

COVER SHEET

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S.E.C. Registration Number

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(Company's Full Name)

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M	a	c	a	p	a	g	a	l			B	l	v	d	.	,		P	a	s	a	y		C	i	t	y		
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(Business Address: No. Street City/Town/ Province)

MAILA KATRINA Y. ILARDE Corporate Secretary Contact Person

834-0780 Company Telephone Number

1	2
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Month

3	1
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Day

Fiscal Year

SEC Form 17-C FORM TYPE

April 30 <i>Month Day</i> Annual Meeting

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Secondary License Type, If Applicable

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Dept. Requiring this Doc.

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Amended Articles Number/Section

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Total No. of Stockholders

Total amount of Borrowings	
Domestic	Foreign

To be accomplished by SEC Personnel concerned

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File Number

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Document I.D.

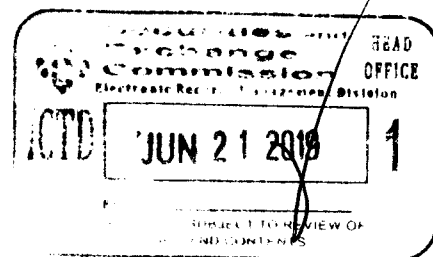
_____ Cashier

STAMPS

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SECURITIES AND EXCHANGE COMMISSION
SEC FORM 17-C

CURRENT REPORT UNDER SECTION 17
OF THE SECURITIES REGULATION CODE
AND SRC RULE 17.2(c) THEREUNDER



1. June 21, 2019
Date of Report (Date of earliest event reported)
2. SEC Identification Number ASO96-005555 3. BIR Tax Identification No. 000-188-209-000
4. PHILIPPINE NATIONAL BANK
Exact name of registrant as specified in its charter
5. PHILIPPINES 6. (SEC Use Only)
Province, country or other jurisdiction of incorporation Industry Classification Code:
7. PNB Financial Center, Pres. Diosdado Macapagal Blvd., Pasay City, Metro Manila
1300
Address of principal office
Postal Code
8. (632) 526-3131 to 70/(632) 891-6040 to 70
Issuer's telephone number, including area code
9. Not Applicable
Former name or former address, if changed since last report
10. Securities registered pursuant to Sections 8 and 12 of the SRC or Sections 4 and 8 of the RSA

Title of Each Class	Number of Shares of Common Stock Outstanding and Amount of Debt Outstanding
Common Shares	1,249,139,678 ¹

11. Indicate the item numbers reported herein: Item 9

We are pleased to furnish the Commission a copy of the final Offer Term Sheet of the Bank's Stock Rights Offering.

We trust you will take note accordingly.

¹ This number includes the 423,962,500 common shares deemed issued to the stockholders of Allied Banking Corporation (ABC) relative to the merger of PNB and ABC as approved by the Securities and Exchange Commission (SEC) on January 17, 2013. The shares are the subject of the Registration Statement approved by the SEC and for listing with the Philippine Stock Exchange.

SIGNATURES

Pursuant to the requirements of the Securities Regulation Code, the issuer has duly caused this report to be signed on its behalf by the undersigned hereunto duly authorized.

PHILIPPINE NATIONAL BANK

Issuer

June 21, 2019

Date


MAILA KATRINA Y. ILARDE

Corporate Secretary
Signature and Title*

* Print name and title of the signing officer under the signature.

SEC Form 17-C
December 2003



**PHILIPPINE NATIONAL BANK
STOCK RIGHTS OFFER TERM SHEET
As of 19 June 2019**

Issuer	Philippine National Bank, a banking corporation organized under the laws of the Republic of the Philippines.
Rights Shares	276,625,172 Common Shares of the Bank with a par value of ₱40.00 per share. The Rights Shares shall be issued from the unissued capital stock of the Bank and rank equally in all respects with the existing Common Shares, including the right to receive all dividends or distributions made, paid or declared after a valid subscription agreement is perfected between the Bank and a buyer as evidenced by the written acceptance by the Bank of the application to subscribe (the "Application to Subscribe" or the "Application") of the buyer and other conditions, including listing of the Rights Shares on the PSE.
Joint Global Coordinators and Joint Bookrunners	Deutsche Bank AG, Hong Kong Branch and J.P. Morgan Securities plc
Sole Underwriter	PNB Capital and Investment Corporation
Stock Transfer Agent and Receiving Agent	Philippine National Bank – Trust Banking Group
The Offer	<p>The Bank is offering Common Shares for subscription to Eligible Shareholders on a pre-emptive rights basis.</p> <p>LTG, which currently indirectly owns 59.83% of the Bank's shareholdings, has agreed to procure subscribers for at least its minimum allotment of Rights Shares. Any such Rights Shares that are unsubscribed after the second round of the Offer, may be offered by the Sole Underwriter only to qualified buyers in the Philippines in reliance on Section 10(1) of the SRC, and outside the Philippines and the United States in offshore transactions pursuant to Regulation S under the Securities Act. See "<i>Plan of Distribution</i>" section of the Prospectus.</p>
Offer Price	The Rights Shares are being offered at a price of ₱43.38 per share. The Offer Price was determined by computing the volume-weighted average price of the Bank's Common Shares on the PSE for each of the fifteen (15) consecutive trading days immediately prior to (and excluding) the Pricing Date and applying a discount of approximately 24.95%. The discount of 24.95% was determined through discussions between the Bank

**PHILIPPINE NATIONAL BANK
STOCK RIGHTS OFFER TERM SHEET
As of 19 June 2019**

and the Sole Underwriter.

Offer Period The Offer Period shall commence on July 3, 2019 at 9:00 a.m. (Manila time) and end on July 12, 2019 at 12:00 p.m. (Manila time). The Bank reserves the right to extend or terminate the Offer Period with the approval of the PSE.

Minimum Subscription Each Application must be for a minimum of one (1) Rights Share.

Eligible Shareholders The Rights Shares are being offered to existing holders of Common Shares as of the Record Date who are: (i) holders located inside the Philippines and (ii) holders located in jurisdictions outside the Philippines and the United States where it is legal to participate in the Offer under the securities laws of such jurisdiction.

The Common Shares of the Bank may be held by any person or entity, regardless of nationality, subject to the right of the Bank to reject an Application or reduce the number of Rights Shares applied for subscription or purchase if the same will cause the Bank to be in breach of the Philippine ownership requirement under relevant Philippine laws.

Rights Entitlement..... Each eligible holder of Common Shares is entitled to subscribe to one (1) Rights Share for every 4.516 Common Shares held as of the Record Date (the "Entitlement Shares").

Fractions of the Rights Shares will not be allotted to existing shareholders and fractional entitlements will be rounded down to the nearest whole number of Rights Shares. Such fractions will be aggregated and sold for the benefit of the Bank.

Subscription to the Rights Shares in certain jurisdictions may be restricted by law. Foreign investors interested in subscribing or purchasing the Rights Shares should inform themselves of the applicable legal requirements under the laws and regulations of the countries of their nationality, residence or domicile, and as to any relevant tax or foreign exchange control laws and regulations affecting them personally. Foreign investors, both corporate and individual, warrant that their purchase of the Rights Shares will not violate the laws of their jurisdiction and that they are allowed to acquire, purchase and hold the Rights Shares.

The offer process in relation to the Entitlement Shares shall also be known as the "First Round of the Offer".

**PHILIPPINE NATIONAL BANK
STOCK RIGHTS OFFER TERM SHEET
As of 19 June 2019**

Additional Subscription

If an applicant fully subscribes to his Entitlement Shares and subject to the availability of unsubscribed Rights Shares arising from the failure of the other Eligible Shareholders to fully exercise their Rights Shares entitlement, the applicant may simultaneously apply for an additional subscription of the unsubscribed Rights Shares (the "Additional Rights Shares"). The Additional Rights Shares are payable in full upon submission of the Application. If the aggregate number of Additional Rights Shares available for subscription equals or exceeds the aggregate number of Additional Rights Shares so subscribed for, an applicant will be allocated the number of Additional Rights Shares indicated in his Application. If the aggregate number of Additional Rights Shares available for subscription is less than the aggregate number of Additional Rights Shares so subscribed for, the available Additional Rights Shares will be allocated to applicants who have applied to subscribe for such Additional Rights Shares and such allocation shall be made at the discretion of the Bank primarily based on each applicant's original shareholding in the Bank as of the Record Date relative to the original shareholding of all other applicants for Additional Rights Shares as of such Record Date, provided that no applicant for Additional Rights Shares shall be allocated more Additional Rights Shares than the number for which such applicant has applied. There can be no guarantee made as to the number of Additional Rights Shares an applicant may be allocated. A subscription for Additional Rights Shares is irrevocable on the part of the applicant and may not be cancelled or modified by such applicant.

The offer process in relation to the Additional Rights Shares shall also be known as the "Second Round of the Offer".

Restrictions on Ownership

The Philippine Constitution and related statutes set forth restrictions on foreign ownership of companies engaged in certain activities. The Bank is subject to Philippine legislation restricting the aggregate foreign ownership to 40.0% of the outstanding Shares. Accordingly, the Bank cannot allow the issuance or the transfer of its Common Shares which may result in the Bank ceasing to be at least 60.0% owned by Philippine Nationals.

As of March 31, 2019, approximately 92.66% of the Common Shares were held by Philippine Nationals. After completion of the Offer, foreign equity shall not exceed 40% of the Bank's share capital.

For more information, see the sections titled "*Risk Factors*" and "*Description of the Common Shares*" of the Prospectus.

Procedure for Application.....

All Applications shall be evidenced by the Application to Subscribe, duly executed by the applicant or (where applicable) an authorized signatory thereof and accompanied by the corresponding payment for the Rights Shares covered by the Application and all other required documents. The duly executed Application and required documents should be submitted during the Offer Period to either the Receiving Agent or any designated branches of the Bank. Eligible Shareholders of certificated shares that are located outside the Philippines and the United States may initially submit an Application (together with the other required documents) to the Receiving Agent by email and/or fax on or before the end of the Offer Period with the original copies delivered via courier thereafter. Payment for the Application shall be remitted to a designated PNB bank account via wire transfer before the end of the Offer Period.

If the applicant is an eligible individual shareholder, the applicant must submit the following supporting documents:

- a properly completed Application to Subscribe;
- a copy of one (1) valid government-issued identification document (ID) as prescribed by the BSP in its Circular Nos. 608 (Series of 2008), 792 (Series of 2013), and 950 (Series of 2017) and in its Memorandum No. M-2012-021 (e.g., SSS, GSIS, driver's license, passport, PRC ID, Senior Citizens ID or digital TIN ID) and
- the duly accomplished signature card.

If the applicant is a corporation, partnership, or trust account, the Application to Subscribe must be accompanied by:

- (1) a properly completed Application to Subscribe; and
- (2) an original of a duly notarized corporate secretary's certificate:
 - certifying that the corporation is duly incorporated under the laws of the Philippines, in good standing and in full compliance with all required regulatory filings and submissions;
 - setting forth the resolution of the applicant's board of directors or equivalent body authorizing the purchase of the Rights Shares indicated in the Application;

- identifying the designated signatory or signatories authorized to sign the Application and any and all documents in connection therewith;
 - certifying the incumbency and the specimen signature(s) of the authorized signatory or signatories, including his, her or their specimen signature(s); and
 - certifying to the percentage of the applicant's capital or capital stock held by Philippine Nationals;
- (3) a copy of one (1) valid and unexpired government-issued identification card of the authorized signatory/ signatories; and
- (4) the duly accomplished signature card signed by the authorized signatory or signatories.

If the applicant is a non-Filipino (individual shareholder or corporation, partnership or trust account), the Application to Subscribe must also be accompanied by a certification letter (in the form attached to the Application to Subscribe) representing and warranting that:

- the applicant is not a resident in the United States; and
- the applicant's purchase of the Rights Shares will not violate the laws of his, her or its resident jurisdiction.

Applications, together with the required supporting documents, and payment representing full payment of the Rights Shares being subscribed for (i.e., Entitlement Shares and Additional Rights Shares being applied for subscription) must be received by the Receiving Agent or by designated branches of the Bank not later than 12:00 p.m., (Manila time) on July 12, 2019, the last day of the Offer Period. Applications received thereafter or without the required documents will be rejected. Applications shall be considered irrevocable upon submission to the Receiving Agent, and shall be subject to the terms and conditions of the Offer as stated in this Prospectus and in the Application. The actual subscription and/or purchase of the Rights Shares shall become effective only upon the actual listing of the Rights Shares on the PSE.

Payment Terms

The Rights Shares must be paid for in full to the designated "PNB Stock Rights Offer" settlement account upon submission of the Application. Payment must be made by (a) check drawn against any BSP-authorized agent bank or any branch thereof in Metro Manila to the order of "PNB Stock

Rights Offer"; or (b) debit of an existing PNB account owned (solely or jointly under an "and/or" arrangement) by such applicant. Certificated shareholders residing outside of the Philippines and outside the United States may submit their payment by way of remittance (telegraphic transfer) in favor of the Bank for direct credit to "PNB Stock Rights Offer". Check payments must be dated as of the date of submission of the Application and crossed "Payee's Account Only". All bank charges (as applicable) shall be for the account of the applicant. The payment for the subscription price must be received by the Bank in full without any deduction.

Acceptance/Rejection of Applications

The Bank has full discretion to accept or reject all or a portion of any Application under the terms and conditions of the Offer. The actual number of Rights Shares to which any applicant may be entitled is subject to the confirmation of the Bank. Applications where checks are dishonored upon first presentment and Applications which do not comply with the terms of the Offer shall be rejected. Moreover, payment received upon submission of an Application does not constitute approval or acceptance by the Bank of the Application.

An Application, when accepted, shall constitute an agreement between the applicant and the Bank for the subscription to the Rights Shares at the time, in the manner and subject to terms and conditions set forth in the Application and those described in this Prospectus. Notwithstanding the acceptance of any Application by the Bank, the actual subscription and/or purchase by an applicant of the Rights Shares will become effective only upon listing of the Rights Shares on the PSE. If such condition is not fulfilled on or before the periods provided above, all application payments will be returned to the applicants without interest and, in the meantime, the said application payments will be held in a separate bank account with the Receiving Agent.

Refunds

In the event that the number of Rights Shares to be received by an applicant is less than the number covered by its Application, or if an Application is rejected by the Bank, then the Bank shall refund, without interest, via check payable to the relevant applicant, within five Banking Days from the end of the Offer Period, the amount corresponding to the number of Rights Shares not issued to such applicant. Such refund check shall be made available for pickup at the offices of Philippine National Bank – Trust Banking Group within five Banking Days following the end of the Offer Period. Refund checks that remain unclaimed after 30 days from the date such checks are made available for pickup shall be mailed at the

Applicant's risk to the address indicated in the Application.

Documentary Stamp Tax.....	All documentary stamp taxes applicable to the original issuance of the Rights Shares shall be for the sole account of the Bank.
Registration and Lodgment of Shares with the Philippine Depository & Trust Corp.....	Rights Shares are required to be lodged with the Philippine Depository & Trust Corporation (the "PDTC"). Applicants must provide the required information in the Application to effect the lodgment. Applicants may request their shares to be issued in certificated form and to receive stock certificates evidencing their investment in the Rights Shares through their respective brokers after full payment, lodgment and listing of the Rights Shares and in accordance with existing procedures. Any expense incurred in connection with such issuance of stock certificates shall be for the account of the applicant, except for expenses to be incurred by Philippine National Bank – Trust Banking Group, in its capacity as the stock transfer agent, which shall be borne by the Bank <i>provided</i> , a request and submission of completed documents and requirements to the Philippine National Bank – Trust Banking Group is made within 90 calendar days from the Listing Date.
Registration of Foreign Investments	The BSP requires that investments in the Rights Shares funded by inward remittance of foreign currency be converted to Philippine Pesos and registered with the BSP if the foreign exchange needed to service capital repatriation or dividend remittance is to be sourced from the domestic banking system. The registration with the BSP of all foreign investments in the Rights Shares shall be the responsibility of the foreign investor and all costs therefor borne by such foreign investor.
Lock-up	The Bank has agreed with the Joint Global Coordinators and Joint Bookrunners that, other than in connection with the issuance of Rights Shares for purposes of the Offer, neither the Bank nor any person acting on its behalf will, for a period of 90 days after the Listing Date, without the prior written consent of the Joint Global Coordinators and Bookrunners, issue, offer, sell, contract to sell, pledge, charge, grant options over or otherwise dispose of, directly or indirectly (or publicly announce any such issuance, offer, sale, pledge, charge, options or disposal of), or enter into a transaction which would have the same effect (or publicly announce the entry into any such transaction), or enter into any swap, hedge or other arrangement (or publicly announce the entry in any such swap, hedge or other arrangement) that transfers in whole or in part, any of the economic consequences of ownership of the Common Shares, whether any such aforementioned transaction is to be settled by delivery of the Common Shares or securities convertible or exchangeable into or exercisable

for Common Shares or warrants or other rights to purchase Common Shares or any security or financial product whose value is determined directly or indirectly by reference to the price of the Common Shares, including equity swaps, forward sales and options.

Listing and Trading.....

The Bank's application for the listing of the Rights Shares was approved by the PSE on May 29, 2019. All of the Rights Shares are expected to be listed on the PSE on July 22, 2019. Trading is expected to commence on the same date that the relevant Rights Shares are listed on the PSE.

Timetable

The timetable of the Offer is scheduled as follows:

Pricing Date	June 14, 2019
Ex-Date	June 18, 2019
Record Date	June 21, 2019
Offer Period	July 3, 2019 9:00 a.m. (Manila time) to July 12, 2019 12:00 p.m. (Manila time)
Listing Date	July 22, 2019

The dates listed above are subject to market and other conditions and may be changed at the discretion of the Bank and the Joint Global Coordinators and Joint Bookrunners, subject to the approval of the PSE.

Underwriters' Firm Commitment to Purchase

The Sole Underwriter shall purchase, or procure qualified buyers to purchase, a portion of the unsubscribed Rights Shares, after the mandatory Second Round of the Offer to ensure that the Rights Shares covered by the Offer are fully subscribed. See the section titled "*Plan of Distribution*" on the Prospectus.

Procedures and Implementing Guidelines for the PNB Stock Rights Offer

Please refer to the Procedures and Implementing Guidelines to be distributed to Eligible Shareholders for a fuller discussion of the procedure for the Rights Offer.

PHILIPPINE NATIONAL BANK

By:


CENON C. AUDENCIAL, JR.

Executive Vice President & Head, Institutional Banking Sector

**PHILIPPINE NATIONAL BANK
STOCK RIGHTS OFFER TERM SHEET**
As of 19 June 2019