



MEMORANDUM

CN - No. 2019-0012

The Philippine Stock Exchange, Inc.

<input type="checkbox"/>	Trading Rules	<input type="checkbox"/>	Computer Systems Update
<input type="checkbox"/>	Membership Rules	<input type="checkbox"/>	Administrative Matters
<input checked="" type="checkbox"/>	Listing Rules	<input type="checkbox"/>	Others

TO: ALL LISTED COMPANIES AND THE INVESTING PUBLIC

SUBJECT: NEW FEE FRAMEWORK FOR LISTING APPLICATIONS

DATE: MARCH 22, 2019

Please be advised that the new fee framework for listing applications of The Philippine Stock Exchange, Inc. ("PSE" or "Exchange") has become effective pursuant to Rule 40.3.2 of the 2015 SRC Rules.

The salient points of the new fee framework are as follows:

1. The processing fee shall be removed.
2. The filing fees shall be paid in full upon filing of the listing application with the Exchange.
3. The filing fee rates shall be the same as the current listing fee rates, except the filing fees for initial listing under the Small, Medium and Emerging Board which shall be 1/10 of 1% of the maximum aggregate price of the securities to be offered.
4. In case the applicant company voluntarily withdraws, or requests the Exchange to defer processing of, the listing application, the Exchange shall discontinue the processing of the application and fifty percent (50%) of the filing fee paid shall be forfeited and not be allowed for future application. The remaining fifty percent (50%) of the filing fee may be applied by the applicant company to any future listing application with the Exchange, provided the subsequent listing application is filed within six (6) months from voluntary withdrawal or deferment, or if the Exchange has issued a Notice of Approval, within six (6) months from issuance of such notice.

Attached is a copy of the revisions to the PSE Consolidated Listing and Disclosure Rules, incorporating the new fee framework for listing applications.

For your information and guidance.

(Original Signed)
Ramon S. Monzon
President and CEO

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**Revisions to the PSE Consolidated Listing and Disclosure Rules
Re: New Fee Framework for Listing Applications**

**ARTICLE III
EQUITY SECURITIES**

**PART B
PROCESSING OF LISTING APPLICATIONS**

SECTION 1. Acceptance of Listing Application - An application for listing shall only be accepted upon payment of the filing fee and submission of all documentary and other requirements to the Listings Department of the Exchange.

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SECTION 5. Rule on Pending Listing Applications - An Applicant Company is required to respond within thirty (30) calendar days to any request by the Exchange for information or submission of documents relating to its listing application.

The failure of the Applicant Company to respond within the prescribed period shall constitute abandonment of its listing application and the Exchange shall consider the same as not to have been filed; however, the Exchange shall not refund the filing fee paid by the Applicant Company.

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SECTION 9. Board Action - The Exchange shall immediately notify the Applicant Company in writing of the action taken by the Board of Directors of the Exchange with regard to the application. If the listing application is rejected, the Exchange shall not refund the filing fee paid by the Applicant Company.

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SECTION 11. Withdrawal - If the Applicant Company withdraws, or requests the Exchange to defer processing of, the listing application, the Exchange shall discontinue the processing of the application and fifty percent (50%) of the filing fee paid by the Applicant Company shall be forfeited and not be allowed for future application. The remaining fifty percent (50%) of the filing fee paid may be applied by the Applicant Company to any future listing application with the Exchange, provided that the subsequent listing application is filed within six (6) months from withdrawal or deferment, or if the Exchange has already issued a Notice of Approval ("NOA"), within six (6) months from Applicant Company's receipt of the NOA.

**ARTICLE III
EQUITY SECURITIES**

**PART F
DISTRIBUTION OF INITIAL PUBLIC OFFERING SHARES THROUGH THE EXCHANGE**

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SECTION 9. Listing Date and Failure to Offer and/or List -

(a) The offering period and formal listing of the shares shall be conducted within the period stated in the Notice of Approval of the listing application ("Approved Period").

If no offering and listing were conducted within the Approved Period or any new schedule granted by the Exchange, as may be applicable, the listing application shall be deemed abandoned and the Exchange shall not refund the filing fee paid by the Applicant Company. On the other hand, if an offering was conducted, formal listing shall be made within ten (10) calendar days from the end of the offering period; otherwise, the listing application shall be deemed abandoned, the Exchange shall not refund the filing fee paid by the Applicant Company, and the Applicant Company shall be required to refund all subscription payments within ten (10) banking days from the lapse of the prescribed period for listing. In both cases of abandonment, the Applicant Company may file another application for listing but it shall be filed only after one hundred eighty (180) calendar days from the lapse of the Approved Period.

(b) After the approval of the application for listing and within six (6) months from the Applicant Company's receipt of the Notice of Approval ("NOA"), the Applicant Company may file with the Listings Department a request to move the offering period and formal listing to a later date but in no case beyond six (6) months from the Applicant Company's receipt of the NOA only if the request is based on meritorious and reasonable grounds, as determined by the Exchange. In such case, fifty percent (50%) of the filing fee paid by the Applicant Company shall be forfeited and only the remaining fifty percent (50%) of the filing fee paid shall be applied to said listing application. Issuer shall pay any deficiency between the remaining fifty percent (50%) of the filing fee paid and the final filing fee.

If the new offering period and formal listing are outside the six-month period from the Applicant Company's receipt of the NOA, paragraph (a) of this section shall apply.

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**ARTICLE VI
SCHEDULE OF FEES**

**PART A
GENERAL**

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SECTION 3. Payment Period for Filing Fee - The Applicant Company shall pay the filing fee upon filing of the listing application.

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**ARTICLE VI
SCHEDULE OF FEES**

**PART B
EQUITY SECURITIES - INITIAL LISTING**

SECTION 1. Applications for Initial Public Offering (Primary Listing in the Main Board) - Issuers applying to list by way of primary listing in the Main Board of the Exchange shall pay a filing fee based on the computed market capitalization of the Issuer. Market capitalization is computed as the total number of shares applied for listing multiplied by the offer price:

<u>Market Capitalization (MCap)</u>	<u>Filing Fee Rate</u>
(1) ₱15 Billion and below	1/10 of 1% of MCap but not lower than ₱500,000.00
(2) Over ₱15 Billion	₱15 Million + 1/20 of 1% of the excess over ₱15 Billion MCap

SECTION 2. Applications for Initial Public Offering (Primary Listing in the SME Board) - Issuers applying to list by way of primary listing in the SME Board of the Exchange shall pay a filing fee equivalent to 1/10 of 1% of the maximum aggregate price of the securities to be offered.

SECTION 3. Applications for Listing By Way of Introduction in the Exchange - Applicable fees for Issuers applying to list by way of secondary listing in the Exchange are as follows:

For companies applying under Section 1(a), Part G, Article III, the filing fee shall be computed based only on the number of shares applied for listing held within the Philippines applying the scale of fees in Section 1, Part B, Article VI.

All other companies applying to list by way of introduction shall follow the scale of fees in Section 1, Part B, Article VI (for Main Board) or Section 2, Part B, Article VI (for SME Board).

The filing fee (for Main Board) however, shall not be less than Five Hundred Thousand Pesos (₱500,000.00).

SECTION 4. Applications for an IPO Shelf Listing - The applicable fees for Issuers applying for IPO shelf listing are as follows:

- (A) **Main Board** - Issuer shall follow the scale of fees in Section 1, Part B, Article VI and compute the filing fees based on the market capitalization of the Issuer. The filing fee for the first tranche shall be paid upon filing of the initial shelf-listing application. The filing fee for subsequent tranches shall be paid upon filing of the listing application for said tranche.

(B) **SME Board** - Issuer shall apply the rate in Section 2, Part B, Article VI and compute the filing fees based on the maximum aggregate price of the securities to be offered in the first tranche. The filing fee for the first tranche shall be paid upon filing of the initial shelf-listing application. The filing fee for subsequent tranches shall be paid upon filing of the listing application for said tranche.

The filing fee covering the shelf-listed shares that will remain unissued or unsubscribed after the validity period of the Exchange's approval of the shelf-listing shall be paid no later than thirty (30) business days before the expiration of said validity period.

SECTION 5. Computation of Filing Fee with No Final Offer Price - If the final offer price is still to be determined from a price range set by the Issuer, the maximum price in the price range shall be used as basis for the computation of the filing fees.

SECTION 6. Applications for Transfer to the Main Board - The Issuer shall pay a non-refundable filing fee of One Hundred Thousand Pesos (₱100,000.00).

**ARTICLE VI
SCHEDULE OF FEES**

**PART C
EQUITY SECURITIES - ADDITIONAL LISTING**

SECTION 1. Applications for Additional Listing -

For all applications for listing of shares arising from subsequent public offerings of primary shares or re-issuance of shares, mergers or consolidations, substantial acquisitions, takeovers and reverse takeovers (also referred to as backdoor listings) and all other types of additional listing applications, the Issuer shall pay the filing fee rates indicated hereunder.

Out of pocket expenses incurred by the Exchange in the conduct of its due diligence or investigation on the Applicant Companies, its directors and officers, shall be charged separately to the Applicant Companies.

<u>Transaction</u>	<u>Filing Fee Rate</u>
(1) Stock Dividend	1/10 of 1% of the number of shares to be listed multiplied by its par value
(2) Stock Rights Offering	1/10 of 1% of the number of shares to be listed multiplied by its offer price. If the final offer price is still to be determined from a price range set by the Issuer, the maximum price in the price range shall be used as the offer price.
(3) Debt-to-Equity Conversion	1/10 of 1% of the number of shares to be listed multiplied by its conversion price
(4) Private Placement	1/10 of 1% of the number of shares to be listed multiplied by its placement price
(5) Shares for Asset Swap	1/10 of 1% of the number of shares to be listed multiplied by its transaction price
(6) Shares for Property Swap	1/10 of 1% of the number of shares to be listed multiplied by its transaction price
(7) Underlying Shares	1/10 of 1% of the maximum number of underlying shares to be converted or exercised multiplied by its conversion, strike, or exercise price. If the conversion, strike, or exercise price refers to a formula or market price of the shares at some future date or period, the date or period closest to the date of filing of the listing application shall be used for purpose of computing the filing fee.

(8) Availment of Stock Option Plan	<p>1/10 of 1% of the maximum number of shares to be availed or exercised multiplied by its Stock Option Plan price</p> <p>Should the stock option price refer to a formula or market price of the shares at some future date or period, the date or period closest to the date of filing of the listing application shall be used for the purpose of computing the filing fee. The same shall not, however, apply to shares already availed of or granted pursuant to the plan, in which case, the stock option price to be used by the Exchange shall be the price at which said option shares have been availed of or exercised.</p>
(9) Preferred Shares	1/10 of 1% of the number of shares to be listed multiplied by its issue price
(10) Follow-on Offerings	<p>For common shares and ETFs - 1/10 of 1% of the number of shares to be listed multiplied by the maximum price or cap in the price range;</p> <p>For other shares - 1/10 of 1% of the number of shares to be listed multiplied by its offer price. If the final offer price is still to be determined from a price range set by the Issuer, the maximum price in the price range shall be used as the offer price.</p>
(11) Underlying Shares of Subscription Warrants	1/10 of 1% of the maximum number of underlying shares to be converted or exercised multiplied by its conversion, strike, or exercise price. If the conversion, strike, or exercise price refers to a formula or market price of the shares at some future date or period, the date or period closest to the date of filing of the listing application shall be used for purpose of computing the filing fee.

The additional filing fee structure stated above is applicable to the additional listing of securities of listed companies which were listed in the Exchange by way of introduction. For companies applying under Section 1(a), Part G, Article III, the fee computation however, shall be based only on the shares offered in the Philippines but the amount shall not be less than One Hundred Thousand Pesos (₱100,000.00).

In case of shelf-listing of additional securities, the filing fee to be paid by the Applicant Company shall be computed based on the number of shares to be issued per tranche of offer/issuance. The filing fee for the first tranche shall be paid upon filing of the shelf-listing application. The filing fee for subsequent tranches shall be paid upon filing of the listing application for such tranche. The filing fee covering the shelf-listed shares that will remain unissued after the validity period

of the Exchange's approval of the shelf-listing shall be paid not later than thirty (30) business days before the expiration of said validity period.

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SECTION 3. Filing Fee for Subscription Warrant - The filing fee for Subscription Warrants shall be based on the total funds which would be raised from the full exercise of the warrants, to wit:

Percentage of Existing Issued Share Capital Subject to Warrants	Total Funds Which Would Be Raised on Full Exercise of the Warrants		
	Not Exceeding ₱500 Million	Not Exceeding ₱1 Billion	Above ₱1 Billion
Not exceeding 10%	₱150,000.00	₱250,000.00	₱300,000.00
Not exceeding 50%	150,000.00	250,000.00	400,000.00
Not exceeding 100%	250,000.00	300,000.00	450,000.00
Over 100%	300,000.00	400,000.00	600,000.00

The filing fee is payable upon the filing of the application for listing of Subscription Warrants.