

PLAN OF MERGER

KNOW ALL MEN BY THESE PRESENTS:

This Plan of Merger (the “**Plan**”) is executed this 26 January 2023, at Makati City, to be implemented by and between:

BANK OF THE PHILIPPINE ISLANDS, a universal banking corporation duly organized and validly existing by virtue of the laws of the Republic of the Philippines, with principal office address at Ayala North Exchange Tower 1, Ayala Avenue cor. Salcedo St., Legaspi Village, Makati City, Metro Manila 1229, represented herein by its President & CEO, Jose Teodoro K. Limcaoco (hereinafter “**BPI**”)

and

ROBINSONS BANK CORPORATION, a commercial banking corporation duly organized and validly existing by virtue of the laws of the Republic of the Philippines, with principal office address at 17th Floor, Galleria Corporate Center, EDSA corner Ortigas Avenue, Quezon City, represented herein by its President & CEO, Elfren Antonio S. Sarte (hereinafter “**RBC**”)

(The above parties are hereinafter referred to singly as a “**Party**” and collectively as the “**Parties**”).

WITNESSETH: That –

WHEREAS, the Parties deemed it prudent and in the best interests of each bank to merge pursuant to Sections 75 to 79 of Republic Act (R.A.) No. 11232, otherwise known as the Revised Corporation Code of the Philippines, in order to advance their long-term strategic business interests;

WHEREAS, the respective boards of directors of the Parties have determined that the business combination of BPI and RBC shall be effected through a merger, which merger (the “**Merger**”) is in furtherance of and consistent with their respective business strategies and is in the best interests of their respective stockholders;

NOW, THEREFORE, for and in consideration of the foregoing premises, the Parties have mutually agreed and hereby agree to accomplish the Merger as follows:

TERMS OF THE MERGER

I. Acquisition of Assets

All the rights, privileges, immunities, powers, business, assets and properties of RBC including but not limited to all real and personal, tangible or intangible, and all receivables due on whatever account, including subscription to shares and choses in action, and all and every interest belonging to RBC as of 30 September 2022, up to Effective Date shall be deemed transferred to BPI without further deed or act.

II. Assumption of Liabilities

All liabilities and obligations of RBC as of 30 September 2022 up to the Effective Date shall be assumed by and become the liabilities and obligations of BPI in the same manner as if BPI has itself incurred such liabilities and obligations, and any such claim or action or proceeding against RBC shall be prosecuted by or against BPI; Provided however, that BPI may avail of all the defenses, rights, privileges, setoffs and counterclaims, which RBC may have under the premises.

It is expressly understood that the assets and liabilities referred to in the preceding paragraph that may not have been reflected in the Audited Financial Statements as of 30 September 2022, up to the Effective Date, or may have been omitted therefrom for any reason whatsoever, shall be deemed included in the transfer.

III. Issuance of Shares

1. In exchange for the assets and liabilities of RBC as of 30 September 2022, such number of fully paid common shares shall be issued by BPI to the shareholders of RBC based on the formula provided in this Article III, Section 2 below and subject to adjustment as provided in Section 3 hereof, to be taken from the increase of capital stock of BPI. The excess net assets transferred shall be recorded in the books of BPI as additional paid-in capital.

It is understood, however, that the valuation and exchange of shares shall be subject to whatever adjustments the Securities and Exchange Commission ("SEC") may make in order that it will approve the Merger. Should this happen, the Parties shall execute such documents and do all acts as may be necessary to implement such adjustment.

2. The procedure for determining the number of BPI common shares that will be issued pursuant to the Merger shall be as follows:
 - a. The number of BPI common shares that will be issued pursuant to the Merger shall be equivalent to 6.0001% of the issued and outstanding common shares of BPI as of the Effective Date excluding the portion of the issued and outstanding common shares of BPI resulting from subscriptions to BPI's employee stock incentive program (e.g., Executive Stock Purchase Plan, Executive Stock Option Plan) after the date of this Plan of Merger.
 - b. Any fractional shares resulting from the application of the formula provided in Article III, Section 2(a) above shall be disregarded and rounded down to the nearest whole number of BPI common shares.
3. The stockholders of BPI and RBC approved to delegate to the management of BPI and RBC, respectively, the determination of the adjustment that may be made to the Exchange Ratio, at any time prior to the Effective Date, under the following conditions: 

- a. Any findings of material liabilities (including liabilities for tax) as a result of BPI's due diligence, review and investigation on RBC or otherwise discovered by other means prior to the Effective Date, which material liabilities were not considered in determining the valuation. For purposes of determining materiality which shall subject the Exchange Ratio to adjustment, it shall be understood that all findings of liabilities (including contingent liabilities) that will, individually or in the aggregate, amount to at least Php1,000,000,000.00 are material; or
- b. Prior to the Effective Date, there is a material change in the preliminary assumptions which were used as the basis in determining the Exchange Ratio, the aggregate amount of which results to a reduction in the net asset value of RBC of at least Php1,000,000,000.00.

IV. Effective Date

The Merger shall become effective on the first day of the calendar quarter following the issuance by the SEC of a Certificate of Merger, subject to the approval of the Bangko Sentral ng Pilipinas ("BSP"), the Philippine Competition Commission ("PCC") and the SEC (the "Effective Date").

On the Effective Date, the separate existence of RBC shall cease, and its legal personality terminated; while BPI shall continue to exist.

UNDERTAKINGS AND ADDITIONAL AGREEMENTS

V. The Parties hereby undertake to:

1. Secure the conformity and approval of this Plan by their respective stockholders representing at least two-thirds (2/3) of their respective outstanding capital stock at their respective stockholders' meetings called for such purpose;
2. Obtain any and all required consents, approvals, or waivers of other parties, including their respective creditors, to the Plan of Merger;
3. Secure the approval of the Merger and its related transactions from the government authorities as provided for in Article IV;
4. Execute and deliver, or cause to be executed and delivered, all deeds and other instruments and shall take, or cause to be taken, all such other and further acts desirable in order to fully carry out the intent and purposes of this Plan.

VI. Regulatory Matters

1. BPI shall cause the amendment of its amended articles of incorporation and file an application for increase of authorized capital stock, simultaneous with the filing of the application for Merger, to implement the Merger and its purpose.
2. Prior to the Effective Date, the Parties shall conduct their respective businesses in substantially the same manner as previously conducted and shall continue to preserve said businesses as a going concern. However, each of BPI and RBC shall give each other immediate notice of any claim, event or transaction which could or does materially and adversely affect their respective businesses, properties or financial condition.
3. The amended articles of incorporation and amended by-laws of BPI approved as of the Effective Date shall continue to be the articles of incorporation and by-laws of BPI until thereafter changed or amended in accordance with law.
4. The directors and officers of BPI as of the Effective Date shall continue to hold office in accordance with the amended articles of incorporation and amended by-laws of BPI and applicable law, and until their respective successors are duly elected and qualified.
5. The Parties recognize that the approval of this Merger by the BSP and the SEC are based solely on the documents submitted by the Parties. Therefore, the Parties hereby undertake to indemnify, and hold free and harmless the BSP and the SEC and/or any of their officers, employees or representatives for any and all claims, demands, damages and reasonable expenses of any nature whatsoever, that may arise from or in connection with the approval of the Merger.

VII. Confidentiality

Unless otherwise required by law or regulation or as may be agreed upon by the Parties, each of the Parties shall keep confidential any information obtained from the other Party, and in the event the Merger is abandoned or not consummated, BPI and RBC shall return all documents and other written information and materials obtained in connection herewith, and all copies thereof.

VIII. Fees and Expenses

All fees, costs and expenses relating to the Merger shall be borne equally by BPI and RBC, unless otherwise agreed to be exclusively borne by a Party.

SPECIAL PROVISIONS

1. This Plan has been substantially approved by the respective boards of directors of the Parties and shall be submitted to their respective stockholders for approval in accordance with law and the respective by-laws of BPI and RBC; provided, that the approval of this Plan by the stockholders of both Parties shall constitute an authorization to their respective boards of directors by majority vote to amend, modify or supplement 

this Plan to correct typographical errors or clerical omissions in the Plan for the sole purpose of accurately reflecting the terms and conditions of the Plan as actually approved by the said stockholders; provided further, that such amendment, modification or supplement shall not substantially change the terms of the Merger.

Any amendment to the Plan that will substantially change the terms of the Merger may be made, provided that such amendment is approved by the majority of the respective board of directors of BPI and RBC and ratified by the affirmative vote of stockholders representing at least two-thirds (2/3) of the outstanding capital stock.

2. As soon as practicable after the Effective Date, BPI shall take such steps or measures as it may deem necessary or advisable to substitute itself in all suits and proceedings where RBC is a party and to substitute its name for RBC in all titles and registers.
3. As soon as practicable after the approval of this Plan by the required votes of stockholders of BPI and RBC during their respective stockholders' meetings called for the purpose, BPI shall apply for and avail itself of the merger incentives or other similar incentives granted by the BSP and other government agencies, as may be applicable or allowed under existing law, rules and regulations.
4. Upon approval of this Plan by the required number of stockholders from both Parties during their respective stockholders' meetings called for the purpose, the attached Articles of Merger marked as Annex "A" hereof and made as an integral part of this Plan shall be executed by BPI and RBC, to be signed by the President and certified by the Corporate Secretary of each of BPI and RBC setting forth this Plan, the number of shares outstanding of BPI and RBC, and the number of shares voting for and against this Plan, respectively.
5. In the event that the Merger is not consummated for whatsoever reason, each of BPI and RBC, their respective stockholders, directors and agents, successors and assigns shall hold each other free and harmless from any and all liabilities and damages arising from or incurred by reason of the non-consummation of the Merger.

[The remainder of this page is left intentionally blank.]

IN WITNESS WHEREOF, the duly authorized representatives of BPI and RBC have executed the foregoing Plan of Merger this 26 January 2023 at Makati City.

BANK OF THE PHILIPPINE ISLANDS

By:



JOSE TEODORO K. LIMCAOCO
President & Chief Executive Officer

Certified Correct by:

BANK OF THE PHILIPPINE ISLANDS

By:



MARIA LOURDES P. GATMAYTAN
Corporate Secretary

ACKNOWLEDGMENT

REPUBLIC OF THE PHILIPPINES)
CITY OF MAKATI) S.S.

BEFORE ME, a Notary Public for and in the City of Makati City, this ____ day of JAN 26 2023
2023, personally appeared:

Affiant	Competent Evidence of Identity		
		Type of ID	ID Number and Expiry Date (if applicable)
BANK OF THE PHILIPPINE ISLANDS By Jose Teodoro K. Limcaoco	1	Passport	
	2	Tax Identification No.	
Ma. Lourdes P. Gatmaytan	1	Passport	

who represented to me that they executed the foregoing Plan of Merger for the purposes stated therein and acknowledged to me that the same is their free and voluntary act and deed and of the corporations they represent.

WITNESS MY HAND AND SEAL on the date and place first herein above stated.

Doc. No. 191 ;
Page No. 40 ;
Book No. I ;
Series of 2023.


NOTARY PUBLIC
RICHARD M. SANTIAGO
Notary Public for Makati
Appt. No. M-191 until Dec. 31, 2023
Roll of Atty. No. 36640
MCLE Compliance No. VII-0000352; 08.07.2019
PTR No. 9566664 / 01.03.2023 / Makati City
IBP No. 260569 / 01 05.2023 / Quezon City
27F BPI Buendia Center Bldg , Makati City

IN WITNESS WHEREOF, the duly authorized representatives of BPI and RBC have executed the foregoing Plan of Merger this JAN 26 2023 at Makati City.

ROBINSONS BANK CORPORATION

By:


ELFREN ANTONIO S. SARTE
President & Chief Executive Officer

Certified Correct by:

ROBINSONS BANK CORPORATION

By:


ROEL S. COSTUNA
Corporate Secretary

ACKNOWLEDGMENT

REPUBLIC OF THE PHILIPPINES)
CITY OF MAKATI) S.S.

BEFORE ME, a Notary Public for and in the City of Makati City, this JAN 26 2023 day of _____
2023, personally appeared:

Affiant	Competent Evidence of Identity		
		Type of ID	ID Number and Expiry Date (if applicable)
ROBINSONS BANK CORPORATION By: Elfren Antonio S. Sarte	1	TIN	
	2	SSS	
Roel S. Costuna	1	Driver's License	
	2		

who represented to me that they executed the foregoing Articles of Merger for the purposes stated therein and acknowledged to me that the same is their free and voluntary act and deed and of the corporations they represent.

WITNESS MY HAND AND SEAL on the date and place first herein above stated.

Doc. No. 1434 ;
Page No. 287 ;
Book No. I ;
Series of 2023.

NOTARY PUBLIC

ATTY. AILEEN MARY S. GARDENAS-EJERCITO

NOTARY PUBLIC FOR AND IN MAKATI CITY
Unit 30G, The Grand Midon Tower 2, Legazpi St.,
Legazpi Village, Makati City
Roll No. 58364; Appointment No. M-067
IBF No. 276452; 01-08-2023; Northern Samar
PTR No. 1736878; 01-06-2023; Quezon City
MCLE Compliance No. VI-0007404; 04-11-2018
Commission is valid until December 31, 2023