

This Fund Declaration accompanies the Confidential Offering Memorandum of the Prudential Trust Company Institutional Business Trust bearing Memorandum Copy Number:

QMA-006
City of Valdez
July 15, 2019

Fund Declaration
of the
QMA US SMALL CAP CORE EQUITY FUND
of the Prudential Trust Company Institutional Business Trust

The fund referred to above (the "Fund") is a separate investment fund of the Prudential Trust Company Institutional Business Trust (the "Trust"). The Fund is established and maintained under, and is subject to, this fund declaration (as amended from time to time, the "Fund Declaration") and the Amended and Restated Declaration of Trust of the Trust (as amended from time to time, the "Declaration of Trust").

This Fund Declaration must be read in the context of and together with each of the Declaration of Trust and the Confidential Offering Memorandum of the Trust (as amended from time to time, the "Memorandum"). Capitalized terms not otherwise defined herein have the meanings given to them in the Declaration of Trust.

The Fund was established and this Fund Declaration was approved by resolution of the Board of Directors of Prudential Trust Company, as trustee of the Trust, as of August 10, 2017 and this Fund Declaration was thereafter amended and approved by resolution of the Board as of September 26, 2017.

I. INVESTMENT ADVISER

- 1.1. Quantitative Management Associates LLC ("QMA") is the investment adviser ("Investment Adviser") with respect to the Fund.
- 1.2. QMA, a limited liability company formed under the laws of the State of New Jersey, is an affiliate of the Trustee and is registered as an investment adviser with the SEC under the Advisers Act.

II. INVESTMENT OBJECTIVE(S), GUIDELINES AND OTHER MATTERS

- 2.1. The objective of the Fund is to outperform the Russell 2000 Index (the "Benchmark") gross of fees and expenses. There can be no assurance that the Fund's objective will be achieved.
- 2.2. The Fund may invest in equity and equity-related securities (which include but are not limited to, common and preferred stock, exchange-traded funds ("ETFs"), depository receipts, securities having common stock characteristics, and other instruments whose value is based on common stock, such as rights and warrants) and derivatives. Under normal circumstances, the Fund will be invested primarily in equity and equity-related securities of small capitalization issuers traded on U.S. securities markets.

- 2.3. The Fund may acquire and hold equity and equity-related securities outside the Benchmark. To manage the risk of the Fund relative to the Benchmark, the Fund will seek to limit active exposure (i.e. deviation from the Benchmark) to individual stocks and to several common risk factors, which may include industry or sector and may change from time to time.
- 2.4. Financial futures and other derivative instruments, as well as ETFs, may be utilized to assist in managing risk, managing transactions costs, or maintaining desired market or security exposure.
- 2.5. In connection with the management of the Fund's cash position the Fund may acquire and hold obligations of the U.S. Government or any agency or instrumentality thereof, and may make deposits in banks or banking institutions, domestic or foreign. For these cash management purposes, the Fund may also invest in: (i) money market instruments (including, but not limited to, prime commercial paper, high grade short-term corporate obligations and repurchase agreements with respect to these instruments); (ii) commingled money market funds maintained, managed or advised by an affiliate of Prudential Trust Company; (iii) short-term bond funds maintained, managed or advised by an affiliate of Prudential Trust Company, including the Prudential Investment Portfolios 2, Prudential Core Ultra Short Bond Fund; and/or (iv) commingled money market funds maintained, managed or advised by the Fund's custodian or by an affiliate of the Fund's custodian. The Fund shall bear its proportionate share of the applicable operating and other expenses of such other funds in which it is invested. The Fund, however, shall not pay any additional management fee in connection with the Fund's investment in the funds referred to in clause (ii) or clause (iii) of this Paragraph 2.5.
- 2.6. The Fund will be valued in United States dollars on every Valuation Date.
- 2.7. The Fund does not intend to use leverage in pursuit of its investment objective. The Fund will not be considered leveraged as a result of (i) borrowing to avoid settlement failure and to manage capital flows related to contributions and withdrawals, or (ii) futures positions provided the Fund maintains securities, cash and cash equivalents at least equal to the value of the obligations created by its net mark-to-market futures positions. Cash equivalents are defined as financial instruments with a duration of no more than one year.

III. FEES AND EXPENSES

- 3.1. The Fund shall be charged (and the Trustee may cause to be paid out of the assets of the Fund), and/or the Trustee may, with respect to the Fund, incur (and cause the Fund to reimburse the Trustee out of the assets of the Fund) charges and expenses in accordance with the Declaration of Trust ("Fund Expenses").
- 3.2. Notwithstanding Paragraph 3.1 above, the Trust Company or an affiliate of the Trust Company (including the Investment Adviser), without notice, may voluntarily pay any Fund Expenses, either directly or by reimbursing the Fund, so that such Fund Expenses are not borne by the Fund. Unless otherwise agreed by the Trust Company or an affiliate, the payment of Fund Expenses by the Trust Company or such affiliate as contemplated in the preceding sentence shall not create any obligation requiring the Trust Company or such affiliate to continue to make any such payments and the Trust Company or such affiliate may stop making such payments with respect to Fund Expenses at any time without notice.
- 3.3. The fees payable to the Trustee with respect to any investment in the Fund shall be as set forth in the Subscription Trust Agreement relating to such investment or in such fee schedule as is from time to time provided pursuant to such Subscription Trust Agreement.

IV. WITHDRAWAL

- 4.1. The Declaration of Trust permits the Trustee to satisfy withdrawal requests by making distributions wholly or partly in-kind; however, no withdrawal with respect to the Fund shall be paid in-kind without the consent of the Fund investor requesting such withdrawal.

V. RISK CONSIDERATIONS

- 5.1. There can be no assurance that the Fund's investments will be successful or that the investment objectives of the Fund will be achieved. Investors should be aware of the risks of the Fund including, but not limited to, the risks described in the "***Certain Risks and Other Important Considerations***" section of the Memorandum. Investment in the Fund is suitable only for persons who can bear the economic risk of the loss of their investment.

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