

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. Date of Report (Date of earliest event reported)
Feb 26, 2019
2. SEC Identification Number
17514
3. BIR Tax Identification No.
320-000-599-760
4. Exact name of issuer as specified in its charter
RIZAL COMMERCIAL BANKING CORPORATION
5. Province, country or other jurisdiction of incorporation
Philippines
6. Industry Classification Code(SEC Use Only)
7. Address of principal office
6819 Ayala cor. Gil J. Puyat Ave., Makati City
Postal Code
0727
8. Issuer's telephone number, including area code
894-9000
9. 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	1,935,628,775
11. Indicate the item numbers reported herein
-

The Exchange does not warrant and holds no responsibility for the veracity of the facts and representations contained in all corporate disclosures, including financial reports. All data contained herein are prepared and submitted by the disclosing party to the Exchange, and are disseminated solely for purposes of information. Any questions on the data contained herein should be addressed directly to the Corporate Information Officer of the disclosing party.





Rizal Commercial Banking Corporation RCB

PSE Disclosure Form 4-23 - Mergers and Consolidations
*References: SRC Rule 17 (SEC Form 17-C) and
Section 4.4 and/or Section 5 of the Revised Disclosure Rules*

Subject of the Disclosure

Approval of the Board of Directors to merge the RCBC Savings Bank (a wholly owned subsidiary) into RCBC, subject to regulatory approvals.

Approval of the Board of Directors on November 26, 2018, of the Plan of Merger and the setting of the Special Stockholders' Meeting on February 26, 2019 to submit the merger/Plan of Merger for their approval.

Approval of the Merger/Plan of Merger by at least 2/3 of stockholders.

Background/Description of the Disclosure

RCBC Savings Bank, a thrift bank, is 100% owned by RCBC. The Board approved the proposal to merge the subsidiary into the Parent Bank subject to regulatory approvals.

Approval of the Board of Directors to merge the RCBC Savings Bank (a wholly owned subsidiary) into RCBC, subject to regulatory approvals.

Approval of the Board of Directors on November 26, 2018, of the Plan of Merger and the setting of the Special Stockholders' Meeting on February 26, 2019 to submit the merger/Plan of Merger for their approval.

Approval of the Merger/Plan of Merger by at least 2/3 of stockholders.

Date of Approval by Board of Directors	Sep 24, 2018
Date of Approval by Stockholders	Feb 26, 2019
Other Relevant Regulatory Agency, if applicable	BSP, SEC, BIR
Date of Approval by Relevant Regulatory Agency	TBA
Date of Approval by Securities and Exchange Commission	TBA

Rationale for the transaction including the benefits which are expected to be accrued to the Issuer as a result of the transaction

The proposed transaction will facilitate for the RCBC Group the following objectives: (1) more efficient capital deployment, (2) more efficient compliance with the Basel 3 liquidity ratios, (3) optimal coordination between the branch banking networks of RCBC and RCBC Savings, (4) medium-term improvement in the funding economics, and (5) operational cost efficiencies.

Description of the transaction including the timetable for implementation and related regulatory requirements, if any

To be announced. The details of the transaction will still be subject to regulatory approvals.

Identities of the parties to the transaction

Name	Nature of Business	Nature of any material relationship with the Issuer, their directors/officers or any of their affiliates
RCBC Savings Bank	Thrift Bank	100% owned subsidiary of RCBC

Terms and conditions of the transaction

Plan of merger

Plan of Merger was approved by the RCBC Board on November 26, 2018 and by the RSB Board on November 27, 2018. Please see attached executed Plan of Merger.

Ratio of exchange of shares

The Constituent Corporations shall determine the exchange ratio based on the following formula:

$$\text{Ratio} = \frac{\text{RSB NAV}}{\text{No. of outstanding RSB shares}}$$

$$\frac{\text{RCBC NAV}}{\text{No. of outstanding RCBC shares}}$$

Basis upon which the exchange ratio was determined

TBA

Number of shares subject of the merger

TBA

Timetable

The merger/Plan of Merger was approved by at least 2/3 of the stockholders on February 26, 2019. With the approval, regulatory approvals will be sought.

Conditions precedent to closing of the transaction, if any

TBA

Procedures for exchange

TBA

Description of the company subject of the transaction

Nature and business

Thrift Bank

Discussion of major projects and investments

N/A

List of subsidiaries and affiliates, with percentage holdings

Name	% Ownership
Not Applicable	-

Capital structure

Authorized capital stock

Type of Security /Stock Symbol	Amount	Number of Shares
Common	Php 3,087,216,300	30,872,163

Subscribed Shares

Type of Security /Stock Symbol	Amount	Number of Shares
Common	Php 3,087,216,300	30,872,163

Paid-Up Capital

Amount	3,190,000,000
Number of Shares	30,872,163

Issued Shares

Type of Security /Stock Symbol	Amount	Number of Shares
common	Php 3,087,216,300	30,872,163

Outstanding Shares

Type of Security /Stock Symbol	Amount	Number of Shares
common	Php 3,087,216,300	30,872,163

Par Value

Type of Security /Stock Symbol	Amount
common	Php 100

Ownership Structure (including percentage holdings)

Name	Number of Shares	% Ownership
RCBC	30,872,163	100

Board of Directors

Name	(Regular or Independent)
Helen Y. Dee (RSB)	Regular
Gil A. Buenaventura (RSB)	Regular

Rommel S. Latinazo (RSB)	Regular	
Cesar E.A. Virata (RSB)	Regular	
Michele Marie Y. Dee (RSB)	Regular	
Armando M Medina (RSB)	Independent	
Nestor P. Bonoan (RSB)	Independent	
Alberto L. Monreal (RSB)	Independent	
Adelita A. Vergel De Dios (RSB)	Independent	
Emilio S. de Quiros, Jr. (RSB)	Independent	
Maria Mercedes M. Corrales (RSB)	Independent	

Principal Officers

Name	Position/Designation	
Rommel S. Latinazo (RSB)	President and CEO	
Francis Vincent S. Berdan (RSB)	Head of Retail Banking Group	
Mary Grace P. Macatangay (RSB)	Head of Credit Management Group	
Gerardo G. Miral (RSB)	Head of Consumer Lending Group	
Claro A. Pineda III (RSB)	Head of Operations and Technology Group	
Joseph Colin B. Rodriguez (RSB)	Treasurer	

Effect(s)/impact on the business, financial condition and operations of the Issuer

The proposed transaction will facilitate for the RCBC Group the following objectives: (1) more efficient capital deployment, (2) more efficient compliance with the Basel 3 liquidity ratios, (3) optimal coordination of the branch banking networks of RCBC and RCBC Savings, (4) medium-term improvement in the funding economics, and (5) operational cost efficiencies.

Other Relevant Information

Approval of the Board of Directors to merge the RCBC Savings Bank (a wholly owned subsidiary) into RCBC, subject to regulatory approvals.

Approval of the Board of Directors on November 26, 2018, of the Plan of Merger and the setting of the Special Stockholders' Meeting on February 26, 2019 to submit the merger/Plan of Merger for their approval.

Approval of the Merger/Plan of Merger by at least 2/3 of RCBC's stockholders (which is the reason for the amendment of this disclosure).

Further amendment is to indicate date of approval by at least 2/3 of the stockholders. This disclosure also now includes the formula of the exchange ratio, which was included in the approved Plan of Merger.

The executed Plan of Merger is attached. Once the Articles of Merger have been executed, this will be disclosed as well.

Filed on behalf by:

Name	Ma. Christina Alvarez
Designation	Corporate Planning Head and Corporate Information Officer

PLAN OF MERGER

This Plan of Merger executed and entered into on this 27th day of November 2018 at Makati City, by and among:

RIZAL COMMERCIAL BANKING CORPORATION, a universal banking corporation duly organized and existing under the laws of the Republic of the Philippines, with the principal place of business at Yuchengco Tower, RCBC Plaza, 6819 Ayala Avenue corner Sen. Gil J. Puyat Avenue, Makati City, represented herein by its President, Gil A. Buenaventura, hereinafter referred to as “**RCBC**”;

And

RCBC SAVINGS BANK, INC., a thrift banking corporation duly organized and existing under the laws of the Republic of the Philippines, with the principal place of business at RCBC Savings Bank Corporate Center, 26th and 25th Streets, Bonifacio Global City, Taguig City, represented herein by its President, Rommel S. Latinazo, hereinafter referred to as “**RSB**”.

(RCBC and RSB are hereinafter referred to as the “Constituent Corporations”)

WITNESSETH: That:

WHEREAS, the respective Board of Directors of the Constituent Corporations deemed it prudent and in the best interests of each bank and its respective stockholders that RCBC and RSB engage in a business combination in order to advance their long-term strategic business interest;

WHEREAS, the respective Board of Directors of the Constituent Corporations have determined that the business combination of RCBC and RSB 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 interest 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:

ARTICLE 1 MERGER

- 1.1 Upon the terms and subject to conditions of this Plan of Merger and on the Effective Date (as hereinafter defined), RSB shall merge with and into RCBC. RCBC shall be the

surviving corporation of the Merger and shall continue its corporate existence under the laws of the Republic of the Philippines. On Effective Date, the separate existence of RSB shall terminate.

- 1.2 The Merger shall become effective on 1 July 2019 following the issuance by the Securities and Exchange Commission (“SEC”) of a Certificate of Merger subject to compliance with Article 1.4 of this Plan of Merger (“Effective Date”).
- 1.3 At and after the Effective Date, all of the legal consequences set forth in Section 80 of the Corporation Code shall take effect with respect to the Merger, including the following:
 - (a) RCBC and RSB shall become a single corporation, with RCBC as the surviving corporation and RSB shall cease to exist and its legal personality shall be terminated.
 - (b) RCBC shall continue to possess all its rights, privileges, immunities and powers and shall continue to be subject to all its duties and liabilities prior to the Merger.
 - (c) All the rights, privileges, immunities, and powers of RSB shall be deemed transferred to and possessed by RCBC, in addition to those originally belonging to RCBC.
 - (d) All the properties of RSB, real or personal, tangible or intangible, and all receivables due on whatever account, including subscription to shares and choses in action, and all and every interest of, belonging to, or due to RSB as of the Effective Date shall be deemed transferred to RCBC without further act or deed; and
 - (e) All liabilities and obligations of RSB as of the Effective Date shall be transferred to and become the liabilities and obligations of RCBC in the same manner as if RCBC has itself incurred such liabilities and obligations and in order that the rights and interest of creditors of RSB or liens upon the property of RSB shall not be impaired by the Merger.
- 1.4 The effectivity of this Plan of Merger shall be subject to the approval of the Bangko Sentral ng Pilipinas (the “BSP”), the SEC and the Philippine Deposit Insurance Corporation. The Constituent Corporations will file an application with the Bureau of Internal Revenue (“BIR”) for the issuance of a ruling that the Merger qualifies as a tax-free merger under Section 40(c)2 of the National Revenue Code of 1997, as amended.

ARTICLE 2
EXCHANGE OF SHARES

As of the Effective Date, the shares of RSB shall, without any other action on the part of the respective holders of the shares, become and be converted into the common shares of RCBC, as follows:

- 2.1. RSB shall transfer its net assets to RCBC in exchange for common shares of RCBC. The number of RCBC common shares that will be issued pursuant to the Merger shall be determined using the respective Net Asset Value (“NAV”) per common share of the Constituent Corporations as of December 31, 2018 as reflected in their respective Audited Financial Statements. The results of operations of RSB from 1 January 2019 shall not affect the determination of the number of RCBC common shares that will be issued pursuant to the merger and adjustments shall not be made in the NAV per share of the Constituent Corporations after 31 December 2018. Any net income earned by RSB from 1 January 2019 until the Effective Date shall be declared and paid as dividends to RCBC and any net loss incurred by RSB during the same period shall be absorbed and for the account of RCBC.
- 2.2. The procedure for determining the number of RCBC common shares that will be issued pursuant to the merger shall be as follows:

- (a) The Constituent Corporations shall determine the exchange ratio based on the following formula:

Ratio = $\frac{\text{RSB NAV / No. of outstanding RSB shares}}{\text{RCBC NAV / No. of outstanding RCBC shares}}$

- (b) The number of RCBC common shares to be issued is equivalent to the number of outstanding RSB common shares multiplied by the Ratio.
- (c) Any fractional shares resulting from the application of the formula provided in Clause 2.2(b) above shall be disregarded and rounded down to the nearest whole number of RCBC common shares.
- 2.3. The RCBC common shares issued in accordance with Clause 2.2 above shall be acquired and recorded as treasury shares by RCBC in exchange for RCBC’s investment in RSB common shares.

ARTICLE 3
UNDERTAKINGS AND ADDITIONAL AGREEMENTS

- 3.1. The Constituent Corporations hereby undertake to:

- (a) Secure the conformity and approval of this Plan of Merger 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.
 - (b) Obtain any and all required consents, approvals, or waivers of other parties, including their respective creditors, to the Plan of Merger.
 - (c) Jointly exert their best efforts to secure the approval of the Merger and its related transactions from the government authorities as provided for in Article 1.4 hereof.
- 3.3. Prior to Effective Date, the Constituent Corporations shall conduct their respective business in substantially the same manner as previously conducted and shall continue to preserve said business as a going concern. However, each of RCBC and RSB 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.
- 3.4. The Amended Articles of Incorporation and By-Laws of RCBC approved as of the Effective Date shall continue to be the Articles and By-Laws of RCBC until thereafter changed or amended in accordance with law.
- 3.5. The directors of RCBC as of the Effective Date shall continue to be the directors of RCBC, each to hold office in accordance with the Articles of Incorporation and By-Laws of RCBC and applicable law, and until their respective successors are duly elected and qualified.
- 3.6. The Constituent Corporations shall 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 of Merger.
- 3.7. Unless otherwise required by law or regulation or as may be agreed upon by the parties, each of the Constituent Corporations will use its best efforts to keep confidential any information obtained from the other party, and in the event the Merger is abandoned or not consummated, RCBC and RSB shall return all documents and other written information and materials obtained in connection herewith.
- 3.8. All fees, costs and expenses relating to the merger shall be borne by RCBC.

ARTICLE 4 SPECIAL PROVISIONS

- 4.1. This Plan of Merger has been approved by the respective Boards of Directors of the Constituent Corporations and shall be submitted to their respective stockholders for approval in accordance with law and the respective By-Laws of RCBC and RSB;

provided, that the approval of this Plan of Merger by the stockholders of RCBC and RSB will constitute an authorization to their respective Board of Directors by majority vote to amend, modify or supplement this Plan of Merger; provided further, that such amendment, modification or supplement shall not substantially change the terms of the Merger.

- 4.2. As soon as practicable after the Effective Date, RCBC shall take such steps or measures as it may deem necessary or advisable to substitute itself in all suits and proceedings where RSB is a party and to substitute its name for RSB in all titles and registers.
- 4.3. As soon as practicable after the approval of this Plan of Merger by the required votes of stockholders of RCBC and RSB during their respective stockholders' meetings called for the purpose, RCBC 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.
- 4.4. Upon approval of this Plan of Merger by the required votes of stockholders of RCBC and RSB 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 of Merger shall be executed by RCBC and RSB, to be signed by the President and certified by the Corporate Secretary of each of RCBC and RSB setting forth this Plan of Merger, the number of shares outstanding of RCBC and RSB and the number of shares voting for and against this Plan of Merger, respectively.
- 4.5. In the event that the Merger is not consummated for whatsoever reason, each of RCBC and RSB, 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.

IN WITNESS WHEREOF, the Constituent Corporations have signed this Plan of Merger at the place and on the date above written.

**RIZAL COMMERCIAL BANKING
CORPORATION**

By:



GIL A. BUENAVENTURA
President

RCBC SAVINGS BANK, INC.

By:



ROMMEL S. LATINAZO
President

Annex A
Form of the Articles of Merger

ARTICLES OF MERGER

Pursuant to Section 78 of Batas Pambansa Blg. 58, otherwise known as the Corporation Code of the Philippines, this Articles of Merger is executed and entered into, this 27th day of November 2019, at Makati City, by and between:

RIZAL COMMERCIAL BANKING CORPORATION, a universal banking corporation duly organized and existing under the laws of the Republic of the Philippines, with the principal place of business at Yuchengco Tower, RCBC Plaza, 6819 Ayala Avenue corner Sen. Gil J. Puyat Avenue, Makati City, represented herein by its President, Gil A. Buenaventura, hereinafter referred to as "RCBC";

and

RCBC SAVINGS BANK, INC., a thrift banking corporation duly organized and existing under the laws of the Republic of the Philippines, with the principal place of business at RCBC Savings Bank Corporate Center, 26th and 25th Streets, Bonifacio Global City, Taguig City, represented herein by its President, Rommel S. Latinazo, hereinafter referred to as "RSB".

(RCBC and RSB are hereinafter referred to as the "Constituent Corporations")

NOW THEREFORE, the parties have mutually agreed to the following Articles of Merger:

1. The merger of RCBC and RSB, with RCBC as the surviving corporation, shall be pursuant to the Plan of Merger, attached hereto as Annex "A", dated [●] November 2018, approved by the majority vote of each of the board of directors of the RCBC and RSB at the meetings duly called for the purpose on 26 November 2018 and 27 November 2018, respectively. The copies of the respective Board of Directors' Certificates of RCBC and RSB are attached hereto as Annexes "B-1" and "B-2".
2. As of the date of this Articles of Merger, the respective authorized capital stock, total number of outstanding and issued shares, the par value of each share and the total paid-up capital for RCBC and RSB are as follows:

RCBC		
	Number of Shares	Amount (at ₱10.00 per share)
Authorized Capital Stock	2,800,000,000	₱28,000,000,000.00
Outstanding Capital Stock	[●]	[●]
Total Paid-up Capital	[●]	[●]

RSB		
	Number of Shares	Amount (at ₱100.00 per share)
Authorized Capital Stock	50,000,000	₱5,000,000,000.00
Outstanding Capital Stock	[•]	[•]
Total Paid-up Capital	[•]	[•]

3. The stockholders of RCBC, in their special meeting held on 26 February 2019 at Makati City, at which quorum was present and acting throughout, representing at least 2/3 of its outstanding capital stock voted and approved the Plan of Merger, and [insert fractional no. of shares] voted against it. The copies of the Minutes of the Special Stockholders' Meeting and the Secretary's Certificate are attached hereto as Annexes "C-1" and C-2".
4. The stockholders of RSB, in their special meeting held on [insert date of meeting] at Makati City, at which quorum was present and acting throughout, representing at least 2/3 of its outstanding capital stock voted and approved the Plan of Merger, and [insert fractional no. of shares] voted against it. The copies of the Minutes of the Special Stockholders' Meeting and the Secretary's Certificate are attached hereto as Annexes "D-1" and "D-2".
5. The respective stockholders of RCBC and RSB, at their separate Special Stockholders' Meeting as stated above, authorized their respective Presidents and [Vice-Presidents] to sign, execute, and deliver this Articles of Merger and the Plan of Merger. They likewise authorized their respective Corporate Secretaries to certify this Articles of Merger.

IN WITNESS WHEREOF, the parties hereto have signed these presents on the date and at the place first abovementioned.

RIZAL COMMERCIAL BANKING CORPORATION

By:

RCBC SAVINGS BANK, INC.

By:

NAME OF AUTHORIZED SIGNATORY
(Position Title)

NAME OF AUTHORIZED SIGNATORY
(Position Title)

Certified Correct by:

RIZAL COMMERCIAL BANKING CORPORATION

By:

RCBC SAVINGS BANK, INC.

By:

GEORGE GILBERT G. DELA CUESTA
Corporate Secretary

GEORGE GILBERT G. DELA CUESTA
Corporate Secretary

ACKNOWLEDGMENT

REPUBLIC OF THE PHILIPPINES)
Makati City) S.S.

BEFORE ME, a Notary Public in and for Makati City, on this 27th day of November 2019 personally appeared:

Name	Identification	Place and Date Issued
Rizal Commercial Banking Corporation represented by		
RCBC Savings Bank		

known to me and to me known to be the same persons who executed the foregoing instrument and they acknowledged to me that the same is their free and voluntary act and deed as well as the free and voluntary act and deed of the corporation which they represented.

This Articles of Merger consists of nine (9) pages including Annexes and this page where the acknowledgment is written, signed by the parties and their instrumental witnesses, and sealed with my notarial seal.

WITNESS MY HAND AND SEAL, on the date and at the place first above written.

NOTARY PUBLIC

Doc. No. _____;
Page No. _____;
Book No. _____;
Series of 2019.