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March 4, 2019

**PHILIPPINE DEALING AND EXCHANGE CORP.**  
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Makati City

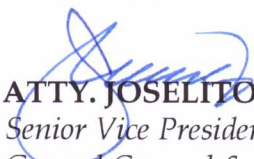
Attention: **ATTY. JOSEPH B. EVANGELISTA**  
*Head, Issuer Compliance and Disclosure Department*

**Gentlemen:**

Please find attached PSE Disclosure Form 4-23 (*Mergers and Consolidations*) on Securities and Exchange Commission's approval of the merger between Philippine Resources Banking Corporation and City Savings Bank, Inc., a wholly-owned subsidiary of Union Bank of the Philippines.

For your information and guidance. Thank you.

Very truly yours,

  
**ATTY. JOSELITO V. BANAAG**  
*Senior Vice President,  
General Counsel &  
Corporate Secretary*

## 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)  
Mar 4, 2019
2. SEC Identification Number  
36073
3. BIR Tax Identification No.  
000-508-271
4. Exact name of issuer as specified in its charter  
UNION BANK OF THE PHILIPPINES
5. Province, country or other jurisdiction of incorporation  
METRO MANILA
6. Industry Classification Code(SEC Use Only)
7. Address of principal office  
UNIONBANK PLAZA, MERALCO AVENUE CORNER ONYX STREET, ORTIGAS  
CENTER, PASIG CITY  
Postal Code  
1605
8. Issuer's telephone number, including area code  
(02) 667-6388
9. Former name or former address, if changed since last report  
N/A
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	1,217,149,512

11. Indicate the item numbers reported herein  
ITEM 9 - OTHER EVENTS

*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.*



# Union Bank of the Philippines

## UBP

**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 by the Securities and Exchange Commission ("SEC") of the merger between Philippine Resources Banking Corporation ("PR Savings") and City Savings Bank, Inc. ("City Savings"), a wholly-owned subsidiary of Union Bank of the Philippines ("UnionBank").

(PR Savings and City Savings shall be hereafter collectively referred to as "Constituent Entities")

### Background/Description of the Disclosure

PR Savings, a thrift bank, is 100% owned by City Savings.

On 29 December 2017, UnionBank disclosed the execution of the Share Purchase Agreement ("SPA") between City Savings and the owners of the common shares of PR Savings. Also, on 23 February 2018, it disclosed the SPA between City Savings and the International Finance Corporation ("IFC") – the owner of 65,000,000 preferred shares in PR Savings.

In the SPA, one of the conditions precedent for the closing of the transaction is the approval of the BSP of the acquisition of the common shares of PR Savings Bank and the subsequent merger between City Savings and PR Savings Bank with City Savings as the surviving entity.

On 20 June 2018, City Savings received a Letter from BSP dated 19 June 2018 informing the Constituent Entities of the following: (1) BSP's approval of the equity investment of City Savings in PR Savings Bank through the acquisition of 100% of the issued and outstanding common shares of stock in PR Savings Bank; and (2) BSP's approval-in-principle of the merger between City Savings and PR Savings Bank, with City Savings as the surviving entity.

Considering that all the conditions precedent to closing of the above transactions have been complied with by the parties, UnionBank likewise made the appropriate disclosures on the closing of the acquisition of 100% of the common shares and the preferred shares in PR Savings closed on 27 and 28 June 2018, respectively.

Thereafter, on 18 July 2018, the Constituent Entities filed the application for the approval of their merger with the BSP. On 27 December 2018, City Savings received a Letter from BSP informing its formal approval of the merger between the Constituent Entities, with City Savings as the surviving entity.

In the interim, the Constituent Entities likewise filed the application for the approval of their merger with the Securities and Exchange Commission (SEC).

On 4 March 2019, City Savings received the Certificate of Filing of the Articles and Plan of Merger dated 28 February 2019 from the SEC whereby the latter approved the merger of the Constituent Entities.

<b>Date of Approval by Board of Directors</b>	Jul 5, 2018
<b>Date of Approval by Stockholders</b>	Jul 10, 2018
<b>Other Relevant Regulatory Agency, if applicable</b>	Bangko Sentral ng Pilipinas and Philippine Competition Commission
<b>Date of Approval by Relevant Regulatory Agency</b>	Dec 20, 2018

<b>Date of Approval by Securities and Exchange Commission</b>	Feb 28, 2019
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**Rationale for the transaction including the benefits which are expected to be accrued to the Issuer as a result of the transaction**

The merger between the Constituent Entities is in line with UnionBank's goal to expand its mass market reach consistent with its vision to promote inclusive growth in the country.

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

The transaction is an upstream merger of PR Savings to City Savings as the latter owns 100% of the former.

As per BSP's Letter dated 27 December 2018, the merger between the Constituent Entities should be completed on 27 December 2019.

The SEC approved and made effective on 28 February 2019 ("Merger Effective Date") the merger of the Constituent Entities.

**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
Philippine Resources Savings Banking Corporation	Thrift Bank	PR Savings is 100% owned by City Savings.

**Terms and conditions of the transaction**

**Plan of merger**

As the transaction is an upstream merger between City Savings and PR Savings – the latter being 100% owned by the former, the terms of the merger shall have all of the legal consequences set forth in Section 80 of the Corporation Code, including the following:

(a) PR Savings and City Savings shall become a single corporation, with City Savings as the surviving corporation or the Merged Corporation. PR Savings shall cease to exist and its legal personality shall be terminated.

(b) City Savings shall continue to possess all of its rights, privileges, immunities, franchises and powers, and shall continue to be subject to all of its duties and liabilities, as those existing immediately prior to the Merger. Its Articles of Incorporation and By-laws shall continue to be in full force and effect.

(c) All the members of the Board of Directors and officers of City Savings prior to the merger shall be and continue as the Directors and Officers of the Merged Corporation, subject to the right of the Stockholders after the Merger Effective Date to elect new Directors at any subsequent Stockholders' meeting and the right of the duly constituted Board of Directors to appoint new officers at any subsequent board meeting, in accordance with City Savings' By-Laws.

(d) To the extent allowed by law, all the rights, privileges, immunities, franchises and powers of PR Savings, as of 30 June 2018 up to the Merger Effective Date, shall be deemed transferred to and possessed by City Savings, in addition to those originally belonging to City Savings.

(e) All of the assets, rights, powers, privileges, immunities, franchises and business of PR Savings, as of 30 June 2018 up to the Merger Effective Date, including real or personal, tangible or intangible, properties, contractual and property rights, claims, bank deposits, retained earnings and investments of whatever nature, including subscriptions to shares and choses in action, goodwill and intangible assets, and all and every other interest of, belonging to, or due to it shall be deemed transferred to City Savings without further act or deed as of the Merger Effective Date.

(f) All liabilities and obligations of PR Savings shall be transferred to and become the liabilities and obligations of City Savings, as of 30 June 2018 up to the Merger Effective Date, in the same manner as if the latter had itself incurred such liabilities and obligations, and in order that the rights and interests of creditors of PR Savings or liens upon the property of PR Savings shall not be impaired by the Merger; provided that City Savings shall have the right to exercise all defenses, rights, privileges, set-offs and counterclaims of every kind and nature which PR Savings and City Savings may have or which City Savings may invoke under existing laws. As soon as practicable after the Merger Effective Date, City Savings shall take such steps or measures as it may deem necessary or advisable to substitute itself in all suits and proceedings where PR Savings is a party and to substitute its name for PR Savings in all titles and registers.

**Ratio of exchange of shares**

N/A

**Basis upon which the exchange ratio was determined**

N/A

**Number of shares subject of the merger**

N/A

**Timetable**

The SEC approved and made effective on 28 February 2019 the merger of the Constituent Entities.

As per BSP's Letter dated 27 December 2018, the merger between the Constituent Entities should be completed on 27 December 2019.

**Conditions precedent to closing of the transaction, if any**

N/A

**Procedures for exchange**

N/A

**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
N/A	-

**Capital structure****Authorized capital stock**

Type of Security /Stock Symbol	Amount	Number of Shares
Common	Php3,200,000,000.00	320,000,000
Preferred B	Php1,000,000,000.00	100,000,000

**Subscribed Shares**

Type of Security /Stock Symbol	Amount	Number of Shares
Common	Php1,277,233,960.00	127,723,396
Preferred B	Php650,000,000.00	65,000,000

**Paid-Up Capital**

<b>Amount</b>	Php1,927,233,960
<b>Number of Shares</b>	192,723,396

**Issued Shares**

Type of Security /Stock Symbol	Amount	Number of Shares
Common	Php1,277,233,960.00	127,723,396
Preferred B	Php650,000,000.00	65,000,000

**Outstanding Shares**

Type of Security /Stock Symbol	Amount	Number of Shares
Common	Php1,277,233,960.00	127,723,396
Preferred B	Php650,000,000.00	65,000,000

**Par Value**

Type of Security /Stock Symbol	Amount
Common	Php10.00
Preferred B	Php10.00

**Ownership Structure (including percentage holdings)**

Name	Number of Shares	% Ownership
City Savings Bank, Inc. (Common)	127,723,396	66.28
City Savings Bank, Inc. (Preferred)	65,000,000	33.72

**Board of Directors**

Name	(Regular or Independent)
Beatriz B. Romulo	Regular
Teodoro M. Panganiban	Regular
Catalino S. Abacan	Regular
Peter Ismael F. Quiambao	Regular
Lorenzo T. Ocampo	Regular
Roman S. Ronquillo	Independent
Carlos V. Valarao	Independent
Teresita G. Domalanta	Independent

**Principal Officers**

Name	Position/Designation
Catalino S. Abacan	President and Chief Executive Officer
Anna Bella G. Gatbonton	Chief Auditor
Ma. Antonette F. Benavides	Human Resources Head
Ferdinand T. Bernardo	IT Head
Ruelito S. Aquino	Sales and Marketing Group Head
Jose Gerardo E. Guillen	Chief Risk Officer
Marson S. Senica	Sales Head
Eric G. Valdez	Sales Head
Ma. Filomena C. Gibe	Security & Safety Head
Carlos B. Kahn	Treasurer
Barry S. Baya	Controller
Candy P. Seguerra	Chief Compliance Officer
Christian Marko D. Cabahug	Legal Head and Assistant Corporate Secretary
Buenaventura S. Sanguyo, Jr.	Corporate Secretary

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

The merger will facilitate UnionBank's goal to expand its mass market reach consistent with its vision to promote inclusive growth in the country.

**Other Relevant Information**

1. No ratio of exchange of shares because the transaction is an upstream merger.
2. The Articles and Plan of Merger were approved by the Board of Directors of City Savings on 5 July 2018. It was approved by the Board of Directors of PR Savings on 27 June 2018.
3. The Articles and Plan of Merger were approved by the Stockholders of City Savings on 10 July 2018. It was approved by the Stockholders of PR Savings on 3 July 2018.
4. The acquisition of the common shares in PR Savings by City Savings was approved by the Philippine Competition Commission on 5 April 2018.

**Filed on behalf by:**

<b>Name</b>	Buenaventura Sanguyo, Jr.
<b>Designation</b>	Vice President / Assistant Corporate Secretary