

DECLARATION OF TRUST

PNB Global Growth Equity Feeder Fund An Equity Unit Investment Trust Fund Structured as a Feeder Fund

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");

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 investment objectives and policies herein stipulated, the Trustee hereby establishes and declares itself as trustee of a unit investment trust fund structured as a feeder 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

NATURE AND INVESTMENT OBJECTIVES

Sec. 1 Title of the Fund – The pooled fund shall be known as the **PNB Global Growth Equity Feeder Fund** (herein referred to as the "Fund").

Sec. 2 Nature of the Fund –The Fund is an equity unit investment trust fund structured as a feeder fund 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.

As a feeder fund, at least ninety percent (90%) of the Fund is invested in a single foreign collective investment scheme called the Target Fund. Furthermore, the Fund's investment in the Target Fund shall not exceed ten percent (10%) of the total net asset value of all share classes of the Target Fund. The investment objective of the Target Fund shall be similar to that of the Fund.

The Fund shall be treated as an entity separate and distinct from its constituent assets and from the contributions of the participations 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 Global Growth Equity Feeder Fund shall be described in **Appendix I** which is attached hereto and made an integral part hereof. The features of the Target Fund are likewise described in **Appendix I**.

- Sec. 3 Investment Objective and Policies – The Fund shall be invested in the Target Fund and other investment outlets specified in **Appendix I** and shall be held and disposed of in accordance with such investment objectives and policies as likewise specified in **Appendix I** hereto.

The Trustee shall make available to all 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, or its duly authorized representative, shall perform a Client Suitability Assessment (CSA) for the purpose of profiling the risk return orientation and suitability of the client to the Fund.

If the result of CSA shows that the client is not suited for this Fund, yet the client still decides to invest anyway, the Trustee shall require the client to sign a waiver to disregard the results of his/her client suitability assessment. The option of the client to be re-classified outside the CSA process shall only be allowed subject to the observance of the guidelines under Appendix 86 of the MORB.

The CSA shall be subject to review every three (3) years. Should there be any change in the client's personal/financial circumstances or preferences prior to three years, he/she should immediately request the UITF Marketing personnel for a new profiling process and revisions shall be made accordingly.

Participation in the Fund shall be open to participants with legal capacity to contract 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 any PNB branch and through the PNB UITF Online in accordance with the provisions stated in **Appendix I**.

- 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.

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.

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, 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.
- 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 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, Plan Rules j of the MORB. In the event the trust fees are changed, such change shall be charged prospectively.

Investors should be aware that the Fund is a feeder fund and as such, the underlying target fund is subject to a separate management fee as indicated in **Appendix I**.

- (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 choose the Target Fund and to switch target funds as the circumstances warrant in accordance with Article VI, Section 3 hereof;
- c. 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;
- d. 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 of the investment objectives and policies of the Fund stated in Article II, Section 3 hereto;
- e. 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;
- f. To register or cause to be registered any securities of the Fund in nominee or bearer form;
- g. 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;

- h. 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;
- i. 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;
- j. To collect and receive receipt for income, dividends, interest, profits, increments and such other sums accruing or due to the Fund;
- k. 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;
- l. To hold cash in excess of the 10 percent (10%) regulatory limit while in the process of switching of target fund and investing of additional subscriptions into the target fund; and
- m. To perform such acts which are necessary or desirable for the proper administration and management of the Fund.

Sec. 3 Duties and Responsibilities of Trustee with Respect to the Target Fund – The Trustee has the discretionary authority in choosing the target fund including the switching of target fund/s thereafter.

- a) Switching of Target Fund - The Trustee, in the normal course of business, may decide to switch its Target Fund. Such may be deemed necessary in case of any, but not limited to the following:
 - 1. The Target Fund has been consistently underperforming vis-à-vis expectations;
 - 2. Change in the investment objective, investment style or risk profile of the Target Fund;
 - 3. Resignation of the fund manager/s of the Target Fund;
 - 4. Closure of the Target Fund or its maximum Asset Under Management capacity has been reached;
 - 5. Prolonged suspension of subscription/redemption to/from the target fund;
 - 6. Change in the Target Fund's fees that shall significantly affect the total expense ratio of the Fund;
 - 7. Regulatory change in the jurisdiction where the Target Fund is domiciled that would significantly affect the Target Fund's operations;
 - 8. Significant legal disputes; and
 - 9. Market conditions which, in the reasonable opinion of the Trustee, warrant a change in target fund.

Participants shall be notified within ten (10) banking days after the Trustee has knowledge of such occurrence. This shall be done through any of the following forms:

- 1. Electronic Mail;
- 2. Announcement in the Trustee's official website;
- 3. Key Information and Investment Disclosure Statement.

Switching of Target Fund can be made with or without change in the Fund's investment objective. Switching of Target Fund due to a change in the Target Fund's investment objectives

shall be accompanied by a change in the Fund's Declaration of Trust. It shall be conducted with due diligence with the approval of the Trustee's Trust Committee.

Frequency of monitoring of the underlying investments of the Target Fund shall be on a quarterly basis.

- b) **Material Changes in the Target Fund's Structure** - Material changes in the Target Fund shall require re-assessment and review by the Trustee. 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, the occurrences enumerated in Section 3(a) above.

Should the Trustee decide to retain the Target Fund despite such material change, such change must be properly disclosed to all investors through any of the following forms:

1. Electronic Mail;
2. Announcement in the Trustee's official website;
3. Key Information and Investment Disclosure Statement.

Sec. 4 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 any 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. 5 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 Participants.

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. 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 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 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. A copy of the report, or a notice that the report is available and that a copy thereof shall be furnished upon request, without charge, shall be sent 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 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 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.

IN WITNESS WHEREOF, Philippine National Bank has caused this 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

CEI

PNB Trust Banking Group

Passport No. P2359431B

By: Joy Jasmin R. Santos

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 _____ 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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Book No. 114

Series of 2023

Atty. Jamie O. Real

Commission No. 13-15; Roll No. 68794

Notary Public for 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 GLOBAL GROWTH EQUITY FEEDER FUND

An Equity Unit Investment Trust Fund Structured as a Feeder Fund

FUND SPECIFICATIONS1. Investment Objective

- a) The PNB Global Growth Equity Feeder Fund is an equity Unit Investment Trust Fund structured as a feeder fund that aims to achieve long-term capital appreciation by investing all or substantially all of its assets into its Target Fund, the Franklin Global Growth Fund. The Target Fund invests in equity securities of companies that the fund manager believes are high-quality sustainable growth companies.
- b) Benchmark - The benchmark of the Fund is the MSCI World Index-NR. It is a broad global equity index that represents large and mid-cap equity performance across 23 developed markets around the world. The risk profile of the fund's benchmark maybe viewed as aggressive. Additional information on the benchmark may be obtained from Bloomberg.

2. Investment Policy

- a) Allowable Investments – Pursuant to the foregoing objectives, the Fund shall invest at least 90% of its assets in the Target Fund. The Fund's investment in the Target Fund should not comprise more than 10% of the Target Fund's Net Asset Value. The Target Fund must neither be structured nor similarly structured as a feeder fund or fund-of-funds.

The portion of the Fund that is not invested in the Target Fund, which shall not exceed 10% of the assets of the Fund, may be invested and/or reinvested in bank deposits and all other deposit instruments that the BSP may allow. In case the Fund is switching from one Target Fund to another Target Fund, the portion of the Fund not invested in the existing Target Fund may exceed the said 10% limit.

- b) Exposure Limit - The 15% single exposure limit shall be applied on the Target Fund's underlying investments. Notwithstanding said limit, if the Target Fund is allowed by its respective regulatory authority to invest in units/shares of other open-ended collective investment scheme(s), the exposure limit prescribed by said regulatory authority shall instead apply. Furthermore, the investments in the Target Fund shall not exceed 10% of the total net asset value of the Target Fund. In case the limit is breached due to the marking to-market of certain investment/s or any extraordinary circumstances, the Trustee shall be given thirty (30) days to correct the breach. In case of such an event, the Fund may hold more than 10% of its assets in cash and cash equivalents while in the process of divesting the excess investment.

3. Description of the Target Fund

Fund Name	Franklin Global Growth Fund
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Asset Class	Equity Fund
Base Currency	US dollar (USD)
Investment Objective	The Fund's investment objective is capital appreciation.
Investment Policy	<p>The Fund seeks to achieve its objective by investing in equity and equity-related transferable securities (including equity-linked notes, such as participatory notes) across the world. The Fund's exposure to various industries, regions and markets may vary from time to time according to the Investment Manager's opinion as to the prevailing conditions and prospects for these markets. The Fund may also invest in financial derivative instruments for hedging purposes and efficient portfolio management, which may include, inter alia, swaps such as credit default swaps, forwards, futures contracts, as well as options on such contracts either dealt on Regulated Markets or over the counter. The Fund's Investment Manager employs a disciplined, bottom-up investment approach to identify attractive investment opportunities that have higher expected revenue and earnings growth than their peers. The Investment Manager uses a growth investment style and in-depth, fundamental research to identify high-quality companies, across all industry groups, with sustainable business models that offer the most attractive combination of growth, quality, and valuation. The Fund invests in equity securities in developed and Emerging Markets, generally in companies with a market capitalization around or greater than USD 2 billion. The Fund may also invest up to 10% of its net assets in units of UCITS and other UCIs. The Fund may invest up to 10% of its net assets in aggregate China A-Shares (through Shanghai-Hong Kong Stock Connect or Shenzhen-Hong Kong Stock Connect) and in China B-Shares.</p>
Investor Profile	<p>Considering the investment objectives, as stated above, the Fund may appeal to investors who are:</p> <ul style="list-style-type: none"> • looking for capital appreciation by investing in securities across sectors or market capitalization ranges capable of outperforming the markets through economic cycles in developed and emerging markets globally • looking to invest for the medium to long term
Risk Considerations	<p>Principal risks to the Fund's investment strategy:</p> <ul style="list-style-type: none"> • Emerging Markets risk • Foreign Currency risk • Liquidity risk • Market risk <p>Other risks that may be relevant to the Fund:</p> <ul style="list-style-type: none"> • Chinese Market risk • Counterparty risk • Derivative Instruments risk • Non-Regulated Markets risk • Participatory Notes risk • Securities Lending risk • Smaller and Midsize Companies risk • Swap Agreements risk

Investment Manager	Franklin Templeton Institutional, LLC
Fund Inception Date	14 October 2008
Reference Index	Linked MSCI World Index-NR. Derived from a combination of the MSCI All Country World Index Frontier Markets Index from the fund's inception to 31 October 2020 and the MSCI World Index-NR from 1 November 2020 to the current reporting period.
Investment Management Fee (Per annum)	Class I – 0.70% Note: Other charges are indicated in the fund's Key Investor Information Document
Additional Information	More information on the target fund can be found at http://www.franklintempleton.lu

4. Qualified Participants : Requirements and Restrictions

Participation in the Fund shall be open to all persons, except for US Persons and Canadian residents, with legal capacity to enter into contracts. The Fund is suitable for individual and corporate investors with **aggressive risk appetite** and who are aware of the potential for high yields in global stock market investments and are willing to take the corresponding risk of such investments.

In order to minimize risks and maximize the earning potential of their investments, the participants/trustors are recommended to stay invested in the Fund for at least 5 years. The fund may not be appropriate for short-term investment.

5. Admission and Redemption

a. Policy on Admission and Redemption.

- Minimum Initial Participation. The minimum amount of initial participation/ contribution is USD 1,000.
- Minimum Maintaining Participation. The minimum maintaining participation is USD 1,000.
- Minimum Additional Participation. The minimum additional contribution is USD 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 on or before the cut-off time of 11:00AM 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. Proceeds of redemption shall be paid out of the Fund on the redemption settlement date of four (4) banking days after transaction date.

c. Modes of Participation. Participation in the Fund can be done via the following channels:

- Any PNB Branch – Participants will be provided with an electronic or physical copy of their Participating Trust Agreement (PTA) and UITF Confirmation of Transaction (COT) containing the details of their participation. The PTA is made available to the participant on the day of participation while the UITF COT is made available one day after transaction date. This channel is available to Class I participants.
 - PNB UITF Online – Participants will be provided with an electronic copy of their Participating Trust Agreement (ePTA) and an electronic Confirmation of Participation (eCOP) accessible via PNB Digital. In addition, the clients will also receive a UITF COT through the client's registered email address. The ePTA is made available to the participant on the day of transaction while the eCOP and UITF COT are made available one day after transaction date. The PNB UITF Online shall be limited to existing PNB depositors only. This ensures that a face-to-face interaction (KYC) with the client has already been conducted at the client's maintaining branch and that the true identity of the client has been ascertained.
- 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 mark to market valuation of investment securities.
- e. Participation Requirements and Condition. 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. Participation shall also be subject to submission of all documents required for account opening under the Anti-Money Laundering Act and the Trustee's written policies.
- 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 11:00AM of any Banking Day by submitting to the Trustee a duly filled out and duly signed Letter of Instruction stating the participant's intention to redeem and the details of the redemption. Each request for redemption shall be dealt with by the Trustee in chronological order as received.
 - Participants shall be provided with an electronic or physical copy of their UITF COT containing the details of their redemption.
 - For redemptions to be done via the PNB UITF Online Facility, the client must select the specific COP that he/she wishes to redeem. Once the client clicks the "submit" button, the system shall immediately process the redemption request. The client shall receive an email notification containing the details of his/her redemption. Once a full redemption has been processed, the redeemed COP shall no longer appear in the client's portfolio screen. For partial redemptions, the client's COP details shall be updated and shall reflect the remaining principal and units of participation while maintaining the same COP number. All redemptions, whether full or partial, shall immediately be reflected in the redemption history screen.

- **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 actual admission up to the date of actual 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 redemptions, 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 maintaining participation required. Otherwise, the Participant will have to make a full redemption. 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.
 - 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 or the suspension of the admission/trading/ redemption of the Target Fund. In case there is a national/special holiday and there is a suspension of trading where the Target Fund is, there shall be no admissions and redemptions on said days.

6. NAVPU

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

Below is the basis for the pricing/valuation per asset/asset class:

1. Target Fund – based on the latest available Price;
2. Bank deposits – valued at face value.

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 Fund's operation shall be: USD 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).

7. Currency

Participation and redemption shall be paid in US Dollars.

8. Fees

The Trustee shall collect from the Fund trust fees in the amount equivalent to one percent (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.

9. Impact of fees and charges imposed by the Target Fund on the cost of investing in the Fund.

Investors should be aware that the Fund is a feeder fund and as such, the underlying target fund is subject to a separate management fee. The Participant shall be indirectly facing the following fees and charges for his investment in the Fund on a pro-rata basis:

Investment Management Fee (Per annum)

1. Investment Management Fee of 0.70% p.a.

Note: Other charges are indicated in the Fund's Key Investor Information Document

All other charges indicated in the Target Fund's prospectus are not applicable to PNB.

The on-going fees and charges of the Target Fund increase the effective expense ratio due to the layered investment structure.

Potential investors are advised to consider such fees and charges before investing in the Fund as they may be subjected to higher fees arising from the layered investment structure.

Effective expense ratio is computed as follows:

PNB Global Growth Equity Feeder Fund – Trust Fee	1.00%
Franklin Global Growth Fund (Target Fund)	0.70%
Total	1.70%*

**Excludes other charges as indicated in the Fund's Key Investor Information Document*

10. Other Terms Conditions

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