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**PRESS RELEASE**  
**7 October 2017**

## PCC warns telcos of possible violations of Philippine Competition Act

Last week's news report stated that PLDT and Globe rejected PCC's request to refile notification of their P70 billion joint deal to buy out SMC's telecommunications businesses.

This is not accurate.

There is nothing to reject on the part of PLDT and Globe. The PCC denied their initial filing which was found to be defective and deficient. It is now up to the parties whether or not to comply.

The PCC, however confirms, and as recently disclosed by the parties themselves, that the parties filed with the PCC new submissions consisting of new materials not previously produced in their initial notice to the PCC. We note however that the parties continue to deny that these constitute a refiling.

The PCC cannot further comment on the transaction because we have returned the parties' submissions for non-compliance. As of this time therefore, there is no Notice for the PCC to review. We emphasize that the transactions have not been deemed approved.

As conveyed to the parties, they are in the meantime directed to, and should be guided by, Section 17 of the PCA which provides that "an agreement consummated in violation of this requirement to notify the Commission shall be considered void and subject the parties to an administrative fine of one percent (1%) to five percent (5%) of the value of the transaction."

They are also reminded that the PCA is in effect since August 2015. The law is not only about mergers and acquisitions; it also makes illegal, anti-competitive agreements and acts that can be considered abuse of dominant market position, which are separately penalized by the PCA.

The Philippine Competition Commission

