



Annex C

**Merger, Consolidation, and Acquisition¹ Transactions of Banks
Common Documents Required by All Agencies**

Legend: PC – Printed Copy
EC – Electronic Copy

Description of Documents	PCC	PDIC	BSP	SEC	CDA
STAGE 1. COMPLETENESS CHECK					
1. Articles of Merger or Consolidation (templates provided)	PC EC	EC	EC	PC EC	
2. For mergers (with proposed increase in capital stock and/or any amendment in the Articles of Incorporation/ Cooperation)					
2.1 Proposed Amended Articles of Incorporation/ Cooperation of surviving bank/cooperative bank			EC	PC EC	PC EC
2.2 Certificate of increase in capital stock of surviving bank			EC	PC EC	PC EC
2.3 Treasurer's Affidavit certifying the increase in capital stock, the amount subscribed, and the amount received as payment thereto			EC	PC EC	PC EC
2.4 Notarized Directors' Certificate (surviving bank) signed by the majority of the directors and the Corporate Secretary certifying the following information: <ul style="list-style-type: none"> • amendment of the Articles of Incorporation/Cooperation, • votes of the directors and Stockholders (SH)/ Members, as applicable, thereto, and • place and date of SH/Members' meeting, as applicable. 			EC	PC EC	PC EC
For consolidation:					
2.5 Name verification/ reservation			EC	PC EC	PC EC
2.6 New Articles of Incorporation/Cooperation and By-Laws			EC	PC EC	PC EC
2.7 Treasurer's Affidavit (for stock)			EC	PC EC	PC EC
2.8 Undertaking to change name (if not incorporated in the Articles of Incorporation/Cooperation).				PC EC	PC EC

¹ For PCC, acquisition includes purchase of assets and assumption of liabilities and/or acquisition of control. For PDIC, acquisition refers to purchase of assets and assumption of liabilities involving deposit liabilities only.

Description of Documents	PCC	PDIC	BSP	SEC	CDA
3. Plan of Merger or Consolidation (templates will be provided)	PC EC	SC	EC	PC EC	PC EC
For Purchase of Assets and Assumption of Liabilities (P&A): 3.1. Purchase and Sale Agreement (PSA) setting forth the following: <ul style="list-style-type: none"> ▪ Names of the proponent institutions; ▪ Terms of the PSA and the mode of carrying the same into effect including, but not limited to, -- <ul style="list-style-type: none"> ○ Breakdown and details of assets to be acquired; ○ Breakdown and details of liabilities to be assumed; ○ Purchase price of the assets and liabilities and the mode of payment; ○ Such other provisions with respect to the proposed asset acquisition/assumption of liabilities as are deemed necessary or desirable. 	PC EC	EC	EC		
3.2. Notarized certification signed by the duly-authorized signatory of the selling party that all requirements under the Bulk Sales Law (Act No. 3952) and all laws relevant thereto have been complied with.		EC	EC		
4. Corporate secretary's certificates of the respective banks on the stockholders' and/or board of directors' approval of the application for merger/consolidation/acquisition, including the duly-authorized signatories of the proponent banks. <ul style="list-style-type: none"> • certified under oath by the Corporate Secretaries of the respective institutions For Cooperatives, resolutions of the General/ Representatives Assembly of the respective institutions approving the merger, consolidation, or acquisition, including the duly-authorized signatories of the proponent banks. <ul style="list-style-type: none"> • certified under oath by the Corporate Secretaries of the respective institutions 	PC EC	EC	EC	PC EC	
5. Notarized Secretary's Certificate of the list of Stockholders/members and their stockholdings of record before and after the merger/consolidation	PC EC	EC	EC	PC EC	PC EC
6. Notarized Secretary's Certificate on no pending case involving intra-corporate dispute			EC	PC EC	
7. Financial Statements (FS) <ul style="list-style-type: none"> • Latest audited FS of the proponent banks (as applicable) 	PC EC	EC	EC		PC EC
<ul style="list-style-type: none"> • Latest audited FS as of a date not earlier than 120 days prior to date of filing of application 	PC EC			PC	
<ul style="list-style-type: none"> • 3-year financial projections with valid assumptions of the merged or consolidated institution 	PC EC	EC	EC		PC EC

Description of Documents	PCC	PDIC	BSP	SEC	CDA
<p>8. Business Plan or viable operational plan that contains, at a minimum, the following information:</p> <ul style="list-style-type: none"> • Market study/Economic Surveys • Marketing Strategies • Proposed Target Market • Proposed Loan portfolio diversification • Deposit Generation • Operations Support/Capacity (Manpower, Facilities, etc.) • Operations Control • System Integration 	PC EC	EC	EC		PC EC
<p>STAGE 2. EVALUATION PROPER (not required during completeness check)</p>					
<p>9. Requirements from other Government agencies</p>					
<ul style="list-style-type: none"> • PCC Letter of Acknowledgment/Commission Decision (pre-requisite requirement of PDIC, BSP, SEC or CDA) 		EC	EC	PC EC	PC EC
<ul style="list-style-type: none"> • PDIC Consent (pre-requisite requirement of BSP, SEC or CDA) 			EC	PC EC	PC EC
<ul style="list-style-type: none"> • BSP's issuance of Certificate of Authority to Register Plan of Merger/Consolidation and/or Articles of Incorporation or Cooperation/ By-Laws (amended for merger; new for consolidation) and/or Favorable Recommendation from the BSP to SEC/CDA 				PC EC	PC EC
<p>10. Notarized certifications and/or Proof of Notice to Creditors/Depositors and Proof of Publication or Posting Announcement of merger, consolidation, or acquisition by the proponent banks that may include the following:</p> <p>(a) the respective depositors and creditors have been duly notified of the transaction, and</p> <p>(b) the proponent banks have sufficient funds to cover possible withdrawal of depositors.</p> <p>Note: To be submitted <u>not later than 5 business days</u> after receipt by the banks of MB approval.</p>		EC	EC	PC EC	PC EC
<p>11. Any other reasonable requirement deemed material in the proper evaluation of the merger or consolidation as may subsequently be requested by the agencies.</p>	PC EC	EC	EC	PC EC	PC EC