

**In the Matter of the Proposed
Acquisition by Proverbs 16, Inc. of
Shares in BVI_{PhilCo}, ACE BVI_B, and
ACE BVI_D**

MAO Case No. M-2019-025

X-----X

COMMISSION DECISION NO. 31-M-025/2019

This is a review of the proposed acquisition by Proverbs 16, Inc. (“Proverbs”) of shares in BVI_{PhilCo}, ACE BVI_B, and ACE BVI_D (“ACE BVIs”, and together with Proverbs, the “Parties”), pursuant to Sections 16 and 17 of Republic Act No. 10667 and Section 1, Rule 4 of the Rules and Regulations to Implement the Provisions of Republic Act No. 10667.

Upon review of the findings and recommendation of the Mergers and Acquisitions Office and the Parties’ submissions, the Commission finds that the proposed acquisition by Proverbs of shares in ACE BVIs (the “Transaction”) will not likely result in substantial lessening of competition in the market for the generation and sale of electricity in (1) the Mindanao grid; and (2) the Luzon, Visayas, and Mindanao grids upon the completion of the Mindanao-Visayas Interconnection Project.

This is because post-Transaction, (1) the proposed Transaction does not significantly strengthen the ability or incentive of the Parties to engage in customer or input foreclosure; and (2) sufficient competitive constraints remain from other market participants.

ACCORDINGLY, the Commission resolves to take no further action with respect to the proposed Transaction between Proverbs and ACE BVIs.

This Decision is rendered solely on the facts disclosed and circumstances of the proposed Transaction and documents submitted by Proverbs and ACE BVIs.

30 September 2019.



Management
System
ISO 9001:2015
www.tuv.com
ID 9108652446





ARSENIO M. BALISACAN
Chairman



JOHANNES BENJAMIN R. BERNABE
Commissioner



AMABELLE C. ASUNCION
Commissioner



MACARIO R. DE CLARO, JR.
Commissioner

Copy Furnished:

Proverbs 16, Inc.
Belmont Chambers, P.O. Box 3443
Road Town, Tortola
British Virgin Islands

Puno and Puno Law Offices
Counsel for Proverbs 16, Inc.
Unit 1201, East Tower
Philippine Stock Exchange Centre Building
Exchange Road, Ortigas Center, Pasig City

AC Energy, Inc.
4th Floor, 6750 Office Tower
Ayala Avenue, Makati City

Mergers and Acquisitions Office
25th Floor, Vertis North Corporate Center 1
North Avenue, Quezon City