



REPUBLIC OF THE PHILIPPINES
SECURITIES AND EXCHANGE COMMISSION
SEC Building, EDSA, Greenhills
City Of Mandaluyong, Metro Manila

**CERTIFICATE OF FILING OF THE
ARTICLES AND PLAN OF MERGER**

KNOW ALL PERSONS BY THESE PRESENTS:

THIS IS TO CERTIFY that the Amended Plan and Amended Articles of Merger executed on March 08, 2012 by and between:

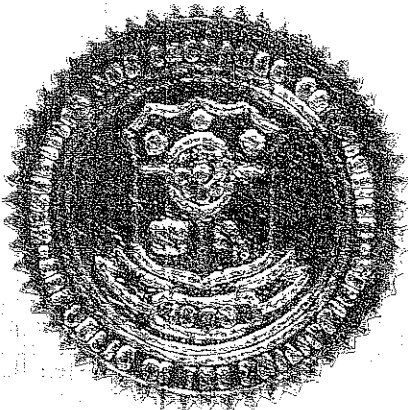
PHILIPPINE NATIONAL BANK
(Surviving Corporation)

and

ALLIED BANKING CORPORATION
(Absorbed Corporation)

copy annexed, approved by a majority vote of the Board of Directors on December 16, 2011 and by the vote of the stockholders owning or representing at least two-thirds of the outstanding capital stock of constituent corporations on March 06, 2012, signed by their President certified by their respective Corporate Secretaries, whereby the entire assets and liabilities of **ALLIED BANKING CORPORATION** will be transferred to and absorbed by **PHILIPPINE NATIONAL BANK** was approved by this Office on this date pursuant to the provisions of Sections 76 to 80 of the Corporation Code of the Philippines, Batas Pambansa Blg. 68, approved on May 1, 1980, and Section 9 of R.A 8791 as amended attached to the other papers pertaining to said corporations.

IN WITNESS WHEREOF, I have set my hand and caused the seal of this Commission to be affixed to this Certificate at Mandaluyong City, Metro Manila, Philippines, this 17th day of January, Twenty Thirteen.




FERDINAND B. SALES
Acting Director

Company Registration and Monitoring Department

AMENDED PLAN OF MERGER

This Amended Plan of Merger, dated this 8th day of March 2012 is entered into by and between:

ALLIED BANKING CORPORATION, a universal bank organized and existing under the laws of the Philippines, with principal place of business at the Allied Bank Center, 6754 Ayala Avenue, Makati City, Philippines 0716, represented in this act by its duly authorized President, **ANTHONY Q. CHUA**, (“ALLIED BANK”);

and

PHILIPPINE NATIONAL BANK, a universal bank organized and existing under the laws of the Philippines, with principal place of business at the 10th Floor, PNB Financial Center, Pres. Diosdado Macapagal Boulevard, Pasay City 1300, represented in this act by its duly authorized President, **CARLOS A. PEDROSA** (“PNB”).

WITNESSETH, That:

WHEREAS, the respective Boards of Directors of each of ALLIED BANK and PNB deem it advisable and in the best interest of each bank and its respective stockholders that ALLIED BANK and PNB engage in a business combination in order to advance their long-term strategic business interests;

WHEREAS, the respective Boards of Directors of each of ALLIED BANK and PNB have determined that the combination of ALLIED BANK and PNB 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; and

WHEREAS, in furtherance thereof, the respective Boards of Directors of each of ALLIED BANK and PNB have approved the terms and conditions set forth in this Plan of Merger and recommended that the respective stockholders of ALLIED BANK and PNB adopt the following Plan of Merger.

PLAN OF MERGER

ARTICLE I

THE MERGER

ARTICLE 1.1. *The Merger.* Upon the terms and subject to the conditions of this Plan of Merger and on the Effective Date (as hereinafter defined), ALLIED BANK (hereinafter referred to as the "Absorbed Bank") shall merge with and into PNB. PNB shall be the surviving corporation (hereinafter sometimes called the "Surviving Bank" or the "Merged Bank") 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 ALLIED BANK shall terminate.

ARTICLE 1.2. *Effective Date.* The Merger shall become effective on the first day of the month following the issuance by the Securities and Exchange Commission ("SEC") of a Certificate of Filing of Articles of Merger (the "Certificate of Merger"), subject to compliance with Article 1.4 of this Plan of Merger, or such later time as may be agreed to by ALLIED BANK and PNB.

ARTICLE 1.3. *Effects of the Merger.* 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) ALLIED BANK and PNB shall become a single corporation, with PNB as the surviving corporation and ALLIED BANK shall cease to exist and its legal personality shall be terminated;
- (b) PNB shall continue to possess all its rights, privileges, immunities and powers and shall continue to be a subject to all its duties and liabilities, as those existing immediately prior to the Merger;
- (c) All the rights, privileges, immunities, franchises and powers of ALLIED BANK shall be deemed transferred to and possessed by the Merged Bank, in addition to those originally belonging to PNB;
- (d) All the properties of ALLIED BANK, real or personal, tangible or intangible, including the right to the name "*Allied Banking Corporation*" and all receivables due on whatever account, including subscription to shares, deferred tax assets, creditable taxes and *choses in action*, and all and every other interest of, belonging to, or due to ALLIED BANK shall be deemed transferred to the Merged Bank without further act or deed; and
- (e) All liabilities and obligations of ALLIED BANK shall be transferred to and become the liabilities and obligations of the Merged Bank in the same manner as if the Merged Bank has itself incurred such liabilities and obligations and in order that the rights and interest of creditors of ALLIED BANK or liens upon the property of ALLIED BANK shall not be impaired by the Merger.

ARTICLE 1.4. *Approvals.* The effectivity of this Amended Plan of Merger shall be subject to the approval of the Bangko Sentral ng Pilipinas ("BSP"), the SEC, and the Philippine Deposit and Insurance Corporation ("PDIC"). The Parties 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 Internal Revenue Code of 1997.

ARTICLE 2 EXCHANGE OF SHARES

ARTICLE 2.1. *Exchange Ratio.* As of the Effective Date, subject to Article 1.4 of this Plan of Merger:

- 2.1.1 all the issued and outstanding common stock of ALLIED BANK (the "ALLIED BANK Common Shares") shall be converted into fully-paid and non-assessable common stock of PNB (the "PNB Common Shares") at the ratio of 130 PNB Common Shares for each issued ALLIED BANK Common Share (the "Exchange Ratio for Allied Bank Common Shares"); and
- 2.1.2 all the issued and outstanding preferred stock of ALLIED BANK (the "ALLIED BANK Preferred Shares") shall be converted into fully-paid and non-assessable PNB Common Shares at the ratio of 22.763 PNB Common Shares for each issued ALLIED BANK Preferred Share (the "Exchange Ratio for Allied Bank Preferred Shares")

(The Exchange Ratio for Allied Common Shares and the Exchange Ratio for Allied Preferred Shares to be hereafter collectively referred to as the "Exchange Ratio".)

The Exchange Ratio was determined pursuant to consultations with third party financial advisers and approximates the relative contributions of PNB and ALLIED BANK to the Merged Bank as of 31 December 2011. Applying the Exchange Ratio, PNB will issue a total of 423,962,500 common shares to the shareholders of ALLIED BANK.

ARTICLE 2.2. *Issue Price of PNB Common Shares.* The PNB Common Shares to be issued pursuant to this Merger shall be issued at a price of Seventy Pesos (P70.00) per share.

ARTICLE 2.3. *Exchange Procedure.* As soon as reasonably practicable after the Effective Date, PNB shall issue PNB Common Shares to the stockholders of ALLIED BANK corresponding to each ALLIED BANK Common Share or ALLIED BANK Preferred Share, as the case may be, held by them in accordance with the aforesaid Exchange Ratio. Provided that in lieu of any fractional shares, each holder of ALLIED BANK Common Shares and ALLIED BANK Preferred Shares who would otherwise be entitled to such fractional share shall be entitled to an amount in cash, without interest, rounded to the nearest centavo equal to the product of (a) the amount of the fractional share interest in a PNB Common Share to which such holder is

entitled and (b) the average of the closing sale prices for PNB Common Shares on the Philippine Stock Exchange ("PSE") for each of the thirty (30) consecutive trading days ending on the date of execution by the parties of this Amended Plan of Merger.

ARTICLE 2.4. *Registration and Listing of Issued Shares.* Simultaneous with the reclassification of its preferred stock into common stock and the filing of the merger application, PNB shall proceed to secure from the SEC the appropriate exemption from the registration requirements of the Securities Regulation Code the PNB Common Shares to be issued pursuant to this Merger and to list such PNB Common Shares at the PSE.

ARTICLE 3

UNDERTAKINGS AND ADDITIONAL AGREEMENTS

Article 3.1. *Amendment of the Articles of Incorporation of PNB.* Further to the Exchange of Shares contemplated in the foregoing Article, PNB shall, simultaneous with the filing of the Merger Application, cause the amendment of its articles of incorporation specifically for the following purposes:

3.1.1 *Reclassification of PNB Preferred Shares.* The PNB authorized preferred stock shall be reclassified into authorized common stock in order to make available sufficient unissued common stock for the issuance of the necessary PNB Common Shares in accordance with the Exchange Ratio described above.

3.1.2 *Increase in Number of Directors.* The number of directors in the Board of Directors shall be increased from the current eleven (11) to fifteen (15) directors.

Article 3.2. Each of ALLIED BANK and PNB hereby undertake to:

3.2.1 *Stockholders' Approval.* Secure the conformity to 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;

3.2.2 *Consents, Approvals, or Waivers of Third Parties.* Obtain any and all required consents, approvals, or waivers of other parties, including their respective creditors, to the Plan of Merger; and

3.2.3 *Government Approvals.* 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, including the listing with the PSE of the issued PNB Common Shares pursuant to the Merger and the approval of the PDIC for the transfer to the Merged Bank of the insurance policy covering deposits in ALLIED BANK.

ARTICLE 3.3. *Business Prior to Effective Date.* Prior to the Effective Date, each of ALLIED BANK and PNB shall conduct their respective business in substantially the same manner as previously conducted and shall continue to preserve said business as a going concern.

ARTICLE 3.4. *Articles of Incorporation and By-Laws.* The Amended Articles of Incorporation and By-Laws of PNB approved as of the Effective Date shall continue to be the Articles of Incorporation and By-Laws of the Merged Bank until thereafter changed or amended in accordance with law.

ARTICLE 3.5. *Board of Directors.* The directors of PNB as of the Effective Date shall continue to be the directors of the Merged Bank, each to hold office in accordance with the Articles of Incorporation and By-Laws of PNB and applicable law, and until their respective successors are duly elected and qualified.

ARTICLE 3.6. *Other Deeds and Instruments.* ALLIED BANK and PNB 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 Amended Plan of Merger.

ARTICLE 3.7. *Confidentiality.* Unless otherwise required by law or regulation or as may be agreed upon by the parties, each of ALLIED BANK and PNB will use its best efforts to keep confidential any information obtained from the other party in connection herewith, and in the event the Merger is abandoned or not consummated, ALLIED BANK and PNB shall return all documents and other written information and materials obtained in connection herewith.

ARTICLE 3.8. *Expenses.* All fees, costs and expenses relating to only one party shall be borne exclusively by the party incurring the same. All common costs and expenses shall be equally borne by each of ALLIED BANK and PNB.

* ARTICLE 4 SPECIAL PROVISIONS

ARTICLE 4.1. *Authorization.* This Amended Plan of Merger has been approved by the respective Boards of Directors of ALLIED BANK and PNB and shall be submitted to their respective shareholders for approval in accordance with law and the respective by-laws of ALLIED BANK and PNB; provided, that the approval of this Amended Plan of Merger by the shareholders of ALLIED BANK and PNB will constitute an authorization to their respective Boards of Directors by majority vote to amend, modify or supplement this Amended Plan of Merger; provided further, that such amendment, modification or supplement shall not substantially change the terms of the Merger.

ARTICLE 4.2. *Substitution.* As soon as practicable after the Effective Date, the Merged Bank shall take such steps or measures as it may deem necessary or advisable to substitute itself in all suits and proceedings where the Absorbed Bank is a party and to substitute its name for ALLIED BANK in all titles and registers.

ARTICLE 4.3. *Incentives.* As soon as practicable after the Effective Date, the Merged Bank 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.

ARTICLE 4.4. *Articles of Merger.* Upon approval of this Amended Plan of Merger by the required votes of shareholders of ALLIED BANK and PNB during their respective special shareholders' meeting called for the purpose, the attached Articles of Merger, marked as Annex "A" and made an integral part of this Amended Plan of Merger shall be executed by ALLIED BANK and PNB, to be signed by the President and certified by the Corporate Secretary of each of ALLIED BANK and PNB setting forth this Plan of Merger, the number of shares outstanding of ALLIED BANK and PNB, and the number of shares voting for and against this Amended Plan of Merger, respectively.

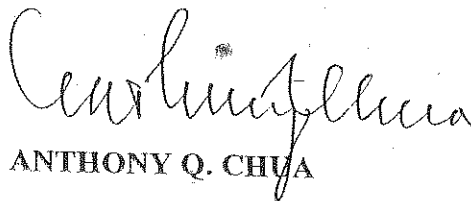
ARTICLE 4.5. *Non-Consummation.* In the event that the Merger is not consummated for whatsoever reason, each of ALLIED BANK and PNB, their respective stockholders, directors and agents, successors and assigns shall hold each other free and harmless from any and all liabilities and damages arising from or incurred by reason of the non-consummation of the Merger.

IN WITNESS WHEREOF, the parties have hereunto signed these presents on the first date abovestated.

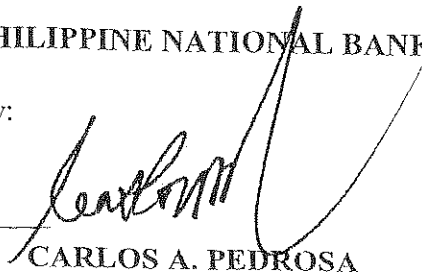
ALLIED BANKING CORPORATION

PHILIPPINE NATIONAL BANK

By:


ANTHONY Q. CHUA

By:


CARLOS A. PEDROSA

Witnesses

ACKNOWLEDGMENT

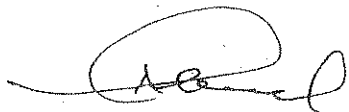
REPUBLIC OF THE PHILIPPINES)
 Makati City) SS.

BEFORE ME, a Notary Public, for and in the City of Makati on this 21 day of MAR 21 2012 2012, personally appeared the following:

<u>NAME</u>	<u>Passport No.</u>	<u>DATE/PLACE OF ISSUE</u>
Allied Banking Corporation By: Anthony Q. Chua	EB0034396	26 March 2010/Manila
Philippine National Bank By: Carlos A. Pedrosa	XX2115382	25 September 2008/Manila

known to me and to me known to be the same persons who executed the foregoing Plan of Merger consisting of seven (7) pages, including the page upon which this Acknowledgment is written and who acknowledged to me that the same is their free and voluntary act and deed as well as that of the corporations therein represented.

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

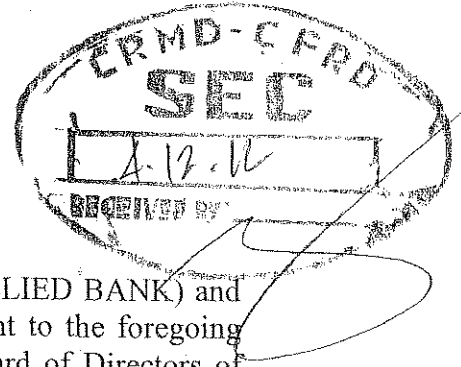


MCDONALD G. ABALOS

Notary Public Until 31 December 2013
 19th/F BDO Plaza, 8737 Paseo de Roxas, Makati City
 PTR No. 3180011, Makati City, 4 January 2012
 IBP No. 878167, Quezon City, 4 January 2012
 Roll No. 56653, Commission No. 229

Doc. No. 45;
 Page No. 10;
 Book No. I;
 Series of 2012.

AMENDED ARTICLES OF MERGER



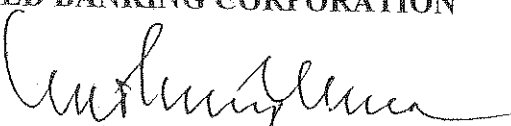
We hereby certify in respect of the bank we represent that:

1. The merger of ALLIED BANKING CORPORATION (ALLIED BANK) and PHILIPPINE NATIONAL BANK (PNB) shall be pursuant to the foregoing Amended Plan of Merger approved by the respective Board of Directors of ALLIED BANK and PNB on 16 December 2011;
2. The respective stockholders of ALLIED BANK and PNB, in separate special meetings called for the purpose, approved the aforesaid Amended Plan of Merger and authorized their respective Presidents to sign, execute and deliver the Articles and Amended Plan of Merger.
3. As of 6 February 2012, the record date of the special stockholders' meeting called for the purpose of approving the Amended Plan of Merger, the total outstanding common shares of ALLIED BANK was 3,252,495 and the total outstanding preferred shares of ALLIED BANK was 50,000. At the special meeting of the stockholders of ALLIED BANK held on 6 March 2012, at which a quorum was present and acting throughout, the stockholders of ALLIED BANK representing 3,192,823 shares equivalent to 96.67% or more than two-thirds (2/3) of the outstanding capital stock of ALLIED BANK voted for the Amended Plan of Merger, and no stockholder voted against it.
4. As of 6 February 2012, the record date of the special stockholders' meeting called for the purpose of approving the Amended Plan of Merger, the total outstanding common shares of PNB was 662,245,916. At the special meeting of the stockholders of PNB held on 6 March 2012, at which a quorum was present and acting throughout, the stockholders of PNB representing 446,927,341 common shares equivalent to 67.48% or more than two-thirds (2/3) of the outstanding capital stock of PNB voted for the Amended Plan of Merger, and no stockholder voted against it.

IN WITNESS WHEREOF, the parties have hereunto signed these Articles of Merger this 8th day of March 2012 at Makati City, Philippines.

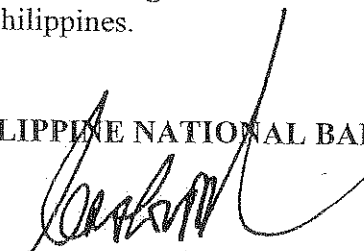
ALLIED BANKING CORPORATION

By:


ANTHONY Q. CHUA
President

PHILIPPINE NATIONAL BANK

By:

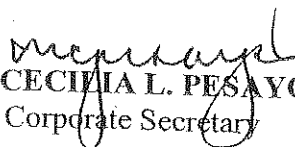

CARLOSA. PEDROSA
President

We hereby certify that the foregoing Amended Plan of Merger with the Articles of Merger were signed by the President of ALLIED BANK and the President of PNB after approval thereof by the stockholders representing at least two-thirds (2/3) of the outstanding capital stock of our respective corporations in respective stockholders' meeting duly called for such purpose.

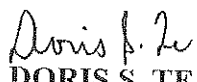
ALLIED BANKING CORPORATION

PHILIPPINE NATIONAL BANK

By:


MA. CECILIA L. PESAYCO
Corporate Secretary

By:


DORIS S. TE
Corporate Secretary

ACKNOWLEDGMENT

REPUBLIC OF THE PHILIPPINES)
MAKATI CITY) SS.

MAR 21 2012

BEFORE ME, a Notary Public, for and in the above jurisdiction, this day of March 2012 personally appeared the following with their valid identification cards, to wit:

<u>Name</u>	<u>Passport No.</u>	<u>Date/Place of Issue</u>
Allied Banking Corporation		
By: Anthony Q. Chua	EB0034396	26 March 2010/Manila
Philippine National Bank		
By: Carlos S. Pedrosa	XX2115382	25 September 2008/Manila
Ma. Cecilia L. Pesayco	EB4720800	16 February 2012/Manila
Doris S. Te	EB0993396	19 September 2010/Manila

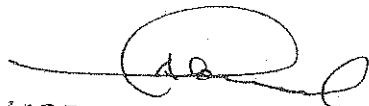
known to me and to me known to be the same persons who executed the foregoing Articles of Merger and acknowledged to me that the same is their free and voluntary act and deed and of the corporations represented herein.

This Articles of Merger is duly signed by the parties above and sealed with my Notarial Seal.

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

Doc. No. 44 ;
Page No. 11 ;
Book No. I ;
Series of 2012.

Articles of Merger 6 march 2012 / Allied-PNB


DONALD G. ABALOS
Notary Public Until 31 December 2013
BDO Plaza, 8737 Paseo de Roxas, Makati City
PTR No. 3180011, Makati City, 4 January 2012
BP No. 878167, Quezon City, 4 January 2012
Roll No. 56653, Commission No. 229