



Updated Product Features of the PNB UITF Money Market Funds

Dear Valued Investors,

We wish to inform you that we have updated the product features of the PNB UITF Money Market Funds. These changes were approved by the Bangko Sentral ng Pilipinas (BSP) in its email to PNB last December 18, 2020.

PNB revised the investment strategy of the PNB Prime Peso & Dollar Money Market Funds to include government securities in their portfolio. These enhancements will allow the funds to adapt to the current low interest rate environment and to provide our clients with better return on their investments.

The required risk profile for these funds will remain to be conservative while valuation method will be changed from accrual to marked to market, thus NAVPU fluctuations are expected as government securities are valued based on market.

Settlement of proceeds for the PNB Prime Peso Money Market Fund shall likewise be changed from T+0 to T+1. Similar to the PNB Prime Peso Fund, the PNB Peso Fixed Income Fund is also invested in deposit instruments and government securities, thus, to align the product features of all money market funds, settlement date of the PNB Peso Fixed Income Fund shall likewise be amended from T+0 to T+1.

Philippine National Bank (PNB) is supervised by the Bangko Sentral ng Pilipinas (BSP).

The UITF is a Trust Product and not a deposit account or an obligation of, or guaranteed, or insured by the Trust entity or its affiliates or subsidiaries. It is not insured or governed by the PDIC. Due to the nature of the investment, yields and potential yields cannot be guaranteed. Any loss/income arising from market fluctuations and price volatility of the securities held by the Fund, even if invested in government securities, is for the account of the client/participant. As such, the units of participation of the investor in the UITF, when redeemed, may be worth more or be worth less than his/her initial investment/contributions. Historical performance, when presented, is purely for reference purposes and is not a guarantee of similar future result. The trustee is not liable for losses unless upon willful default, bad faith or gross negligence.

Please find below the summary of revisions in the product features of the PNB Money Market Funds which will take effect on **March 1, 2021**.

Fund	Particulars	From	To
1. PNB Prime Peso MMF 2. PNB Prime Dollar MMF	Allowable Investment Instruments	Invested in deposit instruments only	Invested in a diversified portfolio of deposit instruments and government securities
1. PNB Prime Peso MMF 2. PNB Peso Fixed Income Fund	Settlement Date	T+0 (same banking day)	T+1 (next banking day)
1. PNB Prime Peso MMF 2. PNB Prime Dollar MMF	Valuation	Accrual	Marked to Market

Your decision to remain invested in the fund will signify conformity with the above-mentioned changes. You also have the option to switch your participation to any other PNB fund which you think would meet your current investment objectives.

Should you feel that these enhancements do not suit your investment requirements, you have the option not to continue your UITF investments with us. You may redeem your participation on or before February 26, 2021.

If you have further queries, please feel free to get in touch with your PNB Branch of account or email PNB Trust Banking Group at trust_customercare@pnb.com.ph.

Sincerely,

Philippine National Bank – Trust Banking Group

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