

PNB MONEY MARKET FUNDS

The PNB Money Market Funds are suited for conservative investors given that these funds are purely invested in deposit instruments and have a portfolio weighted average duration of up to one year. The PNB Money Market Funds are limited to the following risks:

- Liquidity Risk – The possibility for a Trustor to experience losses due to the Fund's inability to sell or convert assets into cash immediately or in instances where conversion to cash is possible but at a loss.
- Credit Risk - The possibility for a Trustor to experience losses in the event the borrower/issuer defaults on his obligation or in the case of a counterparty, when it fails to deliver on the agreed trade.
- Reinvestment Risk – This is the risk associated with the possibility that the funds may not be invested at the same rate as it was invested previously.

PNB BOND FUNDS

The PNB Bond Funds are suited for moderate investors who have a longer time horizon for investing and who are willing to take on the risk of having a more volatile portfolio in exchange for higher yields due to the longer term nature of the Fund's investments.

The PNB Bond Funds are subject to the following risks:

- Liquidity Risk - The possibility for a Trustor to experience losses due to the Fund's inability to sell or convert assets into cash immediately or in instances where conversion to cash is possible but at a loss.
- Credit Risk – The possibility for a Trustor to experience losses in the event the borrower/issuer defaults on his obligation or in the case of a counterparty, when it fails to deliver on the agreed trade.
- Reinvestment Risk – This is the risk associated with the possibility that the funds may not be invested at the same rate as it was invested previously.
- Interest Rate/Price Risk – This is the possibility for a Trustor to experience losses due to changes in interest rates or due to a decline in the price of a security or a portfolio.

PNB BALANCED FUND

The PNB Balanced Fund is suited for aggressive investors who understand that capital growth can be achieved by taking on more risks on portions of their investible funds.

The PNB Balanced Fund is subject to the following risks:

- Liquidity Risk – The possibility for a Trustor to experience losses due to the Fund's inability to sell or convert assets into cash immediately or in instances where conversion to cash is possible but at a loss.
- Credit Risk – The possibility for a Trustor to experience losses in the event the borrower/issuer defaults on his obligation or in the case of a counterparty, when it fails to deliver on the agreed trade.
- Reinvestment Risk – This is the risk associated with the possibility that the funds may not be invested at the same rate as it was invested previously.
- Interest Rate/Price Risk – This is the possibility for a Trustor to experience losses due to changes in interest rates or due to a decline in the price of a security or a portfolio.
- Equities Price Risk – Since the fund has investments in equities, it is also exposed to equities price risk, which is the risk that the fair value of equities decreases as a result of changes in the level of equity indices and the value of individual stocks.

PNB EQUITY FUNDS

The PNB Equity Funds are suited for aggressive investors who are aware of the potential for high yield in stock markets investments, and are also willing to take the corresponding risk of such investments.

The PNB Equity Funds are subject to the following risks:

- Liquidity Risk – The possibility for a Trustor to experience losses due to the Fund's inability to sell or convert assets into cash immediately or in instances where conversion to cash is possible but at a loss.
- Credit Risk – The possibility for a Trustor to experience losses in the event the borrower/issuer defaults on his obligation or in the case of a counterparty, when it fails to deliver on the agreed trade.
- Equities Price Risk – This is the risk that the fair value of equities decreases as a result of changes in the level of equity indices and the value of individual stocks.