Redemption Price | Applicable NAVpu on Trade Date |
| 20. Trust Fees per Annum | Unit Class A: 1.00% per annum Unit Class B: 0.60% per annum Unit Class C: 0.00% per annum |

21. Admission / Participation and Redemption

21.1. Policies of Admission and Redemption

Admission (whether new investment or additional investments) to and redemption (whether full redemption or partial redemption) from the Fund will be conducted on a Business Day, within the Subscription Cut-off Time and Redemption Cut-Off Time. Any instructions made after the Subscription Cut-Off Time and Redemption Cut-off Time shall be admitted the following Business Day using the Net Asset Value per Unit (NAVpu) for that said Business Day. These shall be subject to the account opening and closure policies of SLIMTC. Admission and/or redemption shall be executed in units and valued based on the Net Asset Value per Unit (NAVpu) of the Fund at the end of the trade date or the following trade date if beyond cut-off, in accordance with existing BSP Regulations on mark to market valuation of investment securities held by the Fund. Finally, only cleared funds shall be acceptable for investment.

21.2. Admission and Redemption

Admission and redemption prices shall be based on the end-of-day NAVPu, in accordance with existing BSP's Rules and Regulations on marking to market valuation of investment instruments.

21.3. Participating Trust Agreement

The client/participant shall sign on the Participating Trust Agreement only upon initial admission to the Fund, which Agreement provides the general terms and conditions of the Fund. Any subsequent contributions to the Fund shall no longer require execution of a new Trust Agreement.

21.4. Confirmation of Participation

Participation shall also be subject to the following requirements/conditions:

- a) A Confirmation of Participation (COP) shall be issued by the Trustee for any contribution made by the Participant or Trustor to the Fund and shall be in system-generated numbered electronic forms specific to each participation initially set in the design, format and text prescribed to the minimum requirements provided under Section 414-Q of the MORNBF1.
- b) The COP issued by the Trustee shall specify the name of the Participant or Trustor, the amount and date of the Contribution, the price at which the units in the Fund are purchased, with the price referring to the NAVpu and the total units purchased in the Fund.
- c) All system-generated COPs shall need no signature and shall not be required to be surrendered to the Trustee upon redemption of the investment. The "delivery" or "release" of the system-generated COP shall be through the Participant or Trustor's e-mail.
- d) The Trustee shall deliver or release the COP to the Participant or Trustor three (3) Business Days after trade date after the Trustee's receipt of actual payment of Contribution to the Fund within the Subscription Cut-Off Time, which payment is further defined in the succeeding sub-section on the Basis for Admission and Redemption.

21.5. Confirmation of Redemption

Redemption shall also be subject to the following requirements/conditions:

1. A Confirmation of Redemption (COR) shall be issued by the Trustee for any Redemption made by the Participant or Trustor from the Fund (the "Client Redemption Instruction"), duly acknowledged by the Trustee, and shall be in system-generated numbered electronic forms specific to each participation initially set in the design, format and text prescribed by the Trustee or in such other form as may be determined under Section 414-Q of the MORNBF1.
2. The COR issued by the Trustee shall substantially be in the form such that the Participant or Trustor shall be advised of the Redemption amount (on the basis of the Client Redemption Instruction) and the number of units being redeemed from the Fund and Redemption Settlement Date. The NAVpu to be applied on the Redemption amount shall be made available to the Trustor/Participant by the Trustee.
3. All system-generated CORs shall need no signature. The "delivery" or "release" of the system-generated COR shall be through the Participant or Trustor's e-mail.
4. The Trustee shall deliver or release the COR to the Participant or Trustor three (3) Business Days after the Trustor or Participant's Redemption Instruction and the release of the trustee of the Redemption Proceeds shall be governed by Section 1 herein and is further defined in the succeeding sub-section on the Basis for Admission and Redemption.

21.6. Currency and Interest in the Fund

- a) Participation in the Fund shall at all times be composed of units representing equal interest in the Fund, without interest priority of one over the other. The interest of each participant in the Fund shall be recorded by the Trustee in the Record of Participation.
- b) The Fund's currency shall be in the Base Currency of the Fund and will have the Initial NAVpu as its initial value.
- c) Upon receiving the contribution/investment in the Fund, the Trustee shall divide the principal by the prevailing NAVpu on the date of investment to arrive at the equivalent number of units to be purchased by the participant. The resulting number of units shall be rounded off to three (3) decimal places.
- d) Initial investments in the Fund shall be in the Minimum Investment Amount, the equivalent of which in terms of units will vary depending on the prevailing NAVpu at any given time. Any additional investments shall be in the Minimum Additional Participation. Any amendments on the said minimum amount of participation shall be subject to the provisions of Section 414-Q of the MORNBF1.

21.7. Basis for Admission and Redemption

- a) Units of the participation in the Fund may be purchased within the Subscription Cut-Off Time or redeemed within the Redemption Cut-off Time of any Business Day. For partial redemption requests, the same shall be

dealt with by the Trustee in chronological order according to the day that notice/request for redemption is received by it subject to the Minimum redemption Amount.

- b) The NAVpu shall be the basis for all purchases or redemption of units of participation. Units purchased by a participant shall be paid by the Trustor through the Subscription Settlement Mode on the Subscription Settlement Date. Units redeemed by the Trustor shall be paid through the Redemption Settlement Mode by the Trustee on the Redemption Settlement Date.
- c) The participant in the Fund may redeem its participation on any Business Day provided that prior notice of redemption, using the UITF Order Form, is acknowledged by the Trustee within the Redemption Cut-off.

22. Suspension of NAVpu Calculation

The Trustee may temporarily suspend the calculation of the Fund's NAVpu in any of the following circumstances:

- a) when the exchange or other regulated markets, functioning in a regular manner, recognized and open to the public, supplying listings for a significant portion of the assets of the Fund, is closed for periods other than regular holidays, or when transactions thereat are suspended or subject to restrictions;
- b) when the means of communications or calculation used to determine the value of a substantial portion of the assets of the Fund are suspended (e.g. no internet or phone service in Metro Manila), or when the value of a substantial portion of the investments of the Fund cannot be determined with the desirable speed and accuracy;
- c) when factors due, inter alia, to the political, economic, military or monetary climate, and force majeure, which are outside the control, liability and operational scope of the Trustee shall prevent the same from transacting assets on behalf of the Fund and from determining the NAV thereof in a normal and reasonable manner; or
- d) when the market for a currency in which a significant portion of the assets of the Fund is invested shall be closed for periods other than normal holidays, or when transactions thereon are suspended or subject to restrictions.

Should the Trustee suspend the calculation of the NAV and NAVpu, it shall also suspend acceptance of subscription and redemption orders. Such suspension shall promptly be communicated to the Participants and potential investors, and in particular to Participants requesting redemption of their Units. The Trustee shall endeavor to provide a notice to the Fund's participants prior to the suspension of the NAVpu calculation and acceptance of subscriptions or redemptions as the situation may allow. For urgent situations involving the suspension of NAVpu situation, a post-notification shall be submitted to the BSP within two (2) business days from occurrence of the suspension.

The trustee may also suspend such calculations due to the suspension of trading of one or any of its Target Funds. The suspension of any of the target funds will mean the unavailability of the real-time NAVpu that is reflective of actual market movements if previous day NAVpu of the target fund would be used.

23. Trust Fee Computation

The Trust Fee shall be accrued daily and payable monthly or at such periodic intervals as the Trustee may determine.

The Trust Fee shall be computed daily based on the following formula:

| | A Units | B Units | C Units | Fund Total |
|---|----------------------------|----------------------------|----------------------------|--|
| Opening Net Assets (ONA) for the day | ONA (A) | ONA (B) | ONA (C) | ONA (A) + ONA (B) + ONA (C) = ONA |
| Allocation Ratio | A% | B% | C% | A% + B% + C% = 100% |
| Add/(Deduct): Shared Income (INC) and Expenses before Trust Fee (EXP) for the day | (INC – EXP) x (A%) | (INC – EXP) x (B%) | (INC – EXP) x (C%) | (INC – EXP) x (A%) + (INC – EXP) x (B%) + EXP x (C%) = Total Shared Income and Expense of the Fund for the day |
| Net Assets (NA) before Trust Fee Payable (ONA + INC – EXP = NA) | XXX.XX = NA(A) | XXX.XX = NA(B) | XXX.XX = NA(C) | NA(A) + NA(B) + NA(C) = NA |
| Daily Trust Fee* | NA(A) x FEE RATE(A) % /360 | NA(B) x FEE RATE(B) % /360 | NA(C) x FEE RATE(C) % /360 | Total Trust Fees of each class |

*FEE RATE will vary per Unit Class. Please refer to Section 18 for Trust Fees per Annum of each Unit Class for the corresponding FEE RATE that will be used.

WHERE:

$$A\% = \frac{\text{ONA (A)}}{\text{ONA (A) + ONA (B) + ONA (C)} = \text{ONA}}$$

$$B\% = \frac{\text{ONA (B)}}{\text{ONA (A) + ONA (B) + ONA (C)} = \text{ONA}}$$

$$C\% = \frac{\text{ONA (C)}}{\text{ONA (A) + ONA (B) + ONA (C)} = \text{ONA}}$$

THE FEES AND CHARGES IMPOSED BY THE TARGET FUNDS SHALL BE ALLOCATED EQUITABLY ACROSS ALL CLASSES OF THE FUND. THIS SHALL ENTAIL ADDITIONAL FEE (ASIDE FROM THE TRUST FEE) ARISING FROM THE LAYERED INVESTMENTSTRUCTURE.

24. Valuation of Participation Units

The NAVpu of each class of Participation Units shall be determined by dividing the total net assets of a class by the total number of units outstanding of such class as of Trade Date. The net assets of each class shall represent the opening net assets of such class plus its allocation from the shared income for all classes, less its allocation from the shared expenses for all classes, plus income specific to such class, less fees, taxes, and other qualified expenses. The allocation ratio shall be determined by the proportion of such class compared to the opening net assets of the Multi-Class Fund.

25. NAVpu Availability

Trade Date + 1 Business Day, on or before 3:00 p.m. To allow for instances when pricing of securities become available only after office hours and to standardize release of the fund valuation, NAVpus will be released on Trade + 1 Business Day.

Historical NAVpu is available on the Trustee's website.

26. Custodian

Investments by the Target Fund shall be held for safekeeping by the Target Fund Custodian, an institution registered/authorized/approved by a relevant regulatory authority in its home jurisdiction to act as third-party custodian.

Other assets of the Fund shall be held for safekeeping by Citibank, N.A., Manila and/or BSP accredited third party custodians which shall perform independent marking-to-market of such securities.

27. Withholding Taxes

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

28. Definitions

"Applicable Law"

shall mean the laws of the Republic of the Philippines, including all rules, regulations, ordinances, codes, orders or other issuances of the national or local

government in the Philippines, or of any other territory with jurisdiction over the Participant.

“Business Day”

shall mean any day except Saturday, Sunday, or any day which is a legal holiday or any day on which banking institutions are authorized or required by law or other governmental action to close.

“BSP”

shall mean the Bangko Sentral ng Pilipinas.

“Client Suitability Assessment”

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.

“Manual of Regulations for Non-Bank Financial Institutions” (MORNBFII)

Shall mean the principal source of banking regulations issued by the Monetary Board of the Bangko Sentral.

“Material Change”

shall mean a change in the investment objective, business structure, operations or commercial terms of the Fund that would be considered important by a reasonable investor in determining whether to invest or continue to hold units of the Fund. Examples of these would be the following:

- Change in Investment Objective
- Change in Fund Manager
- Change in Target Fund
- Change in Fees
- Change in frequency of subscriptions and redemptions
- Change in minimum holding period
- Change in tax treatments

Generally, material changes would result to an amendment of the Fund's Plan Rules. Non-material changes as opposed to material changes are those which would not have much impact on the decision of an investor to invest or remain invested in the Fund.

“Multi-Class Fund”

Shall mean a UITF Fund structure which has more than one class of units in the Fund and is investment in the same pool of securities and the same portfolio, under the same investments objectives and policies.

“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”

shall refer to an instrument in writing covering the terms and conditions of the Trust.

“Participant”

shall mean a person or entity qualified to invest in the Fund, pursuant to the rules established by the Trustee, which owns units of participation in the Fund.

“Participation”

shall mean the investment of a Participant in the Fund through the purchase of Participation Units of the Fund.

“Participation Unit”

shall mean the interest of a Participant in the Fund wherein each unit shall have uniform rights or privileges, as any other unit.

“Pooled Fund Accounting”

shall mean the accounting method applied to UITFs wherein which the total assets and accountabilities of each fund shall be accounted for as a single account. The investments of a Multi-Class Fund shall remain as one pool and are not separately allocated to classes.

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| "Risk Return Orientation" | shall mean the risk tolerance of a client which is influenced by factors such as investment objective, cashflow requirement, investment time horizon and knowledge of investment markets and instruments. |
| "Trade Date" | shall mean a Business Day where the subscription and/or redemption order is executed. |
| "Unit Investment Trust Fund" (UITF) | shall mean an open-ended pooled trust fund which is operated and administered by a trust entity and made available by participation. |
| "U.S. Persons" | <p>shall mean:</p> <ul style="list-style-type: none"> a) a U.S. citizen b) any natural person resident in the United States; c) any partnership or corporation organized or incorporated under the laws of the United States; d) any estate of which any executor or administrator is a U.S. Person; e) any trust of which any trustee is a U.S. Person; f) any agency or branch of a foreign entity located in the U.S.; <p>any non-discretionary account or similar account (other than an estate or trust) held by a dealer or other fiduciary for the benefit or account of a U.S. Person;</p> <p>any partnership or corporation if (i) organized or incorporated under the laws of any foreign jurisdiction; and (ii) formed by a U.S. Person principally for the purpose of investing in securities not registered under the U.S. Securities Act of 1933, as amended (the "Securities Act"), unless it is organized or incorporated, and owned by accredited investors (as defined in Rule 501 (a) of the Securities Act) who are not natural persons, estates or trusts.</p> |